

**PUBLIC CERTIFICATION SUMMARY OF
KELANTAN STATE FOREST MANAGEMENT UNIT**

**Certificate No : FMC 005
Date of Certification : 9 February 2011
Date of Public Summary : 27 May 2011**

Certification Body:

**SIRIM QAS International Sdn Bhd
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Definitions of Terms Used in the Summary

Term	Definition
Criterion (plural Criteria)	A means of judging whether or not a Principle (of forest stewardship) has been fulfilled.
Encroachment	The act or action of using forest land contrary to the provisions provided for in forestry laws and regulations with regard to forest land uses.
Exotic species	An introduced species not native or endemic to the area in question.
Forest Management Area	A forest management area refers to the clearly defined area which is under direct management of the company undertaking forest management assessment for the purpose of timber certification.
FMU	Forest Management Unit – a clearly defined forest area, managed to a set of explicit objectives and according to a long-term management plan.
HCVFs	<p>High Conservation Value Forests are those that possess one or more of the following attributes:</p> <ul style="list-style-type: none"> • forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia); and/or large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. • forest areas that are in or contain rare, threatened or endangered ecosystems • forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control) • forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health) and/or critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities)
MC&I (2002)	<i>Malaysian Criteria and Indicators for Forest Management Certification (2002)</i> is the standard used for auditing forest management practices at the forest management unit (FMU) level for the purpose of certification.
Indicator	A qualitative, quantitative or descriptive attribute that, when periodically measured or monitored, indicates the direction of change.
Verifier	Data or information that enhances the specificity or the ease of assessment of an indicator. Verifiers provide specific details that would indicate or reflect a desired condition of an indicator. They add meaning, precision and usually also site-specificity to an indicator. They may define the limits of a hypothetical zone from which recovery can still safely take place (performance threshold/target). On the other hand, they may also be defined as procedures needed to determine satisfaction of the conditions postulated in the indicator concerned (means of verification).
MTCS	Malaysian Timber Certification Scheme operated by the Malaysian Timber Certification Council.

Natural Forest	Forest areas where many of the principal characteristics and key elements of native ecosystem such as complexity, structure and diversity are present, as defined by FSC approved national and regional standards of forest management.
Non-Conformity Report (NCR)	Non compliance against the requirements of the <i>MC&I</i> (2002)
Opportunity for Improvement (OFI)	A finding which gives cause for concern, but without sufficient objective audit evidence to support a non-conformity.
Principle	An essential rule or element; in FSC's case, of forest stewardship.
Stakeholders	Individuals and organizations with a legitimate interest in the goods and services provided by an FMU; and those with an interest in the environmental and social effects of an FMU's activities, products and services. They include: those individuals and organisations which exercise statutory environmental control over the FMU; local people; employees; investors and insurers; customers and consumers; environmental interest and consumer groups and the general public. (Source: FSC Principles and Criteria).

1. INTRODUCTION

SIRIM QAS International Sdn Bhd (SIRIM QAS International) is the largest and oldest certification, inspection and testing body in Malaysia. The certification services provided conform to standards and other accreditation requirements established at the national and international levels.

SIRIM QAS International has been providing auditing services for forest management certification since 2001 through its involvement as a registered certification body under the Malaysian Timber Certification Scheme (MTCS) operated by the Malaysian Timber Certification Council (MTCC).

With effect from 1 July 2008, under the new institutional arrangement of the MTCS, SIRIM QAS International is one of the few notified certification bodies with the MTCC allowed to process application, conduct audit and make decision to award the Certificate for Forest Management to an applicant whose forest management system and practices complies with the *Malaysian Criteria and Indicators for Forest Management Certification* [MC&I (2002)].

This public certification summary contains general information on the Kelantan State Forest Management Unit (Kelantan State FMU), the audit process involved, the findings of the audit, non-conformity reports (NCRs) raised as well as the decision on certification of the FMU under the MTCS by the Certification Panel of SIRIM QAS International.

2. GENERAL SUMMARY

2.1 Name of FMU

Kelantan State FMU

2.2 Contact Person and Address

Hj. Mohd Fauzi bin Abu Bakar
Assistant Director of Forestry
Kelantan State Forestry Department
Block 5, Level 1
Kota Darulnaim
15503 Kota Bharu
KELANTAN

Tel : 09-7482140
09-7481957

Fax : 09-7445675

2.3 General Background on the Kelantan State FMU

The Kelantan State FMU is managed by the Kelantan State Forestry Department (Kelantan SFD). At the end of 2009, the total forest area in Kelantan was 867,866 ha or 58.12 % of the State's total land area of 1,493,181 ha. The forests consist of 623,849 ha of Permanent Reserved Forest (PRF) (including 21,910 ha of Wildlife Reserves and 4,036 ha of plantation forests), 140,935 ha of Stateland forests and 103,082 ha of Wildlife Reserves (outside the PRF).

Of the total PRF area, 199,352 ha have been zoned as potential plantation area for Timber Latex Clone (TLC) rubber trees and these areas have been excluded from the scope of this audit. Thus the PRF area audited under the scope of this certification amounts to 424,497 ha.

A map of the Kelantan State FMU is attached as **Annex 1**.

The Kelantan SFD is committed to the management of the Kelantan State FMU on a sustainable basis. The PRF within the FMU comprises mainly inland *Dipterocarp* forests covering an area of 430,335 ha. The administration of the FMU is divided into three forest districts namely the East, West and South Kelantan Forest Districts.

As part of the PRF has been zoned as potential plantation area for TLC rubber trees and thus excluded from area to be certified, the Kelantan SFD has initiated action to review the Forest Management Plan (FMP) including recalculating a new annual allowable cut (AAC). This is being done as part of the mid-term review of the FMP which began in November 2010.

The PRF has been classified according to the provision under section 10 of the National Forestry Act 1984 into the following forest classes:

Forest Classification	Area (ha)
1. Production forest	477,508
2. Water catchment	35,898
3. Soil protection	78,909
4. Soil Reclamation	-
5. Flood control	-
6. Wildlife	-
7. Virgin Jungle Reserves	3,784
8. Recreational forest	3,042
9. Research forest	2,536
10. Educational forest	262
11. Federal government purposes	-
12. State Park	21,910

2.4 Date First Certified

9 February 2011

2.5 Location of the Certified FMU (Latitude and Longitude)

The FMU is located between 6° 14' 48.8034"N, 101° 19' 59.5914"E and 4° 33' 0.3594"N, 102° 39' 55.728"E

2.6 Forest Management System

The FMU is managed under on a sustainable basis under the Selective Management System (SMS) on a 30-year rotation period. A FMP covering the period from 2006 to 2015 had been prepared and presented during the audit. As part of the PRF has been zoned as potential plantation area for TLC rubber trees, the Kelantan SFD has initiated action to review the FMP including re-calculating a new AAC.

2.7 **Annual Allowable Cut/ Annual Harvest Under the Forest Management Plan**

The inland forest is managed under the SMS on a 30-year rotation period. Under the Ninth Malaysia Plan (2006-2010), the AAC for the Kelantan State FMU had been set at 6,590 ha. A FMP covering the period from 2006 to 2015 had been completed and was presented during the audit.

The Kelantan SFD has prepared a work schedule on the actions it would take to review the FMP which would be completed by the end of November 2011. The review of the FMP will take into consideration the decision made by the National Land Council during its meeting in December 2010 on the AAC for the PRF, as well as the area of the PRF which has been zoned for planting of TLC rubber trees.

2.8 **Environmental and Socioeconomic Context**

The forest resources in the Kelantan State FMU are managed by the Kelantan SFD with a total workforce of 601 people. Of the workforce, 10 are professional and 11 are sub-professional forestry officers. The uniformed field staff comprises 12 forest rangers and 112 foresters.

In terms of socio-economic contribution, the forestry sector in 2008 provided employment to about 1,200 people in the logging industry and 12,637 people in the wood-based related industry. Apart from being a major source of logs for the wood-based industry, the forests also provide areas for recreation and eco-tourism in the State.

The wood-based industry is the main user of forest resources in the State. The industry's focus in recent years has been on the production of higher value-added products to enhance this sector's economic contribution to the State. The wood-based industry comprises the sawmilling, plywood and veneer, furniture, mouldings, parquet and rattan and bamboo subsectors.

3. **THE CERTIFICATION AUDIT PROCESS**

3.1 **Audit Dates:**

Stage 1 : 16 – 19 August 2009 (4 man-days) (1 Auditor)

Stage 2 : Part 1: 30 November - 7 December 2009 (24 man-days) (3 Auditors)
Part 2: 26 – 28 January 2010

Verification Audit: 12-13 April 2010 (4 man-days) (2 Auditors)

3.2 **Audit Team**

Stage 1 : Dr. Yap Son Kheong

Stage 2 (Part 1) : Mr Samsudin Musa (Audit Team Leader)
Mr. Ernest Chai Oi Kun (Forester)
Dr. Zahid Emby (Sociologist)

Stage 2 (Part 2): Mr Samsudin Musa (Audit Team Leader)
Mr. Khairul Najwan Ahmad Jahari (Auditor)

Verification Audit: Mr Samsudin Musa (Audit Team Leader)
Mr. Khairul Najwan Ahmad Jahari (Auditor)

3.3 Peer Reviewers:

- (i) Prof. Mohd Basri Hamzah (Universiti Putra Malaysia)
- (ii) Dr. Abd. Rahman Kassim (Forest Research Institute of Malaysia)

3.4 Standard Used

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

3.5 Audit Process

The scope of the audit is limited to the forest management system and practices of the natural forest within the Kelantan State FMU. The audit involved the verification of documentations and field activities and consultations with the relevant stakeholders.

The stakeholder consultation was conducted in October 2009 for a period of one month. A list of stakeholders consulted through invitation is attached in **Annex 2**. There were issues received from the stakeholders that had been consulted through the invitations. The audit team had also during the on-site audit assessed the specific issues which had been raised by the Greenpeace of the Netherlands in a document entitled 'Information Provided by Greenpeace on the Timber Procurement Assessment Committee (TPAC) Stakeholder Forum' which discussed the MTCS Comments by stakeholders and responses from the audit team are attached in **Annex 3**

The coverage of the audit on the FMU is depicted in the Stage 2 Audit Plan which is attached in **Annex 4**.

The audit was conducted against the requirements of the *MC&I (2002)*, the standard used for forest management certification under the MTCS, using the verifiers stipulated for Peninsular Malaysia.

Following the Stage 2 audit, a total of one (1) major Non Compliance Report (NCR), five (5) minor NCRs and four (4) Opportunity for Improvements (OFIs) had been raised. The details of the NCRs and OFIs are attached in **Annex 5**. The Kelantan SFD had submitted corrective action plans on the NCRs, through a letter dated 18 March 2010 which was accepted by the audit team leader.

A verification audit to verify the corrective actions by the Kelantan SFD to address the major NCR that was raised during the Stage 2 audit was conducted on 12-13 April 2010. The audit team was satisfied with the corrective actions taken by the Kelantan SFD to address the major NCR related to Indicator 8.3.1 and had therefore decided to close it out.

A draft Stage 2 Audit Report was prepared by the audit team leader. The draft Audit Report was then sent to the Kelantan SFD for comment and then submitted to two (2) peer reviewers for independent reviewing. Both peer reviewers had commented on the draft Stage 2 Audit Report and the audit team had responded to the comments made.

4. **RESULTS, CONCLUSIONS AND RECOMMENDATIONS**

4.1 General findings of audit are as follows:

PRINCIPLE	STRENGTHS	WEAKNESSES
<p><u>Principle 1</u> Compliance with laws and FSC Principles.</p>	<ul style="list-style-type: none"> • <i>Records of all the relevant national and local laws and regulations and policies related to forest management are available in the State Forestry Department office in Kota Bharu and District Forest Offices and are made accessible to all staff.</i> • <i>Forest officers with the rank of District Forest Officer and above have a good understanding of the national and local laws and regulatory framework related to the management of the State FMU.</i> • <i>Records of violation of local and national laws and appropriate actions taken to address them are well documented and made available in the State Forestry Department office.</i> • <i>All applicable and legally prescribed fees, royalties, taxes, and other charges are listed and made available at the office of the State Forestry Department.</i> • <i>Legal protection of the FMU is provided by the National Forestry Act 1984</i> • <i>Policies and statements of commitment to manage forest resources on a sustainable basis were clearly stated in the National Forestry Policy 1992 that has been adopted by the Kelantan SFD, as well as the mission and vision statements as contained in the Forest Management Plan..</i> 	<ul style="list-style-type: none"> • <i>More effective and preventive measures such as more frequent patrolling and control of access roads are needed to control and reduce the incidences of encroachment. Additional forest reserve signboard plates should be erected at strategic locations within the FMU such as beside the roads leading into the PRFs. An action plan to overcome the problem should also be developed.</i>

<p><u>Principle 2</u></p> <p>Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.</p>	<ul style="list-style-type: none"> • <i>Under the Federal Constitution, land is under the jurisdiction of the State, which had gazetted the area of PRFs under the National Forestry Act 1984 and protected within this legal status.</i> • <i>Forest managers show a strong willingness to support legally recognized mechanisms for resolving land claims.</i> • <i>The forest managers are willing to collaborate with holders of duly recognised legal or customary tenure or use rights within national legal frameworks.</i> • <i>Mechanisms to resolve disputes over the tenure and use rights are in place at various levels. The public has access to formal and informal channels to resolve conflicts</i> 	<p><i>None noted</i></p>
<p><u>Principle 3</u></p> <p>The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.</p>	<ul style="list-style-type: none"> • <i>The customary rights of the Orang Asli are respected in forest management planning and implementation even though the Aboriginal Peoples Act, 1954 has not been officially recognized by the Kelantan State government. In general, the Orang Asli communities were allowed to use the forest producers for their subsistence.</i> • <i>Forest management practices do not threaten or diminish, either directly or indirectly the resources or tenure rights of the Orang Asli as most of their villages are located outside the PRFs</i> • <i>Appropriate procedures for identification and protecting sites of special cultural, ecological, economic or religious significance to the Orang Asli have been established</i> 	<p><i>None noted</i></p>

<p>Principle 4</p> <p>Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.</p>	<ul style="list-style-type: none"> • <i>Qualified people from communities living within the vicinity of the PRFs are provided with employment opportunities. Local communities who are qualified have been employed by logging contractors.</i> • <i>The Kelantan SFD has management policies addressing the health and safety of its employees and their families in accordance with current legislation and/or regulations.</i> • <i>Appropriate safety and operational equipment in good working condition are supplied by the Kelantan SFD to its employees while the contractors have provided the same for their workers.</i> <p><i>Collective bargaining is undertaken by the employees of the Kelantan SFD through the union of government employees, CUEPACS and the 'Persatuan Pegawai-Pegawai Hutan Melayu Malaysia Barat'.</i></p> <ul style="list-style-type: none"> • <i>The Kelantan SFD has conducted a social impact assessment (SIA) of the FMU's operations on the local communities and Orang Asli villages situated within and/or close to the PRFs, and the findings have been incorporated in the management plan of the FMU.</i> • <i>There are mechanisms in place to resolve grievances involving loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods, caused by forest operations.</i> 	<ul style="list-style-type: none"> • <i>There was a lack of formal training for workers employed by the contractors. Generally, this category of workers was trained on the job.</i>
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<p>Principle 5</p> <p>Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.</p>	<ul style="list-style-type: none"> • <i>Records of investment and reinvestment made in forest management are available in the Kelantan SFD's 5-year Forest Development Budget, Annual Operating Budget and Development Budget.</i> • <i>Records of pre-felling and post-felling inventories as well as enrichment planting are available, and analyses of post-felling inventories undertaken indicate that sufficient residual trees are present</i> • <i>Silvicultural treatments to enhance productivity have been carried out in poorly stocked sites through enrichment planting</i> • <i>Reduced Impact logging guidelines are available and being implemented in the active logging sites and forest managers are aware of the requirements of these guidelines.</i> • <i>Forest harvesting plans approved by the Kelantan SFD contain records of trees to be felled and maps showing layout of planned forest roads, skid trails and log landing sites for each licence area.</i> • <i>The quantity of timber harvested has been recorded in a systematic manner through shuttle returns sent periodically from all the district forest offices to the State Forest Department Office in Kota Bahru and subsequently to the Forestry Department Headquarters in Kuala Lumpur.</i> 	<ul style="list-style-type: none"> • <i>There was evidence of product wastage as several logs were left in the forest and not removed. Some of the logs had heart rot and some were sound but of small dimensions or short logs. The felling and extraction operations need to be improved to reduce wastage in the forest.</i>
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<p><u>Principle 6</u></p> <p>Forest management shall conserve biological diversity and its associated values, water resources, soils and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest</p>	<ul style="list-style-type: none"> • <i>A report entitled 'Macro EIA of Proposed Forest Operations in Kelantan' had been completed in 2009 . The report contains detailed information pertaining to environmental issues in forest management related to measures to mitigate potential environmental impacts during harvesting through proper road construction and forest harvesting practices, including the listing. of endemic and rare flora, protected fauna species, protected trees, as well as potential impacts of logging activities on the biodiversity</i> • <i>The Kelantan SFD has strong cooperation with other government agencies especially the Department of Wildlife and National Park Peninsular Malaysia (PERHILITAN), Department of Aboriginal Affairs Malaysia (JHEOA), Department of Occupational Safety and Health (DOSH) and Forest Research Institute Malaysia (FRIM) as well as local universities in the implementation of conservation and management activities.</i> <p><i>All District Forest Officers are required to conduct briefings to the logging contractors and their workers to ensure that they are familiar with the requirements of stipulated forest harvesting operations prior to the start of any harvesting activities for all licensed areas,</i></p>	<ul style="list-style-type: none"> • <i>The Kelantan SFD needs to improve its cooperation with the relevant stakeholders (especially the NGOs) related to the implementation of conservation activities to enhance forest management.</i> • <i>The implementation of guidelines on forest road construction and drainage had not been followed consistently and was found to be inadequate in some aspects to protect the soil from compaction by harvesting machinery and erosion during harvesting operations.</i> • <i>The workers were found to be unaware of the different toxicity levels of chemicals used in the nursery. Although the auditors had been informed that poisonous chemicals were not being used, containers of Roundup which is a class 3 as well as more toxic Paradox 13 which is a class 1b poisonous chemicals were found in the nursery stores. There was no documented instructions on the proper usage of these chemicals.</i> • <i>Some of the riparian buffers had been disturbed with trees being felled into the buffer zone . Incidences of some soil from road construction being pushed into riparian buffers were also evident. Although the damage had not been extensive, better care could be exercised to protect the-buffer strips</i>
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	<ul style="list-style-type: none"> • <i>Post-felling inventories to assess regeneration of residual trees 2 to 5 years after completion of harvesting were carried out, and where necessary, enrichment planting was implemented to supplement natural regeneration.</i> • <i>Fruit trees are protected to provide food sources to fauna and riparian buffers are protected to maintain water quality.</i> <p><i>The Kelantan FMU practices selective harvesting under the SMS with adequate residual stocking being left behind which minimizes forest fragmentation and hence facilitates the movement of fauna within the FMU.</i></p> <ul style="list-style-type: none"> • <i>There is a policy on recycling.</i> • <i>There is no application of biological control agents in the FMU.</i> • <i>No exotic species has been introduced in any silvicultural treatment in the FMU. Only a small number of exotic species have been planted as experimental plots.</i> 	
<p><u>Principle 7</u></p> <p>A management plan – appropriate to the scale and intensity of the operations – shall be written, implemented, and kept up to date. The long term objectives of management, and the means of achieving them,</p>	<ul style="list-style-type: none"> • <i>The FMP (2006-2015) has incorporated all the items listed from a) to i) in Criterion 7.1.</i> <p><i>Records of pertinent new scientific and technical information from scientific expeditions are maintained.</i></p> <ul style="list-style-type: none"> • <i>The Kelantan SFD has its own training facility. Personnel of the SFD had also attended</i> 	<p><i>None noted</i></p>

<p>shall be clearly stated</p>	<p><i>training programmes conducted by the Forestry Training School in Kepong operated by the Forestry Department Headquarters Peninsular Malaysia.</i></p> <ul style="list-style-type: none"> • <i>A summary of the major elements of the FMP (2006-2015) has been included in the public summary which was made available in the web page of the Kelantan SFD at http://www.forestry.gov.my/kelantan for public information.</i> 	
<p><u>Principle 8</u></p> <p>Monitoring shall be conducted – appropriate to the scale and intensity of forest management – to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts</p>	<ul style="list-style-type: none"> • <i>The Director General's Directive on the use of monitoring forms A (Infrastructure), B (Forest Harvesting), C (Environment and Protection) and D (Timber Output) was strictly adhered to and implemented in the field.</i> <p><i>Growth plots have been established in the FMU and enumerated on a regular basis by the Forestry Department Peninsular Malaysia HQ with the assistance of the KSFD.</i></p> <p><i>One-ha plots are established immediately after harvesting to assess the stocking status of the residual stand</i></p> <ul style="list-style-type: none"> • <i>The Kelantan SFD has established a chain of custody system to track the logs transported out of the PRFs through the Forest Checking Stations based on tree tagging and felling records and the issuance of Removal Passes.</i> 	<ul style="list-style-type: none"> • <i>There is a need to ensure the effective implementation of the chain of custody system, in particular ensuring that the information on logs recorded in the Removal Passes tally with the 'Record of Tree Tagging'.</i>

<p><u>Principle 9</u></p> <p>Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach</p>	<ul style="list-style-type: none"> • <i>Measures to demarcate on maps, maintain and enhance the HCVF attributes have been included in the FMP and their management prescriptions developed. Separate maps for the designated HCVFs have been produced. Management guidelines have also been prepared for the identified HCVF sites.</i> <p><i>A public summary of the FMP has been posted on the Kelantan SFD's web page at http://www.forestry.gov.my/kelantan.</i></p>	<ul style="list-style-type: none"> • <i>Further consultations with the relevant stakeholders such as the government agencies, universities, forestry research and academic institutions, and social and environmental NGOs are needed to solicit useful information in identifying more HCVF sites.</i> • <i>HCVF monitoring was not included in the FMP (2006-2015) when it was first prepared. The results and findings of the HCVFs monitoring activities would need to be incorporated into the revised FMP.</i>
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4.2 **Certification decision**

In general, *the* Kelantan State FMU has complied with most the requirements of the *MC&I* (2002). As the major NCR was closed out, the FMU was therefore recommended for certification.

4.3 **Recommendation for Certification**

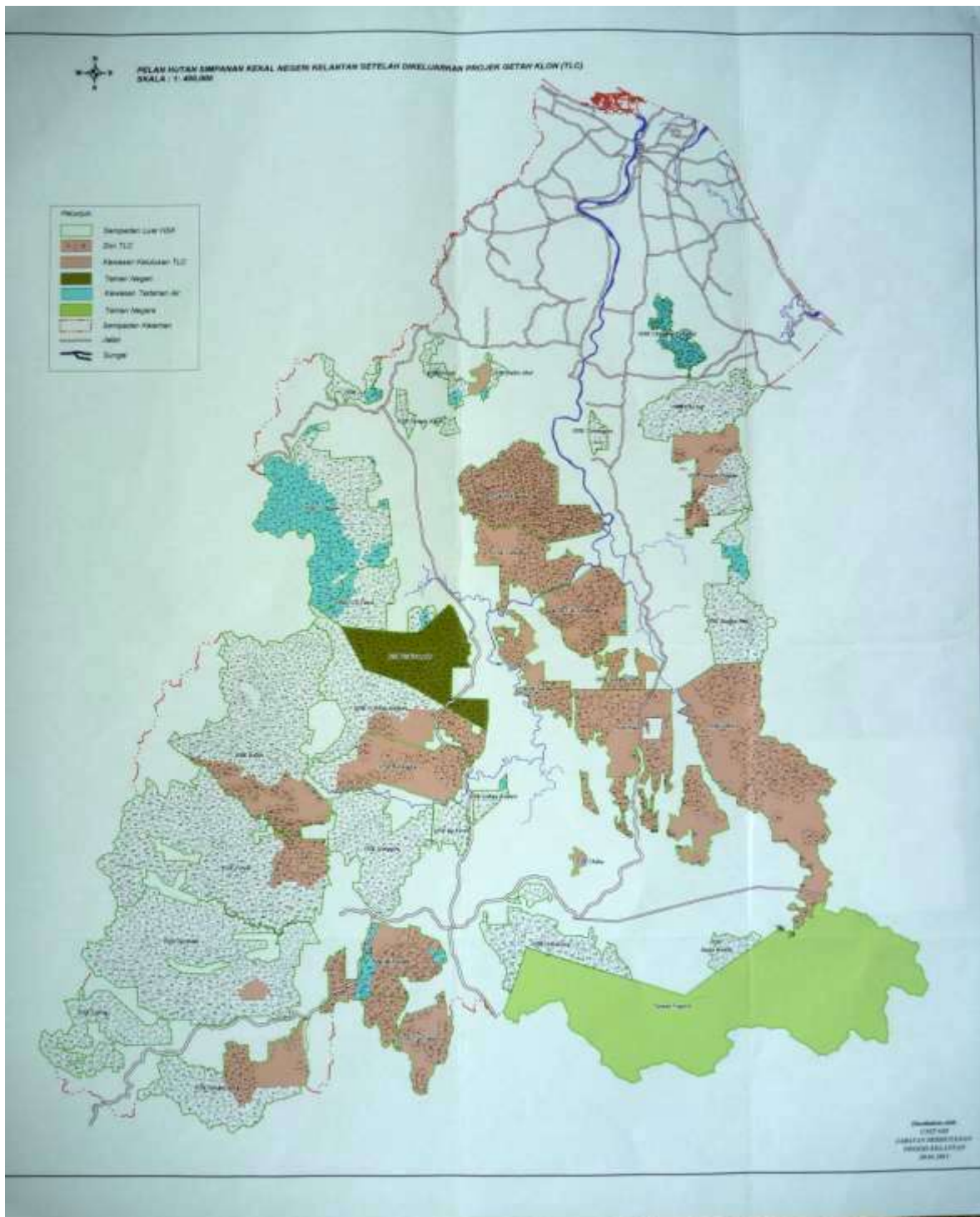
A final audit report dated 25 August 2010 was tabled to the Certification Panel (CP) Meeting held on 1 September 2010 for a certification decision. The CP noted that some parts of the PRF had been zoned as potential areas for planting TLC rubber trees. The CP was also concerned that the FMP had not been amended to reflect this development and that the AAC had not been adjusted. Based on these concerns, the CP decided not to approve the FMU for certification.

The Kelantan SFD had responded to the issues raised by the CP and taken appropriate corrective actions including review of the FMP and making adjustment on the AAC taking into consideration the decision of the National Land Council made in its meeting in December 2010, as well as the area of the PRF which has been zoned for planting of TLC rubber trees. The review of the FMP is expected to be completed by November 2011.

The recommendation for certification of the Kelantan FMU was re-tabled to the CP Meeting on 9 February 2011. Based on the actions taken by the Kelantan SFD, the CP decided to approve the recommendation for certification of the Kelantan FMU. However the CP had requested the surveillance audit on the FMU to be carried out in April 2011, which shall focus on the progress of the actions taken by the Kelantan SFD to review the FMP and AAC.

SIRIM QAS International shall conduct a second surveillance audit in early 2012 to verify that all actions on reviewing the FMP and adjustment to the AAC have been carried out and fully implemented. Failure by the Kelantan SFD to do so shall result in the suspension of the certification by SIRIM QAS International.

Map of Kelantan State FMU



List of Stakeholders Consulted

1. Group: Government
Name : Jabatan Hal Ehwal Orang Asli (JHEOA) Kelantan dan Terengganu
Address : Tingkat 6, Wisma Persekutuan,
Jalan Bayam,
15200 Kota Bharu,
Kelantan Darul Naim
Tel : 09 744 3488
Fax : 09 744 0622
Email : -
Web : <http://www.jheoa.gov.my/>
Contact Person : Director

2. Group: Government
Name : Department of Environment – Negeri Kelantan (DOE)
Address : Lot 322 -324, Seksyen 27
Jalan Sri Cemerlang
15300 Kota Bharu
Kelantan Darul Naim
Tel : 09 7414888
Fax : 09 7479014
Email : -
Web : <http://www.doe.gov.my/>
Contact Person : Director

3. Group: Government
Name : Jabatan Kesihatan Negeri Kelantan
Address : Tingkat 5, Wisma Persekutuan, Jalan Bayam
15590 Kota Bharu
Tel : 09-7413300, 09-7413400
Fax : 09-7441333
Email : jknk@klt.moh.gov.my
Web : <http://jknkelantan.moh.gov.my/>
Contact Person : Y.A. Brs. Dr. Lila P.Mohamed Meeran- Director

4. Group: Government
Name : Jabatan Pertanian Negeri Kelantan
Address : Karung Berkunci 22, 15590 Kota Bharu, Kelantan Darul Naim
Tel : 09-7442400/01/02/03
Fax : 09-7441047
Email : -
Web : <http://www.doa.gov.my/doastate/kelantan/jpkn/>
Contact Person : Director

5. Group: Government
Name : Jabatan Pengairan dan Saliran Negeri Kelantan
Address : .Jalan Sultan Yahya Petra, 15200, Kota Bharu, Kelantan Darul Naim
Tel : 09-7419622,
Fax : 09-7478088
Email : ppsn_kelantanl@water.gov.my

- Web : <http://www2.water.gov.my/state/kelantan/>
Contact Person : Director
6. Group: Government
Name : Department of Wildlife and National Parks, Kelantan
Address : Tingkat 12, Wisma Persekutuan,
Jalan Bayam,
15664 Kota Bharu,
Kelantan Darul Naim
Tel : 09-7416240
Fax : 09-7477635
Email : kelantan@wildlife.gov.my
Web : <http://www.wildlife.gov.my>
Contact Person : En. Pazil Abdul Patah – State Director
7. Group: Government
Name : Jabatan Mineral dan Geosains Negeri Kelantan
Address : 3rd Floor, Wisma Persekutuan, Jalan Bayam,
15658 Kota Bharu, Kelantan Darul Naim
Tel : 09-7482037, 09-7484254
Fax : 09-7485153
Email : jmgkel@jmg.gov.my
Web : <http://www.jmg.gov.my/ms>
Contact Person : Director
8. Group: Government
Name : Department of Occupational Safety and Health (Kelantan)
Address : Tingkat 9, Bangunan Persekutuan,
Jalan Bayam,
15534 Kota Bahru,
Kelantan Darul Naim
Tel : 09-748 2875
Fax : 09-747 9745
Email : jkkpkn@mohr.gov.my
Web : www.dosh.gov.my
Contact Person : State Director
9. Group: Government
Name : Unit Perancang Ekonomi Negeri
Address : Blok 6, Tingkat 1, Kota DarulNaim
15576 Kota Bharu,
Kelantan Darul Naim
Tel : 09-7432560
Fax : 09-7443411
Email : upen@kelantan.gov.my
Web : <http://upen.kelantan.gov.my/>
Contact Person : State Director
10. Group: Government
Name : Jabatan Pertanian Negeri Kelantan
Address : Karung berkunci 22
15590 Kota Bharu
Kelantan Darul Naim

- Tel : 09-7442400
 Fax : 09-7441047
 Contact Person : Director
11. Group: Government
 Name : Pejabat Tanah dan Jajahan Gua Musang
 Address : 18300 Gua Musang, Kelantan.
 Tel : 609 9121 963
 Fax : 609 9121 669
 Email : ptjgm@kelantan.gov.my
 Web : <http://ptjgm.kelantan.gov.my/web/index.php>
 Contact Person : Ketua Jajahan Gua Musang
12. Group: Government
 Name : Pejabat Tanah dan Jajahan Kota Bharu
 Address : Jalan Hospital,
 15000 Kota Bharu, Kelantan.
 Tel : 09-748 1814, 09-748 1778
 Fax : 09-744 0688
 Email : ptjkb@kelantan.gov.my
 Web : <http://www.ptjkb.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Kota Bharu
13. Group: Government
 Name : Pejabat Tanah dan Jajahan Bachok
 Address : 16300 Bachok,
 Kelantan
 Tel : 09-7788963, 09-7788314
 Fax : 09-7789500
 Email : ptjb@kelantan.gov.my
 Web : <http://ptjb.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Bachok
14. Group: Government
 Name : Pejabat Tanah dan Jajahan Jeli
 Address : 17600 Jeli, Kelantan
 Tel : 09- 944 0063/ 0064
 Fax : 09-944 0250
 Email : ptjj@kelantan.gov.my
 Web : <http://www.ptjj.kelantan.gov.my/>
 Contact Person : Ketua Jajahan
15. Group: Government
 Name : Pejabat Tanah dan Jajahan Machang
 Address : 18500 Machang, Kelantan Darul Naim
 Tel : 09-9752963
 Fax : 09-9751903
 Email : -
 Web : <http://ptjm.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Machang – Hj Che Ismail B Hasabullah

16. Group: Government
 Name : Pejabat Tanah dan Jajahan Kuala Krai
 Address : 18000 Kuala Krai Kelantan
 Tel : 09-9666393 / 09-9666963
 Fax : 09-9667060
 Email : ptjkk@streamyx.com
 Web : <http://ptjkk.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Kuala Krai
17. Group: Government
 Name : Pejabat Tanah dan Jajahan Pasir Mas
 Address : Jln Pasir Pekan, 17000 Pasir Mas, Kelantan
 Tel : 09-7908803/963
 Fax : 09-7904963
 Email : ptjpm@kelantan.gov.my
 Web : <http://ptjpm.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Pasir Mas
18. Group: Government
 Name : Pejabat Tanah dan Jajahan Pasir Puteh
 Address : 16800 Pasir Puteh,
 Kelantan
 Tel : 09-7866963
 Fax : 09-7867931
 Email : ptjpp@kelantan.gov.my
 Web : <http://ptjpp.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Pasir Puteh
19. Group: Government
 Name : Pejabat Tanah dan Jajahan Tanah Merah
 Address : 17500 Tanah Merah, Kelantan Darul Naim
 Tel : 09-9556963 / 09-9557463
 Fax : 09-9556776
 Email : ptjtm@kelantan.gov.my
 Web : <http://ptjtm.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Tanah Merah
20. Group: Government
 Name : Pejabat Tanah dan Jajahan Tumpat
 Address : 16200 Tumpat, Kelantan Darul Naim
 Tel : 09-7257963 609-7257267
 Fax : 09-7256577
 Email : ha_ptjt@kelantan.gov.my
 Web : <http://ptjt.kelantan.gov.my/>
 Contact Person : Ketua Jajahan Tumpat
21. Group: Government
 Name : Unit Perancang Ekonomi Negeri
 Address : Blok 6, Tingkat 1, Kota Darulnaim, 15503, Kota Bharu, Kelantan
 Tel : 09-7484259, 09-7481957 ext 6130
 Fax : 09-7443411
 Email : upen@kelantan.gov.my

- Web : <http://upen.kelantan.gov.my/>
 Contact Person : Director
22. Group: Government
 Name : Pejabat Pengarah Tanah dan Galian Negeri Kelantan
 Address : Blok 3, Kota Darul Naim
 15576 Kota Bharu
 Kelantan Darul Naim
 Tel : 09 - 748 1957
 Fax : 09 - 747 4292
 Email : pejptg@kelantan.gov.my
 Web : <http://www.ptg.kelantan.gov.my/>
 Contact Person : Director
23. Group: Government
 Name : Kompleks Perkayuan Kelantan
 Address : Kampung Stong, Kemubu, 15200 Kuala Krai, Kelantan
 Tel : 09-9360013
 Fax : 09-9360018
 Email : kpkbs@kpkbs.com
 Web : www.kpkbs.com
 Contact Person : Manager
24. Group : Government
 Name : Perbadanan Pembangunan Ladang Rakyat Negeri Kelantan
 Address : PT 1068, Bangunan Ladang Rakyat, Kompleks Pasar Awam Bersepadu Wakaf
 Che Yeh, 15100 Kota Bharu, Kelantan Darul Naim
 Tel : 09 741 3180 / 741 3181
 Fax : 09 741 3188
 Email : -
 Web : <http://www.pplrnk.gov.my/>
 Contact Person : Director
25. Group : Government
 Name : Yayasan Kelantan Darul Naim
 Address : Tingkat 5, Kompleks Yakin, Jalan Gajah Mati
 15000 Kota Bharu, Kelantan Darul Naim
 Tel : 09-7483213
 Fax : 09-7440622
 Email : -
 Web : <http://yakin.kelantan.gov.my/>
 Contact Person : Director
26. Group : Government
 Name : Perbadanan Menteri Besar Kelantan
 Address : Tingkat 6, Bangunan PMBK,
 Jalan Kuala Krai, 15050 Kota Bharu, Kelantan Darul Naim
 Tel : 09 - 747 4082
 Fax : 09 - 747 7815
 Email : contact@pmbk.gov.my
 Web : <http://www.pmbk.gov.my/index.php>
 Contact Person : Director

27. Group:
 Name : Air Kelantan Sdn. Bhd.
 Address : Tingkat 5, Bangunan Perbadanan Menteri Besar Kelantan
 Jalan Kuala Krai, 15050 Kota Bharu, Kelantan Darul Naim
 Tel : 09-7437777
 Fax : 09-7472030
 Email : pintas@airkelantan.com.my
 Web : <http://www.airkelantan.com.my/>
 Contact Person : Director
28. Group:
 Name : Persatuan Pengusaha Kilang Papan Bumiputera Kelantan
 Address : 4706-K, Aras 1, Taman Maju, Jalan Long Yunos
 15200 Kota Bharu, Kelantan Darul Naim
 Contact Person : Manager
29. Group:
 Name : Persatuan Pengusaha Pembalakan Bumiputera Kelantan
 Address : 4706-K, Aras 1, Taman Maju, Jalan Long Yunos
 15200 Kota Bharu, Kelantan Darul Naim
 Contact Person : Manager
30. Group:
 Name : Persatuan Usahawan Perakayuan Kelantan
 Address : 3512-D, Tingkat 2, Jalan Sultanah Zainab, Kampong Sireh
 15050 Kota Bharu, Kelantan Darul Naim
 Tel : 09-7419608
 Fax : 09-7419908
 Contact Person : Manager
31. Group: NGO
 Name : Center for Orang Asli Concerns (COAC)
 Address : P.O. Box 3052
 47590 Subang Jaya
 Selangor
 Tel : 03 5632 8050/013 350 8058
 Fax : -
 Email : colin.coac@gmail.com
 Web : <http://www.coac.org.my/>
 Contact Person : Dr. Colin Nicholas
32. Group: NGO
 Name : Malaysian Nature Society (MNS)
 Address : JKR 641 Jalan Kelantan
 Bukit Persekutuan
 50480 Kuala Lumpur
 Tel : 603 - 2287 9422
 Fax : 603 - 2287 8773
 Email : mns@mns.org.my
 Web : <http://www.mns.org.my/>
 Contact Person : Ms Kanitha Krishnasamy-Policy Unit, Conservation Division

33. Group: NGO
 Name : WWF-Malaysia (Peninsular Malaysia Office-HQ)
 Address : 49, Jalan SS23/15 Taman SEA
 47400 Petaling Jaya
 Selangor Darul Ehsan

 Tel : 03 7803 3772
 Fax : 03 7803 5157
 Email : contactus@wwf.org.my
 Web : <http://www.wwf.org.my>
 Contact Person : Ms Jayashree Kanniah-Forest Certification Officer
34. Group: Research Agency
 Name : Forest Research Institute Malaysia (FRIM)
 Address : 52109 Kepong,
 Selangor
 Tel : 603-62797000
 Fax : 603 62731314
 Email : latif@frim.gov.my
 Web : <http://www.frim.gov.my/>
 Contact Person : Dato' Dr. Abd Latif Mohmod - Director General
35. Group: Research Agency
 Name : Universiti Putra Malaysia (UPM)
 Address : Fakulti Perhutanan
 Universiti Putra Malaysia
 43400, UPM Serdang,
 Selangor Darul Ehsan
 Tel : 03-89467171
 Fax : 03-89432514
 Email : awang@forr.upm.edu.my
 Web : <http://www.forr.upm.edu.my>
 Contact Person : Prof Madya Dr Awang Noor Abd Ghani – Dekan
36. Group : NGO
 Name : Sahabat Sungai Neggiri
 Address : No. 452 Jalan Kenangan
 Taman Wangi
 18300 Gua Musang, Kelantan Darul Naim
 Contact Person : President
37. Group : NGO
 Name : Persatuan Orang Asli Semenanjung Malaysia
 Address : KM 24, Jalan Pahang
 53100 Gombak
 Selangor
 Tel : 013 3786 838
 Fax :
 Email : info@poasm.org
 Web : <http://poasm.org/>
 Contact Person : En. Majid Bin Suhut

38. Group: NGO
Name : Sahabat Alam Malaysia
Address : 21, Lintang Delima 15
11700 Pulau Pinang
Tel : 04 6596 930
Fax : 04 659 6931
Email : sam_inquiry@yahoo.com
Web : <http://www.foe-malaysia.org/>
Contact Person : En Shamsul Ery Shamsudin
39. Group:
Name : Persatuan Pemandu Pelancong Negeri Kelantan
Address : d/a SR Outdoor Gear Center
Block 1-9, Kompleks MARA Negeri, Jalan Dato' Pati
15000 Kota Bharu, Kelantan Darul Naim
Contact Person : President

Comments by Stakeholders and Responses from the Audit Team

No	Name Organisation and Address	Date Received	Detail of Issue Raised	Comments by Audit Team Leader
1.	Stakeholder 1	Not available	<p>Project near Gunung Stong park worries WWF</p> <p>Any forest conversion close to a protected area such as Gunung Stong State Park is cause for concern, said WWF-Malaysia chief technical officer Surin Sukswan. WWF Malaysia is producing a preliminary management plan for Gunung Stong State Park in collaboration with the Kelantan State Forestry Department. Gunung Stong is also an important water catchment area for the Kelantan River and plays an important role in flood and drought regulation. It is also an important wildlife habitat and is linked to the main range. Wildlife recorded in the area included elephants, tigers, tapirs and hornbills. South Kelantan where the state park is located is an area rich in wild plants, many of which can only be found in this part of the Natural Forest cleared for Plantations in MTCC Kelantan FMU: Gunung Stong Selatan FR</p> <p>Gunung Stong Selatan Forest Reserve is adjacent to the Gunung Stong State Park. It has been reported that the Kelantan Forestry Department have approved 681 ha of natural forest in this forest reserve to be cleared by Peka Azamat Sdn Bhd to set up a "Timber-Latex Clone" rubber plantation (the devastation is clearly visible to the west of the road in the zoomed-in Google Earth image, above). Clearfelling inside forest reserves such as this one is</p>	<p><i>The Gunung Stong State Park consisting of the Central Gunung Stong Forest Reserve (FR) covering an area of 21,910 ha has already been gazette as a State Park. The State Park borders the Gunung Stong Selatan FR which has partly been zoned as potential plantation areas for Timber Latex Clone (TLC) rubber trees. However the Kelantan SFD had indicated that a buffer zone will be established between the TLC areas and the non TLC areas. These areas to be planted with the TLC rubber trees have been excluded from the State FMU for the purpose of the audit.</i></p> <p><i>There were some parts of the Gunung Stong FR that has been earmarked for TLC rubber plantations. These areas have been excluded from the State FMU that has been audited.</i></p>

			<p>proceeding despite protests by WWF-Malaysia. See statement, below. This is not an isolated case, with there being a number of reports of other natural forests in Kelantan being cleared for rubber and oil palm plantations within forest reserves.</p> <p>Land clearing at high altitude in Lojing (outside PFR) (Kelantan) (image 2008).jpg</p> <p>Heavy logging and or conversion in PFR Sokortaku PFR (Kelantan) (GE image).jpg</p> <p>Station in Berangkat PFR (Kelantan) (GE Image).jpg</p> <p>Clearing in Relai PFR (Kelantan) (GE & JAXA SPOT 2008).jpg</p> <p>Station in Berangkat Limau Kasturi PFR (Kelantan) (GE Image).jpg</p>	<p><i>High elevation area of 1,000 m above sea level is protected and would not be logged. Areas outside the PRFs were not under the scope of this audit.</i></p> <p><i>The Sokor Taku FR has been classified as a mining area. However, the Kelantan SFD had taken the initiative to ensure that the area would not be totally cleared of vegetation. Only trees above 45cm in diameter were allowed to be felled.</i></p> <p><i>This area has been zoned as TLC rubber plantation area.</i></p> <p><i>This area has been zoned as TLC rubber plantation area.</i></p> <p><i>This area has been zoned as TLC rubber plantation area.</i></p>
2	Stakeholder 2	24/11/09	<p>FMU Kelantan telah menjalankan pengurusan yang baik ditahap pembalakan tetapi sijil itu sendiri tidak memberi apa-apa impak keatas pasaran mahupun harga kayu gergaji setelah pihak kami mengeluarkan perbelanjaan berlipat ganda bagi memenuhi tuntutan pensijilan.</p> <p>The Kelantan FMU has implemented a good forest harvesting operations. However, the certificate has not impacted</p>	<p><i>This is an issue that concerns the availability of a green premium for certified timber and may be best answered by MTCC or the FMU. There are many reasons for the FMU to undergo timber certification. Getting better market access and potential green premium are just two of the reasons that are of interest to the industry in the short term. The other more important reason in the long term may be to enhance forest management practices and ensure that the many benefits that are being</i></p>

			<p>on the market and prices of certified sawn timber after the State had spent a large amount of money to fulfill the requirements for certification)</p>	<p><i>accrued by the nation from the forest resources will continue to be enjoyed in perpetuity through sustainable forest management practices. Timber certification has certainly resulted in significant improvements to forest management practices over the years.</i></p>
3	Stakeholder 3	24/11/09	<p>Kami mencadangkan supaya Pelan Kawalan Hakisan dan Kelodakan [Erosion and Sediment Control Plan (ESCP)] dijadikan syarat wajib dalam kelulusan Jabatan Perhutanan kepada pembalak. ESCP perlu disediakan oleh jurutera bertauliah dan perlu diluluskan oleh JAS dan JPS. ESCP adalah tool yang paling berkesan untuk mengawal hakisan dan kolodakan.</p> <p><i>(We would like to suggest that the Erosion and Sediment Control Plan (ESCP) be made mandatory on loggers. The ESCP shall be prepared by authorized engineers and jointly approved by the DOE and DID. The ESCP is the most effective tool to prevent erosion and sedimentation.)</i></p>	<p><i>Currently this is not a requirement under logging operations. This is something that could be deliberated under the review of the standards [MC&I (2002)].</i></p>
4	Stakeholder 4	6/11/09	<p>Extensive conversion of permanent forest reserves into latex timber clone plantation, oil palm plantation, acacia plantation and other crops plantations. We do not have the details as to the total acreage involved but this appears to be increasing in the state. The areas along the East-West Highway, The Gua Musang-Cameron Highlands Highway, Kuala Berang-Gua Musang Highway are extensively cleared of forests for plantations. A list of some areas that have been converted to Latex timber clones plantations is attached. This relates directly to Principles 6 of the MC&I. We are interested to know how natural forest loss to plantations in this regards is</p>	<p><i>This is a matter that is still being reviewed by Malaysian Timber Certification Council (MTCC) through stakeholder consultations. As an interim measure, it was decided that during the auditing process areas within the PRFs which had been converted to TLC rubber plantation would be excluded from the FMU that is being audited. This has been done for the Kelantan FMU. The FMU has provided clear indication of the areas within the PRFs zoned as TLC areas. A map of such areas has also been provided. These areas had been excluded from this FMU during the audit.</i></p>

			<p>assessed against the MC&I.</p> <p>In the selection and establishment of High Conservation Value Forest Areas, which stakeholders were consulted in this process? We were not been consulted or invited in these exercises. The deliberations that lead to the establishment of these HCVF areas should be made in public.</p> <p>The Kelantan Branch is hampered by lack of topographical details on the ground but so far members have reported what appears to be illegal logging or obviously unsustainable logging in the following areas: Cabang Bertongkat Forest Reserve, Ulu Sat Forest Reserve around Gua Kambing; G. Stong; Logging; the Forest Reserves along the 3 main highways. Logging is particularly bad with the main rivers draining the watershed totally inundated with silt.</p> <p>Detailed public summary of the Forest Management Plan must be made available on the website (this need to cover areas of: a)Management objectives, Description of the forest resources to be managed, environmental limitations, lands use and ownership status, socio-economic conditions, and a profile of adjacent land, description of silvicultural and/or other management, system, based on the ecology of the forest in question and information gathered through resources inventories, rationale, for rate of annual harvest and species selection, Provision for monitoring of forest growth and dynamic, environmental safeguard based</p>	<p><i>There have been consultations held by the Kelantan SFD with stakeholders including government and non-government agencies. The Kelantan SFD has indicated that invitations had been sent to the relevant environmental NGOs including your organization to participate in forum discussing on potential sites of HCVF at the national level.</i></p> <p><i>Information regarding the forest is best obtained directly from the Kelantan SFD. The audit team requires a more precise location of such illegal logging activities to verify on the ground. The auditors' inspections on the Cabang Tongkat FR and Ulu Sat FR had not discovered any illegal logging activities. There was however some encroachment by local communities that was being monitored by the Kelantan SFD.</i></p> <p><i>Detailed public summary of the FMP was made available in the Kelantan State Forestry department website at http://www.forestry.gov.my/kelantan/</i></p>
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			<p>on environmental, Assessment, Plans for the identification and protection of rare, threatened and endangered species, Maps describing the forest resource base including protected areas, planned management activities and land ownership, Description and justification of harvesting techniques and equipment to be used.</p>	
5	Stakeholder 5	19 /11/ 09	<p>Tahap pengurusan keselamatan dan kesihatan pekerjaan disektor pembalakkan di negeri Kelantan adalah masih rendah.</p> <p><i>(The management on occupational health and safety within the forestry sector in Kelantan was still at a low level.)</i></p> <p>Audit yang dibuat oleh pejabat ini mendapati syarikat pembalakkan hanya memperolehi gred C dan D pada pematuhan criteria keselamatan dan kesihatan pekerjaan yang menggunakan senaraisemak yang digunapakai oleh jabatan ini. Pada tahun 2009 bilangan tempat kerja yang telah diaudit sebanyak 40 dan markah yang telah diperolehi ialah B-8, C-16, D-16.</p> <p><i>(Audits conducted by the State Department of Occupational Health and Safety had indicated that logging companies had attained a grade 'C' with respect to compliance with the criteria on occupational health and safety based on the checklist being used by the Department. In 2009 the Department had audited 40 work sites and the scores had been B-8, C-16 and D-16.)</i></p>	<p><i>The auditors had consulted the State Department of Occupational Safety and Health (DOSH) regarding this aspect. Discussions were underway between the Kelantan SFD and Kelantan State DOS). There have been briefing sessions conducted by the DOSH to the logging contractors. Guidelines on the usage of chemicals were available and posters on safety in the workplace had been displayed in logging camps. The DOSH had admitted that more awareness programs were needed to enhance the safety and health of forest workers. There was an on-going program on this. Briefings to forest workers had been scheduled on a more regular basis. The Kelantan SFD has indicated more awareness was required on the importance of safety and health of forest workers on the part of the logging operators.</i></p> <p><i>The guidelines on safety and health of forest workers were based on those which had been developed by international agencies such as UNDP and Canadian Forest Service. Some of the procedures need to be adapted to local conditions.</i></p>

		<p>Jabatan telah mengeluarkan notis pembaikan (NOI) sebanyak 22 notis. (Pematuhan terhadap Sek 48,49,50 Akta Keselamatan dan Kesihatan Pekerjaan 1994)</p> <p><i>[The Department had issues 22 Notice of Improvements (compliance related to sections 48, 49, 50 of the Occupational Safety and Health Act 1994)]</i></p> <p>Banyak syarikat masih belum mengadakan dan mempamerkan kenyataan bertulis Dasar Keselamatan dan Kesihatan Pekerjaan untuk dipamerkan di tempat kerja. (Pematuhan terhadap Sek 16, Akta Keselamatan Dan Kesihatan Pekerjaan 1994)</p> <p><i>(There were still many companies which have not prepared and posted their documented policies on occupational safety and health in the work premises. (Compliance related to section 16, of the Occupational Safety and Health Act 1994)</i></p> <p>Pematuhan pada pemakaian “alat pelindung diri” (PPE) adalah lemah terutama earplug yang jarang dipakai oleh penebang balak, drebar lori santaiwong, dan operator bulldozer/logloader. (Pematuhan terhadap Sek 15 (2)(c), Akta Keselamatan Dan Kesihatan Pekerjaan 1994)</p> <p><i>[Compliance with the wearing of Personal Protective Equipment (PPE) was rather weak particularly ear plugs by tree fellers, lorry ‘santaiwong’ drivers and operators of bulldozer/log loaders. (compliance related</i></p>	<p><i>Inspection of workers at logging sites had indicated that PPE such as hard hat, ear plugs and safety boots had been used. However some had argued that safety boots were not suitable and unsafe for the tree fellers. Ear Plugs were also an issue as tree fellers need to hear the cracking sound of the tree prior to the tree falling to enable fellers to run for safety.</i></p>
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			<p><i>to Section 15 (2) (c) of the Occupational Safety and Health Act 1994].</i></p> <p>Kesedaran untuk melaporkan tragedi kemalangan di tempat kerja juga masih rendah. Banyak majikan tidak tahu kewajipan untuk melaporkan ke JKKP jika berlaku kemalangan sama ada melibatkan kematian atau cedera. (Pematuhan terhadap Peraturan NODOPOD (Notification of Accident, Dangerous occurrence, Occupational Poisoning and Occupational Disease) Regulation 2004 – OSHA ACT 1994))</p> <p><i>[There was lack of awareness on the need to report the occurrence of accidents at the work place. Many employers do not know that they have to report the occurrence of such accidents to the Safety and Health Committee in cases that resulted in death or injury.</i></p>	<p><i>There were procedures available for the logging operators to report accidents. However further improvements were needed to ensure that all accidents are consistently reported.</i></p>
6	Stakeholder 6	21/7/09	<p>We were interested in feedback from the Certification Body (CB), and your respective position on this matter. In particular, we would appreciate a clear statement and/ position on the following questions:</p> <p>(i) Is the LTC Scheme, as practiced in FMUs allowable under the MC&I? If yes what is the position of the assessor and the MTCC on such initiatives?</p> <p>(ii) How wide spread is these schemes within MTCS certified forest?</p>	<p><i>This is a matter that is still being reviewed by MTCC through stakeholder consultations. As an interim measure it was decided that during the auditing process areas within the PRFs which had been converted to TLC rubber plantation would be excluded from the FMU that is being audited. This has been done for the Kelantan FMU. The FMU has provided clear indication of the areas within the PRFs zoned as TLC areas. A map of such areas has also been provided. These areas had been excluded from the State FMU during the current audit.</i></p>

			<p>(iii) What process or recommendation does/has (in the past) the CB provided to the State Forest Department, if any, with regards to expansion of LTC schemes and oil palm plantation within a certified FMU?</p> <p>(iv) Are establishment of oil palm plantations, as practiced in FMUs allowable under the <i>MC&I</i>? If yes what is the position of the assessor and the MTCC on such initiatives and how wide spread ate these schemes within MTCS certified forest?</p> <p>(v) To what extent would evidence of any of the above cases result in non compliance result in a Major or a minor Corrective Action Request (CAR)?</p> <p>None of the published summary reports available on the MTCC website make any reference to these clearance activities, or if they are being addressed within the context of sustainable forest management and certification of our FMUs.</p> <p>We further attach in appendix 1 a list of projects (for LTC and oil palm plantations) approved within the states of extracted from the Department of Environment (DOEs) website for Perak, Pahang and Kelantan. This is a cause for worry, Looking at the number of projects being considered and approved, particularly within Kelantan.</p>	
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Stage 2 Audit Plan (Part 1)

DAY	TIME	PROGRAM		
		(AUDITOR 1) Samsudin Musa	(AUDITOR 2) Ernest Chai	(AUDITOR 3) Dr. Zahid Emby
29/11/09 Sunday	7.30 pm	Travel from KL to Kota Bharu		
Day 1 Monday (30/11/09)	8.00 am-10.00 am 4.30 pm-10.00 pm	<p>Opening Meeting with representatives of FMU at the State Forestry Department Office, Kota Bharu</p> <p>Briefing on the process of Stage II audit by lead auditor Briefing session by Forest Manager of the FMU</p> <p>Q&A Session</p> <p>Confirmation of itinerary</p> <p>Documentation Review</p> <p>Travel to Gua Musang</p> <p>Night in Gua Musang</p>		
Day 2 Tuesday (1/12/09)	7.30 am-5.00 pm 8.00 pm-10.00pm	<p>(Auditors 1 & 2)</p> <p>Inspection of logging activities in Comp 135 and 158B Sg Betis,FR South Gua Musang Forest District</p> <p>Inspection on Removal Passes at Forest Checking Station Kuala Betis</p> <p>Night in Gua Musang</p>	<p>(Auditor 3)</p> <p>Local communities - Kg. Ladoi and Kg. Redip (Pos Hau)(Orang Asli villages)</p>	
Day 3 Wednesday (2/12/09)	7.30 am-5.00 pm 8.00 pm-10.00pm	<p>(Auditors 1 & 2)</p> <p>A Inspection of logging activities in Comp 87, HSK Nenggiri</p> <p>Inspection on Removal Passes at Forest Checking Station Gua Musang</p>	<p>(Auditor 3)</p> <p>Local communities - Kg. Tohoi (Orang Asli village). Interview with logging licensees/contractors. Interview with logging contract workers.</p>	
		<p>Review of Day 3 Findings by Audit Team Leader</p> <p>Night in Kota Bharu</p>		
Day 4 Thursday (3/12/09)	7.30 am-5.00 pm	<p>(Auditors 1 & 2)</p> <p>Inspection on Removal Passes at Forest Checking Station Laloh, East Machang Forest District.</p>	<p>(Auditor 3)</p> <p>Local communities – Kg. Sg. Balai, Kuala Koh (Orang Asli village).</p>	

		Vjr Inspection Comp 76	Interview with logging licensees/contractors. Interview with logging contract workers.
	8.00 pm-10.30 pm	Discussion among auditors Night in Kota Bharu	
Day 5 Thursday (4/12/09)	7.30 am-5.00 pm	(Auditors 1 & 2) Inspection in Nursery Bukit Batu Tapong Phenology plot at Compt. 12 Ulu Sat FR Growth Plot Compt 1 Ulu Sat FR	(Auditor 3) Local communities – Kg. Sg. Sam, Kg. Lela Jasa and FELCRA Teratak Batu (Malay villages).
	8.00 pm-10.30 pm	Discussion among auditors Night in Kota Bharu	
Day 6 Thursday (5/12/09)	7.30 am-5.00 pm	(Auditors 1 & 2) Inspection on Watershed Pergau Dam at Gunung Basor FR	(Auditor 3) Local communities – Kg. Kuala Lah and Kg. Kuala Woh (Orang Asli villages); Kg. Baru Jelawang Jungle, Gunung Stong (Malay village).
	8.00 pm-10.30 pm	Discussion among auditors Night in Kota Bharu	
Day 7 Sunday (6/12/09)	8.30 am-1.30 pm	Meeting with Department Of Safety & Health Meeting with Department Of Wildlife and National Parks Meeting with Department of Environment Meeting with Department of Orang Asli Affairs (JHEOA)	
	8.00 pm-10.00 pm	Local communities – Kg. Manaq, Kuala Long (Orang Asli villages). Interview with logging contract workers. Interview with logging licensees/contractors. Discussion among auditors Night in Kota Bharu	
Day 8 Monday (7/12/09)	8.30 am-1.30 pm	Discussion Audit continue on next January 2010	

Stage 2 Audit Plan (Part 2)

DAY	TIME	PROGRAM
25/1/10 Monday	6.30 pm	Travel from KL to Kota Bahru
Day 1 Tuesday (26/1/10)	7.30 am-5.00 pm	Eastern Kelantan Forest District Inspection of logging activities at Compt 29A Ulu Sat FR Night in Kota Bahru
Day 2 Wednesday (27/1/10)	7.30 am-5.00 pm	Western Kelantan Forest District Inspection of logging activities at Comp 59 Balah FR Night in Kota Bahru
Day 3 Thursday (28/1/10)	8.30 am-1.00 pm 2.30 pm-4.30 pm	Documentation review Preparation of closing report Closing meeting

The Details of the NCRs and Planned Corrective Actions and OFIs

NCR No.	Principle	Indicator		Status of NCR	Summary of Non Compliance	Planned Corrective Action Taken by FMU
NCR 1	5 - Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits	5.3.2	Application of log extraction operations that minimize product wastage, degrade and foregone revenue opportunities.	Minor	During the inspection of active logging sites in Compartment 87 Nenggiri FR it was observed that there were evidences of product wastage as several logs were left in the forest and not removed. Some of the logs had heart rot and some were sound but were of small dimensions or short logs. Consultation with the logging contractor revealed that they will still fell tagged trees that were partially sound. However, they will only transport the sound logs out of the forest. Felling and extraction operations need to be improved to reduce wastage.	<ul style="list-style-type: none"> • <i>Kelantan SFD was still waiting for the findings of a research project undertaken by Johor State Forestry Department to develop a guideline on the economic viability of removing product wastage (un-removed logs) before adopting it in their forest harvesting operations.</i> • <i>Kelantan SFD in collaboration with Syarikat Perkayuan Kelantan Sdn Bhd was involved in conducting similar research project. The project was still on going and the findings have yet to be finalized.</i> • <i>A sub-committee was formed by the Forest Department Headquarters Peninsular Malaysia to draft a Standard Operating Procedure (SOP) on the utilization of wastage resulting from forest harvesting operations. The sub-committee had held its first meeting on 24-25</i>

						<p>March 2010 in Bukit Sekilau, Pahang.</p> <ul style="list-style-type: none"> • Kelantan SFD had offered to interested company or individuals to remove forest harvesting wastage but none was interested. The following issues had been raised and the Kelantan SFD was hopeful that the SOP to be drafted by the sub-committee would be able to resolve them: <ul style="list-style-type: none"> (a) the economic viability of removing such wastage from the forest; (b) preventive measures to be undertaken to minimize damages to standing trees; (c) fees to be charge on the contractor for removing such forest wastage; (d) control measures to be implemented to prevent misuse of licence/ approval given to undertake such activities <p>The planned corrective actions were accepted by the audit team and verification will be done during the surveillance audit.</p>
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NCR 2	5 - Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits	5.5.1	Availability and implementation of guidelines and/or procedures to identify and demarcate sensitive areas for the protection of soil and water, watercourses and wetlands.	Minor	During inspection of the harvesting records for Compartment 67 Stong Selatan FR under the license DB-01-16-09 being operated by R.R. Pahi enterprise, the auditors found that the license area included areas with elevation of more than 1000m within the compartment. Logging has been completed in the area. The area could not be inspected due to poor access and poor weather.	<p><i>The Kelantan SFD had wrongly given a Pre-F map during the audit. The area above 1000 m in elevation had been excluded from the logging licence No DB-01-16-09. An official letter ref. PHj.K.BT8/2/106/(80) to indicate action had been taken was made available to the auditor.</i></p> <p>The actions were accepted by the audit team and verification will be done during the surveillance audit.</p>
NCR 3	6 - Forest management shall conserve biological diversity and its associated values, water resources, soils and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest	6.2.3	Existence of cooperation between forest managers, and conservation organizations and regulatory authorities in implementing conservation and management activities.	Minor	The auditors observed that adequate efforts were not made by the FMU to consult and cooperate with PERHILITAN (Department of Wildlife and National Parks) to identify the presence of wildlife as well nesting and feeding areas for wildlife within the FMU. PERHILITAN also indicated that they are willing to cooperate with the FMU in the control of poaching which is a problem in the FMU.	<p><i>The Kelantan SFD has a record on joint-programmes it had undertaken with PERHILITAN as follows:</i></p> <ul style="list-style-type: none"> <i>a) Joint Patrol on Tigers under the Tiger Action Plan;</i> <i>b) Monitoring of Elephant Population in the Jeli FR; and</i> <i>c) Joint Border Check on National Park.</i> <p>The actions were accepted by the audit team and verification will be done during the surveillance audit.</p>

NCR 4	6 - Forest management shall conserve biological diversity and its associated values, water resources, soils and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest	6.5.3	Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements.	Minor	The access roads leading to Compartment 87 Nenggiri FR and Compartment 29 (SBHG) of License No. DT 01 36/2009 Ulu Sat had poor drainage and excessive earthworks. It was also found that access roads within Compartment 59, Balah FR lacked sumps and cross drains. Bridges constructed did not have proper retaining wall to prevent soil from being washed into the streams.	<p><i>The Kelantan SFD would be reviewing the Guidelines on Forest Road Specifications 1999 particularly on the requirements related to the constructions of cross drain and silt trap:</i></p> <p><i>The Kelantan SFD would be inviting quotations from interested contractors to undertake forest road maintenance works and would conduct a study on a proposal to impose a maintenance fees on licence holders using the roads.</i></p> <p><i>The planned corrective actions were accepted by the audit team and verification will be done during the surveillance audit.</i></p>
NCR 5	6 - Forest management shall conserve biological diversity and its associated values, water resources, soli and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.	6.6.2	Forest workers should be aware of the procedures on the use of approved chemicals in the forest.	Minor	Visit to Bukit Batu Tapong Nursery showed that forest workers are not aware of the different toxicity levels of chemical used in the nursery. Auditors were informed that chemicals are not being used. However containers of Roundup which are class 3 poisonous chemicals as well as more toxic Paradox 13 which is a class 1b poisonous chemicals were found in the nursery stores. Workers did not undergo any training on	<p><i>The Kelantan SFD plans to conduct training for officers in charge of nurseries with the assistance of the State Department of Agriculture to familiarize them on the different classes of pesticides, procedures on usage, storage and disposal as well as on the relevant laws and regulations.</i></p> <p><i>The planned corrective actions were accepted by the audit team and verification will be done</i></p>

					the handling of these chemicals	during the surveillance audit.
NCR 6	8 - Monitoring shall be conducted – appropriate to the scale and intensity of forest management – to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts	8.3.1	Forest managers should provide relevant documents for identifying all forest products leaving the area to be certified so that their origin could be easily determined.	Major	<p>During the inspection of Laloh Forest Checking Station (FCS) in Machang, the auditors found that records log movements were not updated and not in order. Records of invoices from logging contractors were not kept and many were discarded. Inspection of removal passes reflected that records log diameters and species did not tally with the tagging records. Records of logs transported out were found to be not properly recorded making traceability of the logs impossible.</p> <p>It was also found that in this Checking Station as well as in the checking station in Balai Sg. Betis, the size of logs were not in logical dimensions.</p>	<p>(a) <i>The District Forest Officer, of the East Kelantan Forest District shall write immediately to the Forester In-Charge of the FCS for explanation over the occurrence of this incident and why disciplinary should not be taken against him;</i></p> <p>(b) <i>Respective District Forest Officers to conduct briefing sessions for all foresters in charge of FCSs on the procedures of issuance of Removal Passes and maintenance of the Tree Tagging and Timber Production Control Book;</i></p> <p>(c) <i>Respective District Forest Officers to conduct inspections and monitor the work of the Foresters in charge of the FCSs to ensure that the issuance of Removal Passes are done according to procedures.</i></p> <p>The planned corrective actions were accepted by</p>

						<p><i>the audit team and verification audit was conducted on 12-13 April 2010 to verify on the implementation of the corrective actions. The auditors were satisfied that the corrective actions had been satisfactorily implemented and had therefore decided to close out this major NCR.</i></p>
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Details on Opportunities for Improvement

Indicator	OFI No.	Summary of OFI
Indicator 1.5.2	1	More effective and preventive measures were needed to control and reduce the incidences of encroachment. More frequent patrolling and control of access roads were needed to reduce such incidences. Additional forest reserve signboard plates could be erected at strategic locations with the FMU such as besides the roads leading into PRFs. An action plan to overcome the problem should also be developed.
Indicator 6.5.4	2	In compartment 87 of the Nenggiri FR and Compartment 59 of the Balah FR, it was observed that some of the riparian buffers had been disturbed with trees falling into the buffer zone. Incidences of some soil from road construction being pushed into riparian buffers were also evident. Although the damage had not been extensive, better care would be needed on the-protection of buffer strips.
Indicator 6.7.1	3	In general, containers, liquid and solid non-organic wastes including fuel and oil had been disposed off in an environmentally appropriate and legal manner. However, inspection in the active logging areas in compartment 29 of the Ulu Sat FR and compartment 64 of the Gunung Basor FR indicated that oil barrels and fuel containers had not been properly stored in a contained area and some plastic containers were found in the forests.
Indicator 9.1.1	4	Further consultations with the relevant stakeholders such as the government agencies, universities, forestry research and academic institutions and environmental NGOs would be needed to solicit useful information in identifying HCVF sites. The Kelantan SFD had indicated that they have identified other potential HCVF sites and was in the process of demarcating them. As more sites within the FMU could be demarcated as HCVF, the Kelantan SFD would need to hold more consultations with the relevant stakeholders.

End of Public Summary