



**PUBLIC SUMMARY
STAGE 2 AUDIT ON BORNION TIMBER SDN BHD
(FOREST PLANTATION MANAGEMENT UNIT 11)
FOR FOREST PLANTATION MANAGEMENT CERTIFICATION**

**Certificate Number: FMC00113
Date of First Certification: 13 January 2017
Audit Date: 26-29 April 2016
Date of Public Summary: 7 March 2017**

Certification Body:

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1.0 EXECUTIVE SUMMARY

The Stage 2 Audit for forest plantation management certification on the Bornion Timber Forest Plantation Management Unit FPMU 11 was conducted from 26 – 29 April 2016. This was an audit conducted following the Stage 1 audit which was conducted in 11-14 August 2015 on the overall forest plantation management system and practices of the 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 Sabah, Malaysia.

The audit was conducted with the full cooperation of the Bornion Timber Sdn. Bhd., (BTSB) by a four-member team comprising Khairul Najwan Ahmad Jahari (Lead Auditor), Mohd Razman Salim, Ismail Adnan and Dr. Poline Bala as technical expert.

The Forest Plantation Management Unit (FPMU) managed by Bornion Timber Sdn. Bhd. covers an area of 25,536.71 ha, which is part of the 58,512.77 ha of FPMU 11 area. The scope of the audit was limited to the forest plantation management system and practices of the Plantation Forest area within the Forest Reserved of the Ulu Sg. Milan Forest Reserve (Block A) and Part of Sapulut Forest Reserve (Block B) in the FPMU 11, located in Sook District, Keningau Sabah. The audit involved the verification of documentations, field visits and inspections. Consultations were also held with Sabah Forestry Department and relevant indigenous settlements near the FPMU.

In general, the findings of this Stage 2 Audit indicated that the FPMU 11 had complied with the requirements of the MC&I Forest Plantation).v.v2 despite the issuance of a total of three (3) Minor Non-Conformance Report (NCRs) and five (5) Opportunities for Improvements (OFI) on the FPMU 11.

The audit team had also verified on the issues of concern taken by FPMU 11 to address all the findings raised during the stage 1 audit.

The Audit Team Leader after consultation with team members recommends that certification of Bornion Timber Sdn Bhd – FPMU 11 against the MC&I Forest Plantation.v2 was conditional upon acceptance of corrective action plans within one (1) month from the date of the Stage 2 Audit and subject to comments by peer reviewers.

The FPMU 11 submitted a proposed corrective action plan to address the Minor NCRs and OFIs raised during this Stage 2 Audit via email on 28 May 2016 which had been accepted by the audit team leader. The effectiveness of the corrective actions taken by the FPMU 11 to address these Minor NCRs and OFIs shall be verified by the audit team during the next surveillance audit.

2.0 INTRODUCTION

2.1 Name of FPMU

Bornion Timber Forest Management Unit (FPMU 11)

2.2 Contact Person and Address

Name: Timothy Pan
Designation: Operations Manager
Address: 3rd Floor, lot 16-18, Block K
Jalan Ikan Juara Satu, Sadong Jaya
Karamunsing, 88100 Kota Kinabalu
SABAH
Phone #: 088-240111
Fax #: 088-240112
E-mail: tim@bornion.com

2.3 General Background of Bornion Timber Forest Management Unit (FPMU 11)

Bornion Timber Sdn. Bhd. (BTSB) had signed a Sustainable Forest Management Licence Agreement 03/97 (SFMLA 03/97) with the Sabah State Government on 10 September 1997 to establish and maintain 98,984.60 ha of Forest Management Unit (FMU 11) located in Sg. Milian Forest Reserve (Block A) and Part of the Sapulut Forest Reserve (Block B) in Sook District, Keningau, Sabah, for a period of 100 years. The FMU 11 had been split into two separate management units consisting of Natural Forest and Forest Plantations. The Forest Plantation Management Unit (FPMU) covers an area of 58,512.77 ha while Natural Forest Management Unit (FMU) covers an area of 40,645.5 ha of the total FMU 11 area. Maps of the FPMU and FMU 11 are shown in **Appendix 1**.

The certified Forest Plantation Management Unit (FPMU) managed by Bornion Timber Sdn. Bhd. covers an area of 25,536.71 ha, which is 43.6% of the 58,512.77 ha of FPMU 11 areas. It is located at longitudes approximately 116° 15' E to 116° 50' E and latitudes 4° 40' N to 5° 30' N. The certified forest plantation area is shown in **Table 1** below. Other compartments that are not listed in the table are not certified as the areas had been converted after the year 2010, and therefore was not eligible for certification.

Originally, the FPMU consisted mainly of Lowland Mixed Dipterocarp Forest, Upland Mixed Dipterocarp Forest and Kerangas Forest with small areas of Limestone Forest and Heath Forest. Repeated re-entry in the past had resulted in low stocking which was aggravated further with 13,500 ha that were damaged by fire following a severe drought which occurred in 1998. In addition, 5% to 15% of the FPMU had also been severely degraded by shifting cultivation.

The FPMU was established in 2007 with *Hevea brasiliensis*. To date, the main product extracted from the FPMU is latex. Latex and Rubber Cup Lump collections are currently carried out in the FPMU while harvesting of rubber trees has yet to be conducted. The planned Latex and Rubber Cup Clump harvesting is included in the planning period 2012 to 2021 and addressed in the 2nd Forest Management Plan-Plantation Development Plan (PDP) (2012 - 2021) for FMU11 (Revised April 2016). The planned harvesting for timber to begin from year 2029 was also included in the PDP. Currently, the forest operations involved activities such as slashing, spraying and fertilizing.

Forest Plantation Management Unit	Audit Scope	Area
Bornion Timber - FPMU11	Main Office of Bornion Timber Sdn Bhd	3rd Floor, Lot 16-18, Block K, Jalan Ikan Juara Satu, Sadong Jaya, Karamunsing, 88000 Kota Kinabalu, Sabah, Malaysia
Bornion Timber - FPMU11	Ulu Sg. Milian Forest Reserve	Compartment: 2, 4, 5A, 10A, 11A, 8, 9, 12, 13, 14, 44, 45, 49, 50, 51, 52, 53, 54, 56, 57, 58, 60, 61, 62, 64, 65, 66, 77, 78, 79, 80, 81, 82, 85, 86, 87, 88, 89, 123, 125, 127, 128, 142, 143, 144, 145, 146, 147, 148, 149, 152, 153, 154, 155, and 162.
	Sapulut Forest Reserve	Compartment: 177, 181, 182 and 189
	Settlement within FPMU	Kg Wawasan – in Compartment 59
	Villages adjacent/near to the FPMU	Kg Batu Lunguyan, Kg Kilo, Kg Pinipi, Kg Kuit, Kg Lanas Station, Kg Alab Lanas, Kg Matiku, Kg Kagasa, Kg Paginatan

2.4 Date First Certified

13 January 2017

2.5 Location of FPMU

The FPMU is located between longitudes 116° 15' E to 116° 50' E and latitudes 4° 40' N to 5° 30' N.

3.0 AUDIT PROCESS

3.1 Audit Dates

26-29 April 2016

3.2 Audit Team

1. Khairul Najwan Ahmad Jahari (Lead Auditor/Forester)
2. Mohd Razman Salim (Auditor/Forester)
3. Ismail Adnan Abdul Malek (Auditor/Forester)
4. Dr Poline Bala (Technical Expert/Sociologist)

The details on the experiences and qualifications of the audit team members are as in **Appendix 2**.

Peer Reviewers:

- (i) Professor Dr. Ahmad Ainuddin bin Nuruddin (Universiti Putra Malaysia)
- (ii) Dr. Woon Weng Chuen (Forest Research Institute Malaysia)

3.3 Standard Used

Malaysian Criteria and Indicators for Forest Plantation Management Certification [MC&I Forest Plantations.v2].

3.4 Stakeholder Consultations

A stakeholder consultation was conducted on 21 March 2016 for a period of one month to invite relevant stakeholders to give comments on the FPMU. Comments received from the stakeholders on Bornion Timber - FPMU11 during the period are given in **Appendix 3**.

The audit team had conducted onsite consultations with the relevant stakeholders during the Stage 2 Audit. Details are shown in the audit plan as well as in the Stage 2 Audit report in Principles 2, 3 and 4.

3.5 Audit Process

The audit was conducted primarily to evaluate the level of compliance as carried out/recorded in the FPMU, current documentation, Standard Operating Procedures (SOPs) and field practices in forest plantation management with details as listed in the MC&I Forest Plantation.v2, using verifiers stipulated for Sabah, Malaysia.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FPMU or stakeholders or field audit or a combination of these approaches.

Depending on the level of compliance with the verifiers of a particular indicator, the auditors had reviewed and verified the degree of the overall compliance in the indicator before a finding was raised either as a non-conformity (NCR) (minor or major) or opportunities for improvement (OFI).

An NCR raised during the audit and categorized by the audit team as either major or minor is defined as follows:

- (i) A major NCR is a non-compliance deemed by the Auditor to be critical and is likely to result in an immediate hazard to the quality or standard of forest management system and practices in the FPMU.

The FPMU is requested to notify SIRIM QAS International Sdn Bhd (SIRIM QAS International) of the proposed corrective actions taken within one month from the last date of the audit. The corrective actions as notified by the FPMU shall be verified by the Audit Team Leader or a member of the audit team within three months from the last date of audit.

- (ii) A minor NCR is a single observed lapse in compliance by the FPMU to the MC&I.

The FPMU shall respond in writing to SIRIM QAS International within one month from the last date of audit detailing the actions to be taken to address all minor NCRs. The effectiveness of the resulting actions taken by the FPMU must be verified at the next surveillance visit.

- 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 but without sufficient objective evidence to support a non-conformity. The closing of an OFI shall be made during the next surveillance audit.

The coverage of the audit on the FPMU is as shown in the Stage 2 Audit Plan in **Appendix 4**. Comments by third party peer reviewers on the audit findings are provided in **Appendix 5**.

4.0 SUMMARY OF AUDIT FINDINGS

The overall findings from the Stage 2 Audit verified that the management of the Forest Plantation Management Unit (FPMU 11) was in compliance with the requirements of the MC&I Forest Plantation.v2. The audit team however raised a total of three (3) Minor non-conformance (NCRs) and five (5) Opportunities for Improvements (OFI) on the Bornion Timber Sdn. Bhd. – FPMU 11 against the requirements of the said standard. The management demonstrated their commitment to address the non-conformities by establishing action plans as detailed in **Attachment 6**. The action plans were found to be sound and adequate.

Prior to the Stage 2 Audit, the Bornion Timber Sdn. Bhd. – FPMU 11 had conducted an internal audit on 4-6 April 2016. The management satisfactorily complied with the MC&I Forest Plantation.v2 standard. There were total of 3 NCRs and 8 OFIs raised and follow-up actions were taken to close all the non-compliances. The Internal Audit Report, BTSB/MC&I/IPT/IN-ADT/16/14-01, was verified during the audit.

Summary on findings of the Stage 2 Audit for the Bornion Timber Sdn. Bhd. – FPMU 11, against the requirements of the MC&I Forest Plantation.v2 standard are as follows:

Principle	Strengths	Weaknesses
Principle 1	<p>National and local laws, regulations and policies relevant to forest plantation management were current and available. Managers and staff were aware of/knowledgeable on these documents. To date only one offence was recorded in the FPMU and the penalty paid on 25 January 2016.</p> <p>All charges and payments made were listed and current as verified at the BTSB camp office.</p> <p>Documents on all the binding international agreements to which Malaysia is a signatory (e.g. ILO, CBD, UNFCCC, CITES) were available to senior managers and staff.</p> <p>No conflict was recorded between the MC&I Principles and Criteria with laws and regulations. This was acknowledged by the Sabah State Forestry Department in a letter dated 29 September 2015. Further, BTSB management is willing to participate in any mechanism to resolve such conflict if necessary.</p> <p>The FPMU had adequate measures to monitor and control encroachment, illegal harvesting, hunting, illegal settlement, and other unauthorized activities. This, for example, was acknowledged by the local community in Kg Lanang Station.</p> <p>The FPMU had also issued a statement on 29 August 2015 [Commitment to Sustainable Forestry and the Malaysian Criteria and Indicators for Forest Plantation Management Certification (MC&I Forest Plantation.v2)] to show long-term commitment to the certification standard. Relevant policies and statements were disseminated to local communities, NGOs and the university (UMS) as well as BTSB staff and workers.</p>	<p>There were no negative findings.</p>

Principle	Strengths	Weaknesses
Principle 2	<p>BTSB had signed a long-term agreement with the Sabah Government over rights to manage the Forest Management Unit (FPMU) SFMLA: 03/97, within the Sook District, for a period of 100 years from 10 September 1997 to 09 September 2097.</p> <p>Legal customary tenure and use rights of local communities are generally provisioned for in the National Forestry Act, 1984 (Sections 19, 28, 33, 34, 40 and 62), Aboriginal Peoples Act, 1954 (Sections 6, 7, 8, 10, 13 and 19), and United Nations Declaration on Rights of Indigenous Peoples, 2007. Use rights on forest resources in the FPMU, including location of a grave yard, was documented by the management in the report on boundary marking of water catchment area (6 July 2010). The local community participated in the process. The company has legally recognized mechanisms to resolve any land claims through the documents - Management of Community Disputes Procedure (BTSB-SOP-CF-01) and Community Claim and Compensation (BTSB-SOP-CF-02). Additionally, the company has also formed the Milian-Sapulut Community Forestry Committee (MSCFC) on 20 November 2015 for similar purpose.</p> <p>The audit verified that there is only one local community located within the FPMU area; namely a Dusun settlement in Kg Wawasan in Compartment 59. It was also confirmed that there was no legal land claims made by the resident villagers.</p>	There were no negative findings.
Principle 3	<p>The audit confirmed that there was no customary land located within the FPMU area, as such issues of delegation of control with free prior informed consent from indigenous communities did not arise. BTSB however does have a mechanism, the Community Claim and Compensation (BTSB-SOP-CF-02), to resolve any land claim issue if it so arise.</p> <p>BTSB recognizes the importance of identifying and protecting sites of special cultural, ecological, economic or religious significance to indigenous communities. This was incorporated in the document of Survey and Identification procedure for HCVF and Other Protected Areas (BTSB-SOP-CP-01) dated 1 March 2015 and in the Map of HCVF FPMU 11 (Fig 6.11) in the PDP.</p> <p>The audit established, through consultations with the local community, that the FPMU does not use indigenous forest-based knowledge and practices in the use of forest species or management systems in their forest operations.</p>	

Principle	Strengths	Weaknesses
Principle 4	<p>The FPMU provided training, retraining, local infrastructure, facilities and social program for all levels of its employees. Management has also conducted various training relevant to forest management and logging operation for their staff. Training records for 2015 was verified during the audit process.</p> <p>Company records established that local communities near the FPMU were given preference on employment and contract works wherever suitable. This was corroborated by interviews with company and contract workers. Job vacancies were regularly advertised in adjacent villages.</p> <p>The FPMU adequately provide for health and safety of employees and their families. Various measures taken were recorded which include dissemination of current information on all laws/regulations, establishment of a Safety and Health Committee, employment of SHO, promulgation of a safety policy (Policy Statement on Safety and Health at Work' dated 23.2.2015), safety maintenance of vehicles and equipment with proper monitoring (Maintenance Summary, 2016) and regular meetings held on safety.</p> <p>The auditors also noted two accidents recorded for 2015 with proper documentations forwarded to the DOSH.</p> <p>Provisions for forest plantation workers to freely organise into union of their own choice in accordance with ILO Convention No. 87 and for forest plantation workers right to organize and undertake collective bargaining leading to agreements in accordance with ILO Convention No. 98. were provided for by BTSB. Consultations with staff and workers corroborated their awareness of the policy.</p> <p>Appropriate procedures to address grievances raised by forest plantation workers and/or their organisations and for conflict resolution was provisioned for in the Employee Grievances BTSB-SOP-HR-01.</p> <p>The audit verified that the BTSB had conducted SIA on social impact of their management operations and the relevant results were incorporated in their management planning. The SIA was documented in the interim report entitled Social Impact Assessment on Bornion Timber Sdn Bhd (SFMLA 03/97)-FMU No. 11 dated March 2016 which involved surveys on Murut (3 villages), 2 Dusun settlements, and 5 Dusun Labou settlements. In addition, regular consultations were maintained with the Milian-Sapulut community through the Milian-Sapulut Community Forestry Committee (MSCFC) formed on 20 November 2015.</p>	<p>The auditors also recorded several safety infringements related to improper chemical handlings as listed below:</p> <ol style="list-style-type: none"> 1. Fire extinguishers located near the diesel tank, and in the workshop, store and chemical store were not inspected by BOMBA. 2. Pressure gauges for acetylene and oxygen cylinder tanks were found damaged. 3. A chain block used at the workshop was found without safety latch and no clear indication on its loading capacity as the label was faded. 4. The drain at the workshop was not fully covered. <p>For these safety oversights, a Minor NCR (MRS 01 2016) for Indicator 4.2.3 was raised.</p> <p>Pictorial signage for safety ('Danger', 'Explosive', 'No Smoking' and 'Flammable') and PPE equipment required for use in hazardous areas (respirator, safety boot, gloves, etc.) including chemical store, fuel store and diesel tank were not clearly displayed. Thus, an OFI for Indicator 4.2.5 was raised</p>

Principle	Strengths	Weaknesses
	<p>Forest planning and management practices have considered and incorporated the results of the SIA as evidenced in document entitled The 2nd Forest Management Plan-Plantation Development Plan (PDP) (2012 -2021) for FPMU11 (Revised April 2016). In this document, mitigation and enhancement measures on key social impacts were planned for implementation.</p> <p>Measures were provisioned by the FPMU to prevent loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods [as documented in the Community Claim and Compensation (BTSB-SOP-CF-02)]. This was corroborated by the local community consulted during the SIA process. To date such issue has not occurred to necessitate the use of the extant mechanism.</p>	
Principle 5	<p>BTSB has records on economic sustainability, with the necessary investment and reinvestment was made on production while maintaining ecological productivity. Annual (2015) and 10-year budgets (2012-2021) were verified and incorporated respectively in the Annual Working Plan 2015 and the Second Forest Management Plan-Plantation Development Plan (PDP) 2012-2021 which was designed to boost development and productivity of the FPMU. Revenues generated during the planning period are from salvage logging and latex production. Plantation productivity was carefully monitored through investments in 26 permanent sample plots (PSPs) covering the entire FPMU.</p> <p>The planting of rubber trees in the FPMU provide opportunity for product diversification through the production of latex, as minor forest product, and lumber. Production of latex from the 10-year PDP period (2012-2021) was projected at 24,500 MT or the equivalent of RM122M. Lumber, produced only from the non-certifiable FPMU areas (converted from natural forests after 31 December 2010 – Indicator 6.10.1) will only be harvested at the end of rotation in 2029.</p> <p>Since harvesting for lumber is still far off in 2029, the problem of harvest waste will not arise for some time. The production of latex as guided by SOPs in Latex Harvesting and Collection (BTSB-SOP-PD-17”) and Latex Cup Lump Collection and Storage (BTSB-SOP-PD-18) is not associated with harvest waste.</p> <p>The FPMU is operating for the diverse production of rubber logs and timber products at end of rotation and interim tapping and collection of latex and rubber cup clumps.</p>	There were no negative findings.

Principle	Strengths	Weaknesses
	<p>Forest value and resources are addressed in the FPMU through SOPs for identifying and establishing representative conservation and protection areas, ecologically sensitive areas for the protection of soil, water and steep slopes, HCVFs and other protected areas, RTE species and their habitats. Riparian reserves, HCVFs and steep slopes were mapped, with the former two demarcated on-site in accordance with SOP guidelines and as provisioned for in the Annual Working Plan 2015 and the 2nd Forest Management Plan-Plantation Development Plan (PDP) (2012 -2021) for FMU11 (Revised April 2016).</p> <p>Production of latex and coagulated rubber is regulated in the 10-year PDP (2012 -2021) for FMU11 (Revised April 2016). The harvest of lumber due to mature in 2029 was also addressed. As such there is no current production record for rubber lumber.</p>	
Principle 6	<p>An EIA was conducted on the BTSB-FPMU in 2015/2016 and documented in the 'Special Environmental Impact Assessment for Areas Under SFMLA 03/97 of FMU 11' for Y1/2016, November 2015 – February 2016. The assessment covered potential impacts on ERT species such as sambar deer, civet cats, mouse deer and primates. Several recommendations to mitigate potential impact on flora and fauna and measures to protect them were suggested.</p> <p>The guidelines, 'BTSB-SOP-CP-03 SOP Identification and Protection of RTE Species and Their Habitats', were used for identification and protection of RTE flora and fauna, including special biological features in the FPMU.</p> <p>Guidelines were also used to conserve and protect fragile zones; namely 'BTSB-SOP-CP-04 Identification of Representative Conservation and Protection Sites', for steep slopes and 'BTSB-SOP-PD-02-01 SOP Riparian Marking' for riparian buffers.</p> <p>BTSB cooperated with relevant stakeholders including WWF, University Malaysia Sabah (UMS), and local communities on identification of HCVF including flora and fauna. They also provided training venues for tertiary students from UMS, agricultural institute and polytechnic.</p> <p>Illegal hunting, fishing and collecting activities were controlled by disseminating information poster on RTE species, monitoring of access to the FPMU, and holding briefings for staff, contractors and local communities.</p> <p>The auditors verified through interviews with plantation workers and local communities that they were aware of</p>	<p>The mapping of protected zones can be improved. The auditors noted that additional information such as date, title and signature of authority should also be provided. On this recommendation an OFI for Indicator 6.4.1 was raised.</p> <p>There were some negligence observed regarding compliance with USECHH Reg. 2000. This included the non-current list of stored chemicals, re-labelling of used containers, unavailability of safety data sheet for Zap-Up 410 in the chemical store, and unavailability of written assessment on risks of chemicals to employee health. For the non-compliance a Minor NCR, MRS 02 2016 for indicator 6.6.1 was raised.</p> <p>The Auditor verified that scheduled waste containers were properly stored and labelled. However, some SW containers were not stored in a proper manner. An OFI for Indicator 6.7.1 was duly raised on this.</p>

Principle	Strengths	Weaknesses
	<p>RTE flora and fauna and the need to protect and preserve them.</p> <p>Guidelines to demarcate and protect conservation area and measures to enhance natural regeneration in the FPMU were documented in 'BTSB-SOP-CP-04 SOP Identification of Representative Conservation and Protection Sites'; and for the conservation of genetic, species and ecosystem diversity documented in the 'Guidelines for Conservation of Genetic, Species and Ecosystem Diversity'.</p> <p>The FPMU has also established procedures to protect and conserve biological corridors and buffer zones for wildlife such as SOPs for Riparian Marking, Steep Area Marking and Land Clearing.</p> <p>The FPMU had demarcated, mapped and protected riparian buffer zones, with HCV signage, along Sg. Labau and Sg. Pingas and also watershed protection zones for the benefits of neighboring villages.</p> <p>The FPMU had established procedures to avoid loss of top soil nutrient, soil erosion and compaction to mitigate use of mechanical and chemical techniques through SOPs for Land clearing, Land Preparation, Plantation Road Specifications, Plantation Road Establishment by Bulldozer, and Road Upgrading and Maintenance by Bulldozer, dump truck, motor grader, excavator and back hoe.</p> <p>An SOP on salvage logging operations for rubber establishment and harvesting of rubber plantation stands (contained in the Plantation Development Plan) was used to mitigate compaction during harvesting operations.</p> <p>The FPMU had established a procedure (SOP Chemicals Handling) on the use of chemicals in forest plantation areas. BTSB has prohibited the use of pesticides of Class 1A and 1B. The use of non-prohibited chemicals was verified to be conducted according with the SOP.</p> <p>Procedures for waste disposal of solid non-organic wastes (SOP Removal and Disposal of Solid Waste and SOP Storage, Handling and Disposal of Hazardous Goods) were followed. Scheduled wastes, as verified through Consignment Note for Scheduled Wastes, were properly disposed through licensed agent.</p> <p>There were no biological control agents used in the FPMU.</p> <p>The FPMU listed two exotic species used in the plantation, <i>Hevea brasiliensis</i>, and <i>Acacia crassicarpa</i>.</p>	<p>The auditors observed that the area for monitoring of the exotic species used could be widened especially at the boundary area between ITP and NFM. An OFI for Indicator 6.9.1 was raised on this observation.</p>

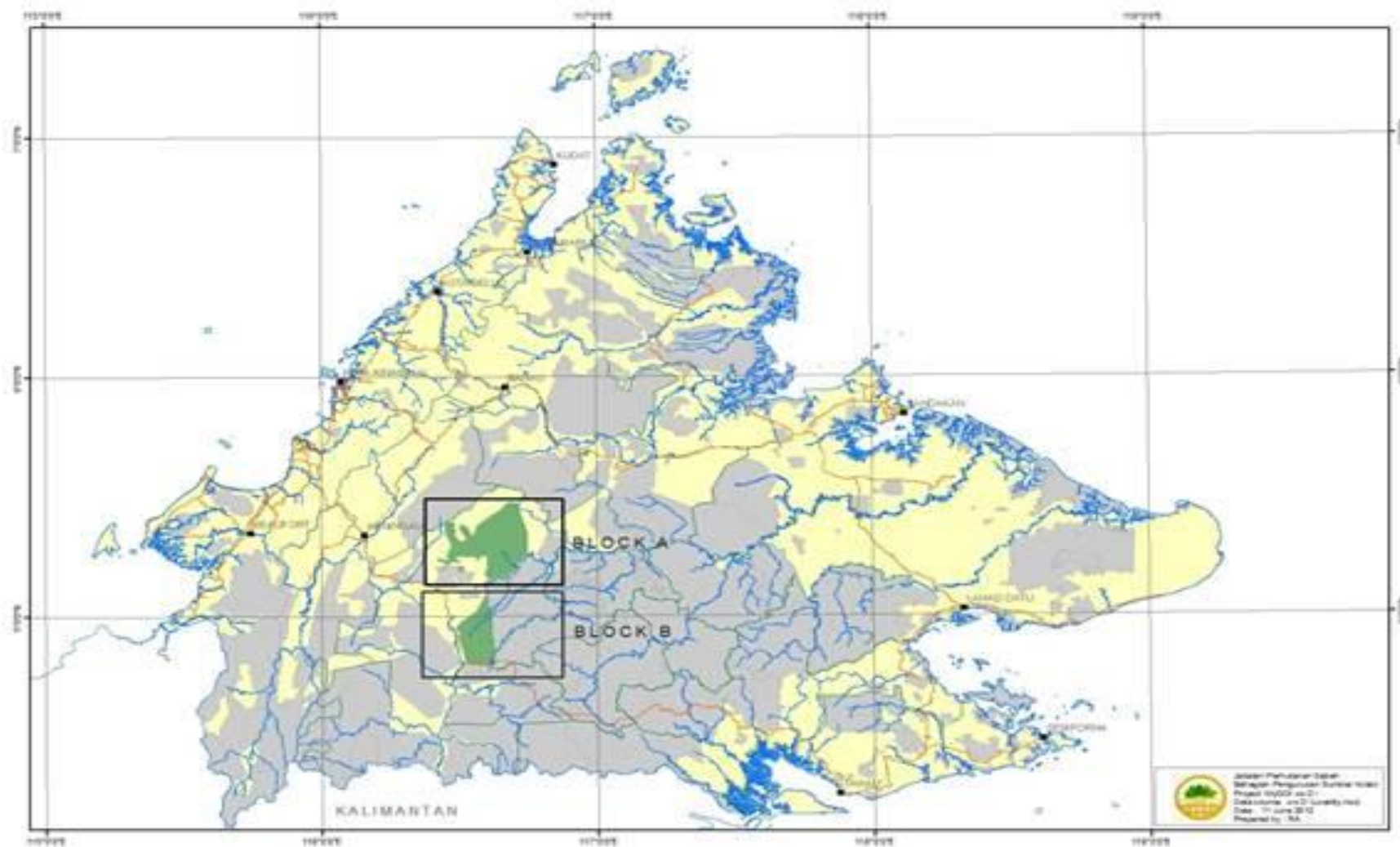
Principle	Strengths	Weaknesses
	<p>Monitoring on the species was conducted annually including the exotics found in the riparian reserves.</p> <p>The certified Forest Plantation Management Unit (FPMU) covers a designated area (by compartments) of 25,536.71 ha, or 43.6% of the total 58,512.77 ha under FPMU 11. Other compartments not listed under the designated area are not certified due to conversion from natural forest stands made after year 2010, in compliance with indicator 6.10.1.</p>	
Principle 7	<p>The 2nd Forest Management Plan-Plantation Development Plan (PDP) (2012 -2021) for FMU11 (Revised April 2016) covered the requirements of Criterion 7.1. items (a) to (i). The document was prepared in accordance with the “Guidelines to Forest Management Planning (Forest Development Authority, June 2007)”. Among others, the PDP provides maps and references to various supporting documents, provisions for monitoring forest growth and dynamics through PSPs. PSP results are used in Timber Stock Assessment and Yield Prediction (via Yield Prediction Simulator software) to predict rubber timber yield.</p> <p>The PDP underwent mid-term review in April 2016 and the document was made available for audit. Records of new scientific and technical information and from monitoring activities were incorporated in the revised PDP?.</p> <p>Training and human resource development is were recognized by BTSB management as means for skill advancement to ensure successful implementation of the PDP.</p> <p>BTSB provided training facilities in local and outside venues to improve personnel skill capacity to implement the PDP. Areas prioritised included skills for MC&I, Certification, ICT and Standard Operating Procedures (SOPs) and implementation of PDP. The list of training programmes conducted in 2016 was verified.</p> <p>A summary of the primary elements of the PDP 2012 - 2021 (Revised April 2016), as implemented under Indicator 7.1.1, and inclusive of supporting documents, was made public on the website www.bornion.com.</p>	There were no negative findings.
Principle 8	<p>BTSB has established a network of 26 PSPs in the FPMU under the Continuous Growth Monitoring System as the core R&D. Site selection was based on tree age and topographic conditions. Results will contribute to formulating Growth and Yield Table for <i>Hevea brasiliensis</i>, to forecast future yield. The audit verified the</p>	<p>The audit noted that there is a need for necessary improvements in PSP management; namely, use of better instruments such as diameter and distance tapes,</p>

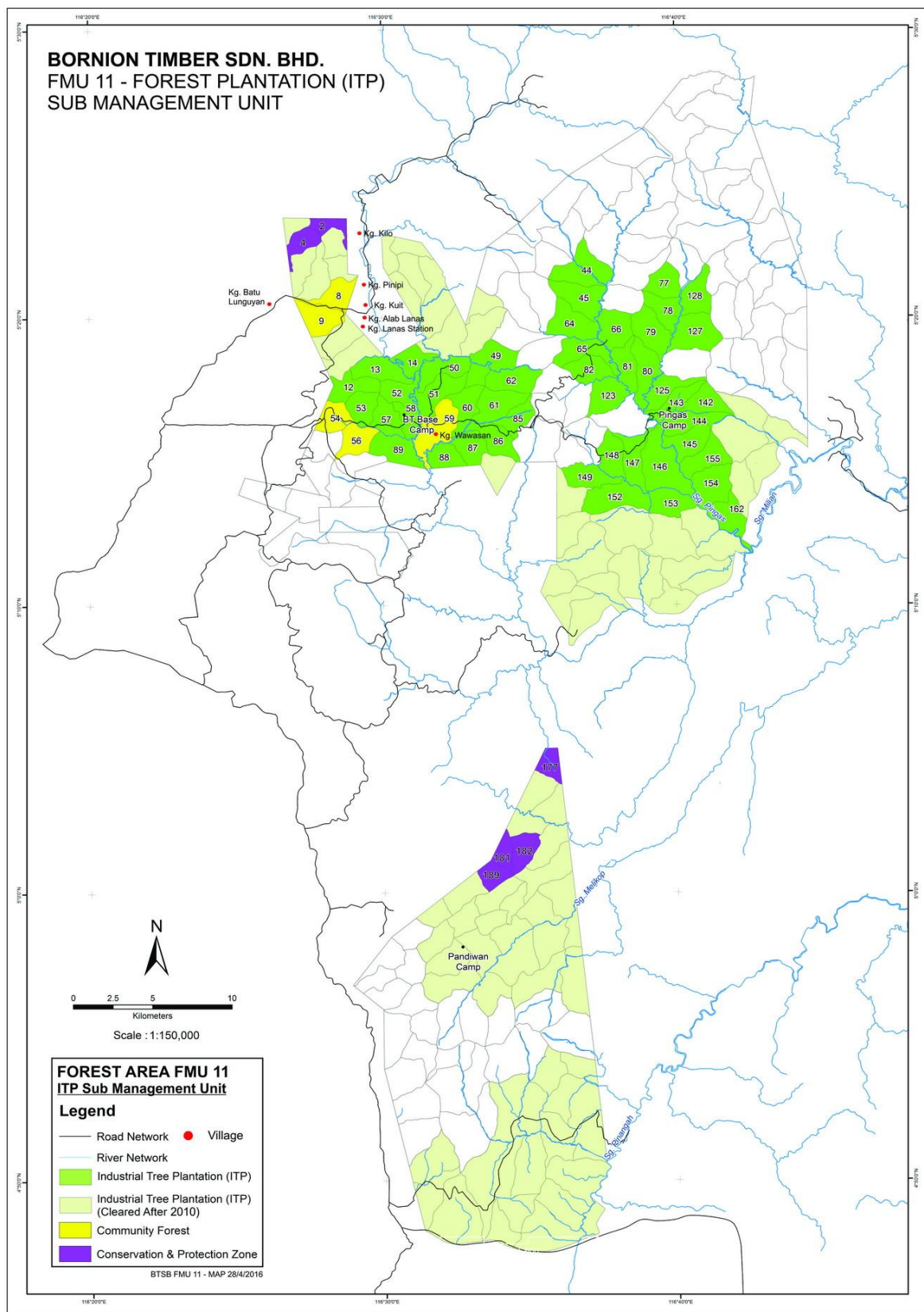
Principle	Strengths	Weaknesses
	<p>compliance with SOP in sampled PSP establishment and in measurement procedures and accuracy.</p> <p>Some supporting documents that was made available by BTSB management and audited include;</p> <ul style="list-style-type: none"> a) Yield of latex harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs and productivity of forest management. <p>Chain of Custody (COC) documents for Hevea lumber will only be available following harvest in 2029. However, the SOP for COC (Operations) (BTSB-SOP-LP-02) has been prepared.</p> <p>Results and findings of monitoring activities were incorporated into the implementation and revision of the PDP. This was evident in its mid-term revision in April 2016.</p> <p>A summary of the results of monitoring indicators, including those listed in Criterion 8.2, was made publicly available through BTSB website (www.bornion.com).</p>	<p>and improved coding to differentiate old from new sample plot (such as PSP2-001). An OFI for Indicator 8.1.1 was raised for improvement.</p>
Principle 9	<p>BTSB has assessed HCV areas in the FPMU using the WWF Toolkit for Malaysia. In 2015, the HCVF concept was further reviewed and refined through consultation with Universiti Malaysia Sabah (UMS). Altogether, 6 HCV Categories were identified in the FPMU area which included sites with Biodiversity values, Landscape-level Forest, Services of Nature, Basic Needs of Local Communities, and Cultural Identity of Local Communities. [Only five mentioned in report]</p> <p>The list of relevant stakeholders consulted for HCV matters was made available to the auditors. They included NGOs, Government bodies, universities and local communities. Evidence of consultation was also verified.</p> <p>Commitment to the protection of these HCV areas is evident in the PDP (Chapter 6) and in the document: "High Conservation Value Forest (HCVF) of FMU11" Forest Plantation (Draft) (Revised April 2016): (Doc Label No: CD25).</p> <p>Measures to demarcate, maintain and/or enhance the HCVF attributes are documented in the PDP (with maps) and "High Conservation Value Forest (HCVF) of FMU11".</p>	<p>There were no negative findings.</p>

Principle	Strengths	Weaknesses
	<p>Procedures and implementation for monitoring are described in several SOPs (SBTSB-SOP-CP-01- Survey and Identification of HCVF and Other Protected Areas; BSB-SOP-CP-02 - Management, Effectiveness Monitoring and Enhancement of HCVF; BSB-SOP-CP-03 - Identification and Protection of RTE Species and Their Habitats; BSB-SOP-CP-04 - Identification of Representative Conservation and Protection Sites).Management prescriptions, Enhancement and Effective Monitoring measures for the HCVFs in the FPMU are described in the PDP and highlighted in the public summary on HCVF available from the website www.bornion.com.</p> <p>Annual monitoring of HCVFs in the FPMU was conducted in accordance to the relevant SOP. Records on maintenance were viewed and verified.</p> <p>Relevant monitoring results and findings of HCV were incorporated into the mid-term review of the PDP (2016). The auditors inspected four HCV sites in the field.</p>	
Principle 10	<p>The PDP clearly incorporated the forest management objectives, including natural forest conservation and restoration objectives as mentioned in 1.42 ii) Natural Forest Conservation and Restoration. The annual operating plan for 2016 was verified by the audit.</p> <p>Forest plantation design and layout accounted for protection, restoration and conservation of natural forests for forest plantation areas such as 20m buffer to natural forest and 30m riparian reserve.</p> <p>Establishment of plantation area has also considered the natural landscape, wildlife corridors and riparian reserves as verified in the PDP (8.6: Management of Production Area).</p> <p>The Hevea plantation in the FPMU has varying age structure which is demarcated on the map seen by the auditors. Annual planting varied in area between 264 ha to over 3000 ha from 2007 to 2014.</p> <p>The FPMU conducted soil sampling and site survey on 14 April 2016. The performance of rubber species planted was documented in 'Preliminary Yield Tables for Rubber Plantations of Bornion Timber Sdn. Bhd.' The benefits of using the exotic Hevea species was contained in the report 'Assessment of <i>Hevea brasiliensis</i> as Timber Plantation Species in Forest Management Unit No. 11, Sook District, Sabah'.</p>	<p>There was no record to justify the use of exotic species such over native ones for plantation establishment. For this oversight a Minor NCR MRS 03 2016 for Indicator 10.4.2 was raised.</p>

Principle	Strengths	Weaknesses
	<p>PSP monitoring and results showed negligible mortality or disease and insect outbreaks. This was verified in field inspection and monitoring record seen (e.g. Rubber tree Permanent Sample Plot – PSP1 Flat Area and PSP2 Hilly Area).</p> <p>Ecologically fragile areas in the FPMU (riparian reserves (302.80 ha), steep areas (2,948.52 ha) and water catchments (1,935.66 ha) were left protected in their natural state, mapped and documented.</p> <p>The PDP addressed in plantation establishment the choice of species, salvage logging, land clearing, road infrastructure and land preparation that are sustainable to the environment. Consistent with this the FPMU has established various procedures (as related to riparian buffers, steep slopes, land clearing and preparation, salvage logging, Hevea planting, road specification and establishment as well as upgrading and maintenance) to ensure this sustainability.</p> <p>Guidelines were available and implemented as related to fire and pest management, and control of invasive species in the plantation (1st Forest Fire Management Plan 2012-2021, Integrated Pest Management and Invasive Plant Management).</p> <p>The FPMU used fertilizer and pesticides in plantation management. Usage records of fertilizer and chemicals in 2015 was seen and verified. Guidelines to safe chemical handling (Chemicals Handling) were available and implemented.</p> <p>The FPMU has implemented programs to gauge management impact on ambient environment (documented in 'Assessment of ecological functions in rubber cultivation areas' and in the EIA report, 'Environmental Compliance Report Y1/2016') and local society ('Interim report - Social Impact Assessment', March 2016). Ensuing comments and recommendations were addressed by the management.</p> <p>The FPMU has also conducted field trial on budding - rubber seedlings for RRIM 3001 and RRIM 2025 for LTC clones (Latex Timber Clones) in 2008 with the former clones showing best performance in terms of growth and productivity.</p>	

Map of FPMU 11





Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Khairul Najwan Ahmad Jahari	Assessment Team Leader / Forester	<p>Academic Qualifications: B. Sc Forestry (Forest Management), Universiti Putra Malaysia (UPM).</p> <p>Work Experiences: Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001 Conduct and coordinate research on 8th Malaysian Plan Project Produce technical reports, meeting, seminar and conferences as well as quarterly physical and financial reports. Coordinate and participate in 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 at the Food, Agriculture and Forestry Section (FAF), 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 on ISO 9001, 14001 and OHSA 1800</p> <p>Training/Research Areas: Attended and passed in the following training programmes: Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] organized by MTCC, 30 March - 2 April 2009; EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009; OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009; QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>
Mohd Razman Salim	Auditor/ Forester/ Safety Auditor	<p>Academic Qualifications: B.Sc. Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experiences:</p> <ul style="list-style-type: none"> • Five year experience as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in various areas such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). • Participate in organizing committee member, division level activities and projects. • Coordinate and collaborate long term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local & international) and NGOs.

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
		<ul style="list-style-type: none"> Published and presented research findings at the seminars and conferences. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2013. Conduct assessments on forest management certification [MC&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&C and other management systems such as ISO 9001, 14001 and OHSAS 18001 <p>Training/Research Areas: Attended and passed the following training programmes:</p> <ul style="list-style-type: none"> Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organized by MTCC, 1-4 December 2013; EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013; OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013; and QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.
Ismail Adnan	Auditor/ Forester	<p>Academic Qualification: Master of Forestry, University of British Columbia, Canada</p> <p>Work Experience: One year (1974-1975) experience as Sub Assistant Conservator of Forest at the Pahang Forest Department, involved with Forest Administration/Management and Enforcement. Next, seven years (1979-1986) experience as Forest Officer/Logging Superintendent at Syarikat Jengka Sdn. Bhd (SJSB), an integrated timber complex in Pahang. Responsible for Forest Licensing/ Administration, Forest Mapping, Road Construction and Logging Operations. Senior Lecturer at the Forestry Faculty, Universiti Putra Malaysia (UPM) from 1986 to 2014. Responsible for teaching and research in Forest Mensuration, Forest Survey, Forest Road, GIS/Remote Sensing and Forest Mapping. Responsible for academic supervision of more than 100 Bachelor/Master/Phd students in their research and thesis writing. Own research at UPM include various areas such as forest mapping using geo spatial tools, forest inventories, forest harvesting and forest management system (SMS). Also involved with consultancy works which include RPH development and Forest Mapping. Participate in organizing local/international seminars on Forestry areas. Published and presented research findings at seminars/conferences and journals. Currently as Auditor at the Food, Agriculture and Forestry /ion (FAF), SIRIM QAS International Sdn Bhd, since 2016. Involved in conducting assessments on forest management certification MC&I (Natural Forest) & MC&I (Forest Plantations). Training / Research Areas:</p> <p>Training / Research Areas:</p> <ul style="list-style-type: none"> Auditor Training Course on MC& I (Natural Forest) and MC&I (Forest Plantation V2), 9th-10th July 2015, SIRIM QAS International Sdn Bhd

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
		<ul style="list-style-type: none"> • ISO 14001:2004 Lead Assessor Training, 23rd-27th Nov 2015, SIRIM Training Services Sdn. Bhd • Training on Auditing Techniques, 26 Jan 2016, SIRIM QS International SdnBhd <p>Training on Auditing Techniques, 26th January 2016, SIRIM QAS InternationalSdnBhd</p> <p>ISO 14001:2004 Lead Assessor Training, 23rd-27th Nov 2015, SIRIM Training Services Sdn. Bhd</p> <p>Training on Auditing Techniques, 26th January 2016, SIRIM QAS International Sdn Bhd</p>
Dr. Poline Bala	Technical Expert/ Sociologist	<p>Academic Qualification: Ph.D., Social Anthropology, University of Cambridge, 2008 Concentrations: Social Anthropology</p> <p>Work Experience:</p> <p>Associate Professor, 2014 – present Faculty of Social Sciences, University Malaysia Sarawak Courses: Contemporary Issues in International Relations, International Organizations, ASEAN Politics, Sociology of Development, Anthropology and Sociology</p> <p>Senior Lecturer, 2008 – 2013 Faculty of Social Sciences, University Malaysia Sarawak Courses: Contemporary Issues in International Relations, International Organizations, ASEAN Politics, Sociology of Development, Anthropology and Sociology</p> <p>Lecturer, 1998 – 2003 Faculty of Social Sciences, University Malaysia Sarawak Courses: International Organizations, Modern Political Thoughts, Introduction to Anthropology and Sociology, Introduction to Political Science, Social Movements, Contemporary Issues in International Relations, ASEAN Politics</p> <p>Tutor, 1996 – 1997 Faculty of Social Sciences, University Malaysia Sarawak</p> <p>Researcher, 1994 – 1995 Graduate School Universiti Kebangsaan Malaysia</p>

Comments Received From Stakeholders and Responses by Audit Team Leader

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Stakeholder 1	<ol style="list-style-type: none"> 1. <i>FMU 11 Benar benar tidak memberi sebarang manfaat dan kebaikan kepada masyarakat setempat. Kalau dahulu masyarakat aman tenteram dan damai dalam menjalani kehidupan mereka didalam mencari nafkah seharian. Kini kehidupan terhimpit apabila komuniti yang biasa bertani padi bukit (pertanian pindah) tidak dapat bebas kerana sering diganggu oleh pihak syarikat. Jalan menuju tebasan dikorek menyukarkan pengeluaran hasil padi.</i> 2. <i>Kemusnahan hasil-hasil hutan, rotan, ubat ubatan, buah buahan, dan pelbagai sumber musnah.</i> 3. <i>Ada beberapa kuburan nenek moyang yang diradu dan hilang bukti bukti tuntutan</i> 4. <i>Tiada hubungan yang baik dengan pengurusan FMU</i> 5. <i>Pihak pembangkang mengambil kesempatan isu ini untuk memburukkan-burukkan kerajaan</i> 6. <i>Selaku pemimpin kampung dituduh oleh masyarakat bersekongkol dengan syarikat. Konon sudah dirasuah</i> 7. <i>Cadangan saya, kawasan yang berdekatan kampung dibuat semula persempadanan (penggazetan) dan berikan kawasan itu kepada pengurusan komuniti secara mutlak tanpa syarat</i> 8. <i>Diharap kerajaan membawa perkara ini di dewan undangan negeri untuk dibincangkan agar persempadanan semula dilakukan</i> 9. <i>Dimana hasil-hasil balak yang berharga berbilion ringgit, komuniti tidak pernah mendapat faedah daripadanya. Yang dapat orang berkepentingan dan taukeh-taukeh balak</i> 	<p>Consultation with Ketua kampung and JKKK of Kg Alab was conducted on 27 April 2016 and found the issues has been highlighted and discussed in the MSCFC meeting. Consultation records or minutes of meeting “<i>Minit Mesyuarat Pertama 2016 Ahli Jawatan Kuasa Milian-Sapulut (MSCFC) - Perladangan Hutan (ITP)</i>” dated 22 Jan 2016 at Forest District Office, Sook was verified by the auditor.</p> <p>The Ketua Kampung and JKKK agreed the Bornion Timber Sdn Bhd to be certified to MC&I Forest Plantation.V2. Thus, they would have better opportunities or platform to raise and put forward all issues regarding the FMU11 in the subsequent committee meeting.</p>
2	Stakeholder 2	<ol style="list-style-type: none"> 1. <i>Kawasan FPMU dekat dengan Kg Lanas Station</i> 2. <i>Kawasan FPMU ada beberapa tempat yang pernah diduduki oleh nenek moyang kami termasuk tanaman buah buahan, kuburan, alat-alat keperluan membina kediaman, berburu, menjala dan sebagainya</i> 3. <i>Kawasan FPMU juga ada beberapa tempat yang pernah dibuka pada tahun 1985, 1986, 1987 sehingga masa kini dengan tanaman getah dan buah buahan</i> 4. <i>Kawasan FPMU juga laluan pintas pejalan kaki menziarahi keluarga di daerah Sandakan</i> <p><i>Ulasan Ringkas</i></p>	<p>Consultation with Ketua kampung and JKKK of Kg Lanas Station had been made on 27 April 2016 and found the issues was highlighted and discussed in the MSCFC meeting. Consultation records or minutes of meeting “<i>Minit Mesyuarat Pertama 2016 Ahli Jawatan Kuasa Milian-Sapulut (MSCFC)- Perladangan Hutan (ITP)</i>” dated 22 Jan 2016 at Forest District Office,</p>

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		<ol style="list-style-type: none"> Oleh sebab Stateland dan FMU sempadan hampir dengan kampung Lanas Station, maka kami terhimpit yang mana keluasan stateland kecil yang pada masa ini stateland ini telah diusahakan oleh beberapa orang sahaja yang mendapat lot dengan hanya 10 ekar kebawa tiap keluarga, maka pada generasi akan datang tentu sekali masalah tanah yang mereka hadapi Oleh sebab perkara ini sangat penting, maka ianya tidak lagi dapat tuntutan pada masa seterusnya ke generasi akan datang Kawasan ini telah dipohon melalui YB, tetapi sehingga sekarang belum ada kelulusan bahawa tanah tersebut dimasukkan ke kawasan stateland. Disebabkan kawasan tersebut sukar dilalui maka ianya menjadi beban kepada yang tidak ada kenderaan <p><i>Perlindungan Alam Sekitar</i></p> <ol style="list-style-type: none"> Sewajarnya perkara ini penting sebab kawasan ini telah dibalak oleh Bornion Timber dan perlu ditanam balik. Tetapi hanya pada yang kami persetujui. Pemulihan kepelbagaian biologi Sebenarnya kami dari dulu lagi kami tidak dapat melindunginya sebab ia keperluan asas. Pada tahun dibawa 1970 masih banyak lagi perkara tersebut. Tetapi apabila pihak Bornion membalak ianya berkurangan dan pada masa ini sudah pupus. 	<p>Sook was verified by the auditor.</p> <p>The Ketua Kampong and JKKK had no objections and had agreed the Bornion Timber Sdn Bhd. to be certified with MC&I Forest Plantation.V2. Thus, they would have opportunities or platform to raise and put forward all issues regarding the FMU11 in the subsequent committee meeting.</p>
3	Stakeholder 3	<ol style="list-style-type: none"> Pihak kami penduduk Kg Lanas Station memohon dan merayu agar kawasan ini diberi kepada penduduk yang berkenaan Kg Lanas station ini untuk makluman sudah tidak ada lagi stateland kerana telah terhimpit oleh syarikat Bornion – lihat dalam pelan Kami penduduk kampung Lanas Station ini, bukan untuk mendesak atau menceroboh kawasan FMU Kami terdesak oleh generasi akan datang, anak anak kami, dimanakah mereka mencari makan? Oleh yang demikian, besarlah harapan kami agar rayuan kami ini mendapat sokongan daripada pihak – pihak yang berkenaan. 	<p>Consultation with Ketua kampong and JKKK of Kg Lanas Station had been made on 27 April 2016 and found the issues was highlighted and discussed in the MSCFC meeting. Consultation records or minutes of meeting “Minit Mesyuarat Pertama 2016 Ahli Jawatan Kuasa Milian-Sapulut (MSCFC)- Perladangan Hutan (ITP)” dated 22 Jan 2016 at Forest District Office, Sook was verified by the auditor.</p> <p>The Ketua Kampong and JKKK had no objection and had agreed the Bornion Timber Sdn. Bhd. to be certified with MC&I Forest</p>

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
			Plantation.V2. Thus, they would have opportunities or platform to raise and put forward all issues regarding the FMU11 in the committee meeting.
4	Stakeholder 4	1. <i>Untuk makluman tuan, FMU 11 ini pernah diterokai oleh nenek moyang kami pada tahun 1878. Untuk bukti seperti kuburan-kuburan yang telah diperiksa oleh pihak pihak yang berkenaan tahun lepas, semuanya termasuk di FMU 11</i>	The Bornion Timber Sdn Bhd had identified the burial ground and classified as protected area in the FMU-11. However, the area was not in the audit scope.
5	Stakeholder 5	1. <i>Kami amat bersetuju apa-apa pun pengurusan hutan FMU 11 dibawa berbincang kepada penduduk kampung berdekatan untuk dimajukan dengan tujuan pengurusan hutan perladangan FMU 11</i>	<p>Consultation with Ketua kampung and JKKK of Kg Batu Lunguyan had been made on 28 April 2016 and found the issues was highlighted and discussed in the MSCFC meeting. Consultation records or minutes of meeting “Minit Mesyuarat Pertama 2016 Ahli Jawatan Kuasa Milian-Sapulut (MSCFC)- Perladangan Hutan (ITP)” dated 22 Jan 2016 at Forest District Office, Sook was verified by the auditor.</p> <p>The Ketua Kampung and JKKK had no objections and had agreed the Bornion Timber Sdn Bhd to be certified with MC&I Forest Plantation.V2. Thus, they would have opportunities or platform to raise and put forward all issues regarding the FMU11 in the subsequent committee meeting.</p>
6	Stakeholder 6	<p><i>The above matter and your letter with ref. no: EB 04180003 dated 21 March 2016 referred. Bornion Timber SB (FMU no.11) is neighboring and sharing a common boundary with Sapulut Forest Development SB (FMU No.14).</i></p> <p><i>We have good understanding by sharing a secondary road (Matiku road) as a common boundary</i></p>	The Bornion Timber Sdn. Bhd. has updated the public summary, as required in the MC&I Forest Plantation.V2 standard.

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		<p>In the FMU 11 website (http://www.bornion.com/FP%20policy.html – Forest Plantation), not much information can be seen. Since the FMU is going for certification under MC&I Forest Plantation Scheme, it is suggested the FMU to update the requirements as per in indicator 7.4.1, 8.5.1 and 9.3.2</p> <p>However, we believe FMU 11 is well managed on its Forest Plantation, and FMU 14 is supporting FMU 11 going for certification and to be certified.</p>	
7	Stakeholder 7	<p>Your letter of EB04180003 dated 21.03.2016 is referred.</p> <p>My comments are as follows;</p> <p>a) General comments</p> <ul style="list-style-type: none"> Bornion Timber Sdn Bhd. was granted a 100-year long term license (10/9/1997-9/9/2097) by the State Government to manage the FMU area based on sustainable forest management (SFM) principles and the requirements of the license agreement SFMLA 03/97. The total licensed area under the 1st FMP (2002-2011) was approximately 108,665 ha and it consists of two forest reserves which are located 10 km apart from each other by either state or alienated land. The forest reserves are Ulu Sg. Millian Forest Reserves (77,788 ha) and part of Sapulut Forest Reserves (30,877 ha). Under the 2nd FMP (2012-2021), the total licensed area is 98,985 ha of which 10,008 ha within Ulu Sg. Millian Forest Reserves were excised to pave the way for the socio-economic development of the State Under the 2nd FMP, the main land use functions remain unchanged as per in the 1st FMP, i.e., Conservation, Natural Forest Management (NFM), Industrial Tree Plantation (ITP) and Community Compartments. The 1st Plantation Development Plan (PDP) for the period of 2002 to 2011 was approved on 24 February 2003. The 2nd PDP was approved on 4 November 2013 and is valid for the period of 2012 to 2021. The areas that have been set aside for conservation is approximately 15,770 ha (16%). These include riparian reserves, steep areas with slopes >25°. Watershed and some High Conservation Value Forests (HCVF) while 	<p>The BTSB had shown an effort to control encroachment, illegal harvesting, hunting, fishing and illegal settlement, and other unauthorized activities by monitoring vehicles and individuals entering the plantation area through guard post. Signages on 'No Hunting' were erected at strategic locations. Summary of Patrol and Enforcement daily patrolling for January, February and March 2016 were verified during the audit. The FPMU had concentrated on illegal hunting and identified hot spot areas (nearby orang kampong area, state land area including fire potential risk area).</p>

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		<p><i>the areas for Community compartments is about 2,608 ha.</i></p> <ul style="list-style-type: none"> • <i>The production zones which comprise of the two main landsite NFM and ITP are approximately 29,723 ha (30%) and 50,884 ha (51%) respectively. The area designated for ITP is poorly degraded forest areas due to bad logging practices of the past and forest fire incidents.</i> • <i>The long term management goals for the production zones are:</i> <ul style="list-style-type: none"> ➤ <i>To ensure a continuous and sustainable production of timber through silviculture and enrichment planting in NFM areas;</i> ➤ <i>To enhance timber productivity in poor and degraded areas which had been designated for ITP development. This is also an avenue to provide a short-term income and to finance conservation.</i> ➤ <i>To reduce the pressure on natural forests to reciprocate on wood supply for timber industry.</i> • <i>The FMU Holder is one of the good performers in implementing sustainable forest management (SFM).</i> <p><i>b) Environmental protection</i></p> <ul style="list-style-type: none"> • <i>They have an approved Environmental Impact Assessment (EIA) report.</i> • <i>Monitoring on the environmental compliance is carried out by the FMU Holder's consultant, and Environmental Compliance Reports (ECR) is submitted to EPD quarterly.</i> <p><i>c) Biodiversity Conservation</i></p> <ul style="list-style-type: none"> • <i>Continuous patrolling and surveillance are conducted by the licensee in their FMU area to curb illegal activities such as encroachments and poaching. Joint patrolling with Sabah Wildlife Department is also conducted.</i> • <i>Riparian reserves (a strip of 30 m along both sides of the streams and waterways) were zoned for protection and biodiversity conservation. These areas have been maintained and free from any kind of human disturbance at all times.</i> • <i>Any HCV sites and attributes will be identified, mapped out and protected</i> <p><i>d) Opportunities for employment</i></p> <ul style="list-style-type: none"> • <i>The FMU holder is giving opportunities to the local communities living adjacent to the FMU area for employment where appropriate. Any</i> 	

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		<p><i>shortfall encountered on skills and competency will be overcome by training.</i></p> <p>e) <i>Community relations and workers right</i></p> <ul style="list-style-type: none"> <i>There are 23 villages located within 2 km radius from the boundary of the Licensed Area and only one village is located within the licensed Area</i> <i>The FMU holder has set aside a community compartment of about 2,608 ha for the community use. The FMU holder has also actively engaged with the local communities to the FMU area through providing direct employment and conducting various community programmes such as Community Forest Project, Community farm mapping, Community Learning Assistance Programme which includes establishment of a rural library, system rice intensification and education incentives for excellent students, and awareness programme on SFM concept and HCV management. The FMU holder had also provided access roads to the villages and supports the construction of basic facilities for the kampong people such as church and community hall.</i> <i>The FMU Holder provides quarters and medical facilities to their employees</i> <i>Training for their employees was also provided.</i> <p>f) <i>Benefits from the forest</i></p> <ul style="list-style-type: none"> <i>Under the 2nd FMP (2011-2021), the annual allowable cut (AAC) for the NFM area is approximately 12,199.7m³ which is considered very low and not economically viable due to poor stocking. Therefore, there will be no harvesting in the NFM area for the first 5 years of the Plan period. However, it is expected that harvesting from natural forests will be feasible after Plan is reviewed in 2016 through RIL</i> <i>Nevertheless, about 2,840 ha of ITP compartments will be salvage logged annually with the average timber volume production is estimated at 91,238m³/year @ 32.09m³/ha, and thereafter will be planted with rubber trees and other fast growing species.</i> <i>There are also some potential economic benefits from NTFPs, biodiversity and environmental services that can be explored in the FMU area, such as income from carbon credit, biodiversity prospecting, recreation/eco-tourism, etc.</i> 	

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		<p>g) <i>Your relationship with the FMU</i></p> <ul style="list-style-type: none"> • <i>As regulator of the FMU Holder</i> <p>h) <i>Suggestion for improvement</i></p> <ul style="list-style-type: none"> • <i>FMU Holder needs to enhance controlling and monitoring of their Licensed Area and improve security at critical and sensitive area boundaries to prevent encroachments and illegal activities.</i> • <i>To improve their forest fire prevention and control system</i> • <i>To create employment and business opportunity for local community within their Licensed Area, such as involvement in forest restoration activity, silviculture, etc.</i> <p><i>Based on the above, we fully support the FMU Holder's initiative to get their FMU (ITP area) area certified under the PEFC MTCS certification.</i></p>	

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DAY	TIME	PROGRAM	
		(AUDITOR 2&3)	AUDITOR (1 & Tech. Expert)
Day 0	12:00-19:30	All Auditors travelling from KLIA to Kota Kinabalu on 25 April 2016 Dr. Poline Bala travelling from Kuching to Kota Kinabalu, 25 Apr 16 Travel to Bornion Timber Camp site Briefing by Audit Team Leader on the Stage 2 Audit plan	
Day 1	8.30 am – 1.00 pm	<ul style="list-style-type: none"> Opening Meeting with representatives of FPMU Briefing session by Forest Manager of the FPMU Q&A Session Follow up on issues of concern from Stage 1 Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> Local Communities Government agencies NGOs Evaluate on internal audit and management review Consultation with Head of Sustainable Forest Management Division, Sabah Forestry Department. <p>Documentation and records review</p> <p>Principle 1 – Compliance with Laws and Principles Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right Principle 5 – Benefits from the forest Principle 6 – Environmental Impact Principle 7 – Management Plan Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value (HCV) Principle 10 – Forest Plantation Development and Management</p>	
Day 2	7.30 am – 1.00 pm	Site visit <ul style="list-style-type: none"> Tree planting activities <ul style="list-style-type: none"> Conservation area and PSP plots Fauna monitoring sites/HCV sites 	Site visit <ul style="list-style-type: none"> Consultation with Aborigines Settlement / Local communities/ stakeholders Kg Lanas Station
	2.00 pm – 5.30pm	<ul style="list-style-type: none"> Nursery 	<ul style="list-style-type: none"> Kg Alab Kg Kuit Lanas Kg Pinipi
		Review of Day 2 Findings by Audit Team Leader	

DAY	TIME	PROGRAM	
		(AUDITOR 2&3)	AUDITOR (1 & Tech. Expert)
Day 3	7.30 am – 1.00 pm	Site visit <ul style="list-style-type: none"> • Inspection of forest activities • Boundary of FPMU • Consultation with contractors and workers 	Site visit <ul style="list-style-type: none"> • Consultation with Aborigines Settlement / Local communities/ stakeholders • Kg Wawasan • Kg Batu Lunguyan <ul style="list-style-type: none"> ◦ Visit to water catchments boundary • Consultations with Bornion Timber workers and staff <p>Notes: The consultations with Sabah Forestry Department, Sook District was conducted on 23 February 2016</p>
	2.00 pm – 5.30pm	<ul style="list-style-type: none"> • HCV area • Check on workshop, nursery and chemical store • Inspection of staff quarters 	
		Review of Day 3 Findings by Audit Team Leader	
Day 4	8.30 am – 1.00 pm	<ul style="list-style-type: none"> • Documentation and records review 	
	2.00pm- 3.00 pm	<ul style="list-style-type: none"> • Preparation of audit report and finding • Briefing to representatives of FPMU on the findings of audit 	
	3.00pm	<ul style="list-style-type: none"> • Closing Meeting and presentation of findings of audit and discussion on follow-up activities • Adjourn Closing Meeting • Travel back to Kota Kinabalu, check-in at Klagan Hotel, KK 	

Peer Reviewer Evaluation of Audit Report

Peer Reviewer 1

No	Item	Comments
1.	Comprehensiveness and quality of reporting	<p>The report was comprehensive and the quality of reporting was good.</p> <p>The audit team reviewed all the Criteria and Indicators of the Malaysia Criteria and Indicator [MC&I (Forest Plantation) V2]. It evaluated the level of compliance and conformance the management of Forest Plantation (25,536.71 ha) in FPMU 11, Ulu Sg Milan Forest Reserve (Block A) and part of Sapulut Forest Reserve (Block B), Keningau, Sabah, current documentation and field practices in forest plantation management.</p> <p>Auditor's Comments: Noted</p>
2.	Has the audit been conducted objectively and professionally?	<p>The audit was conducted objectively and professionally.</p> <p>Looking at the audit schedule programme (Attachment 2), the audit team spent 4 days doing the auditing including documents review, interviewing the stakeholders, management, contractors and workers. Visiting the boundary, nurseries and HCV areas.</p> <p>Auditor's Comments: Noted</p>
3.	Has each Principles and Criterion been adequately addressed? Please include comments on each principles and Criterion dx	<p>Each Principles and Criterion has been adequately addressed. The audit team addressed all the Principles and Criterion of the Standard. They raised 3 Minor NCRs and 5 OFIs.</p> <p>3 Minor NCR's were raised during this audit. These were:</p> <p>Principle 4, Criteria 4.2. Minor NCR was raised against Indicator 4.2.3</p> <p>Principle 6, Criteria 6.6. Minor NCR was raised against Indicator 6.6.1</p> <p>Principle 10, Criteria 10.4. Minor NCR was raised against Indicator 10.4.2</p> <p>5 OFI's were given by the audit team. The OFI were:</p> <p>Principle 4, Criteria 4.2. OFI was raised against Indicator 4.2.5</p>

No	Item	Comments
		<p>Principle 6, Criteria 6.4. OFI was raised against Indicator 6.4.1</p> <p>Principle 6, Criteria 6.7. OFI was raised against Indicator 6.7.1</p> <p>Principle 6, Criteria 6.9. OFI was raised against Indicator 6.9.1</p> <p>Principle 8, Criteria 8.1. OFI was raised against Indicator 8.1.1</p> <p>On Principle 7 Management Plan</p> <p>The auditors failed to look critically at the PDP.</p> <p>I want to raise few issues on the 2nd Forest Management Plan-Plantation Development Plan (PDP) (2012-2021)</p> <p>1. <i>Acacia crassicaarpa</i> was planted in an area of 928 ha. There was no PSP's for <i>Acacia crassicaarpa</i> (see Annex 2)</p> <p>Auditor's Comments:</p> <p>Total of 80 PSPs for <i>Acacia crassicaarpa</i> had been established since 2008. However, the auditors concentrating on <i>Hevea brasiliensis</i> which is a main species planted in FPMU11. The PSP's of other species will be inspected during the next surveillance audit. The Annex 2 in the public summary has been updated on 20 December 2016 by including the PSPs results from the <i>Acacia crassicaarpa</i>.</p> <p>2. Wildlife survey results, Socio-economic studies, HCV and EIA section were the same for Forest Management Plan Natural Forest and Plantation Development Plan. It should not be the same because plantation development is at different areas from Natural Forest.</p> <p>Auditors comments:</p> <p>The wildlife survey, Socio-economic studies, HCV and EIA have been conducted by the FMU for the whole licensed area, including the natural forest areas. The public summary on PDP's has been updated specific to Forest Plantation on 19 December 2016 by Bornion Timber Sdn Bhd.</p>
4.	Are the conclusions of the findings appropriate?	Conclusions of the findings are appropriate and based on the field observations, discussions with the auditees and available documentation.

No	Item	Comments
		Auditor's Comments: Noted
5.	Agreement/Disagreement with the NCRs raised by the Audit Team	I agree with all the NCRs raised by the Audit team Auditor's Comments: Noted
6.	Are the recommendations by the audit team appropriate?	Recommendations by the audit team are appropriate Auditor's Comments: Noted
7.	Areas where additional information is required	Auditor's Comments: None
8.	Others	NA

Peer Reviewer 2

No	Item	Comments
1.	Comprehensiveness and quality of reporting	<p>In my opinion the Audit report was comprehensive and the quality of the report was good.</p> <p>Auditor's Comments: Noted</p>
2.	Has the audit been conducted objectively and professionally?	<p>The audit has been conducted objectively and professionally.</p> <p>Auditor's Comments: Noted</p>
3.	Has each Principles and Criterion been adequately addressed? Please include comments on each principles and Criterion	<p>All the Principles and Criterion were adequately addressed in conformance with the MC&I (Forest Plantations) V2 requirements.</p> <p>Auditor's Comments: Noted</p>
4.	Are the conclusions of the findings appropriate?	<p>All the conclusions of the findings were appropriately addressed. The recommendation for FPMU 11 to be certified against the MC&I (Forest Plantations) V2 is appropriate.</p> <p>Auditor's Comments: Noted</p>
5.	Agreement/Disagreement with the NCRs raised by the Audit Team	<p>I totally agreed with all the NCRs raised by the Audit Team.</p> <p>Indicator 4.2.3</p> <p>Concur with Auditor for raising a minor NCR here and the closing of this NCR as evidences of action taken had been verified.</p> <p>Worker's health & safety (OSAH) at the work place must be given serious attention. Management must ensure that all equipment and work place must be in good working conditions.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 6.6.1</p> <p>Concur with Auditor for raising a minor NCR here and the closing of this NCR as evidences of action taken had been verified.</p> <p>OSHA requirements at the work place must be strictly adhered to. Pleading of ignorance is not an acceptable excuse. However, the prompt action taken by</p>

No	Item	Comments
		<p>management to rectify the issues shows commitment of the FPMU.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 10.4.2</p> <p>Concur with Auditor for raising a minor NCR here and the acceptance of the corrective action plan and the closure of the minor NCR.</p> <p>However, the effectiveness of the action taken should be verified at the next audit.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 4.2.5</p> <p>Concur with the raising of an OFI here and to be verified at the next audit.</p> <p>Hazardous areas/zones must be clearly demarcated and signage of PPE equipment required to enter such zones must also be clearly put up.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 6.4.1</p> <p>Concur with the OFI raised and the verification required at the next audit.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 6.7.1</p> <p>Concur with the OFI raised and the verification required at the next audit.</p> <p>All Scheduled Waste containers must not only be clearly labelled but also properly sealed during storage.</p> <p>Auditor's Comments: Noted</p> <p>Indicator 6.9.1</p>

No	Item	Comments
		<p>Concur with OFI raised. First sign of Exotic species invasion usually seen at the boundary between ITP & NFM.</p> <p>Auditor's Comments: Noted</p> <p>Concur with Auditor for raising an OFI here.</p> <p>In fact the information provided on the PSP were very minimal. Only the age, average DBH and Height were given. Also a comparison between the performance between the hilly areas and low/flat land samples were not analysed.</p> <p>Auditor's Comments: Noted</p>
6.	Are the recommendations by the audit team appropriate?	<p>The recommendations made by the Audit Team were appropriate and in line with the MC&I (Forest Plantations) V2 requirements.</p> <p>Auditor's Comments: Noted</p>
7.	Areas where additional information is required	<p>I am satisfied with the information provided in the Audit Report and there is no requirement for additional information.</p> <p>Auditor's Comments: Noted</p>
8.	Others	<p>Overall, I found the Audit Report was well written and the NCRs and OFIs raised were appropriate. The quality of the information available on the Bornion Timber web site (summary of Forest Plantation Management Plan) were very good and informative.</p> <p>Auditor's Comments: Noted</p>

Stage 2 Audit Findings and Corrective Action Taken

Indicator/ Specification NCR/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.2.3 NCR: MRS01/ 2016 Minor	<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: Auditor has found the safety and operational equipment's were not in good working condition</p> <p>Objective Evidence: During site visit at the workshop, auditor has found numbers of non-compliances as stated below:</p> <ol style="list-style-type: none"> 1. Fire extinguisher at the diesel tank location, workshop, store and chemical store were not inspected by BOMBA. 2. Pressure gauge meter for acetylene and oxygen cylinder tank was found damaged 3. Chain block used at workshop found without safety latch and its loading capacity not clearly labelled and faded 4. Drain at the workshop was not fully covered 	<p>Immediate actions had been taken by BTSB as below;</p> <ul style="list-style-type: none"> • To review current practice of fire extinguisher maintenance • To ensure all fire extinguisher are checked, maintained, and labelled with validity stickers according to legal requirements • Regularly check pressure gauge meters for full functionality • To dispose or repair any damage equipment • To install chain block safety latch and labelling indicating load capacity • To cover workshop drain system where necessary <p>The action plan targeted to be completed on 31st July 2016</p>	<p>Evidences of action taken had been verified as below;</p> <ul style="list-style-type: none"> • Updated SOP on Monitoring System of Fire Extinguishers, BTSB-SOP-SH-07 dated 21.5.2016 • Pictorial report was verified as below; <ul style="list-style-type: none"> ○ Replaced fire extinguisher at general store, chemical store, workshop and diesel tank area. ○ Replacement of pressure gauge meter for acetylene and oxygen cylinder ○ Chain block had been replaced with new one complete with latch • Purchase Order (PO) No.099 dated 14.5.2016 to replaced 25 pieces of drain cover. <p>Corrective action had been accepted and the effectiveness of the action taken will be verified during the next audit</p>
Indicator 6.6.1 NCR: MRS02/ 2016 Minor	<p>Indicator 6.6.1 - Availability and implementation of guidelines and/or procedures on the use of chemicals in forest plantation areas approved by relevant regulatory authorities.</p> <p>Finding:</p>	<p>The Bornion Timber PIC was not aware on CHRA requirement is compulsory.</p> <p>Immediate action had been taken by BTSB as below;</p> <ul style="list-style-type: none"> • To update and maintain list of chemicals in store, 	<p>The pictorial reports showed;</p> <ul style="list-style-type: none"> • The SDS had already been displayed, according to the chemical containers at the chemical store.

Indicator/ Specification NCR/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
	<p>Auditor has found that usage of chemicals at the nursery was not accordance with USECHH Reg. 2000</p> <p>Objective Evidence:</p> <ol style="list-style-type: none"> 1. List of chemicals used at the chemical store was not up-to-date 2. Two containers used for mixing pesticides in the chemical store were not relabeled 3. Safety data sheet for Zap-Up 410 was not available in the chemical store 4. Written assessment of the risks (CHRA) created by chemical use to the health of the employees was not available 	<ul style="list-style-type: none"> • Undertake labelling of containers for mixing chemicals to highlight their purpose of use, • To ensure Safety Data Sheets (SDS) are kept at chemical store for all chemicals currently stocked • To conduct Chemical Health Risk Assessment (CHRA) for use, handling, storage and transportation of chemical hazardous to health at the workplace, • To carry out staff briefing to all persons involved in transport, handling and application of chemicals <p>The action plan targeted to be completed on 31st August 2016</p>	<ul style="list-style-type: none"> • The containers used for mixing pesticides in the chemical store have been labelled. • The quotation to iBosh Consultant to conduct CHRA in Bornion Timber • The SOP on Monitoring System at Chemical Store BTSB-SOP-SH-08 was updated on 21.5.2016 to include Chemical Storage Room Checklist. <p>Corrective action had been accepted and the effectiveness of the action taken will be verified during the next audit</p>
<p>Indicator 10.4.2</p> <p>NCR:</p> <p>MRS03/2016</p> <p>Minor</p>	<p>Indicator 10.4.2 - Availability of justification and/or analysis of the comparative advantages/benefits of choosing exotic species over native species in forest plantations establishment and/or restoration.</p> <p>Finding:</p> <p>Results of comparative justification and/or analysis on the advantages /benefits of using exotic species over native species found naturally in the planted areas for forest plantation establishment and/or restoration were not evident.</p> <p>Objective Evidence:</p> <p>Comparative results and justification of using exotic species over native species were not evident.</p>	<p>The risk assessment of the rubber was conducted. However, the comparative result and justification of rubber over indigenous species was missed out during the assessment. The action plan taken as below;</p> <ul style="list-style-type: none"> • To compile list of potential fast growing native plantation species • To compile growth rates of such species (adopt from literature review) • To compare the growth rates and draw conclusions on benefits of exotic/native species. <p>Target of closure date on 30th September 2016</p>	<p>Corrective action had been accepted and the effectiveness of the action taken will be verified during the next audit</p>

Indicator/ Specification NCR/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.2.5 OFI: 1	<p><u>Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials</u></p> <p>Auditor has found that pictorial signage such as 'Danger', 'Explosive', 'No Smoking', 'Flammable' and also signage of PPE equipment required before enter hazardous area such as respirator, safety boot, gloves, etc.at hazardous areas at chemical store, fuel store and diesel tank were not clearly demarcated</p>	Not applicable	To be verified during the next audit
Indicator 6.4.1 OFI: 2	<p><u>Representative areas of existing forest ecosystems, appropriate to the scale and intensity of forest plantation operations, identified and selected under 6.2.2, are demarcated, mapped and protected in their natural state.</u></p> <p>Management has mapped protected riparian river Sg. Labau and Sg. Pingas and made available at the office. However, the map could be improved with additional information on the printed map such as date, title and signature of authority person.</p>	Not applicable	To be verified during the next audit
Indicator 6.7.1 OFI: 3	<p><u>Oil, fuel, containers, liquid and solid non organic wastes shall be disposed of in an environmentally appropriate and legal manner</u></p> <p>During inspection at workshop, it was found that scheduled waste containers have adequately stored and labelled. However, the SW</p>	Not applicable	To be verified during the next audit

Indicator/ Specification NCR/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
	containers were not closed during storage.		
Indicator 6.9.1 OFI: 4	<p><u>Forest plantation managers shall carefully document, control and monitor the use of exotic species to avoid adverse ecological impacts.</u></p> <p>The FPMU had monitored exotic species at the riparian reserved. However, monitoring area could be enhanced especially at the boundary area between ITP and NFM.</p>	Not applicable	To be verified during the next audit
Indicator 8.1.1 OFI: 5	<p><u>Forest plantation managers shall implement a comprehensive network of permanent sample plots, appropriate to the scale and intensity of forest plantation management operations, to assess the health of the planted trees, forest ecosystem and the forest environment, growing stock conditions and increment</u></p> <p>All the parameters measurement was verified to be correct. However, management could improve on:</p> <ol style="list-style-type: none"> 1. Measurement instrument such as diameter tape and distance tape. 2. Unique code for sample plot in the summary data was not clearly differentiate between old and new sample plot such as PSP2-001 	Not applicable	To be verified during the next audit