



**PUBLIC SUMMARY
SURVEILLANCE 2 AUDIT (2ND CYCLE) ON
ZEDTEE SDN BHD – ANAP MUPUT FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC 0006
Date of First Certification: 25 July 2013
Audit Date: 31 July- 3 August 2018
Date of Public Summary: 29 December 2018**

**Certification Body:
SIRIM QAS International Sdn. Bhd.
Block 4, SIRIM Complex
No. 1, Persiaran Dato' Menteri
Section 2, 40700 Shah Alam
Selangor
MALAYSIA
Tel : 60-3-5544 6400/5544 6448
Fax : 60-3 5544 6763
Website: www.sirim-qas.com.my**

TABLE OF CONTENTS

	Page No.
1. EXECUTIVE SUMMARY	3
2. INTRODUCTION	4
2.1 Name of Anap Muput FMU	4
2.2 Contact Person and Address	4
2.3 General Background on the Anap Muput FMU	4
2.4 Date First Certified	5
2.5 Location of the FMU	5
2.6 Forest Management System	5
2.7 Annual Allowable Cut/ Annual Harvest Under the Forest Management Plan	5
2.8 Environmental and Socioeconomic Context	5
3 AUDIT PROCESS	6
3.1 Audit Dates	6
3.2 Audit Team	6
3.3 Standard Used	6
3.4 Stakeholder Consultations	7
3.5 Audit Process	7
4. SUMMARY OF AUDIT FINDINGS	8
Attachments	
1 Map of Anap Muput FMU	20
2 Experiences and Qualifications of Audit Team Members	21
3 Surveillance 2 Audit Plan	23
4 Verification on Previous Surveillance 1 Audit (2017) Findings and Corrective Actions Taken	25
5 Corrective Actions Taken and Status on NCRs and OFIs Raised During Surveillance 2 Audit (2018).	32

EXECUTIVE SUMMARY

This surveillance 2 audit on the Anap Muput Forest Management Unit (hereafter referred as the Anap Muput FMU) was conducted on 31th July -3th August 2018 to assess the continued compliance of the overall forest management system of the Anap Muput FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)* [MC&I(Natural Forest)] using the verifiers stipulated for Sarawak. The scope of this surveillance audit was limited to the forest management system and practices on the Anap Muput FMU unit (83,535 ha).

This surveillance 2 audit was conducted by a 3-member team comprising Mohd Razman Salim (Lead auditor), Ismail Adnan Abdul Malek (Auditor) and Haji Roslee Jamaludin (Auditor).

Based on the findings of this surveillance 2 audit, it was found that Anap Muput FMU had continued to comply with the requirements of the MC&I(Natural Forest). This surveillance audit had resulted in the issuance of one (1) Major NCR, four (4) Minor NCRs and one (1) OFIs respectively.

This public summary contains the general information on the Anap Muput FMU, the findings of the surveillance 2 audit, NCRs raised as well as the decision on the continued certification of the FMU.

2 INTRODUCTION

2.1 Name of FMU

Anap Muput Forest Management Unit

2.2 Contact Person and Address

Mr. Wong Ing Yung
Director
Lot 2367-2371, 2nd Floor,
Boulevard Commercial Centre,
Miri-Pujut Road,
98008 Miri,
Sarawak
Phone #: 6085-416649
Fax #: 6085-416850
E-mail: zedteemiri@gmail.com

2.3 General Background on the Anap Muput FMU

The Anap Muput Forest Management Unit (hereafter referred to as 'the Anap Muput FMU') is being managed by the Zedtee Sdn Bhd. The FMU is under Timber Licence No. T/4317 and will expire on 08 March 2024. The FMU was classified as Permanent Forest Estate (PFE) under the Anap Protected Forests (76,935 hectares) constituted on 1st March 1958 under Notification No. 587 and Mukah Hills Protected Forests (6,600 hectares) gazetted on 1st September 1956 (No. 1102) and 13th June 1958 (No. 790).

The FMU is bounded by Sg. Muput Kiba to the north; Sg. Malat and Sg. Anap to the east; Sg. Belawit to the southeast; Bt. Maleng, Bt. Obar and Bt. Likang mountain ridges on the south and the cut-line common boundary with Licence No. T/3393 to the west. It covers an area of 83,535 hectares located between latitudes 2° 08' N and 2° 32' N, and longitudes 112° 37' E and 113° 0' E in the Tatau District of Bintulu Division. Forest type covered in the FMU area is from lowland dipterocarp forest to hill dipterocarp forest with elevation from less than 100 m to 900 m above sea level.

In 2007, the FMU had identified 22 longhouses located within and surrounding the FMU area (Takan Cluster, Muput Cluster and Ulu Mukah) which may be affected from forest harvesting operation. The FMU has made an engagement with the local communities to encourage development of idle shifting agriculture land and community forest management through the establishment of Anap Sustainable Development Unit Liaison Committee (ASDULC).

A Forest Management Plan (FMP) covering the period from 2011 to 2024 had been written and presented during the audit. The certified area is managed towards Sustainable Forest Management and had adopted the prescriptions of the ITTO study (Tropical Forest Update 2006/1) with 25-year cycle. Cutting limits are restricted to trees of DBH 60 cm and above or Dipterocarps and DBH 45 cm and above for Non-Dipterocarps species. The AAC calculation as shown in the revised FMP (8th August 2017) gave an estimate on yield in logs volume at 75% harvest efficiency is 1.8 m³/ha/year, and estimated yield per annum at 135,326 m³.

The FMU was awarded the *Certificate for Forest Management* against the MC&I (Natural Forest) standard following the Stage 2 Audit that was conducted on 22-25 April 2013. The FMU was first awarded the Certificate for Forest Management for first cycle of certification on 25 July 2013 – 24 July 2016 by SIRIM QAS International Sdn Bhd. Following the certification, the first surveillance audit was conducted on 23-28 June 2014, while the second surveillance audit on 24-28 August 2015.

The recertification audit was conducted on the FMU on 9-13 May 2016, which had resulted in the renewal of a *Certificate for Forest Management* against the MC&I (Natural Forest) standard to the FMU. The certificate has been renewed for this second cycle of certification and is valid from 25 July 2016 - 24 July 2019. The surveillance 1 audit (second cycle) on the FMU was conducted on 3-6 July 2017. The following surveillance 2 audit was conducted on 31 July – 3 August 2018.

The main objective of the Surveillance 2 Audit was to determine the FMU continuous conformance against the *MC&I (Natural Forest)* as well as to verify the actions taken on the 2017 Surveillance 1 Audit findings. The scope of audit was Management of natural forest within the forest reserves located in the Anap Muput Forest Management Unit (FMU) (83,535 hectares)

A total of four (4) Major NCR and six (6) Minor NCRs against *MC&I (Natural Forest)* requirements were raised during the Surveillance 1 Audit in 2017. Inspection of the corrective actions on ground was done during this Surveillance 2 Audit and all the NCRs were closed (**Attachment 5**). During this Surveillance 2 Audit, one (1) Major NCR, four (4) Minor NCRs and 1 OFIs were raised. The FMU had submitted the corrective actions for all non-conformities raised on 29 August 2018. The audit team had reviewed and accepted the corrective actions submitted by the FMU and had found them to be adequate. For Major NCR, this FMU has submitted evidence of implementation on 12 September 2018 (**Attachment 4**).

2.4 Date First Certified

25th July 2013

2.5 Location of the FMU

The FMU is located between latitudes 2° 08' N and 2° 32' N, and longitudes 112° 37' E and 113° 0' E in the Tatau District of Bintulu Division (**Attachment 1**).

2.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement and the 'Forest Management Plan for Anap Muput (2017 - 2024) was presented during this audit.

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

The revised Anap Muput FMP (rev. 8th August 2017) provided the AAC calculation an estimate on yield in logs volume at 75% harvest efficiency i.e. at 1.8 m³/ha/year, and estimated yield per annum was at 135,326 m³. The Harvesting Plan is initially based on areas with different hectares for the period of 2002-2023 for 25 years cycle. For coupe 18/2017 the harvest area was set at 4,002 ha. Coupe 19/2018 (2353 ha) is next area for harvesting entailed by coupe 20/2019 (4,484 ha). As approved by Forestry Department Sarawak on 6th July 2017, the Monthly Production Limit was set at 10,000m³ with 6,000m³ (60%) as Reservation Quota and 4,000m³ (40%) as Export Quota.

2.8 Environmental and Socioeconomic Context

The EIA reports titled "*Re-entry Hill Logging Within the Anap Muput FMU Under Timber Licence No. T/4317 and LPF/0039, Bintulu and Sibul Divisions Sarawak*" and *Environment Management Plan (EMP) for the Re-entry Logging Within Coupe 15 to 19 in the Anap Muput Forest Management Unit Under Forest Timber Licence No. T/4317 Bintulu and Sibul Divisions Sarawak September 2013* were presented during the audit. The reports were a requirement under the Natural Resources and Environment (Prescribed Activities) Order 1994. The potential impacts and strategies to mitigate the impacts of forest operations at Anap Muput FMU were prescribed in the reports.

The EIA had also specified environmental monitoring to be done four times annually at the FMU and reports to be submitted to NREB. The '*Environment Management Report (EMR) for the Re-*

entry Logging Within the Anap Muput FMU Under Timber Licence No. T/4317 & LPF 0039 Bintulu and Sibul Divisions Sarawak': 2nd Quarterly 2018 (April to June 2018) was available and verified by the auditor. Measures to mitigate environmental impacts from forest operations had been incorporated in Section 7.3 of the *The Forest Management Plan for Anap Muput FMU (2017-2024)*(rev. 8th August 2017).

There is no NCR land or civil courts pertaining to legal customary tenure in the FMU at the time of audit. This was confirmed and verified during consultation with Anap Muput Committee (AMC) which are Mr. Jana (Rh. Jana), Mr. Danggal (Rh. Danggal), Mr. Mawang (Rh. Mawang), Mr. Gani (Rh. Gani), Mr. Marayang (Rh. Marayang), Mr. Stanly (Rh. Mawang), and Mr. Bakar (Rh. Bilong). There was no land claim from villagers who lived outside/ bordering with the FMU as verified during interview with AMC as well as forest officer of Sarawak Forest Corporation (SFC) and Forest Department Sarawak (FDS) – Bintulu District Forest Office.

The FMU had acknowledge and identified the Shifting Agriculture (Temuda area), water catchment area, settlements & burial sites within the FMU together with local communities. These areas had been documented in map entitled Forest Zonation and General Harvesting Plan of Anap Muput FMU (T/4317) dated 8 August 2017.

The sites that were utilized by local communities were demarcated within the FMU on the Forest Zonation and General Harvesting Plan of Anap Muput FMU (T/4317) dated 8 August 2017. It showed the locations of longhouses in and around the Anap-Muput Forest Management Unit (FMU) area, burial ground of villagers of (Rumah Philip), water catchment area for (Rumah Mawang) and all Shifting Agriculture (SA) sites. The findings of the report 'Socio-economic profiling and agroforestry options among communities within and surrounding the Anap-Muput Forest Management Unit, Tatau, Bintulu Division, Sarawak (2007)' had been updated in the revised in the same General Harvesting Plan approved by Forest Department on 8 August 2017.

The FMU has distributed vacancy advertisements for 4 vacant positions (forest surveyor, mechanic, lorry driver and bulldozer driver) dated 5 January 2018, 5 March 2018 & 5 May 2018 to the local communities through staff which are also local communities who worked at the FMU. The FMU has employed 4 local communities for these vacant positions from Rh. Mat, Rh. Serai, Rh. Agau, Rh. Micheal Agul. These local communities are located along Sg. Muput. Therefore, previous Minor NCR KN01/2017 for Indicator 4.1.2 was satisfactorily closed.

3. AUDIT PROCESS

3.1 Audit Dates

31 July- 3 August 2018 (12 auditor man-days)

3.2 Audit Team

Mohd Razman Salim	(Lead Auditor)
Ismail Adnan Abdul Malek	(Forester)
Haji Roslee Jamaludin	(Forester)

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 Management Certification (Natural Forest) [MC&I(Natural Forest)] using the verifiers stipulated for Sarawak.

3.4 Stakeholder Consultations

A stakeholder notification was issued in July 2018 for a period of one month inviting relevant stakeholders to give comments on the FMU. However, there was no comment received from the stakeholders on Anap Muput FMU during the period.

The audit team had conducted an on-site consultation with the relevant stakeholders during this audit. Details of the consultation with the stakeholders are depicted in the audit plan as well as in the audit report under Principles 2 and 3.

3.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Anap Muput FMU current documentation and field practices in forest management with the detailed of the standard of performances (SOPs) listed in the MC&I(Natural Forest), using the verifiers stipulated for Sarawak.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FMU, 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 FMU'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 (Natural Forest);
- (ii) a minor NCR is a deviation or a lapse in complying with the requirements of the MC&I (Natural Forest); 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 (Natural Forest) but without sufficient objective evidence to support a non-conformance.

The coverage of this surveillance audit is as shown in the Surveillance 2 Audit Plan in **Attachment 3**.

The Anap Muput FMU 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 surveillance 2 audit report and sent it to the Anap Muput for comment.

4. SUMMARY OF AUDIT FINDINGS

The summary on the findings of the surveillance 2 audit on the Anap Muput FMU against the requirements of the MC&I(Natural Forest) are as follows:

Principle	Strengths	Weaknesses
<p>Principle 1 Compliance with Laws and Principles</p>	<p>The forest management had maintained records of all relevant national and local laws and regulations and policies related to forest management. Copies of all relevant laws, policies and regulations stipulated in the MC&I (Natural Forest) fundamental for the FMU management was up to date. These documents were also available in the Muput Camp.</p> <p>The current list of all prescribed fees, royalties, taxes and other charges as shown in the Forest Ordinance 2015 (Chapter 71), under First Schedule, Second Schedule and Third Schedule. The list as in the schedule was made available during the audit. There is a new DF Circular No.2/2017 on 'New Rate of Hill Timber Premium (Sarawak Foundation Fund)' in accordance with Section 46(1) of the Forest Ordinance, 2015 for the increase in rate of Hill Timber Premium: RM50.00 per cubic meter. The new rate come into force started on 1st July 2017.</p> <p>Forest Manager and Senior Officer of the FMU are aware and understand the relevant national and local laws and regulatory framework.</p> <p>The forest managers were found to be aware of all the binding international agreements.</p> <p>The "Conflict Resolution Guidelines for Sustainable Forests Management" was made available at the Muput Base Camp.</p> <p>The forest managers had expressed their willingness to participate in resolution of such conflicts if they arise.</p> <p>The FMU management had continued to maintain its commitment to forest certification with a policy entitled <i>Policy Statement of Sustainable Forest Management of Anap Muput FMU</i> signed by the managing director dated 3 January 2013. The policy statement was also displayed in the website of the FMU - www.anapmuputfmu.com</p>	<p>There were no negative findings.</p>
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>The documentation of legal status and established forest use rights of the land or forest resources within the relevant federal, state and local laws was made available during the audit. Documents related to forest reserve</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>gazettement</p> <p>There is no NCR land or civil courts pertaining to legal customary tenure in the FMU at the time of audit. There was no land claim from villagers who lived outside/ bordering with the FMU as verified during interview with AMC as well as forest officer of Sarawak Forest Corporation (SFC) and Forest Department Sarawak (FDS) – Bintulu District Forest Office.</p> <p>The FMU had acknowledge and identified the Shifting Agriculture (Temuda area), water catchment area, settlements & burial sites within the FMU together with local communities. These areas had been documented in map entitled Forest Zonation and General Harvesting Plan of Anap Muput FMU.</p> <p>There was no documented new land claims by villagers within the FMU. This was confirmed and verified during consultation with Anap Muput Committee (AMC) which are Mr. Jana (Rh. Jana), Mr. Daggat (Rh. Daggat), Mr. Mawang (Rh. Mawang), Mr. Gani (Rh. Gani), Mr. Marayang (Rh. Marayang), Mr. Stanly (Rh. Mawang), and Mr. Bakar (Rh. Bilong). There was no land claim from villagers who lived outside/ bordering with the FMU as verified during interview with these local communities as well as forest officer of SFC and FDS.</p> <p>Appropriate mechanisms had been employed to resolve disputes over tenure claims and use rights of the local communities through the operation of Anap Sustainable Development Unit Liaison Committee (ASDULC) framework. There was no issue on disputes that required resolution by the Native Courts or Civil Courts. This was confirmed and verified during consultation with Anap Muput Committee (AMC) which are Mr. Jana (Rh. Jana), Mr. Daggat (Rh. Daggat), Mr. Mawang (Rh. Mawang), Mr. Gani (Rh. Gani), Mr. Marayang (Rh. Marayang), Mr. Stanly (Rh. Mawang), and Mr. Bakar (Rh. Bilong). And as verified through the latest ASDULC minutes of meeting of 02/2018 (17 May 2018), and 01/2018 (27 March 2018), and also AMC minutes of meeting dated 7 April 2018, respectively.</p>	
<p>Principle 3 Indigenous People's Rights</p>	<p>The relevant documentation on the customary rights of indigenous peoples' lands was kept at Muput Base Camp.</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>Mechanism to resolve any conflicts and grievances was established through the ASDULC mentioned earlier.</p> <p>SOP on conflict resolution CR/13 Conflict Resolution/Management and SOP on processes flow to address grievances/conflicts were also written. These documents were examined and found to be adequate during the audit. Mechanisms for conflict resolution (Mechanisms for Resolving Conflicts with Local Communities) was inspected during the audit.</p> <p>Actions taken by FMU to prevent or mitigate adverse impacts included marking of sites for shifting agriculture, burial ground, settlements and water catchment in the Forest Zonation and General Harvesting Plan of Anap Muput FMU.</p> <p>The FMU also has conducted a community dialogue to discuss on protection of community burial ground or other important cultural.</p> <p>The FMU also has conducted a community dialogue to discuss on protection of community burial ground or other important cultural sites through AMC Meeting at Kuching on 17 April 2018 and ASDU Liaison Committee 02/2018 on 17 May 2018. The locations of these important cultural, ecological, economic or religious sites in the area were demarcated on Forest Zonation and General Harvesting Plan of Anap Muput FMU (T/4317) of 8 August 2018.</p> <p>There was no commercial utilization of traditional forest-related knowledge and practices within the FMU, there had not been any legislation ensuring compensation for their commercial utilization</p>	
<p>Principle 4 Community Relations and Workers' Rights</p>	<p>The Anap Muput FMU had provided sufficient support for training and training programme.</p> <p>The FMU has employed 59 local communities from longhouse within the FMU as verified through 'Employees Summary by Longhouse within FMU' for June 2018. These local communities were engaged in camp administration, workshop, store, survey, log pond & transit, road repair, road construction, trucking, hauling and felling.</p> <p>The following relevant ILO conventions were available in Muput Camp. Anap Muput FMU has allowed their workers to join any legal union as verified through an official memo titled 'Penyertaan dan Penubuhan Persatuan' dated</p>	<p>However during this audit, audit team has found that maintenance records for vehicle, tractor, bulldozer and san tai wong were not available. Thus, a Minor NCR MRS 01/2018 was raised for Indicator 4.2.3.</p> <p>Auditor has found that wage deduction for 3 workers i.e. for (i) cash advance, (ii) Muput canteen and (iii) Maleng canteen purchases verified through pay slip (Monthly/Daily/Hourly</p>

Principle	Strengths	Weaknesses
	<p>1 May 2016 as displayed at the Muput Camp office.</p> <p>Grievance raised by workers were also channeled to the Management Workers Committee for resolution. The process for resolution of grievances was presented in <i>Grievance Procedure Flow Chart</i> and also in the <i>Management Worker Committee Grievance Form</i>. SOPs for <i>LR/02 Grievance Procedure dated June 17</i> was presented during this audit.</p> <p>The FMU has revised the social impact assessment titled 'Socio-economic and environmental impact assessment of Ulu Anap communities affected by harvest operations 2014-2024 in Anap Muput Forest Management Unit'. The social impact assessment had been completed with the local communities (Rh. Bilong, Rh. Enteri, Rh. Gasah, Rh. Mawang and Rh. Philip) which were directly affected by the forest operations.</p> <p>The provisions and measures within relevant federal, state and local laws to prevent loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods were available. Documents on these relevant laws were maintained at the Muput Base Camp. The FMU has done fifth revision to the FMP titled 'Forest Management Plan for Anap Muput (2017 - 2024)' on 1st December 2016 had also included the different procedures for resolving any of the local community grievances.</p> <p>The main mechanism employed to expeditiously resolve grievances, and provide fair and equitable compensation for any loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods, caused by forest operations was through the ASDU Liaison Committee (ASDULC).</p> <p>The FMU has made an engagement with the local communities to encourage development of idle shifting agriculture land and community forest management through the establishment of Anap Sustainable Development Unit Liaison Committee (ASDULC) comprising (1) Sarawak Forestry Corporation & government agencies, (2) Anap Muput Community (AMC) as community representatives, and (3) Zedtee Sdn. Bhd. The AMC ExCo are elected among 27 headman of longhouses for a 3 year term during ASDULC meeting. The latest 5th AMC ExCo elected on 15 March 2017. The AMC</p>	<p>Paid)) were without official approval from Labour Department of Sarawak. Thus, a Major NCR MRS 02/2018 was raised for Indicator 4.3.3 by auditor.</p>

Principle	Strengths	Weaknesses
	<p>ExCo consists of 7 members with 3 each representing the ASDU Members from the 'Muput Cluster' and 'Takan Cluster', and 1 from the surrounding settlements who do not have any interest on land within ASDU (non-ASDU member).</p> <p>The ASDU will be consider any request for membership from any longhouses. However, the longhouse shall meet the ASDU membership criteria which are (i) settlements located inside ASDU and (ii) outside settlements with interest on land inside ASDU. By March 2018, ASDU has 27 members from 27 longhouses.</p> <p>On 24 July 2018, SIRIM QAS International Sdn Bhd had been informed through an email from Malaysian Timber Certification Council (MTCC) that The Tokyo Organising Committee of the Olympic and Paralympic Games (TOCOPG) had received an allegation from NGO. The issue highlighted that there are 5 indigenous communities within the concession and 16 in its vicinity, and several communities located in the vicinity area complaining that they are not involved in Anap Sustainable Development Unit (ASDU) and are excluded from participation to the management of Anap Muput FMU.</p> <p>Audit team has verified that the longhouse is located along Sg. Anap and the water flows from the nearest inactive harvesting area in Coupe 05 (last operation in 2004) in Anap Muput FMU to Rh. Japing was located more 30 kilometers as verified through interview with the headman and map of Anap Sustainable Development Unit (ASDU) (T/4317 & LPF/0039). As refer to Anap Sustainable Development Unit (ASDU) (T/4317 & LPF/0039) revised Map F dated 8 April 2018, Rh. Japing is located outside of the certified area of Anap Muput FMU with more than 14 kilometers (straight line) from the nearest boundary from Coupe 05. Due to its location far from the certified FMU area, this village was not assessed and reported in the Social Impact Assessment report, 2007 and Forest Management Plan (2017 – 2024).</p> <p>However, the LPF/0039 under management of Zedtee Sdn. Bhd. may affected this community since they have <i>temuda</i> inside the LPF/0039 between Sungai Lemai and Sungai Muput Kiba. And Rh. Japing also is located 5 kilometers (straight line) from LPF/0039. In other words, this conflict and other associated problems i.e water pollution, lost of forest income (non-timber forest products) are not related to Anap Muput FMU except for LPF/0039 which is still under</p>	

Principle	Strengths	Weaknesses
	<p>management of Zedtee Sdn. Bhd. Based on the investigation and verification of documents and evidences sighted; the issue highlighted was deemed to be not valid.</p>	
<p>Principle 5 Benefits from the Forest</p>	<p>Investments and reinvestments were made in forest management by Anap Muput FMU. Budgeted expenditures from 1st May 2018 to 30th April 2019 were sighted.</p> <p>Provisions and management prescriptions were implemented according to the <i>“Anap Muput Forest Management Plan (2017 – 2024) revised on 8th August 2017”</i>. The aim of the prescriptions was to maintain, restore or enhance the productive capacity and ecological integrity of the FMU to ensure its economic viability. As guide to royalty/fees payments, documents (DF Circular No. 3/2018, Royalty Assessment Under Sarawak Log Tracking and Forest Revenue System (REYLOG), DF Circular No. 2/2017, ‘New Rate for Hill Timber Premium (Sarawak Foundation Fund)’, and DF Circular No. 1/2018, ‘Payment of Fees for Renewal and Processing of Forest Timber License’) were used.</p> <p>Documents on gazetted royalty structures and rates from the Sarawak FD were available and sighted at the Anap Muput FMU Muput Base Camp office. The DF Circular 4/2015 on the ‘Royalty Rates for Poles’ was also sighted during the audit.</p> <p>Timber harvesting observed in Coupe 18A, Block 21 followed guidelines for Reduced/Low Impact Logging(RIL). Directional tree felling was implemented to reduce felling impact on residual trees. Interview with tree fellers, crawler tractor operators and laborers indicated that they were aware of the importance of directional felling.</p> <p>Guidelines to identify and demarcate sensitive areas for the protection of soil and watercourses were available at Anap Muput FMU. Terrain IV areas had been identified and mapped in the ‘Anap Sustainable Development Unit (ASDU)’ map dated 8th April 2018. In protection of water courses, Stream Bank Reserve (SBR) Buffer zone shall be clearly demarcated with blue paint on tree trunks, on both sides of the river and sign board erected.</p> <p>Guides for harvesting operations, include documents; ‘Guidelines for Reduced and Low Impact Logging Systems in Forest Management Certification (Natural Forest) Area – 2nd Edition</p>	<p>However during site visits to Sg Belawit in Coupe 21, Sg Ayam in Coupe 7 and Sg Miaw in Coupe 18A and 17A, it was noticed that SBR markings and signage were not present, hence, not complying to the provision under “SOP FP/05 Boundary Demarcation” and “Guidelines for Forest Road layout and Construction, 1999. Hence, a Minor NCR RJ 01/2018 was raised by the auditor under indicator 5.5.1</p>

Principle	Strengths	Weaknesses
	<p>and 'Guideline for Forest Road Layout and Construction' developed by the Sarawak FD; RIL Guidelines for Ground Based Harvesting System (Vol I & II) developed by SFC, and SOPs developed by Zedtee Sdn. Bhd. which include FE/01: RILP for Logging Road, FE/03: Tree Felling, FE/04: Log Yarding and Skidding, FH/06: RILP Compliance Assessment, FP11: Log Landing , FP09: Forest Road, Bridges and Culverts, FP10: Skid Trail Alignment, Construction and Decommission, FH 03: Tree Felling.</p>	
<p>Principle 6 Environmental Impact</p>	<p>The EIA reports titled "<i>Re-entry Hill Logging Within the Anap Muput FMU Under Timber Licence No. T/4317 and LPF/0039, Bintulu and Sibul Divisions Sarawak</i>" and <i>Environment Management Plan (EMP) for the Re-entry Logging Within Coupe 15 to 19 in the Anap Muput Forest Management Unit Under Forest Timber Licence No. T/4317 Bintulu and Sibul Divisions Sarawak September 2013</i> were presented during the audit.</p> <p>The EIA had also specified environmental monitoring to be done four times annually at the FMU and reports to be submitted to NREB. The '<i>Environment Management Report (EMR) for the Re-entry Logging Within the Anap Muput FMU Under Timber Licence No. T/4317 & LPF 0039 Bintulu and Sibul Divisions Sarawak</i>': 2nd Quarterly 2018 (April to June 2018) was available and verified by the auditor.</p> <p>During site visits to harvesting area in Coupe 18A, Block 21 and Closed areas in Coupe 18A, Block 19, protected trees (endangered, rare and threatened species) were found tagged. Blue tag were for mother trees and protected trees.</p> <p>Guidelines for identification and protection of endangered, rare and threatened species provided in the <i>Wildlife Protection Ordinance 1998</i> and <i>A Master Plan for Wildlife in Sarawak 1996</i> were adhered to by the FMU. As specified in the regulations, fruit tree species especially those of <i>Ficus spp.</i> were identified and marked for protection during the pre-felling inventory as they were food source for animals. The Sarawak Plant Red List Dipterocarpaceae on protected tree was referred to by the FMU.</p> <p>Documents on appointment of 3 FMU staff and 10 members of the Anap Muput Community (AMC) as Honorary Wildlife Rangers by the Controller of Wildlife of Sarawak were sighted</p>	<p>The installation of signboard/signage is a means for controlling prohibited activities in the FMU. The auditor found a signboard 'Prohibiting Hunting/Fishing in the FMU' installed at the main entrance of Muput Camp, however, such signboard/signage was not found at strategic locations along the main road, protected and conservation areas in the FMU, hence, an OFI against Indicator 6.2.4 was raised.</p> <p>Scheduled waste management procedure titled 'EM/06 Scheduled Waste (SW) Oil' was available. During site visit to Coupe 18A, Block 21, it was found that all the mobile living quarters in the forest had been issued with steel pans to be placed under fuel drums to contain any spillage of fuel into the ground. However, during site visit to the workshop at Maleng Camp and the Generator set shed at Sekawie camp, it was found at both premises, there were temporary storage containers for engine oil (SW30) which were not labelled and did not have date of generation. This was non-compliance to Regulation 10 – Labelling of</p>

Principle	Strengths	Weaknesses
	<p>by the auditor. The appointment is valid from June 2017 until June 2020.</p> <p>Site inspection also found constructed main skid trail (MT1) in Block 19 & 21, Coupe 18A was < 5 m in width in compliance with allowed specifications. Only tagged trees were felled and directional felling was implemented. Residual trees beside of feeder trail were maintained. Potential crop trees (PCT) were identified, tagged and protected for next cutting cycle.</p> <p>The 'Forest Zonation & General Harvesting Plan of Anap Muput Forest Management Unit (T/4317)' dated 8th April 2018 showed representative areas of existing forest ecosystem which had been demarcated and mapped for protection as stated in the Anap Muput FMP. The plan also demarcated permanent sample plot (PSPs) in Anap Muput FMU, shifting agriculture (SA), HCVF, catchment, terrain Class IV and others. An area about 83,701 ha was set aside for conservation. Conservation areas such as riparian buffer zone, terrain Class IV, and PSPs (cluster and strip plot) in Coupe 18A in the FMU had been demarcated on the ground for protection. Similarly, for future Coupes 19A and 20A, riparian buffer zone and terrain Class IV had already been identified, mapped and marked on the ground.</p> <p>Policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides was available at Anap Muput FMU and presented to the auditor. The FMU did not use any chemical pesticides in its operation. However, a procedure for 'Chemical Usage' (EM/05) was made available at the FMU base camp.</p> <p>There was no plan for converting the forest area to plantations. Conversion of natural forest into non forest land use had not occurred within the FMU.</p>	<p>Scheduled waste, Environmental Quality (Scheduled wastes) Regulations 2005. Hence, a Minor NCR IA/01/2018 against Indicator 6.7.1 was raised.</p>
<p>Principle 7 Management Plan</p>	<p>The revised <i>Forest Management Plan 2011-2024</i> dated 8 August 2017 for Anap Muput FMU had incorporated all the items listed from a) to i) in Criterion 7.1. The FMP titled 'Forest Management Plan for Anap Muput (2017 - 2024)' was approved by Sarawak Forest Department on 19 December 2016.</p>	<p>The FMU did not update silvicultural evaluation method in the forest management plan. The method using 'Impact Index' for silvicultural evaluation method was not describe in the Forest Management Plan 2011 –</p>

Principle	Strengths	Weaknesses
	<p>The revised <i>Forest Management Plan 2011-2024</i> for Anap Muput FMU had incorporated data obtained from monitoring and research activities within the FMU. The FMPs for Anap Muput FMU also was revised every five years or earlier to respond to significant changes to environmental, social and economic circumstances as verified in the Section 3.7 Amendment/Revision of Management Plan in the FMP 2017-2024. The next revision will be conducted in 2021.</p> <p>The summary of the <i>Forest Management Plan for Anap Muput (2011-2024)</i> was made publicly available in the web page http://www.anapmuputfmu.com/fmp.php of the Anap Muput FMU.</p>	<p>2024. Hence, a Minor NCR IA/02/2018 against Indicator 7.2.1 was raised.</p>
<p>Principle 8 Monitoring and Assessment</p>	<p>Forest Department of Sarawak had established monitoring procedures in accordance to "Procedures for the Inspection of Harvesting Areas 1999". The procedure was available during the audit. The procedures outlined the objectives of the inspection of the harvesting area. The inspection is done while the timber harvesting is in progress and reported in the format "<i>Laporan Pemeriksaan RIL</i>". Monitoring procedures in line with guidelines of the Sarawak Forestry Department were also included in the Forest Management Plan Anap-Muput (2017-2024) in Chapter 5- Pre-harvesting and Chapter 6 - Harvesting.</p> <p>A report on "Socio-Economic and Environmental Impact Assessment of Ulu Anap Communities affected by Harvest Operation 2014-2024 in Anap-Muput Forest Management Unit" dated 5th May 2016 was presented during the audit. The directly affected communities were Rh Mawang, Rh Enteri, Rh. Gasah, Rh. Sayong and Rh Philip located downstream from the ulu Anap catchment scheduled to be harvest within 2014-2024. The assessment includes analysis of the distributed questionnaires, personal communication, consultation with Tatau District Office and officially sanctioned community meeting. The report contends that the harvests in ulu Anap within Anap-Muput FMU had not significantly and negatively impacted directly the affected settlement.</p> <p>Appropriate monitoring procedures for ecological and environmental impacts in accordance with various guidelines of the SFC and Forest Department appropriate to the intensity of forest operations were developed. Environment Monitoring Report (EMR) was submitted to NREB once every 3 months as</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>specified in the contract with the department. The “<i>Environmental Monitoring Report (EMR) for the Re-Entry Hill Logging Within the Anap-Muput FMU Under Timber Licence No. T/4317 & LPF/0039, Bintulu & Sibul Division, Sarawak</i>” for 2nd Quarter 2018 (April-June) has been prepared by the FMU management and it was sent to NREB on 13th June 2018. The copy of the report was available during the audit. Water quality sampling was conducted on 30th May 2018, the water sampling were collected at two monitoring point, AM1 at the bridge crossing Sungai Kamayau in Coupe 15 and AM 2 at the bridge crossing Sungai Anap in Coupe 16. The result of the water quality showed that the quality of the waterways around the harvesting area was found to be within Classes I and IIB of the NWQSM for all of the parameters monitored. The pH and DO levels were within the normal range of river water in Sarawak. Water quality in term of BOD, COD, TSS, Ammoniacal nitrogen, TCC and TFC remained low within Class IIB limit. No traces of oil and grease were detected. The result concluded that, the water had not shown any major pollution effect.</p> <p>At Anap Muput FMU all CoC procedures were implemented according to specifications. All trees to be harvested with DBH 60 cm and above for Dipterocarp spp. and DBH 45cm and above for non-dipterocarp spp. from the forest were tagged with white tags as to initiate the chain of custody.</p> <p>Standard Operating Procedures i.e. MA/01 “<i>Chain Of Custody</i>” and MA/02 “<i>Log Tracking</i>” were presented during the audit. A flow Chart of Chain Of Custody titled “<i>LVLS/STLVS Processes (Harvesting Coupe to PoRM)</i>” and was available at the PoRM at Sekawie Camp. The flowchart describes the processes and documents involved to enable traceability of log leaving the FMU to their origin (stumps) in the forest. Consultation with the clerks involved during the site visit to the Place of Royalty Marking (PoRM) at Sekawie Camp in the CoC process showed that they were able to demonstrate the whole process of documentation. In-house training on CoC and Sarawak Timber Legality Verification (STLVS) was conducted on 13th June 2017, which was attended by Scalers, and CoC Clerks. Work methods at the PoRM were also verified by the auditor i.e log grading, species specification, log measurement and, log trimming and found to be acceptable. Signage indicating logs from T4317 licence and royalty paid/ unpaid logs were</p>	

Principle	Strengths	Weaknesses
	<p>erected to distinguish the status of logs at the log pond.</p> <p>A Standard Operating Procedure FR/02 Permanent Sampling Plots was available during the audit. During Surveillance 1 audit, the FMU has established 80 PSPs Plots, 43 plots – strip plots and 37 plots- cluster plots. The location of PSPs was marked in the Forest Zoning Map. As mentioned in the SOP, SFC is developing PSP guidelines on “<i>The Manual for PSP establishment and Assessment</i>”. Based on the recommendation of FDS, the regime for PSPs establishment and assessment shall be 3 PSP per coupe and logged over forest of Y+0, Y+5, Y+10, Y+15 and Y+20.</p> <p>During this surveillance 2 audit, 5 new plot has been established by SFC based on the “Field Manual For The Establishment and Enumeration Of Permanent Sample Plots Network In Sarawak” developed by SFC. The objectives of the PSP establishment were to monitor long-term impact of logging on forest dynamic, growth and yields. The data will provide estimates of changes in forest stocking and volume. The plot is 100m x 100m with square quadrats each measuring 10mx10m, only trees with 10cm DBH were measured.</p> <p>It was noted that there was an updated public summary presented in the web page of the Anap-Muput FMU – www.anapmuputfmu.com.</p>	
<p>Principle 9 Maintenance of High Conservation Values</p>	<p>A description of HCVF sites and potential HCVF sites in accordance to the Malaysian Toolkit had been included in Chapter 11 of the revised FMP of Anap-Muput FMU. A Standard Operating Procedure FR/03 “<i>HCVA and Biodiversity</i>” had been issued by the FMU management and been used as the guide for the HCVF management.</p> <p>The FMU had demarcated 2 HCVF sites on maps and on ground. HCVF 1 in Coupe 22A (58ha.) with a good stand of Kapur (<i>Dryobalanops aromatic</i>) at an elevation of 270m-420m a.s.l and HCVF 2 in Coupe 23A (220 ha) consist of residual of Kerangas forest with dominant of Bindang trees(<i>Agathis endertii</i>) and Casuarina species,and located at an elevation of 240m-270mm a.s.l.</p> <p>A HCVF Monitoring Report for aerial Surveillance of HCVF site I (Kapur) dated 27th February 2018 & site II (Bindang) dated 9th July 2018 were presented during the audit. The aerial surveillance for both sites was conducted</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>using a drone (DJI Phantom 4). Based on the processed image of the aerial surveillance, both sites do not show any sign of encroachment or disturbances within and surrounding the HCVFs area. The FMU has erected new signboards and repainting the boundaries for Bindang and Kapur area on 9th July 2018.</p> <p>The locations of the HCVFs were marked on the Forest Zonation Map of Anap-Muput FMU. During this surveillance 2 audit, there is no new HCV area been identified and established.</p> <p>The specific HCVF sites identified and the associated measures for their protection have been included in the Public Summary and can be accessed. http://www.anapmuputfmu.com/other-links-high-conservation-value-forests.php.</p>	

Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Mohd Razman Salim	Audit Team Leader / Forester	<p>Academic Qualification: B. Sc. of Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experience: Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area 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 a 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. 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. Involved in conducting assessments on forest management certification [MC&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p>Training / Research Areas:</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. • 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</p>

		<p>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).</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 • ISO 14001:2004 Lead Assessor Training, 23rd-27th Nov 2015, SIRIM Training Services Sdn. Bhd • Training on Auditing Techniques, 26th January 2016, SIRIM QAS International Sdn Bhd
Tn. Hj. Roslee Jamaludin	Auditor / Forester	<p>Academic Qualification: B. Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p>Work Experience: A retiree of Forest Conservator from Forestry Department of Peninsular Malaysia, with 36 years of experience in forest management, operation and administration. Has been working in various position since appointment in 1977, which includes Assistant Forest Management officer in Kuantan, Forestry Department of Pahang, Assistant District Forest Officer in Kuala Lipis Pahang and Segamat, Johor. Forest Plantation Officer in Johor and Terengganu, Forestry Officer for the State of Malacca. Assistant Director for Forest Harvesting and Industries in Selangor, District Forest Officer in Dungun Terengganu, Assistant Director for Forest Management in Negeri Sembilan and the State Director of Forestry Penang before retirement in April 2015. Has involved in several Working Committee form by the Forestry Department of Peninsular to further improve the existing procedures, such as, Forestry Manual, Forest Road Guidelines, Forestry Rules, other guidelines regarding the MC&I for forest certification. A member of MAJURUS, was appointed as an Internal Auditor for the MC&I. Has attended several forestry Conference overseas and local. A member of IRIM (Institut Rimbawan Malaysia). Appointed as a facilitator and trainer for Forest Road Guidelines by Forestry Department Peninsular Malaysia.</p> <p>Training / Research Areas:</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)] organised by MTCC, 9 – 10 July 2015 • EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 – 27 Nov. 2015. • Briefing on RSPO Principle & Criteria (HCV) organised by SIRIM QAS (Food, Agri & Forestry Section), 21 August 2015. • Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agr & Forestry Section), 26 Jan 2016.

Surveillance 2 Audit Plan

DAY	TIME	PROGRAM		
		Auditor 1 (Razman)	Auditor 2 (Hj. Roslee)	Auditor 3 (Ismail Adnan)
Day 0 30 July 2018 (Mon)	8.25 – 10.45 am	<ul style="list-style-type: none"> Travel from Kuala Lumpur to Bintulu KUL – BTU = 0825 – 1045 (MH2742) Stakeholders consultation with Sarawak Forest Corporation officer at Bintulu 		
	11.30 – 12.30 pm	<ul style="list-style-type: none"> Travel from Bintulu to Base Camp Briefing by Audit Team Leader on the surveillance audit plan Opening Meeting with representatives of FMU at Muput Base Camp Briefing session by Forest Manager of the FMU Q&A Session Evaluation of changes to the management of the FMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance 		
Day 1 31 July 2018 (Tue)	2.00 – 4.00 pm	<ul style="list-style-type: none"> Travel from Bintulu to Base Camp Briefing by Audit Team Leader on the surveillance audit plan Opening Meeting with representatives of FMU at Muput Base Camp Briefing session by Forest Manager of the FMU Q&A Session Evaluation of changes to the management of the FMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance 		
	4.00 – 5.00 pm	<ul style="list-style-type: none"> Travel from Bintulu to Base Camp Briefing by Audit Team Leader on the surveillance audit plan Opening Meeting with representatives of FMU at Muput Base Camp Briefing session by Forest Manager of the FMU Q&A Session Evaluation of changes to the management of the FMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance 		
	8.30 am – 10.00 pm	<ul style="list-style-type: none"> Check on complaints and follow-up actions Evaluate on procedures for internal audit and management review Verification of NCRs raised during the previous audit. 		
	10.00 am – 12.30 pm	<ul style="list-style-type: none"> Documentation review <ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 – Community Relations and Workers' Right Principle 7 – Management Plan Consultation with Anap Muput Committee (AMC) 	<ul style="list-style-type: none"> Documentation review <ul style="list-style-type: none"> Principle 1 – Compliance with Laws and Principles Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation on Value Forests 	<ul style="list-style-type: none"> Documentation review <ul style="list-style-type: none"> Principle 5 – Benefits from the forest Principle 6 – Environmental Impact
	12.30 – 2.00 pm	Lunch break		
2.00 – 5.00 pm	<ul style="list-style-type: none"> Continue documentation and records review 			
5.00 – 5.30 pm	<ul style="list-style-type: none"> Review of Day 1 Findings by Audit Team Leader 			
Day 2 1 Aug 2018 (Wed)	8.00 am – 5.00 pm	Site visits:	Site visits:	Site visits:
		<ul style="list-style-type: none"> Site visit and consultation with local communities <ul style="list-style-type: none"> i. Rh. Japing (Sg. Anap) ii. Rh. Jana (Sg. Muput) 	<ul style="list-style-type: none"> a) HCVA I – Kapur tree b) HCVA II – Bindang tree Boundary and control of encroachment – external between LPF0039 and T/4317 	<ul style="list-style-type: none"> External boundary between Block 20, Coupe 18A and Rimbunan Hijau T/3393 Active harvesting areas – Block 21, Coupe 18A

		<ul style="list-style-type: none"> iii. Penghulu Micheal Agul (Rh. Jana) • Consultation with Sarawak Forestry Corporation • Consultation with Forestry Department Sarawak – Bintulu Forest District Office 	<ul style="list-style-type: none"> • Buffer zone <ul style="list-style-type: none"> i. Sg. Belawit – Coupe 21 ii. Sg. Anap – Coupe 15 iii. Sg. Ayam – Coupe 7 • Water catchment – coupe 27 & 4 • Shifting Agriculture – Sg. Kemayau, Coupe 12 & 15 	<ul style="list-style-type: none"> • Inspection of post harvesting area – Block 19, Coupe 18A • Road construction and stream buffer belts • Interview with field workers • Solid waste disposal – Maleng Camp & Sekawie Camp • Workshop - Maleng Camp & Sekawie Camp
	5.00 – 5.30 pm	<ul style="list-style-type: none"> • Review of Day 2 Findings by Audit Team Leader 		
Day 3 2 Aug 2018 (Thu)	8.00 am – 5.00 pm	<ul style="list-style-type: none"> • Consultation with staff members • Documentation and records review 	<ul style="list-style-type: none"> • PSP no. 16 	<ul style="list-style-type: none"> • Chain of custody inspection at Sekawie log pond • Generator shed
	5.00 – 5.30 pm	<ul style="list-style-type: none"> • Review of Day 3 Findings by Audit Team Leader 		
Day 4 3 Aug 2018 (Fri)	8.00 am – 12.00 pm	<ul style="list-style-type: none"> • Documentation and records review 		
	2.00 – 5.00 pm	<ul style="list-style-type: none"> • Audit team discussion • Issuance of NCRs (if any). • Closing meeting • Overnight at Greens Hotel, Bintulu. 		
*4 Aug 2018 (Fri) - Travel from Bintulu to Kuala Lumpur (MH2743; 1120 – 1325)				

Verification on Previous Surveillance 1 Audit (2017) Findings and Corrective Actions Taken

Indicator	Specification Major/Minor/OFI	Detail Non-conformances	Corrective Action Plans Taken	Comments by Audit team
4.1.2	KN 01/2017 Minor	<p>Requirement: Indicator 4.1.2 – Qualified people in communities living within, or adjacent to, the FMU are given preference or employment and contract works</p> <p>Finding: Qualified people in communities living within, or adjacent to, the FMU did not distribute the vacancy advertisements to the local communities.</p> <p>Objective evidence : During consultation with Tuai Rumah (headman) and vilagers in Rh. Sayong, Rh. Gasah, Rh. Enteri and Rh. Bilong it was found that the FMU did not distribute the vacancy advertisements to the local communities.</p>	<p><i>Zedtee Sdn. Bhd. shall give notice to the local communities should employment/contract opportunities become available.</i></p> <p><i>AMC and its office will facilitate the pertinent communication with the local communities.</i></p>	<p>The FMU has distributed vacancy advertisements for 4 vacant positions (forest surveyor, mechanic, lorry driver and bulldozer driver) dated 5 January 2018, 5 March 2018 & 5 May 2018 to the local communities through staff which are also local communities who worked at the FMU. The FMU has employed 4 local communities for these vacant positions from Rh. Mat, Rh. Serai, Rh. Agau, Rh. Micheal Agul. These local communities are located along Sg. Muput.</p> <p>Status: Closed</p>
4.3.4	KN 03/2017 Minor	<p>Requirement: Indicator 4.3.4 – Availability of appropriate procedures to address grievances raised by workers and/or their organisations and for conflict resolution.</p> <p>Finding : The workers did not aware of appropriate procedures to address grievances raised to their organisations and for conflict resolution.</p>	<p><i>All supervisors had been tasked to explain the content of the HRD Guide to staff and workmen under their charge.</i></p> <p><i>All local communities are also given the HRD Guide through the headmen and representatives as stakeholder and potential workmen.</i></p>	<p>Based on consultation with workers (forest survey, FMU logging and workshop) was found that they are aware and understand grievance procedure. The FMU also has briefed on SOP Grievance procedure and process flow for grievance and conflict management to all staff and workers on 12 August 2017 as verified through training record.</p>

		<p>Objective evidence : During consultation with workers (forest survey and FMU logging) and committee member of “<i>Jawatankuasa Pengurusan Pekerja</i>” (workshop/store and forest survey section) showed that they were not aware of appropriate procedures to address grievances raised to their organisations - LR/02 Grievance Procedure.</p>	<p><i>The HRD Guide shall be incorporated as a compendium in the employment contract of new workmen.</i></p>	<p>Status: Closed</p>
4.5.2	KN 02/2017 Major	<p>Requirement: Indicator 4.5.2 – Appropriate mechanisms are employed to expeditiously resolve grievances, and provide fair and equitable compensation for any loss or damage affecting the local communities’ legal or customary rights, property, resources, or their livelihoods, caused by forest operations</p> <p>Finding : Appropriate mechanisms were not employed to expeditiously resolve grievances, and provide fair and equitable compensation for any loss or damage affecting the livelihoods of the local communities.</p> <p>Objective evidence : During consultation with Anap Muput Committee (AMC) Exco and consultation with Tuai Rumah (Headman) and villagers in Rh. Sayong, Rh. Gasah, Rh. Enteri, and headman of Rh. Bilong and Rh. Philips, it was found that the roads leading to their Longhouses were not repaired before Gawai as agreed in the ASDU</p>	<p><i>Repair of the roads had been completed.</i> <i>AMC office at Muput camp shall assume some responsibility for more effective communication between the FMU and the communities.</i></p>	<p>During consultation with Anap Muput Committee (AMC) which are Mr. Jana (Rh. Jana), Mr. Danggat (Rh. Danggat), Mr. Mawang (Rh. Mawang), Mr. Gani (Rh. Gani), Mr. Marayang (Rh. Marayang), Mr. Stanly (Rh. Mawang), and Mr. Bakar (Rh. Bilong) as well as forest officer of SFC and FDS, the FMU has repaired the roads leading to their Longhouses on 26 July 2017. The FMU also has briefed on SOP – CR/12 – Grievance Procedure and Process Flow for Grievance and Conflict Management to the Anap Muput Community Conservation and Community Development Committee Exco (AMC CCD) on 12 August 2017. During interview with AMC and tuai rumah, they were aware of the SOP.</p> <p>Status: Closed</p>

		<p>Management Meeting 07/2017 dated 6th April 2017.</p> <p>The AMC Exco did not aware of SOP on grievances - CR/12 – Process Flow to Address Grievances/Conflicts by Local Communities.</p>		
6.2.5	MRS 01/2017 Minor	<p>Requirement: Indicator 6.2.5 - Forest workers shall be aware of endangered, rare and threatened species of forest flora and fauna found in the FMU. Such awareness shall be promoted among local communities</p> <p>Finding : Records of awareness activities such as briefings on endangered, rare and threatened species of forest flora and fauna in the FMU for forest workers was not available</p> <p>Objective evidence : Records of briefing on endangered, rare and threatened species of forest flora and fauna in the Anap Muput FMU for forest workers was not available.</p>	<p><i>Anap Muput FMU has initiated discussion among its management staff on the awareness of the “IUCN Redlist” simplified as the “Red Book” with reference to the Totally Protected Flora and Fauna posters.</i></p> <p><i>A request has been made to Sarawak Forestry Corporation to design and produce a poster for awareness of ERT species and simplified training for forest workers and local community.</i></p>	<p>The awareness of endangered, rare and threatened species among workers was established through notices and posters at Maleng, Sekawie and Muput Camps. Posters showing protected species are posted on notice boards at these premises.</p> <p>The FMU workers had been given awareness training/briefing on ERT species on 18 January 2018 and 9 November 2017</p> <p>Status: Closed</p>
6.3.1	MRS 02/2017 Minor	<p>Requirement: Indicator 6.3.1 - Availability and implementation of management guidelines to assess post-harvest, natural regeneration, and measures to supplement natural regeneration, where necessary, in the FMU</p> <ul style="list-style-type: none"> Chapter 9 Silviculture, Forest Rehabilitation and Reforestation, FMP 2017-2024 	<p><i>The result of post-harvest RIL compliance assessment shall be reflected on the RILP. Recommendation for silvicultural treatment if any will be indicated.</i></p> <p><i>Sites which required measures to supplement natural regeneration shall be demarcated/delineated on the post-harvest RILP for the</i></p>	<p>An analysis of change of forest stand composition for potential crop trees (PCT) per hectare in active harvesting area (Coupe 18A, Block 21) was verified through the ‘Summary Closed Block for Coupe 18A’. Recommendation whether to conduct silvicultural treatment in the post harvesting blocks or not depends on their status of “RIL Assessment – Impact Index” (i.e. 5 grades ranging from “Good” to “Bad”). Insofar, no</p>

		<p>Finding : Silvicultural treatments was not conducted at post-harvest area although the revised FMP has stated that forest rehabilitation by enrichment planting may be considered in logged over patches, log landing and skid trails with unacceptable low density of trees.</p> <p>Objective evidence : The FMU has conducted analysis of change of forest stand composition for potential crop trees (PCT) per hectare as verified through 'Summary closed Block for Coupe 16A'. However, there was no recommendation of silvicultural treatment for this post-harvest area.</p>	<p><i>compilation of a summary statement for the future crop of the coupe.</i></p>	<p>silvicultural treatment was prescribed in all the blocks of Coupe 18A because their "RIL Assessment" statuses were either "Acceptable" or "Good". Since, recommendation of silvicultural treatment for this post-harvest area, is available in this audit.</p> <p>Status: Closed</p>
6.5.2	MRS 03/2017 Major	<p>Requirement: Indicator 6.5.2 - Implementation of reduced/low impact logging to minimise damage to the environment.</p> <ul style="list-style-type: none"> • Section 2.6 Construction of skid trails, Guidelines for reduced and low impact logging systems in forest management certification (Natural Forest) area, 2nd Edition, 2014 • Section 2.8 Tree felling, Guidelines for reduced and low impact logging systems in forest management certification (Natural Forest) area, 2nd Edition, 2014 <p>Finding : 1. The width of the skid trail exceeded than 5 metres</p>	<p><i>Retraining and heightened supervision for all logging teams shall be conducted immediately.</i></p> <p><i>Remedial planting with cover vegetation shall be considered in gaps created by excessively wide skid trails during the block decommissioning process.</i></p>	<p>Site inspection also found constructed main skid trail (MT1) in Block 21 was < 5 m in width in compliance with allowed specifications</p> <p>Only tagged trees were felled and directional felling was implemented. Residual trees beside of feeder trail were maintained.</p> <p>Potential crop trees (PCT) were identified, tagged and protected for next cutting cycle.</p> <p>Status: Closed</p>

		<p>2. Residual trees beside of feeder trail was pushed down</p> <p>3. Potential crop tree (PCT) was felled and the DBH was below limit</p> <p>Objective evidence :</p> <p>1. Width of feeder trail at FT-0-0-10 in Block 27, Coupe 17A was more than 5 meters</p> <p>2. Trees on both side of feeder trail FT-0-0-7 and at temporary logyard at FT-0-0-3 in Block 27, F-1- 16 -1 in block 31 Coupe 17A were pushed down during the road construction.</p> <p>3. One PCT tree (Meranti Merah) with tag number of J08428, 57 cm DBH at FT-0-03, Block 27 in Coupe 17A was felled</p>		
6.5.3	MRS 04/2017 Major	<p>Requirement : Indicator 6.5.3 - Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements</p> <ul style="list-style-type: none"> • 3(b) Operational Planning Stage, Guidelines for forest road layout and construction <p>Finding :</p> <p>1. Road density for harvesting operation has exceeded 10 meters per hectare</p> <p>2. Side drain was not constructed along feeder road in active harvesting area</p> <p>Objective evidence :</p> <p>1. Road density for Coupe 16A and Coupe 17A are 14m/ha and 15 m/ha.</p> <p>2. Side drain was not constructed along feeder road at F-1-16-1 in Coupe 17A</p>	<p>1. <i>FDS and SFC had embarked on the review of the RIL Guidelines on the road density vis-à-vis other forest engineering considerations. SFC shall consider the pre-existing roads, topography and other forest conditions before the approval of the Detailed Harvesting Plan (DP)/Road Plan for harvesting Coupes.</i></p> <p>2. <i>Road construction and logging supervisors had been warned on their failure to comply with road construction and RIL prescriptions. All constructed road shall be subjected to inspection before endorsement for payment.</i></p>	<p>Audit team has received an official letter from Sarawak Forestry Corporation (SFC) dated 3 October 2017 (REF: SF&C/AMFMU(V)-18) that additional logging roads in Coupes 16A & 17A was allowed for the Anap Muput FMU.</p> <p>Audit team also has verified that construction of side drain along feeder road at Block 19, 20 and 21 in Coupe 18A has complied with the forest road guidelines i.e. 'Guidelines/ Procedures on Reduced and Low Impact Harvesting Systems, 1999' and "Guidelines for Forest Road layout and Construction, 1999. Site inspection of active harvesting block 21, Coupe 18A found RIL guidelines and procedures were followed and implemented by the FMU.</p>

			<i>The affected side drain at F-1-16-1 had been constructed.</i>	Status: Closed.
6.5.4	RJ 01/2017 Major	<p>Requirement : Indicator 6.5.4 Availability and implementation of guidelines for conservation of buffer strips along streams and rivers</p> <p>Finding : The implementation of guidelines for conservation of buffer strips along streams and rivers was not adhered to .</p> <p>Objective evidence : During the site visit to Coupe 16, It was observed by the audit team that the excessive blading of earthwork occurred at road S-1-16 in block 62.</p> <p>The soil was pushed into the buffer zone at Sungai Kelait., and the flow of water in its tributaries was blocked due to the excess soil.</p>	<p><i>Remedial and Mitigation measures are in progress: Clearing of debris across the tributary of Sungai Kelait. Diversion of the road side drains into the forest parallel to the SBR where feasible. Construction of silt traps along the drains where appropriate. Exposed earth work to be planted with cover vegetation where indicated.</i></p> <p><i>Retraining of responsible workmen for compliance with SOP FE/03: "RILP for Bridges and Culverts" and SOP FE/04: "Earthwork management".</i></p>	<p>As verified at Block 19 & 21, Coupe 18A, cutting depth < 2.5 m and its gradient < 20^o in compliance with allowed specifications.</p> <p>Entailed site visit also found closed skid trail (FT 0-0-5) had proper water bunds constructed across the steep slopes to reduce soil erosion.</p> <p>Buffer zone at Block 19 & 21, Coupe 18A was maintained and no evidence of soil pushed into buffer zone.</p> <p>Status: Closed.</p>
6.6.1	MRS 05/2017 Minor	<p>Requirement : Indicator 6.6.1 - Availability of management policy on environmentally friendly non-chemical methods of pest management</p> <p>Finding : Policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides was not available</p> <p>Objective evidence :</p>	<p><i>AMFMU has commenced study on the subject matter including:</i> <i>FSC Pesticide Policy: (FSC-POL-30-001), 2007</i> <i>FSC Pesticide Policy: Guidance on Implementation (FSC-GUI-30-001), 2007</i> <i>List of approved derogations for use of FSC "Highly hazardous Pesticides", 2014.</i></p>	<p>Policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides was available at Anap Muput FMU and presented to the auditor.</p> <p>Status: Closed</p>

		Policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides was not available at Anap Muput FMU	<i>AMFMU will consult the relevant stakeholders for the formulation of a Policy on the use of environmentally friendly non-chemical methods of pest management.</i>	
7.3.2	RJ 02/2017 Minor	<p>Requirement : Indicator 7.3.2 Forest workers shall be trained as to their respective roles in the implementation of the forest management plan.</p> <p>Finding : Forest workers were not adequately trained in their respective roles as in the establishment of PSPs</p> <p>Objective evidence : During the inspection of PSP no. 29 in coupe 16, the workers involved in the establishment and monitoring of Permanent Sample Plots (PSPs) were not adequately trained on the PSP procedure and tree identification.</p>	<i>AMFMU has consulted Sarawak Forestry Corporation to finalize its procedure and capacity building programme on this matter.</i>	<p>The field workers involved in the establishment and monitoring of Permanent Sample Plots (PSPs) had been trained on the PSP procedure, forest growth, yield-annual allowable cut (AAC) and tree identification on 23-26 October 2017. Based on interview with PSP inventory team, audit team has found that they understood the PSP procedure and can identify name of tree species</p> <p>Status: Closed.</p>

Corrective Actions Taken and Status on NCRs and OFIs Raised During Surveillance 2 Audit (2018)

Indicator	Specification Major/Minor/OFI	Detail Non-conformances	Corrective Action Plans Taken	Comments by Audit team
4.2.3	MRS 01/2018 Minor	<p>Requirement : Indicator 4.2.3 - Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest workers in the work place</p> <p>Finding : Maintenance records for vehicle and tractors were not available</p> <p>Objective evidence : Auditor has found that maintenance records for vehicle and tractors used in Anap Muput FMU area were not available.</p>	<p><i>Service record of all the equipment and plant is a KPI of the Workshop Administrator.</i></p> <p><i>The Administrative Department shall maintain and present service records for periodic and regular review during Management Meeting.</i></p>	<p>Audit team has received and verified corrective action plans for this non-conformity on 29 August 2018. The corrective action plans was accepted by audit team.</p> <p>Status: The effectiveness of corrective action plans will be verify during next audit.</p>
4.3.3	MRS 02/2018 Major	<p>Requirement : Indicator 4.3.3 – The right of workers to benefits and protection is assured under applicable laws and/or regulations.</p> <p>Finding : Workers wage deduction for (i) cash advance, (ii) Muput canteen purchases and (iii) Maleng canteen purchases were without approval from Labour Department of Sarawak as per Section 114 Labour Ordinance 1952 (Sarawak Ch. 76). Finding : Workers wage deduction for (i) cash advance, (ii) Muput canteen purchases and (iii) Maleng canteen purchases were without approval from Labour Department of Sarawak as per Section 114 Labour Ordinance 1952 (Sarawak Ch. 76).</p>	<p><i>The Administrative Department will immediately cease the practice of wage deduction for payment of canteen debt from August 2018.</i></p> <p><i>A Management Worker Committee have convened on 23th August to find the best solution to resolve the problem of payment for purchase from the canteen.</i></p> <p><i>The meeting have discuss the proposal for workers to: Pay for purchase from the canteen without</i></p>	<p>Auditor has verified the Management Worker Committee (Mesyuarat Jawatankuasa Pengurusan dan Pekerja) meeting minute dated 23 August 2018. The meeting was attended by representative from all departments which are road construction & maintenance, forest surveyor, security, logging-worker representative, community liaison officer, store keeper, logpond, mechanic etc. They have agreed that management will not deduct their wage for cash advance and canteen purchases in the future. If there is any</p>

		<p>Objective evidence : Auditor has found that wage deduction for 3 workers i.e. for (i) cash advance, (ii) Muput canteen and (iii) Maleng canteen purchases verified through pay slip (Monthly/Daily/Hourly Paid)) were without official approval from Labour Department of Sarawak.</p>	<p><i>conflict with Section 114 (d), Labour Ordinance (Sarawak Cap. 76)</i></p>	<p>cash advance or canteen purchases made by staff and workers in the future, they are required to pay back by cash.</p> <p>Status: Closed.</p>
5.5.1	RJ 01/2018 Minor	<p>Requirement: Indicator 5.5.1 - Implementation of guidelines and/or procedures to identify and demarcate sensitive areas for the protection of soil and water, watercourses and wetlands</p> <p>inding: The riparian buffer zones were not demarcated, and signboards were not install on the ground as the provision under “SOP FP/05 Boundary Demarcation” and “Guidelines for Forest Road layout and Construction,1999”.</p> <p>Objective evidence: During site inspection it was found that the riparian buffer zones were not demarcated with blue paint and signboards were not install on the ground at;</p> <ul style="list-style-type: none"> i. Sg. Belawit at Coupe 21 near boundary Coupe 1A ii. Sg. Ayam at Coupe 7 iii. Sg. Miaw at Coupe 17A and 18A 	<p><i>The restoration of the signs and markings shall be carried out where indicated within August and maintenance where necessary for other locality.</i></p>	<p>Audit team has received and verified corrective action plans for this non-conformity on 29 August 2018. The corrective action plans was accepted by audit team.</p> <p>Status: The effectiveness of corrective action plans will be verify during next audit.</p>
6.7.1	IA/01/2018 Minor	<p>Requirement : Indicator 6.7.1 – Oil, fuel, containers,liquid and solid non organic wastes shall be disposed of in an environmentally appropriate and legal manner</p> <p>Finding : The FMU did not complied to scheduled waste storage guideline.</p>	<p><i>The responsible Service Team and Supervisor shall label and systematically record the dates of generation of the schedule wastes.</i></p>	<p>Audit team has received and verified corrective action plans for this non-conformity on 29 August 2018. The corrective action plans was accepted by audit team.</p>

		<p>Objective evidence : During the visit to workshop at Maleng Camp and Generator set shed at Sekawie camp, it was found that at both premises the temporary storage containers for engine oil (SW30) were not labelled and did not have date of generation. This was non-compliance to Regulation 10 – Labelling of Scheduled waste, Environmental Quality (Scheduled wastes) Regulations 2005</p>		<p>Status: The effectiveness of corrective action plans will be verify during next audit.</p>
7.2.1	IA/02/2018 Minor	<p>Requirement : Indicator 7.2.1 - Implementation of procedures to periodically revise the forest management plan, incorporating the results of monitoring or new scientific and technical information, the frequency of which shall be appropriate to the scale and intensity of forest management operations, so as to respond to changing environmental, social and economic circumstances</p> <p>Finding : The FMU did not update silvicultural evaluation method in the forest management plan.</p> <p>Objective evidence : The method using 'Impact Index' for silvicultural evaluation method was not describe in the Forest Management Plan 2011 – 2024</p>	<p><i>Anap Muput FMU shall continue dialogue and consultation with the forest agencies with respect to the cutting limits and use of Impact Index for post-harvest inspection as well as indicator for silvicultural treatment to prepare for another revision of the FMP after the official launch of the New Green Book.</i></p>	<p>Audit team has received and verified corrective action plans for this non-conformity on 29 August 2018. The corrective action plans was accepted by audit team.</p> <p>Status: The effectiveness of corrective action plans will be verify during next audit.</p>
6.2.4	OFI	<p>A signboard Prohibiting Hunting/Fishing in the FMU was installed at the main entrance of the Muput Camp of Anap-Muput FMU. However, the signboards/signages prohibiting hunting/fishing yet to be install at the strategic location along the main road, protected and conservation areas in the FMU.</p>	Not required.	Will be verify again during next audit