

**PUBLIC SUMMARY OF SURVEILLANCE 1 AUDIT OF
NEGERI SEMBILAN FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

Certificate No : FMC 0002
Date of Surveillance 1 Audit : 20-22 August 2013

Certification Body:

**SIRIM QAS International Sdn Bhd
Block 4, SIRIM Complex
1, Persiaran Dato' Menteri
Section 2, P. O. Box 7035
40700 Shah Alam
Selangor, MALAYSIA**

**Tel: +60 3 5544 6400
+60 3 5544 6448
Fax: +60 3 5544 6763
Email: radziah_mohd.daud@sirim.my**

1. INTRODUCTION

The Negeri Sembilan Forest Management Unit (hereafter referred to as 'the Negeri Sembilan FMU') was awarded the *Certificate for Forest Management* against the MC&I (2002) following the Stage 2 audit that was conducted on 27 - 31 July 2009. The first Surveillance audit was conducted on 21 - 23 July 2010, while the second Surveillance audit on 13 - 15 July 2011. Following the certification, the Recertification audit on the Negeri Sembilan FMU was conducted from 3 - 7 September 2012 against the requirement of the MC&I (Natural Forest). The Surveillance 1 audit on the Negeri Sembilan FMU was conducted on 20 - 22 August 2013. The Surveillance 1 audit was conducted to assess the continued overall management system and practices within the FMU against the requirements of the MC&I (Natural Forest).

The scope of the Surveillance 1 audit was limited to the forest management system and practices of the natural forest within the FMU.

The FMU complied with all federal, state and local laws in its operation. It had also demonstrated an understanding of the international agreements relevant to forest management. Various committees had been established to maintain a continuous communication with local communities to resolve any issues that were raised.

The FMU had adopted the guidelines for reduced/low impact logging in its operation. Protection of riparian buffer belts and steep areas were observed. An EIA report has been completed for the area and environmental management monitoring was maintained as specified. *The Forest Management Plan for Negeri Sembilan FMU 2006 - 2015* had been revised with midterm review in 2012 which incorporated growth plots data. The growth plot analysis is being undertaken by the Forestry Department Headquarters and the results will be used to assess growth and recovery of the forest which includes dynamics species composition of flora on a peninsula wide basis. High conservation value forest (HCVF) sites had been identified and monitored.

In general the FMU conformed to the requirements in the MC&I(Natural Forest) standard, with one (1) major NCR and three (3) OFIs raised at the end of the audit. The FMU is recommended for continued certification to MC&I(Natural Forest) after the audit team had reviewed and accepted the corrective actions submitted on 19 September 2013 by the FMU on the non conformities and opportunities for improvements raised during the Surveillance 1 audit.

2. GENERAL SUMMARY

2.1 Name of FMU

Negeri Sembilan FMU

2.2 Contact Person and Address

Mr Ahmad Fadzil Abdul Majid
Director of Forestry
Negeri Sembilan State Forestry Department
Level 4, Block C, Wisma Negeri,
Jalan Dato' Abdul Malek,
70503 Seremban,
NEGERI SEMBILAN

Phone : 06-756 9849
Fax : 06-762 3711
E-mail : fadzil@forestry.gov.my

2.3 Date of Surveillance 1 Audit

20 - 22 August 2013 (6 auditor days)

2.4 Audit Team

Mr. Khairul Najwan Ahmad Jahari (Lead Auditor)
Prof. Mohd Basri Hamzah (Auditor)

2.5 Standards Used

Malaysian Criteria and Indicators for Forest Management Certification) [MC&I (Natural Forest)]

2.6 Stakeholder Consultation

A one-month stakeholder consultation was conducted on 17 July 2013 to solicit feedback from stakeholders on the continued compliance of the Negeri Sembilan FMU to the requirements of the MC&I (Natural Forest). However, no comments were received from any stakeholder over the consultation period.

3. Negeri Sembilan Forest Management Unit

The Negeri Sembilan FMU is managed by NSSFD. It covers an area of 154,676 hectares located between latitudes 2° 29' and 3° 5' N, and longitudes 101° 49' and 102° 35' E.

The FMU comprises Permanent Reserve Forest (PRF) classified under the National Forestry Act 1984 Section 7 to Section 13 and constituted on 24 December 1984. The PRF consists mainly of inland forest; Hill and Upper Hill Dipterocarp Forests, a small area of 215 hectares of Beach Forest and patches of Lowland Dipterocarp which are protected mainly for research purposes. While the mangrove forest in the State is under Stateland.

There has been change in the figure of the FMU from the Recertification audit in 2012 to the Surveillance 1 audit in 2013. The total area has been increased from 154,577 hectares to 154 676

hectares as evidenced in a letter of instruction dated 7 May 2012 from Forestry Department Peninsular Malaysia Headquarters. This is due to the gazettelement of 98.6569 hectares on Paya Bakau Forest Reserve at Port Dickson.

The administration of the FMU has been divided into two forest districts, namely the East Negeri Sembilan and West Negeri Sembilan Forest Districts. The map of the FMU is shown as **Attachment 1**.

The *Forest Management Plan for Negeri Sembilan FMU 2006 - 2015* had been revised and updated incorporating growth plots data. Growth plot analysis is being undertaken by the Forestry Department Headquarters and the results will be used to assess growth and recovery of the forest which includes dynamics species composition of flora on a peninsular wide basis. High conservation value forest (HCVF) sites had been identified and monitored.

4. SUMMARY OF SURVEILLANCE 1 AUDIT FINDINGS

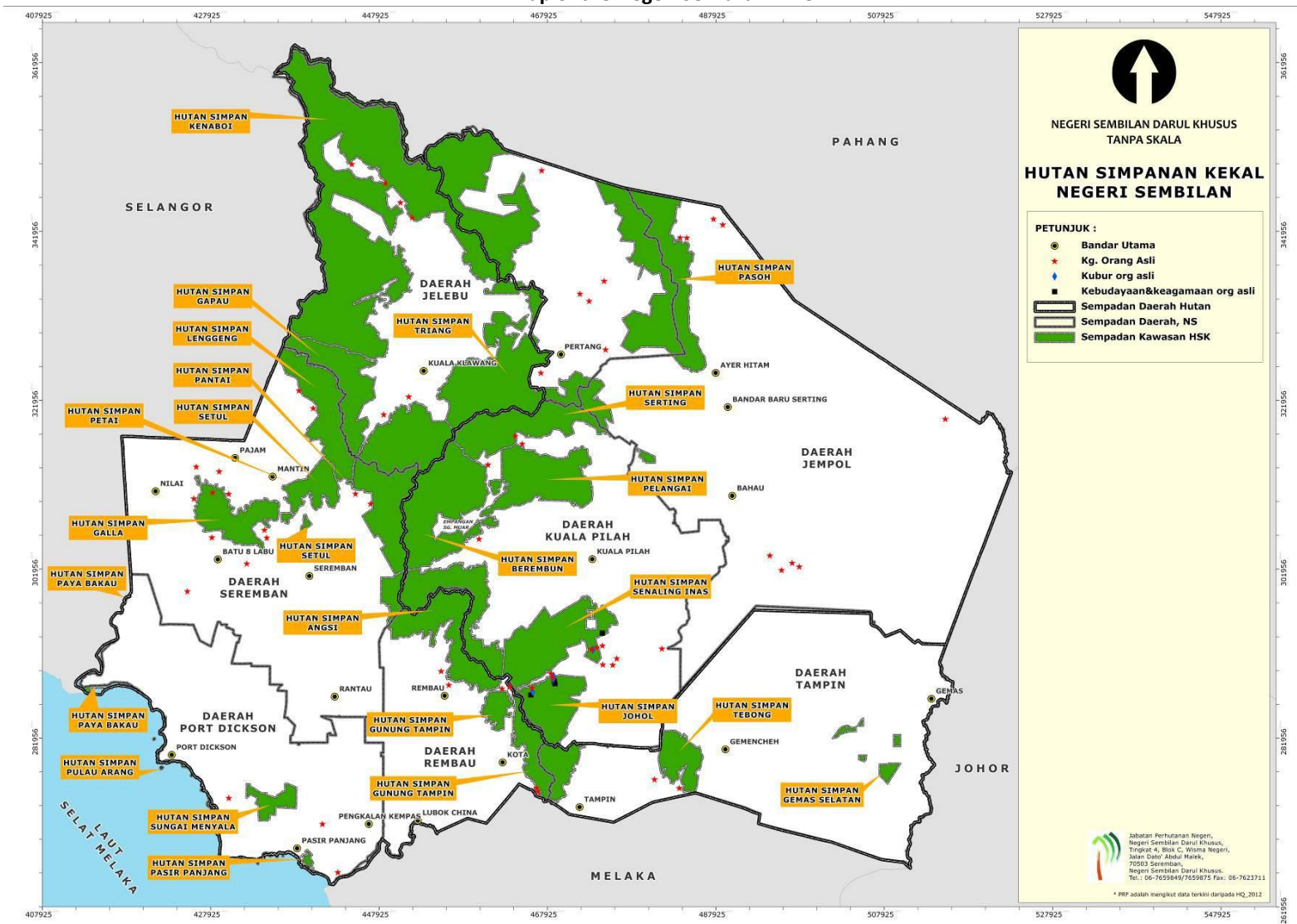
A total of one (1) major NCR and three (3) OFIs were raised during the Surveillance 1 audit. The NSSFD FMU submitted a corrective action plan on 19 September 2013 to address the major NCR and OFIs that was accepted by the audit team leader. The corrective actions to address the major NCR had been verified by the audit team on 13 November 2013. While, corrective actions for OFIs shall be verified by the audit team during the next surveillance audit in 2014. The audit team has reviewed and accepted the corrective actions submitted by the FMU on the non conformities and opportunities for improvements raised during the audit. Details of the status of the NCRs and OFIs raised during the recertification audit and Surveillance 1 audit shown in **Attachment 2**.

With regard to Criterion 6.10, there had been no new issue related to conversion of natural forest to forest plantations/non-forest land use.

On indigenous peoples' rights, the Negeri Sembilan FMU has established various committees to maintain a continuous communication with local communities to resolve any issues raised on matters affecting their customary, legal and use rights as a result of the forest management operations including logging activities. It was noted that there was no recorded civil court case pertaining to legal or customary tenure or use rights within FMU.

As the corrective action plan and site verification by audit team for major NCR during the Surveillance 1 audit had been accepted, it is therefore recommended that the *Certificate for Forest Management* awarded to the NSSFD be maintained.

A Map of the Negeri Sembilan FMU



Verification on Corrective Action Taken on NCRs and OFIs raised during Recertification Audit against the MC&I(Natural Forest)

NCRs

Indicator	NCR No.	Non-Compliance	Corrective Action Taken	Verification by Auditor
1.1.2	1 (Minor)	<p>Forest managers are not fully aware and/or knowledgeable of the applicable federal, state and local laws with regards to the employment of foreign workers.</p> <p>The FMU managers had taken action through a letter PHD.NS.B. 5/1/127 (13) dated 12 July 2012 to the contractor (Compartment 1, Triang PRF) of the presence of unregistered Indonesian workers within Compartment 1. These workers were still present during the audit in the logging camp. The contractor responded on 5 September 2012 stating that these workers will be deported.</p> <p>The contractor of Compartment 23 Pelangai PRF employed an Indonesia worker without working permit but with valid passport till 2015. The presence of unregistered workers shall not be permitted in the FMU area.</p>	<p>The unregistered Indonesian workers in Compartment 1, Triang PRF had been deported by the contractor. The contractor had been warned not to employ the unregistered workers in their license area. Any additional workers employed by the contractor should be registered in the District Forest Office.</p> <p>As in Compartment 23, the worker was employed as cook for the licensed area. The worker possessed a valid passport. However the workers had a temporary servis permit under "Pemutihan Pekerja Asing"</p> <p>The District Forest Offices of Negeri Sembilan Barat and Negeri Sembilan Timur had taken the action to scrutinize every application for sub license before the approval, to ensure that no unregistered foreign workers were issued sub license.</p> <p>Besides that, the field monitoring by the Range Offices had been enhanced to mitigate this issue.</p> <p>Written procedures for the application of sub-licences were made available to the officer in charge of issuing the sub licences. The procedure as in "Manual Perhutanan".</p>	<p>Records of "Laporan Kemajuan Lesen" (license progress report) NT/01/01/2012 at Pelangai PRF dated 17 December 2012 were examined during the Surveillance 1 audit where only eight registered workers available.</p> <p>Another monitoring in "Laporan Kemajuan Lesen" NB/01/02/2012 for Triang PRF on September and November 2012, found total 13 registered workers staying in the forest camp.</p> <p>The result of monitoring shows no illegal or unregistered workers in the working areas. Site review at Compartment 13 Angsi PRF found the Tong Fong Trading (licensees) and Pelangi Konsortium Sdn Bhd (contractors) did not hire foreigners as their workers.</p> <p>Status: Closed.</p>
1.5.2	2 (Minor)	<p>There was no record of monitoring on the control of encroachment in the FMU.</p> <p>Consultation with the Orang Asli community in Kg Bukit Kepong indicated that the villagers had increased the area of cultivation in Sg Menyala PRF from 5.5 ha in 2009 (recorded by the NSSFD) to about 12</p>	<p>The District Forest Office of Negeri Sembilan Barat had carried out the monitoring on the control of encroachment in Sungai Menyala PRF, as evidence by a letter bil(19) dlm PHND.NS.B14/6sj dated 16 April 2012 to the state director of forestry mentioning the encroachment by the Orang</p>	<p>During Surveillance 1 audit, the inspected boundary with surrounding FMUs was clearly erected with signages at Sg Menyala PRF and Angsi PRF on 24 May 2013 and 3 to 13 May 2013 respectively. The signboard was erected every 800m and total 5</p>

		<p>ha in 2012 (claimed by the Orang Asli). The increase was not recorded.</p>	<p>Asli had been discovered in Sungai Menyala PRF involving an area about 4-5 acres District Forest Office of Negeri Sembilan Barat has contacted JKOA to get their cooperation and commitment to overcome this issue.</p> <p>The monthly report was sighted during the audit. The meeting with JKOA Seremban, JKKK (head/batin) Kg Bukit Kepong was conducted on 16 May 2013 Based on the records of meeting, it was found the villagers were admitted with encroachment of the area.</p> <p>More frequent monitoring by the Forestry Department staff had been carried out to prevent further encroachment.</p>	<p>signboards were placed along the boundaries at Sungai Menyala PRF.</p> <p>More signage's had been erected at Tebong PRF and Gemas Selatan PRF on 23-24 April 2013. The progress reports including pictures were verified during the Surveillance 1 audit.</p> <p>Status: Closed</p>
4.4.1	3 (Minor)	<p>Forest managers shall evaluate, through consultations, social impact of forest operations directly affecting communities, and the people and groups directly affected by the forest operations shall have access to information on the results of the social impact evaluations;</p> <ul style="list-style-type: none"> • No report was prepared after the social evaluations were conducted. • Forest planning and management practices have yet to consider and incorporate the results of such evaluations. <p>Social impact evaluation was conducted in the two forest districts (Negeri Sembilan Timur and Barat) before, during and after harvesting activities for Compartment 1, Triang PRF and Compartment 23 Pelangai PRF but a report on the outcome of social impact evaluation was yet to be prepared by the two forest districts. Since no report was prepared, the findings were not incorporated in forest planning and management practices.</p>	<p>The District Forest offices had been instructed to furnish the report on the outcome of the social impact evaluation, which has been carried out by the Range Office before, during and after forest harvesting activities. Based on the report the findings will be incorporate in the planning and management practices. The district Forest Officer will submit the report of the outcome of the social impact evaluation before the closure of licensed area.</p>	<p>A SIA report had been presented to the audit team during the Surveillance 1 audit. The report had been submitted to the DFO (letter and report to DFO, Negeri Sembilan West, No. RHG.5/1/219 (4), dated 11/4/2013). Report recommendations were duly incorporated into the planning and management of the felling operation.</p> <p>Status: Closed</p>
5.3.1	4 (Minor)	<p>Harvesting in Compartment 1 Triang PRF had resulted in many residual trees being damaged producing large gaps in the forest. Harvesting had not adhered to the RIL guidelines.</p>	<p>A warning letter had been issued by the DFO to the contractor to improve on the issue of the damage trees. Non – compliance will result in a stringent action will be taken. The contractor and tree fellers had been again</p>	<p>Audit team inspected the harvesting operation during Surveillance 1 audit at Compartment 13, Angsi PRF. It was verified that damage to residual stand was minimized in the harvesting operation and</p>

			<p>reminded regarding the procedure of directional felling, and they must adhere to the procedure.</p> <p>The open space resulted from the damage will be replanted. Refresher training for the tree fellers would be carried out.</p>	<p>directional felling was observed.</p> <p>Status: Closed</p>
6.5.3	5 (Minor)	<p>The construction of skid trails in Compartment 1 Triang PRF did not follow the specifications as in Garis Panduan Jalan Hutan 2010 (Guidelines for Forest Roads 2010);</p> <ul style="list-style-type: none"> • The side walls along the skid trail 3/12 in the Compartment 1 Triang PRF exceeded 0.6m. • The water bunds constructed to prevent erosion at skid trail 50/9 and skid trail 3/12 at compartment 1 Triang PRF were not compacted • Construction of skid trail 3/12 had resulted in severe land slip with soil flowing into the valley. • The construction of silt traps at Block C of Compartment 1 Triang PRF did not comply with the specifications on road construction. 	<p>A letter has been issued to the contractor to repair all the non-compliance that had been listed by the auditors. Failing to comply with the instruction, stringent action will be taken such as issuing form 2 to stop forest harvesting until the action to improve the non-compliances has been taken.</p> <p>The contractor and the workers had been given a briefing before the forest harvesting commenced in this area. They were exposed to the new procedure in "Garis Panduan Jalan 2010". The attendance of the workers registered in every forest harvesting license is compulsory.</p> <p>The contractors and workers will be given a detail exposure and training on "Garis Panduan Jalan Hutan 2010". This is to ensure that a good forest harvesting practices is achieved.</p>	<p>During Surveillance 1 audit, it was observed that road construction in Compartment 13, Angsi PRF, complied with the RIL specifications and guidelines for roads except in the construction of skid trail LP 9/3. The height of embankment did not comply with the <0.6m height specification, set to avoid over-scraping top soil during construction. The argument that this was necessary in order to ensure stability and thus safety for skidder operation cannot be accepted. It was also observed that greater use of the winch, in terms of extending further its reach to the maximum, should be practiced in order to minimize length of skid trails. The same issue was raised as minor NCR Indicator 6.5.3 (KN1) during the Recertification audit (2012). For the oversight on inconsistent embankment height and insufficient action taken on this issue, a major NCR indicator 6.5.3 (MBH1) was issued.</p> <p>Status: A major NCR was raised.</p>
9.4.1	6 (Minor)	<p>The conduct of annual monitoring to assess the effectiveness of the measures in the management of the HCVEs in the Sungai Menyala PRF for year 2011 and 2012 was not evident.</p>	<p>Due to mis-communication of the responsibilities of the monitoring team, the monitoring stopped in June 2011. However the issue had been resolved and the monitoring will be carried out.</p> <p>The monitoring team will be given the responsibilities based on the plots or component that had been</p>	<p>During Surveillance 1 audit, the audit team noted that activities to record tree growth measurement started on 9 April 2013, and currently is in progress. The audit team observed that monitoring activities were being conducted on a monthly basis, and the latest monitoring was</p>

			included in the HCVF of Sungai Menyala.	conducted on 23 May 2013. Status: Closed
--	--	--	---	---

OFIs

Indicator	OFI No.	Summary of OFI	Verification by Auditor
4.1.1	1 (OFI)	<p><u>Forest managers provide appropriate support for training, retraining, local infrastructure, facilities and social programmes that commensurate with the scale and intensity of forest management operations.</u></p> <p>Training records for contractors' workers of Compartment 1, Triang PRF and Compartment 23 Pelangai PRF should be more systematically presented.</p>	<p>Records of training belonging to Mr. Mohamad Fizrie b. Mohd Khalid, <i>Pekerja Am Khas R3</i> (general worker) based in the Mantin nursery were presented to the audit team. Records show that he attended a course on basic forestry (June 2013, 14 days) and advanced nursery management (June 2013, 5 days). Course participants were awarded certificates of attendance issued by the department. The contractors also had log books to record their training attendance conducted by the NSSFD.</p> <p>Status: Closed</p>
4.2.3	2 (OFI)	<p><u>Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest workers in the work place.</u></p> <p>Operational procedures on the use of equipment and maintenance of the equipment should be made available to workers of Compartment 1, Triang PRF and Compartment 23 Pelangai PRF.</p>	<p>During Surveillance 1 audit, audit team has verified maintenance records of excavator, bulldozers, and other equipment in Compartment 13, Angsi PRF.</p> <p>Status: Closed.</p>
4.2.4	3 (OFI)	<p><u>Forest managers shall maintain up-to-date safety records in compliance with all applicable laws and/or regulations covering health and safety of forest workers.</u></p> <p>Accident records except for records of medical visits were not adequately maintained in the Compartment 1, Triang PRF and Compartment 23 Pelangai PRF.</p>	<p>A record book on the health of forest workers was adequately maintained at the workers camp (kongsi) of Compartment 13, Angsi PRF.</p> <p>Status: Closed</p>
6.1.3	4 (OFI)	<p><u>Forest management plan shall incorporate measures to mitigate the environmental impacts identified in the assessments</u></p> <p>The revision of the FMP should include the mitigation measures listed in the Macro EIA report of 2007.</p>	<p>During Surveillance 1 audit, the mitigation measures as listed in the Macro EIA report of 2007 were included in the review and can be referred in page 122, "Pemantauan, Penilaian dan Kawalan".</p> <p>Status: Closed</p>
6.2.1	5 (OFI)	<p><u>Availability and implementation of guidelines to identify and protect endangered, rare and threatened species of forest flora and fauna, including features of special biological interest such as seed trees, nesting and feeding areas in the PRFs</u></p> <p>Selection of mother trees in the Compartments 1 and 6 of Triang PRF should be improved with better quality trees marked as mother trees.</p>	<p>During Surveillance 1 audit, it was found that the selection of mother trees at Compartment 13, Angsi PRF had improved with healthy, good canopy form and straight trunk trees marked. .</p> <p>Status: Closed</p>

7.2.1	6 (OFI)	<p><u>Implementation of procedures to periodically revise the forest management plan, incorporating results of monitoring or new scientific and technical information</u></p> <p>The revised FMP would have to incorporate all the results from the monitoring conducted as well as new technical information. All the sections described in Criterion 7.1 to be included.</p>	<p>During Surveillance 1 audit, audit team has verified that new technical information such as monitoring, operation, changing environmental, and social and economic were incorporated in the midterm review report.</p> <p>Status: Closed</p>
8.1.2	7 (OFI)	<p><u>Forest managers shall identify and implement appropriate monitoring procedures, in accordance with the scale and intensity of the forest management operations, for assessing social, ecological, environmental and economic impacts.</u></p> <p>Social impact evaluation could be improved with standard procedures.</p>	<p>During Surveillance 1 audit, the procedure entitled "<i>Prosedur Pemantauan Kesan Pembalakkan Terhadap Masyarakat Setempat Yang Berdekatan Kawasan Usahasil Dalam Hutan Simpanan Kekal di Negeri Sembilan</i>" (Monitoring Procedures on Logging Effect Against Local Communities In Permanent Forest Reserve in Negeri Sembilan) were made available to the audit team.</p> <p>Status: Closed</p>
8.2.1	8 (OFI)	<p><u>Forest manager shall gather the relevant information appropriate to the scale and intensity of the forest management operations.</u></p> <p>Wildlife biodiversity inventory analysis and research should be conducted with relevant stakeholders.</p>	<p>Records of wildlife surveys by Negeri Sembilan FMU and Wildlife Department (PERHILITAN) on 17 - 27 June 2013 by 3 groups at Johol, Gunung Tampin Angsi, Senaling Inas PRF were made available during Surveillance 1 audit.</p> <p>Status: Closed.</p>
9.2.1	9 (OFI)	<p><u>Forest managers shall consult with relevant stakeholders on the options to maintain or enhance the identified HCVFs</u></p> <p>The relevant stakeholder was consulted during the establishment of HCVF sites, however the stakeholder list had not updated since 2007 and records of consultations should be presented.</p>	<p>During Surveillance 1 audit, it was found that the list of relevant stakeholder was updated as below;</p> <ol style="list-style-type: none"> 1. Wildlife Department 2. Villagers of Kg Belihoi and Kg Sg Raya, (adjacent to Setul PRF) 3. Jabatan Kemajuan Orang Asli (JKOA) 4. Forest Research Institute of Malaysia (FRIM) 5. Menteri Besar of Negeri Sembilan 6. State Secretary 7. Jabatan Perancang Bandar dan Desa 8. District Office Nilai/Port Dickson 9. Majlis Perbandaran Nilai/Port Dickson 10. District Lands Office Seremban / Port Dickson 11. Department of Irrigation and Drainage 12. State Exco for Tourism 13. Forestry Faculty, University Putra Malaysia 14. World Wildlife Fund (WWF) Malaysia 15. State Education Department of Negeri Sembilan 16. Negeri Sembilan State Tourism Board <p>A letter to request for review or comment regarding the HCVFs area was sent on 14 March 2013. Only one stakeholder provided comments.</p> <p>Status: Closed</p>
9.4.2	10 (OFI)	<p><u>Forest managers should incorporate the results and findings of the HCVFs monitoring activities into the implementation and revision of the forest management plan.</u></p>	<p>During Surveillance 1 audit, audit team has verified the result obtained from the monitoring results from HCVF areas at Setul PRF and Sungai Menyala PRF and was made available in the</p>

		Results obtained from monitoring HCVF sites should be incorporated in the revision of the FMP 2006-2015	completed mid-term review of FMP. Status: Closed
--	--	---	---

Issuance of major NCR and OFIs during Surveillance 1 Audit in 2013 against the MC&I(Natural Forest)

NCRs

Indicator	NCR No.	Status	Summary of Non-Compliance
6.5.3	1	Major	<p><u>Implementation of guidelines for forest road lay-out and construction especially on drainage requirement.</u></p> <p>The construction of skid trails in Compartment 13 Angsi PRF did not follow the specifications outlined in <i>Garis Panduan Jalan Hutan 2010 (Guidelines for Forest Roads 2010)</i>.</p> <p>The side walls along the new skid trail 9/3 in the Compartment 13 Angsi PRF exceeded 0.6m in places.</p> <p>The major NCR raised was subsequently closed out through a verification audit conducted by the lead auditor on 13 November 2013.</p>

OFIs

Indicator	OFI No.	Summary of OFI
6.2.5	1	<p><u>Forest workers shall be aware of endangered, rare and threatened species of forest flora and fauna found in the FMU. Such awareness shall be promoted among local communities.</u></p> <p>There was no display on ERT species, such as posters issued by PERHILITAN on the notice board of the forest camp (kongsi) in Compartment 13, Angsi PRF that was visited by the auditor.</p>
6.4.1	2	<p><u>Representative areas of existing forest ecosystems, appropriate to the scale and intensity of forest management operations, identified and selected under 6.2.2, are demarcated and protected in their natural state.</u></p> <p>The records and maps of Virgin Jungle Reserves (VJR) were available in the FMP (mid-term) 2011-2015. However there was no map available for Seed Production Areas in the Negeri Sembilan FMU.</p>
6.7.1	3	<p><u>Oil, fuel, tyres, containers, liquid and solid non-organic wastes, shall be disposed of in an environmentally appropriate and legal manner</u></p> <p>The Standard Operating Procedure (SOP) on waste disposal was available in "<i>Langkah-langkah Pelupusan Bekas Racun Makhluk Perosak</i>". However the SOP on re-cycling of liquid and solid non-organic waste was not available.</p>

End of public summary