

# Public Report Sustainable Forest Management System

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## PUBLIC AUDIT REPORT – SFM

### TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT SUMATERA RIANG LESTARI BLOK IV RUPAT

TOTAL HECTARES: 26,930.92 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 26,930.92 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: July 9, 2019

AUDIT END DATE: July 12, 2019

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: Utomo

SIGNATURE:

Abdul Salam

SIGNATURE:


MAJOR CARS : -

MINOR CARS : -

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Estate Rupal	Rupal District, Rupal Utara District, Bengkalis Regency, Riau Province, Republic of Indonesia	July 9 to 12, 2019
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 Sumatera Riang Lestari obtained its Business License for the Utilization of Timber Forest Products in Plantation Forests based on Minister of Forestry Decree No. SK.208 / Menhut-II / 2007, 25 May 2007 concerning Amendment to the Decree of the Minister of Forestry No. SK.262 / Menhut-II / 2004 jo No. SK.99 / Menhut-II / 2006 concerning the Granting of IUPHHK-HTI to PT Sumatera Riang Lestari for approx.. 65,000 ha of Forest Area in North Sumatra Province. The change in decision concerns the area of PT Sumatera Riang Lestari IUPHHK-HTI working area to be approx. 215,305 ha consisting of approx.. 67,230 ha located in North Sumatra Province and approx.. 148,075 ha in Riau Province. The area of Rupert Block IV is approx.. 38,210 ha located in Rupert Utara District and Rupert District, Bengkalis Regency, Riau Province.

PT Sumatera Riang Lestari Block IV Rupert concession area is located in the Mesim River Forest Group, and geographically located between 01° 44' 43" to 01° 57' 53" North and 101° 26' 16" to 101° 40' 34" East.

PT Sumatera Riang Lestari Blok IV Rupert converted 11,279, 08 ha of natural forest to plantation forest after December 31, 2010, consisting of Staple Plants Area of 10,722.08 ha and Livelihood Plants Area of 557.00 ha. Thus the scope of the IFCC certification is for an area of 26,930.92 ha. The spatial arrangement of this areas consists of Staple Plants Area of 6,724.92 ha (24.97%), Livelihood Plants Area of 3,963.00 ha (14.72%) and Peat Ecosystem Protection Function Area of 16,243.00 ha (60.31%).

The plant species cultivated is *Acacia crassicarpa*.

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

As an integral part of forest management practice, PT. Sumatera Riang Lestari Blok IV Rupert seeks to foster closer relations with the local communities surrounding the work area. These include community empowerment efforts through increasing local capacity, and while respecting their independence, ensuring preference for their employment according to individual capabilities and expertise.

The Management Unit also supports the existence of trade unions as a forum to accommodate the aspirations of workers, believing that this enhances worker unity and self-belief. Moreover, it provides Management with a flexibility in carrying out its activities in coordination with an understanding workforce.

With standard procedures to address conflict resolution, the Management Unit undertakes conflict mapping in order to facilitate its understanding of potential problems so that mutually acceptable solutions can be agreed upon by the parties involved. For conflicts that occur within The concession area, especially in regard to land claims, this is often in the form of livelihood plant agreements whereby both sides benefit from the acacia harvest.

Besides these and other partnerships with the community in regard to livelihood plants, there are also partnerships in segments of HTI activities including land preparation, planting, maintenance and harvesting. Besides these cooperation agreements, institutional strengthening is also carried out by means of socializing the formation of cooperative institutions and forming community groups.

The Management Unit also seeks to improve the quality of life for the surrounding communities through its corporate social responsibility (CSR) program, which provides financial assistance to meet community needs in the areas of construction/ infrastructure improvement, education and health, as well as religious facilities in the surrounding villages.

#### Description of the ecological conditions of the concession

PT. Sumatera Riang Lestari Block IV Rupert Lestari has identified those forest management activities likely to have a negative environmental impact on the forest ecosystem and undertakes measures to minimize such impacts. These include monitoring activities in the following areas:

1. Physical and chemical properties of the soil to determine changes in the health of the soil due to loss of organic and other nutrients during land clearing activities.
2. Soil erosion due to changes in physical properties such as soil permeability and structure caused by soil disturbance during land clearance and construction activities leaving it prone to erosion.
3. Hydrology and water discharge, due to fluctuations in the physical nature of the watershed and land cover that are mainly influenced by rainfall.
4. Sedimentation caused by fine soil particles entering the river and being carried out of the watershed.

To further minimize the negative impact of its operations, the Management Unit carries out reduced impact logging (RIL) activities in three stages, pre-harvest, during harvesting and post-harvesting.

The Management Unit reports on all its environmental management and monitoring activities to the requisite authorities on a six-monthly basis.

PT Sumatera Riang Lestari Blok IV Rupert has identified key species that are protected or threatened/ endangered, as well as their habitat and migration patterns including landscape considerations. The Management Unit has mapped and protects representative samples of natural ecosystems in the landscape, related to the uniqueness of the affected resources, and the scale and intensity of its operations.

It has also allocated germplasm conservation areas (KPPN) in its spatial planning, as well as local seed plant areas that include many types of endemic flora. Among the protected tree species are Balam (*Payena* spp), Forest Durian (*Durio zibethinus*) and Ramin (*Gonystylus bancanus*), as well as Meranti (*Shorea* spp) where hornbills nest, and Kempas (*Koompasia malaccensis*) which bees favor for their hives.

To minimize the negative impact of operations on these species of flora and fauna, plus any potential negative impacts by the local community, the Management Unit clearly signposts the protected areas, as well as socialized them to the local community from the very start of operations. To minimize other areas of potential negative impact to the concession area, the Management Unit has both erected warning signs and socialized to the surrounding community that illegal hunting of wildlife or illegal logging, as well as the lighting of fires within the plantation area is strictly prohibited.

## Results of the Public Consultation

Prior to undertaking the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted Public Consultation commencing June 25, 2019, which asked stakeholders to provide feedback and information on PT. Sumatera Riang Lestari Blok IV Rupert. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to related parties via email or postal mail, and announced in local newspapers.

PT AJA Sertifikasi Indonesia received no input from stakeholders during the public consultation. The audit team also collected information from the mass media about PT Sumatera Riang Lestari Blok IV Rupert, such reported cases being given material consideration in the audit process conducted by PT. AJA Sertifikasi Indonesia.

PT Sumatera Riang Lestari Blok IV Rupert has identified all necessary requirements for this certification process, comprising legal aspect that include compliance with international regulations and conventions. The established management system includes all field activities for certification, which is registered for an area of 26,930.92 hectares.



<b>Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.</b>
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Based on the results of the Surveillance 1 Audit of PT Sumatera Riang Lestari Blok IV Rupert, no Non-Conformities of either a major or minor nature were identified by the audit team.
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<b>Conditions under which the certificate is issued</b>
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Certificate is valid until November 12, 2021, provided that PT Sumatera Riang Lestari Blok IV Rupert maintains its surveillance schedule and does not have any major non-conformities at the time of the next surveillance visit.
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