

**PUBLIC CERTIFICATION SUMMARY
FIRST SURVEILLANCE AUDIT ON
PERAK FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate No : FMC 0004
Date of Surveillance 1 Audit : 9 - 13 December 2013**

Certification Body:

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1. INTRODUCTION

This surveillance audit on the Perak Forest Management Unit (hereafter referred to as the Perak FMU) was conducted on 9-13 December 2013. This audit was conducted to assess the continued compliance of the overall management system and practices of the Perak FMU against the requirements of the Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest) [MC&I (Natural Forest)]. The scope of this surveillance audit was limited to the forest management system and practices of the Permanent Reserved Forests (PRF) within the Perak FMU.

This surveillance audit was conducted by a two- member team comprising Mr. Khairul Najwan Ahmad Jahari (Forester and as Audit Team Leader) and Prof. Mohd Basri Hamzah (Forester). The audit team was accompanied by a trainee auditor, Mr. Mohd Razman Salim. The audit commenced with an opening meeting on 9 December 2013 at the Perak State Forestry Department's (PSFD's) Head Office in Ipoh.

Based on the findings of this surveillance audit, it was found that the Perak FMU had continued to comply with most of the requirements of the MC&I (Natural Forest). This surveillance audit has resulted in the issuance of three (3) minor Non Conformity Reports (NCRs) and one (1) Observation for Improvement (OFI).

This public certification summary contains general information on the Perak FMU, the findings of the audit, NCRs raised as well as the decision on the continued certification of the FMU.

2. GENERAL SUMMARY

2.1 Name of FMU

Perak FMU

2.2 Contact Person and Address

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2.3 Date of Surveillance Audit

9-13 December 2013 (10 auditor days)

2.4 Audit Team

Mr. Khairul Najwan Ahmad Jahari (Audit Team Leader)
Prof. Mohd Basri Hamzah (Auditor)
Mohd Razman Salim (Trainee Auditor)

2.5 Standards Used

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

2.6 Stakeholder Consultation

A one-month stakeholder consultation was conducted beginning on 1 November 2013 to solicit feedback from stakeholders on the continued compliance of the Perak FMU to the requirements of the *MC&I* (Natural Forest). The comments by the stakeholders and responses from the audit team are shown in **Attachment 1**.

3. GENERAL BACKGROUND ON THE PERAK FMU

The Perak FMU was awarded the *Certificate for Forest Management* against the Malaysian Criteria and Indicators for Forest Management Certification [*MC&I* (2002)] following a Stage 2 audit that was conducted on 26 October – 2 November 2009. The first surveillance audit was conducted on 8 – 12 November 2010, while the second was conducted on 21-24 November 2011.

A recertification audit on the FMU was conducted from 8-13 October 2012 against the requirements of the new standard for forest management certification, the *MC&I* (Natural Forest). This surveillance audit was the first to be conducted under the second certification cycle of the FMU.

The Perak FMU is managed by the Perak State Forestry Department (PSFD). It covers an area of 991,436 hectares (ha) or 47% of the state of Perak total land area of 2.1 million ha. The FMU is located between latitudes 3° 40' 30" N to 5° 53' 30" N, and between longitudes 100° 12' 30" E to 101° 54' 00" E. The PRFs consists mainly of inland forest which is hill and upper hill *Dipterocarp* including mangrove forest, with patches of lowland *Dipterocarp* which are protected mainly for research purposes. During the intervening period since the conduct of the recertification audit in 2012, there has been no change in the size (ha) of the FMU.

The *Forest Management Plan for Perak FMU 2006 - 2015* had been revised with a midterm review done in 2012 incorporating growth plots data. The growth plot analysis was conducted by the Forestry Department (Headquarters) Peninsular Malaysia and the results would be used to assess growth and recovery of the forest which includes the dynamics and species composition of flora.

The PSFD has continued to be committed to the management of the Perak FMU on a sustainable basis. The administration of the FMU is divided into five forest districts namely the South Perak, Kinta/Manjung, Kuala Kangsar, Larut & Matang and Hulu Perak. The map of the FMU is shown as **Attachment 2**.

4. SUMMARY OF SURVEILLANCE AUDIT FINDINGS

Based on the findings of this surveillance audit, it was found that the Perak FMU had continued to comply with most of the requirements of the *MC&I* (Natural Forest). This surveillance audit has resulted in the issuance of three (3) minor NCRs and one (1) OFI. One of the NCRs was the result of an up-grading of an OFI which was raised during the recertification audit. The details on the NCRs and OFIs raised are shown in **Attachment 3**.

The audit team had also verified on the corrective actions taken by the PSFD to address the 2 NCRs and 6 OFIs raised during the previous recertification audit. All of these NCRs and OFIs had been closed out except for one OFI which had been up-graded to a minor NCR. The details on the verification of the corrective actions taken and the status of the NCRs and OFIs raised during the previous recertification audit are shown in **Attachment 4**.

With regard to Criterion 6.10, there has been no conversion of the natural forest to forest plantations or non-forest land uses in the FMU since the previous recertification audit.

On the indigenous peoples' right, the PSFD had continued to respect the rights of the Orang Asli in forest planning and management. The PSFD kept records and map of the gazetted Orang Asli reserves within the FMU. Forest activities would not be conducted in legally recognized Orang Asli Reserve. In addition, the PSFD has established a consultative committee with the Orang Asli Affairs Department (Jabatan

Kemajuan Orang Asli) as a forum to communicate and resolve issues raised on matters affecting the communities as a result of the forest management operations including logging activities.

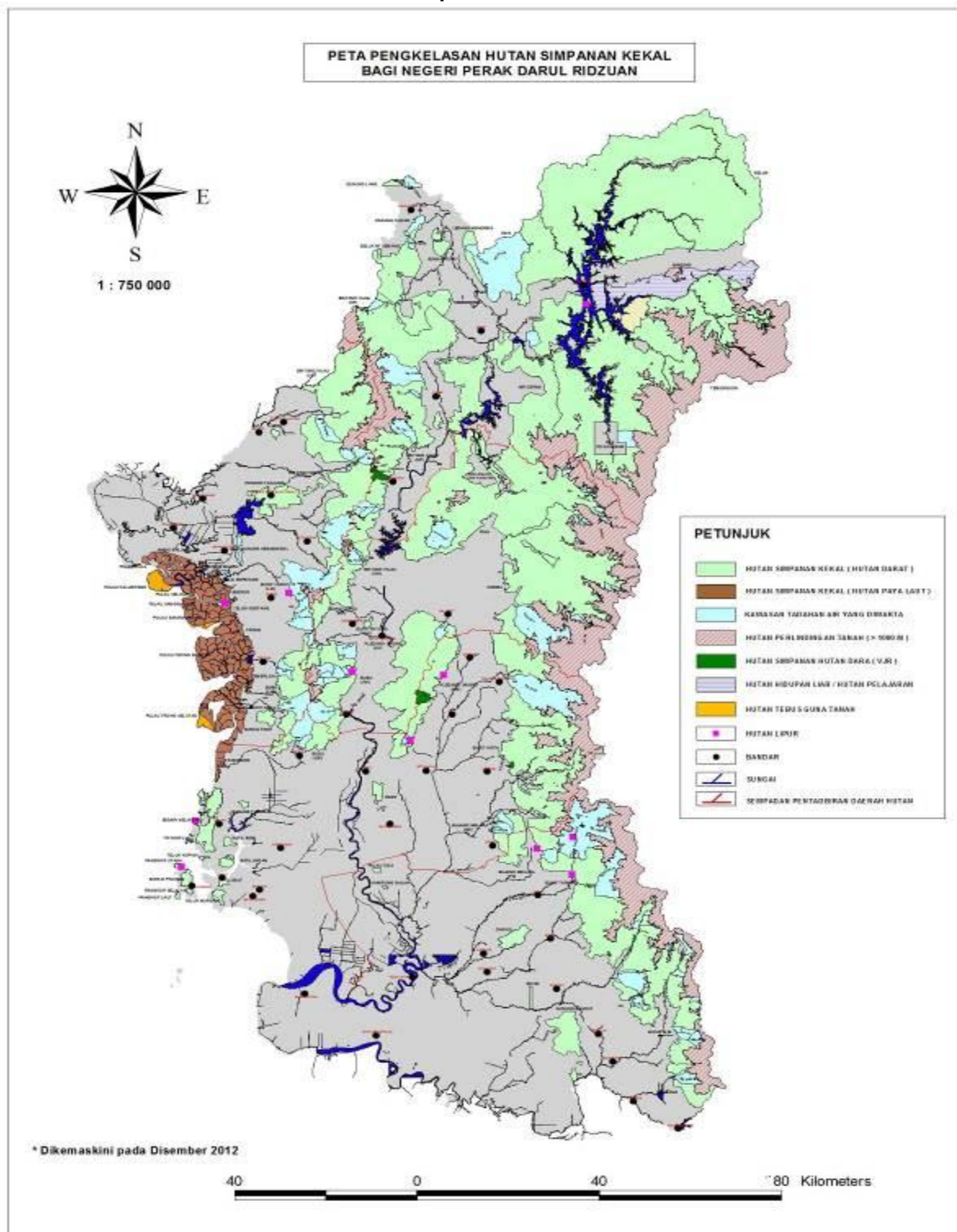
There was no major NCR raised during this surveillance audit. The PSFD had submitted a corrective action plan on 13 January 2014 to address the minor NCRs and OFIs raised which had been reviewed and accepted by the audit team. These proposed corrective actions by the PSFD to address the minor NCRs and OFIs shall be verified by the audit team during the next surveillance audit.

As no major NCR had been raised, the audit team had therefore recommended that the *Certificate for Forest Management* awarded to the PSFD be maintained.

Comments by Stakeholders and Responses from Audit Team

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Stakeholder 1	2 more forests maybe cleared. Rare tree species in Perak may disappear.	<p>The areas were de-gazetted as non PRF on 4 July 2013 (Bill 1129/1909)</p> <p>The Keruing Paya and Keruing Padi tree species were still available at the Chikus Forest Reserve. Report on the inventory of these species was verified at the Tapah District Forest Office.</p> <p><u>Conclusion:</u> <i>The 2 forest areas had been de-gazetted as non PRF and was no longer being part of the Perak FMU and therefore not relevant in this certification audit.</i></p>

A Map of Perak FMU



Minor NCRs and OFIs Raised During This Surveillance Audit

NCRs

Indicator	NCR No.	Status	Summary of Non-Compliance
6.5.1	1	Minor	<p><u>Availability and implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations.</u></p> <p>The implementation of harvesting procedures to protect the soil from erosion during harvesting operations did not fully adhere to the requirements of Reduced Impact Logging in Peninsular Malaysia Guidelines and Guidelines for Forest Roads, 2010.</p> <p>It was found that two of the skid trails (LP2/3 & LP10/1) in Compartment 183 and 140 (part), Kledang Saiong Forest Reserve were subjected to</p> <ol style="list-style-type: none"> 1) Blading resulting in creation of sidewall in excess of 0.6m. Such blading and earthworks shall be minimized to prevent soil erosion. 2) Skid trails are constructed more than the specification limits of 24° or (45%).
6.5.3	2	Minor	<p><u>Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements. Guidelines for Reduced Impact Logging in Peninsular Malaysia, 2003, Garis Panduan Jalan Hutan, 2010 (Guidelines for Forest Roads, 2010)</u></p> <p>The requirements for side drainage, water bars and sumps have not been complied with for feeder road and skid trail during closure of harvesting block as prescribed in the guidelines (Guidelines for Reduced Impact Logging in Peninsular Malaysia, 2003, <i>Garis Panduan Jalan Hutan</i>, 2010 (Guidelines for Forest Roads, 2010)).</p> <p>A section of the feeder road (JT2) and skid trail (LP2/2) were assessed in Compartment 2 (part) under License PPN.PK.9/2013, Teras Cempaka Sdn Bhd., in the Bukit Naga Forest Reserve, Larut Matang Forest District and feeder road (JT3) licence PPN.PK. 99/2013, Bistari Ent, Kledang Saiong Forest Reserve, Kuala Kangsar Forest District. Soil mitigation measures appeared to be absent including remnants of such structures on the ground. The following non-compliances were recorded:</p> <ol style="list-style-type: none"> 1) Feeder roads: lack of side drainage and water sumps (Bukit Naga PRF) including water bars (Bukit Naga PRF) on steep areas. 2) Skid trail: Lack of water bars (Bukit Naga PRF)
5.2.1	3	Minor	<p><u>Forest management practices encourage the optimal use of forest resources.</u></p> <p>Tagging numbers and hammer marks were not evident on the stumps of felled trees along the following two skid trails in Compartment 183 and 140 (part), Kledang Saiong Forest Reserve:</p> <p>Skid trail LP2/3;</p> <ul style="list-style-type: none"> • Meranti sarang punai (67.0 cm dbh) • Kelat (57.0 cm dbh)

			<ul style="list-style-type: none"> Perah (58.0 cm dbh) <p>Skid trail LP 10/1;</p> <ul style="list-style-type: none"> Balau (72.0 cm dbh) Medang (78.0 cm dbh)
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OFIs

Indicator	OFI No.	Summary of OFI
4.2.3	1	<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>Two unit of fire extinguishers were made available at the “matau”. However, it was found that one of the fire extinguishers has been used but no maintenance/refill had been carried out.</p>

**Verification on Corrective Actions Taken on NCRs and OFIs
Raised During Previous Recertification Audit**

NCRs

Indicator	NCR No.	Non-Compliance	Corrective Action Taken	Verification by Auditor
6.5.4	1 (Minor)	<p>Availability and implementation of guidelines for conservation of buffer strips along streams and rivers</p> <p>The implementation of guidelines for conservation of buffer strips along streams and rivers was not followed</p> <p>During the site visit at Compartment 11, Temenggor Forest Reserve licence no. PPN PK 66/2012 B (HSK/HPK) it was found that the buffer zone at LP 1/2 was damaged by felled trees.</p>	<p>(1) A warning letter was issued by the PSFD to the holder of logging licence no. PPN PK 66/2012 B (HSK/HPK) requesting the licensee to remove the debris.</p> <p>(2) A site check was conducted by a Forest Ranger and it was found that the debris had been removed and cleaned up.</p> <p>(3) A meeting with all licence holders including logging contractors was held on 9 May 2013 to highlight and remind of this audit finding and actions to be taken to prevent future occurrence of this non-compliance.</p>	<p>(1) A letter dated 17 October 2012 was sighted by the auditor</p> <p>A follow-up letter dated 6 March 2013 was sighted by the auditor</p> <p>(2) Monthly report for the month of September 2012 prepared by the Forest Ranger was sighted.</p> <p>(3) Minutes of meeting including, attendance list and meeting documents were provided to the auditors.</p> <p><u>Status: Closed Out</u></p>
5.3.1	2 (Minor)	<p>Implementation of guidelines for reduced/low impact logging to minimize damage to residual stand</p> <p>The implementation of guidelines for reduced/low impact logging to minimize damage to residual stand was not being followed.</p> <p>During the site visit at Compartment 11, Temenggor Forest Reserve licence no PPN PK 66/2012 B (HSK/HPK) it was found that an additional branch to the skid trail LP9 was added</p>	<p>(1) A warning letter was issued to the licensee for making amendments on the road layout without the approval from District Forest Office.</p> <p>(2) Meeting with all licence holders including logging contractors was held on 9 May 2013 to highlight and remind of this audit finding</p>	<p>(1) A letter dated 17 October 2012 was sighted.</p> <p>(2) Minutes of meeting including attendance list and meeting document were provided to the auditors. A letter from the</p>

		without the approval from District Forest Officer.	and action taken to prevent future occurrence of this non-compliance.	<p>licensee dated 22 October 2012 requesting to make amendments on LP 9/2 and the road map was sighted.</p> <p>An approval letter dated 23 October 2012 issued by the District Forest Office to the licensee was sighted.</p> <p>Status: Closed Out</p>
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OFIs

Indicator	OFI No.	Summary of OFI	Verification by Auditor
4.1.1	1 (OFI)	<p><u>Up-to-date information on all applicable laws and/or regulations covering occupational safety and health of forest workers shall be disseminated to them.[MC&I (2002)]</u></p> <p>The sole staff in charge of handling all poisons in Kg. Chang Nursery, Bidor Forest District, was considered not adequately trained for the job. Although recently transferred to the area (September 2012), and with a non-certification training in a previous employment, his knowledge on safety of poison handling was insufficient. For example, his answer to disposal procedure of spent containers (washed and buried) was not up to date (washed, bottom pitted, recycled). Further, no record was kept on use and movement of poisons (quantity used, user, storage, remaining amount, shelf date, etc.) other than receipts of purchase kept as administrative record.</p>	<p>Training on chemical handling was conducted on 22-25 April 2013.</p> <p>Training records including report, attendance list, pictures, and training material were sighted.</p> <p>Status: Closed Out</p>
6.7.1	2 (OFI)	<p><u>Oil, fuel, tyres, containers, liquid and solid non-organic wastes, shall be disposed of in an environmentally appropriate and legal manner(MC&I [2002])</u></p> <p>During the visit to logging area in the Temenggor Forest Reserve, it was</p>	<p>Awareness program and chemical handling course was conducted on 9 May 2013 to all concerned licensees and logging contractors. The attendance list and training material were sighted.</p> <p>Status : Closed Out</p>

		observed that the non-organic waste was not disposed off properly. There were some records found but in loose sheets and some books.	
4.2.1	3 (OFI)	<p><u>Up-to-date information on all applicable laws and/or regulations covering occupational safety and health of forest workers shall be disseminated to them (New requirement for MC&I (Natural Forest))</u></p> <p>Up-to date information on all applicable laws and regulations covering occupational safety and health of forest workers need to be disseminated to forest workers of the contractors. Records of dissemination would have to be kept.</p>	<p>The sample of the poster on “Guidelines on Occupational Safety and Health on Logging Operation” was sighted. This poster was prepared in three different languages; Bahasa Melayu, Chinese and Tamil and distributed to 13 licensees.</p> <p>Status: Closed Out</p>
4.3.2	4 (OFI)	<p><u>Provisions for workers the right to organise and undertake collective bargaining leading to agreements in accordance with ILO Convention No. 98 – The Right to Organise and Collective Bargaining Convention, 1949 - Articles 1 and 2, ILO Convention No. 111 – Discrimination (Employment and Occupation), 1958 - The Right to Equal Treatment, ILO Convention No. 100 – Equal Remuneration, 1951 - The Right to Equal Pay. (New requirement for MC&I (Natural Forest))</u></p> <p>Provisions for forest workers of contractors the right to organise and undertake collective bargaining could be improved with a statement made available these workers.</p>	<p>Related letters and sample of the posters has been sighted. This included the letter from the Perak Timber Trade Association to all companies and contractors to give freedom to their workers to participate in union or association according with ILO Convention no.98.</p> <p>The contractors were also ordered to records all meetings with the workers on matters related these social requirements.</p> <p>Status: Closed Out</p>
4.3.4	5 (OFI)	<p><u>Availability of appropriate procedures to address grievances raised by workers and/or their organisations and for conflict resolution. (New requirement for MC&I (Natural Forest))</u></p> <p>Records of participation to resolve grievances of forest workers employed by contractor need to be documented.</p>	<p>The logging contractors had made available ‘suggestion box’ and ‘complaint box’ for the workers to lodge their grievances or complaints. Pictures of these ‘suggestion box’ and ‘complaint box’ were sighted.</p> <p>Status: Closed Out</p>
6.5.2	6 (OFI)	<p><u>Implementation of reduced/low impact logging to minimise damage to the environment. MC&I (2002)</u></p> <p>The implementation of reduced impact logging to reduce damages to environment in Compartment 54 & 55</p>	<p>The corrective actions taken had not been able to address this OFI.</p> <p>Status: Up-graded to minor NCR 3</p>

		Bubu Forest Reserve, Compartment 43, 74 & 75 and Compartments 233, 239 and 240 could be enhanced by compacting the side bunds of the main roads.	
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End of Public Summary