

Public Report Sustainable Forest Management System

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PUBLIC AUDIT REPORT – SFM

TO BE SUBMITTED TO THE ORGANIZATION, IFCC AND TO AJA EUROPE



ORGANIZATION NAME: PT GEMILANG CIPTA NUSANTARA

TOTAL HECTARES: 150,693.37

SCOPE OF REGISTRATION: Sustainable Forest Management of 150,693.37 hectares of Natural Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Recertification

AUDIT START DATE: June 20, 2024

AUDIT END DATE: June 27, 2024

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 AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARs: 0

MINOR CARs: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Head Office	Komplek Rukan Akasia Blok 3, No. 1, RT 001, RW 009, Pangkalan Kerinci Timur, Pangkalan Kerinci, Kab. Pelalawan, Riau Province, Indonesia	June 20 and 27, 2024
Site PT Gemilang Cipta Nusantara (RKP)	Pelalawan - Kecamatan Teluk Meranti, Kabupaten Pelalawan, Riau Province Indonesia	June 21 to 22, 2024
Site PT The Best One Unitimber	Kecamatan Teluk Meranti, Kabupaten Pelalawan, Riau Province, Indonesia	June 23 to 24, 2024
Site PT Sinar Mutiara Nusantara	Kecamatan Teluk Meranti, Kabupaten Pelalawan, Riau Province, Indonesia	June 25 to 26, 2024
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	
Site PT Gemilang Cipta Nusantara (RPP)	Kepulauan Meranti - Kecamatan Merbau dan Tasik Putri Puyu, Kabupaten Kepulauan Meranti, Provinsi Riau, Indonesia	
Site PT Global Alam Nusantara	Kecamatan Teluk Meranti, Kabupaten Pelalawan, Riau Province, Indonesia	

Brief Description of the concession

PT Gemilang Cipta Nusantara certification group was formed based on the minutes of the formation of the group in the framework of sustainable forest management certification at IUPHHK-RE which is part of the Riau Ecosystem Restoration program on January 9, 2020. The process of the certification was applied in groups (Group Certification) refers to the IFCC PD 1005:2021 procedure, and establishes PT Gemilang Cipta Nusantara (PT GCN) as the parent organization of this group. There was no forest conversion above December 31, 2010, the certified area is 150,693.37 Ha.

The list of certified members of PT Gemilang Cipta Nusantara is as follows :

1. PT Gemilang Cipta Nusantara in Pelalawan Regency (RKP)
2. PT Gemilang Cipta Nusantara in Kepulauan Meranti Regency (RPP)
3. PT The Best One Unitimber in Pelalawan Regency
4. PT Sinar Mutiara Nusantara in Pelalawan Regency
5. PT Global Alam Nusantara in Pelalawan Regency.

In this Transition to IFCC ST 1001:2021 + Recertification Audit, the audit sampling are PT Gemilang Cipta Nusantara in Pelalawan Regency (RKP), PT The Best One Unitimber in Pelalawan Regency, and PT Sinar Mutiara Nusantara in Pelalawan Regency.

There are changes to the Decree (SK) of Ministry of Environment and Forestry of determination of working areas to be Forest Utilization Business License (PBPH) to all members, as follows:

1. PT Gemilang Cipta Nusantara in Pelalawan Regency (RKP) with SK No. 1102/MENLHK/SETJEN/HPL.0/11/2021 dated November 17,2021 of 20,123.33 Ha.
2. PT Gemilang Cipta Nusantara in Kepulauan Meranti Regency (RPP) with SK No. 1103/MENLHK/SETJEN/HPL.0/11/2021 dated 17 November 2021 of 20.598,53 Ha.
3. PT The Best One Unitimber in Pelalawan Regency with SK No. 1106/MENLHK/SETJEN/HPL.0/11/2021 dated November 17,2021 of 40,665.67 Ha.
4. PT Global Alam Nusantara in Pelalawan with SK No. 1104/MENLHK/SETJEN/HPL.0/11/2021 dated November 17,2021 of 36,524.78 Ha.
5. PT Sinar Mutiara Nusantara in Pelalawan Regency SK No. 1105/MENLHK/SETJEN/HPL.0/11/2021 dated November 17,2021 of 32,781.06 Ha.

The detail condition of each sampled member are as follows:

- 1) PT Gemilang Cipta Nusantara in Pelalawan Regency

According to the RKUPHHK-RE, the spatial layout is Protected Zone of 19.801,33 Ha, and Production Zone of 322,00 Ha, with a total of 20,123.33 Ha. It is geographically located between 0° 21'23.83" to 0° 32' 8,19" North and 102° 43'25,72" to 103° 0' 29,05" East. The working area boundaries are Permanent Production Forest Area of Tasik Besar Serkap to the north, Permanent Production Forest Area of Tasik Besar Serkap to the east, PT RAPP and PT Mitra Hutani Jaya to the south, and Production Forest Area to the west.

PT Gemilang Cipta Nusantara in Pelalawan Regency is part of the forest group of Tasik Besar Serkap/Tasik Sarang Burung, and also part of the Kampar and Serkap sub-watersheds, Kampar and Apung watersheds. The climate is type A (Schmidt & Fergusson) with rainfall of 1,949 to 2,951 mm/year, average monthly temperature is 26.1 to 27.5° C, and humidity of 81-84%. Based on forestry administration, it is included in KPHP Tasik Besar Serkap, Riau Province Forestry Service.

- 2) PT The Best One Unitimber is geographically located between 0°19'33.55" to 0°28'53.34" North and 102°23'18.45" 102°40'52.55" East. The work area boundaries are PT Harapanjaya Makmur Lestari, PT Sinar Mutiara Nusantara, PT Global Alam Nusantara to the north, Wildlife Sanctuary, PT Sinar Mutiara Nusantara to the east, PT RAPP to the south,

and Kutub River to the south. It falls under the administrative government of Teluk Meranti Regency, including Teluk Meranti Village, Kuala Panduk Village, Petodaan Village and Teluk Binjai Village.

The spatial layout of PT The Best One Unitimber is Non-Production Zone of 398,78 ha, and Protected Area of 40,266.89 ha which is divided into Buffer Zone of Tasik Besar Serkap Wildlife Sanctuary of 652.74 ha, KPPN of 307.89 ha, KPSL of 37,190.79 ha, River Border of 446.74 ha, water bodies of 1,133.21 ha, Research Zone of 535.53 ha, with a total of 40,665.67 ha.

Type of climate is included in type A (Schmidt and Fergusson) with annual rainfall of 2,214.83 mm/year. The average monthly air temperature ranges from 28 to 33.7^o C and relative humidity ranges from 60.2 to 74.0%. Based on the GIS measurement of the Indonesian Earth Map with a scale of 1:50,000, the whole state of the land in the concession is peat soil with a topography of 100% flat (slope 0-8%). According to the National Peat Ecosystem Function Map (Permen LHK No. SK.130/MenLHK/Setjen/PKL.0/2/2017), the working area of the Management Unit includes a peat area with a Protected Function Ecosystem of 19,160.07 ha and a Cultivation Function of 21,505.60 ha. Based on the results of the High Conservation Value (HCV) study in 2017, the presence of HCV 1, 2, 3, 4, 5, and 6 as a whole is in the IUPHHK-RE area of the Management Unit, thus, the entire area is a protected zone.

3) PT Sinar Mutiara Nusantara is geographically located between 0^o31'41.90" to 0^o 29'47.11" North and 102^o 35'33.73" to 102^o 55' 10.84" East. The concession boundaries are SM Tasik Metas, PT Peranap Timber to the north, PT Gemilang Cipta Nusantara Pelalawan Regency to the east and south, PT The Best One Unitimber and SM Tasik Metas to the west. Administratively, PT Sinar Mutiara Nusantara is included in two villages namely Teluk Meranti Village and Pulau Muda Village, Teluk Meranti District, Pelalawan Regency, Riau Province.

The land condition is peat soil with a topography of flat (slope 0-8%). The distribution of soil types consisting of two species dominated by the association Tropohemists, Tropofibrists 88, 95% and the association of Troposapristis, Tropohemists (8.48%). The rock type is a surface sediment formation (alluvium). The whole area of the Management Unit is a protected zone due to the presence of HCV 1 to 6. The spatial layout of PT Sinar Mutiara Nusantara is Non-Production Zone of 701.69 ha and Protected Zone of 32,079.37 ha, which consists of Buffer Zone SM Tasik Besar Serkap and KPPN Tasik Metas of 1,601.11 ha, SDG Conservation of 325,26 ha, Research Forest Plot of 384.43 ha, river borders and lakes of 326.01 ha, Protected zone (KPPN/KPSL/Peat Dome) of 28,943.64 ha, and Canals of 498.92 ha, with a total of 32,781.06 ha.

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

The three sample members is located in in Teluk Meranti District, Pelalawan Regency, Riau Province with the community within/surrounding the concessions are local communities. There are no indigenous peoples. According to the Potential Mapping and Conflict Resolution reports, the villages around the three are:

1. PT Gemilang Cipta Nusantara in Pelalawan Regency (RKP) has Teluk Meranti Village, Pulau Muda Village, Segamai Village,
2. PT The Best One Unitimber Teluk Meranti Village is surrounded by Teluk Binjay Village, Petodaan Village, Kuala Panduk Village,
3. PT Sinar Mutiara Nusantara is surrounded by Teluk Meranti Village and Pulau Muda Village.

The livelihood of the population in general is as garden farmers (around 50%) and the rest as workers/employees in oil palm plantations, HTI and other activities. All areas of work are all based on the utilization and processing of natural resources around. This is motivated by the open access to marketing and sales with the construction of Jalur Lintas Bono.



PT Gemilang Cipta Nusantara has built a forestry-based local economy. The Community Development Program in 2023 was divided into some programs namely safari ramadhan, qurban aid, sport and social event, forestry counseling, employee volunteering, eco-education, fisheries demonstration plot, etc. The Organization has provided opportunities for the surrounding community to obtain training in skills related to fish processing that are utilized by the community as river fishermen. There are reports of training activities on river fish farming and processing of river fish products, training activities for the development of MSMEs, processing of agricultural products and field lectures and health examination counseling for the villages.

Description of the Ecological conditions of the concession

The current operational phase is to develop areas in production forests that have important ecosystems. It is to maintain its production function and ecosystem representation through maintenance, protection and restoration of forest ecosystems including planting, enrichment, restoration of habitat and wildlife populations, release of flora and fauna to restore biological elements and their non-biological elements (soil and water) to a regional ecosystem by native species, until balance in the ecosystem is achieved.

The Organization has carried out activities to minimize the occurrence of forest and land fires and control fires during the long dry season. This is done by creating fire breaks, conducting outreach to village communities, and coordinating with local village officials to control and mitigate forest and land fires. The Organization has also carried out activities to minimize the decline in population and diversity of flora and fauna and optimize the positive impact of increasing the Sumatran Tiger population. Against the threat of forest and land fires and illegal poaching of flora and fauna, the Organization has prepared SOPs regarding the protection and security of forests against all types of threats that may be faced. Forest protection and security activities include protecting flora and fauna, especially species that are included in the endemic, rare and/or protected categories and as a source of germplasm.

The main types of activities in PT Gemilang Cipta Nusantara operations include flora and fauna including key species habitat restoration program, hydrological restoration and environmental monitoring, protection and security, research and development and business activities (products sales). As for the products, the Organization has environmental services, non-timber forest products, carbon reserves and ecotourism. The NTFPs such as honey, resin and medical herbs.

Results of the Public Consultation

Prior to carrying out the Transition to IFCC ST 1001:2021 + Recertification Audit, PT Acube TIC International conducted a public consultation starting May 17, 2024, asking stakeholders to provide feedback and information about the PT Gemilang Cipta Nusantara. The public consultation was uploaded to the PT Acube TIC International website (www.ajaindonesia.com), sent to parties by e-mail or postal mail, and published in local newspapers. PT Acube TIC International does not receive any input from stakeholders during public consultations.

The audit team also collected information from the mass media about the PT Gemilang Cipta Nusantara. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organization has identified all the necessary requirements for this certification process, which consist of legal aspects which include compliance with international rules and regulations and conventions. A management system has been developed to cover all activities in the area of certification, registered for a total of 150,693.37 hectares.

Organisation progress record related to corrective action on findings of nonconformities in previous audit

The results of Surveillance 2 Audit were no non-conformities. The management system operates effectively.



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

The results of Transition to IFCC ST 1001:2021 + Recertification Audit were no non-conformities. The management system operates effectively.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HA/00059/VIII/2021 is valid until August 30, 2027, provided that PT Gemilang Cipta Nusantara maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.