

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within remain the property of
AJA Europe





CLIENT NAME: PT SUMATERA RIANG LESTARI BLOK IV RUPAT

TOTAL HECTARES: 27,723.54

SCOPE OF REGISTRATION: Sustainable Forest Management of 27,723.54 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification (HYBRID AUDIT)

AUDIT START DATE: June 22, 2022

AUDIT END DATE: June 25, 2022

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: Ardi Prasetyo

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

HYBRID AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

AUDITOR IN TRAINEE: Qodly Zaka Syahtriawan

SIGNATURE:

Inggita Nuri Prihantini

SIGNATURE:

MAJOR CAR: 0

MINOR CAR: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Rupat Estate	Kecamatan Rupat Utara dan Rupat, Kabupaten Bengkalis, Propinsi Riau, Indonesia	June 22 to 25, 2022
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 Timber concession permit was obtained through the Decree of the Minister of Forestry No. SK.208/Menhut-II/2007, dated May 25, 2007 concerning the Amendments 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 a Timber Forest Product Utilization Business Permit (IUPHHK) in a Plantation Forest to PT Sumatera Riang Lestari for a Forest Area of approximately 65,000 Ha in North Sumatra Province. The change in the decision concerns the working area of the IUPHHK-HTI PT Sumatera Riang Lestari to an area of approximately 215,305 Ha consisting of 67,230 Ha in North Sumatra Province and 148,075 Ha in Riau Province. The working area of PT Sumatera Riang Lestari Blok IV Rupert based on SK No 208/Menhut-II/2007 dated May 25, 2007 was 38,210 Ha. Recently, the Management Unit received new decree of Decree No. 675/MenLHK/Setjen/PLA.2/9/2021 dated September 9, 2021, regarding the determination of the concession area of 39,002.62 Ha in Bengkalis Regency, Riau Province. There was a conversion of natural forest after December 31, 2010, of 11,279.08 Ha. Thus, the IFCC certified area after the reduction of the converted area is 27,723.54 ha.

The spatial planning of PT Sumatera Riang Lestari Blok IV Rupert according to the Revised RKUPHHK-HTI of 2017 to 2026 which approved by the Decree of the Minister of Forestry No. SK No. 6054/menLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019, are 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 (from 39,002.62 ha being rounded up to 39,003 ha). The Local Protected Areas and Other Protected Areas consist of KPPN of 2,714 ha (6.96%), Riparian Areas of 414 ha (1.06%), and Other Protected Areas 13,109 ha (33.61%).

The concession area of PT Sumatera Riang Lestari Blok IV Rupert is located in the Mesim River Forest Group, and geographically located at 01° 44' 43" to 01° 57' 53" North and 101° 26' 16" to 101° 40' 34 " East. The concession has boundaries of HPT (Limited Production Forest) to the north, APL (Other Use Area) and HPK (Conversion Production Forest) to the south, HPT (Limited Production Forest) to the east, and HP (Permanent Production Forest) and HPT (Limited Production Forest) to the west.

The type of land is peat soil and the species developed for production crops is *Acacia crassicaarpa*. PT Sumatera Riang Lestari Blok IV Rupert has carried out revision of RKUPHHK 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. Adjusting 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 livelihoods of residents around the concession are dominated in agricultural sectors, including in plantations, farming, and fisheries. According to the Rupert Utara Regency Figures in 2020, the number of people work in the agricultural sector is 42% of the total population. Other livelihoods are employees, entrepreneur, etc.

PT Sumatera Riang Lestari Blok IV Rupert has made efforts to resolve conflicts with the surrounding community. There is a Report on Potential Mapping and Conflict Resolution for Semester II of 2021. According to the report, the conflict

potential status of PT Sumatera Riang Lestari Blok IV Rupert is controlled. There is a Report on Conflict Resolution Efforts between the company and the village community. This resolution efforts were facilitated by the government figures such as the Camat, Danramil, Kapolsek, and Lurah.

According to the village heads, The Management Unit has implemented cooperation with the surrounding community. There is a Receipt of Payment Proof of Livelihood Plant Fee to the eight surrounding villages. There is a monthly report and annual summary of 2022 on non-timber forest product. The utilized non-timber forest products are honey and fish. The utilization are performed by the people of two villages. Based on the results of monitoring, the acquisition of non-timber forest product by the community is to meeting subsistence needs.

PT Sumatera Riang Lestari Blok IV Rupert has implemented a Corporate Social Responsibility program to the surrounding community. There is a CD/CSR Implementation Report of PT Sumatera Riang Lestari Blok IV Rupert 2021. Activities carried out include school facilities, assistance for health equipment and trash can, construction materials for village mosques and church, and infrastructure assistance for village market and road trench. According to the report of CD/CSR Realization for the first quarter of 2022, PT Sumatera Riang Lestari Blok IV Rupert has realized one program in the health sector, namely the vaccination of elementary school students with a total realization of 34% of the planned.

Description of the Ecological conditions of the concession

PT Sumatera Riang Lestari Blok IV Rupert has taken steps to minimize environmental impacts due to forest management, namely as follows:

- Develop Documented Procedures (SOP) and Work Instructions (WI) related to environmental management in the work area and make them as guidelines in its operations,
- Establish and maintain Protected Areas that already represent the types of natural ecosystems that exist,
- Implementing Reduce Impact Logging (RIL) in harvesting activities,
- Carry out rehabilitation of Peat Protection Function Areas with appropriate species and technical silvicultural systems,
- Installing signboards in the form of prohibitions or notices in several strategic locations. The signboards, among others, contain prohibitions on burning forests and land, cutting down trees and hunting animals, and notification of protected flora and fauna species.
- The Management Unit uses chemical pesticides in accordance with Kepmentan No. 949 of 2008 concerning limited pesticides, namely using types of chemical pesticides with active ingredients that are not prohibited in the regulation in tackling pests and diseases of main crops and weeds,
- Build a generator house and fuel oil (BBM) accompanied by oil trap facilities to minimize oil spills to the ground and water,
- Build a Temporary Storage Place for Hazardous and Toxic Waste (TPS LB3) which has a permit from the relevant agency, and collaborating with third parties licensed in terms of transporting LB3,
- The Management Unit has provided infrastructure, facilities and infrastructure as well as human resources for forest and land fire prevention and control activities, namely Forest and Land Fire Control Brigade (Brigdalkarhutla). The Management Unit has also established a Community with Fire Awareness (MPA) with the village to participate in preventing and controlling forest and land fires in the Management Unit and surrounding areas,
- Not planting Genetically Modified Organism (GMO) for staple plants,
- Build Security Posts and portals to restrict outsiders from entering the work area. The Management Unit cooperates with third parties in terms of procuring professional security personnel,
- Conduct forest security patrols against existing forest disturbances, especially land claims and land encroachment. Regarding the existing violations, the Management Unit has reported it to the authorities and has made efforts to resolve the problem together with outside parties who have encroached/claimed the land,
- Allowing the community to use non-timber forest products,
- Conduct periodic identification and monitoring of flora and fauna in the work area. Existing native flora and fauna species are protected by providing their habitat in the form of a protected area,
- Monitoring the impact of forest management on the soil (fertility, peat subsidence and pyrite oxidation) as well on

water (water level, quality and river water discharge),

- Perform canal blocking to maintain ground water level to avoid soil dry that potentially cause forest and land fires and the death of staple crops,
- Prepare and report environmental management activities in the Environmental Permit Implementation Report (RKL/RPL) per semester to the relevant agencies. The latest report that has been made is the Environmental Permit Implementation Report (RKL/RPL) for semesters 1 and 2 of 2022.

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation starting May 18, 2022, 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 27,723.54 hectares.

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

The result of the Recertification Audit is one non-conformity in minor category. The Management Unit has made improvements. No critical issues being identified.

Number	Non-Conformities	Corrective Action Performed	Category
1	The Management Unit does not have a document explaining the overlap area between the Spatial Planning and Landsat Image Interpretation. Indicator I.4.1	PT Sumatera Riang Lestari Blok IV Rupert will provide a map of overlapping area between Spatial Planning and Landsat Image Interpretation to describe the distribution of land cover in the Management Unit area.	Minor

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00010/XI/2015 is valid until November 12, 2025, provided that PT Sumatera Riang Lestari Blok IV Rupert 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 is able to perform a close out visit.