



**PUBLIC SUMMARY
RECERTIFICATION AUDIT (2020) ON
SEGAN FOREST PLANTATION MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FPMC-FP 00002
Date of First Certification: 18th July 2014
Audit Date: 17th – 20th February 2020
Date of Public Summary: 20th August 2020**

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**

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EXECUTIVE SUMMARY

The Syarikat Samling Timber Sdn. Bhd. – Segan LPF0014 Forest Plantation Management Unit (hereafter referred to as Segan FPMU) was awarded the Certificate for Forest Management against the MC&I Forest Plantation.v2 following the Stage 1 Audit and Stage 2 Audit that were conducted on 24-27 June 2013 and 3-7 December 2013. Following the certification, the Surveillance 1 Audit was conducted on 24-26 November 2017 and the Surveillance 2 Audit was conducted on 30-31 October 2018. For this Recertification audit was conducted on 17-20 February 2020.

The audit was conducted with the full cooperation of the Syarikat Samling Timber Sdn. Bhd. by three-auditor, one trainee auditor and one observer expert comprising Mohd Annas Amin bin Haji Omar (Trainee Lead Auditor), Ismail Adnan bin Abdul Malek (Auditor), Dr Lim Hin Fui (Auditor), Angelica Suimin (Trainee Auditor) and Khairul Najwan Ahmad Jahari (Observer).

The scope of the audit was limited to the forest management system and practices of the Plantation Forest area within the Segan LPF0014 FPMU with total area of 10,332 hectares. The audit involved the verification of documentations, field visits and inspections. There were also consultations held with the local communities from Iban Communities and seven (7) long houses related on the FPMU certified area.

During this Recertification audit, audit team had also verified on the implementation and correctives action taken by the LPF0014 - Segan FPMU for six (6) Minor Non-Conformance Report (NCRs) as raised during Surveillance 2 audit.

In general, the findings of this recertification audit have indicated that the LPF0014 - Segan FPMU had complied with most of the requirements of the MC&I Forest Plantation.v2 despite the issuance of total six (6) Minor Non-Conformance Report (NCRs), one (1) Major Non-Conformance Report (NCRs) and two (2) Opportunities for Improvement. The FPMU had submitted proposed corrective action plans and evidence of implementation to address the NCRs raised during Recertification Audit via email on 7 April 2020 which has been accepted by the audit team leader.

The Audit Team Leader after consultation with team members recommends that certification of Syarikat Samling Timber Sdn Bhd - LPF0014 - Segan FPMU against the MC&I Forest Plantation.v2 to continue to be certified.

1 INTRODUCTION

1.1 Name of FPMU

Segan Forest Plantation Management Unit

1.2 Contact Person and Address

Name: David Marsden

Designation: Chief Forester

Address: Wisma Samling, Lot 296, Jalan Temenggong, Datuk Oyong Lawai Jau, 98000 Miri, Sarawak.

Phone #: 085-413099

Fax #: 085-429073

E-mail: marsdend@samling.com.my

1.3 General Background on the Segan FPMU

Syarikat Samling Timber Sdn Bhd has signed a Licensed Planted Forests LPF0014 with the Sarawak State Government on 27 January 1999 to establish and maintain a forest plantation in the LPF0014 - Segan for a period of 60 years from 27 January 1999 to 26 January 2059.

Segan FPMU Licensed Planted Forest is an Industrial Tree Plantation (ITP) operating under a government licence (LPF/0014) held by Syarikat Samling Timber Sdn Bhd (SSTSB). The licence was issued in 1999 under the Forests Ordinance 1954 Section 65 B Licence for establishment of planted forests

The Segan FPMU managed by Syarikat Samling Timber Sdn Bhd covers an area of 10,332 ha. The FPMU is located at latitudes approximately 03° 0' 0" N to 03° 07' 30" N and longitudes 113° 0' 0" E to 113° 10' 0" E in the Tatau District, Sarawak.

SST holds a 60 years lease over land on which it is licensed to establish an ITP. The lease (LPF/0014) was issued on 27th January 1999. The leased land is in three discrete areas some 15 to 35 km south east of Bintulu, in the Bintulu District and Sebauh Sub-District of Bintulu Division. The three areas are known individually as Segan West (Coupe 01A and Coupe 02A), Segan East (Coupe 02A, Coupe 03A, Coupe 04A and Coupe 05A) and Segan North (Coupe 06A and Coupe 07A) referred to as such in this management plan. The original gross area has been revised by government agencies at least twice. It is now 10,332 ha. About 55% is productive or potentially productive ITP area with the unproductive balance being SA and protected SMZs.

The FPMU area originally consisted of flood plains of the Kemena River with peat in the northern block and the topography is essentially flat and low-lying. The western and eastern blocks consisted of low lying hills between 15 m to 184 m above sea level. The northern block was originally covered by Nipah swamp and peat swamp forests. The eastern and western blocks originally consisted of mixed Dipterocarp forest. Owing to past repeated heavy logging activities conducted in the area, most of the original vegetation had been depleted. Only scattered individuals of the Dipterocarpaceae were still visible in the eastern and western blocks along the protected buffer belts

1.4 Date First Certified

18 July 2014

1.5 Location of the FPMU

The Segan FPMU is located between 2° 58' N to 3° 12' N and 112° 58' E to 113° 12' E

1.6 Forest Management System

The Segan FPMU had followed the principles of sustainable forest plantation management and the requirements of the Licence Agreement of the State government. A Forest Plantation Management Plan (FPMP) 2013 to 2022 was presented during this audit.

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

For the period 2013 to 2022, the Sustainable Annual Allowable Cut (SAAC) for the Segan FPMU had been set at 42000 metric tonnes per year. During this surveillance 1 audit, the size of the FMU is 10,800 ha.

1.8 Environmental and Socioeconomic Context

The EIA report for the FPMU *Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak* was prepared in June 1999 as required under the prescribed activities of the Natural Resources and Environment (Prescribed Activities) Order 1994. The potential impacts and strategies to mitigate the impacts were written in this document.

Measures to mitigate environmental impacts caused by harvesting activities identified in the FPMU Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak had been incorporated in the FPMP. The Forest Plantation Management Plan (revised 4 November 2016) had incorporated measures to mitigate environmental impacts in Section 6.3, Environmental Impact Mitigation.

The potential impacts on endangered, rare and threatened species of flora and fauna, and the need for biological corridors in forest plantation management had been identified in the EIA report, Chapter 3.2 Biological Environment, 3.2.1 Flora Component, 3.2.2 Fauna Component, and mitigation plan at chapter 4.3.8 Impact Assessment.

Consultations with the local long house communities showed that the FPMU had not utilized indigenous people's traditional knowledge in the use of forest species or management systems in their forest plantation operations.

Socio-economic surveys conducted during the EIA study had shown there were 23 villages that were within and around 3 km radius of the FPMU. These long houses were located along the main river systems. All the inhabitants are Iban except for Kampung Kuala Segan which is of Melanau/Kedayan. Most of the long houses owned agricultural plots which they had planted oil palm as well as pineapples as sources of income. Many of the younger villagers had joined the of-shore oil and gas industry and thus not many are working with the FPMU.

Several welfare projects had been carried out such as providing help to communities in leveling their new longhouse sites, supplying water during dry season, providing basic materials for minor house repairs and allowing local farmers to access their land through plantation gate.

2. AUDIT PROCESS

2.1 Audit Dates

17 - 20 February 2020/ 12 auditor day(s)

2.2 Audit Team

1. Mohd Annas Amin Hj Omar (Trainee Lead Auditor)
2. Ismail Adnan bin Abdul Malek (Auditor)
3. Dr Lim Hin Fui (Auditor)
4. Angelica Suimin (Trainee Auditor)
5. Khairul Najwan Ahmad Jahari (Observer)

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

2.3 Standard Used

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

2.4 Stakeholder Consultations

A stakeholder notification was issued in January 2020 for a period of one month inviting relevant stakeholders to give comments on the FPMU. However, there was no comment received from the stakeholders on Syarikat Samling Timber Sdn Bhd - LPF0014 - Segan FPMU during the period.

The audit team had conducted an onsite consultation with the relevant stakeholders during the Recertification Audit. Details of the consultation with the stakeholders are showed in the audit plan as well as in the report in Principles 2, 3 and 4.

2.5 Audit Process

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

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

- (i) a major NCR is a non-compliance with the requirements of the MC&I Forest Plantation.v2;
- (ii) a minor NCR is a deviation or a lapse in complying with the requirements of the MC&I Forest Plantation.v2; and
- (iii) an OFI is a situation where the auditor has noted an area of concern on the capability of the forest management system to achieve conformance to the requirements of the MC&I Forest Plantation.v2 but without sufficient objective evidence to support a non-conformance.

Consultations were held with the local communities in five (5) long houses from Iban Communities, Rh. Geritin, Rh. Philip, Rh. Minggu, Rh Chom and Rh. Musis, within and nearby to the FPMU as identified and reported in the Social Impact Assessment. The audit team had also held meetings with the officers and the field staff of the Segan FPMU.

The coverage of this surveillance 1 audit is as shown in the Surveillance 1 Audit Plan in **Attachment 4**.

The Segan FPMU had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim surveillance 1 audit report and sent it to the Segan FPMU for comment.

3 SUMMARY OF AUDIT FINDINGS

A total of one (1) Major and Six (6) Minor Non-Conformance Report (NCRs) and two (2) Opportunities for Improvements (OFI) were raised on the FPMU against the requirements of the MC&I Forest Plantation.v2 during this Recertification Audit. The audit team had examined all the corrective action plans and evidence of implementation to the findings and found them to be adequate as detailed in **Appendix IV**.

The audit team also had verified on the previous findings and action taken by the FPMU during Surveillance 2 Audit for Six (6) Minor Non-Conformance Report (NCRs). Inspection of the corrective actions on ground was done during this Recertification Audit and all the NCRs were satisfactorily closed except for minor NCR LYD-04/2018 was upgraded to Major NCR (LHF01/2020) for Indicator 8.1.2.

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

Principle	Strengths	Weaknesses
<p>Principle 1 Compliance With Laws and Principles</p>	<p>The FPMU had maintained a legal register with 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 <i>MC&I (Forest Plantations)</i> fundamental for the FPMU management were available in the office of the Samling Segan office. The senior forest managers had demonstrated knowledge of the federal, state and local laws and regulatory framework.</p> <p>The FPMU had maintained a list of all legally prescribed fees. Records of these payments were verified at Wisma Samling at Miri. The letter of approval from the state Forestry Department for use of land occupied by the Sg. Mas Complex was also verified.</p> <p>Forest managers continue to demonstrate awareness of all the binding international agreements such as International Labour Organizations Conventions (ILO), Convention of Biological Diversity (CBD), and International Tropical Timber Agreement 1994.</p> <p>There was no conflict documented between the audit standards and standing laws and regulations. It was also noted that the ILO Convention 87 has yet to be ratified by Malaysia. The forest managers however expressed willingness to participate in conflict resolution if necessary.</p> <p>Segan FPMU Licensed Planted Forest is an industrial tree plantation (ITP) operating under a government licence (LPF/0014) held by Syarikat Samling Timber Sdn Bhd (SSTSB). The licence was issued in 1999 under the Forests Ordinance 1954 Section 65 B Licence for establishment of planted forests. The licence is valid from 27 January 1999 to 26 January 2059.</p> <p>Regular patrolling was carried out to detect irregularities in the FPMU such as encroachment and illegal</p>	<p>There were no negative findings.</p>

Principle	Strengths	Weaknesses
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>Documentation of legal status, and established forest use rights of the land or forest resources for Samling Segan Licensed Planted Forest (LPF/0014) were available. Auditor has verified payment voucher for renewal of annual license fee – LPF0014 from 27 January 2017 until 26 January 2018 dated 11 November 2016. The licence for Planted Forests Licence No. LPF/0014 was issued to Samling Manufacturing Plantation Sdn. Bhd on 27 January 1999 and valid until 26 January 2059.</p> <p>All relevant documents on legal or customary tenure or use rights of local communities within relevant federal and state legal frameworks for the forest plantation area were available during the audit. On record, seven (7) long houses within and around the plantation had established shifting cultivation sites (SA) within FPMU area and the extent of 2,897 ha had remained and demarcated under this category of land use.</p> <p>There were no infringements by management of the FPMU on the legal and customary user rights of the communities. Some boundaries between the local communities NCR/temuda land and the FPMU area were jointly marked and in some areas ditches were dug to establish boundaries.</p> <p>There were no unresolved claims by local communities on NCR land within the FPMU. Records of past compensations made to claimants were verified.</p> <p>Communication with the local communities was consistently maintained by the Community Liaison Officer of Segan FPMU to resolve issues on legal or customary tenure or use rights.</p>	<p>There were no negative findings.</p>
<p>Principle 3 Indigenous People’s Rights</p>	<p>Documents relevant to the customary rights of indigenous people were in accordance to the Land Ordinance (Land Code; Chapter 81) and established native customary rights of the State (Native Customs (Declaration) Ordinance, 1992. Agreements pertaining to user rights transfer from NCR lands to the</p>	<p>Based on current assessment, it was found that the updated procedures within the Guidelines for Conflict Resolution Segan Plantation LPF/0014 dated October 2019 and was not adequate. During community consultations on 18 and 19 February 2020, the communities consulted requested formal meetings with FPMU twice a year</p>

Principle	Strengths	Weaknesses
	<p>FPMU were verified at the Segan office. More agreements for the land held by local communities were signed after 2010 but their records were kept at Samling Timber Sdn. Bhd office in Miri. The Community Representative Committee provided a mechanism for resolving grievances and conflicts.</p> <p>The FPMU had not in any way threatened or diminished indigenous people's lands recognized within the legal frameworks.</p> <p>The Forest Plantation Management Plan and EIA noted that no sites of special cultural, ecological, economic or religious significance to indigenous peoples were present within the FPMU.</p> <p>The commitment of FPMU towards addressing Grievances/Conflicts from local communities is demonstrated through a written SOP: "<i>Processes Flow to Address Grievances/Conflicts</i>" developed for the plantation managers.</p> <p>Consultations with the local long house communities showed that the FPMU had not utilized indigenous people's traditional knowledge in the use of forest species or management systems in their forest plantation operations.</p>	<p>for 4 reasons.</p> <p>(a) absence of prior notification before commencement of any forest operation,</p> <p>(b) lack of discussion on boundary marking between villages and FPMU,</p> <p>(c) lack of formal communication and engagement,</p> <p>(d) did not receive any written copies of any discussion made.</p> <p>Hence, a Minor LHF 02/2020 is raised for against Indicator 3.1.3</p>
<p>Principle 4 Community Relations and Worker's Rights</p>	<p>Updated information on all applicable laws and/or regulations covering health and safety of workers at the FPMU were made available by the Health and Safety Officer for audit. Local workers were insured under SOCSO while foreign ones were under Foreign Worker Compensation Scheme. Workers were provided with personal protective equipment (PPE) and appropriate safety and operational equipment. SOPs for preventive maintenance were available. The management also employed a trained Occupational Safety & Health (OSH) officer.</p> <p>Workers have the rights to join unions as provided for by the Industrial Relations Act 1967, Trade</p>	<p>Qualified people in communities living within, or adjacent to, the FPMU are given preference for employment and contract works. Records show that out of a total of 113 workers were employed in the FPMU, 47 (42%) were from local people of Sarawak, 28 other Malaysians and 38 foreign workers. It was observed that there is room for further improvement in terms of providing notification on employment opportunities to the local communities.</p> <p>Hence, an OFI was raised against Indicator 4.1.2.</p> <p>During the site visit to the nursery, it was found that chemical mixing facilities and emergency chemical spill shower /eyewash were not adequate. They were evidenced by no suitable table with appropriate drainage facility for collection/recovery of chemical-mix water for reuse available. There was also no separate and closed shower</p>

Principle	Strengths	Weaknesses
	<p>Union Act 1959 and the Labour Ordinance (Sarawak Cap 76). These provisions were adhered to by the FPMU. The ILO Convention No.87 and 98 documents were made available and workers interviewed showed awareness of their rights. Appropriate procedures (Human Resource Procedure (SG092013) established at Segan FPMU) to resolve workers' grievances were also available.</p> <p>The Joint Consultative Committee (JCC), comprising of representatives of all categories of staff, provided the mechanism to address such issues. SIA was incorporated within the EIA wherein mitigation measures were also included. Some of these community-oriented measures were implemented by the Community Liaison Officer including extension programmes and CSR activities.</p> <p>Relevant federal and state legal frameworks had been adopted to prevent loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods from FPMU operations, members of the neighbouring long houses visited confirmed that the FPMU operations did not in any way affect their legal or customary rights, property, resources or livelihoods.</p>	<p>compartment for workers to bathe/wash after chemical use and after emergency chemical spill. Hence a Minor NCR ISMA 01/2020 was raised against Indicator 4.2.3.</p> <p>Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division Sarawak (Doc002), section 4.3.10 (Socio-Economic Impacts), there was no detailed information on socio-economic conditions (such as number of villages, population, problems associated with planted forest, mitigation and monitoring of social impacts) of local communities. The assessment visits also found that several villages adjacent to Western Segan were not included in the previous reports.</p> <p>In view of the lack of a complete information on the social impact assessment, thus a MINOR NCR LHF03/2020 was raised against Indicator 4.4.1.</p> <p>Mechanisms within relevant federal and state legal frameworks employed to resolve grievances involving loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods, caused by forest plantation management operations were not adequately implemented.</p> <ol style="list-style-type: none"> (1) Inspection of documentation found that implementation was not based on the written procedures available. (2) Consultations with communities on 18 and 19 February 2020 showed that the villagers confirmed that the audit consultation at village level was new and they were not aware of mechanism to raise grievances. Implementation of the mechanism was inadequate as it did not follow the procedures outlined in the Conflict Resolution – flow chart for Segan LPF/0014. Consultations with communities showed that they were not aware of the procedures. (3) Current consultation is conducted on individual need basis and not at village level. (4) Continual consultation at village level has yet to be implemented to regularly engage with communities on any updates of the FPMU plantation operation activities. <p>Hence, a MINOR NCR LHF04/2020 was raised against Indicator 4.5.2.</p>

Principle	Strengths	Weaknesses
<p>Principle 5 Benefits From the Forest</p>	<p>Samling Segan FPMU has made investments and reinvestments in forest plantation management, including for forest plantation administration, research, human resource development, protection, economic, conservation, environmental and social aspects. These investment records the “Camp Administrative Budget 2019/2020 for Segan Reforestation Project” was presented during the assessment</p> <p>Timber is the exclusive product extracted from the FPMU. The management optimizes utilization of the tree resource by extracting all sizes down to 5 cm diameter (including branches). All harvested shall be for local processing i.e. mainly for chip, sawn timber and plywood within the mill of the parent company. Record also showed that no timber had been exported.</p> <p>A “High Lead” yarding harvesting system was adopted as the major means to reduce logging impact in the generally steep terrain. A guideline (Work Instruction for Log Harvesting (Extraction-Cable Yarding)) was used for this purpose. The low impact on the environment was verified in the field. The system was further augmented by the several SOPs sighted during the audit.</p> <p>Procedures to identify and demarcate sensitive areas for protection in the FPMU were available and implemented. Special Management Zones (SMZ)., were established to protect soil and water. Riparian buffer zones were also established and mapped in accordance with the Natural Resources and Environmental Board Sarawak (NREB) contract and provisions made in the Forest Plantation Management Plan.</p> <p>Records of the quantity of timber harvested within the FPMU were maintained for monitoring.</p>	<p>There were no negative findings</p>

<p>Principle 6 Environmental Impact</p>	<p>The EIA report for the FPMU (Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak) was prepared in June 1999 and verified in the audit. The report identified potential impacts on endangered, rare and threatened species of flora and fauna, and the need for biological corridors. Measures to mitigate environmental impacts caused by harvesting activities identified in the EIA study had been incorporated in the FPMP.</p> <p>Guidelines were available to identify the presence of endangered species (Wildlife Protection Ordinance 1998 and A Master Plan for Wildlife in Sarawak 1996, IUCN Red List of Threatened Species, Segan Forest Plantation LPF/0014 Wildlife Monitoring Manual (GL016)). Representative conservation and protection areas were established in the forest plantation. The Guidelines and Procedures: Fauna Conservation and Ecosystem Management Forest Management (GL011) prepared by Sarawak Forestry Corporation was referred for establishment of conservation and protection areas. Field audit confirmed existence of riparian buffers which were mapped.</p> <p>Plantation managers cooperated with conservation agencies and regulatory authorities, including Universiti Putra Malaysia, Bintulu, in implementing conservation and ongoing management activities.</p> <p>Hunting and fishing within the FPMU were not allowed. The public was informed against consuming of wildlife meat and poisoning of rivers. Main road accesses were gated and regular patrolling conducted. Plantation staffs were generally aware of the ERT species and local communities were also informed through regular briefings and distribution of posters.</p> <p>Knowledge on the threatened and endangered species within the plantation was improved with regular briefings to the field staff. Consultation with sprayers, harvesting and nursery workers found they were aware of the ERTs in the plantation.</p> <p>Guidelines and Procedures of Fauna Conservation and Ecosystem Management (GL011) had specified procedures for diversity conservation and the need to establish biological corridors and buffer zones. The corridors were marked on the ground and mapped as verified. Harvesting</p>	<p>The FPMU has monitored on exotic species weekly as evidenced by sighted 'Patrol sheets' No. 01/2020, 02/2020 and 03/2020 dated 2/2/2020, 22/1/2020 and 29/1/2020 (for Coupes 04D, 02A, 03A) respectively were verified by the auditor. However, the implementation of control measure on exotic species in plantation was insufficient which was found during auditor's site visit to SMZ (natural forest) area at Coupe 3 block 16, where Acacia spp. had grown in the SMZ area. Verification of the record on monitoring of exotic tree species (i.e. form SST/RP/OP/10) found no evidence of control has been carried out Hence, a Minor NCR (ANS01/2020) against Indicator 6.9.1 was raised</p>
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was prohibited in the designated protection areas.

Representative areas of existing forest ecosystem consisting of the riparian buffer belts, steep sites and residual forest had been demarcated and mapped for protection (Harvesting Map and Plantation Base Map, June 2013). Proper signage had also been erected.

Guidelines for safe chemical handling were available (Safe Chemical Handling Manual LPF0014 Segan (DOC011)). These guidelines were formulated based on Occupational Safety and Health (Use and Standards of Exposure of Chemical Hazardous to Health) Regulation 2000. Forest plantation workers were aware of the procedures on safe handling of chemicals through trainings conducted by the silviculture supervisor in the Segan Camp Nursery. Interviews with spray workers confirmed this.

A revised guideline on the "Waste Management Plan" dated November 2017 was made available during the audit. The guideline includes disposal of the Schedule waste and non-Scheduled waste. The guideline outline the process of scheduled waste management and non-scheduled waste management, flow chart of the process were clearly shown in the guideline.

Biological control agents were not used in the FPMU.

Exotic species were planted as plantation species within the FPMU and a list was included in the Forest Plantation Management Plan. Silviculture regime and monitoring of the exotic species were also incorporated in the FPMP as measures of control on potential invasion of protected areas. Import permit for the exotic species planted (Acacia mangium, Eucalyptus degupta, Gmelina arborea, etc.) issued by the Agriculture Department, was verified.

There were no sites with high conservation values identified in the EIA study except for the riparian buffer belts along the main waterways.

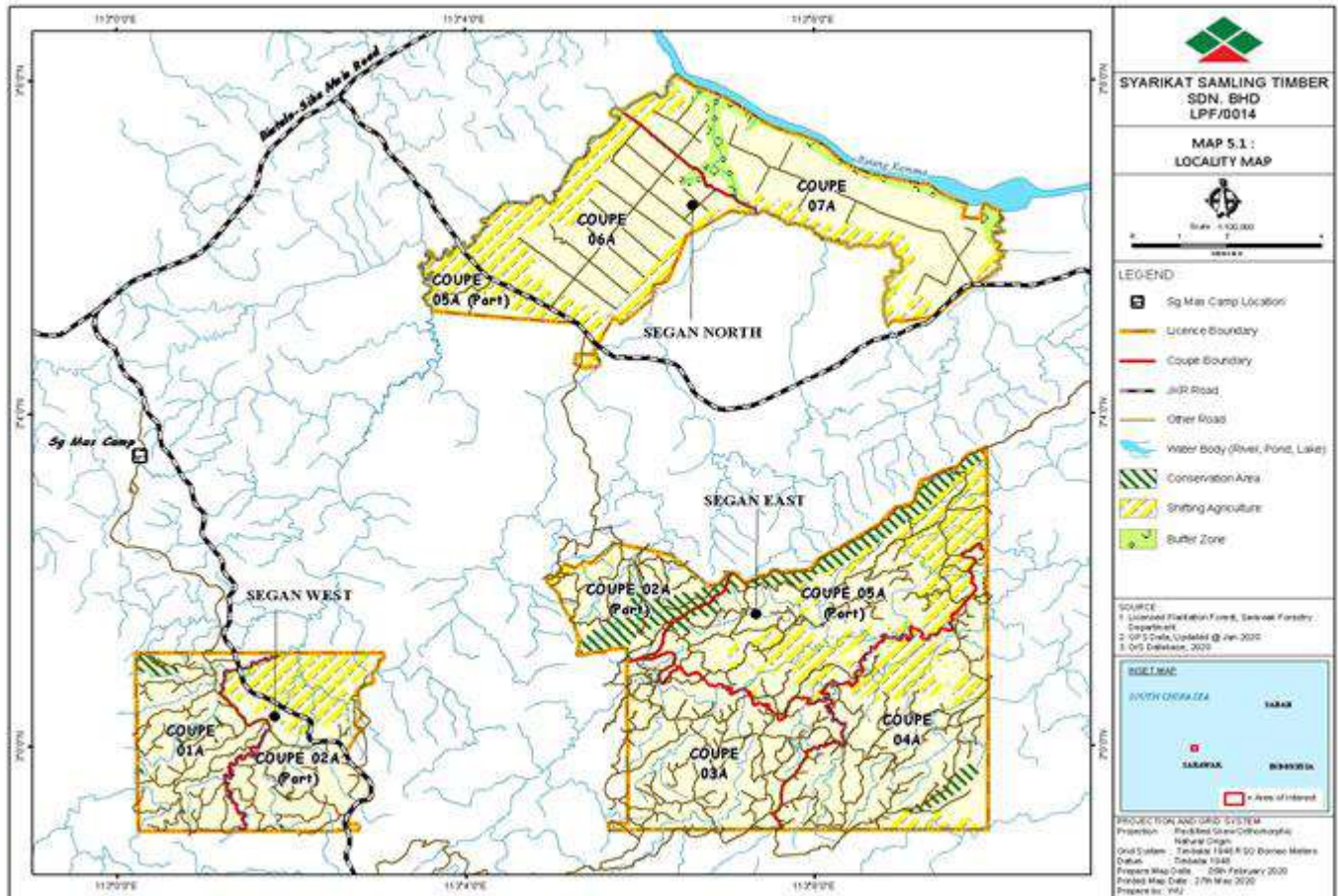
Conversion of forest plantation area into non forest land use had not occurred within the FPMU. The main office complex and staff quarters were located outside the plantation area. The planted trees provided additional secure and long-term benefits as the timber would be processed in the associated mills.

<p>Principle 7 Management Plan</p>	<p>The revision of Forest Plantation Management Plan would be conducted annually to incorporate data obtained from monitoring and research activities within the FPMU.</p> <p>The publicly available summary of the forest plantation management plan was presented in the web page.</p>	<p>Review of the The Forest Plantation Management Plan 2013 – 2023 (4th revision; accepted 12 November 2019 found “Table 5.1: LPF/0014 Coupes area, location and Soil type”, (page number C5-2) was not updated. Thus MINOR NCR ANS 02/2020 was raised against Indicator 7.1.1.</p> <p>Site inspection of PSP plots at C03A/32D found the workers had measured Horizontal Distances using the “Stepping method”. Their skill on ‘Horizontal distance’ measurements can be improved with knowledge on the “Slope correction table” method. “Tree height measurement” skill for workers also need to be further improved. Workers skill enhancements shall be achieved through formal training on ‘forest mensuration’. Hence, an OFI was raised against Indicator 7.3.2</p>
<p>Principle 8 Monitoring and Assessment</p>	<p>The plantation was also monitored for social, ecological, environmental and economic impacts. The Environmental Monitoring Reports which also included the Progress of Implementation and Compliance Status of the Prescribed Mitigation Measures, were submitted to the NREB. An annual internal audit and management reviews of plantation management was also undertaken by the FPMU. These comprised the Monthly Planting Programme, wildlife monitoring (recorded in the General Species Sighting Register), weekly patrolling (recorded in the Patrol Report Sheet) and the annual internal audit and management review on the MC&I compliance status.</p> <p>The Segan FPMU management had included the research and data collection needed to monitor the following i.e. a) Yield of all forest products harvested. b) Growth rates of the planted forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity and efficiency of forest management.</p> <p>SFC monitored the movement of harvested logs from stump to mill according to set procedures which ensured secured chain of custody and resource safety. The relevant documents verified included Reforestation Log Delivery Order (DO), Weigh Bridge Advise Ticket, Timber from Planted Forest</p>	<p>Segan FPMU managers shall also identify and implement appropriate monitoring procedures for assessing social and economic impacts. However, document verification during the audit found no procedure available for social and economic impact monitoring and although a social monitoring form was made available, it was yet to be implemented. Consultations with villages on 18 and 19 February 2020 also confirmed Social Monitoring procedure and legal requirement related to monitoring FPMU operations was insufficiently conducted. It was raised in the previous audit as a Minor NCR, hence, in this audit, this recurring NCR is upgraded to a Major NCR (LHF01/2020) for Indicator 8.1.2.</p>

	<p>Specification (Royalty/Assessment/Transit) form, Removal Pass and Royalty Assessment and Transit form.</p> <p>A public summary of monitoring indicators, including those listed under Criterion 8.2 is available via the Samling website (http://www.samling.com).</p>	
<p>Principle 9 Maintenance of High Conservation Value (HCV)</p>	<p>The management provided a list of stakeholders consulted regarding possible presence of HCV areas in the plantation. No new HCVF area was identified during the recent audit. Results of discussion with some stakeholders on the status of HCVF were incorporated in the FPMP.</p> <p>The FPMP stated the non-existence of HCVF sites in the plantation area. Riparian buffers and biological corridors were however identified. Information on status of HCVF sites in the FPMU was made public at the Samling website: samling.com/sic_pubsummary.php.</p> <p>The FPMU conducted annual monitoring on protected areas and residual forests which harbour wildlife corridors and riparian buffer belts.</p>	<p>There were no negative findings.</p>
<p>Principle 10 Forest Plantation Development and Management</p>	<p>The FPMP was implemented with clear objectives which comprised ecological productivity, sustainable log production, wellbeing of local community, environment conservation and minimal harvest waste.</p> <p>The establishment of the plantation had protected all residual forest sites and riparian buffer belts. The natural residual forest site within the plantation had been demarcated for protection, restoration and conservation. Such areas serve as biological corridors for faunal movement.</p> <p>The management aimed for species diversity where (7) species (<i>Acacia mangium</i>, <i>Acacia hybrid</i>, <i>Acacia crassicarpa</i>, <i>Eucalyptus pellita</i>, <i>Gmelina arborea</i>, <i>Falcataria molluccana</i> & <i>Khaya senegalensis</i>), the main fast growing exotic tree species were planted for the rapid production of timber. Map of planted area by each species and spatial distribution was made available in maps which were verified at the site office.</p> <p>Species-site matching records were available where soil and site survey results were reported for the Segan forest plantation. The performance of potential exotic species (<i>Acacia mangium</i>, <i>Eucalyptus</i></p>	<p>There were no negative findings.</p>

	<p>pellita, Falcataria mollucana & Acacia spp. hybrid) was compared with that of indigenous dipterocarp species using information from the literature. Exotic species' performance was monitored in PSPs with one plot established per 5ha plantation stand. Besides growth, information on pest and disease infestation was also monitored and recorded.</p> <p>Appropriate site preparation and planting techniques protective of soil and water quality and quantity were implemented during the planting stage. These included reuse of old roads, cable yarding extraction system and low-impact site preparation and establishment techniques.</p> <p>Protection guidelines and procedures were available for control of pests and diseases, fire outbreak (Fire Protection Plan for Segan Plantation; Fire and Emergency Response Procedure; Fire Control Organization) and control of invasive exotic species (Policy on Invasive Exotic Species). Fertilization and chemical pesticide use schedule were available as verified from implementation records (Chemical & Fertilizer Record for October 2017). Several SOPs on chemical use and handling were also presented.</p>	
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Map of Segan FPMU



Details of Auditors and Qualification

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Mohd Annas Amin Bin Haji Omar	Assessment Trainee Team Leader / Forester	<p>Academic Qualification: Diploma in Forestry, UPM B. Sc. In Forestry, UPM</p> <p>Work Experience: Six year as Assistant Forest Officer at Perak Forestry State Department in the year from 2013-2018. Main responsibility is Assisting District Forest Officers in administrative work, forest development and forest operations. Conduct forest Enforcement Team Activities such as The Prevention of illegal logging. Appointed to be Raid Officer in Raid Eradicating Illegal Refinery in Perak Forestry. Also appointed to be Investigative Officer in Investigations into a case involved Forest Reserve and Cased Prosecuted in Court.</p> <p>Training / Research Areas: Program of MTCS Training Course (MC& I) in Kuantan (9-12 July 2018)</p> <p>Lead Auditor ISO 9001, ISO 14001 & ISO 45001 Exemplar Global Certified (13-18 Ogos 2018)</p> <p>RSPO Lead Auditor Training (9-13 March 2020)</p>
Ismail Adnan Abdul Malek	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 (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: 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</p>
Dr Lim Hin Fui	Auditor / workers' & community issues and related legal issues	<p>Academic Qualification:</p> <p>Dr. Lim Hin Fui is a Senior Research Officer (Sociologist) at Forest Research Institute of Malaysia, (FRIM). He graduated in 1983 with a B.A. Honours in Anthropology and Sociology from the UKM, Master Degree in Social Science from University Sains Malaysia and PhD from University Malaya. He was the Research fellow at Institute of Advance Studies, University Malaya from 1983 to 1987.</p> <p>Training / Research Areas:</p> <p>Evaluation of Perak State FMU against the Malaysian Criteria, Indicators, Activities and Standards of Performance (MC&I) for Forest Management Certification (Forest Management Unit Level), Peninsular Malaysia (Malaysia-The Netherlands Ad-Hoc Working Group) - [conducted by SGS (Malaysia) Sdn Berhad 2001]</p> <p>Member of the audit team to field test the Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] in the Perak State FMU, 1-6 March 2004.</p> <p>Member of the audit team in the Second Surveillance Audit for forest management certification on the Perak State FMU, conducted by SIRIM QAS International in 2005.</p> <p>Member of the audit team in the assessment of Pahang Forest Management Unit (FMU) against the MC&I (2002) conducted by SGS (Malaysia) Sdn Bhd, 17-21 April and 24-25 April 2006.</p> <p>Member of the audit team in the assessment on the Kubaan Puak FMU for forest management certification, conducted by SIRIM QAS International 11-16 March 2007.</p> <p>Member of the audit team in the assessment of the Perak State FMU for forest management certification against the MC&I (2002) conducted by SIRIM QAS International 12-16 November 2007.</p> <p>Member of the audit team in the assessment of the Selangor FMU for forest management certification against the Malaysian Criteria & Indicators for Forest Management Certification [MC&I (2002)], conducted by SGS (Malaysia) Sdn Bhd., 7-11 January 2008.</p> <p>Member of the audit team in the assessment of the Terengganu State FMU for forest management certification against the Malaysian Criteria & Indicators for Forest Management Certification [MC&I (2002)], conducted by SGS (Malaysia) Sdn Bhd., 23-27 March 2008.</p> <p>Member of the audit team in the assessment of Carotino Sdn Berhad, Pahang against RSPO Requirement, conducted by SGS (Malaysia) Sdn Bhd, 2-5 September 2008.</p> <p>Member of the audit team in the assessment of Carotino Sdn Berhad, Pahang against RSPO Requirement, conducted by SGS</p>

		<p>(Malaysia) Sdn Bhd, 11-15 May 2009.</p> <p>Member of the audit team in the assessment of the Johor State FMU for forest management certification against the Malaysian Criteria & Indicators for Forest Management Certification [MC&I (2002)], conducted by SGS (Malaysia) Sdn Bhd., 22-26 June 2009.</p> <p>Member of the audit team in the assessment of the Negeri Sembilan State FMU for forest management certification against the Malaysian Criteria & Indicators for Forest Management Certification [MC&I (2002)], conducted by SIRIM QAS International, 27-31 July 2009.</p> <p>Member of the audit team in the assessment of the Perak State FMU for forest management certification against the Malaysian Criteria & Indicators for Forest Management Certification [MC&I (2002)], conducted by SIRIM QAS International, 26 October-2 November 2009.</p>
Angelica Sinimis Suimin	Trainee Auditor/ Sociology	<p>Academic Qualification: She has a Bachelor of Arts in Social Science and MSc in Environmental Management and Social Development. Has a certificate in Paralegal Studies and Diploma in Emergency Medical Technician (UK) and Human Resources Management (UM).</p> <p>Work Experience: A competent One to One Competency Based and Education Trainer from De Taffe University, Australia. Independent Auditor under SIRIM QAS Malaysia and Technical Expert for FSC audit under SCS Global services. Has worked as Rural Sociologist under the World Bank project under the Japanese Trust Fund for Community Forestry Project in Sabah for 3 years. She has over 30 years of working experience and was working in the Forestry Related Industries both in Sabah and Sarawak for 28 years in different capacities (e.g independent Researcher, Rural Sociologist, Sr.Training and Administrator, Human Resources Executive, Emergency Medical Technician, Training Officer, CSR Manager, Chief Operation Officer for Avantha Foundation Malaysia).</p> <p>Attended training programmes:</p> <p>Has attended the following courses:</p> <ol style="list-style-type: none"> 1. MTCC Forest certification Standards for Forest Management and Plantations, 2013, Sirim QAS 2. FSC Forest Certification standards from Forest Management and Control Wood, 2015; Nepcon 3. LEAD ASSESSOR COURSE ISO 14001(EXEMPLAR GLOBAL CERTIFIED LEMS01), 2016; Sirim QAS 4. DIPLOMACY TRAINING (Human Rights, Indigenous People, the Private Sector and Development), 2017; Faculty of law, Uni New South Wales 5. MC&I *Natural Forests and Plantation v.2 standards, 2017 – MTCC

<p>Khairul Najwan Ahmad Jahari</p>	<p>Observer</p>	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience: Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001. Conduct and coordinate a research on 8th Malaysian Plan Project. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field works, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Lead 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 OHSAS 1800</p> <p>Training / Research Areas: Was attending and pass 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>
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Details of Recertification Audit Plan

DAY	TIME	PROGRAM		
		AUDIT TEAM LEADER (AUDITOR 1) ,	AUDITOR (2)	AUDITOR (3), TRAINEE AUDITOR AND OBSERVER
Day 0 Sunday (16/2/2020)		<ul style="list-style-type: none"> All auditor and observer will travel from KLIA to Bintulu (MAS – MH 2746 17.20 – 19:25) <ul style="list-style-type: none"> A trainee auditor will travel from Kota Kinabalu to Bintulu (AIR ASIA - AK 6340 0610-0710) Stay at Sg. Mas Camp 		
Day 1 Monday (17/2/2020)	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 Documentation Review Evaluation of changes to the management of the /FPMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance Check on complaints and follow-up actions Evaluate on procedures for internal audit Evaluate on management review system Briefing to representatives of FPMU on the progress of audit 		
	2.00 pm – 5.30 pm	<ul style="list-style-type: none"> Principle 1 – Compliance with Laws and Principles Principle 5 – Benefits from the forest Principle 7 – Management Plan Principle 10 – Forest Plantation Development and Management 	<ul style="list-style-type: none"> Principle 4 - Community Relations and Worker's Right (Criterion 4.2) Principle 6 – Environmental Impact Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value Forests 	<ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right (Criterion 4.1, 4.3, 4.4 & 4.5)
	Review of Day 1 Findings by Audit Team Leader			

Day 2 Tuesday (18/2/2020)	8.30 am – 5.30 pm	Site Visits (Auditor 1)	Site visit (Auditor 2)	Site Visits (Auditor 3) Trainee Auditor and Observer)
		<ul style="list-style-type: none"> Harvesting area Coupe 05A Block 9 Inspection of replanting area Coupe 02A Block 17 Silviculture treatment (circle weeding, slashing spraying, etc.) Coupe 02A Inspection FPMU Boundary 	<ul style="list-style-type: none"> Inspection of R&D plots Coupe 03A Block 23B Experimental planting area Coupe 03A Block 32D PSP plots Coupe 03A/23B Inspection FPMU Boundary Verification on CoC process at Segan Log pond 	<ul style="list-style-type: none"> Local communities <p>RH Gerintin RH Lapie RH Jack Sigi RH Chundi RH Muis RH Bala</p> <ul style="list-style-type: none"> Inspection of FPMU's boundary
		<ul style="list-style-type: none"> Review of Day 2 Findings by Audit Team Leader 		
		AUDIT TEAM LEADER (AUDITOR 1)	AUDITOR 2	AUDITOR 3, A TRAINEE AUDITOR AND OBSERVER
Day 3 Wednesday (19/2/2020)		<p>Site visit:</p> <ul style="list-style-type: none"> PSP Plot Coupe 02A Block 13 A HCVF Area Inspection of FPMU's boundary Inspection of residual natural forest area Coupe 03A Block 16 Forest fire equipment 	<p>Site visit;</p> <ul style="list-style-type: none"> Harvesting area Coupe 02A Block 29 Inspection of replanting area Coupe 2A Block 03A Workshop Scheduled waste store Genset House Riparian buffer zone Nursery 	<p>Stakeholders consultation with:</p> <p>Jabatan Tenaga Kerja Bintulu</p> <p>NREB Bintulu</p> <p>Land Survei</p> <ul style="list-style-type: none"> Interview with workers – union, insurance, payslip, etc.
Day 5 Thursday (20/2/2020)	8.30 am – 1.00 pm 2.00 pm – 5.00 pm	<ul style="list-style-type: none"> Briefing to representatives of FPMU on the findings of audit Issuance of NCRs (if any). Closing Meeting and presentation of findings of audit and discussion on follow-up activities Adjourn Closing Meeting All auditor and observer travel from Bintulu to KLIA (MH2747; 2005 - 2210) A trainee auditor will stay at New World Hotel Bintulu. 		
Day 0 Friday (21/2/2020)		<ul style="list-style-type: none"> A trainee auditor travel from Bintulu to Kota Kinabalu (Air Asia-AK 6341 0735-0840) 		

Recertification Audit Findings and Corrective Action Taken

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p>Indicator 3.1.3 LHF 02/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 3.1.3 - Availability of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p>Finding : Mechanisms to resolve any conflicts and grievances between parties involved was inadequate.</p> <p>Objective evidence :</p> <ol style="list-style-type: none"> 1. In the previous procedure (Guidelines for Conflict Resolution Segan Plantation LPF/0014) noted in 2018 audit, it was indicated that FPMU would conduct formal meetings with communities twice a year. However, in the updated guideline 2019, these formal meetings were not stated. 2. During community consultations, the communities consulted requested formal meetings with FPMU twice a year for 4 reasons. <p>(a) absence of prior notification before commencement any forest operation, (b) lack of discussion on boundary marking between villages and FPMU, (c) lack of formal communication and</p>	<p>Email on Corrective action Plan received 8th March 2020 is referred</p> <p>Result of investigation</p> <ol style="list-style-type: none"> 1. The evidence is not disputed. 2. There is no record of such requests on file. <p>Determination of root cause</p> <ol style="list-style-type: none"> 1. Given the long, cordial relationship regular meetings were considered to be an unnecessary burden on both parties. 2. No such requests had been received by the FPMU. Addressing the 4 reasons: Totally impractical to give prior notification given the number of ongoing operations: planting, weeding etc at any one time. Rarely if ever does a forest operation affect any of the kampongs all of which are on the roadside or in SA. (b) Other than the boundaries stipulated in the licence (i.e. licence, coupe, block, HCV) the management has no authority to discuss or establish boundaries with 3rd parties; (c) see Item 1 above; (d) these had never been requested in the past. <p>Corrective Action Plan</p> <ol style="list-style-type: none"> 1. Meetings with communities will now be scheduled 2. Requests will be dealt as appropriate noting the root causes. (a) where a forest operation might directly impact a community; (b) try 	<p>Corrective action plan was accepted by audit team on 8th March 2020</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

		engagement, (d) did not receive any written copies of any discussion made.	to address the concern within the FMU's authority; (c) See Item 1; (d) will confirm & comply as required. Completion date: to be in place at time of first surveillance audit.	
Indicator 4.2.3 ISMA 01/2020	Minor	Requirement: Indicator 4.2.3 – Appropriate safety and operational equipment in good working conditions, including operational procedures shall be made available to forest plantation workers in the workplace. Finding: Chemical mixing facilities and emergency chemical spill shower /eyewash were not adequate. Objective evidence: Site inspection at the nursery found chemical mixing and shower facilities for emergency spill /eyewash were not adequate i.e. 1. No suitable table with appropriate drainage facility for collection/recovery of chemical-mix water for reuse was available. 2. Separate and closed shower compartment for workers to bathe/wash after chemical use and emergency chemical spill	Email on Corrective action Plan received 8 th March 2020 is referred Result of investigation 1. The evidence is not disputed. 2. The evidence is not disputed Determination of root cause On a journey of continuous improvement Corrective action plan 1. Table and appropriate drainage facility will be provided. 2. Shower and appropriate drainage facility will be provided. Completion date: to be in place at time of first surveillance audit.	Corrective action plan was accepted by audit team on 8 th March 2020 Status: The effectiveness of implementation will be verified during next audit.
Indicator 4.4.1 LHF 03/2020	Minor	Requirement: Indicator 4.4.1 – Forest plantation managers shall evaluate, through consultations, social impact of forest plantation management operations directly affecting communities, and the people and groups directly affected by the forest plantation management operations shall have access	Email on Corrective Action Plan received 8 th March 2020 is referred Result of investigation 1. The evidence is not disputed. 2. The evidence is not disputed 3. Duplication - See	Corrective action plan was accepted by audit team on 8 th March 2020 Status: The effectiveness of implementation will be verified during next audit.

		<p>to information on the results of the social impact evaluations.</p> <p>Finding: There was incomplete information on the social impact assessment</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. The Social-economic Profiling Study of Communities Living Within and Around the Northern Block of Segan Licensed Planted Forest (LPF/0014), Bintulu Division did not include communities in the Western Segan and Eastern Segan. 2. In the Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division Sarawak (Doc002), section 4.3.10 (Socio-Economic Impacts), there was no detailed information on socio-economic conditions of local communities. 3. Some villages adjacent to Western Segan were not included. 	<p>Item 1.</p> <p>Determination of root cause</p> <p>Management has always considered that its relationship with community is good. A quote from SIA (2013) page 30 reinforces this: "...<i>The communities are very happy with the management of the SSTS as the latter always go on the ground and consult them on land matters...</i>". And this continues to be generally the case as has been confirmed by the SIRIM audits over the past six years.</p> <p>Most villages adjacent to the LPF are within areas controlled by other companies, e.g. Ta Ann, Almabumi & SPF</p> <p>Corrective action plan</p> <ol style="list-style-type: none"> 1. The situation regarding Segan LPF and the communities within and adjacent to the LPF will be reviewed; especially 2. In Segan West where some communities have not been included in a formal SIA. <p>Completion date: to be in place at time of first surveillance audit.</p>	
<p>Indicator 4.5.2</p> <p>LHF 04/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 4.5.2 - Appropriate mechanisms within relevant federal and state legal frameworks are employed to resolve grievances involving loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods, caused by forest plantation management operations.</p> <p>Finding: Mechanisms within relevant federal and state legal frameworks employed to</p>	<p>Email on Corrective Action Plan received 8th March 2020 is referred</p> <p>Result of investigation</p> <p>The investigation concurs with the Objective Evidence in that the mechanism is not formal but it also finds that the mechanism works quite well - as it has done for many, many years (around 40). It is not clear what is meant in (2) (i) as several village level consultations have been conducted in the</p>	<p>Corrective action plan was accepted by audit team on 8th March 2020</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

		<p>resolve grievances involving loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods, caused by forest plantation management operations were not adequately implemented.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> (1) Inspection of documentation found that implementation was not based on the written procedures available. (2) Consultations with communities on 18 and 19 February 2020 showed that the villagers confirmed that <ol style="list-style-type: none"> (i) the audit consultation at village level was new and (ii) they were not aware of mechanism to raise grievances. Implementation of the mechanism was inadequate as it did not follow the procedures outlined in the Conflict Resolution – flow chart for Segan LPF/0014. Consultations with communities showed that they were not aware of the procedures. (3) Current consultation is conducted on individual need basis and not at village level. (4) Continual consultation at village level has yet to be implemented to regularly engage with communities on any updates. 	<p>past. No grievances have been expressed to management in the past few years.</p> <p>Determination of root cause</p> <p>Management's approach has been that if something of this nature is working quite well then best leave it alone.</p> <p>Correction action plan</p> <p>There is need to:</p> <ol style="list-style-type: none"> 1. become more formal in engaging with the communities; 2. follow the written procedures when dealing with communities & ensure engagement is documented; and 3. improve the implementation of dealing with grievances through the Conflict Resolution process. <p>Completion date: to be in place at time of first surveillance audit.</p>	
<p>Indicator 6.9.1</p> <p>ANS01/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 6.9.1 - Document, control and monitor the use of exotic species to avoid adverse ecological impacts.</p> <p>Finding: Implementation of control measure on exotic</p>	<p>Email on Corrective Action Plan received 8th March 2020 is referred</p> <p>Result of investigation and determination of root cause Investigation</p>	<p>Corrective action plan was accepted by audit team on 8th March 2020</p> <p>Status: The effectiveness of implementation will be verified during next</p>

		<p>species in plantation not sufficient.</p> <p>Objective evidence: During site visit to SMZ (natural forest) at Coupe 3 block 16 found that <i>Acacia sp</i> had grown in the SMZ area. Verification of the record monitoring of exotic tree species from SST/RP/OP/10 found no evidence of control has been carried out.</p>	<p>The road forms an SMZ (natural forest) boundary. The daylighting required to allow the road to dry quickly also creates an opportunity for the light demanding <i>Acacia</i> to establish on the road side strip. However, given that <i>Acacia</i> is a pioneering light demander it does not establish in areas of natural forest & hence does not invade the natural forest of the SMZ.</p> <p>Determination of root cause</p> <ol style="list-style-type: none"> 1. In order to reduce the use of pesticides the daylight strip is not sprayed but from time to time the taller woody vegetation is mechanically reduced in height. <p>There is no mention of 'control' in SST/RP/OP/10. The requirement is only to monitor. The preamble clearly states that <i>Acacia</i> is non-invasive when natural forest is considered.</p> <p>Correction action plan</p> <p>SST/RP/OP/10 will be revised to clearly state that, currently, there is no requirement for any form of control of the exotic species planted.</p> <p>Completion date: to be in place at time of first surveillance audit.</p>	<p>audit.</p>
<p>Indicator 7.1.1 – ANS 02/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 7.1.1 - Implementation of forest plantation management plan.</p> <p>b) Description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands.</p>	<p>Result of investigation and determination of root cause</p> <p>Investigation</p> <p>Table 5.1 was revised 17 February 2020.</p> <p>Tables 5.2 & 5.3 & Fig 5.1 had all been revised on 5 February 2020.</p>	<p>Corrective action plan was accepted by audit team on 8th March 2020</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

		<p>Finding: Description of the forest resources to be managed not updated in the Forest Plantation Management Plan.</p> <p>Objective evidence:</p> <p>Review of the The Forest Plantation Management Plan 2013 – 2023 (4th revision; accepted 12 November 2019 found “Table 5.1: LPF/0014 Coupes area, location and Soil type”, (page number C5-2) was not updated).</p>	<p>Corrective action plan</p> <p>None required. Ch 5 of FMP already up dated (6 March 2020)</p>	
<p>Indicator 8.1.2</p> <p>LHF 01/2020</p>	<p>Major</p>	<p>Requirement: Indicator 8.1.2 - Forest plantation managers shall identify and implement appropriate monitoring procedures, in accordance with the scale and intensity of the forest plantation management operations, for assessing social, ecological, environmental and economic impacts.</p> <p>Finding :</p> <ol style="list-style-type: none"> 1. There is no procedure available for social and economic impact monitoring. 2. A social monitoring form was made available but yet to be implemented. <p>Objective evidence :</p> <p>Consultations with villages on 18 and 19 February 2020 showed that there was no social and economic monitoring related to FPMU operations conducted. It was also found that with inadequate SIA, there was no guideline and procedure for social and economic impact monitoring. It was raised in the previous audit as a MINOR NCR as implementation of the Social Monitoring procedure and legal requirement for</p>	<p>Result of investigation and determination of root cause</p> <p>Result of investigation</p> <p>It is correct that there is no formal ‘social monitoring’. But we have been operating in this area for 40 years & the relationship is generally cordial - as the audit confirmed. The management’s records show a significant number of community interactions throughout the year.</p> <p>Determination of root cause</p> <p>Given the long & the generally cordial relationship it was considered prudent to continue with ad hoc communication rather than to formalise and possibly disturb the status quo...</p> <p>Corrective Action Plan</p> <ol style="list-style-type: none"> (a) Regularise community/FPMU meetings: schedule to be prepared (b) Conduct social & economic impact monitoring assessments with the results shown in the 2020 Annual Monitoring Summary Report. (c) The inadequacy of 	<p>The FPMU have send the evidence on 8 April 2020:</p> <ol style="list-style-type: none"> 1. The Planning schedule of meeting the FPMU and community for the year 2020 was verified. 2. The result of social & economic monitoring of six communities and the LPF summary also was verified and accepted on 9 April 2020 <p>Status: Closed</p>

		monitoring was insufficient.	SIA will be addressed under LHF03/2020 Completion date Schedule & (b) social & economic impact monitoring assessment to be submitted before 20 May 2020	
Indicator 4.1.2	OFI	Requirement: Indicator 4.1.2 - Qualified people in communities living within, or adjacent to forest plantation areas are given preference for employment and contract works. Finding: It was observed that there is room for further improvement in terms of providing notification on employment opportunities to the local communities.	Not required	Not required
Indicator 7.3.2	OFI	Requirement: Indicator 7.3.2 - Forest Plantation workers shall be trained as to their respective roles in the implementation of the forest plantation management plan Finding: Site inspection of PSP plots at C3A/32D found the workers had measured Horizontal Distances using the "Stepping method". Their skill on "Horizontal distance" measurements can be improved with knowledge on the "Slope correction table" method. "Tree height measurement" skill for workers also need to be further improved. Workers skill enhancements shall be achieved through formal training on 'forest mensuration'.	Not required	Not required

Verification on Surveillance 2 Audit (2019) Findings and Action Taken

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.2.3 NCR #: LYD-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 plantation workers in the work place</p> <p>Finding: Certificate of fitness from DOSH for air compressor has not been made available</p> <p>Objective evidence: Certificate of fitness from DOSH for air compressor VE/IR/0410/98 has not been made available</p>	A new air compressor has been ordered via PO REFORES: 00614 dd 26 Oct 2018 and is expected to be in place c/w CoF by end January 2019. [See scan copy of order attached.]	<p>During the site visit to the workshop "Certificate of fitness" from DOSH for air compressor VE/IR/506/18 valid until 22/7/2020 was available as an evidence against appropriate safety and operational equipment in good working condition.</p> <p>Status: Closed</p>
Indicator 4.2.4 NCR #: LYD-02/2018	Minor	<p>Requirement: Indicator 4.2.4 forest plantation managers shall maintain up-to-date safety records in compliance with all applicable laws and / or regulations covering health and safety of forest plantation workers.</p> <p>Finding: Record of medical annual surveillance for sprayer operator as per CHRA report JKPP SWK 09074168 requirement was not available.</p> <p>Objective evidence: Record of medical annual surveillance for sprayer operator as per CHRA report JKPP SWK 09074168 requirement has not been made available for:</p> <ol style="list-style-type: none"> 1. Mary anak Silai 2. Sepinah anak Nyuing 3. Sudan Janin 4. Supawi 5. Agus 6. Sudan 7. Nakar Buda 	<ol style="list-style-type: none"> 1. All those listed in Section 1 of the NCR report, and not yet tested, will be sent for annual medical surveillance. 2. Camp manager to be responsible for ensuring annual medical surveillance is carried out as required. 	<p>Record of medical annual surveillance for sprayer and operator as per CHRA report requirement has been made available and sighted by the auditor,</p> <p>Status: Closed</p>
Indicator 4.2.5 NCR #: LYD-03/2018	Minor	<p>Requirement: Indicator 4.2.5 demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials.</p> <p>Finding: demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials was inadequate.</p> <p>Objective evidence: demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials found to be inadequate as:</p>	<ol style="list-style-type: none"> 1. Registered waste disposal contractor E-Concern Sdn Bhd is now authorised to accept SW408 & SW409. (See attached.). Store keeper will now maintain a record of both these items on Schedule 5. 2. E-Concern Sdn Bhd will now accept the drum of SW408 that has been held in stock for more than 180 days ASAP. 3. Scrap iron stocks will be 	<p>Site inspection at the workshop found the demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials found were adequate which included:</p> <ol style="list-style-type: none"> 1. Availability of record on Schedule 5 – Inventory against SW

		<ol style="list-style-type: none"> 1. There is no records on Schedule 5 – Inventory against SW 408 contaminated soil / sawdust resulting from cleaning-up of a spill of chemical, mineral oil or schedule waste SW 409 disposed container contaminated with chemical, insecticides, fungicides, herbicides etc 2. 1 drum of SW 408 has not been disposed within 180 days (first generation is on 2/09/2016) 3. Scrap iron has been place directly on the ground with a potential rusted leachate 	<p>kept to a practical minimum quantity of around 20 tonnes – an amount which will to some extent be governed by ruling scrap iron prices.</p>	<p>408 contaminated soil / sawdust resulting from cleaning-up of a spill of chemical, mineral oil or schedule waste SW 409 disposed container contaminated with chemical, insecticides, fungicides, herbicides etc.</p> <p>2. Disposal of SW 408 within 180 days (first generation is on 10/1/2020)</p> <p>3. Scrap iron was not directly placed on the ground (to avoid potential rust leachate).</p> <p>Status: Closed</p>
<p>Indicator 8.1.1 NCR #: RJ 01/2018</p>	<p>Minor</p>	<p>Requirement : Indicator 8.1.1 - 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.</p> <p>Finding: Planted trees within the radius of 12.6 m of a circular design PSP plot were not recorded in the data sheet and a tree outside the radius was recorded in the data sheet.</p> <p>Objective evidence : During site inspection of the Permanent Sample Plots, the following evidence were found:</p> <p>I. PSP plot no 4, <i>Eucalyptus pellita</i> Block 8A Coupe 03A, 2 trees of <i>Eucalyptus pellita</i> within the radius Of 12.6m were not recorded in data sheet.</p> <p>II. PSP plot no.3 <i>Eucalyptus pellita</i> Block 9A Coupe 03A, 2 trees of <i>Eucalyptus pellita</i> within the radius of 12.6 m were not recorded in the data sheet.</p> <p>III. PSP plot no.1 <i>Eucalyptus pellita</i> Block 13 A Coupe 02A, 1 tree of <i>Eucalyptus pellita</i> within the radius of 12.6m was not recorded and 1 tree of <i>Eucalyptus pellita</i> outside the radius was recorded in the data sheet.</p>	<ol style="list-style-type: none"> 1. The field sheets for 3 PSPs in question have been withdrawn and the processed data has been deleted from the Series & Growth & Yield models. They will be re-established on their next anniversary. 2. The other PSPs established by the previous crew leader will be checked for in/out accuracy on the next anniversary; adjustments will be made as necessary to the SPH. 	<p>During this audit, 3 PSPs had been inspected, PSP No.1, <i>Eucalyptus pellita</i>, PSP No.2 <i>Eucalyptus pellita</i> in Coupe 03A Block 23B and PSP <i>Eucalyptus pellita</i> in Coupe 03A Block 23A., Trees planted within the radius of 12.6m of a circular plot were recorded in the data sheet,</p> <p>Status: Closed</p>
<p>Indicator 8.1.2 NCR #:</p>	<p>Minor</p>	<p>Requirement: Indicator 8.1.2 forest plantation managers shall identify and implement appropriate monitoring</p>	<p>1. The Guidelines on Conflict Resolution will be amended appropriately.</p>	<p>Consultations with villages on 18 and 19 February 2020 also</p>

<p>LYD-04/2018</p>		<p>procedures, in accordance with the scale and the intensity of the forest plantation management operations, for assessing social, ecological, environmental and economic impacts.</p> <p>Finding: Implementation of the Social Monitoring procedure and legal requirement for monitoring found to be insufficient.</p> <p>Objective evidence: Implementation of the Social Monitoring procedure and legal requirement for Environment monitoring found to be insufficient:</p> <p>1. SOP Guidelines for Conflict Resolution – frequency of CRC meeting has been stated to be conducted twice per year. There is no CRC meeting conducted from Jan – Oct 2018. Interview with local communities found that communication to resolve conflicts arise were not clear and adequate</p> <p>2. Term and Conditions of EIA Report Approval:</p> <p>a. Result from water quality at proposed water quality monitoring points every 3 month – shows it has been conducted every 6-7 month.</p> <p>b. Annex 1 has not been displayed within premises as per requirement 4.4.1</p>	<p>2.a. No correction required as NREB permits submission of the EMR twice a year.</p> <p>2.b. Annex 1 will be displayed on the premises.</p>	<p>confirmed Social Monitoring procedure and legal requirement related to monitoring FPMU operations was insufficiently conducted. It was raised in the previous audit as a Minor NCR.</p> <p>Status: Minor NCR LYD-04/2018 is upgraded to a Major NCR (LHF01/2020) for Indicator 8.1.2.</p>
<p>Indicator 10.7.1 NCR #: MRS 01/2018</p>	<p>Minor</p>	<p>Requirement: Indicator 10.7.1 - Availability and implementation of guidelines and / or procedures to control the outbreaks of pests, diseases and fire, as well as invasive plant introductions, if any, for forest plantation areas.</p> <p><i>Pelan Tindakan Menghadapi Kecemasan (Kebakaran)</i></p> <p>Finding: Forest fire training was conducted only once in 2018. However, the fire action plan stated that course and training on basic forest fire must be conducted at least twice a year.</p> <p>Objective evidence : The FPMU only conducted forest fire training 'Fire Fighting Training and Drill' once in 2018 on 8/10/2018. However, the Fire Action Plan titled <i>Pelan Tindakan Menghadapi Kecemasan (Kebakaran)</i> at section H (a) <i>Kursus dan Latihan Kebakaran</i> stated that course and training on basic forest fire can be conducted at least twice a year.</p>	<p>1. Segan camp manager will ensure that the annual Basic Fire Fighting Training is completed on schedule in March 2019.</p> <p>2. Refor HQ will revise the Training Schedule to include Basic Forest Fire Fighting Training.</p> <p>3. The Segan manager is responsible for ensuring that this training in para (2) is completed on schedule.</p>	<p>For the year 2019, The FPMU has conducted forest fire fighting training. On 7 October 2019 at Segan Reforestation Open space in front of workers Quarters (Theory and Practical). The second Basic Forest fire fighting training has done one 11 October 2019 at weighbridge.</p> <p>Status: Closed.</p>