

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT Mitra Taninusa Sejati

TOTAL HECTARES: 7,480

SCOPE OF REGISTRATION: Sustainable Forest Management of 7,480 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 1 Transfer Audit

AUDIT START DATE: February 1, 2024

AUDIT END DATE: February 3, 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: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 2

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	February 1, 2024
Site	Sorek, Kecamatan Kerumutan, Kabupaten Pelalawan, Provinsi Riau	February 2 to 3, 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	
N/A		

Brief Description of the concession

PT Mitra Taninusa Sejati initially received a management permit with IUPHHK-HT (Business Permit for the Utilization of Timber Forest Products in Plantation Forests) with the Decree of the Minister of Forestry No. SK.66/MENHUT-II/2007 dated 23 February 2007. Then, it obtained SK PBPH (Forest Utilization Business Permit) No. SK.826/MENLHK/SETJEN/HPL.0/9/2021 dated 21 September 2021. In this decree, there is a change in nomenclature from IUPHHK-HT to PBPH. The working area is 7,480 Ha.

In its operations, the organization has a long-term management plan document in the form of an RKUPH (Forest Utilization Business Work Plan). The RKUPH document was ratified by Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number SK .10089/MenLHK-PHL/PUPH/HPL.1/12/2022 dated 23 December 2022 concerning Changes to the Forest Utilization Business Work Plan (RKUPH) for the 10 (Ten) Year Period of 2017 to 2026 on behalf of PT Mitra Taninusa Sejati in Riau Province. The Organization has short term planning in the form of an RKTTPH (Annual Forest Utilization Work Plan) document, namely the Decree of the Director of PT Mitra Taninusa Sejati Number: 155/SK/MTS/PKU/XII/2023 dated 29 December 2023 concerning Approval of the Annual Work Plan for Forest Utilization in 2024.

PT Mitra Taninusa Sejati has arranged its work area into Protected Area of 1,596 Ha (21.34%) and Cultivation Area of 5,884 Ha (78.66%). The total is 7,480 Ha. The Protected Area consists of River Borders of 258.00 ha (3.45%), SM Kerumutan Buffer Zone of 1,200 ha (16.04%), KPPN of 77 ha (1.03%) and KPSL of 61 ha (0.82%). The Cultivation Area consists of Utilization of Timber Forest Products Plantation Forest of 4,832 Ha (64.60%), which divided into Plantation area of 4,832 Ha (64.60%), NTFP utilization area of 658 Ha (8.80%), Other areas (gardens, shrubs, and others) of 131 Ha (1.75%), and infrastructure of 263 Ha (3.52%).

Administratively, PT Mitra Taninusa Sejati is included in the Kerumutan District, Pelalawan Regency, Riau Province. Based on the forest administrative area, it is included in the Unit XXI Pelalawan, Pelalawan District, Riau Provincial Forestry Service. The geographical coordinates are 0°3.18' to 0° 5.32' North and 102° 22.52' to 102° 26.83' East. In the work area there was no conversion of natural forest to plantation forest after December 31, 2010.

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

The residents around the concession area constitute the local community. There are no customary law communities around the concession. This is based on the socio-cultural characteristics of the community, the livelihood of the population, and the level of dependence on forests. Based on the RKU Document for the 2017-2026 Period, the livelihoods of the residents of Mak Teduh Village are dominated by livelihoods in the agriculture sector, namely 95.26% of the total population of 2,561 people.

PT Mitra Taninusa Sejati has established a complaint and dispute resolution mechanism. Based on the 2023 Semester I Potential and Conflict Resolution Mapping Report, the potential for conflict at the PBPH level is in the Alert category. There is a community land claim and demands for improvements to the company's road, which is also used by the community to get to the plantation and transport the plantation produce along the 10 km length. Based on interviews with the related parties, the Organization has carried out maintenance of the road.

There is a Livelihood Plant Agreement between PT Mitra Taninusa Sejati and the community since 2015. There is the latest Evidence of Handover of the Value of the Benefits of Livelihood Plant to the community on January 23, 2023.

PT Mitra Taninusa Sejati has built a local forestry-based economy. Based on the 2023 Community Development Program Report, the realization cost of the implementation of the program is almost 10 times what was planned. This happened because there was one activity that required very large costs, namely the Kerumutan River Washing which was not previously included on the plan.

In more detail, Community Development activities in 2023 include the education sector (projector assistance for school); health (zinc assistance for children); worship and religious affairs (material assistance for building mosques), economic improvement (assistance with tools for fishermen), infrastructure (repairing village roads, Kerumutan River Washing); social and environmental (assistance in filling up soil for the football field, assistance for Independence Day activities).

Description of the Ecological conditions of the concession

The Organization's land area is a Peat Forest Ecosystem located in KPH Unit XXI Pelalawan, Kerumutan Production Forest Group. It has flat topography (slope 0-8%) with a height of 0-15 m above sea level and the soil type is organosol and gleysol with rock type (geology) alluvium rock. With type A climate (Schmidt & Ferguson), the highest rainfall of 446 mm and the lowest of 143 mm. It is located in the hydrological unity of the Kiyap River-Kerumutan River Peat. Including the Kerumutan sub-watershed and the Kampar watershed.

The soil protection activities carried out include monitoring the physical properties of the soil for symptoms of over-drying and peat subsidence. In its management, canalization is carried out which is divided into five zones. The organization has complied with regulations related to peatland management. PT Mitra Taninusa Sejati has prepared a Peat Ecosystem Recovery Plan Document Based on the Decree of the Director General of Pollution and Environmental Damage Control Number: SK.97/PPKL/PKG/PKL.0/12/2021 dated 24 December 2021 for monitoring groundwater levels. The Organization has been set at 24 Ground Water Level Monitoring Points. TMAT (Soil Water Surface Height) monitoring is carried out twice a month, then the monitoring data is reported to the Ministry of Environment and Forestry every three months. The latest revision of the RKUPHHK is in the context of improving Peat Governance of 2017 to 2026 period was last carried out based on Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number SK.10089/MenLHK-PHL/PUPH/HPL.1/ 12/2022 dated 23 December 2022. There is a Peat Dome Peak area covering a total area of 104 ha, which spread over SM Kerumutan Buffer Zone of 89 ha, and KPSL of 25 ha.

Organization has carried out forest ecosystem and hydrological function management through the following activities:

- Identification of forest management activities that have important impacts and conducting environmental impact assessments through AMDAL, RKL and RPL. AMDAL Approval and Ratification of the Head of Pelalawan Regency Bapedalda No. 04/Year/2003 January 6, 2003. The implementation of environmental management and monitoring each semester is presented in the Environmental Permit Implementation report (RPL/RKL).
- Implementation of Reduced Impact Logging before, during, and after logging activities.
- Identification of areas that function to protect land and water and allocate them to a Protected Area of 1,596.00 ha (21.34%).
- Has the documented procedures that serve as guidelines for carrying out impact monitoring activities, such as SOP for Monitoring Protected Areas, SOP for Monitoring Discharge and Water Quality and SOP for Erosion Monitoring.
- The organization has documented procedures for the controlled use of B3 (Hazardous and Toxic Materials), namely SOP for Management of Hazardous and Toxic Waste (B3), SOP for Handling Spills of Fuel, Lubricants and Chemicals, SOP for Weed Control, and SOP for Pest Management and Integrated Diseases.

Organization has carried out biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna as well as their habitat within the concession area.
- Has carried out an environmental impact assessment of the potential impact on protected, endemic, rare flora and fauna and threatened/endangered species, through AMDAL, RKL, and RPL IUPHHK-HT in 2003.
- Not cultivating genetically modified tree species but *Acacia crassicarpa*.



Organization has implemented appropriate and measurable steps in forest protection through:

- Monitoring disturbances in Sustainable Forest Management. Based on document review and field verification, forest disturbances generally include danger of forest fires, illegal land encroachment and illegal logging.
- Having documented procedures to prevent and handle pest and disease attacks, namely SOPs for Integrated Pest and Disease Management.
- Regulate the management of chemical pesticides in the field with documented procedures and MSDS.
- Has implemented forest protection measures against fire hazards.
- Prohibition of livestock grazing activities by the community.

Results of the Public Consultation

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 1 Transfer Audit, PT ACube TIC International conducted a public consultation starting December 26, 2023, asking stakeholders to provide feedback and information about PT Mitra Taninusa Sejati. 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. There was no input from stakeholders.

The audit team also collected information from the mass media about PT Mitra Taninusa Sejati. 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 7,480 hectares.

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

The results of the Recertification Audit are that there are 5 (five) non-conformities in the Minor category. These non-conformities have been closed.

No	Non-Conformities (IFCC ST 1001:2013)	CAR at Recertification Audit in 2023	Closed out at Surveillance 1 in 2024	Category
1	Forest management costs for 2021 have been audited by the Public Accounting Office. However, there is no forest management cost plan from 2020 to 2022 available. Indicator 1.7	RKAP 2020, 2021, 2022.	RKAP 2023 document available.	Minor
2	The company has implemented a wood traceability system (chain of custody) as regulated in SOP. However, chain of custody monitoring and evaluation activities have not been carried out in the field as required in this standard.	There is documentation of monitoring of chain of custody activities	- There is a sample chain of custody documents. - Evidence of monitoring of staking measurements on TPn.	Minor



	Indicator 3.2			
3	There is a Public Summary for 2022 available, but it has not yet presented the section of monitoring and evaluation which describes actual data on conditions in the field. Indicator 3.3	Public summary of PT MTS Plantation Forest Management Plan 2022	Public summary of PT MTS Plantation Forest Management Plan 2023.	Minor
4	The company has provided facilities/infrastructure to support operational activities in the field, such as clinics, employee messes, RPK warehouses, and prayer rooms. However, the available offices are not sufficient. Indicator 11.8	There is photo documentation of the office renovation.	The office is sufficient to use/function.	Minor
5	The company did not provide IFCC wood pile markings in a TPn compartment as regulated in Timber Administration Procedure. The company does not provide IFCC wood marking (stamp) on wood transportation documents. Indicator 2.1	There was a barging ticket document dated January 6, 2023, which has been marked with a wood claim stamp.	<ul style="list-style-type: none"> - Wood piles at TPn are marked with labels. - Barging ticket, trip ticket and loading ticket transportation documents are marked with an IFCC wooden claim stamp. 	Minor

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

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

No.	Non-Conformities	Corrective Action Performed	Categories
1	There was a bathroom and toilet for workers that did not meet Occupational Safety and Health (K3) standards. Indicator 5.3.4.2	The organization has improved the bathroom and toilet for workers as in Occupational Safety and Health (K3) standards.	Minor
2	The activities of underbrushing during timber harvesting were not carried out by the workers, this was not in accordance with the SOP for Harvesting at Peat Locations.	The organization will carry out underbrushing activities in timber harvesting. As well as reviewing these	Minor



	Indicator 7.3.4	activities in the SOP Harvesting on Peat Locations.	
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Conditions under which the certificate is issued

Certificate is valid until February 2, 2026, provided that PT Mitra Taninusa Sejati 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 EUROPE SRL is able to perform a closeout visit.