

# 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 CITRA SUMBER SEJAHTERA SEJATI

TOTAL HECTARES: 15,360

SCOPE OF REGISTRATION: Sustainable Forest Management of 15,360 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification (HYBRID)

AUDIT START DATE: April 04, 2022

AUDIT END DATE: April 07, 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 TRAINING: Qodly Zaka Syahtriawan

SIGNATURE:

Inggita Nuri Prihantini

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Citra Sumber Sejahtera Sejati	Peranap District, Indragiri Hulu Regency, Riau Province, Indonesia	April 04 to 07, 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 Citra Sumber Sejahtera Sejati received an IUPHHK-HTI based on the Decree of the Minister of Forestry No. 68/Menhut-II/2007 dated February 23, 2007, of 15,360 hectares located in Indragiri Hulu Regency, Riau Province. There was a change to the IUPHHK-HTI Decree, namely the Decree of the Minister of Environment and Forestry No. 791/MenLHK/Setjen/HPL.0/10/2019 dated October 11, 2019. By the issuance of this decree, the Management Unit has a name change from PT Citra Sumber Sejahtera to PT Citra Sumber Sejahtera Sejati. The entire concession is certified by IFCC due to no conversion of natural forest after December 31, 2010.

The current long-term business plan (RKUPHHK-HTI) has been ratified by the Decree of the Minister of Environment and Forestry Number SK. 123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018, concerning the Approval of the Business Plan for the Utilization of Industrial Timber Forest Products of 2018 to 2027. The Management Unit has organized its working area into Local Protected Areas and Other Protected Areas of 2,708 Ha (17.63%), Staple Plants area of 8,984 Ha (58.49%) and Livelihood Plant area of 3,668 Ha (23.88%). The Local Protected Areas and Other Protected Areas is consisting of River Border area of 1,813 Ha (11.80%), KPPN area of 100 Ha (0.65%), KPSL area of 100 Ha (0.65 %), and Buffer Zone of Bukit Batabuh Protection Forest of 695 Ha (4.53%).

The location of PT Citra Sumber Sejahtera Sejati is geographically between 00° 43' 20" to 00° 51' 30" South and 101° 53' 45" to 102° 00' 35" East. It falls under the government of Peranap District, Indragiri Hulu Regency, Riau Province. The area boundaries are as follows:

- North: KUD Serangge Permai;
- South: Bukit Batabuh Protection Forest;
- East: Seranggai Permai KUD and Cipta Bina Karya KUD;
- West: PT Artelindo Wira Tama.

The work area of PT Citra Sumber Sejahtera Sejati is flat (0–8%) of 51.51%, sloping (8%-15%) of 37.87% and wavy (15-25%) of 10.62%. It is located at an altitude of 30 to 60 meters above sea level. The work area is included in Kwalaran River Forest Group and crossed by Peladangan River and Serangge River. The climate type according to the Schmidt-Ferguson climate classification is type A with a value of Q=14.3%. According to the geological map, it includes the formations of Palembang (Qtpu; Tpm; Tpl) and Telisa (Tmtu; Tmtl). The soil type is Red Yellow Podsollic (PMK). The entire work area of PT Citra Sumber Sejahtera Sejati is mineral soil. With its type of soil, the species of plants developed are *Acacia mangium*, *Acacia crassicarpa* and *Eucalyptus* sp.

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

The residents around the concessions are local communities. Most of the population live as farmers, especially in oil palm plantations and rubber plantations. According to the Profile of Peranap District 2021, the livelihoods of the residents are dominated by non-rice farming of 89% from the total residents.

PT Citra Sumber Sejahtera Sejati has made efforts to resolve conflicts with the surrounding community. There is a report of a meeting in the context of conflict resolution between the company and the community, mediated by Riau Province Forestry Agency, Indragiri Hulu Regency Government. The company also has a map of claim locations in the work area of PT Citra Sumber Sejahtera Sejati of Indragiri Hulu Regency, Riau Province, scale 1: 50,000.

The cooperation agreement in livelihood plant between the communities and PT Citra Sumber Sejahtera Sejati held since 2010 until present. This cooperation is evidenced with notarial deeds. During this Recertification Audit, there is a compensation fee for the village. The Management Unit also provided opportunities for the communities to utilize non-timber forest products although there are no villagers looking for them in the concessions. According to the Map of Non-timber Forest Product Distribution of PT Citra Sumber Sejahtera Sejati, the potential non-timber forest products in

the concessions are fish, honey, rattan.

PT Citra Sumber Sejahtera Sejati provides support for the development of the surrounding community through CD/CSR program. The company has realized 100% of the planned CSR program in 2021. The activities include honorarium for village managers, community leaders, fostered village development, empowerment of Tiga Lorong traditional institutions, cow farming, infrastructure assistance, village road repair assistance, praying utilities, youth activities, social aids for the villages.

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

PT Citra Sumber Sejahtera Sejati has taken steps to minimize environmental impacts due to forest management, through the following activities:

- Develop and implement various Documented Procedures (SOP) and Work Instructions (WI) related to environmental management in the work area,
- Establish and maintain protected areas, such as River Borders (representing the riparian zone ecosystem) and KPPN, KPSL, Bukit Batabuh Protection Forest Buffer Zone (representing lowland rainforest ecosystems),
- Implement Reduce Impact Logging (RIL) in harvesting activities, infrastructure development and transportation management,
- Monitoring the impact of forest management on soil (fertility, density and erosion) and river water (sedimentation, river water quality and discharge),
- Utilization of types of pesticides in accordance with Kepmentan No. 949 of 2008 to deal with pests and diseases of staple plant and weeds,
- Build a Temporary Storage Place for Hazardous and Toxic Waste (B3), equip the fuel station and generator house with oil trap facility to minimize oil spills to the ground and waters,
- The Management Unit does not plant the Genetically Modified Organisms (GMO) but *Acacia mangium* and *Eucalyptus* sp.

As for preventing and overcoming forest and land fires, PT Citra Sumber Sejahtera Sejati implementing land preparation without burning (zero burning). The Management Unit has built the *Dalkarhutla* command post as well as providing other facilities and infrastructure for the prevention and control of forest and land fires. The Management Unit establishes Forest and Land Fire Control Brigade and a Community with Fire Awareness (MPA) with the village to participate in preventing and controlling forest and land fires in the work area and its surroundings.

The Management Unit has some security posts and portals to restrict outsiders from entering the work area. To protect the forest area from encroachment and illegal logging and hunting, the Management Unit conduct regular forest security patrols and install signboards of prohibitions or notices in several strategic locations. The Management Unit as well conduct periodic identification and monitoring of the types of flora and fauna and protect its existence by providing their habitat in the form of protected areas.

#### Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation starting February 25, 2022, asking stakeholders to provide feedback and information on PT Citra Sumber Sejahtera Sejati. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive input from stakeholders during the public consultation.

The audit team also collects information from the mass media about PT Citra Sumber Sejahtera Sejati. 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. The management system

has been built to cover all activities in the certification field, registered for certification covering an area of 15,360 hectares.

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

The result of Recertification Audit is one (1) non-conformity in minor category. The Management Unit has made improvements and the non-conformity is closed.

Number	Non-Conformities	Corrective Action Performed	Category
1	The Management Unit has not carried out monitoring and evaluation activities properly. Based on field visits and interviews with excavator operator during harvesting activities, the operator did not wear face mask.	<ul style="list-style-type: none"> <li>- Implement continuous inspections related to OHS and OHS Briefing to workers before work,</li> <li>- Carry out harvesting check sheet.</li> </ul>	Minor

#### Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00025/VII/2016 is valid until July 26, 2025, provided that PT Citra Sumber Sejahtera Sejati 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 closeout visit.