

Public Report Sustainable Forest Management System

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AJA EUROPE SRL

PUBLIC AUDIT REPORT – SFM

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



ORGANIZATION NAME: PT EKAWANA LESTARIDHARMA

TOTAL HECTARES: 10,982.56

SCOPE OF REGISTRATION: Sustainable Forest Management of 10,982.56 Hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2

AUDIT START DATE: 5 February 2025

AUDIT END DATE: 8 February 2025

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: R Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Amin Kadeni

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

WITNESSING //

SIGNATURE: //

EVALUATOR

/TRANSLATOR (if any):

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head office	Jl. Dr. Sutomo No. 62, Pekanbaru, 28141, Riau	5 February 2025
Site	Kecamatan Dayun, Kabupaten Siak, Provinsi Riau	6 – 8 February 2025
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	
N/A		

Brief Description of the concession

PT Ekawana Lestaridharma was initially granted a forest utilization permit through the Decree of the Minister of Forestry No. 733/Kpts-II/1997, dated December 1, 1997, for a production forest area of approximately 9,300 hectares in Riau Province. In 2021, the company received an updated permit under the Forest Utilization Business Permit (PBPH) system, through the Decree of the Minister of Environment and Forestry No. SK 825/MenLHK/Setjen/HPL.0/9/2021, dated September 21, 2021, covering an expanded area of 10,982.56 hectares. This decree introduced a nomenclature change from IUPHHK-HT to PBPH. There has been no conversion of natural forest to plantation forest within the concession area after December 31, 2010. A boundary arrangement report dated August 9, 2016 (No. LP.011/BPKH.XIX/PKH/-/8/2016), confirmed the revised concession size. There was no conversion of natural forest after 31 December 2010. Thus, the area based on decree is 10,982.56 hectares, the forest area is 10,982.56 hectares and the certified area is 10,982.56 hectares.

PT Ekawana Lestaridharma has a long-term forest management plan documented in the RKUPH (Forest Utilization Business Work Plan), approved under the Decree of the Minister of Environment and Forestry No. SK 4865/MenLHK-PHL/PUPH/HPL.1/4/2023, dated April 18, 2023, for the 2018–2027 period. The short-term annual plans (RKTPH) include a 2023 revision (Decree No. 088/SK/EL-PKU/V/2023) and the 2024 plan (Decree No. 161/SK/EL-PKU/XII/2023). Based on the 2023 RKUPH amendment, the total area of 10,952.56 hectares is divided into 3,288.56 hectares (29.94%) for Protected Areas and 7,694 hectares (70.06%) for Cultivation. The protected area includes river borders, genetic conservation zones (KPPN), wildlife protection areas (KPSL), parts of Zamrud National Park, and other protected zones. The cultivation area includes timber plantation forest (6,684 ha), non-timber forest product utilization with partnership pattern (758 ha), and infrastructure (252 ha).

The administrative location of the concession lies within Dayun and Mempura Districts in Siak Regency, Riau Province. Geographically, it is situated between 0°40'0" N – 0°46'0" N and 102°2'0" E – 102°10'0" E. Based on the Forest and Water Area Map, the concession area comprises 9,402.25 hectares of permanent production forest (HP) and 1,580.31 hectares of conservation areas (KSA/KPA). Landsat imagery from June 29, 2022, shows forested land cover of 96.18%, including 4,117.56 hectares (37.49%) of secondary swamp forest and 6,445 hectares (58.69%) of plantation forest. The general landscape is flat, with altitudes ranging from 2–5 meters above sea level, dominated by organosol soils and old surface geological deposits. The main species developed is *Acacia crassiparpa*.

According to the 2024 Social Impact Assessment Report and the Village Distribution Map (scale 1:100,000), three villages are located near the PT Ekawana Lestaridharma concession area: Dayun Village (Dayun District), Benteng Hulu Village, and Benteng Hilir Village (both in Mempura District). All three are part of Siak Regency, Riau Province.

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

Based on the 2024 Social Impact Assessment Report, there are no recognized indigenous legal communities within the concession area of PT Ekawana Lestaridharma. The main sources of livelihood for surrounding communities in Benteng Hulu, Benteng Hilir (Mempura District), and Dayun Village (Dayun District) include farming/plantation work, fishing, civil service (including honorary staff), military/police service, employment in various sectors, trading, and other informal jobs.

PT Ekawana Lestardharma has established a formal mechanism to resolve complaints, grievances, and disputes related to land ownership, forest management, and working conditions. Based on interviews, no complaints were reported by workers. Contractor workers may file complaints through their foremen, while organizational workers may raise issues through their supervisors or labor unions. According to the Semester II 2024 Conflict Mapping Report, the organization uses a formal legal approach as its preferred resolution method. A long-term conflict resolution plan is in place for the years 2023 through 2027.

The organization actively involves local community knowledge in its forest management practices. A Cooperation Agreement for the Management of Livelihood Plants was signed between PT Ekawana Lestardharma and the communities of the three fostered villages. This agreement, formalized through Notary Deed on 2016, outlines cooperation in cultivating acacia species in these areas. The First Party is responsible for harvesting, and the agreement remains valid until the expiration of PT Ekawana Lestardharma's operational permit.

PT Ekawana Lestardharma has also contributed to building a local forestry-based economy through various programs under its 2024 Community Development (CD) Program. These activities include support for education, health initiatives such as stunting prevention through milk and complementary food distribution, and religious facility assistance. Economic improvements have been supported through programs such as egg-laying duck distribution and materials for building cattle sheds. Infrastructure development includes support for village offices, and support for youth sports activities. According to the company's contractor data report, local workers make up 59% of the workforce, totaling 109 out of 185 employees.

Description of the Ecological conditions of the concession

PT Ekawana Lestardharma has allocated 3,288.56 hectares for peat protection as part of its spatial planning for Protected Areas and the Conservation of Plants and Wildlife. This includes 96.00 hectares of river borders (0.87%), 300.00 hectares under KPPN (2.73%), 50.00 hectares under KPSL (0.46%), 2,233.69 hectares in the buffer zone of Zamrud National Park (20.34%), and 608.87 hectares in other protected areas (5.54%). The peak of the peat dome spans approximately 2,693.67 hectares, distributed among KPPN (± 294 ha), the buffer zone ($\pm 2,231.69$ ha), and other protected areas (± 176.98 ha).

To prevent forest and land fires, PT Ekawana Lestardharma established a Forest and Land Fire Control Brigade since January 2024. The structure of the brigade has been formalized, and all duties and responsibilities are governed by internal company procedures.

The company has also signed Joint Agreements with Communities with Fire Awareness in 2 villages. These agreements aim to support fire prevention and suppression efforts through the formation of community fire forums, training in firefighting techniques, and community empowerment activities. PT Ekawana Lestardharma has provided appropriate firefighting infrastructure in accordance with government regulations, and regular inspections are conducted on all essential equipment, especially pumps, to ensure readiness.

PT Ekawana Lestardharma holds a permit for a Temporary Storage Facility for Hazardous and Toxic Waste (TPS LB3), granted by Siak Regency authority. As a supplier partner of RAPP (APRIL Group), the company is committed to the Sustainable Forest Management Policy 2.0 (SFMP 2.0), which includes protecting High Conservation Value and High

Carbon Stock areas, supporting local communities, and upholding a moratorium on natural forest clearance since May 15, 2015.

Results of the Public Consultation

Prior to carrying out the Surveillance 2 Audit, PT ACube TIC International conducted a public consultation starting 31 December 2024, asking stakeholders to provide feedback and information about PT Ekawana Lestaridharma. The public consultation was uploaded to the PT ACube TIC International website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers.

The audit team also collected information from the mass media about PT Ekawana Lestaridharma. The reported cases are considered part of the PT ACube TIC International audit process.

The Organization has identified all the requirements necessary for this certification process, which consists of legal aspects that include compliance with regulations and international rules and conventions. The management system has been built to cover all activities in the field of certification, which are registered for certification covering an area of 10,982.56 hectares.

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

The results of Transition to IFCC ST 1001:2021 + Surveillance 1 Transfer Audit are 1 (one) non-conformity in Minor category; the organization has made improvements.

No.	Non-conformities	Corrective Action at Surveillance 1 in 2024	Closed Out at Surveillance 2 in 2025
1	<p>The implementation of pest and plant disease monitoring has been carried out by the Organization but discussions regarding these activities have not been included in the Environmental Approval Implementation Report for Semester I and Semester II in 2023.</p> <p>This was an observation in the previous audit, which stated that the report needs to be ensured to clearly contain the identification, monitoring and management of integrated pests and/or plant diseases that affect the health and vitality of the forest as stated in the UKL-UPL ratification Decree Number 143/DJ-VI/AMDAL/97 dated 30 October 1997 and the 2018 - 2027 RKUPH-PBPH Amendment document (Environmental Monitoring Plan Table).</p>	<p>The Organization will ensure that a discussion of the results of monitoring of pests and diseases is included in the Environmental Approval Implementation Report for Semester 1 of 2024. The Organization has created an outline of the Environmental Approval Implementation Report for Semester I of 2024, which includes the management of Plant Pests and Diseases.</p>	<p>PT Ekawana Lestaridharma has submitted documents on the results of monitoring and management of pests and diseases into the environmental monitoring document. Discussion of the results of pest and disease monitoring in the Environmental Approval Implementation Report for Semester 1 of 2024.</p>



Indicator 8.1.1 (Minor)

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

The Surveillance 2 Audit result identifies one minor nonconformity. The organization has made improvements, and the nonconformity can be considered closed.

Number	Non-Conformities	Corrective Action Performed	Category
1.	During field verification at the plantation contractor camp (Coordinates: 00°43'14" N, 102°05'02" E), a toilet was found to be non-compliant with occupational safety and health standards. Specifically, the toilet lacked a closet, had no septic tank, and was without a roof. Indicator 5.3.4.2	PT Ekawana Lestaridharma has provided evidence of improvements to the workers' toilet facilities in accordance with applicable health standards, including the installation of closets and septic tanks.	Minor

Conditions under which the certificate is issued

Certificate is valid until February 2, 2026, provided that PT Ekawana Lestaridharma 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 Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA EUROPE SRL is able to perform a closeout visit.