

Date of Public Summary: 24 April 2012

**PUBLIC SUMMARY OF SECOND SURVEILLANCE AUDIT OF
KEDAH STATE FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate No : FMC 003
Date of Certification : 9 June 2010
Date of Surveillance Audit : 14-17 November 2011**

Certification Body:

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1. INTRODUCTION

A second surveillance audit for forest management certification on the Kedah State Forest Management Unit (hereafter referred to as 'the Kedah State FMU') was conducted from 14-17 November 2011. This audit was conducted to verify the Kedah State FMU's continued compliance with the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)]*.

The Kedah State FMU is managed by the Kedah State Forestry Department (KSFD). At the end of 2011, the FMU comprised 307,046 hectares (ha) of Permanent Reserved Forest (PRF) or 33% of the State's total land area of 942,600 ha. In addition, nine (9) forest areas of 35,567 ha had been proposed for gazettelement as PRF. A map of the FMU showing the significant features of the forest is attached in **Annex 1**.

The KSFD is committed to the management of the Kedah State FMU on a sustainable basis. The PRFs within the FMU comprise mainly of inland *Dipterocarp* forests covering an area of 300,845 ha with the remaining PRF covering 6,201 ha consist of mangrove forests. The administration of the FMU is divided into three forest districts namely the North, Central and South Kedah Forest Districts.

The inland forest is managed under a Selective Management System (SMS) on a 30-year rotation period. Under the Ninth Malaysia Plan (2006-2010), the Annual Allowable Cut (AAC) for the Kedah State FMU had been set at 2,360 ha. A Forest Management Plan (FMP) covering the period from 2006 to 2015 had been completed and presented during the audit.

2. GENERAL SUMMARY

2.1 Name of FMU

Kedah State FMU

2.2 Contact Person and Address

Mr. Mohd Rahim Ramli
Assistant Director of Forestry
Kedah State Forestry Department
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E-mail : rahim@kedforestry.gov.my

2.3 Dates of Surveillance Audit:

14-17 November 2011 (8 man-days)

2.4 Audit Team

Dr. Yap Son Kheong (Audit Team Leader)
Mr. Khairul Najwan Ahmad Jahari (Auditor)

2.5 Standards Used

Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] using the verifiers stipulated for Peninsular Malaysia.

2.6 Stakeholder Consultation

A stakeholder consultation was initiated in October 2011, one month before the conduct of the field audit. There was no comment received from any of the stakeholders. However, the audit team has investigated a news report in the Utusan Malaysia newspaper dated 1 November 2011 on the complaint by about 3,000 people in seven villages in the Padang Terap/Pendang District urging the Kedah State Government to stop logging operations in Bukit Perak which they alleged has polluted the community water pond supplying fresh water to the villages. The responses by the audit team on the news report are attached in **Annex 2**.

For this surveillance audit, there were also on-site consultations being held with the staff of the Kedah State FMU and the field workers of the contractors at the harvesting sites.

3. SUMMARY OF SURVEILLANCE AUDIT FINDINGS

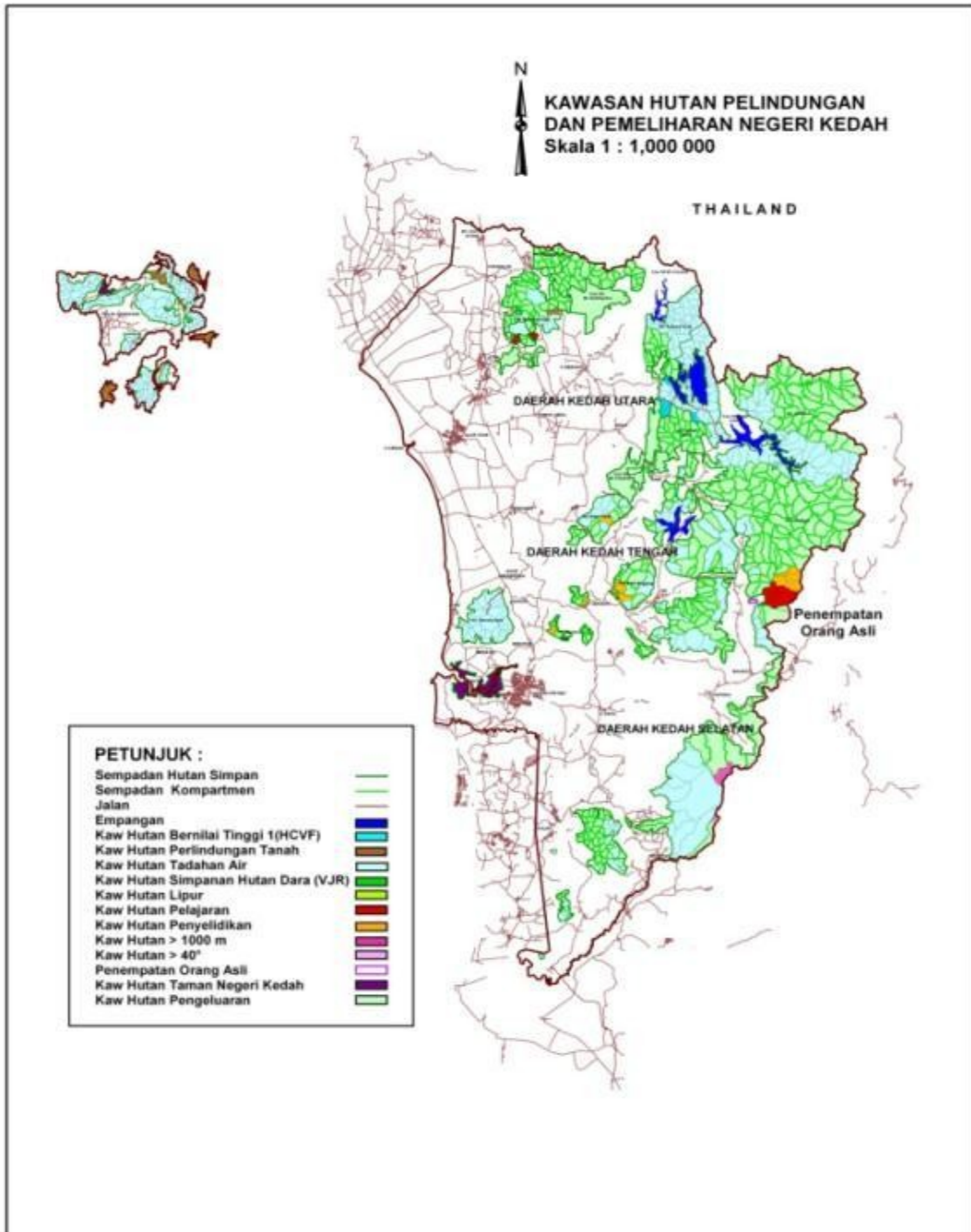
Based on the findings of this surveillance audit, the audit team had found that there was a firm commitment by KSFD to continue managing the FMU on a sustainable basis despite the issuance of one (1) major, three (3) minor NCRs and four (4) OFIs. In the case of the major NCR, the KSFD had immediately taken action to suspend the logging licence and compound the contractor for the offence. As the KSFD has taken appropriate immediate action to address this major NCR, the audit team has decided to close it out.


During this surveillance audit, the audit team had also verified on the corrective actions taken by the KSFD to address all the three (3) minor NCRs and six (6) Opportunity for Improvements (OFIs) which had been raised during the first surveillance audit. The audit team was satisfied that the proposed corrective actions had been implemented effectively and had therefore closed out all the NCRs and four of the OFIs during the Closing Meeting held on 17 November 2011. Two of the OFIs remained outstanding.

The KSFD had submitted a proposed corrective action plan to address the new minor NCRs and OFIs raised during this second surveillance audit via a letter dated 18 February 2012 which had been accepted by the audit team leader. The proposed corrective actions by the KSFD to address these minor NCRs and OFIs shall be verified by the audit team during the next surveillance audit. The details on the status of the NCRs and OFIs raised during the first surveillance audit, and the new NCRs and OFIs raised during this second surveillance audit are attached in **Annex 3**.

As the new major NCR raised during this surveillance audit, as well as all previous minor NCRs issued during the surveillance audit have been satisfactorily closed out, it is therefore recommended that the *Certificate for Forest Management* which was awarded to the KSFD be maintained.

A Map of the Kedah State FMU



No	Name, Organisation, Address and Contact Numbers	Date Received	Detail of Issue Raised	Responses by Audit Team Leader
1.	Newspaper -Utusan Malaysia	1 November 2011	<p>About 3,000 people in seven villages in the Padang Terap/ Pendang District have urged the Kedah State Government to stop logging operations in Bukit Perak, Pendang which they alleged has polluted the community water ponds supplying fresh water to the villages.</p> <p>The people were concerned that the logging operations which started two months ago could pollute the natural water supply into the community water ponds built by the Ministry of Health twenty-eight years ago.</p>	<p>The auditors had visited the area and found that it was licensed for rock blasting. The auditors had also visited the water catchment area and found it was still intact and located very far away from the logged area. The auditors had also met the representatives from the seven villages who had made the allegations on logging operations in the Bukit Perak, Pendang.</p> <p>The KSFD has conducted a social impact assessment on the surrounding area before the logging operations started. However the villages were more than 5 km away from the logging site and have therefore not been included in the assessment.</p> <p>The District Forest Officer (DFO) has taken immediate action by consulting the villagers. It was observed that the water catchment was built without the approval of the KSFD.</p>  <p>The photo above shows that a sample of</p>

				water taken during the site visit to the area indicated that the water has not been disturbed by the logging operations.
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Annex 3

**Status of NCRs and OFIs issued during the First Surveillance Audit
(3 minor NCRs and 6 OFIs)**

NCRs:

Indicator	NCR No.	Details of Non Compliance	Corrective Actions Taken	Status
1.5.2	Minor 1 SKY 01	Control mechanism to prevent encroachment, hunting and other unauthorized activities within the FMU was not adequate. There was insufficient signage indicating the boundaries of forest reserves so as to deter illegal activities.	It was observed that the KSFD has taken action to erect more signboards along the boundary of the forest reserves in the FMU so as to deter unauthorized activities. In addition, an enforcement officer has recently been appointed who would be providing the support to the KSFD on controlling encroachment activities.	Closed out
9.3.2	Minor 2 SKY 02	The measures to demarcate, maintain and enhance the HCVF attributes had not been included in the public summary of the FMP. Inspection of the public summary made available in the web page of the FMU www.kedforestry.gov.my did not indicate measures on demarcating, maintaining and enhancing HCVF attributes.	The measures to demarcate, maintain and enhance the HCVF attributes have been included in the public summary of the FMP which is available in the web page of the KSFD at www.kedforestry.gov.my	Closed out
8.3.1	Minor 3 KN 01	Documents for identifying all forest products leaving the area to be certified so that their origins could be easily determined were not updated. During the inspection on the Charok Sejuk Checking Station in Sik, it was observed that some of the records for log movements were not updated in the "Tree Tagging and Timber Production Control Book". The log diameters and lengths recorded in the following Removal Passes were not recorded in the "Tree Tagging and Timber Production Control Book":	Site inspections have been conducted at three FCSs, one at Charok Sejuk in Sik and another two at the mobile checking stations in Bukit Perangin, and Weng. During the inspections, it was observed that the "Tree Tagging and Timber Production Control Books" kept at these FCSs were found in good order and the relevant record on all forest products leaving the area had been properly maintained,	Closed out

		<p>1) Removal Pass No 020962 dated 30 August 2010 for License KT 01-01-2010 under Compartment 73E of the Rimba Teloi FR; and</p> <p>2) Removal Pass No 020952 dated 15 August 2010 for License KT 01-01-2010 under Compartment 73E Rimba Teloi FR.</p> <p>This gap was also found in the Checking Station at Kuala Pegang where the volume of logs was also not updated in the "Tree Tagging and Timber Production Control Book".</p>		
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OFIs:

Indicator	OFI No.	Summary of OFI	Corrective Actions Taken	Status
4.2.3	1	Supply of personal safety equipment to the contractors' field workers could be improved through proper records together with regular inspection.	It was observed that all of the contractors' field workers had been provided with the appropriate personal protective equipment (PPE).	Closed out
5.5.1	2	Protection of water catchment areas in the FMU could be improved through gazettement of more sites which had been approved by the State government.	<p>Documentation for the proposed gazettement of catchment areas had been presented to the State Government but there has been no response yet.</p> <p>A letter reference <i>PHNK Sulit 154 Jd 32/(15)</i> dated 9 July 2009 has been written to the Secretary of the State Land Committee (<i>Jawantankuasa Tetap Hasil Bumi Kedah</i>) requesting a total of 31,219 ha with 25 working papers on the proposed gazettement of water catchment areas in Pedu FR (14,712 ha), Chebar Besar (1,442 ha) and Muda Dam area (12,484) ha.</p>	Closed out
6.5.3	3	Sumps constructed along the feeder roads in the harvesting compartments in Gunung Inas FR could be enhanced by deepening the pits and also increasing the frequency.	It was observed during site inspections at Compartments 9C and 9D of the Bukit Perangin FR, Compartment 20 of the Gunung Inas FR and Compartment 38A of the Ulu Muda FR that improvement had been made by increasing the frequency and deepening the sumps constructed along the steep parts of the feeder roads.	Closed out

6.6.1	4	Implementation of guidelines and procedures on the use of chemicals in the forest as approved by relevant regulatory authorities could be improved by standardization of the recording systems.	As the nursery in Changloon has just been established, the guidelines and procedures on the use of chemicals were in the process of being prepared.	Remained outstanding
8.2.1	5	Inspection of tree stump in Comp 6C & D BKK Gunung Inas found that species identified was different from that in the tree tagging books. For example tag no KBX 6103 was identified as Tulang Daing while the tagging records indicated it as Meranti Tembaga. The tagging of trees and identification process could be enhanced.	During an inspection of tree tagging in Compartment 20 of Gunung Inas FR, it was observed that the name of the specie identified on the tag was the same as recorded in the Tree Tagging and Timber Production Control Book.	Closed out
8.5.1	6	The summary of results of monitoring could be improved by incorporating some details on the pre and post harvesting records and social impacts of harvesting.	It was observed that the gathering of information on the social impact of forestry activities was still in progress and therefore could not be included in the summary of results to be made available to the public.	Remained outstanding

**Issuance of New NCRs and OFIs under the Current Second Surveillance Audit
(1 major NCR, 3 minor NCR and 4 OFIs)**

NCRs:

Indicator	NCR No.	Status	Summary of Non Compliance
6.5.4	KN1	Major	<p>During an inspection made in Compartment 9D of the Bukit Perangin FR (Logging licence No. KU 01-41-2011), it was found that three (3) untagged trees in the buffer zone had been felled and removed. It was also observed that there was damage being done in the buffer zone.</p> <p>The KSFD had immediately suspended the logging licence and compounded the contractor for these offences. The logging contractor had taken action to pay the compound.</p>
5.3.1	KN2	Minor	<p>During an inspection in Compartments 9C and 9D of the Bukit Perangin FR (Logging licence Nos. KU 01-22-2011 and KU 01-41-2011), it was observed that the construction of two skid trails has not been made according to that which has been approved in the forest harvesting plan or <i>Rancangan Pengusahaan Hutan (RPH)</i>.</p>
6.5.3	SK1	Minor	<p>The specification on drainage along skid trail as prescribed in the 'Guidelines for Forest Roads 2010' or <i>Garis Panduan Jalan Hutan 2010</i> has not been followed. It was observed that the closed skid trail 1 in the first log landing in Compartment 38 (A) of the Ulu Muda FR in the South Kedah Forest District was constructed with steep gradient and had no water bunds to prevent excessive erosion.</p>
5.5.1	SK2	Minor	<p>It was observed during an inspection in Compartment 38 (A) of the Ulu Muda FR in the South Kedah Forest District that there was no culvert being built over a stream within the riparian buffer.</p>

OFIs:

Indicator	OFI No.	Summary of OFI
4.2.4	1	<p>The KSFD had taken action to improve the format of safety record to capture information on the occurrence of accident. Monthly records had been instituted. Although the safety records for forest workers of the KSFD had been properly maintained, the number of accidents (minor or major) for the workers of the contractors had not recorded.</p>
5.3.2	2	<p>The amount of wastage was relatively low in the harvesting sites inspected. Directional felling has been implemented and only good quality trees were tagged for felling to prevent wastage and also damages to residual</p>

		stand. However, it was observed during a site visit to Compartment 38A of the Ulu Muda FR that there was some Merbau log being left in the logging area.
6.6.1	3	The storage of chemical herbicide (Timer 41) and sprayers in the chemical store at the Jeniang Range Office could be improved by segregating the chemicals and equipment and enhancing the understanding the correct usage of these chemicals.
8.3.1	4	In general, the documentation for identifying all forest products leaving the certified forest had been properly maintained. However, the documentation of logs at the mobile checking station in Weng at the entrance to Compartment 38(A) of the Ulu Muda FR could be enhanced by avoiding mistakes of recording the sequence of number of the logs measured for the Removal Passes. For example, log number 3 was recorded as log number 4.