

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT KORINTIGA HUTANI

TOTAL HECTARES: 94,384

SCOPE OF REGISTRATION: Sustainable Forest Management of 94,384 Hectares of Plantation Forest in Central Kalimantan Province

STANDARDS/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 2

AUDIT START DATE: October 23, 2023  
 AUDIT END DATE: October 27, 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: ABDULLAH MUJAHID

SIGNATURE:

TATA SUMITRA

SIGNATURE:

TECHNICAL EXPERT: NURCAHYO ADI

WITNESSING MORENO GIORDIANI

EVALUATOR:

TRANSLATOR (if any): RIYADI SIGIT PAMUNGKAS

MAJOR CARS: 0

MINOR CARS: 5

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Site	Base Camp Pellita, Desa Nanga Mua, Kecamatan Arut Utara, Kabupaten Kotawaringin Barat, 74152, Provinsi Kalimantan Tengah, Indonesia	October 23 to 27, 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	
N/A		



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### Brief Description of the concession

The permit of PT Korintiga Hutani is PBPH (Forest Utilization Business Licensing). PT Korintiga Hutani has received a forest utilization permit since 1998 and has undergone several changes. The final decision letter is the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number: SK.717/MENLHK/SETJEN/HPL.0/9/2021 dated 13 September 2021 of 94,384 Hectares in Central Kalimantan Province. In carrying out operations, the company has an RKUPH document (Forest Utilization Business Work Plan) for the 10-year period of 2021 to 2030 which was ratified by Decree of the Minister of Forestry and Environment Number SK 6422/MenLHK-PHPL/UHP/HPL.1/11/2020 dated 27 November 2020. There are no conversion of natural forest to plantations, thus the scope of IFCC certification is 94,384 hectares.

The organization has carried out spatial planning of its work area into Protected Area of 18,992 Ha (20.12%) and Cultivation Area of 75,392 Ha (79.88%) totaling in 94,384 Ha (100%). The Cultivation area of 75,392 Ha (79.88%) consists of Self-management pattern of 66,024 Ha (69.95%), Partnership pattern of 6,252 Ha (6.62%), Infrastructure area of 3,116 Ha (3.31%).

Location of the forest is geographically located at 111° 28'00" to 111° 55'00" East and 1° 62'30" to 2° 20'00" South. Administratively, the government is located in the districts of Mentohi Raya, Bulik, Sematu Jaya, South Arut and North Arut in the West Kotawaringin Regency and Lamandau Regency, Central Kalimantan Province. Accessibility to the work area can be reached from the provincial capital, Palangkaraya, by land, river or air. Travel time from Pangkalanbun City is approximately 1.5 hours to Pellita base camp (PT Korintiga Hutani). PT Korintiga Hutani PBPH area boundaries, namely:

- North side: PT. Intrado Jaya Intiga,
- East: PT. Arut Sawit Mandiri,
- South side: PT. True Mendawa Partners,
- West: PT. Gemareksa Mekarsari.

The general condition of PT Korintiga Hutani is as follows:

- Forest groups: Sei Mentohi and Sei Arut
- Land type: dry land
- Topography:
  - ✓ Flat (0-8%) : 61.4 %
  - ✓ Sloping (8-15%) : 12.3 %
  - ✓ Wavy (15-25%) : 11.8%
  - ✓ Slightly Steep (25-40%) : 8.8 %
  - ✓ Steep > 40% : 5.7 %
- Altitude: 25 – 500 above sea level
- Soil type: Alluvial (1.3%), Gleisol (3.75%), Cambisol (39.24%), Litosol (0.06%), Podzolic (51.64%), Regosol (4.01%)
- Geology (Rock): Kuayan (TRvk) 93.02%, Tonalt Sepauk (KIs) 6.41%, Mandahan Granite (Kgm) 0.57%.
- Climate Type: A
- Rivers: Seimentajai, Sei Peguluman, Sei Uwah, Sei Moa.

The species developed for production are *Acacia mangium*, *Eucalyptus pellita*, and red jabon (*Anthocephalus macrophyllus*), white jabon (*Anthocephalus cadamba*).

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

PT Korintiga Hutani has thirteen target villages. Based on the Community Identification Report around the PT Korintiga Hutani area, the livelihoods of the surrounding residents are mostly farmers or 57% of the total population. In the work area of PT Korintiga Hutani there are customary law communities. The company made commitments to the local village communities in 2012, represented by 3 villages. The commitments are that PT Korintiga Hutani will protect Bukit Sepanjung and Bukit Balang area as a conservation area based on the traditional territory.

PT Korintiga Hutani has established an agreement with the community. There are Joint Agreement concerning the Construction, Improvement and Maintenance of Inter-Village Connecting Roads, Forest Right Community Plantation and Forest Partnership Cooperation. The company made Cooperation Agreement with 3 local contractor partners. There is Community Collaboration Concerning Fire and Utilization of NTFPs as well.

PT Korintiga Hutani has provided adequate support for the empowerment of local communities. There is an Operational Plan for PT Korintiga Hutani Corporate Social Responsibility Program for 2022 and 2023. The realization until the end of December is 67.14%. The 2022 Corporate Social Responsibility activities realized include honorary teacher salary, religious teacher / spiritual officer, national holiday fund, traditional event fund, repairs to houses of worship. As for 2023, the Management Program realization until the end of December is 543.44%. The activities in 2023 include honorary teacher salary, religious teacher, scholarships for higher education, funds for local crafts and UMKM, maintenance of access roads in assisted villages, repairs houses of worship, Construction of the Lamandau Consortium Road, Inauguration of the Lamandau Consortium Road, repair of school buildings, etc.

There is remaining conflict land in 2023 which is still in the resolution process. Based on interviews with five village officials, there is no open conflict with the surrounding community. Most of the community's claim areas have been resolved by the company, either through compensation or through forestry partnership (HTR) cooperation. As for further settlement efforts, some of the claim areas are in the process of being resolved. The remaining conflict land in 2023 is in 16 locations. Based on information from the BPD Representative and a village representative, PT Korintiga Hutani has provided compensation for the land of the community.

#### Description of the Ecological conditions of the concession

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

- Identify forest management activities that have significant impacts and carry out environmental impact assessments through PT Korintiga Hutani RKL and RPL, PBPH AMDAL Documents (Approved and Ratified by the Forestry Department AMDAL Commission No 48/DJ-VII/AMDAL/97 dated 12 March 1997, Environmental Permit by the Governor of Central Kalimantan on 27 October 2010 (recorded in the OSS System). The organizations performed implementation of environmental management and monitoring every semester and presented in the Environmental Permit Implementation report (RPL/RKL).
- Reduced Impact Logging activities are performed before, during and after logging.
- Identify areas that function to protect land and water. This is an area designated as a Protected Area of 18,992 ha (20.12%) consisting of River Borders of 7,540 ha (7.99%), KPPN of 300 ha (0.32%) and KPSL 11,152 ha (11.81%).
- Monitoring of negative impacts of forest management activities in concession areas in accordance with the environmental assessment documents and SOP for Monitoring Protected Areas, SOP for Monitoring Discharge and Water Quality and SOP for Erosion Monitoring.
- PT Korintiga Hutani has documented procedures for the controlled use of B3 (Hazardous and Toxic Materials), namely SOP for Management of Hazardous and Toxic Waste (B3), SOP for Handling Spills of Fuel, Lubricants and Chemicals, SOP for Weed Control, and SOP Integrated Pest and Disease Management.



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

- Identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna as well as their habitat and migration patterns in the PBPH area. The results of the identification and inventory can be found in RKL and RPL, PBPH AMDAL Documents, RKL/RPL Implementation Report (Semester 2, 2022 and semester 1, 2023).
- Identify key species along with their habitats and migration patterns. Based on this identification, there is a key species in the area, namely the Orang Utan (*Pongo pygmaeus*).
- The types of staple crops cultivated are not genetically modified tree species but *Acacia mangium*, *Eucalyptus pellita*, and red jabon (*Anthocephalus macrophyllus*), white jabon (*Anthocephalus cadamba*).

The organization has implemented appropriate and measurable steps in forest through the following activities:

- Identify and monitor disturbances in Sustainable Forest Management. Based on document review and field verification, forest disturbances generally include danger of forest fires, illegal land encroachment and illegal logging.
- Having documented procedures to prevent and handle pest and disease attacks, namely SOPs for Integrated Pest and Disease Management.
- Regulate the management of chemical pesticides in the field with documented procedures and MSDS.
- Has implemented forest protection measures against fire hazards.
- Prohibition of livestock grazing activities by the community.

### Results of the Public Consultation

PT ACube TIC International has made a public announcement and public consultation prior to conducting the Audit of Transition to IFCC ST 1001:2021 + Surveillance 2 and Witness Audit commencing September 15, 2023, asking stakeholders to provide feedback and information about PT Korintiga Hutani. The public consultation was uploaded to the PT ACube TIC International website, sent to parties by email or postal mail, and published in local newspapers.

The audit team also collected information from the mass media about PT Korintiga Hutani. The reported cases are considered as part of the PT ACube TIC International audit process.

There was some positive feedback from two stakeholders:

1. On October 25, 2023, the stakeholder stated that the organization has a high commitment in carrying out biodiversity conservation and preservation activities. That the organization has maintained the efforts as concrete evidence of how synergy based on common goals and fundamental values can produce significant positive changes in preserving biodiversity and the environment.
2. On October 30, 2023, the Provincial Government One Stop Investment and Integrated Services informed that PT Korintiga Hutani Business Data is in accordance with the data on Online Single Submission (OSS).

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

There are three (3) minor non-conformities and one (1) major non-conformity during the Surveillance 1 Audit. The Organizations made improvements and the non-conformities are closed.

Number	Non-Conformities	Corrective Action Performed	Categories
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1	<p>There are no skid trails in the harvesting plot, the results of measuring the length of the wood did not match, and the harvesting supervisor did not have a worksheet to monitor harvesting progress.</p> <p>This is not in accordance with the SOP for Timber Harvesting in Industrial Plantation Forest.</p>	<p>Improvements have been made by the verification organization in the harvesting progress plot.</p> <p>There are micro-planning maps, micro-planning evaluation sheets, wood harvest monitoring worksheets, standard wood length picking test.</p>	Minor
2	<p>The method for determining the location of PSP plots is not detailed in the SOP for Permanent Measuring Plots, and land class/fertility class parameters have not been used to determine the location of PSP plots.</p>	<p>PSP has been created based on land class. There are 10 (ten) classifications of land types in the area and the total number of PSP plots is 240 plots.</p>	Minor
3	<p>There were traces of burning plastic waste in the hole on the ground of the contractor worker's camp. This can potentially cause disease during the rainy season.</p>	<p>The results of field visits showed that there was no rubbish around the camp. There are trash bins/large trash bags available.</p>	Minor
4	<p>There were workers who did not wear appropriate respirator masks and performed medical check-up for the cholinesterase test. There were no base to prevent chemical spill on the ground and no wind direction markers at the location, making it possible for work accidents to occur when the wind direction suddenly changes.</p>	<p>Organizations have carried out repairs in accordance with the SOP. During field verification, there were herbicide mixing personnel who wear standard respirators. The wind direction, there is a hood on the spray nozzle to prevent spills on the ground.</p>	Major

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

There are five (5) minor non-conformities non-conformity during the Transition to IFCC ST 1001:2021 + Surveillance 2 Audit. The Organizations made improvements and the non-conformities are closed.

Number	Non-Conformities	Corrective Action Performed	Categories
1	<p>The 2023 RKTTPH harvest plan was not in accordance with the RKUPH document (RKUPHHK-HTI) related to the plan of the harvest blocks.</p>	<p>The organization has made improvements, there is a Statement Letter from the Director which states that it will revise the RKUPH according</p>	Minor

		to the upcoming 2024 RKTPh and reorganize the harvest plan until 2030.	
2	The realization of harvest area production cannot be achieved 100%. Based on the monthly report, actual production until October was 80% of the planned. Based on field visits at the nursery, many seeds expired because land ready for planting was not available.	The organization has made improvements: 1. Organizations committed to maximizing existing resources to optimize the achievement of wood harvesting targets in November and December 2023. 2. Organizations will donate the expired seeds to government agencies or private institutions (NGOs) that need them for forest rehabilitation activities. 3. Organizations will evaluate the company Risk Management. The consistency of improvements made by the Organization will be reviewed in the next audit	Minor
3	The organization does not have a monitoring sheet in making ITSP plots (Stand Inventory Before Logging) to ensure that the ITSP plots comply with the SOP. During the field visit at ITSP plot, the tree diameter measurements did not use standard measuring instruments.	The organization has made improvements: 1. Have created a Worksheet "Monitoring and Evaluation Checklist for Forest Minutes Activities." 2. Provide the standard diameter/height measuring stick/instruments.	Minor
4	The condition of the heavy equipment contractor workers camp's bathroom and toilets did not meet standards, where it does not equipped with a cover/roof.	The organization has made improvements: 1. Prepare to renovate the toilet and bathroom facilities. 2. Perform socialization to all workers about the importance of toilet facilities as part of sanitation health and clean and healthy living behavior. The consistency of the improvements made will be reviewed in the next audit.	Minor
5	The organization has a Conflict Potential and Conflict Resolution Status Report for Semester 1 2020 with CONTROLLED Category Status (36-52%) with a score of 48.08%.  However, for 2023 the organization has not prepared a Potential Conflict Status Report and Conflict Resolution, as required by the Director General of PHPL Number: P.5/PHPL/UHP/PHPL.1/2016 and -PerMenLHK No.P. 8 of 2021. It must be reported every 6	The organization has carried out a root cause analysis because the potential conflict data is incomplete. The organization has made a commitment in a Statement Letter from the Director which states that they will make Mapping and Conflict Resolution Report in accordance with Perdirjen PHPL Number: P.5/PHPL/ UHP/ PHPL.1/ 2016 and PerMenLHK No.P.8 of 2021and will be reported every 6 months to the Environment and Forestry Service of	Minor



	months to the Provincial Forestry Service and copied to the Director General of PHPL and BPHL.	Central Kalimantan Province with a copy from the Director General of PHPL, BPHL	
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#### Conditions under which the certificate is issued

Certificate is valid until January 18, 2025, provided that PT Korintiga Hutani 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 S.r.l. is able to perform a closeout visit.