

# Public Report Sustainable Forest Management System

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## PUBLIC AUDIT REPORT – SFM

### TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAMES: PT DAYA TANI KALBAR

TOTAL HECTARES: 41,353

SCOPE OF REGISTRATION: Sustainable Forest Management of 41,353 hectares of Plantation Forest in West Kalimantan Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1 (REMOTE)

START DATE AUDITS: December 07, 2020  
 END DATE AUDITS: December 11, 2020  
 In signing this document the Audit team confirms that they have had no involvement with the company under audit in terms of consultancy, training, direct employment etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

LEAD AUDITORS: Andri Wibisono

SIGNATURES:

TEAM AUDITS: Abdullah Mujahid

SIGNATURES:

Warsito

SIGNATURES:


MAJOR CARS: 0

MINOR CARS: 3

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Daya Tani Kalbar	Batu Ampar and Kubu Raya District, Kubu Raya Regency and Simpang Hulu District, Ketapang Regency, West Kalimantan – Republic of Indonesia	December 7, 8, 10, 11, 2020
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY – TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
NA		

#### Brief Description of the concession

PT Daya Tani Kalbar obtained the concession based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.33/Menlhk/Setjen/HPL.0/1/2019 dated January 17, 2019 concerning Amendments to the Decree of the Minister of Forestry Number 60/KPTS-II/1997 dated January 28, 1997 concerning Grants Concession Rights of Industrial Plantation Forest on Forest Area of approximately 56,060 hectares in Province Level I of West Kalimantan to PT Daya Tani Kalbar. The area of IUPHHK-HTI PT. Daya Tani Kalbar that was originally an area of approximately 56,060 hectares to approximately 44,530 hectares consisting of production forest of approximately 42,232 hectares and permanent production forest of approximately 2,298 hectares. This change was related to the Land for Agrarian Reform Objects (TORA) policy.

There was conversion of approximately 3,177 ha of secondary natural forest after December 31, 2010, thus the area for IFCC certification is 41,353 ha.

PT Daya Tani Kalbar has a ten-year plan, namely the Revision of the Business Plan for the Utilization of Timber Forest Products in Industrial Plantation Forests (RKUPHHK-HTI) for 2017 to 2026 No. 6081/MenLHK-PHPL/UHP/HPL.1/6/2019 Regarding Approval of Revision of Business Plan for Utilization of Timber Forest Products in Industrial Plantation Forests (RKUPHHK-HTI) on behalf of PT Daya Tani Kalbar in West Kalimantan Province on June 28, 2019. According to the long-term plan document, PT Daya Tani West Kalimantan has allocated Local Protected Areas and Other Protected Areas of 19,903.43 ha (44.70%), Staple Plant Area of 17,047.15 ha (38.28%) and Livelihood Plant area of 7,579.42 ha (17.02%).

Local Protected Areas and Other Protected Areas of 19,903.43 ha (44.70%) consist of Buffer Zone of 1,495.50 ha (3.36%), Cultural Conservation of 321.75 ha (0.72%), KPPN of 715.13 ha (1.61%), KPSL of 5,480.32 ha (12.31%), river border of 7,728.37 ha (17.36%), and Peat Dome Peak of 4,162.36 ha (9.35%). Difference in sum of percentages due to rounding.

PT Daya Tani Kalbar is located between 0° 32' 35" to 0° 53' 45" South and 109° 37' 00" to 110° 04' 45" East. It falls under the Government Administration of Batu Ampar District, Kubu Raya Regency and Simpang Hulu District, Ketapang Regency, West Kalimantan Province.

The boundaries of the working area of PT. Daya Tani Kalbar are:

- East with Permanent Production Forest
- West with Protection Forest, Limited Production Forest
- North with the IUPHHK-HA PT Kandelia Alam, Permanent Production Forest.
- South with PT. Gerbang Benua Raya, PT Mayawana Persada IUPHHK-HTI, Other Use Area.

PT Daya Tani Kalbar has a working area slope class, namely: Flat (0-8%) of 52,417 ha (93.5%); Sloping (8-15%) of 3,594 ha (6.4%); Slightly Steep (15-25%) of 49 ha (0.1%). The entire working area of PT Daya Tani Kalbar's IUPHHK-HTI is peat soil consisting of the following types: Sulfaquents; Hydraquents of 715 ha (1.27%); Tropaquents; Fluvaquents; Sulfaquents of 4,764 ha (8.50%); Tropohemist, Tropofibrists of 23,330 ha (41.62%); and Tropohemist, Troposaprist, Tropaquents of 27,251 ha (48.61%).

The species cultivated as Staple Plants is *Acacia crassicarpa*.

According to Government Regulation No. 71 of 2014 in conjunction with Government Regulation Number 57 of 2016 concerning Protection and Management of Peat Ecosystem Functions, the company has compiled a Peat Ecosystem Recovery Document number SK.11/PPKL/PKG/PKL.0/1/2018 concerning the Peat Ecosystem Recovery Plan and Determination of Manual Groundwater Level Compliance Points, Installation Points for Automatic Groundwater Level Measuring Equipment, and The Rainfall Monitoring Station of PT Daya Tani Kalbar is in accordance with the

RKUPHHK-HTI document based on the Peat Ecosystem Function for the Period 2017 to 2026, which has been approved according to the Decree of the Minister of Environment and Forestry No: SK. 6130/MenLHK- PPL/UHP/HPL. Regulation of the Minister of Environment and Forestry Number P.10/MenLHK/Setjen/Kum.1/2/2019 concerning Determination and Management of Peat Dome Peaks Based on Peat Hydrological Units.

### Description of the socio-economic conditions of the concession and the concession's social programs

The Management Unit has identified community rights related to the expected impacts arising from HTI development activities described in the environmental document review (AMDAL). Based on this document, no legal community land tenure has been found within the concession area.

Based on the Social Impact Assessment Report document, the residents around PT Daya Tani Kalbar area consist of Dayak community and Javanese, Sundanese migrants, etc.

PT Daya Tani Kalbar has collaborated with the local community in the form of a timber production fee that is distributed to the community according to the size of each village included in the concession. In addition, there is collaboration with the villages in Community with Fire Awareness (MPA).

The Management Unit has produced conflict data reports and forestry conflict resolutions addressed to the Head of the Environment and Forestry Office of West Kalimantan Province and the Director General of Sustainable Production Forest Management that are reported each semester.

According to the realization report of the Community Development program for 2020, the programs that were realized up to the time of the audit were those carried out in the form of religion (houses of worship assistance) and social programs (fuel assistance to two villages, purchase of spray tanks) payment of timber production fees, and Covid-19 assistance. In addition, there was the Desa Makmur Peduli Api (DMPA) Program, one of the Management Unit's efforts to harmonize productive economic programs based on community empowerment. The type of community empowerment program that has been realized in 2020 is the DMPA Mart program development assistance.

### Description of the ecological conditions of the concession

The Management Unit has carried out Forest Ecosystem and Hydrological Function Management activities, namely through the following activities:

- PT Daya Tani Kalbar has an AMDAL Document that has been approved by the Ministry of Forestry's AMDAL Center Commission No. 156/DJ-VI/AMDAL/96 and AMDAL Peatland Canalization Activities of PT Daya Tani Kalbar with Environmental Feasibility Letter by Governor of West Kalimantan Decree No. 192/BLHD/2011.
- Reduced Impact Logging activities that are carried out in stages: before logging activities (pre-harvesting), during harvesting operations, and after logging activities (post-harvesting)
- Identification of areas that function for land and soil protection designated as protected area, the river borders, KPPN / KPSL, etc.
- Monitoring the negative impacts of forest management activities in concession areas is carried out in accordance with documented procedures such as for Monitoring Protected Areas, Monitoring Discharge and Water Quality and for Monitoring Subsidence and TMAT.

The Management Unit has carried out Biodiversity Management activities through the identification and inventory of protected, endemic, rare and threatened/near-extinct flora and fauna in the IUPHHK-HTI area, the results of the which can be found in: AMDAL document RKL RPL 1996, Revised RKUPHHK 2017-2026, and RKL/RPL Semester Reports. There is a fauna distribution map, but no flora distribution map as yet.

- Identification of protected and threatened/endangered key species includes their habitats and migration patterns, but based on the identification, there are no key species in the area.
- The staple plant species cultivated are not genetically modified tree species, being *Acacia crassicarpa*.

The Management Unit has carried out forest protection activities:

- Identify and monitor disturbances in Sustainable Forest Management, whether these have human or natural causes.
- Has a documented procedure to prevent and manage pest attacks, utilizing manual, natural or pesticide remedies as most suitable, Besides having documented procedures for Integrated Pest and Disease Management, it also has such measures for Weed Control, Handling Spills of Fuel, Lubricants and Chemicals, and for the Management of Hazardous and Toxic Waste (B3).
- Implements forest protection measures against fire hazards.
- There is no community grazing activities permitted in the work area.
- Implements appropriate steps in forest protection activities.

### Results of the Public Consultation

Prior to conducting the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted a public consultation commencing November 15, 2020, asking stakeholders to provide feedback and information about PT Daya Tani Kalbar. Public consultations were uploaded to the PT AJA Sertifikasi Indonesia website ([www: ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia received no input from stakeholders during the public consultation.

The audit team also collected information from the mass media about PT Daya Tani Kalbar, the reported cases being given material consideration as part of the audit process conducted by PT AJA Sertifikasi Indonesia.

The Management Unit has identified all the requirements needed for this certification process, which consists of legal aspects that include compliance with international rules and regulations and conventions. The management system has been developed to cover all activities in the field of certification, which is registered for an area of 41,353 hectares.

### Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

According to the results of the Surveillance 1 Audit of PT Daya Tani Kalbar, there were three (3) Non-Conformities of a Minor category. The Management Unit has made improvements and no critical issues were identified by the audit team.

Number	Non-Conformity	Corrective Action Performed	Category
1	The planting plan in the ratified RKUPHHK-HTI is not in accordance with Indicator I.2.2. The management plan shall take into account the sustainability of ecological/environmental functions.  <b>Indicator I.2.2</b>	The Management Unit will consider the sustainability of production, ecological and social functions in accordance with the applicable RKU documents for structuring the annual plan, and the company has commitment and will consider implementing the RKU revision	Minor
2	There was no rinse house available for maintenance workers (spraying team), to ensure workers return home in a clean condition and do not clean work tools, clothes and bathe in canals or regular	<ul style="list-style-type: none"> <li>- Make a suggestion for a special bathroom in the camp for showers and rinsing work tools</li> <li>- Make a special bathroom for spray workers</li> <li>- Ensure the workers take showers and cleaning the tools in special bathroom at the camp</li> <li>- Socialization of the handling of B3</li> </ul>	Minor



	bathrooms. <b>Indicator I.12.2</b>	and LB3 especially to spray workers	
3	There were some workers who did not wear safety shoes (rubber shoes) and protective leg pants (saw chaps) as required in the ILO code of practice for OHS in the forestry sector. <b>Indicator I.12.4</b>	<ul style="list-style-type: none"> <li>- Induction to workers to use appropriate PPE according to the potential risk of work accidents</li> <li>- Revise the PPE matrix by including saw chaps in PPE harvesting activities</li> <li>- Urge contractors to procure PPE harvesting according to the matrix/ILO</li> <li>- Routine K3 inspections on harvesting activities</li> </ul>	Minor

**Conditions under which the certificate is issued**

Certificate is valid until April 01, 2023 provided that PT Daya Tani Kalbar completes all corrective actions according to the time schedule proposed in its corrective action responses and does not have the same problems at the next Surveillance visit. If the non-conformities are not closed at the next Surveillance, the certificate will be suspended until such time as AJA is able to perform a closeout visit.