



**PUBLIC SUMMARY  
SURVEILLANCE 2 AUDIT (4<sup>th</sup> CYCLE) ON  
TERENGGANU FOREST MANAGEMENT UNIT  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC-NF 00115  
Date of First Certification: 1 April 2010  
Audit Date: 10-13 August 2020  
Date of Public Summary: 24 December 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](http://www.sirim-qas.com.my)**

## TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	3
1 INTRODUCTION .....	4
1.1 Name of FMU .....	4
1.2 Contact Person and Address .....	4
1.3 General Background on the Terengganu FMU.....	4
1.4 Date First Certified .....	4
1.5 Location of the FMU.....	4
1.6 Forest Management System .....	4
1.7 Annual Allowable Cut/Annual Harvest under the Forest Management Plan .....	4
1.8 Environmental and Socioeconomic Context .....	5
2 AUDIT PROCESS .....	5
2.1 Audit Dates.....	5
2.2 Audit Team .....	5
2.3 Standard Used.....	5
2.4 Stakeholder Consultations .....	6
2.5 Audit Process.....	6
3 SUMMARY OF AUDIT FINDINGS .....	6
<u>Attachment</u>	
Map of Terengganu FMU .....	17
Experiences and Qualifications of Audit Team Members .....	18
Comments Received from Stakeholders and Responses by Audit Team Leader .....	20
Surveillance 2 Audit Plan.....	23
Details on NCRs and OFIs Raised During this Surveillance 2 Audit and Corrective Actions Taken .....	25
Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit .....	28

## EXECUTIVE SUMMARY

This surveillance 2 audit on the Terengganu Forest Management Unit (hereafter referred as the Terengganu FMU) was conducted on 10-13 August 2020 to assess the continued compliance of the overall forest management system of the Terengganu FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification* [MC&I (Natural Forest)] using the verifiers stipulated for Peninsular Malaysia. The scope of this surveillance 2 audit was limited to the forest management system and practices on the Permanent Reserved Forest (PRF) within the Terengganu FMU.

This surveillance 2 audit was conducted by a 3-member team comprising Mohd Razman Salim (Lead Auditor), Hj Roslee Jamaludin (Auditor), and Dr Zahid Emby (Auditor).

Based on the findings of this surveillance 2 audit, it was found that Terengganu FMU had continued to comply with the requirements of the MC&I (Natural Forest). This surveillance 2 audit had resulted in the issuance of one (1) major and three (3) minor Non Conformity Reports (NCRs) respectively. In addition, four (4) Opportunities for Improvements (OFIs) were raised.

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

## 1 INTRODUCTION

### 1.1 Name of FMU

Terengganu Forest Management Unit

### 1.2 Contact Person and Address

Mohamad bin Abdullah

Director,

Jabatan Perhutanan Negeri Terengganu,

Level 8, Wisma Negeri,

20200 Kuala Terengganu,

Terengganu

Phone # : 09-6222 444

Fax # : 09-6236 552

### 1.3 General Background on the Terengganu FMU

The Terengganu FMU is managed by the Terengganu State Forestry Department (TSFD). The TSFD is committed in the management of the FMU on a sustainable basis. The administration of the FMU is divided into three forest districts namely the North, West and South Terengganu Forest Districts.

The inland forest is managed under a Selective Management System (SMS) on a 30-year rotation period. Under the Eleventh Malaysia Plan (2016-2020), the Annual Allowable Cut (AAC) for the Terengganu FMU had been set at 31,940 ha. A Forest Management Plan (FMP) covering the period from 2016 to 2025 had been presented during the audit.

The FMU currently comprises of 540,308.80 ha of PRF as of 31 December 2018 or 42% of the State's total land area of 1,297,400.00 ha. The PRFs within the FMU consist mainly of inland Dipterocarp forests covering an area of 513,341.15 ha with the remaining 25,931.10 ha of peat swamp forests and 1,036.55 ha under mangrove forests.

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

### 1.4 Date First Certified

1 April 2010

### 1.5 Location of the FMU

The FMU is located between latitudes 3<sup>o</sup> 52' 51.1" to 5<sup>o</sup> 50' 45.5" N and 102<sup>o</sup> 32' 09.3" to 103<sup>o</sup> 18' 39.7" E.

### 1.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM). The inland forest is managed under a Selective Management System (SMS) on a 30-year rotation period. A Forest Management Plan (FMP) covering the period from 2016 to 2025 presented during the audit.

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

For the Eleventh Malaysia Plan (2016-2020), the annual allowable cut (AAC) for the FMU had been set at 31,940 ha for the 5-year period. During this surveillance 2 audit, the size of the FMU is 540,308.80 ha.

## 1.8 Environmental and Socioeconomic Context

Macro-level environmental impact assessment (MEIA) has been conducted by the Terengganu FMU in 2009. Recommendations to mitigate the impacts of forest operations on the environment presented in the MEIA report were incorporated into the mid-term review of the Terengganu FMP (2016 – 2025). Environmental impact assessments on rare and threatened species of flora and fauna in Terengganu FMU were also implemented.

Terengganu FMU management has established standard procedures for the identification and demarcation of sensitive areas to serve for the protection of soil and water resources. Areas exceeding 1,000 meters above sea level or with slopes of more than 40 degrees were excluded from logging, demarcated and mapped as protection forests. The TSFD to date has established a total of 61,375.58 ha as Water Catchment areas in Terengganu FMU.

The TSFD had established collaboration with PERHILITAN on the conservation of wildlife in Terengganu FMU. PERHILITAN and TSFD had co-operated together on conservation, monitoring and training activities since 2015 such as tiger monitoring, CFS, viaduct project, consultation before approval of new licenses and also training on wildlife for TSFD's staffs.

For year 2020, about 3,616.32 ha of harvested areas has been issued the harvesting licence in 2020, the figure still below the AAC for 2020 (6,388 ha). Records of payments made were available as shown in the '*Penyata Pungutan Wang Amanah dan Hasil*'. The records from January to July for the year 2020 were verified. The payment was for the Royalties, Premium, Deposit, other forest resource and compensation.

With regards to employment of local people, a perusal of the license files showed that a number of the licensees and their workers were from the local areas. Through an examination of the TSFD's employee master list and service record (*Penyata Perjawatan dan Kedudukan Kakitangan 2020 bagi Setengah Tahun Kedua*) it was found that a number of TSFD employees were also from the local area.

The Orang Asli communities, they were allowed under the Aboriginal Peoples Act 1954 (Revised 1974) (*Akta Orang Asli 1954*) to freely access the forest and collect forest resources for home consumption though not for commercialization purposes. The TSFD recognized these rights and supported these legal rights of the Orang Asli. Terengganu's three Orang Asli villages, situated in the Orang Asli Reserves and Areas established under the Aboriginal Peoples Act 1954 were outside the PRFs and had been located on a map which can be found in the TSFD office.

## 2 AUDIT PROCESS

### 2.1 Audit Dates

10 - 13 August 2020 (12 man-days)

### 2.2 Audit Team

Mohd Razman Salim (Lead Auditor)  
Hj Roslee Jamaludin (Forester)  
Dr Zahid Emby (Sociologist)

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

## 2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted beginning in July 2020 to solicit feedback from stakeholders on the compliance of the Terengganu FMU against the requirements of the MC&I (Natural Forest). The comments by the stakeholders and responses by the audit team are shown in **Attachment 3**.

## 2.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Terengganu FMU's 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 Peninsular Malaysia.

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.

Consultations were held with the Orang Asli communities in Kg. Sg. Pergam (Orang Asli) and Perkampungan Orang Asli Sg. Berua, members of the Village Community Management Council (Majlis Pengurusan Komuniti Kampung) of MPKK Jengai, Kg. Gerdang, MPKK Kuala Kubang, MPKK Felda Selasih, Kg. Jabi, Kg. Bakap/Kelubi and Kg. Keruak as well as contractors and workers operating in the FMU. The audit team had also held meetings with the officers and the uniformed field staff of the TSFD.

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

The TSFD 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 TSFD for comment.

## 3 SUMMARY OF AUDIT FINDINGS

Based on the findings of this surveillance 2 audit, it was found that the TSFD had continued to manage the Terengganu FMU in compliance with most of the requirements of the MC&I (Natural Forest). This surveillance 2 had resulted in the issuance of 1 major, 3 minor NCRs and 4 OFIs. The details on the NCRs/OFIs raised are shown in **Attachment 5**.

The audit team had reviewed, accepted and verified the corrective actions taken by the TSFD to address the 1 major NCR raised during this surveillance 2 audit. The audit team was satisfied that the corrective action had been effectively implemented and had therefore closed out this major NCR. The audit team had also reviewed and accepted the TSFD's proposed corrective actions to address the 3 minor NCRs. However, these corrective actions shall be verified by the audit team during the next audit.

The audit team had also verified on the corrective actions taken by the PSFD to address the 3 Minor NCRs which were raised during the previous audit. Based on verification conducted by audit team on previous findings, all previous findings have been satisfactorily closed except 1 Minor NCR which has been upgraded to Major NCR due to recurrence of the same issue. The responses made by the audit team leader on these corrective actions and on the final status of the NCRs and OFIs are as in **Attachment 6**.

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings held with the Department of Orang Asli Development or Jabatan Kemajuan Orang Asli (JAKOA), *Borang Makluman Aduan Pelanggan* (Customers' Complaint Form) and *Carta Aliran Proses Pengendalian Aduan Pelanggan* (Flow Chart for Handling Customers' Complaint) which accessible at State and District Forest Office. It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the TSFD.

With regard to Criterion 6.10, there was no new conversion of the PRF to forest plantations or other non-forest land uses during the intervening period since the last audit.

As the major NCR raised during this surveillance 2 audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Management be awarded to the Terengganu FMU be maintained for another 3 years from 19 April 2019 to 31 March 2024.

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

Principle	Strengths	Weaknesses
<p><b>Principle 1 Compliance With Laws and Principles</b></p>	<p>Terengganu State Forestry Department (TSFD) had maintained records of all relevant laws, policies and regulations stipulated in the MC&amp;I (Natural Forest) fundamental for the FMU management was up to date. The enforcement of these statutory requirements had been enforced by these officers.</p> <p>The documents on all the binding international agreements such as International Labour Organisations Conventions (ILO), International Tropical Timber Agreement 1994, United Nations Framework Convention on Climate Change (UNFCCC) and Convention of International Trade of Endangered Species (CITES) which Malaysia is signatory were available.</p> <p>TSFD as an authority of forested in the state is found willing to participate land works closely with state government with regards to laws and regulations of forested areas within the state. At federal level, meetings with Forestry Department of Peninsular Malaysia are held continuously especially with matter of MC&amp;I principles and criteria.</p> <p>Control of encroachment, illegal harvesting, hunting, and settlement and other unauthorised activities in the FMU were available and appropriate. The monitoring mainly by ground activities. The TSFD also conducted an integrated operation with other agencies. TSFD has conducted 1175-time ground monitoring for PRF, 242 times for licence areas and wood base Industries 280 times. The FMU has carried out 7 external boundary maintenances (cleaning and marked) with total length of 200 KM.</p> <p>Commitment of the FMU to implement sustainable</p>	<p>Site audit to active licence area No. TB-01-01-20 Compt. 11 (Part) in Hulu Terengganu PRF, there was no evidence of a registered Headman (Kepala Hutan) in the Licence Document TB-01-01-20 been issued a Sub-Licence as a requirement in Rule 32, State Forest Rule 1986. <b>Thus, a Minor NCR RJ 01 2020 for Indicator 1.5.2 was raised.</b></p>

Principle	Strengths	Weaknesses
	<p>forestry based on the MC&amp;I (Natural Forest) was found to be appropriate and implemented. This was verified during the audit with the availability of the written MC&amp;I statement and policy in the offices and TSFD official website:</p> <p><a href="http://trgforestry.terengganu.gov.my">http://trgforestry.terengganu.gov.my</a></p>	
<p><b>Principle 2 Tenure and Use Rights and Responsibilities</b></p>	<p>Forest reserve gazettement and degazettement documents were filed in the Terengganu State Forestry Department (TSFD) headquarters in Kuala Terengganu, Terengganu.</p> <p>The Orang Asli, unlike the other members of the local communities, they were allowed under the Aboriginal Peoples Act 1954 (Revised 1974) (<i>Akta Orang Asli 1954</i>) to freely access the forest and collect forest resources for home consumption though not for commercialization purposes. The TSFD recognized these rights and supported these legal rights of the Orang Asli as shown by their actions which allowed the Orang Asli to freely access the PRFs and collect forest resources for home use if they so desire. Three Orang Asli villages, situated in the Orang Asli Reserves and Areas established under the Aboriginal Peoples Act 1954 were outside the PRFs and had been located on a map which can be found in the TSFD office. Two Orang Asli villages had been visited by audit team during the audit, namely Kg Sg Pergam and Kg Sg Berua.</p> <p>There was no previous contractual agreement entered into with free, prior and informed consent, between local communities and the government (specifically the TSFD), pertaining to customary tenure or use rights for use of land for forest operations. This was due to the fact that Orang Asli and non-Orang Asli local communities were not found in the FMU. This was confirmed by TSFD officers and Malay and Orang Asli villagers interviewed during the audit namely Kg Kuala Jungai, Kg Gerdang, Felda Selasih, Kg Kuala Kubang, Kg Jabi, Kg Bakap and Kg Keruak and the Orang Asli villages of Sg Pergam and Kg Sg Berua.</p> <p>In management operations the FMU undertook to consult local communities (Orang Asli or otherwise) living close to logging areas prior to commencement of such operations as well as during and after harvesting operations. The data gathered, sighted in the District Forestry Office, were used in the process of ensuring that local community welfare was monitored and maintained. Village representatives were briefed on coming operations and their concerns pertaining to potential impact. This was confirmed by community leaders interviewed during the audit.</p>	<p>There was no negative finding.</p>



Principle	Strengths	Weaknesses
	<p>Mechanisms for resolving grievances including land claims had been developed by TSFD and were made available to the auditors during the audit (see Peninsular Malaysia Forestry Department Director-General's Circular No. 2, 2014 on the handling of complaints and grievances).</p> <p>Forest managers affirmed that they would support the already established legally recognized mechanisms for resolving land claims or other grievances should they occur. However, there was no evidence of this support as there was no record of any legally recognized land claims from the local communities (Orang Asli or others) over any part of the PRFs in the past or at present.</p>	
<p><b>Principle 3 Indigenous People's Rights</b></p>	<p>The indigenous people's lands, namely the Orang Asli Reserves and Areas, were controlled by the Department of Orang Asli Development (<i>Jabatan Kemajuan Orang Asli/JAKOA</i>) and the Orang Asli. Any Orang Asli development project in the Orang Asli Reserves and Areas managed by other government development agencies such as FELCRA or RISDA would first obtain approval from JAKOA and the local Orang Asli communities. However, as TSFD had never been involved in any of these projects or in forest operations in the Orang Asli Reserves and there never had been any indigenous people's land inside the TSFD certified area, the issue of Orang Asli delegating control of such lands with free, prior and informed consent (FPIC) to TSFD or logging contractors did not arise. This was confirmed by the above-mentioned village representatives of Kg Pergam and Kg Sg Berua interviewed by the auditor.</p> <p>Just as in the case of local communities, even though there were no known dispute between the Orang Asli and TSFD over tenure and use rights of PRFs (as testified to by Orang Asli leaders interviewed during the audit) there were still various mechanisms established by TSFD for resolving disputes over tenure and use rights should they ever arise. There were mechanisms in place to resolve these disputes over tenure claims and rights as well as other conflicts and grievances. In addition to the above mechanisms, the TSFD continued through informal channels (e.g. through its Rangers) to engage with Orang Asli communities. Issues raised through these informal contacts were brought to the attention of the relevant authorities.</p> <p>The auditors found that the forest districts (Pejabat Hutan Daerah or PHD) visited by the auditors, using Form E/SIA (<i>Panduan Maklumat Kajian Impak Sosial Dalam Sektor Pembalakan/Information Guidelines for Social Impact Study in the Logging Sector</i>), still carried out an impact assessment (social, environmental, economic) of</p>	<p>There was no negative finding.</p>

Principle	Strengths	Weaknesses
	<p>the surrounding areas prior to, during and after harvesting in the PRFs. A perusal of the assessments found no adverse or positive impact. This was most likely due to the fact that the Orang Asli settlements were outside the PRFs and as stated above they no longer depended on the forest for their subsistence.</p> <p>The Forestry Department of Peninsular Malaysia (JPSM) had established mechanisms and appropriate procedures for identifying these sites of special cultural, ecological, economic or religious significance to the Orang Asli community and to duly protect these sites as well as to ensure that the community has right of access to these areas. In addition, assessments of potential impacts of forest activities on Orang Asli communities was also carried out prior to logging. Data was collected through the use of the questionnaire '<i>Panduan Maklumat Kajian Impak Sosial Dalam Sektor Pembalakan (Sebelum Pembalakan)</i>/Information Guidelines for Social Impact Study in the Logging Sector (Before Logging) (Form E/SIA). Settlement within 0.5 - 5.0 km radius of the area to be logged would be identified. If settlements were present, dialogues would be initiated. The questionnaire was also used to identify sites of special significance for protection. In addition, the TSFD affirmed that consultations (formal and informal) were initiated from time to time with Orang Asli communities and JAKOA to identify possible sites of special significance. However up to the time of the present audit the above stated procedures and mechanisms had not identified any area of special significance in the FMU.</p> <p>As in past audits, a perusal of departmental records found no evidence of the utilization of Orang Asli's traditional forest-related knowledge and practices in the use of forest species or management systems in forest operations. There was also no record of commercial utilization of their traditional forest-related knowledge and practices. This was affirmed by TSFD officers as well as Orang Asli leaders interviewed during the audit.</p> <p>The TSFD still developed a mechanism in the form of a flow chart with clearly stated steps and an attached agreement entitled "Compensation Mechanism for Payment of Compensation to the Rights of Orang Asli Traditional Knowledge Commercialised by the Forestry Department" (<i>Mekanisma Bayaran Pampasan Kepada Hak Pengetahuan Tradisi Orang Asli yang Dikomersilkan oleh Jabatan Perhutanan</i>) to handle the problem should it arise in the future.</p>	
<b>Principle 4 Community</b>	A review of the license files showed that a number of the licensees and their workers were from the local areas. An	1) Site inspection in Workshop in Active harvesting area Licence

Principle	Strengths	Weaknesses
<p><b>Relations and Workers' Rights</b></p>	<p>examination of the TSFD's employee master list and service record and the license files found no illegal migrant workers, child labour or forced labour in the employment of the TSFD or logging contractors.</p> <p>As for Terengganu FMU state and district office, Policies on Safety and Health had been clearly established, displayed and communicate at all level. Proper safety procedures have been displayed and safety equipment (PPE) was found to be in good working conditions and it is confirmed the understanding towards requirement of the use PPE for safety when working</p> <p>The supporting staff of the TSFD being public sector employees were members of CUEPACS, the public sector employees union. However, no union among the forest workers hired by the logging contractors but they were employed in accordance to the Employment Act 1955 and they were not restricted from joining any union of their choice.</p> <p>The logging contractors' employees on the other hand were also protected by the terms and conditions stated in their employment agreement which included among other things, health and accident benefits through SOCSO or workmen's compensation (Workmen's Compensation Act 1952)</p> <p>The audit found that appropriate procedures to address grievances raised by workers and/or their organisations and for conflict resolution had long been established by the PSFD as well as the logging contractors.</p> <p>An EIA conducted on the management and operation of the TSFD had included in its investigation the potential social impacts of forest operations on the indigenous and local communities and the recommended actions to be taken to mitigate the potential impacts identified.</p> <p>The results of the SIA was incorporated into the planning and management of the TSFD. This could be seen for example in a section of Form E/SIA which stated possible steps to be taken in mitigating or enhancing the potential/actual impacts of forest operations in the license area. The same applies to complaints submitted through the Complaints Form which has a section on actions taken to resolve the complaints. Actions taken to solve issues brought to the government bodies listed were recorded in the minutes of their meetings.</p> <p>The audit found no record of any dispute or complaint made by local/Orang Asli communities on logging</p>	<p>No.TS-01-03-20 in Compt. 89 Jengai PRF it</p> <p>i) The label for scheduled waste 305 did not follow the size as specified in the SOP (10cm x 10cm).</p> <p>ii) The label for scheduled waste for date of first generated recorded with a multiple date (7/2/2020, 21/6/2020 and 22/3/2020 in a scheduled waste drum.</p> <p>2) Auditor has found that pictorial signage such as 'Danger', 'Explosive', No Smoking', 'Flammable' and also signage of personal protective equipment (PPE) in front of genset was not clearly demarcated at Compt. 63, Petuang PRF. <b>Thus, a Minor NCR RJ 02 2020 was raised for Indicator 4.2.5.</b></p> <p>Chain block (rantai angkat) used at workshop was without safety latch and not clear on its loading capacity as the label was faded. <b>An OFI for Indicator 4.2.3 was raised.</b></p> <p>The FMU has yet to conduct Safety &amp; Health Committee meeting for the year 2020 due to Covid-19 pandemic. The meeting could be conducted quarterly. <b>An OFI for Indicator 4.2.4 was raised.</b></p>

Principle	Strengths	Weaknesses
	<p>contractors related to property damages or losses during forestry activities. Interviews carried out with TSFD officers at state and district level as well as with local and Orang Asli community leaders during the audit, found no evidence to indicate that the local people’s legal and customary rights, property, resources or livelihoods had been threatened. Thus, there was no case of these legal provisions and measures being implemented.</p>	
<p><b>Principle 5 Benefits from the Forest</b></p>	<p>Investments and reinvestments have been made in forest management by TSFD in 2020. This was evident by the report on expenditures which includes, forest conservation and protection, boundary surveying/maintenance, forest management plan preparation, Pre-F and Post-F inventories, timber tagging, nursery, forest plantation, ecotourism, forest ICT, Human Resource Development and infrastructure/equipment. Funds were also allocated for HCVF, Phenology plots, VJR and establishment of non-timber forest products.</p> <p>Forest management system emphasized on reduced impact logging methods aimed at optimum harvest while minimizing impacts. A ceiling had been imposed to control volume extraction with 85 m<sup>3</sup>/ha set for primary forests (tagged tree after Pre-F inventory analysis) and net volume extracted at 68m<sup>3</sup>/ha , and 76m<sup>3</sup>/ha tagged trees for harvesting, net volume of 61m<sup>3</sup> /ha extracted for subsequent rotations of secondary forests. With pre-harvest selection and tree tagging of timber trees, forest wastage was minimized where only quality trees, meeting the specifications, were removed. Directional felling was practiced in order to minimize damage on residual stand.</p> <p>Harvesting rates in Terengganu FMU were determined by the annual allowable cut (AAC) set in the FMP and in the 11th Malaysia Plan for the amount 6,388 ha a year or a total of 31,940 ha over the five year duration in the plan (2016-2020). Records of harvested timber volumes were kept to ensure the AAC not exceeded at the FMU level, both in terms of area and volume.</p> <p>The TSFD to date has established a total of 61,375.58 ha as Water Catchment areas in Terengganu FMU. Areas exceeding 1,000 meters above sea level or with slopes of more than 40 degrees were excluded from logging, demarcated and mapped as protection forests as stated in the FMP.</p> <p>To fully utilize forest resources, the state had developed an industrial wood-based sector. The industry covered furniture, sawn logs, veneer, charcoal kilns, drying kilns, rubber wood processing, rattan processing, parquet and mouldings. Based on the record, “<i>Status Kilang Di</i></p>	<p>There was no negative finding.</p>

Principle	Strengths	Weaknesses
	<p><i>Terengganu</i> “up to July 2020, there are 328 mills were recorded. The bulk of the industry was in furniture making and sawn log production and to a lesser extent rubber wood processing. However only 241 mills were operating.</p>	
<p><b>Principle 6 Environmental Impact</b></p>	<p>An appropriate macro-level environmental impact assessment (MEIA) has been conducted by the Perak FMU in 2007. Recommendations to mitigate the impacts of forest operations on the environment presented in the MEIA report were incorporated into the mid-term review of the Perak FMP (2016 – 2025).</p> <p>In the Central Forest Spine (CFS) Programme, several biological corridors were planned within the Terengganu FMU to conserve wildlife movement and habitats. Many of the major wildlife corridors, or Primary Links, identified as the major corridors were located in the Terengganu FMU.</p> <p>The TSFD had established collaboration with PERHILITAN on the conservation of wildlife, new harvesting license area briefing (<i>taklimat lesen</i>) to licensee, and monitoring and training activities since 2015 of tiger monitoring, CFS, viaduct project and training on wildlife for TSFD’s staffs.</p> <p>The practice of reduced/low impact logging (RIL) was strictly observed in order to minimize damage to the environment in the FMU. Harvesting was designed in the FMU taking into consideration the need for the conservation of biological corridors and buffer zones for features of special biological interest for wildlife.</p> <p>About 61,375.58 ha of the FMU were gazetted as catchment forest at the time of audit. The management of water catchment area in Terengganu FMU was based on the “General Procedure for Establishment and Management of Water Catchment Forests in PRF in Peninsular Malaysia” established in 2014.</p> <p>The PSFD has and adhered to set policy on the use of environmentally friendly non-chemical methods of pest management and prohibition of use of banned pesticides, guidelines and procedures on the use of hazardous chemicals in forest management.</p> <p>Conversion from natural forest to forest plantations or non-forest use in the FMU did not include any High Conservation Value Forest (HCVF) areas and covered a very limited portion of the management unit hence, ensuring conservation, economic and social values. The degazettement and conversion area from 1 July 2012 to</p>	<ol style="list-style-type: none"> <li>1. Retaining wall, silt trap and sump were not adhered as per road specification for cross drain at feeder road (JT1) at Compt. 63, Petuang PFR (TB-01-08-20). Construction of the cross drain had resulted in soil flowing direct into the waterway.</li> <li>2. Excessive earth work along feeder road from matau 1 to matau 8 at Compt. 63, Petuang PRF.</li> </ol> <p><b>Due to recurrence of previous issue of Minor NCR MRS 01 2019, this finding was upgraded to Major NCR MRS 01 2020 (SA2) against Indicator 6.5.3 is therefore, raised.</b></p>

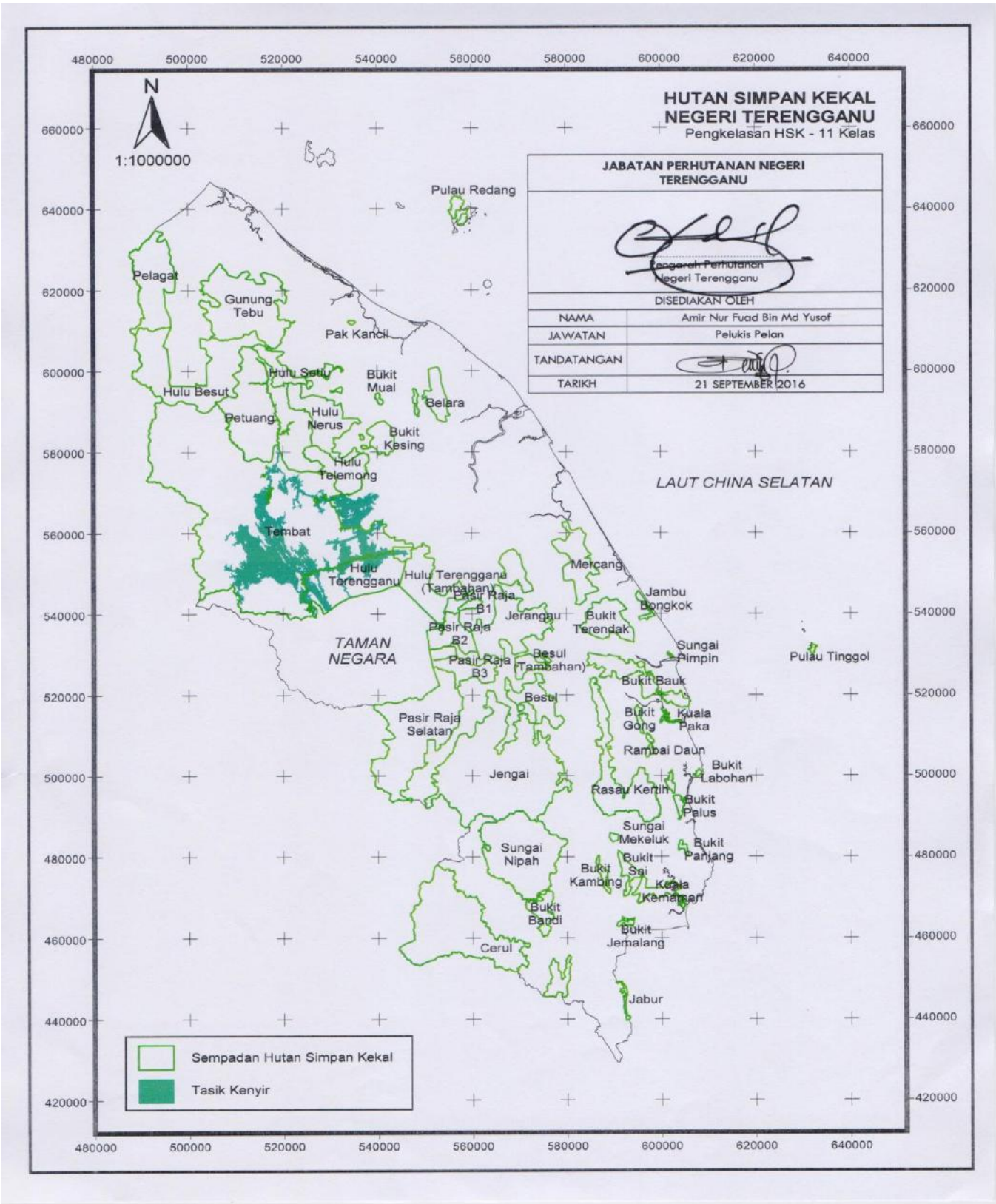
Principle	Strengths	Weaknesses
	<p>31 December 2018 was 27,292.07 ha. This state-wide cumulative area of FMU forest affected in the conversion and degazettement did not exceed the 5.0% from total certified area.</p>	
<p><b>Principle 7 Management Plan</b></p>	<p>The Forest Management Plan (2016 – 2025) for Terengganu FMU has been made available during the audit. The document contained eight chapters following the standard FMP of Forestry Department of Peninsular Malaysia.</p> <p>TSFD was found continuously collected new information that can be incorporated in the FMP revision and the mid-term review of the FMP will be done in 2020. This was based on the interview with the managers of TSFD and information presented during audit including published technical information of from government, universities and research institute, and continuously collected on data of the growth plot, VJR, Pre-F and Post-F.</p> <p>The forest officer were generally aware of recent technological advancements in forest management. They were continually updated with new information through training programmes which were drawn annually by the department enabling them to stay current in their technical knowledge.</p> <p>Within the TSFD organization, a <i>Unit Latihan</i> is responsible to plan, evaluate and implementing various kind of training including competency examinations for the department. The facilities for the training also was found available such as <i>Pusat Latihan Perhutanan Kuala Berang</i> to train forest workers and TSFD staff, and sometimes facilities in Terengganu Eco-Parks within the FMU also used for training. The FMU also has planned for refresher training for all officers and staffs as refer to annual training programme titled ‘Perancangan Kursus / Latihan Jabatan Perhutanan Negeri Terengganu Tahun 2020’.</p> <p>The Forest Management Plan (2016-2025) has included a clear summary made widely accessible to the general public through downloading in its webpage. The hyperlink to the public summary was verified at the time of audit as below;</p> <p><a href="http://trgforestry.terengganu.gov.my/images/Ringkasan%20Eksekutif%20RPH-2016%202025.pdf">http://trgforestry.terengganu.gov.my/images/Ringkasan%20Eksekutif%20RPH-2016%202025.pdf</a></p>	<p>The FMU has allocated budget for mid-term review FMP 2016-2025 for year 2020. However, the evidence of revision has not yet commenced. <b>An OFI for Indicator 7.2.1 was raised.</b></p> <p>Training on scheduled waste management and eSWIS system (<a href="https://eswis.doe.my">https://eswis.doe.my</a>) could be conducted with participation from person incharge of active licence area (ranger/forester) and personnel from contractor. <b>An OFI for Indicator 7.3.2 was raised.</b></p>
<p><b>Principle 8 Monitoring and Assessment</b></p>	<p>TSFD also was found to follow the Standard Operating Procedure of <i>Pengawasan Pengusahahasilan Hutan</i> (Monitoring in Forest Production activities) in the FMU.</p>	<p>Site inspection to BPH Durian Mas and BPH Bukit Diman, it was found that, the first log recorded in “Buku</p>

Principle	Strengths	Weaknesses
	<p>Verification on the implementation of the said forms “<i>Laporan kemajuan</i>” were done during the audit and appropriately implemented.</p> <p>The TSFD using two computerized systems, SIMP (<i>Sistem Integrasi Maklumat Perhutanan</i>) and further enhanced with the new systems called T-ifms (<i>Sistem Maklumat Pengurusan Hutan Bersepadu</i>) in order to keep track all the activities, inventories data, information on forest yield and payments received that related to management of the FMU. All yields of forest products were properly recorded as found in ‘<i>Laporan Bulanan dan Kemajuan Pengusahasilan</i>’ in the district offices and copies were sent to TSFD head office. Annual production and yield will then be summarized and reported in the TSFD Annual Report. The annual report entitled “<i>Laporan Tahunan 2018</i>” has been presented during the audit, together with the 2019 (draft) annual report.</p> <p>Data on forest monitoring on the growth rate, regeneration and condition of the forest by the TSFD is done through established growth plots, phenology plots and VJR/ecology plots. Growth plots data were maintained and monitor regularly including others growth plots throughout Peninsular Malaysia by the FDPM officers. The data will be analysed and produced by the FDPM together with other plots in all over Peninsular Malaysia.</p> <p>Changes on the composition of flora in the FMU were monitored through growth and VJR/ecology plots. Moreover, post-F and pre-F inventories in production forest are required to be done to assess the changes of flora and forest stand. For fauna composition and changes, the TSFD works closely with Dept. of PERHILITAN and Forest Research Institute Malaysia (FRIM) for data and information.</p> <p>The FMU also practiced RIL as to minimize the impact of logging operations towards the environment and Standard Operating Procedure of <i>Pengawalan Pengusahasilan Hutan</i> (Monitoring in Forest Production Activities) is adhered in their operation. For that, Forms A, B, C, D and E in logging areas were used and monthly reports were produced as guided by the Manual Perhutanan, 2003.</p> <p>At operation level, the SIMP system will record all the revenue and cost of the FMU while guided by the financial planning in the FMP and annual state government allocation. During the audit, all the relevant financial procedure was found to be practised efficiently by the TSFD and monitored periodically namely by annual state internal audit and <i>Audit Naziran SPEKS</i>. Copies of</p>	<p>Kawalan Pengeluaran” showed a significant difference compared to standing tree diameter as in “Buku Kawalan Pengeluaran” for Licence No: TS-01-03-20, Compt. 89, Jengai PRF and Licence No. TB-01-01-20, Compt. 11 (Part) Hulu Terengganu Tambahan PRF. Thus, a <b>Minor NCR RJ 03 2020 for indicator 8.3.1</b> was raised.</p>

Principle	Strengths	Weaknesses
	<p>2018 and 2019 (Draft) Annual Report, statement of monthly revenue [<i>Penyata Pungutan Wang Amanah dan Hasil Bagi Januari hingga July 2020</i>] were seen and verified.</p> <p>A public summary of the results of monitoring indicators such as growth rates, regeneration and conditions of the forest; composition of the flora and fauna and environmental and social impacts of harvesting had been published in the annual report as well as in '<i>Maklumat MC&amp;I</i>' available in website: <a href="http://trgforestry.terengganu.gov.my/index.php?option=com_content&amp;view=category&amp;id=11&amp;Itemid=252&amp;lang=my">http://trgforestry.terengganu.gov.my/index.php?option=com_content&amp;view=category&amp;id=11&amp;Itemid=252&amp;lang=my</a></p>	
<p><b>Principle 9 Maintenance of High Conservation Values</b></p>	<p>Determination on the presence of HCV attributes in the FMU is guided by the document issued by the Forestry Department Peninsular Malaysia (FDPM) entitled "<i>Panduan Penentuan, Penubuhan dan Pengurusan Kawasan Hutan Mempunyai Nilai Pemeliharaan Yang Tinggi (HCVF) Dalam Hutan Simpanan Kekal (HSK) Di Semenanjung Malaysia</i>".</p> <p>The Forest Management Plan (2016-2025) of TSFD clearly described the selection of HCVF areas is based on previous records of flora and fauna, scientific expeditions and research. As a result, three HCV areas were identified in the FMU. Each HCVF area was demarcated on the ground, planned and managed according to individual management plans.</p> <p>The monitoring activities of the HCVF in Terengganu FMU is done by the Silviculture and Forest Protection Unit and the works is based on the SOP outlined in the <i>Pekeliling Ketua Pengarah Perhutanan Bil. 8 Tahun 2015 – Panduan Penubuhan dan Pengurusan Hutan yang Mempunyai Nilai Pemuliharaan Tinggi dalam Hutan Simpan Kekal di Semenanjung Malaysia</i>. The unit was found to has annual schedule for the year 2020 monitoring and maintenance activities of all the HCVF in Terengganu FMU.</p> <p>The results of the HCVFs monitoring and maintenance will be incorporated in the next mid-term review of FMP in 2020.</p> <p>The summary of the management plan for HCV areas for the FMU is available to the public at <a href="http://trgforestry.terengganu.gov.my/index.php?option=com_content&amp;view=article&amp;id=365&amp;Itemid=262&amp;lang=my">http://trgforestry.terengganu.gov.my/index.php?option=com_content&amp;view=article&amp;id=365&amp;Itemid=262&amp;lang=my</a></p>	<p>There was no negative finding.</p>



Map of Terengganu FMU



## Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Mohd Razman Salim	Lead Auditor/ Forester	<p><b>Academic Qualification:</b> B. Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p><b>Work Experience:</b> 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 &amp; 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&amp;I (Natural Forest) &amp; MC&amp;I (Plantations), MYNI of RSPO P&amp;C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p><b>Training / Research Areas:</b></p> <ul style="list-style-type: none"> <li>• Lead Assessor Course on Malaysian Criteria and Indicators for Forest Management Certification MC&amp;I (Natural Forest)] &amp; MC&amp;I (Plantations) organized by MTCC, 1- 4 December 2013.</li> <li>• QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.</li> <li>• OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013.</li> <li>• EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013.</li> </ul>
Hj Roslee Jamaludin	Auditor / Forester	<p><b>Academic Qualification:</b> B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p><b>Work Experience:</b> 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</p>

		<p>Forestry Penang before retirement in April 2015. Has involved in several Working Committee form by the Forestry Department of Peninsular Malaysia to further improve the existing procedures, such as, Forestry Manual, Forest Road Guidelines, Forestry Rules, other guidelines regarding the MC&amp;I for forest certification. A member of MAJURUS, was appointed as an Internal Auditor for the MC&amp;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><b>Attended training programmes:</b></p> <ul style="list-style-type: none"> <li>• Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&amp;I (Natural Forest)] &amp; [MC&amp;I (Plantations)] organised by MTCC, 9 – 10 July 2015</li> <li>• EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 Nov. – 27 Nov. 2015.</li> <li>• Briefing on RSPO Principle &amp; Criteria (HCV) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 21 August 2015.</li> <li>• Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 26 Jan 2016.</li> </ul>
Dr. Zahid Emby	Auditor / workers & community issues and related legal issues	<ul style="list-style-type: none"> <li>• 1977- 1992 – Lecturer, Department of Social Sciences, Faculty of Educational Services, Universiti Pertanian Malaysia</li> <li>• Head, August 1992 – 1994, Department of Social Development Studies, Universiti Pertanian Malaysia</li> <li>• August 1, 1998 -2001. Reappointed as Head of the renamed Department of Social and Development Science for a three year term</li> <li>• Head, Department of Music from October 2003 until his retirement on December 17, 2006</li> <li>• Spent some time as a visiting scholar at University of Hull, U.K. and Victoria University of Wellington, New Zealand.</li> <li>• Freelance consultant on social issues</li> </ul>

## Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Stakeholder 1	<p>Ingin memaklumkan kerjasama dari pihak Jabatan Perhutanan Negeri Terengganu yang amat menyokong serta banyak membantu dari aspek R&amp;D oleh FRIM serta universiti tempatan. Pihak kami percaya sebahagian data-data dan rekod-rekod dari R&amp;D tersebut digunakan oleh pihak jabatan di dalam merancang serta membuat keputusan rancangan pengurusan hutan negeri. Adalah diharapkan kerjasama erat bagi pelaksanaan projek R&amp;D di kawasan hutan di negeri Terengganu dapat diteruskan dan ditingkatkan.</p>	<p>Pihak JPN Terengganu sentiasa menyokong sebarang usaha dari segi R&amp;D bagi mmpertingkatkan pengurusan hutan di negeri Terengganu.</p>
		<p>Kita sedia maklum bahawa Kumpulan Pengurusan Kayu-kayan Terengganu (KPKKT) merupakan satu-satunya pemegang konsesi jangka panjang pengurusan Kawasan hutan di Semenanjung Malaysia yang masih wujud. Syabas kepada kerajaan negeri dan jabatan perhutanan atas kejayaan tersebut. Adalah diharapkan ia akan dapat dikekalkan agar kita turut dapat pengetahuan dan pengalaman pengurusan hutan secara konsesi jangka panjang.</p>	<p>Pengurusan konsesi adalah menepati kehendak pengurusan hutan yang mampan dan menurut garis-garis panduan yang telah ditetapkan oleh jabatan perhutanan negeri.</p>
		<p>Produktiviti dan komposisi hutan pusingan kedua adalah membimbangkan. Penilaian productiviti beberapa hutan pengeluaran telah menunjukkan bahawa terdapat productiviti balak yang lebih rendah daripada jangkaan serta komposisi spesies telah berubah. Diharapkan perkara ini disemak dan dinilai untuk memberi panduan kepada jabatan perhutanan negeri bagi menguruskan isu ini.</p>	<p>JPN Terengganu melalui IPJPSM maklum akan isu ini dan telah mengambil langkah proaktif dalam menjalankan kajian bersama FRIM melalui Kajian Threshold Economic Cut bagi Sistem Pengurusan Memilih (SMS) di Semenanjung Malaysia. Kajian ini juga merangkumi kajian berkaitan kos pembalakan dan kos pengurusan pengusahasilan hutan.</p>
		<p>Kebakaran hutan adalah antara ancaman utama kepada kawasan hutan gelam seperti di Hutan Simpan Merchang, Marang serta di kawasan Setiu dan Dungun, khususnya kawasan berhampiran perkebunan dan penempatan manusia, apakah langkah-langkah yang diambil oleh jabatan perhutanan negeri bagi menangani isu kebakaran hutan ini.</p>	<p>Berikut adalah langkah-langkah yang digunapakai untuk tangani isu kebakaran hutan oleh Jabatan Perhutanan Negeri Terengganu:</p> <ul style="list-style-type: none"> <li>i) Laporan <i>Forest Danger Rating System</i> (FDRS)</li> <li>ii) Laporan Petunjuk Keamatan Api &amp; Bahaya Kebakaran bagi seluruh Semenanjung Malaysia oleh Ibu Pejabat JPSM.</li> </ul> <p>Laporan-laporan ini dapat mengesan titik panas (<i>forest hotspot</i>) yang berlaku di dalam HSK atau luar HSK di seluruh Semenanjung Malaysia.</p>

			<p>Laporan-laporan ini memaparkan kedudukan titik panas kebakaran yg berlaku dengan koordinat yg dikeluarkannya. Semakan oleh pasukan semut merah untuk laporan atau gambaran sebenar di lapangan turut dibuat sekiranya titik panas yang dikeluarkan melibatkan kawasan-kawasan di Negeri Terengganu. Selain itu, pasukan turut melakukan rondaan dan pemantauan kawasan persekitaran HS Merchang dan lain-lain lokasi HSK yg berada pada tahap kuning sebagai langkah-langkah mengawal kebakaran hutan.</p>
		<p>Dalam SFM serta pensijilan pengurusan hutan, elemen social dan ekonomi juga dititikberatkan. Adakah kajian impak berkaitan social dan ekonomi terhadap pihak berkepentingan yang tinggal berhampiran mahupun di dalam Kawasan hutan simpanan kekal ini dibuat?</p>	<p>JPN Terengganu melalui IPJPSM maklum akan isu ini dan telah mengambil langkah proaktif dalam menjalankan kajian bersama FRIM melalui Kajian Penilaian Ekonomi Keseluruhan (Total Economic Valuation) Perkhidmatan Ekosistem Hutan (HS Gunung Tebu &amp; HS Pulau Redang, Terengganu)</p>
		<p>Sejauh mana persempadanan semula koridor ekologi Central Forest Spine (CFS) Negeri Terengganu dapat mengurangkan kemalangan yang melibatkan hidupan liar di sepanjang koridor ini di negeri Terengganu? (Statistik kemalangan melibatkan hidupan liar terkini).</p>	<p>Persempadanan semula koridor ekologi CFS Negeri Terengganu telah dibentangkan di dalam Mesyuarat Jawatankuasa Perancang Negeri Bil.2 Tahun 2015. Sempadan koridor yang lama telah dikaji semula oleh agensi teknikal bagi mengenalpasti jajaran koridor yang lebih praktikal dan menumpu dalam usaha menyediakan laluan selamat untuk pergerakan haiwan liar berdasarkan gunatanah semasa. Selain itu, persempadanan baru juga mengambilkira faktor-faktor lain contohnya kawasan konflik hidupan liar semasa pada ketika itu dan perizaban kawasan-kawasan perlindungan yang baru diwujudkan (contohnya: Setiu Wetland). Sehubungan itu, dengan adanya sempadan koridor baru, kawasan-kawasan baru dikenalpasti dan dijadikan sebagai koridor dengan harapan untuk melindungi hidupan liar bukan sahaja dari isu 'roadkill' tetapi juga untuk menyediakan kawasan yang bersesuaian dan mencukupi sebagai habitat hidupan liar. Berdasarkan rekod yang diperolehi daripada Jabatan PERHILITAN Negeri Terengganu, sebanyak 19 kes kemalangan yang melibatkan hidupan liar. 3 kes direkodkan melibatkan kemalangan hidupan liar di sepanjang koridor ini di negeri Terengganu.</p>
		<p>Terdapat 4 lokasi yang telah ditetapkan sebagai kawasan perlaksanaan koridor ekologi 'Central Forest Spine' (CFS) di negeri Terengganu. Apakah usaha-usaha susulan terkini yang telah dijalankan pihak jabatan perhutanan negeri bagi konflik dengan guna</p>	<p>Pelbagai inisiatif telah diambil sejak Pelan Induk Koridor Ekologi CFS 2010 dilaksanakan di antaranya pada tahun 2017, JPNT telah menerima peruntukan kewangan daripada Kerajaan Persekutuan sebanyak RM 50,000 untuk mengadakan Sesi Konsultasi CFS kepada</p>

		<p>tanah dan scenario pembangunan semasa negeri Terengganu?</p>	<p>pemegang taruh yang telah berjaya diadakan sebanyak 2 kali pada tahun 2017. Hasil daripada sesi konsultasi itu, satu laporan pelaksanaan sesi konsultasi telah disediakan bagi menilai pelaksanaan pelan induk CFS Tahun 2010 di Negeri Terengganu di samping memberi input penambahbaikan dan cadangan terhadap CFS di Negeri Terengganu. Selain itu, dari masa ke masa, JPNT berperanan dalam memberikan ulasan teknikal jabatan berkaitan CFS diberikan dalam proses permohonan projek-projek pembangunan di Negeri Terengganu.</p>
--	--	---	---

## Surveillance 2 Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Razman)	AUDITOR 2 (Hj Roslee)	AUDITOR 3 (Dr. Zahid)
<b>Sunday</b> (9/08/2020)		<ul style="list-style-type: none"> <li>Travel from KLIA2 to Kuala Terengganu <b>AirAsia - AK6218 (17:55 – 18:55)</b></li> <li>Audit team stay at Paya Bunga Hotel</li> <li>Briefing by Audit Team Leader on the audit plan</li> </ul>		<ul style="list-style-type: none"> <li>Travel to Kuala Terengganu with SIRIM car driver and technical assistant</li> </ul>
<b>Day 1</b> <b>Monday</b> (10/08/2020)	8.30 am – 12.30 pm	<ul style="list-style-type: none"> <li>Opening Meeting with representatives of FMU</li> <li>Briefing session by Forest Manager on progress of forest activities</li> <li>Evaluation of changes to the management of the FMU</li> <li>Check on progress of planned activities aimed at enhancing the operation system</li> <li>Check on complaints, stakeholder comments and follow-up actions with Government agencies and NGOs</li> <li>Check on verification for closing NCRs raised during the previous audit</li> <li>Evaluate on internal audit and management review</li> <li>Q&amp;A Session</li> </ul>		
	2.00 – 5.30 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Hj Roslee)	AUDITOR 3 (Dr. Zahid)
		Documentation and records review <ul style="list-style-type: none"> <li>Principle 4 - Community Relations and Worker's Right</li> <li>Principle 6 – Environmental Impact</li> <li>Principle 7 – Management Plan</li> <li>Principle 9 – Maintenance of High Conservation Value Forests</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 1 – Compliance with Laws and Principles</li> <li>Principle 5 – Benefits from the forest</li> <li>Principle 8 – Monitoring and Assessment</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 2 – Tenure and Use Rights and Responsibilities</li> <li>Principle 3 – Indigenous Peoples' Right</li> <li>Principle 4 - Community Relations and Worker's Right</li> </ul> Interview with Kesatuan Pegawai-Pegawai Hutan Melayu Semenanjung (KPHMSM)
		<ul style="list-style-type: none"> <li>Review of Day 1 Findings by Audit Team Leader</li> <li>Auditor 1 overnight in Kuala Terengganu - Paya Bunga Hotel</li> <li>Auditor 2 and 3 overnight in Terengganu Selatan – Permata Resort</li> </ul>		
<b>Day 2</b> <b>Tuesday</b> (11/08/2020)	7.00 am – 8.00 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Hj Roslee)	AUDITOR 3 (Dr. Zahid)
		<u>Terengganu Utara</u> <ul style="list-style-type: none"> <li>External boundary Belara PRF</li> <li>Acacia plantation –</li> </ul>	<u>Terengganu Selatan</u> <ul style="list-style-type: none"> <li>Inspection of active harvesting area – Compt. 17, Besul PRF (IFM Research Project)</li> </ul>	<u>Terengganu Selatan</u> <ul style="list-style-type: none"> <li>Documentation review at District Forest Office</li> <li>Interview with local</li> </ul>

		<p>Merchang PRF</p> <ul style="list-style-type: none"> <li>• Compt. 80, Gunung Tebu PRF</li> </ul>	<ul style="list-style-type: none"> <li>• Inspection of active harvesting area – Compt. 89, Jengai PRF</li> <li>• Forest Checking Station – Durian Mas</li> </ul>	<p>community/MPKK/ Ketua Kg.:</p> <ul style="list-style-type: none"> <li>- MPKK Jengai</li> <li>- Kg. Sg. Pergam (Orang Asli)</li> </ul> <p><b>Terengganu Barat</b></p> <ul style="list-style-type: none"> <li>• Documentation review at District Forest Office</li> <li>• Interview with local community/MPKK/ Ketua Kg.:</li> <li>- Perkampungan Orang Asli Sg. Berua</li> <li>- Kg. Gerdang</li> </ul>
		<ul style="list-style-type: none"> <li>• Review of Day 2 Findings by Audit Team Leader</li> <li>• All auditors overnight in Kuala Terengganu - Paya Bunga Hotel</li> </ul>		
<p><b>Day 3 Wednesday (12/08/2020)</b></p>	<p>7.00 am – 8.00 pm</p>	<p><b>AUDITOR 1 (Razman)</b></p>	<p><b>AUDITOR 2 (Hj Roslee)</b></p>	<p><b>AUDITOR 3 (Dr. Zahid)</b></p>
		<p><b>Terengganu Barat</b></p> <ul style="list-style-type: none"> <li>• Inspection of active harvesting area – Compt. 63, Petuang PRF</li> <li>• Boundary of Compt. 40, Petuang PRF</li> </ul>	<p><b>Terengganu Barat</b></p> <ul style="list-style-type: none"> <li>• Inspection of active harvesting area – Compt. 11, Hulu Terengganu PRF</li> <li>• Inspection of closed harvesting area – Compt. 16 Besul PRF</li> <li>• Forest Checking Station – Bukit Diman</li> <li>• Inspection of forest nursery - Ajil</li> </ul>	<p><b>Terengganu Utara</b></p> <ul style="list-style-type: none"> <li>• Documentation review at District Forest Office</li> <li>• Interview with local community/MPKK/ Ketua Kg.:</li> <li>-MPKK Kuala Kubang</li> <li>-MPKK Felda Selasih</li> <li>-Kg. Jabi</li> <li>-Kg. Bakap/ Kelubi</li> <li>-Kg. Keruak</li> </ul>
		<ul style="list-style-type: none"> <li>• Review of Day 3 Findings by Audit Team Leader</li> <li>• All auditors overnight in Kuala Terengganu - Paya Bunga Hotel</li> </ul>		
<p><b>Day 4 Thursday (13/08/2020)</b></p>	<p>8.00 am – 12.00 pm</p>	<p><b>AUDITOR 1 (Razman)</b></p> <ul style="list-style-type: none"> <li>• Continue documentation and records review for any unfinished area</li> </ul>	<p><b>AUDITOR 2 (Hj Roslee)</b></p> <ul style="list-style-type: none"> <li>• Continue documentation and records review for any unfinished area</li> </ul>	<p><b>AUDITOR 3 (Dr. Zahid)</b></p> <ul style="list-style-type: none"> <li>• Continue documentation and records review for any unfinished area</li> </ul>
	<p>2.00 – 5.00 pm</p>	<ul style="list-style-type: none"> <li>• Closing meeting</li> </ul>		
		<p>*Travel to Kuala Terengganu to KLIA2 <b>AirAsia - AK6219 (18:25 – 19:30)</b></p>		



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

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Minor  NCR: RJ 01 2020	<p><b>Requirement: Indicator 1.5.2</b> - Control of encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities in the FMU.</p> <p><b>Finding:</b> A registered Headman (Kepala Hutan) in Licence TB-01-01-20 has not been issued a Sub- Licence.</p> <p><b>Objective evidence:</b>            During site inspection to active licence area No. TB-01-01-20 Compt. 11 (Part) in Hulu Terengganu PRF, there was no evidence of a registered Headman (Kepala Hutan) in the Licence Document TB-01-01-20 been issued a Sub-Licence as a requirement in Rule 32, State Forest Rule 1986.</p>	<p><b>Root cause:</b>            Investigation found that Headman (Kepala Hutan) did not carried out any work inside the license area. No need for application of Sub-Licence.</p> <p><b>Corrective action plan:</b>            The Forest Department has decided to the licensee to register their Headman for Sub-Licence so that easy for the FMU to monitor.</p>	<p>Corrective action plan was accepted by audit team.</p> <p>The forest department has approved Sub-Licence for the Headman on 22 July 2020. The Sub-Licence is valid from 1 July 2020 to 30 September 2020.</p> <p><b>Status: Implementation and effectiveness and of the corrective action will be verified during next audit.</b></p>
Minor  NCR: RJ 02 2020	<p><b>Requirement : Indicator 4.2.5</b> - Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials</p> <p><b>Finding :</b> Pictorial diagram and date of first generated for scheduled waste did not follow the Forestry Dept. SOP "Pelupusan Sisa Pepejal dan Cecair Bukan Organik Berdasarkan Keperluan Kualiti Alam Sekitar 2014".</p> <p><b>Objective evidence :</b></p> <p>1) Site inspection in Workshop in Active harvesting area Licence No.TS-01-03-20 in Compt. 89 Jengai PRF it was found that:</p> <p>i) The label for scheduled waste 305 did not follow the size as specified in the SOP (10cm x 10cm).</p> <p>ii) The label for scheduled waste for date of first generated recorded with a multiple date (7/2/2020, 21/6/2020 and 22/3/2020 in a scheduled waste drum.</p> <p>2) Auditor has found that pictorial signage such as 'Danger', 'Explosive', 'No Smoking', 'Flammable' and also signage of personal protective equipment (PPE) in front of genset was not clearly demarcated at Compt. 63, Petuang PRF.</p>	<p><b>Root cause:</b>            Based on investigation by forest department, it found that the licensee was not aware of the SOP.</p> <p><b>Corrective action plan:</b>            The forest department will conducting a training session on scheduled waste management on 21-23 October 2020 by officer from Department of Environment. The training will be attended by forest department and licensee.</p> <p>A copy of the SOP will be distributed to all licensee.</p>	<p>Corrective action plan was accepted by audit team.</p> <p><b>Status: Implementation and effectiveness and of the corrective action will be verified during next audit.</b></p>

<p>Major</p> <p>NCR: MRS 01 2020</p>	<p><b>Requirement: Indicator 6.5.3</b> - Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements.</p> <p><b>Finding :</b></p> <ol style="list-style-type: none"> <li>1) Construction of cross drain and side drain did not comply with Garis Panduan Jalan Hutan 2010 and Lesen Mengambil Hasil Hutan (Borang 1) – 11.0 Pembinaan Jalan, Jambatan Dan Pembentong.</li> <li>2) Recurrence of the same issue (1) as raised at Compt 17, Besul PRF during previous Surveillance 1 Audit - Minor NCR MRS 01 2019</li> </ol> <p><b>Objective evidence :</b></p> <ol style="list-style-type: none"> <li>1) Retaining wall, silt trap and sump were not adhered as per road specification for cross drain at feeder road (JT1) at Compt. 63, Petuang PFR (TB-01-08-20). Construction of the cross drain had resulted in soil flowing direct into the waterway.</li> <li>2) Excessive earth work along feeder road from matau 1 to matau 8 at Compt. 63, Petuang PRF.</li> </ol>	<p><b>Root cause:</b></p> <p>Investigation by forest department found that damaged to retaining wall, silt trap and cross drain were caused by raining/weather and also due to minimum road maintenance activity.</p> <p><b>Corrective action plan:</b></p> <p>The FMU has issued a Form 2 notice (Notis Borang 2) to licensee from 13-30 August 2020 for fixing the cross drain at feeder riad JT1, Comp 63, Petuang PRF.</p>	<p>Audit team has verified letter PHNT 100/3//1/5 Bhg 3 (29) dated 16 August 2020 on the compound and also action taken by the licensee as verified at 'Pembaikan Kerosakan pada Pembinaan Perangkap Lumpur dan Parit Silang Tepian di Kompartmen 63, HS Petuang'.</p> <p>The forest department has conducted briefing/training on forest road specification, sump, retaining wall and cross drain on 2 September 2020.</p> <p><b>Status: Closed</b></p>
<p>Minor</p> <p>NCR: RJ 03 2020</p>	<p><b>Requirement: Indicator 8.3.1</b> - Forest managers shall provide relevant documents for identifying all forest products leaving the area to be certified so that their origin could be easily determined.</p> <p><b>Finding:</b> Extracted first Logs diameter recorded in "Buku Kawalan Pengeluaran" showed a significant difference compared to diameter of standing tree recorded.</p> <p><b>Objective evidence :</b></p> <p>Site inspection to BPH Durian Mas and BPH Bukit Diman, it was found that, the first log recorded in "Buku Kawalan Pengeluaran" showed a significant difference compared to standing tree diameter as in "Buku Kawalan Pengeluaran" for Licence No: TS-01-03-20, Compt. 89, Jengai PRF and Licence No. TB-01-01-20, Compt. 11 (Part) Hulu Terengganu Tambahan PRF.</p>	<p><b>Root cause:</b></p> <p>Based investigation found an error on measurement of tree diameter in the licensed area which may caused the differences on size of tree diameter at Forest Checking Station (BPH). The forest department also found that there was no checking report and approval made by PIC at the BPH).</p> <p><b>Corrective action plan:</b></p> <p>Forest Department has instructed the logs with tree diameter more than 10 cm shall be send to the main logyard at licensed area for checking and approval from PIC at BPH based on official letter from Director of Forestry titled 'Arahan Pentadbiran Berkaitan Perbezaan Pengukuran Diameter Tual Kayu Balak pada Buku Penandaan Pokok dan Kawalan Pengeluaran' on 16 August 2020.</p>	<p>Corrective action plan was accepted by audit team.</p> <p><b>Status: Implementation and effectiveness and of the corrective action will be verified during next audit.</b></p>
<p>OFl#1</p>	<p><b>Requirement:</b></p> <p><u>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 workplace.</u></p>	<p>Not required.</p>	<p><b>Status: Will verified the implementation during next audit.</b></p>

	Chain block (rantai angkat) used at workshop was without safety latch and not clear on its loading capacity as the label was faded.		
OFl#2	<p><b>Requirement:</b>  <u>Indicator 4.2.4 Forest managers shall maintain up-to-date safety records in compliance with all applicable laws and/or regulations covering health and safety of forest workers</u></p> <p>The FMU has yet to conduct Safety &amp; Health Committee meeting for the year 2020 due to Covid-19 pandemic. The meeting could be conducted quarterly.</p>	Not required.	<b>Status: Will verified the implementation during next audit.</b>
OFl#3	<p><b>Requirement:</b>  <u>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</u></p> <p>The FMU has allocated budget for mid-term review FMP 2016-2025 for year 2020. However, the evidence of revision has not yet commenced.</p>	Not required.	<b>Status: Will verified the implementation during next audit.</b>
OFl#4	<p><b>Requirement:</b>  <u>Indicator 7.3.2 Forest workers shall be trained as to their respective roles in the implementation of the forest management plan</u></p> <p>Training on scheduled waste management and eSWIS system (<a href="https://eswis.doe.my">https://eswis.doe.my</a>) could be conducted with participation from person incharge of active licence area (ranger/forester) and personnel from contractor.</p>	Not required.	<b>Status: Will verified the implementation during next audit.</b>

## Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p>Minor</p> <p>NCR: MRS 01 2019</p>	<p><b>Requirement: Indicator 6.5.3</b> - Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements.</p> <p><b>Finding</b> : Construction of cross drain and side drain did not comply with Garis Panduan Jalan Hutan 2010 and Lesen Mengambil Hasil Hutan (Borang 1) – 11.0 Pembinaan Jalan, Jambatan Dan Pembentong.</p> <p><b>Objective evidence</b> :</p> <p>1) Retaining wall and silt trap were not constructed for cross drain at feeder road (JT3) in Phase 1 at Compt. 17, Besul PFR (TS-01-23-18(P)). Construction of the cross drain had resulted in soil flowing direct into the waterway.</p> <p>2) Construction of side drain and sump were not sufficient along feeder road at Jalan Tuju 7 &amp; 11 to Matau 51 at Compt 93 (Blok B) Petuang PFR (TB-01-15-19).</p>	<p><b>Root cause:</b></p> <p>Kurang kesedaran di kalangan pelesen/kontraktor mengenai pembinaan parit tepian, parit lencong, perangkap lumpur dan benteng penahan tebing mengikut spesifikasi Garis Panduan Jalan Hutan 2010 (Pindaan 2013).</p> <p><b>Corrective action plan:</b></p> <p>JPN Terengganu telah mengarahkan pihak pelesen/ kontraktor yang terlibat untuk mengambil tindakan pembaikan ke atas struktur yang terlibat dan tindakan telah dilaksanakan.</p> <p>JPN Terengganu akan terus memohon pengisian jawatan Jurutera Awam Hutan (J41) yang masih kosong kepada Pejabat Setiausaha Kerajaan Terengganu serta meneruskan latihan/ kursus kepada pihak berkaitan bagi tujuan meningkatkan pematuhan pelaksanaan mengikut spesifikasi ditetapkan.</p>	<p>Recurrence of the same issue as raised at Compt 17, Besul PRF during previous Surveillance 1 Audit - Minor NCR MRS 01 2019</p> <p><b>Status:</b></p> <p><b>This finding was upgraded to Major NCR MRS 01 2020 during Surveillance 2 Audit.</b></p>
<p>Minor</p> <p>NCR: KN01/ 2019</p>	<p><b>Requirement: Criterion 6.5</b> – Guidelines shall be prepared and implemented to: - control erosion; minimise forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p> <p><b>Indicator 6.5.4</b> - Availability and implementation of guidelines for conservation of buffer strips along streams and rivers</p> <p><b>Finding:</b> The implementation of guidelines for conservation of buffer strips along streams and rivers were not adhered to.</p> <p><b>Objective evidence:</b></p> <p>1) Inspection of active logging site in Compartment 65, Pelagat PRF (TU-01-03-19), found the buffer zone at feeder road (JT1) was damaged by residues of fallen trees. Construction of feeder road that</p>	<p><b>Root cause:</b></p> <p>Kurang kesedaran di kalangan pengendali jentera pelesen mengenai kepentingan mengelak zon penampungan sistem saliran sungai dari diganggu mengikut spesifikasi Garis Panduan Jalan Hutan 2010 (Pindaan 2013).</p> <p><b>Corrective action plan:</b></p> <p>JPN Terengganu akan terus memberi perhatian serius terhadap kawasan sensitive seperti kawasan bercerun serta aliran sungai dengan mengarahkan pihak pelesen/kontraktor secara bersurat untuk mematuhi Garis Panduan Jalan Hutan 2010 (Pindaan 2013). Arahan ini akan dikeluarkan di peringkat awal pembinaan jalan hutan dan infrastruktur pembalakan.</p> <p>JPN Terengganu akan terus memohon pengisian jawatan Jurutera Awam Hutan (J41) yang masih kosong kepada Pejabat Setiausaha Kerajaan Terengganu serta</p>	<p>During site inspection at active harvesting area Compt. 17 Besul PRF (IFM Research Project), Compt. 89 Jengai PRF, Compt. 63 Petuang PRF, and Compt. 11 Hulu Terengganu PRF including closed harvesting area at Compt. 16 Besul PRF were found that the implementation of guidelines for conservation of buffer strips along streams and rivers were adhered as demarcated in the road map.</p> <p><b>Status: Closed</b></p>

	<p>crosses buffer-zone had also resulted in severe siltation with soil run-off into the buffer zone and the river.</p> <p>2) Visit to active logging site in Compartment 17, Besul PRF (TS-01-23-18 (P)) found the buffer-zone at feeder road (JT12) was encroached by bulldozer and damaged by residues of fallen trees</p> <p>3) There was no specific planning or monitoring by a competent forest engineer or engineer consultant in sensitive areas (high elevations range 500 to 800m a.s.l.) such as sandy soil or drainage requirement. This will result in severe siltation and soil run-off during forest harvesting.</p>	<p>meneruskan latihan/ kursus kepada pihak berkaitan bagi tujuan meningkatkan pematuhan pelaksanaan mengikut spesifikasi ditetapkan.</p>	
<p>Minor NCR: KN02 2019</p>	<p><b>Requirement: Indicator 9.2.1</b> - Forest managers shall consult with relevant stakeholders on the options to maintain or enhance the identified HCVFs.</p> <p><b>Finding:</b> Consultation with relevant stakeholders on the options to maintain or enhance the identified HCVFs was not available.</p> <p><b>Objective evidence:</b> The FMU yet to consult with relevant stakeholders on the options to maintain or enhance the HCVFs. (upgraded from previous OFI).</p>	<p><b>Root cause:</b> JPN Terengganu tidak menyedari keperluan mengadakan rundingan bersama pemegang taruh secara berkala kerana tidak disyaratkan dalam dokumen Rancangan Pengurusan Kawasan Mempunyai Nilai Pemuliharaan yang Tinggi (HCVF) JPN Terengganu. JPN Terengganu akui terlepas pandang berhubung pemerhatian (observation) yang dikenakan pada surveillance yang lalu oleh pengaudit bebas.</p> <p><b>Corrective action plan:</b> JPN Terengganu telah merancang untuk melaksanakan sesi konsultasi penubuhan HCVF bersama pemegang taruh yang dijadualkan pada 23 Disember 2019 di Pejabat Renj Kuala Berang.</p>	<p>During this Surveillance 2 Audit, audit team has conducted stakeholder's consultation on HCVFs area for year 2019 as verified through record 'Sesi Konsultasi Penubuhan Petak High Conservation Value Forest (HCVF) dibawah Pensijilan Hutan MC&amp;I (Hutan Asli) Jabatan Perhutanan Negeri Terengganu' to FRIM, KPKKT, DOE, PERHILITAN, and Felda Jerangau Barat on 16 December 2019.</p> <p><b>Status: Closed</b></p>