

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



JOB NUMBER: AJA/IFCC-019
CLIENT NAME: PT. SUMATERA RIANG LESTARI
TOTAL HECTARES: 26.930,92
 Hectares
SCOPE OF REGISTRATION: Sustainable Forest Management of Plantation Forest covering 26.930,92 Hectares in Riau Province
STANDARD/CRITERIA: IFCC ST 1001:2014 & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: STAGE 2

AUDIT START DATE: 25 August 2015
AUDIT END DATE: 30 August 2015

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: Oniranto Adi Fajari

SIGNATURE:

AUDIT TEAM: Muchammad Nurul Anwar

SIGNATURE:

Sad Hasto Agus Suprpto

SIGNATURE:

MAJOR CARS: 2

MINOR CARS: 14

OBSERVATIONS: 13

RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (No CARs raised or CARs closed out on site):	<input type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING OFF-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input checked="" type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING ON-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input type="checkbox"/>
NON RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (Evidence Of Major System Failure):	<input type="checkbox"/>

SELECT OPTION

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SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY (If more than 4 sites have been visited please add additional rows):	DATE OF EACH SITE VISIT:
BLOK IV - RUPAT	Rupat Utara and Rupert Subdistrict, Bengkalis Regency, Riau Province - Indonesia	25-30 Agustus 2015
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 (If more than 4 additional sites have been registered please add additional rows)	
	N/A	
REF No:	ADDRESSES OF INSTALLATION SITES (CLIENT'S CUSTOMER SITES) VISITED AND NOT COVERED DIRECTLY BY THE COMPANY REGISTRATION INCLUDING COUNTRY (If more than 2 installation sites have been visited please add additional rows)	
	N/A	

Brief Description of the concession and its natural and socio-economic conditions.

PT. Sumatera Riang Lestari (SRL) Block IV - Rupert is a purely private company (with status PMDN) which is engaged in the utilization of timber forest product in industrial plantation forest with the aim to produce wood fiber, which is located on the Rupert island. The forest utilization activities is based on the Minister of Forestry Decree No. 262/Menhut-II/2004 dated 21 July 2004 jo Decree No. 99/Menhut-II/2006 dated 11 April 11 2006 jo Decree No. 208/Menhut-II/ 2007 dated 25 May 2007 with a working area covering 38.210 hectares. In administration, the working area of PT. SRL Block IV - Rupert are located in Bengkalis Regency, Riau Province. The working area of PT. SRL Block IV - Rupert is a peat swamp forest ecosystem, located at an altitude of 5-15 m asl, with peat rock types (GBT) and the shallow peat (MDW). The river that crosses the working area is Batupanjang, Mesim, Raya, and Penuntun river. The location of working area of PT. SRL Block IV - Rupert can be reached from Pekanbaru through the road to Dumai for 5 hours, followed by boat or speed boat crossing to Rupert for 20-40 minutes. From the Rupert port, continue through the road to the Camp for 1 hour.

The type of primary plants developed is *Acacia crassiparva* with 5 year cycle. Livelihood plants developed is *Acacia crassiparva* and/or rubber. Until July 2015, the realization of planted area is 19.378,79 hectares which consist of primary plants of 16.075,3 hectares and livelihood plants of 1.279,1 hectares. Since September 2014, the company is implementing the plantation forest harvesting activities for the first time, that the realization of timber production until July 2015 is 338.499,18 m³ (the target is 411.801 m³).

In and around the working area of PT. SRL Blok IV - Rupert there are 16 village, such as Titi Akar, Batu panjang, Tanjung



Kapal, Pergam village, etc. The majority of peoples livelihood is farmer (oil palm and rubber) and fisherman (catch fish in the sea). Ethnicities that inhabit the villages around the concession area are Akit and Malay ethnic. The newcomer Ethnic generally come from Java, Batak, and Bugis. The average level of public education is a basic level education, with the educational facilities that exist in each village is elementary school or Madrasah Diniyah, while the education facilities of Junior High School and Senior High School / Vocational School generally located in the capital of North Rupert and Rupert subdistrict. To fulfill the needs of health, the community went to the midwife or supporting communities health center that exist in every village. To obtain the services of a doctor, then the peoples should go to the communities health center is located in the sub district, or hospitals that exist in the capital of Bengkalis Regency.

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

Based on the field verification and the analysis of all document stated that PT. SRL Blok IV Rupert has implement a good plantation forest management from the phase of planning, implementation, monitoring and evaluation, to the process of feedback mechanism for next process and preventive action against the fault of activities in the next time. The audit team found 2 Major Nonconformities, 14 Minor Nonconformities as well as 13 Observation for improvement. All Nonconformities findings has been conducted the corrective actions by the company in order to continual improvement of sustainable forest management.

The Nonconformities findings found are The validity period of SIO (Operation Permit) of excavator operator is expired; the evaluation studies of social impact is not provide in the SIA report; plantation forest inventory of age 54 month (PMA 54) not appropriate with the SOP-PLG-010; rehabilitation plan document set has not been adequate and the rehabilitation is not success; SOP Water Management has not been refer to the regulation regarding to wetland management; has not been conduct a rehabilitation in river border and peat protected area as ex fire; the officer of chemical storage has not been trained in B3 waste handling; SOP-HSE-013 has not been refer to the attachment of PP 7/1999 on the conservation of flora and fauna species; the activities of chemical material mixing is not appropriate with the SOP-PLT-004 on Weed control; there is a spillage of toxic and hazardous material (B3) near the water bodies at TPK Hutan; social mapping data of communities around the Management Unit is not complete; the re is no livelihood plants agreement (rubber) with the communities of village: Darul Aman, Tanjung Kapal, Batu Panjang, Pergam, dan Sukarjo Mesim.; SOP Protocol of Conflict Resolution (SOP-SSL-003) has not been disseminated and agree by the communities; SIA document has not been discuss in depth on the impact of company existance, potency and community development program; Collectve Labor Agreement validity period is expired; There is some of workers not use Personnel Protective Equipment.

The company has conduct corrective actions against all nonconformities by ensuring that all operator has had the valid SIO; revise the SIA document; review and revise the SOP-PLG-010; prepare the rehabilitation plan; revise the SOP Water Management; rescheduling of rehabilitation planting in protected area; provide a training plan appropriate for chemical storage officer; revise the SOP-HSE-013; conduct a dissemination of SOP-PLT-004 on weed control to the workers; make sure the entire cover packaging and / or B3 container tightly closed before it is moved; asking the data of (profile) village to the every village; scheduling a meeting with the local government of Bengkalis Regency to progress the livelihood plants resolution; conduct a meeting or interview in personally and sampled to the communities; continue the discussion process of Collective Labor Agreement and make a temporary agreement to use the previous Collective Labor Agreement; Routinely disseminate on the important of Personnel Protective Equipment.

Conditions under which the certificate is issued

Certificate is valid until 30/08/2018, provided that PT. Sumatera Riang Lestari Block IV Rupert completes all of corrective action according to the time schedule proposed in their corrective action responses and hopefully can be success in the surveillance audit.