

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: CV BHAKTI PRAJA MULIA

TOTAL HECTARES: 5,868.99

SCOPE OF REGISTRATION: Sustainable Forest Management of 5,868.99 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 1

AUDIT START DATE: December 11, 2023

AUDIT END DATE: December 13, 2023

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: Inggita Nuri Prihantini

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

SUPERVISOR: Riyadi Sigit Pamungkas

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 3

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Riau Province, Indonesia	December 11, 2023
Site	Kecamatan Pelalawan, Kecamatan Teluk Meranti, Kabupaten Pelalawan, Provinsi Riau, Indonesia	December 12 to 13, 2023
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	

Brief Description of the concession

CV Bhakti Praja Mulia forest management permit was based on Decree of the Regent of Pelalawan Regency Number 522.21/IUPHHKHT/1/2003/011 dated 28 January 2003 of 5,800 ha located in Pelalawan District, Pelalawan Regency, Riau Province. The area size of the present is based on the Decree of the Minister of Environment and Forestry Number SK.470/Menlhk/Setjen /PLA.2/11/2018 dated November 6, 2018 concerning Determination of the Work Area for Business Permits for the Utilization of Timber Forest Products in Industrial Plantation Forests of CV Bhakti Praja Mulia, of 5,868.99 ha. The latest decree is SK. PBPH (Forest Utilization Business Licensing) namely Decree of the Minister of Environment and Forestry No SK.806/ Menlhk/Setjen/HPL.0/9/2021 dated 21 September 2021. According to this decree, there is a change in the nomenclature from IUPHHK-HT to PBPH (Forest Utilization Business Licensing). There are no natural forest conversion areas above 31 December 2010. The scope of IFCC certification is 5,868.99 ha.

The organization has a ten-year management plan, namely the Revised Work Plan for the Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) ratified by Decree of 6052/MenLHK-PHPL/UHP/HPL.1/6/2019 dated 28 June 2020. According to the current RKUPHHK-HTI, the spatial layout consists of Local Protected Areas and Other Protected Areas of 3,659.99 ha (62.36%), Staple Plant Area of 1,771.00 ha (30.17%) and Livelihood Plant area of 438.00 ha (7.47%). The allocation of livelihood plants of 20% is fulfilled from the Local Protected Areas and Other Protected Areas in the form of non-timber forest product.

CV Bhakti Praja Mulia is geographically located between the coordinates of 00° 33' 39" to 00° 36' 16" North and 102° 17' 46" to 102° 28' 27" East. Based on the PBPH CV Bhakti Praja Mulia Village Distribution Map Scale 1: 100,000, there are 5 villages located around the CV Bhakti Praja Mulia concession, namely Ransang Village, Sungai Ara Village, Pangkalan Terap Village, Kuala Panduk Village, and Petodaan Village. The five villages are in Pelalawan District (Ransang Village and Sungai Ara Village) and Teluk Meranti District (Kuala Panduk Village and Petodaan Village), all of which are in Pelalawan Regency, Riau Province. The boundaries of the concession area are as follows:

- west with IUPHHK-HT PT Riau Andalan Pulp and Paper,
- south with IUPHHK-HT CV Alam Lestari and IUPHHK-HA PT Yos Raya Timber,
- north with IUPHHK -HT PT National Timber and Forest Products and IUPHHK-HT PT Putra Riau Perkasa,
- east with IUPHHK-HT PT Putra Riau Perkasa.

The site condition of the CV Bhakti Praja Mulia work area is peat soil, the type developed is *Acacia crassicarpa*. There is a Peat Dome Peak of 3,280.69 ha which spread over KPPN/KPSL area of 181 ha and Other Protected Areas of 3,099.69 ha.

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

The residents around the CV Bhakti Praja Mulia concession are local communities. The livelihoods of residents around CV Bhakti Praja Mulia are dominated by the agricultural sector. Based on the Social Impact Assessment Report, the livelihoods of the surrounding village residents are Farmer, Fisherman, Trader, civil servants, etc.

CV Bhakti Praja Mulia has a mechanism for resolving complaints and disputes with the surrounding community and related to working conditions. Based on the 2023 Semester I Potential and Conflict Resolution Mapping Report, there is no conflict between the organization and the surrounding community. This also being confirmed by the village heads.

CV Bhakti Praja Mulia has collaborated with the surrounding community, namely in the form of cooperation in the management of livelihood plants with four villages. The last notarial deed being made was in 2020. According to the village head and the company public relations, the livelihood plant cooperation is still valid until present.

As in the Community Development Program Report for 2023 to Quarter III, the activities that have been carried out are in religious field namely assistance with building materials for the village mosque, and economics in assistance of chicken cultivation and equipment for fishermen.

Description of the Ecological conditions of the concession

The organization has carried out forest ecosystem and hydrological function through the following activities:

- Identification of forest management activities that have significant impacts, and conduct environmental impact assessments through AMDAL 2002, Revised RKUPHHK of 2017 to 2026, RKL and RPL documents. The implementation of environmental management and monitoring every semester is presented in the Environmental Permit Implementation Report (RPL and RKL),
- Perform the Reduced Impact Logging activities before, during and after logging activities,
- Identification of areas that function for soil and water protection and designated the area as the protected area, namely KPPN / KPSL and Other Protected Areas. The designated protected area allocation is Local Protection Areas and Other Protected Areas covering an area of 3,659.99 ha (62.36%), consisting of River Borders of 330.00 ha (5.62%), KPPN/KPSL of 215.00 ha (3.66 %) and Other Protected Areas covering 3,114.99 ha (53.08%).
- CV Bhakti Praja Mulia manages the area with a water management system to maintain the hydrological unity of the Siak River-Kampar River KHG peat based on a peat ecosystem restoration plan.
- Identification of areas that contribute to global emissions is reported in the Draft Integrated HCV-SKT Assessment Report in Five Plantation Forest Concessions, Riau Province: CV Tuah Negeri, CV Bhakti Praja Mulia, CV Bhakti Praja Mulia, CV Mutiara Lestari and PT Selaras Abadi Utama 2022.
- CV Bhakti Praja Mulia has an encouraging monitoring program positive climate practice in forest management activities.

The organization has carried out biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/near-extinct flora and fauna and its habitat in the IUPHHK-HTI area. The results of the identification and inventory can be found at AMDAL 2002, Revised RKUPHHK of 2017 to 2026, fauna distribution map and RKL and RPL documents per semester. Has identified protected, endemic, rare flora and fauna and threatened/ endangered species and their habitats. Updating data on high conservation value and high carbon stocks.
- Identify key species along with their habitats and migration patterns. Based on this identification, the key species in the area is the tiger (*Panthera tigris*).
- Prohibition of developing genetically modified tree species. The species of plant cultivated is *Acacia crassicarpa*.

The organization has implemented appropriate and measurable steps in forest protection activities by carrying out Forest Protection activities, namely:

- Identify and monitor disturbances in sustainable forest management.
- The organization has carried out forest protection activities through aerial monitoring of changes in land cover, security and area patrols. CV Bhakti Praja Mulia has installed prohibitory and advisory signboards in the concession area including information about guidelines for preventing and mitigating conflicts between humans and Sumatran tigers.
- Have documented procedures to prevent and handle pest and disease attacks, namely SOPs for Integrated Pest and Disease Management, SOPs for Forest Protection, SOPs for Controlling Forest and Land Fires.
- Manage chemical pesticide management in the field with documented procedures and MSDS. No type of pesticide was found which is prohibited by international agreements as intended in the Stockholm Convention on Persistent Organic Pollutants.
- Has implemented forest protection measures against fire hazards which have been referred to Minister of Environment and Forestry Regulation Number P.32/MenLHK/Setjen.Kum.1/3/2016 concerning Control of Forest and Land Fires.
- Prohibition of livestock grazing activities by the community and the use of NTFPs is monitored by the Forest Protection team. The NTFPs used by the community are fish.

Results of the Public Consultation



Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 1 Audit, PT ACube TIC International conducted a public consultation starting November 24, 2023, asking stakeholders to provide feedback and information about CV Bhakti Praja Mulia. The public consultation was uploaded to the PT ACube TIC International website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers. There was no input from the stakeholders.

The audit team also collected information from the mass media about CV Bhakti Praja Mulia. The reported cases are considered part of the PT ACube TIC International audit process.

The Organization has identified all the requirements necessary for this certification process, which consists of legal aspects that include compliance with regulations and international rules and conventions. The management system has been built to cover all activities in the field of certification, which are registered for certification covering an area of 5,868.99 hectares.

Organization progress record related to corrective action on findings of nonconformities in previous audit

The results of the Recertification Audit were no findings.

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

The result of this Transition to IFCC ST 1001:2021 + Surveillance 1 Audit is 3 (three) non-conformities in Minor categories. The Organization has made improvements. No critical issues occur.

Number	Non-Conformities	Corrective Action Performed	Categories
1	The organization has not yet revised SOP-NEN-007 Harvesting Timber from Planted Forests in Peat Areas. There are several inconsistencies in implementation in the field with the SOP. Indicator 7.3.4	The organization has made a draft revision of the SOP by adding work procedures for full mechanical and semi-mechanical system harvesting as well as mechanisms for dividing wood lengths (bucking) and procedures for loading wood in barging. The organization will also conduct outreach to harvest workers to increase the understanding and awareness of the work mechanisms set by the company. The consistency of the improvements made will be reviewed in the next audit (Audit Surveillance 2)	Minor
2	The organization has carried out internal audit activities that include the standards ISO 14001:2015, ISO 45000:2018, Decree of the Director General of PHPL No. P.62/PHPL/SET.5/KUM.1/12.2020 (Appendix 1 & 2), SMK3, SFMP 2.0 Policy, IFCC Standard ST 1001:2014 but does not include IFCC Standard ST 1001:2021. Indicator 8.2.1	The organization has made improvements through the implementation of the 2023 internal audit which was carried out on February 27 to March 3, 2024, included the IFCC ST 1001:2021 standard.	Minor
3	The organization has implemented a Management Review in 2022, but its scope is still	The organization has carried out the 2023 Management Review on February 10, 2024	Minor



	limited to K3 policies and objectives. It did not include organizational performance information, including audit results of mandatory standards (PHPL), IFCC ST 1001:2021 standards, SFMP 2.0 Policy, etc. Indicator 8.3.1	with the topic of organizational performance information, audit results of mandatory standards (PHPL), IFCC ST 1001:2021 standards, SFMP 2.0 Policy, etc.	
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Conditions under which the certificate is issued
Certificate is valid until February 27, 2026, provided that CV Bhakti Praja Mulia 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 EUROPE is able to perform a closeout visit.