

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT SUMATERA RIANG LESTARI BLOK VI BAYAS

TOTAL HECTARES: 35,531.46

SCOPE OF REGISTRATION: Sustainable Forest Management of 35,531.46 Hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 2

AUDIT START DATE: 17 July 2024

AUDIT END DATE: 20 July 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: Andri Wibisono

SIGNATURE:

AUDIT TEAM: Abdullah Mujahid

SIGNATURE:

Godly Zaka Syahtriawan

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	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Provinsi Riau, Indonesia	17 July 2024
Site	Blok VI Bayas - Kabupaten Indragiri Hilir, Propinsi Riau, Indonesia	18-20 July 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	

### Brief Description of the concession

PT Sumatera Riang Lestari Blok VI Bayas obtained a Business License for Forest Utilization based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia, Number: SK.645/MENLHK/SETJEN/HPL.2/6/2022, dated June 22, 2022, regarding the Fourth Amendment to the Minister of Forestry's Decree No. SK.262/Menhut-II/2004, dated July 21, 2022, concerning the granting of a business license for the utilization of Timber Forest Products (IUPHHK) in plantation forests to PT Sumatera Sinar Plywood Industry for a forest area of 65,000 hectares (sixty-five thousand) in North Sumatra province. The total area of PT Sumatera Riang Lestari is 173,971 hectares, with the working area of PT Sumatera Riang Lestari Blok VI Bayas covering 49,539.46 hectares. In this decree, the IUPHHK-HT nomenclature was changed to PBPH (Forest Utilization Business License). In the working area, there was a conversion of natural forests into plantation forests after December 31, 2010. According to Statement Letter No: 1/SRL/IFCC/VII/2015, a conversion of natural forests into plantation forests occurred after December 31, 2010, covering an area of 14,008 hectares. Therefore, the certified area is 49,539.46 hectares - 14,008 hectares = 35,531.46 hectares.

PT Sumatera Riang Lestari Blok VI Bayas operates forest management activities based on the RKUPH (Forest Utilization Business Plan) documents approved by the Minister of Environment and Forestry, as per Decree Number: SK.6479/MenLHK-PHL/PUPH/HPL.1/8/2022, dated August 12, 2022, which approved the Forest Utilization Business Work Plan (RKUPH) for the period 2017-2026 on behalf of PT Sumatera Riang Lestari in North Sumatra and Riau provinces. According to the document, the land use in PT Sumatera Riang Lestari Blok VI Bayas is as follows: 1) Protected area of 12,439 hectares (25.11%), 2) Cultivation area of 37,100.46 hectares (74.89%), totaling 49,539.46 hectares (100%). The protected area of 12,439 hectares (25.11%) consists of 1,543 hectares (1.06%), KPPN/KPSP 535 hectares (1.06%), and other protected areas covering 10,361 hectares (20.91%). The cultivation area of 37,100.46 hectares (74.89%) consists of a planting area of 32,154 hectares (64.91%), LOA area for non-timber forest product of 3,603.46 hectares (7.27%), infrastructure 1,300 hectares (2.62%), and gardens, shrubs, and others covering 43 hectares (0.09%).

PT Sumatera Riang Lestari Blok VI Bayas is administratively located in Tempuling, Kempas, Batang Tuaka, and Gaung Anak districts of Indragiri Hilir Regency, Riau Province. Geographically, it is located between 00° 19' 10" to 00° 25' 08" South and 102° 41' 38" to 102° 51' 08" East.

The area of PT Sumatera Riang Lestari Blok VI Bayas has an A-type climate (Schmidt & Ferguson) with an annual rainfall of 1,919 mm/year. The soil type consists of Tropohemite and Tropofibril. Based on its geology, the area includes a geological type of floodplain flooded by Sungai Baru (KLR) covering 2% of the land and shallow peat (MDW) covering 98%. The entire working area is a Wetland ecosystem (Peat Soil). Peat-type areas are found in areas for staple crops, plant life, and protected areas. The management of peat areas is closely related to water management. The cultivated plant species is *Acacia crassicaarpa*. The Organization complies with regulations related to peatland management.

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

PT Sumatera Riang Lestari Blok VI Bayas is surrounded by local communities. There are no indigenous peoples or customary lands around the forest concessions. The tribes around the company are Malay, Nias, Batak, and Javanese. In addition, based on interviews conducted with village officials, the livelihoods of villagers around the company are primarily farming, followed by workers, traders, employees/civil servants, and others.

The Organization has made efforts to resolve conflicts with surrounding communities. Based on the 2023 Claim Area Identification and Settlement Report, several claim areas have decreased each year. However, the issue of effective control and transfer of crop and conservation areas, through land buying and selling for plantation use, is still under investigation by the Organization and related parties. Conflict resolution is being addressed based on the SOP Conflict Resolution Protocol and through handling security threat activities. This year, the Organization has carried out Corporate

Social Responsibility (CSR) socialization and funding activities for surrounding village communities to build harmony and implement sustainable partnership programs.

PT Sumatera Riang Lestari Blok VI Bayas has an addendum to a cooperation agreement with the village community in the form of life plants and Community with Fire Awareness. Cooperation in livelihood plant with surrounding villages has been implemented since 2013 with *Acacia* plants. This was confirmed by relevant village officials during the interviews. The cooperation in livelihood plant provides benefits to the community. In addition, there is an agreement between the company and the community related to the Free Fire Village award and assistance in preparing land without burning. This agreement is affirmed by both parties to guarantee and maintain crop safety, protect and reduce land fires, and be responsible for addressing existing social issues.

The Organization has fulfilled its social obligations to the community through CSR and CD programs. Based on the CSR/CD plan submitted, the realization of CSR/CD has been achieved and exceeded the planned amount for 2023 and the first quarter of 2024. The CSR/CD activities have been carried out in the fields of education, health, religion, economy, infrastructure, and social & environmental initiatives. Some of the assistance provided includes the construction of school facilities in surrounding villages, the provision of health post (posyandu) equipment for nearby villages, renovation materials for mosques and churches, funding for village MTQ (Quran recitation competition) activities, assistance for catfish farming in surrounding villages, and the purchase of sports equipment for local youth.

#### **Description of the Ecological conditions of the concession**

The area of the Organization is a Peat Forest Ecosystem located in the KPH Indragiri Hilir, Sungai Anak Serka Production Forest Group. It is located in the hydrological unit of the Anak Serka River, Ikan River, and Noyang River.

The Organization has carried out activities to manage forest ecosystems and hydrological functions, including:

- EIA (Environmental Impact Assessment) documents for the Business Utilization of Timber Forest Products in plantation forests of PT Sumatera Sinar Plywood Industry, Indragiri River Unit, Indragiri Hilir Regency, Riau Province. Document No: Kpts 566/XII/2005, dated December 28, 2005.
- A study on High Conservation Value Forest (HCVF) in the area of PT Riau Andalan Pulp and Paper (Kerumutan, Indragiri Hilir, Giam Kecil, Bukit Tigapuluh, and West Sumatra), in cooperation with the Faculty of Forestry, IPB. Year 2007.
- Environmental Permit Implementation Report (RKL) of PT Sumatera Riang Lestari (Blok VI), covering Semester II of the Year 2023 in Kempas District, Indragiri Hilir Regency, Riau Province.

The Organization implements Reduced Impact Logging (RIL) activities in three phases: Pre-harvesting, harvesting, and post-harvesting. The area functions as a soil and water protection zone and includes a protected area. The Organization has established and implemented documented procedures that serve as guidelines for conducting impact monitoring activities, including:

- SOP (Standard Operating Procedure) for monitoring Protected Areas,
- SOP for monitoring discharge and water quality,
- SOP for monitoring peat subsidence and groundwater table height.

The Organization has also documented procedures for the controlled use of hazardous and toxic materials (B3), which include:

- SOP for Waste Management of hazardous and toxic materials (B3),
- SOP for handling fuel, lubricant, and chemical spills,
- SOP for weed control,
- SOP for Integrated Pest and Disease Control.

The Organization has carried out biological diversity management activities, including:



- Identification and inventory of protected flora and fauna, endemic, rare, and threatened/endangered species in the area. The results of these identifications and inventories are available in the AMDAL (Environmental Impact Assessment) documents, RKL, and RPL of the IUPHHK-HTI (Timber Forest Utilization Business License) of PT Sumatera Riang Lestari Blok VI Bayas, 2005. The RKL/RPL implementation report (Semester 1 and 2 of 2023) identified protected flora and fauna, including endemic, rare, and threatened/endangered species and their habitats.
- The Organization has conducted an environmental impact assessment (EIA) of the potential impact on these species, as documented in the EIA documents (RKL and RPL) of IUPHHK-HTI in 2005.
- The cultivated tree species are not genetically modified. The primary species cultivated is *Acacia crassicarpa*.

The Organization has implemented appropriate and measurable measures for forest protection, including:

- Monitoring disturbances in sustainable forest management. Based on document studies and field verification, disturbances such as forest fire hazards, illegal land encroachment, and illegal logging have been identified.
- The Organization has documented procedures to prevent and address pests and diseases, namely the Integrated Pest and Disease Control SOP.
- It regulates the management of chemical pesticides in the field through documented procedures and Material Safety Data Sheets (MSDS).
- Forest protection measures against fire hazards have been implemented. In 2023, no fires occurred.
- There are no livestock grazing activities by the community within the working area.

#### Results of the Public Consultation

Prior to conducting Transition to IFCC ST 1001:2021 + Surveillance 2 Audit on PT Sumatera Riang Lestari Blok VI Bayas, PT Acube TIC International has made a public announcement and public consultation. Invitation to public consultation to stakeholders to obtain input as materials/consideration through the website [www.ajaindonesia.com](http://www.ajaindonesia.com) on June 6, 2024. The stakeholders can provide input for audit considerations to PT Acube TIC International email. There is no input from stakeholders.

The audit team also collected information from the mass media about PT Sumatera Riang Lestari Blok VI Bayas. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organisation 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, which are registered for the certification area of 35.531,46 hectares.

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

The result of Surveillance 1 Audit is no non-conformity.

#### 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 2 Audit is no non-conformity.

#### Conditions under which the certificate is issued

# AJA EUROPE SRL

PUBLIC AUDIT REPORT – SFM

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



Certificate number AJA/IFCC-PEFC/FMC-HT/00008/XI/2015 is valid until 3 November 2025, provided that PT Sumatera Riang Lestari Blok VI Bayas maintains its Recertification schedule and does not have potential major non-conformities at the next Recertification.