



**PUBLIC SUMMARY
STAGE 2 AUDIT ON
MASAMA FOREST PLANTATION MANAGEMENT UNIT – LPF0019
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FPMC 0003
Date of First Certification: 12 August 2016
Audit Date: 6 to 10 July 2015
Date of Public Summary: 21 November 2016**

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1 EXECUTIVE SUMMARY

The stage 2 audit on the Masama Forest Plantation Management Unit (hereafter referred as the Masama FPMU) was conducted on 6 to 10 July 2015 to assess the compliance of the overall forest management system of the Masama FPMU against the requirements of the *Malaysian Criteria and Indicators for Forest Plantation Management Certification* [MC&I Forest Plantation.v2] using the verifiers stipulated for Sarawak. The scope of this stage 2 audit was limited to the forest plantation management system and practices on the Masama FPMU.

This stage 2 audit was conducted by a 4-member team comprising Dr. S.K.Yap (Lead Auditor), Mr. Khairul Najwan Ahmad Jauhari (Forester) and Mr. Ernest Chai Chai Oi Khun (Forester). Mr. Gan Boon Keong of STANDARDS MALAYSIA had participated in this audit as an observer.

Based on the findings of this stage 2 audit, it was found that Masama FPMU had not complied with the requirements of the MC&I Forest Plantation.v2. This stage 2 audit had resulted in the issuance of fourteen (14) major and six (6) minor Non Conformity Reports (NCRs).

This public summary contains the general information on the Masama FPMU, the findings of the stage 2 audit, NCRs raised as well as the decision on the certification of the FPMU.

2 INTRODUCTION

2.1 Name of FPMU

Masama Forest Plantation Management Unit – LPF/0019

2.2 Contact Person and Address

Mr Ling Ee Khai
Shin Yang Forestry Sdn.Bhd.
Lot 515, Jalan Datuk Edward Jeli,
Piasau Industrial Estate,
98000, Miri, Sarawak, Malaysia.
Tel: 6-085-656322 Fax: 6-085-652999

2.3 General Background on the Masama FPMU

The Masama FPMU is part of the Masama Estate located in Tatau district, Bintulu, managed by Shin Yang Forestry Sdn. Bhd. (SYF). The FPMU had been granted a Licence for Planted Forest LPF/0019 beginning November 19th, 1999 to November 18th, 2059 and covers an area of 25,730 ha which consists of 10 coupes. The certification of Masama FPMU against the MC&I Forest Plantation.v2 covers the first five coupes with total area of 11,946 ha including an area of 1,979 ha for protection within coupe 5 which was cleared for planting prior to December 2010. The FPMU area was covered mainly by logged-over hill mixed Dipterocarp forest.

A map of the FPMU showing the significant features of the plantation forest is attached in **Attachment 1**.

2.4 Date First Certified

12 August 2016

2.5 Location of the FPMU

The Masama FPMU is located between latitudes 2°19.07'N - 2°32.76'N, and longitudes 112°51.35'E - 113°02.03'E of Tatau district.

2.6 Forest Management System

The Masama FPMU had followed the principles of sustainable forest management and the requirements of the Licence Agreement of the state government. A *Forest Plantation Management Plan Version 2*, for a period of 1st April 2015 to 31st December 2025 was presented during the audit.

2.7 Annual Allowable Cut/Annual Harvest under the Forest Management Plan

For the period of 1999-2059, the annual allowable cut (AAC) for the Masama FPMU had been set at 1,684.2 ha per year. During this stage 2 audit, the size of the FMU is 11,946 ha.

2.8 Environmental and Socioeconomic Context

An *Environmental Impact Assessment Report for the Proposed Selangau-Tatau Forest Plantation Located in Mukal and Tatau*, which was completed in July 2000 and approved by the Natural Resources and Environmental Board (NREB) had considered the impacts on site and at the landscape level. The EIA report had indicated an absence of endangered, rare and threatened species of flora and fauna within the plantation area. Biological corridors and residual patches of forest trees were conserved within the plantation area to protect the residual fauna population, riparian buffer belts and steep areas. These mitigating measures for reducing the potential environmental impacts were incorporated in the FPMP. The nearest local community are residents of Rumah Anai, Rumah Sepurai and Rumah Mancha which located within and at the boundary of the Masama FPMU.

3. AUDIT PROCESS

3.1 Audit Dates

6 to 10 July 2015 (15 man-days)

3.2 Audit Team

Dr. S.K. Yap (Lead Auditor)
Mr. Khairul Najwan Ahmad Jahari (Forester)
Mr. Ernest Chai Chai Oi Khun (Forester)

Mr. Gan Boon Keong (Observer, STANDARDS MALAYSIA)

The details on the experiences and qualifications of the audit team members are as in [Attachment 2.](#)

3.3 Standard Used

Malaysian Criteria and Indicators for Forest Plantation Management Certification [MC&I Forest Plantation.v2] using the verifiers stipulated for Sarawak.

3.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted to solicit feedback from stakeholders on the compliance of the Masama FPMU against the requirements of the MC&I Forest Plantation.v2. The comments by the stakeholders and responses by the audit team are shown in [Attachment 3.](#)

3.5 Audit Process

The audit was conducted primarily to evaluate the level of compliance of the Masama FPMU's current documentation and field practices in forest plantation management with the detail standard of performances (SOPs) listed in the MC&I Forest Plantation.v2, using the verifiers stipulated for Sarawak.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FPMU, local community or stakeholders or field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors then decided on the degree of the FPMU's overall compliance with the indicator and decided whether or not to issue a major or minor NCR or an OFI which is defined as follows:

- (i) a major NCR is a non-compliance with the requirements of the MC&I Forest Plantation.v2;
- (ii) a minor NCR is a deviation or a lapse in complying with the requirements of the MC&I Forest Plantation.v2; and

- (iii) an OFI is a situation where the auditor has noted an area of concern on the capability of the forest management system to achieve conformance to the requirements of the MC&I Forest Plantation.v2 but without sufficient objective evidence to support a non-conformance.

Consultations were held with the residents of Rumah Anai, Rumah Sepurai and Rumah Mancha which are located within and at the boundary of the Masama FPMU, as well as contractors and workers operating in the FPMU. The audit team had also held meetings with the officers and the field staff of the Masama FPMU.

The coverage of this stage 2 audit is as shown in the Stage 2 Audit Plan in **Attachment 4**.

The Masama FPMU had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim stage 2 audit report and sent it to the Masama FPMU for comment. A second draft stage 2/recertification* audit report which had incorporated the comments received from the Masama FPMU was then prepared and sent to two peer reviewers for independent reviewing. A final recertification audit was prepared after incorporated the comments from peer reviewers.

4 SUMMARY OF AUDIT FINDINGS

Based on the findings of this stage 2 audit, it was found that SYF had managed the Masama FPMU in compliance with most of the requirements of the MC&I Forest Plantation.v2. This stage 2 audit had resulted in the issuance of 14 major and 6 minor NCRs. The details on the NCRs/OFIs raised are shown in **Attachment 5**.

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings held with the residents of long houses within and adjacent to the Masama FPMU. It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the Masama FPMU.

As there were 6 Major NCRs raised during this audit, the FPMU would not be recommended for certification until corrective action plans and related corrective actions have been submitted to address the NCRs and all major NCRs have been closed out. It was agreed that an onsite verification audit would be conducted to verify the implementation of the corrective actions to the major NCRs raised.

The summary of the findings of the Stage 2 audit on the Masama FPMU against the requirements of the MC&I Forest Plantation.v2 are as follows:

Principle	Strengths	Weaknesses
Principle 1 Compliance with Laws and Principles	<ul style="list-style-type: none"> • SYF has maintained all updated relevant national and local laws and regulations related to forest management in Sarawak. • The forest managers have demonstrated an understanding on the national and local laws and regulatory framework related to forest management. • The Regional Officer of Sarawak Forest Corporation and the District Office Forest Department confirmed that SYF had made payment of all legally prescribed fees, royalties, taxes, and other charges. 	

Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> Managers at the Masama camp were aware of all relevant documents on binding international agreements. Meeting among the different units of the FPMU, concluded that there were no conflicts between laws, regulations and the Principles and Criteria. The forest managers would participate in any process to resolve such conflicts. Signs stating no hunting and fishing had been erected at prominent spots within the FPMU. There was also a gate guarded 24 hours at the main entrance. To control encroachment, monthly patrols were conducted and recorded in the Forest Patrol Record. 	<ul style="list-style-type: none"> The records only stated no encroachments without presenting the area covered during the patrols. There were also no details of the sites inspected and no consultation with local communities on potential illegal entries from the Anap river being conducted. A Minor NCR SK1/2015 was raised. There was no statement of commitment to forest plantation management practices consistent with the <i>MC& I (Forest Plantation) Version 2</i> Principles and Criteria in the Forest Plantation Management Plan and in the publicly available summary. A Minor NCR SK2/2015 was issued.
Principle 2 Tenure and Use Rights and Responsibilities	<ul style="list-style-type: none"> The forest use rights were provided in the <i>Licence for Planted Forests Licence no. LPF/0019</i> issued to SYF from 1999 to 2059. The FPMU had had excluded areas for local communities for agricultural use. All customary tenure land had been excluded from the forest plantation activities as shifting agriculture (SA) area. All the three long houses residents of Rumah Anai, Rumah Sempurai and Rumah Mancha within the FPMU, were allowed to continue using the land for cultivation and protection as water catchment. A Masama FPMU Liaison Committee Member Organization structure was available in the Forest Plantation Management Plan. 	<ul style="list-style-type: none"> There was no documented evidence of meetings organized with the local communities to consult them on the identification of sites which are of significant importance to them. Minor NCR SK3/2015.

Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> A <i>Chart Mechanism to Resolve Local Issues</i> showing a flowchart for the process of any tenure claims and requests for assistance was available. 	<ul style="list-style-type: none"> A structured mechanism for the resolution of such requests and disputes had not been established. The present ad hoc responses did not involve a consultative process with the local communities. There was no record of outcome of direct negotiation. Minor NCR SK4/2015 was raised.
Principle 3 Indigenous People's Rights	<ul style="list-style-type: none"> The area of customary use land had been designated under SA for the use of the local communities. These areas were under the control of the respective long houses within the FPMU. Consultations were conducted by the HCV study team. The SYF management had excluded areas used as Shifting Agriculture (SA) by local communities from the forest plantation activities including area with species of importance to local communities that managed by them. Also as part of the social contribution, the FPMU had provided free transportation to the local communities on requests to obtain foods and drinks, repair of access roads to longhouses, as well as providing loan of construction-machinery for earth works for the construction of new longhouses. Procedures (<i>Procedure for Identifying and Protecting Sites of Special Cultural, Ecological Economic/Religious</i>) within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites was available. There were no cases of compensation since the forest operations had not used any traditional forest-related knowledge and practices of indigenous people. 	<ul style="list-style-type: none"> Records of direct consultation with local communities were not available (refer to Minor NCR SK4/2015). Records of direct consultation as required were not available although reported to be conducted. Minor NCR SK5/2015 was issued.

Principle	Strengths	Weaknesses
Principle 4 Community Relations and Worker's Rights	<ul style="list-style-type: none"> Advertisement on employment opportunities and information of job openings had been distributed to local longhouses within the FPMU. It was noted that out of the 144 staff and workers, 15% were locals. The migrant workers were confined to the nursery and field planting activities where locals were not keen to work. The SYF had scheduled a training session for each of the 6 long houses within the FPMU under the <i>Annual Work Plan & Budget for Shin Yang Forestry Sdn Bhd LPF/0019: Masama Estate covering a period of 1st January to 31st December 2015.</i> The migrant workers were recruited legally with valid work permits and letters of approval from the Labour Department. These foreign workers were covered by Foreign Worker Compensation Scheme issued by Allianz General Insurance Company. Workers at sites of harvesting operation, nursery and workshop showed that they were aware of health and safety requirements for their jobs. Policies had been clearly established and implemented. Posters on Occupational Safety and Health Policy dated were displayed at the camp office, workshop and canteen. Heavy equipment such as Toyota Hilux, Bulldozers, Excavators and chainsaws were well maintained. The contents in the first aid box was as in the specified content list. Field workers were observed wearing hard hats, safety vests and shoes during field operation. During the morning roll call where briefings were provided, all workers were equipped with safety gear. 	<ul style="list-style-type: none"> The FPMU management did not comply with the Factories and Machineries Act 1967 (Steam Boiler & Unfired Pressure Vessel) Regulations, 1970 – Reg. 19. Application for the Certificate of Fitness for one unit of air compressor (Ref. No.: SWAN-MFG 8801050) at the workshop has yet to be made. A Minor NCR KN1/2015 was raised.

Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> Record of accident cases from January to July 2015 during forest plantation operations in the nursery, during land preparation, thinning activities, operation of machinery, harvesting, supporting staff and kitchen showed that only 10 incidences of minor accidents occurred. Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials at the workshop were found to be in accordance with the FPMU's guidelines for storage and handling of hazardous material. Copies of the Industrial Relations Act 1967, Trade Union Act 1959 and the Labour Ordinance (Sarawak Cap 76) laws were available at the Masama office. A statement stating that the management had no objections for workers to freely organize or join unions was posted at the base camp. Interviews with 30 field workers confirmed that they were satisfied with the working conditions at the FPMU. A social baseline conducted in the EIA was incorporated in the forest plantation management plan. A procedure on <i>Mechanisms to Resolve Grievances Involving Loss or Damage Affecting the Local People's Legal or Customary Rights, Property, Resources, or Their Livelihoods</i> was available and incorporated in the Forest Plantation Management Plan. 	
Principle 5 Benefits from the Forest	<ul style="list-style-type: none"> The annual operating and development budget was documented in the <i>Annual Development Budget 2015</i>. Investments and reinvestments were allocated for 	

Principle	Strengths	Weaknesses
	<p>administrative, nursery, planting, block maintenance, research and development (R&D), harvesting, conservation and social community.</p> <ul style="list-style-type: none"> • The main products harvested from the FPMU were logs through Reduced Impact Logging (RIL) harvesting method. Logs from the FPMU were sent and processed at the local mills in Bintulu. • The harvesting process conducted by the Masama FPMU was in accordance with the SOP for <i>Reduced Impact Logging (RIL) Harvesting Operation</i> rev 2. The harvesting operations prescribed measures to protect soil from compaction and erosion and reduced wastage. • The FPMU operates only for the production of logs for the local mills. Although dominated by <i>Paraserianthus falcataria</i> trees, there were plots planted with other species of trees in order to produce a mix of commercial species. The FPMU was at the planning stage for utilizing branches from harvesting activities for the production of wood chips to reduce wastage. • Through the <i>Procedures to Identify and Demarcate Sensitive Areas for the Protection of Soil and Water</i> 1999 the FPMU had established areas for buffer zone along the common river. • Slopes of more than 35 degrees, waters catchment areas (for local communities) were demarcated and excluded from logging activities. Maps indicating sensitive areas such as riparian reserves and slopes of more than 35 degrees were available at camp office. Riparian reserves of 20m wide on each side of a river had been demarcated and marked on sites. 	

Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> • The rate of harvest for Masama FPMU was included in the forest plantation management plan (FPMP). The Annual Allowable Cut (AAC) will be controlled based on area approved by the Forest Department with no activities allowed within protected areas. The AAC was set at 1,684.2 ha. • Since the harvested timber is for the production of plywood, only logs with diameter greater than 10 cm can be harvested. Based on available data from PSP, the cutting cycle was set at 10 years' rotation. 	
Principle 6 Environmental Impact	<ul style="list-style-type: none"> • The <i>Environmental Impact Assessment Report for the Proposed Selangau-Tatau Forest Plantation Located in Mukal and Tatau</i> had taken consideration of impacts on site and at landscape level. • The Environmental Monitoring Reports which is scheduled to be produced at quarterly intervals were submitted on time to NREB. • The EIA report indicated an absence of endangered, rare and threatened species of flora and fauna within the plantation area due to the intensity of logging conducted. Measures to mitigate the environmental impacts was incorporated in the FPMP. • Biological corridors and residual patches of forest trees were conserved within the plantation area to protect the residual fauna population, riparian buffer belts and steep areas. A total of 3,525 ha of the FPMU had been excluded from planting activities. The mitigating measures for reducing the potential environmental impacts were incorporated in the FPMP. 	

Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> Guidance on the appropriate approaches for the protection of rare, threatened and endangered species was detailed out in the <i>Guidelines for the Identification and Management of Protection Area Rev no 01</i> and <i>Guidelines for the Conservation of Genetic, Species and Ecological Diversity</i>. Guidelines for the establishment of buffer zone, protected area due to high terrain (Terrain IV), riparian stream bank reserve (SBR), and water catchment area were included in the revised FPMP. Posters of protected plants and wildlife were displayed at junctions of main roads and at the Pahlawan camp and Makop nursery. The FPMU had initiated an investigation of high conservation values sites with Sarawak Forestry Corporation. This is followed with awareness programmes on endangered, rare and threatened species to the local communities. Guidelines on the implementation to maintain, enhance and restore the natural forest for genetic biodiversity, regeneration and natural cycle of forest ecosystem was available. The guidelines also include protection of natural forest for Identification and Management of Protection Area and <i>Guidelines for the Conservation of Genetic, Species and Ecological Diversity</i>. Protected sites included Terrain IV, water catchment, stream bank forest reserve served as wildlife corridors. Out of the 11,946 ha for certification, 8,421 ha had been established with plantation trees leaving 3,525 ha for protection. The protected areas include Terrain IV, buffer belts, wildlife 	<ul style="list-style-type: none"> Records on regular briefings to forest plantation workers and local communities on the awareness of endangered, rare and threatened species were not available. Minor NCR EC1/2015 was raised. The FPMU had not prepared a holistic map on the establishment of biological corridors and residual forested sites within the forest plantation. There was no clear indication on the linkage of areas of Class IV terrains with river buffer zones that had been identified. These sites were not all demarcated on the ground for protection. Minor NCR EC2/2015.

Principle	Strengths	Weaknesses
	<p>corridor and Shifting Agriculture Area.</p> <ul style="list-style-type: none"> • The existing natural forest ecosystem such as Terrain class IV area, stream bank reserves and HCV sites had been marked and mapped for protection. • The FPMU had maintained a riparian buffer belt along Sungai Anap and area for Shifting Agriculture for the local communities. These areas had been demarcated on maps and on ground. The surrounding communities were allowed to utilize the land for planting and maintenance of water catchment. • The FPMU had established a procedure on <i>Instruksi Kerja – Penyediaan Tempat Tanam</i> (SYPB/EMS/WI/FIE.01)' for forest plantation establishment. Residual trees of protected species of Tapang, Menggris and fruit trees were noted on the ground. • The RIL guidelines adopted by the management of Masama FPMU in their SOP of <i>Reduced Impact Logging (RIL) Harvesting Operation</i> in harvesting operations contained measures to protect soil from compaction and erosion. • The guidelines for conservation of buffer strips along streams and river were included in the <i>Guidelines for Managing Biodiversity in the Riparian Zones</i>. • Guidelines for storage and handling of hazardous material were done in accordance with the requirements of the Environmental Quality (Scheduled Wastes) Regulations 2005 and Occupational Safety and Health (Use and Standards of Exposure of Chemicals 	

Principle	Strengths	Weaknesses
	<p data-bbox="483 192 866 465">Hazardous to Health) Regulations 2000. Only a limited number of chemical pesticides were used in the nursery. A Chemical Health Risk Assessment (CHRA) was done on 27 October 2014 for the period of September 2014-2019.</p> <ul data-bbox="435 501 866 2033" style="list-style-type: none"> <li data-bbox="435 501 866 622">• The FPMU had stated that pesticides of Class 1A and 1B such as paraquat would not be used. <li data-bbox="435 658 866 931">• A complete set of chemical safety data sheets (MSOS) was available at the nursery and generator housing. There were also facilities for eye and hand wash at the nursery. All appropriate PPE was provided for staff handling chemicals at the nursery. <li data-bbox="435 967 866 1330">• SOP for waste disposal including solid non-organic wastes was established by the FPMU as a procedure document of <i>Scheduled Waste Management</i> (SYPB/EMS/PR/031). The FPMU had disposed the scheduled wastes such as spent hydraulic oil (SW306) as required by the regulations through registered contractor. <li data-bbox="435 1366 866 1912">• The FPMU was granted a permission by the Plant Quarantine Division, Department of Agriculture, Sarawak for importing seeds of exotic species such as <i>Paraserianthes falcataria</i>, <i>Acacia mangium</i>, <i>Eucalyptus pellita</i> and <i>Eucalyptus deglupta</i>. The 4-exotic species established were <i>Paraserianthes falcataria</i>, <i>Acacia mangium</i>, <i>Eucalyptus pellita</i> and <i>Eucalyptus deglupta</i> covering an area of 18,459 ha. Monitoring of the exotic species planted was done on a monthly basis. <li data-bbox="435 1948 866 2033">• The planted areas were not within identified HCVF sites. The EIA had indicated that the 	

Principle	Strengths	Weaknesses
	<p>establishment of forest plantation would provide the most economical return to the area.</p>	
<p>Principle 7 Management Plan</p>	<ul style="list-style-type: none"> • The <i>Forest Plantation Management Plan Version 2</i> was made available and being followed for the FPMU operations. The revised FPMP had included relevant sections specified in the Criterion. • Periodic review of the FPMP was scheduled on yearly basis where it will incorporate new information on major policy changes, changes in downstream planning and monitoring results. • Training programmes attended by the FPMU workers among others were Harvesting using tower yarder at Keijin Camp, Baram. International seminar on the Use of a new potential species <i>Peronema canescens</i> (Sungkai) in plantation at UMS Sabah, MC&I awareness, Standard Kerja Grading and Site Planting, Instruksi Kerja & Standard Kerja Harvesting, Pest and Disease Control at Nursery and Site Planting, and Reduced and low impact harvesting system. • A summary of the primary elements of the forest management plan was made available on SYF's web page at www.shinyang.com.my. 	<ul style="list-style-type: none"> • The public summary in the company web page www.shinyang.com.my did not cover all the primary elements of the forest plantation management plan. A Minor NCR KN2/2015 was raised.
<p>Principle 8 Monitoring and Assessment</p>	<ul style="list-style-type: none"> • Ten PSPs were established in Masama FPMU to monitor the health and growth conditions of the plantations. Additional seven PSPs were also established after the Stage I audit. Plans had been made to assess these plots annually. The FPMU had followed the ISO14001.2004 in the management review process. 	

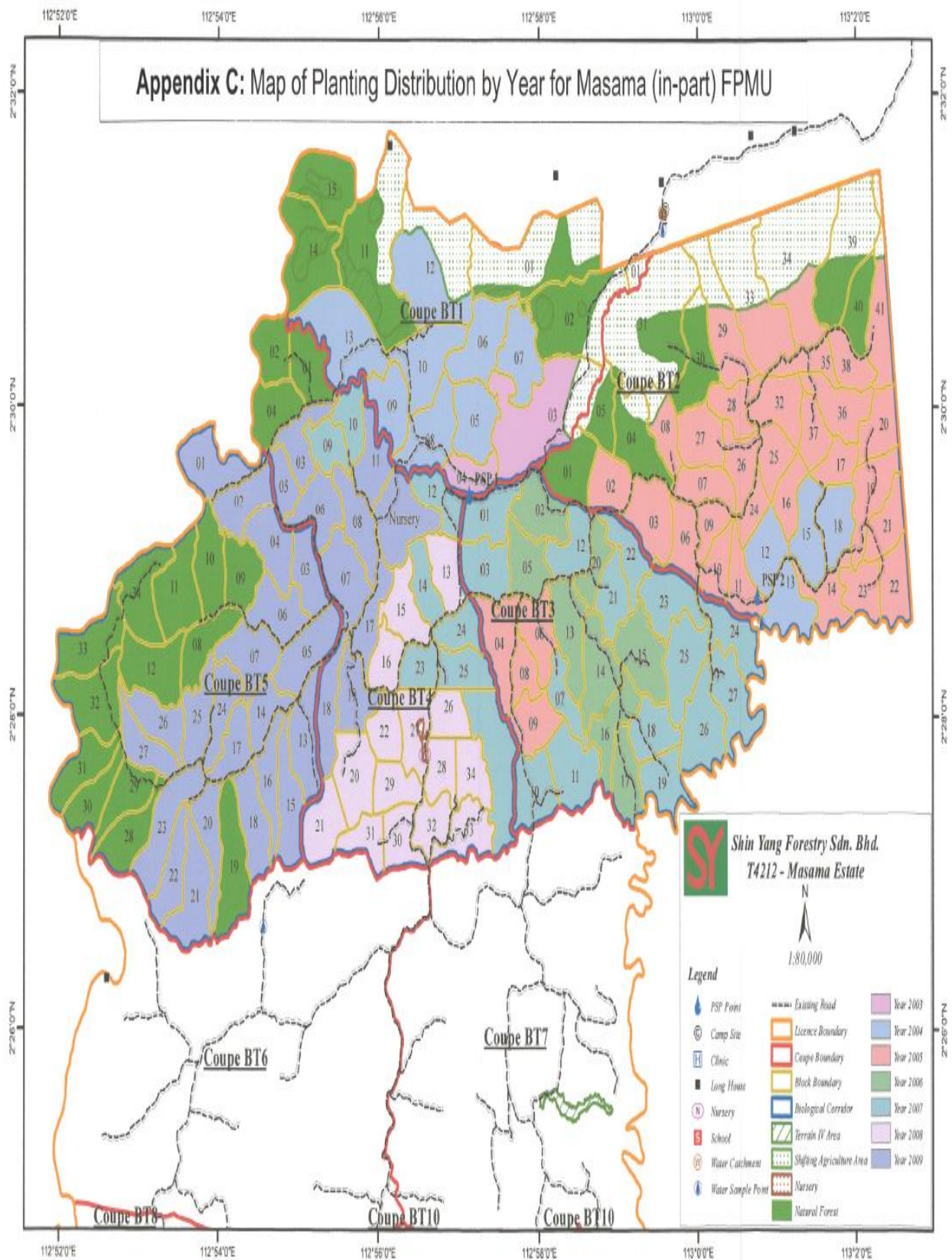
Principle	Strengths	Weaknesses
	<ul style="list-style-type: none"> Each load of logs would be accompanied by a Shin Yang Sdn. Bhd. Delivery Order and Weighbridge Advise Ticket before being trucked to the log pond at Sg. Mira. Each delivery order carry logs details including weight, species which then verified by a designated staff. Similar information would be included in the Weigh Bridge Advise Ticket in a form of computer generated print out. The revised <i>Forest Plantation Management Plan Version 2: 1st April 2015 to 31st December 2025</i> approved on 1st April 2015 by Executive Director had incorporated the latest findings of monitoring activities. A brief summary on data obtained from the monitoring activities had been presented in the public summary. 	<ul style="list-style-type: none"> An SOP on controlling procedure for the movement of logs from the plantation to the gate or a Chain of Custody (CoC) process had not been developed. The flow chart on CoC presented did not provide detailed procedures of the relevant documentation and mechanism on the transportation of the forest products from the plantation forest to the log pond. A Minor NCR EC 3/2015 was raised.
Principle 9 Maintenance of High Conservation Value (HCV)	<ul style="list-style-type: none"> A list of stakeholders consulted was available. The list recorded meetings with government agencies like Forest Department, Department of Land and Survey, and the 14 surrounding local communities. 	<ul style="list-style-type: none"> A report on the assessment of HCVF within the FPMU using guidelines, such as the High Conservation Value Forest (HCVF) Toolkit for Malaysia and records of consultations with relevant stakeholders and experts were not available. A Major NCR KN 3/2015 was raised. The records of consultation with all relevant stakeholders did not include environmental NGOs and research institutions. A Major NCR KN4/2015 was raised. The protected HCV areas have yet to be incorporated into the FPMP of Masama LPF/0019 FPMU. A Major NCR KN5/2015 was raised. The HCV areas have yet to be mapped, incorporated progressively into the FPMP and demarcated on the ground. The management prescriptions to maintain and / or enhance HCV attributes, and reports on measures

Principle	Strengths	Weaknesses
		<p>taken were not conducted. A Major NCR KN6/2015 was raised.</p> <ul style="list-style-type: none"> The above measures have yet to be included in the FPMP summary and made publicly available. A Major NCR KN 7/2015 was raised. Monitoring procedures and records to assess the effectiveness of the measures in the management of the HCV area in Masama FMU LPF/0019 FPMU were not available. Relevant results and findings of HCV monitoring activities has not been incorporated into the revision of the FPMP on the yearly basis as indicated in Chapter 3.8 (amendment or revision) of the FPMP. A Major NCR KN8/2015 was raised.
Principle 10 Forest Plantation Development and Management	<ul style="list-style-type: none"> The forest plantation management plan had included forest management objectives, including natural forest conservation and restoration objectives. The forest plantation establishment had followed natural landscape and taken into account the need for wildlife corridors, buffer strips for permanent streams and rivers, as well as protecting steep areas (Terrain IV) from forest activities. Residual trees under the protected species list of the Forest Department were also left intact in the FPMU. Information on planting stock and species planted in the forest plantation areas was available, taking cognizance that diversity in the composition of forest plantation is preferred, so as to enhance the economic, ecological and social stability. The list of species planted in the forest plantation areas was available in the FPMP. The detailed soil survey of Sungai Muput Kiba Area, <i>Model</i> 	<ul style="list-style-type: none"> Records and maps of planting patterns in the forest plantation areas including demarcation and protection of such areas were not available in the FPMP. A Minor NCR KN9/2015 was raised. The extent of area planted by each species, age classes and maps depicting the spatial distribution of the planted species was not available. A Minor NCR KN 10/2015 was issued.

Principle	Strengths	Weaknesses
	<p><i>Forest Management Area (Anap F.R) (ITTO Project PD 14/95 rev 2(F) – Model Forest Management Area (Phase II)</i> was used in the FPMP description of the soil types within the FPMU. The documentation of growth characteristic, performance and management were taken from this report.</p> <ul style="list-style-type: none"> Results of comparative justification were made available in the FPMP chapter 2, "Growth categories for range species". This chapter presented comparative advantages/benefits of planting exotic species over native species in the establishment of the plantation. Management strategy, plans and programmes for monthly monitoring progress including education to all employees in managing of natural forest was clearly stated in the FPMP. The FPMU had established procedure entitled "Instruksi Kerja – Penyediaan Tempat Tanam"(SYPB/EMS/WI/FIE.01) for forest plantation establishment. The RIL guidelines had been adopted in harvesting operations to protect soil from compaction and erosion. Guidelines for the control of pests and diseases were incorporated in the FPMP. <i>Procedures for Preventing, Monitoring and Assessing Invasive Plant Introduction</i> was available. The environmental monitoring including water quality, impacts of plantation establishment and conditions of base camps were done at quarterly intervals. A team had been established to consult with the different longhouses within and bordering the plantation area. These monitoring plans were 	<ul style="list-style-type: none"> The monitoring process of pests and diseases for plantation establishment did not provide information for control and treatment. A Minor NCR EC4/2015 was issued. Although guidelines for the control of pests and diseases were written in the FPMP, there were insufficient records on forest monitoring to manage pests and diseases. Specific forest fire management plan was also not available. A Minor NCR KN11/2015 was raised.

Principle	Strengths	Weaknesses
	<p>included in the Annual Work Plan and Budget of Masama FPMU.</p> <ul style="list-style-type: none"> • There were field trials using different species including indigenous species. 	

Map of Masama FPMU



Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Dr. S.K. Yap	Assessment Team Leader / Environment / Social issues	Currently an independent consultant on forestry, arboriculture and environment. He has a B.Sc. Hons. Second Class Upper (Botany and Ph. D. in forest biology. He is an independent auditor appointed by FSC's accredited certifier - Scientific Certification System (SCS) Global Services of USA and SIRIM QAS Malaysia to conduct Forest Management Certification under the FSC Principles and Criteria and Malaysian Criteria and Indicators since 2001. He is also an accredited EMS ISO 14001 auditor with SIRIM and a Lead Auditor for RSPO certification scheme. He is a forest/flora ecology consultant for EIA and HCVF. Qualified as lead auditor under the QMS ISO 9001 in September 2013
Khairul Najwan	Forester	<p>Academic Qualification: B.Sc of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience:</p> <p>Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia, since 2001. Conduct and coordinate a research on 8th Malaysian Plan Project; Research on Forest Resource Classification and Determination of Optimum Silviculture Option for Second Growth Forest. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field works, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Auditor in the Food Agriculture and Forestry Section, SIRIM QAS International, since 2009. Involved in conducting assessments on forest management certification (MC&I and FSC P&C), MYNI of RSPO P&C and other management system as ISO 9001, 14001 and OHSA 1800</p> <p>Was attending and pass in the following training programmes:</p> <p>Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] organized by MTCC, 30 March - 2 April 2009.</p> <p>EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009.</p> <p>OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009.</p> <p>QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>

<p>Mr. Ernest Chai</p>	<p>Forester</p>	<p>Mr Ernest Chai currently an independent consultant on forestry.</p> <p>He graduated in 1984 with a B Sc. Forestry from the University Putra Malaysia and has completed his Master of Philosophy in Plant Science from University of Edinburgh, Scotland in 1994. From 1970-2004, he was the State Forest Silviculturist at the Forest Department Sarawak. He also has been a Forest Research Manager at Sarawak Forestry Corporation (SFC) from 2002-2004.</p> <p>He is an independent auditor appointed by SIRIM QAS International Sdn Bhd to conduct Forest Management Certification (FMC) audit under the Malaysian Criteria and Indicators (MC&I) since 2006.</p>
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Comments Received from Stakeholders and Responses by Audit Team Leader

	Agency	Comments	Auditors response
1	District Forest Officer Bintulu	No infringement of regulations by the FPMU Tree Planting Plan submitted on schedule	Noted
2.	Sarawak Forestry Corporation Bintulu	All Transit Passes for logs to be transported to the mill had to be issued by SFC Possible of joint committee in resolution of issues	Noted
3	Department of Human Resources Bintulu	No documented complaints by the workers within the FPMU	Noted
4	NREB Bintulu	Had complied with the EMR requirement with reports submitted on schedule Training on EIA requirement provided by the agency	Noted and informed FPMU on the training opportunity.
5	Residents of Rumah Anai, Rumah Sepurai and Rumah Mancha within and at the boundary of the FPMU,	The inhabitants consulted had agreed that they had continued to use the land for cultivation and protection of water catchment for each village was provided. Assistance for earth works for the new long house was provided by FPMU with the loan of a tractor but requested for faster pace.	Noted their comments and conveyed to the management of the FPMU.

Stage 2 Audit Plan

DAY	TIME	PROGRAM		
		AUDIT TEAM LEADER (AUDITOR 1)	AUDITOR (2)	AUDITOR (3)
Day 0		Briefing by Audit Team Leader on the audit plan		
Day 1 6/7/15	10.30 am – 12.45 pm	Flight MH2742 KL to Bintulu		
	05.00 pm-6.30 pm	<ul style="list-style-type: none">Opening Meeting with representatives of FMU/FPMUBriefing session by Forest Manager of the FMU/FPMUQ&A SessionFollow up on issues of concern from Stage 1		
	8.00 pm – 10.00 pm	<ul style="list-style-type: none">Briefing to representatives of FPMU on the progress of auditReview of Day 1 Findings by Audit Team Leader		
Day 2 7/7/15	7.30 am – 5.00 pm	Site Visits (Auditor 1) <ul style="list-style-type: none">Conservation sitesFPMU boundaryMeeting with long house communities along Sg. AnapHCVF sitesBiological corridors	Site Visits (Auditors 2 and 3) <ul style="list-style-type: none">Planting areaPre Harvesting areaTrial harvesting areaConsultation with forest plantation workers	
	8.00 pm – 10.00pm	<ul style="list-style-type: none">Briefing to representatives of FMU/FPMU on the progress of auditReview of Day 2 Findings by Audit Team Leader		
Day 3 8/7/15	8.30 am – 5.00 pm	<ul style="list-style-type: none">Site Visits (Auditor 1)<ul style="list-style-type: none">Meeting with Sarawak Forestry Corporation in BintuluDepartment of Human ResourcesMeeting with NREB Bintulu	<ul style="list-style-type: none">Site Visits (Auditors 2 and 3)<ul style="list-style-type: none">Experimental plantingPSPsInspection of COC process	

	8.00 pm – 10.00 pm	<ul style="list-style-type: none"> Briefing to representatives of FMU/FPMU on the progress of audit Review of Day 3 Findings 	
Day 4 9/7/15	7.30 am -5.00 pm	<ul style="list-style-type: none"> Meeting with District Forest Officer at Bintulu 	<ul style="list-style-type: none"> Nursery area Chemical store Base camp inspection (scheduled wastes and storage) Consultation with FPMU staff Consultation with salvage logging forest manager
	8.00 pm-10.00 pm	<ul style="list-style-type: none"> Briefing to representatives of FMU/FPMU on the progress of audit Review of Day 3 Findings 	
Day 5 10/7/15	7.30 am – 10.00 pm	<p>AUDIT TEAM</p> <p>Preparation of closing meeting</p> <p>Issuance of NCRs.</p>	
	10.00 pm – 12.00 pm	<p>Closing Meeting and presentation of findings of audit and discussion on follow-up activities</p> <p>Adjourn Closing Meeting and proceed to Bintulu</p>	

Details on NCRs and OFIs Raised During this Stage 2 Audit and Corrective Actions Taken

Non conformity	Category NCR	Corrective action	Response by audit team & Status of NCR
<p>NCR No. : EC1/2015</p> <p>Indicator 6.2.5 - Forest plantation workers shall be aware of endangered, rare and threatened species of forest flora and fauna found in the forest plantation areas. Such awareness shall be promoted among local communities</p> <p>Finding: Promotion of awareness of endangered, rare and threatened species to the local communities was not done.</p> <p>Objective evidences: Posters on the protection of endangered, rare and threatened species were displayed at junctions of main roads. Records of regular briefings to forest plantation workers and local communities on the awareness of endangered, rare and threatened species to the local communities were not available.</p>	Minor	Masama FPMU staff would conduct training during meeting with the local communities on 17 to 21 August. The records of the training would be referred in <i>Minit Mesyuarat Mesyuarat Bersama Masyarakat Tempatan</i> , 17-21 August 2015.	Accepted the action plan. The minutes would be examined in the next audit.
<p>NCR No. : EC2/2015</p> <p>Indicator 6.3.3 - Harvesting of forest plantation is designed taking into consideration the need for biological corridors and buffer zones for wildlife.</p> <p>Finding: The need for biological corridors for wildlife had not been incorporated into the land clearance for planting process.</p> <p>Objective evidences: The FPMU had yet to prepare a holistic map on the establishment of biological corridors and residual forested sites within the forest plantation. There was no clear</p>	Minor	Surveyors will mark and track the existing buffer zones to reassess the linkage of the buffer belts. Maps of biological corridor will be established after the tracking process scheduled to be completed in October 2015.	The action plan was accepted. The map showing the biological corridor was presented during the verification audit in December 2015. .

<p>indication on the linkage of areas of Class IV terrains with river buffer zones that had been identified. These sites were not all demarcated on the ground for protection.</p>			
<p>NCR No. : EC3/2015</p> <p>Indicator 8.3.1 - Forest plantation managers shall provide relevant documents for identifying all forest products leaving the planted area to be certified so that their origin could be easily determined.</p> <p>Finding: A SOP on the process of controlling the movement of logs from the plantation to the gate according to the CoC process had not been developed.</p> <p>Objective evidence: The flow chart for the CoC presented during the audit did not provide detailed procedures on the relevant documentation and mechanism on the transportation of the forest products from the plantation forest to the log pond.</p>	Minor	<p>Flow chart for the COC process will be revised and improved. The procedure for chain of custody was revised on 6 September 2015.</p>	<p>The action plan taken was accepted and will be verified in the next audit.</p>
<p>NCR No. : EC4/2015</p> <p>Indicator 10.4.3 - Assessment of forest plantations established with exotic species through monitoring of permanent sample plots to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.</p> <p>Finding: The monitoring process of pests and diseases maintained did not provide information for control and treatment.</p> <p>Objective evidence: The monthly monitoring maintained at the FPMU did not provide comprehensive data on the presence of pests and diseases for subsequent mitigation measures.</p>	Minor	<p>Procedure to control and treatment for the unintended and massive spread of exotic species will be established. Internal training on pests and diseases will be given to surveyors and this was conducted on 19 September 2015.</p>	<p>Action plan accepted and will be verified in the next audit.</p>

<p>NCR No: KN 1/2015</p> <p>Indicator 4.2.3 - Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest plantation workers in the work place.</p> <p>Finding: The operation of equipment in the base camp did not comply fully with the Factories and Machineries Act 1967 (Steam Boiler & Unfired Pressure Vessel) Regulations, 1970 – Reg. 19</p> <p>Objective evidence: Application for the Certificate of fitness for one unit of air compressor (Ref. No.: SWAN-MFG 8801050) at workshop to DOSH was not available.</p>	Minor	The air compressor (Ref. No. SWAN-MFG 8801050) will be made obsolete because of incomplete documents from the supplier. It had been replaced with new units and application for CF was in progress The inspection by JKKP Bintulu was done on 1 October 2015.	Action taken had been accepted and verification to be conducted next audit.
<p>NCR No: KN 2/2015</p> <p>Indicator 7.4.1 - A summary of the primary elements of the forest plantation management plan as prepared and implemented under Indicator 7.1.1 shall be made publicly available.</p> <p>Finding: The public summary in the company web page did not cover all the primary elements of the forest plantation management plan.</p> <p>Objective evidence: The publicly available summary of the forest management plan (shinyang.com.my) did not include all the listed elements in Criterion 7.1.1. Information on (b) description of the forest resources (c) description of silvicultural and/or other management system (d) and rationale for rate of annual harvest and species selection were not available</p>	Minor	The public summary would be updated upon completion of the revised version 3 of the Forest Plantation Management Plan by October 2015.	The action was accepted. The version 3 of the FPMP had been completed and the revised public summary including the new FPMP was available in the web page of the company.

<p>NCR No: KN 3/2015</p> <p>Indicator 9.1.1 - Forest plantation managers shall conduct an assessment to identify High Conservation Value (HCV) areas in accordance with relevant guidelines, appropriate to scale and intensity of management for forest plantation areas, and in consultation with relevant stakeholders and experts.</p> <p>Finding :</p> <p>There was an agreement with SFC to conduct a HCVF study within the FPMU. Report on the assessment and maps showing HCV areas was not available.</p> <p>Objective evidence:</p> <p>Report on the assessment of HCVF sites at LPF/0019 Masama (in part) FPMU and maps showing these areas using guidelines, such as the High Conservation Value Forest (HCVF) Toolkit for Malaysia were not available.</p>	Major	The FPMU management would follow up with Sarawak Forestry Corporation which was preparing the HCV report. Maps of the HCV sites would also be prepared by October 2015.	The <i>High Conservation Value Area Assessment in Shin Yang Masama Tree Plantation Coupe 1-5 of LPF 0019 (T4212) Tatau Bintulu Sarawak</i> dated October 2015 was presented during the verification audit on December 2015. This Major NCR was therefore closed.
<p>NCR No: KN 4/2015</p> <p>Indicator 9.2.1 - Forest plantation managers shall provide the assessors with a list of relevant stakeholders who have been consulted regarding the HCV area.</p> <p>Finding:</p> <p>The list of stakeholders consulted regarding the HCV sites did not include all relevant stakeholders.</p> <p>Objective evidence :</p> <p>The list of relevant stakeholders consulted did not include environmental NGOs and research institutions.</p>	Major	UPM Branch Campus at Bintulu would be included in the stakeholders list and consultations would be carried out. Appointments had been made with WWF. Consultations with all stakeholders including SFC would be conducted once the HCV report had been completed.	During the verification audit in December 2015, the minutes of the consultative meeting with stakeholders held on 11 November 2015 was presented. The list of stakeholders had also been revised to include Malaysian Nature Society, UPM, Forest Department and the local communities. This Major NCR was closed.
<p>NCR No: KN 5/2015</p> <p>Indicator 9.2.2 - Forest plantation managers shall demonstrate that forest plantation management protect areas of high conservation value in forest plantation areas.</p>	Minor	The HCV sites and their locations would be incorporated into the FPMP upon the completion of the report.	The protected HCV areas would be updated in the FPMP once the HCV assessment report had been completed. In the verification audit conducted in December 2015, it was found that the revised FPMP

<p>Finding :</p> <p>The Forest Plantation Management Plan had not incorporated HCVF sites.</p> <p>Objective evidence :</p> <p>HCV sites had not been identified and incorporated into the Forest Plantation Management Plan at Masama LPF/0019 FPMU</p>			version 004 Chapter 11 had included the HCV report.
<p>NCR No. KN 6/2015</p> <p>Indicator 9.3.1 - Measures to demarcate, maintain and / or enhance the HCV attributes are documented in the forest plantation management plan and effectively implemented.</p> <p>Finding :</p> <p>Measures to demarcate, maintain and / or enhance the HCV attributes have yet to be developed.</p> <p>Objective evidence :</p> <ul style="list-style-type: none"> •The HCV sites had yet to be mapped and incorporated into the Forest Plantation Management Plan and not all the sites had been demarcated on the ground., •Management prescriptions to maintain and / or enhance HCV attributes, and reports on measures taken at Masama LPF/0019 PFMU have yet to be developed 	Major	<p>The HCV sites would be mapped and demarcated once identified in the HCV assessment report.</p> <p>Measures to enhance the HCV attributes would be established once the report had been completed in October 2015.</p>	<p>The revised <i>Forest Plantation Management Plan for Shin Yang Forestry Sdn. Bhd. LPF/0019: Masama (in part) FPMU 21st October to 31 December 2025</i> Revision No. 004 was presented during the verification audit in December 2016.</p> <p>The Plan had included in Chapter 11 Identification and Management of High Conservation Value (HCV) Area. The section included map showing the HCV sites and demarcation on ground was inspected. Management and monitoring of HCV areas were also presented in that chapter. The Major NCR was therefore closed.</p>
<p>NCR No. : KN 7/2015</p> <p>Indicator 9.3.2 - These measures shall be included in the forest plantation management plan summary made publicly available.</p> <p>Finding :</p> <p>Public summary of the forest plantation management plan did not include HCV measures.</p> <p>Objective evidence :</p> <p>The public summary of the forest plantation management plan available in the shinyang.com.</p>	Major	<p>The public summary would be updated once the HCV study had been completed.</p>	<p>The revised publicly available summary of the FPMP was presented during the verification audit in December 2016</p>

<p>NCR No. : KN8/2015</p> <p>Indicator 9.4.1 - Forest plantation managers shall conduct, appropriate to scale and intensity of forest plantation management, annual monitoring to assess the effectiveness of the measures in the management of the HCV area in forest plantation areas.</p> <p>Finding : Annual monitoring procedures to assess the effectiveness of the measures in the management of the HCV area were not developed.</p> <p>Objective evidence : Monitoring procedures to assess the effectiveness of the measures in the management of the HCV area was not available in Masama LPF/0019 FPMU</p>	Major	<p>An internal audit would be established to monitor the HCV sites identified.</p> <p>An SOP for conducting internal audit including HCV sites was attached. Procedure for Internal Audit including determination of the effectiveness of the measures in the management of the HCV area was written.</p> <p>An audit plan for 2015 V 2 was prepared which had included assessment of HCV areas. The MC&I Forest Plantation V2 Internal Audit Report dated 1 October 2015 was completed. (documents attached)</p>	<p>During the verification audit in December 2015, an SOP for conducting internal audit including HCV sites and Procedure for Internal Audit including determination of the effectiveness of the measures in the management of the HCV area was examined. The audit plan for 2015 V 2 which had included assessment of HCV areas was presented during the verification audit. The MC&I Forest Plantation.V2 Internal Audit Report dated 1 October 2015 and the NCR and OFI raised for the effectiveness of HCV management was inspected. As there was a measure of effectiveness of the HCV management the Major NCR was closed.</p>
<p>NCR No. : KN9/2015</p> <p>Indicator 10.2.2 - Forest plantation establishment shall, appropriate to the scale of the operation, follow natural landscape and take into account the need for wildlife corridors, buffer strips for permanent streams and rivers, as well as a mosaic of stands of different age classes.</p> <p>Finding : Records and maps of planting patterns in the forest plantation areas including demarcation and protection of such areas were not available in the Forest Plantation Management Plan</p> <p>Objective evidence : Records and maps of planting patterns in the forest plantation areas to indicate wildlife corridors and mosaic of stands were not available in the Forest Plantation Management Plan at Masama LPF/0019 FPMU</p>	Minor	<p>Map of planting patterns will be produced with the update of the FPMP. The surveyors will track and map the buffer zones for wildlife corridors by October 2015.</p>	<p>The action plan was accepted. The maps showing the biological corridors were presented during the verification audit on December 2015.</p>

<p>NCR No: KN10/2015</p> <p>Indicator 10.3.2 - Availability of documentation of the size and spatial distribution of the established forest plantation areas.</p> <p>Finding : The extent of area planted by each species and maps depicting the spatial distribution of the planted species was not available</p> <p>Objective evidence : The extent of area planted by each species and maps depicting the spatial distribution of the planted species was not available at Masama LPF/0019 FPMU</p>	Minor	Planting distribution map will be produced by October 2015.	Action plan accepted and verification will be done during the next audit.
<p>NCR No: KN 11/2015</p> <p>Indicator 10.7.1 - Availability and implementation of guidelines and/or procedures to control the outbreaks of pests, diseases and fire, as well as invasive plant introductions, if any, for forest plantation areas.</p> <p>Finding : A Forest Fire Management Plan was not available</p> <p>Objective evidence : A Forest Fire Management Plan had not been formulated in Masama LPF/0019 FPMU.</p>	Minor	Action taken to develop a forest fire management plan by August 2015. The Forest Fire Management Plan for LPF/0019 Masama Estate was completed in August 2015.	The action plan accepted and the fire management plan would be examined during the next audit.
<p>NCR No: SK 1/2015</p> <p>Indicator 1.5.2 - Control of encroachment, illegal harvesting, hunting, fishing and settlement, and other unauthorized activities</p> <p>Finding : Monthly patrols were conducted and Forest Patrol Record Forms were inspected. There were no details on the results of inspection to reflect the condition of the sites inspected.</p>	Minor	Internal training regarding forest patrolling will be given to the surveyors. This training will be conducted at least once a year. The Forest Patrol Form would be improved.	The action plan on improvement of skill of surveyors and improvement of the monitoring form could be accepted and verified in the next audit

<p>Objective evidence :</p> <p>The monthly Forest Patrol Record Forms had only one entry on licence encroachment which did not include details of the sites inspected and there was consultation with local communities on illegal entries from the Anap river.</p>			
<p>NCR No: SK 2/2015</p> <p>Indicator 1.6.1 - Availability of policies or statements of commitment to forest plantation management practices consistent with these Principles and Criteria</p> <p>Finding :</p> <p>Policies or statements of commitment to forest plantation management practices consistent with these Principles and Criteria was not stated in the forest plantation management plan and was only stated in the general statement in the public summary of Shin Yang Forest Plantation. .</p> <p>Objective evidence :</p> <p>There was no statement of commitment to forest plantation management practices consistent with the MC&I (Forest Plantation) Version 2 in the Forest Plantation Management Plan and the publicly available summary.</p>	<p>Minor</p>	<p>The policy on commitment to MC&I Forest Plantation.v2 would be included in the Forest Plantation Management Plan to be revised by October 2015.</p>	<p>The action plan was accepted. The revised FPMP was presented during the verification audit in December.</p>
<p>NCR No: SK 3/2015</p> <p>Indicator 2.2.2 - Forest plantation managers shall collaborate with holders of duly recognised legal or customary rights</p> <p>Finding :</p> <p>A Masama FMU Liaison Committee Member Organization structure was presented to the audit team. However, there was no documented consultation or meetings conducted with the stakeholders.</p> <p>Objective evidence :</p> <p>A Masama FMU Liaison Committee Member Organization</p>	<p>Minor</p>	<p>The Masama FPMU Liaison Committee would be conducting a meeting with 6 long houses within the FMU scheduled on 17 to 21 August 2015. Minutes of meetings would be prepared. For Rumah Anai the meeting was scheduled on 19 August, Rumah Enteri on 17 August , Rumah Mancha on 16 August, Rumah Nyatoh on 21 August, Rumah Sempurai on 20 August and Rumah Wan on 21 August.</p>	<p>Action plan accepted as all meetings had been scheduled. Verification of the action plan will be made in the next audit .</p>

structure had been presented in the Forest Plantation Management Plan but there was no evidence of meetings organized with local communities.			
<p>NCR No: SK 4/2015</p> <p>Indicator 2.3.1 - Availability of appropriate mechanisms to resolve disputes over tenure claims and use rights.</p> <p>Finding : There were no established mechanisms for the resolution of disputes over tenure claims and use rights.</p> <p>Objective evidence : A flow chart on ad hoc responses to requests from local communities had been prepared but there was no standard operating procedure for resolution of conflicts.</p>	Minor	Standard Operating Procedure for the resolution of conflicts would be written and consultation to be conducted with local communities. The SOP was revised on 22 September 2015.	Action plan accepted and the revised SOP to be verified during the next surveillance.
<p>NCR No: SK 5/2015</p> <p>Indicator 3.3.1 - Availability of appropriate procedures within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites by indigenous peoples within relevant federal and state legal frameworks or by mutual agreement.</p> <p>Finding : Although consultation had been reported on the identification of sites of significant importance there was no record of such consultations.</p> <p>Objective evidence : There was no documentation for identifying and protecting such sites and consultation conducted with local communities on the identification of sites of cultural or religious importance.</p>	Minor	Results on consultation will include HCV assessment report. The HCV report was to be completed in October 2015.	Action plan accepted. The records of consultation would be verified in the next audit.