

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

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

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Additional Surveillance due to Covid-19 Pandemic (REMOTE)

START DATE AUDIT: August 09, 2021

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

END DATE AUDIT: August 13, 2021

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

TEAM AUDIT: Ence Hedi Hasan Zubaedi

SIGNATURE:

Abdul Salam

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Estate Rupat	Rupat District, Rupert Utara District, Bengkalis Regency, Riau Province – Republic of Indonesia	August 09 to 13, 2021
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 Blok IV Rupert obtain its working area based on Decree of Minister of Forestry No. 208/Menhut-II/2007 dated May 25, 2007, with an area of 38,210 hectares. There was conversion of natural forest to plantations on December 31, 2010, of 11,279.08 Ha, thus the IFCC certified area is 38,210 Ha – 11,279.08 Ha = 26,930.92 Ha.

The Management Unit has a Revised Document of RKUPHHK-HTI for a period of 10 of 2017 to 2026 approved by Decree of the Minister of Environment and Forestry No. SK. 6054/MenLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019. The spatial layout of the concession is consisting of Local Protected Areas and Other Protected Areas of 16,237 ha (41.63%), Staple Plant area of 17,999 ha (46.15%) and Livelihood Plant area of 4,767 ha (12.22%), with a total of 39,003 ha. The total area is after the compromised boundary arrangement based on Boundary Report Number: 5/BPKH-XII.2/2014, has been ratified by the Director of Inauguration and Management of Forest Areas and the Director General of Planning and Environmental Management on October 21, 2015. Though, the decree issuance about the work area determination has not yet finished after the Management Unit submitted to the Minister of Environment and Forestry (cq. Director General of Forestry Planning and Environmental Management) through the company Director's Letter Number: 264/SRL/II/2021 on March 05, 2021.

The IUPHHK-HTI area of PT Sumatera Riang Lestari Blok IV Rupert is part of the Mesim River Forest Group. Geographically, it is located at 01° 44' 43" to 01° 57' 53" North and 101° 26' 16" to 101° 40' 34" East. The working area has boundaries, as follows:

- North side: HPT (Limited Production Forest),
- South side: APL (Other Use Area), HPK (Conversion Production Forest),
- East side: HPT (Limited Production Forest),
- West side: HP (Permanent Production Forest), HPT (Limited Production Forest).

PT Sumatera Riang Lestari Blok IV Rupert is an estate with a wetland ecosystem (peatland). The types of soil in the work area are organosol or Trophemist, Troposaprist, and geologically composed of peat. The species developed for production is *Acacia crassicarpa*.

The Management Unit complies with regulations related to peatland management. PT Sumatera Riang Lestari Blok IV Rupert has carried out revision of RKUPHHK in order to improve peat governance based on Decree of the Minister of Environment and Forestry of the Republic of Indonesia No SK. 265/MenLHK-PHPL/UHP/HPL.1/2/2018, February 02, 2018. Making a compilation report on the implementation of peatland ecosystem restoration and control of forest and land fires based on the Decree of the Director General of Pollution and Environmental Damage Control SK.135/PPKL/PKG/PKL.0/11/2018 dated November 29, 2018. Making adjustments for activities in 2018 to 2019 based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number SK.8910/MenLHK-PHPL/UHP/HPL.1/12/2018 dated December 28, 2018. Revise the 2017 to 2026 RKUPHHK based on the Decree of the Minister of Environment and Forestry Number SK. 6054/MenLHK-PHPL/UHP/HPL.1/6/2019, June 28, 2019. There is a Peat Dome Peak of 16,237 ha which spread over the River Border, KPPN/KPSL, and Other Protected Areas.

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

The Management Unit has identified, respected, recognized the rights of indigenous peoples and local communities in terms of ownership, control and use of land and forest resources. The community rights to non-timber forest products (NTFP) are respected through providing community access to NTFPs, which include honey and fish. This effort will impact in minimum damage to the crops and environment.

There was no discrimination in employing both local and immigrant workers by the company. The company has a Collective Labor Agreement (PKB) that regulates the rights and obligations of employers and employees including

recruitment, remuneration, employee placement, transfers, promotions, skill improvement programs, prohibitions, and other matters.

Conflict resolution mechanisms with respect to indigenous peoples' rights are based on customary law and local community property rights, or by formal laws and conflict resolution mechanisms related to the impacts of forest management activities. The procedure is by compiling SOP to address conflict resolution issues, as well as stakeholder and civil society mapping. Documentation of the conflict resolution process is available, including chronology of events, maps of conflict areas and minutes of meeting results. Thus a participatory conflict resolution mechanism has been created and agreed by both of PT. Sumatera Riang Lestari Blok IV Rupert and the local community.

The Management Unit has complied with all laws and regulations related to forest management practices, environmental protection, protected and endangered species, rights of indigenous peoples and local communities related to land ownership and use, and occupational health and safety (OSH) issues.

Most of the company CSR programs are charitable, such as aid of sacrificial animals. The company also has pioneered irrigation facilities for farmer groups and offered scholarships to students from surrounding villages.

Description of the Ecological conditions of the concession

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

- Identification of forest management activities that have significant impacts, and conduct environmental impact assessments through AMDAL Document, RKL and RPL of IUPHHK-HTI PT Sumatera Riang Lestari Blok IV Rupert (Approved and Ratified by the AMDAL Commission of the Ministry of Forestry No : Kpts 566/XII/2005 dated December 28, 2005), and the Revised RKUPHHK 2017 to 2026. The implementation of environmental management and monitoring every semester is presented in the Environmental Permit Implementation Report (RPL/RKL),
- Carry out the Reduced Impact Logging activities in stages before, during and post logging activities,
- Identification of areas functioned for land and water protection which designated as a Local Protected Area and Other Protected Areas, namely River Borders, KPPN/KPSL and Other Protected Areas,
- Monitoring the negative impacts of forest management activities in the concession area in accordance with the Document AMDAL RKL and RPL IUPHHK-HT 2005, making documented procedures that serve as guidelines for monitoring negative impacts due to forest management activities, namely SOPs for Monitoring Protected Areas, SOPs for Monitoring Discharge and Water Quality and SOPs for Monitoring Subsidence and TPMAT,
- Implementation of activities in reference to documented procedure for the controlled use of B3 (Hazardous and Toxic Materials), namely: SOP for Management of Hazardous and Toxic Waste (B3), SOP for Handling Spillage of Fuel, Lubricants and Chemicals, SOP for Control Weeds, and SOPs for Integrated Pest and Disease Management.

The Management Unit has carried out biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/near-extinct flora and fauna and their habitats and migration patterns in the IUPHHK-HTI area. The results of the identification and inventory can be found in AMDAL, RKL and RPL IUPHHK-HTI PT Sumatera Riang Lestari Blok IV Rupert, 2005, the Revised RKUPHHK 2017 to 2026 in Improvement of Peat Management and RKL/RPL Semester Reports (Semester 2, 2020 and Semester 1, 2021). There is a fauna distribution map but no flora distribution map. There are no key species in the area,
- Management of Protected Areas carried out in accordance with the RKL/RPL Implementation Report every semester (Semester 2, 2020 and semester 1, 2021) as well as SOPs for Determining Protected Areas and SOPs for Monitoring Protected Areas,
- Carry out an environmental impact assessment on the potential impacts on protected, endemic, rare and threatened/near-extinct flora and fauna, through Document AMDAL RKL and RPL IUPHHK-HTI of 2005,
- The staple plant species cultivated are not genetically modified tree species but *Acacia crassicarpa*.

The Management Unit has carried out forest protection through the following activities:

- Identify and monitor disturbances in sustainable forest management. The result of identification and monitoring are attached in the documents of AMDAL RKL and RPL IUPHHK-HTI 2005, RKUPHHK 2017-2016 and RKL/RPL reports per semester,
- Have documented procedures to prevent and handle pest attacks, namely SOPs for Integrated Pest and Disease Management,
- Regulate the management of chemical pesticides in the field with the SOP for Weed Control, SOP for Integrated Pest and Disease Management, SOP for Handling Spills of Fuel, Lubricants and Chemicals and SOP for Management of Hazardous and Toxic Waste,
- Have implemented forest protection measures against fire hazards,
- There is no community grazing activity in the work area,
- implemented appropriate/measured steps in forest protection activities.

Results of the Public Consultation

Prior to carrying out the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia conducted a public consultation starting July 15, 2021, asking stakeholders to provide feedback and information about Sumatera Riang Lestari Blok IV Rupert. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties via email or postal mail, and published in local newspapers. There was 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. The reported cases are considered as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements needed for this certification process, which consists of legal aspects which include compliance with international regulations and rules and conventions. A management system has been established to cover all activities in the area of certification, registered for certification covering an area of 26,930.92 hectares.

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

The results of the Additional Surveillance Audit of Sumatera Riang Lestari Blok IV Rupert there are no Non-conformity either in minor or major nature.

Conditions under which the certificate is issued

The certificate is valid until November 12, 2022, if PT Sumatera Riang Lestari Blok IV Rupert maintains its Recertification schedule and does not have any major non-conformities at the time of the next Recertification visit.