

Public Report Sustainable Forest Management System

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AJA EUROPE
PUBLIC AUDIT REPORT - SFM
TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT BUKIT RAYA MUDISA

TOTAL HECTARES: 23,140 ha

SCOPE OF REGISTRATION: Sustainable Forest Management on Plantation Forest covering 23.140 Hectares in West Sumatera Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: July 17, 2018

AUDIT END DATE: July 20, 2018

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

AUDIT TEAM: Rahmat Safe'i

Tata Sumitra

SIGNATURE:

SIGNATURE:

SIGNATURE:

MAJOR CARS: -

MINOR CARS: -

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
PT Bukit Raya Mudisa	Sijunjung – Base Camp PT BRM Main Road Km. 13.7, Kenagarian Koto Nan IV Dibauah, Kecamatan IX Koto, Kabupaten Dharmasraya, Propinsi Sumatera Barat, Indonesia	July 17 to 20, 2018
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

Based on the Decree of the Minister of Forestry and Plantation No. 257/Kpts-II/2000 dated August 23, 2000 concerning the Provision of Right of Plantation to PT Bukit Raya Mudisa on Forest Area of approximately 28,617 ha in West Sumatra Province. There was conversion of natural forest to plantation forest after 31 December 2010 covering an area of 5,477 ha. so the scope of the IFCC certification is for an area of 23,140 ha.

Spatial planning based on Plantation Forest Working Plan (RKPHT) PT. Bukit Raya Mudisa, Ten-Year Period 2018-2027 is authorized through Decree of the Minister of Environment and Forestry 1243/MenLHK-PHPL/UHP/HPL.1/3/2018 dated March 26, 2018 is: Local Protected Area and Other Protected Area of 12,470 ha (43.58%), Staple Plant Area of 10,154 ha (35.48%), and Livelihood Plant Area of 5,993 ha (20.94%).

The work area of PT Bukit Raya Mudisa is geographically located between 00° 59' 13" to 01° 11' 12" South and 101° 17' 56" to 101° 24' 09" East. The concession falls under the governmental administration of Pulau Punjung District, Dharmasraya Regency, Kamangbaru District, Sijunjung Regency, and Sangir Batang Hari District Solok Selatan Regency, West Sumatra Province. The work area is located in the Momong River Basin and traversed by the Batanghari river.

The topographic condition of PT Bukit Raya Mudisa area is as follows:

Mostly flat (0-8%) of 14,844 ha (51.9%);
Sloping (8-15%) of 5,844 ha (20.4%);
Somewhat steep (15-25%) area of 2,935 ha (10.3%);
Steep (25-40%) of 4,783 ha (16.7%); and
Very steep (> 40%) 212 ha (0.7%).

The soil type consists of 170 ha of association of kambisol, oxysol, podsolic, 13,051 ha of podsolic kambisol association, 12,886 ha of renovation association kambisol area, and 2,510 ha of podsolic. The geological formations, meanwhile, consist of surface sediment, Barisan formation, Pelapat Formation and granite rocks. Hydrological conditions in the area of PT Bukit Raya Mudisa are among the Batang Hari watershed, which includes Batang Sangir, Batang Momong, Sipotar and Batang Siat.

The types of plants cultivated in the PT Bukit Raya Mudisa work area are *Acacia mangium* and *Eucalyptus Sp.*

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

PT Bukit Raya Mudisa has established procedures for resolving conflicts, particularly in case of land conflicts with the indigenous Minangkabau peoples. Identification has been made regarding the control and legal rights of communities to own, control and use land and forest resources, particularly customary forest within the concession area. There is a map of customary forest with scale 1: 150.000 covering the 13 customary forest areas of: Muaro Takung, Durian Simpai, Sei Kambut, Lubuk Tarantang, Sei Rao, Lubuk Karak, Pulau Panjang, Tatuk Lijati, Lubuk Buik Alik Tengah, Lubuk Labu, Lubuk Baung, Umbak Kubu, and Dusun Tengah. Administratively, the concession area of PT Bukit Raya Mudisa falls under three regencies:

- a. Sijunjung Regency: 1). Kamang Baru District (Kanagarian villages of Muaro Takung and Lubuk Terentang).
- b. Dharmasraya Regency: 1). IX Koto District (Kanagarian Nagari IV Koto in Bauah, Lubuk Karak, and Silago Village and 2). Pulau Punjung (Kanagarian Sungai Kambut and Banai Village).
- c. Regency of South Solok: 1). Abai Sangir Batang Hari (Lubuk Buik Alik Induk, Lubuk Birth Alik Tengah, Lubuk Ulang Alik Selatan, and Dusun Tengah village).



PT Bukit Raya Mudisa has signed a series of notarized agreements (8 agreements) with indigenous peoples concerning the utilization of the listed customary rights of the nagari communities in the form of mutual agreement on the development of rubber and acacia plant life, as well as evidence of realization of natural forest timber compensation payments to the community and proof of payment of the cost of livelihood plants.

PT Bukit Raya Mudisa also has a Corporate Social Responsibility (CSR) program for the communities that surround the work area covering economic, environmental and educational areas as well as providing assistance for the performance of religious, social and cultural activities. Based on the realization report for the 2017 CSR program, agricultural aid was provided to 11 villages, as well as material aid for mosque renovation, food aid for flood victims, kindergarten school construction, and aid for the provision of sports equipment, plus for the development of Hutan Bukit Raya Muara Takung farmers group.

Description of the ecological conditions of the concession

The Management Unit has carried out management of ecosystem and hydrological forest activities, through conducting the following:

- Identification of key forest management activities, and conducting environmental impact assessments through: AMDAL RKL & RPL Document (2003) and Work Plan Document on Plantation Forest Exploitation (RKPHT) of PT. Bukit Raya Mudisa, Period The year 2018-2027 is authorized through Decree of the Minister of Environment and Forestry Number: 1243 / MenLHK-PHPL / UHP / HPL.1 / 3/2018 dated March 26, 2018
- Reduced Impact Logging activities that are carried out in stages: pre-harvesting, during harvesting operations, and after harvesting activities,
- Identification of areas that serve for soil and water protection that total an area of 12,470 ha (43.58%), which consist of Buffer Zone of Pangean Nature Reserve area of 1,750 ha, Sempadan Sungai 5,240 ha, KPSL / KPPN covering an area of 1,652 ha and other protected area of 3,828 ha.
- Monitoring the negative impacts of forest management activities in the concession areas in accordance with the RLL & RPL AMDAL Document Document (2003), having documented procedures that guide the monitoring of the negative impacts of forest management activities.
- PT. Bukit Raya Mudisa has a documented procedure for the controlled use of B3 (Hazardous and Toxic Materials),

The Management Unit carries out Biodiversity Management activities as follows:

- Identification and Inventory of protected, endemic, rare and endangered / endangered flora & fauna within the concession areas, the results of which can be found in: Amdal Document 2003. Timber Forest Product Utilization Working Plan in Plantation Forest (RKUPHHK-HTI) 2018-2027 and Environmental Permit Implementation Report Semester I and II 2017. A map of fauna distribution already exists.
- Protected Area Management conducted in accordance with RKL / RPL Implementation Report every semester (2013-2017) as well as SOP for the Determination of Protected Area and SOP for Monitoring of Protected Area.
- Identification of key protected and threatened / endangered species, as well as their habitats and migration patterns, although based on the physical identification there are no key species in the area.
- The types of staple plant cultivated are not genetically modified tree species, but are *Acacia cracicarpa*. dan *Eucalyptus Sp.*

The management unit has undertaken Forest Protection activities as follows:

- Identification and monitoring the disturbance of Sustainable Forest Management, results of which can be found in Amdal Document year 2003, RKUPHHK-HTI period 2018-2027 and RKL / RPL Report per semester 2017.
- Having documented procedures to prevent and handle pest attacks
- Regulate the management of chemical pesticides in the field with the following documented procedures:



- Implementation of forest protection measures against fire hazards. In addition the local community is not permitted to graze livestock in the concession area,

Results of the Public Consultation

Prior to conducting the Recertification Audit PT, AJA Sertifikasi Indonesia conducted a public consultation commencing July 4, 2018, requesting stakeholders to provide feedback and information about PT Bukit Raya Mudisa. The public consultation was uploaded to the website of PT AJA Sertifikasi Indonesia (www.ajaindonesia.com), sent to the parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during public consultations.

The audit team also gathered information from the mass media about PT Bukit Raya Mudisa, such reported cases being given material consideration as part of the audit process carried out by PT AJA Sertifikasi Indonesia.

The Management Unit has identified all the requirements required for this certification process, comprising legal aspects that include compliance with international rules and rules and conventions. The management system has been built to cover all activities in the field of certification, which is registered for an area of 23,140 hectares.

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

Results of Recertification Audit of PT Bukit Raya Mudisa, no Non-Conformities of either a Major or Minor nature were identified by the audit team.

Conditions under which the certificate is issued

Certificate is valid until 03/11/2021.