



**PUBLIC SUMMARY
STAGE 2 AUDIT ON
MARUDI FOREST PLANTATION MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC - FP 00117
Date of First Certification: 15 Jan 2019
Audit Date: 17 - 20 July 2018 and 22 - 24 Oct 2018
Date of Public Summary: 7 Jan 2019**

Certification Body:

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TABLE OF CONTENTS

	Page No.
EXECUTIVE SUMMARY	3
1 INTRODUCTION	4
1.1 Name of FPMU.....	4
1.2 Contact Person and Address	4
1.3 General Background on the Marudi FPMU.....	4
1.4 Date First Certified	4
1.5 Location of the FPMU	4
1.6 Forest Management System	4
1.7 Annual Allowable Cut/Annual Harvest under the Forest Plantation 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	5
2.5 Audit Process	5
3 SUMMARY OF AUDIT FINDINGS	6
<u>Attachment</u>	
Map of Marudi FPMU	12
Experiences and Qualifications of Audit Team Members	13
Comments Received from Stakeholders and Responses by Audit Team Leader	16
Stage 2 Audit Plan	17
Details on NCRs and OFIs Raised During this Stage 2 Audit and Corrective Actions Taken.....	19

EXECUTIVE SUMMARY

This stage 2 audit on the Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi Forest Plantation Management Unit hereafter referred as the Marudi FPMU (Marudi LPF/0008 FPMU) was conducted on 17th -20th July 2019 and verification audit on 22-24 October 2018 (due to complaint received from local communities) to assess the compliance of the overall forest management system of the Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi FPMU against the requirements of the Malaysian Criteria and Indicators for Forest Plantation Management Certification [MC&I Forest Plantation.v2] using the verifiers stipulated for Sarawak. The scope of this stage 2 audit was limited to the Management of Marudi Forest Plantation Management Unit (Coupes 1A, part of 2A, part of Coupe 3A, and Coupe 4A), 19,941 hectares located in the Licensed Plantation Forest No. LPF/0008.

This stage 2 audit was conducted by a 3-member team comprising Mohd Razman Salim (Lead Auditor), Hj. Roslee Jamaludin (Auditor) and Dr. Lim Hin Fui (Auditor).

Based on the findings of this stage 2 audit, it was found that Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi FPMU had complied with the requirements of the MC & I (Forest Plantation.v2). This stage 2 audit had resulted in the issuance of two (2) and four (4) major and minor Non Conformity Reports (NCRs) respectively.

This public summary contains the general information on the Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi FPMU, the findings of the stage 2 audit, NCRs raised as well as the decision on the certification of the FPMU.

1 INTRODUCTION

1.1 Name of FPMU

Marudi Forest Plantation Management Unit

1.2 Contact Person and Address

Name : Zakaria Haji Hamzah & Thomas Jok Uvang
Designation : Sr. Plantation Manager & Assistant Plantation Manager
Address : Wisma Samling,
Lot 296 Jalan Temenggong Datuk Oyong Lawai Jau
98000 Miri, Sarawak.

Phone # : 085-413099

Fax # : 085-429073

1.3 General Background on the Marudi FPMU

Marudi FPMU is under the License for Planted Forests No. LPF/0008 of Samling Reforestation (Bintulu) Sdn Bhd (SRB) for industrial tree plantation (ITP). This FPMU has been licensed for ITP from 8th December 1998 to 7th December 2058 for a period of 60 years. The Marudi LPF/0008 FPMU managed by Samling Reforestation (Bintulu) Sdn Bhd covers an area of 19,941 hectares (Coupe 1A, part of Coupe 2A, part of Coupe 3A and Coupe 4A) from total area of LPF0008 of 55,822 ha. The uncertified area of 35,881 ha was excluded from the audit scope due to the soil type is a peat swamp and part of Coupe 2A and 3A were established after 31 December 2010.

The FPMU is located at latitudes approximately 04° 0' 0" and 04° 15' 0" N, and longitudes 114° 25' 0" and 114° 35' 0" E in the Marudi District, Miri Division, Sarawak. The topography of this plantation area is dominated by rolling low hills varying between 30 m and 300 m asl.

The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. A Forest Plantation Management Plan (FMP) covering the period from 1st January 2018 to 31st January 2028, (edition 1), had been presented during the audit.

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

1.4 Date First Certified

15 January 2019

1.5 Location of the FPMU

The Marudi FPMU is located between 04° 0' 0" and 04° 15' 0" N, and longitudes 114° 25' 0" and 114° 35' 0" E

1.6 Forest Management System

The Marudi FPMU had followed the principles of sustainable forest plantation management and the requirements of the Licence Agreement of the State government. Forest Plantation Management Plan (FPMP) covering the period from 1st January 2018 to 31st January 2028, (edition 1), was presented during this audit.

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

The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. Log extraction were recorded by monthly basis. The present

production was recorded from January to June 2018 by a breakdown of yarded 11,371.86m³, trucked 14,541.29m³ and 6580.66m³ by barge, which total up to 32,493.81m³.

1.8 Environmental and Socioeconomic Context

The Environmental Impact Assessment was prepared for forest plantation in August 2007 titled 'Environmental Impact Assessment Report for the Tree Component of the Proposed Samling Marudi Forest Plantation under Licence for Planted Forests No. LPF/0008 in Miri Division Sarawak'. 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 EIA study had been incorporated in the FPMP.

There is no village located within the certified area. However, there are a total of 4 villages located within LPF/0008 but outside of certified area, and also 16 villages located adjacent to the certified area. There is no court case concerning land claim. Villagers from two villages surrendered their temuda land to FPMU and were compensated. Agreement of surrender of temuda were available where the 19 villagers concerned signed the agreement which stated the "settlement sum".

The FPMU did not make use of the indigenous traditional forest-related knowledge and practices in forest plantation operations, therefore there was no specific mechanism and compensation for the commercial utilization of traditional knowledge. However as stated earlier, compensation for the surrender of temuda area of villagers within MTCS area was made by the FPMU.

2 AUDIT PROCESS

2.1 Audit Dates

17th -20th July 2019 and verification audit 22nd -24th Oct 2018 (14.5 man-days)

2.2 Audit Team

Mohd Razman Salim (Lead Auditor)
Hj. Roslee Jamaludin (Forester)
Dr. Lim Hin Fui (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 Plantation Management Certification [MC&I (Forest Planation.v2)] using the verifiers stipulated for Sarawak.

2.4 Stakeholder Consultations

A stakeholder notification was issued in June 2018 for a period of one month inviting relevant stakeholders to give comments on the FPMU. There were two (2) comments received from the stakeholders on Samling Reforestation (Bintulu) Sdn Bhd - LPF/0008 Marudi FPMU during the period. 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 compliance of the Marudi 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 Rh. Anthony, Rh. Lejang, Rh. Rok, Long Panai , Rh. Jimbau, Rh. Long Linei Bukit and Long Pahlo Asal.

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

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

3 SUMMARY OF AUDIT FINDINGS

Based on the findings of this stage 2 audit, it was found that the Marudi FPMU had managed the Marudi FPMU in compliance with most of the requirements of the MC&I Forest Plantation.v2. This stage 2 had resulted in the issuance of 2 major, 4 minor NCRs. The details on the NCRs raised are shown in **Attachment 5**.

The audit team had reviewed, accepted and verified the corrective actions taken by the Marudi FPMU to address the 2 major NCR raised during this stage2 audit. The audit team was satisfied that the corrective action had been effectively implemented and had therefore closed out these major NCR. The audit team had also reviewed and accepted the Marudi FPMU's proposed corrective actions to address the 4 minor NCRs. However, these corrective actions shall be verified by the audit team during the next audit.

Mechanism to resolve any conflicts and grievances was established through "Guidelines on conflict resolution of Marudi Reforestation Project LPF/0008 dated 15 March 2017 (GL006)" was available. The guidelines will guide in the formation of CRC, scheduled in August 2018, which will serve as the formal conflict resolution mechanism.

With regard to Criterion 6.10, the audited area was converted to plantation before 31 December 2010. There was no HCV area had been converted to forest plantation.

As the major NCR raised during this stage 2 audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Plantation Management be awarded to Marudi FPMU.

The summary of the findings of the Stage 2 audit on the Marudi 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>Marudi FPMU management has respected all applicable laws and international treaties and agreements to which Malaysia is a signatory, and complied with all the Principles and Criteria contained herein.</p> <p>Forest managers had demonstrate awareness of all the binding international agreements</p> <p>There were no conflicts documented between these Principles and Criteria, laws and regulations. The forest managers had expressed their willingness to participate in resolution of such conflicts if they arise.</p>	<p>There was no negative finding</p>
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>Long-term tenure and use rights to the land and forest resources has been clearly defined, documented and legally established. Documents were available upon request and approved by the authorized personnel. Samling Reforestation (Bintulu) Sdn. Bhd. signed a License Planted Forests LPF/0008 with the Sarawak State Government in December 1998.</p> <p>Forest managers had continued to recognise, respect and collaborate with holders of duly recognised legal or customary tenure or use rights of the local communities</p> <p>There were mechanisms in place at various levels for use to resolve disputes over tenure and use rights.</p>	<p>There was no negative finding</p>
<p>Principle 3 Indigenous People's Rights</p>	<p>The relevant laws on the customary rights of indigenous peoples' lands as stated in the verifiers were available.</p> <p>Procedures for identifying and protecting sites of cultural, ecological, economic or religious significance to IP and provisions for rights of access to these sites are available.</p> <p>The FPMU manager did not make use indigenous traditional forest-related knowledge and practices in forest plantation operations.</p>	<p>There was no negative findings</p>
<p>Principle 4 Community Relations and</p>	<p>The FPMU has provided training, retraining, local infrastructure, facilities and social program for all levels of its</p>	<p>The SIA findings (i.e. FPMU's impact on local communities, mitigation measures and</p>

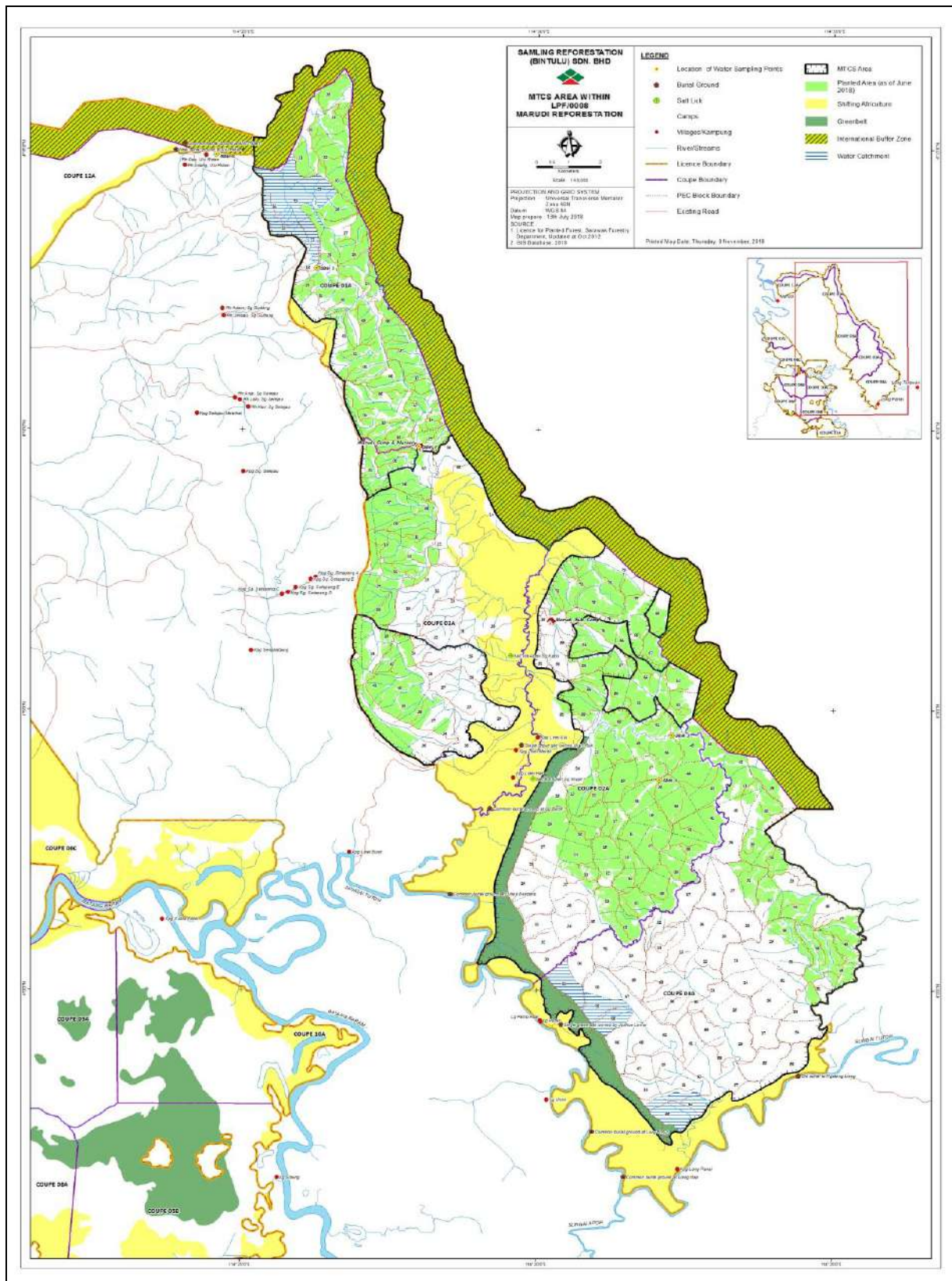
Principle	Strengths	Weaknesses
Worker's Rights	<p>employees. Marudi LPF/0008 Annual Training Plan (2017-2018) was available.</p> <p>Employment of indigenous peoples' records (July 2018) showed that out of a total of 67 employees, 24 villagers (36%) from local indigenous communities were employed in Marudi LPF/0008. Qualified local personnel were employed as assistant manager, executive, native liaison officer, assistant manager (QC), supervisors and QC auditors.</p> <p>All applicable laws and/or regulations covering health and safety of employees were made available and explained to them. Occupational Safety and Health (OSH) officer had been appointed for the plantation.</p> <p>The FPMU has conducted chemical health risk assessment (CHRA) which is valid from July 2017 to July 2022.</p> <p>Records showed that the workers' representatives are members of the Joint Consultative Committee (JCC). The JCC is the mechanism to resolve conflict/issue of workers through consultation.</p> <p>Guidelines on conflict resolution of Marudi Reforestation Project LPF/0008 dated 15 March 2017 (GL006) was available.</p>	<p>management /monitoring recommendations) have yet to be incorporated in forest management planning and practices. Therefore a Minor NCR LHF 01/2018 for Indicator 4.4.2 was raised.</p>
Principle 5 Benefits From the Forest	<p>Investments and reinvestments are made in forest management, including for forest administration, research, human resource development, protection, economic, conservation environmental and social aspects, consistent with the tenure of the FMU. As evidence in Annual Operating and development budget, Camp Administrative Budget 2018/2019,</p> <p>The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. Only trees were planted there would be no non-timber forest product to be harvested from this FPMU.</p> <p>Special Management Zones (SMZ) with protected residual forest, which would contribute towards a protective function for soil and water, had been established. The Forest Plantation Management Plan, for Marudi LPF/0008 (1st January 2018 – 31st January 2028) had included specifications on the establishment of riparian buffer belts.</p>	<p>There was no negative findings</p>

Principle	Strengths	Weaknesses
<p>Principle 6 Environmental Impact</p>	<p>The Environmental Impact Assessment was prepared for forest plantation in August 2007 titled 'Environmental Impact Assessment Report for the Tree Component of the Proposed Samling Marudi Forest Plantation under Licence for Planted Forests No. LPF/0008 in Miri Division Sarawak'.The assessment on the impacts on flora and fauna.</p> <p>Hunting and fishing within the FPMU were not allowed. The FPMU has posted a conservation poster on wildlife at the entrance gate, office and worker's quarters.</p> <p>There is a guidelines to identify and protect ERT for flora including special biological interest such as seed trees, salt licks, nesting and feeding areas in the forest plantation area.</p> <p>There was no sensitive area adjacent to the FPMU.</p> <p>The FPMU has established Guidelines related to waste disposal 'Guidelines on Disposal and Storage of Scheduled Wastes' and 'Guidelines on Storage and Handling of Hazardous Material'.</p> <p>The FPMU has conducted monitoring on exotic species by weekly.</p> <p>There was no new conversion of natural forest to forest plantations.</p>	<p>i. During site visit at active harvesting area in Block 17B, Coupe 1A, riparian buffer zone mark was demarcated in the harvesting area. However, in Block 16B, Coupe 1A, there was no blue mark for riparian buffer although the harvesting map has clearly marked the small stream as a buffer zone/conservation area – "Harvesting General Map Coupe 1A Block 16 LPF0008 – Marudi", map date 25/11/2017.</p> <p>ii. Debris of Acacia mangium was found in the small stream in the harvesting block – Block 16B, Coupe 1A.</p> <p>Therefore a Minor NCR MRS 01/2018 for Indicator 6.5.3 was raised.</p> <p>1) Emergency eye wash and shower facility at nursery was not available at nursery area although recommended by registered DOSH hygiene technician.</p> <p>2) The FPMU has yet to install exhaust fan at the opposite of the chemical store entrance as recommended by assessor.</p> <p>3) The FPMU has listed all chemicals hazardous to health in the chemical register as verified by auditor at Marudi office. However, the FPMU has missed out the inclusion of powder pesticides 'Decis 250' Class III in the chemical register.</p> <p>4) Safety data sheet for sulphuric acid H₂SO₄ (98%) at the battery store was made available at Marudi office. However, the SDS was not displayed at the working area (battery storage area).</p> <p>Therefore a Major NCR MRS 02/2018 for Indicator 6.6.1 was raised.</p>

<p>Principle 7 Management Plan</p>	<p>The Forest Plantation Management Plan for the MTCS Area within Marudi LPF/0008 for period 1st January 2018 to 31st January 2028, edition 1, was made available during the audit. Periodic will be conducted at every five years.</p> <p>The FPMU management had provided training to the workers and training records were made available to the audit team.</p> <p>The public summary of the forest plantation management plan was presented in the web page http://www.samling.com/doc/Marudi%20FPMP%20Public%20Summary.pdf</p>	<p>There was no negative findings</p>
<p>Principle 8 Monitoring and Assessment</p>	<p>The Permanent sample plots (PSPs) to monitor forest growth and dynamics were established. There were now 826 plots were established and distributed over the FPMU area. The establishment and monitoring of Permanent Sample Plots were satisfactorily enumerated.</p> <p>Forest plantation managers had gather the relevant information, appropriate to the scale and intensity of the forest plantation management</p> <p>The movement of harvested logs from stump to mill according to set procedures (Chain of Custody) was monitored by both SFC and the FPMU. Standard procedure/flow chart dated 16th April 2018 on movement of certified logs from their origin titled “Log Flow Chart” was established.</p>	<p>There is no record on monitoring activities hence no results and findings of the monitoring activities being incorporated into the forest plantation management plan. Therefore a Minor NCR LHF 02/2018 for Indicator 8.4.1 was raised.</p>
<p>Principle 9 Maintenance of High Conservation Value (HCV)</p>	<p>The assessment report titled ‘High Conservation Value (HCV) Assessment Report “MTCS area within Marudi Forest Plantation Management Units LPF/0008FMC dated July 2018 was presented during the audit.</p> <p>The area such as SMZ, RBZ, IBZ and residual forest areas within the FPMU areas were demarcated on the ground and mapped.</p> <p>Public summary on HCV was included in the Forest Plantation Management Plan.</p> <p>The schedule for Plantation Monitoring and Control Patrol Team for 2018 was presented during the audit. These data collected would be incorporated into the revision of the management plan to enhance the management decisions.</p>	<p>The list of relevant stakeholders and evidence of consultation with stakeholders was not available. Therefore a Major NCR RJ01/2018 for Indicator 9.2.1 was raised.</p>
<p>Principle 10 Forest Plantation Development and Management</p>	<p>The plantation management plan had clearly implemented the forest management objectives, including natural forest conservation and restoration objectives.</p> <p>The FPMU has mapped the conservation area</p>	<p>The procedure for preventing, monitoring and assessing invasive plant introductions titled ‘Monitoring of exotic tree species’ only stated aim and method. The frequency of the monitoring and monitoring form</p>

	<p>for natural forest such as riparian buffer zone, steep area and international buffer titled 'MTCS Area within LPF0008'.</p> <p>The extent of area planted by each species and by age classes were made available. Growth characteristics, performance and management for Acacia crassicarpa, Acacia hybrid, Acacia mangium, Eucalyptus pellita and Falcataria moluccana Eucalyptus were made available.</p> <p>The research unit of the FPMU had established a monitoring programme for pests and diseases in the plantation.</p> <p>There is no exotic species spread inside and outside of the FPMU area. Monitoring by monthly basis has been conducted by the FPMU.</p> <p>The FPMU had been implementing the mitigation measures as specified in the EIA Report.</p>	<p>were not stated in the SOP. Therefore a Minor NCR MRS 03/2018 for Indicator 10.7.1 was raised.</p>
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Map of Marudi FPMU



Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Mohd Razman Salim	Audit Team Leader / Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Production), Universiti Putra Malaysia.</p> <p>Work Experience: Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). Participate in organizing committee member, division level activities and projects. Coordinate and collaborate a long term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local & international) and NGOs. Published and presented research findings at the seminars and conferences. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2013. Involved in conducting assessments on forest management certification [MC&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p>Training / Research Areas: Was attending and pass in the following training programmes: Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organized by MTCC, 1-4 December 2013. EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013. OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013. QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.</p>
Dr. Lim Hin Fui	Auditor / workers' & community issues and related legal issues	<p>Academic Qualification: 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: 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</p>

		<p>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 (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>
<p>Tn. Roslee Hj. Jamaludin</p>	<p>Assessment Team Member / Forester</p>	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p>Work Experience: A retiree of Forest Conservator from Forestry Department of Peninsular Malaysia, with 36 years of experience in forest management, operation and administration. Has been working in various position since appointment in 1977, which includes Assistant</p>

		<p>Forest Management officer in Kuantan, Forestry Department of Pahang, Assistant District Forest Officer in Kuala Lipis Pahang and Segamat, Johor. Forest Plantation Officer in Johor and Terengganu, Forestry Officer for the State of Malacca. Assistant Director for Forest Harvesting and Industries in Selangor, District Forest Officer in Dungun Terengganu, Assistant Director for Forest Management in Negeri Sembilan and the State Director of Forestry Penang before retirement in April 2015. Has involved in several Working Committee form by the Forestry Department of Peninsular Malaysia to further improve the existing procedures, such as, Forestry Manual, Forest Road Guidelines, Forestry Rules, other guidelines regarding the MC&I for forest certification. A member of MAJURUS, was appointed as an Internal Auditor for the MC&I. Has attended several forestry Conference overseas and local. A member of IRIM (Institut Rimbawan Malaysia). Appointed as a facilitator and trainer for Forest Road Guidelines by Forestry Department Peninsular Malaysia.</p> <p>Attended training programmes:</p> <ul style="list-style-type: none"> • Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organised by MTCC, 9 – 10 July 2015 • EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 Nov. – 27 Nov. 2015. • Briefing on RSPO Principle & Criteria (HCV) organised by SIRIM QAS (Food, Agri & Forestry Section) 21 August 2015. • Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agri & Forestry Section) 26 Jan 2016.
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Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Stakeholder 1 (Sarawak Forestry Corporation Sdn Bhd)	<i>LPF/0008 iaitu Samling Reforestation (Bintulu) Sdn Bhd, adalah salah satu daripada lesen ladang hutan terletak di bawah seliaan. Setakat ini, terdapat dua PHC telah dikeluarkan iaitu Permit bernombor LPF0008/17/01APF(I) dan LPF0008/17/03APF(I) dengan keluasan kawasan 506 hektar dan 105 hektar masing-masing.</i>	Noted.
2	Stakeholder 2 (Labour Department of Marudi)	<ol style="list-style-type: none"> 1. The employer is always committed to advertising local job vacancies to Radio (RTM) and both languages in Malay and English in the local newspaper on Sundays. This is part of the stringent requirement set by the Labour Department to ensure local job seekers get the job vacancies first hand. If there are no locals to take the job, the department will proceed to allow the employer to apply foreign workers. 2. Our officers consistently attend the inspection at the place of employment at LPF0008 location. The first element of inspection to look for is well being of the local and foreign workers living in the quarters. As far as department is concerned, the employer's housing is excellent whereby the workers are given the accommodation free of charge, medical attention to nearest hospital, transportation, annual leave, sick leave, compassionate leave, minimum wage compliance, insurance protection for foreign workers, annual bonus, working hour not exceeding maximum hours prescribed in the Sarawak Labour Ordinance, maternity leave entitlement to pregnant women employees, termination, benefits, and comply to lawful wages deduction if there is any. 3. In addition, the said organization has always keep a good labour compliance record consistently in Labour Department Marudi. No formal prosecution, compound or charges made against them at the writing time. 	Noted.

Stage 2 Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Razman)	AUDITOR 2 (Hj Roslee)	AUDITOR 3 (Dr Lim Hin Fui)
Day 0 16 July 2018 (Mon)		<ul style="list-style-type: none"> All auditors travelling from KLIA to Miri Flight: MAS - MH2594 (ETA: 1425 - 1640) Check-in at Pullman Miri Waterfront. 		
Day 1 17 July 2018 (Tue)	9.00 – 9.30 am	<ul style="list-style-type: none"> All auditors travel to Marudi Flight: MASWINGS – MH3594 (ETA: 0745 – 0805) Opening Meeting with representatives of FPMU Briefing session by Forest Manager of the FPMU Q&A Session Follow up on issues of concern from Stage 1 Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> Local Communities Government agencies NGOs 		
	9.30 am – 5.00 pm	Documentation and records review: <ul style="list-style-type: none"> Principle 4 - Community Relations and Worker's Right (C4.2 - safety) Principle 6 – Environmental Impact Principle 7 – Management Plan Principle 10 - Forest Plantation Development and Management 	Documentation and records review: <ul style="list-style-type: none"> FPMU's land rental, fee, cess, royalty, budget & compound Principle 1 – Compliance with Laws and Principles Principle 5 – Benefits from the forest Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value (HCV) 	Documentation and records review: <ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right
		<ul style="list-style-type: none"> Review of Day 1 Findings by Audit Team Leader Stay at Mount Mulu Hotel 		
Day 2 18 July 2018 (Wed)	8.00 am – 5.00 pm	Site visit: <ul style="list-style-type: none"> Inspection of harvesting area Inspection of replanting area and silviculture operations (planting, weeding, slashing, pruning, chemical spraying, etc.) Consultation with contractors and workers Interview with workers – union, insurance, payslip, medical & accident, training etc Inspection of residual forest sites/ water 	Site visit: <ul style="list-style-type: none"> Inspection of LPF boundary and international boundary Malaysia –Brunei - Coupe 2, Block 64A External boundary with oil palm plantation – Formasi Abadi Sdn Bhd, Rimbulan Sawit – Coupe 4, Block 38 Kerangas buffer zone – Coupe 4, Block 31A Riparian buffer zone (RBZ) - Block 43A/43B, Coupe 4 & Block 54D, Coupe 2 	Site visit: <ul style="list-style-type: none"> Consultation with local communities located within and adjacent to FPMU : <ol style="list-style-type: none"> Rh. Anthony Rh. Lejang Rh. Rok Long Panai Rh. Jimbau Long Linei Bukit Long Pahlo Asal Water catchment area of Long Panai – Coupe 4A, Block 64 & 65

		catchment/ river buffer (RBZ)/ steep area (>35°) <ul style="list-style-type: none"> • Site visit at Block 29 – 32, Coupe 02A • Site visit at Block 1,2 & 5, Coupe 04A 	<ul style="list-style-type: none"> • Special Management Zone (SMZ) – Block 53, 54A &70, Coupe 2 • Residual forest area - Coupe 2A, Block 52 • Sg. Buaya water catchment – Block 18, Coupe 1A 	
		<ul style="list-style-type: none"> • Review of Day 2 Findings by Audit Team Leader • Stay at Mount Mulu Hotel 		
Day 3 19 July 2018 (Thu)	8.00 am – 5.00 pm	Management of forest fire PSPs: <ul style="list-style-type: none"> • PSP Plot No.05 at Coupe 1A in Block 25A – E. pellita • PSP Plot No.06 at Coupe 1A in Block 25A – E. pellita • PSP Plot No.01 at Coupe 1A in Block 25B – A. mangium • PSP Plot No.03 at Coupe 1A in Block 12D – E. pellita • PSP Plot No.04 at Coupe 1A in Block 12D – E. pellita Site visit <ul style="list-style-type: none"> • Nursery • Clinic • Workshop • Scheduled waste store • Staffs/workers quarters • Verification on CoC process for certified and uncertified logs 	Permanent sample plots (PSPs): <ul style="list-style-type: none"> • PSP Plot No.01 at Coupe 1A in Block 19B- Hybrid • PSP Plot No.03 at Coupe 1A in Block 19B – Hybrid • PSP Plot No.02 at Coupe 1A in Block 24A – A. mangium 	<ul style="list-style-type: none"> • Consultation with workers.
		<ul style="list-style-type: none"> • Review of Day 3 Findings by Audit Team Leader • Stay at Mount Mulu Hotel 		
Day 4 20 July 2018 (Fri)	8.00 am 2.00 pm 4.00 pm 5.00 pm	<ul style="list-style-type: none"> • Documentation and records review • Preparation of audit report and finding • Closing Meeting • Travel from Marudi to Miri • Check-in at Pullman Miri Waterfront. 		
All Auditors travel back to Kuala Lumpur on 21 July 2018, AirAsia ETD: 1000, ETA: 1215				

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

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.4.2 NCR: LHF 01/2018	Minor	<p>Requirement : Indicator 4.4.2 - Forest plantation planning and management practices shall consider and incorporate the results of such evaluations.</p> <p>Finding : The 2018 social impact on assessment has yet to be incorporated in the FPMP.</p> <p>Objective evidence : The SIA findings (i.e. FPMU's impact on local communities, mitigation measures and management /monitoring recommendations) have yet to be incorporated in forest management planning and practices.</p>	<p>The SIA final report is now available (copy of title page is attached here). The relevant SIA findings (i.e. FPMU's impact on local communities, mitigation measures and management /monitoring recommendations) will be incorporated in to the FPMP.</p> <p>This will be done before the first surveillance audit.</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verify during next audit.</p>
Indicator 6.5.3 NCR: MRS 01/2018	Minor	<p>Requirement : Indicator 6.5.3 - Availability and implementation of guidelines for conservation of buffer strips along streams and rivers.</p> <p>-Work Instruction for log harvesting (Tree Felling) – WI/OP/05/02</p> <p>Finding :</p> <p>i. No mark for riparian buffer zone in the active harvesting area</p> <p>ii. Debris from harvesting activity was found inside the small stream</p>	<p>1. It is standard practice to re-survey a block after harvesting in order to redefine the area to be planted. This means that any SMZs in B16B will be (re-)identified, marked surveyed and mapped. This of course includes any RBZs identified by the survey crew by 19th October 2018.</p> <p>2. The AGM Refor has given an instruction to the Harvesting crew: all harvesting debris that has fallen into or across perpetually flowing streams must</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verify during next audit.</p>

		<p>Objective evidence :</p> <p>i. During site visit at active harvesting area in Block 17B, Coupe 1A, riparian buffer zone mark was demarcated in the harvesting area. However, in Block 16B, Coupe 1A, there was no blue mark for riparian buffer although the harvesting map has clearly marked the small stream as a buffer zone/conservation area – “Harvesting General Map Coupe 1A Block 16 LPF0008 – Marudi”, map date 25/11/2017.</p> <p>ii. Debris of <i>Acacia mangium</i> was found in the small stream in the harvesting block – Block 16B, Coupe 1A.</p>	<p>be removed from the stream. This to be done before the re-survey and SMZ marking starts by 19th October 2018.</p> <p>3. Refresher toolbox talks to be given to Refor operations to reinforce the importance of correctly completing the post-harvest checklist. Initially, specific emphasis to be on RBZs, logging debris and water courses; this will be on an on-going basis.</p>	
<p>Indicator 6.6.1</p> <p>NCR: MRS02/2018</p>	<p>Major</p>	<p>Requirement : Indicator 6.6.1 - Availability and implementation of guidelines and/or procedures on the use of chemicals in forest plantation areas approved by relevant regulatory authorities.</p> <ul style="list-style-type: none"> • Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000 <p>Finding : The FPMU has not complied with the requirement for chemical handling and exposure as per OSH Act Regulation 2000:</p> <ol style="list-style-type: none"> i. Regulation 5 – Register of chemicals hazardous to health ii. Regulation 14 – Action to control exposure iii. Regulation 25 – Provisions of chemical safety data sheet in a place of work <p>Objective evidence :</p> <ol style="list-style-type: none"> 1) Emergency eye wash and shower 	<ol style="list-style-type: none"> 1. We will provide eyewash and will install shower – by 19th October 2018. 2. We were unable to appeal the assessor’s recommendation as being unreasonable (given the large volume of the store, that there is good ventilation all around at the wall top under the roof & the very limited amount & the nature of the chemicals stored) because he has left the company. An extractor fan will be fitted by 19th October 2018. 3. Decis 250 will be removed to the main R&D station at Segan 19th October 2018 4. SDS will be made available at the battery charging station by 19th October 2018. 	<ol style="list-style-type: none"> i. Emergency eye wash and shower facility at nursery have been installed at nursery as verified by audit team. ii. The FPMU has ordered three extractor fans on 20 August 2018 (Purchase order: PO 018127). The extractor fan was installed at the opposite of the chemical store entrance on 19 October 2018. iii. The FPMU has returned Decis 250 to supplier on 29 July 2018 (Delivery Order No: 0426). iv. Safety data sheet for sulphuric acid H₂SO₄ (98%) was made available at the battery store. <p>Status: Closed</p>

		<p>facility at nursery was not available at nursery area although recommended by registered DOSH hygiene technician.</p> <p>2) The FPMU has yet to install exhaust fan at the opposite of the chemical store entrance as recommended by assessor.</p> <p>3) The FPMU has listed all chemicals hazardous to health in the chemical register as verified by auditor at Marudi office. However, the FPMU has missed out the inclusion of powder pesticides 'Decis 250' Class III in the chemical register.</p> <p>4) Safety data sheet for sulphuric acid H₂SO₄ (98%) at the battery store was made available at Marudi office. However, the SDS was not displayed at the working area (battery storage area).</p>		
<p>Indicator 8.4.1</p> <p>NCR: LHF 02/2018</p>	Minor	<p>Requirement : Indicator 8.4.1 - Forest plantation managers shall incorporate the results and findings of the monitoring activities into the implementation and revision of the forest plantation management plan.</p> <p>Finding : Forest plantation managers have not incorporated the findings into the forest plantation management plan.</p> <p>Objective evidence : There is no record on monitoring activities hence no results and findings of the monitoring activities being incorporated into the forest plantation management plan.</p>	<p>In addition to the evidence already available in Marudi files, FPMP & website, evidence of the required further monitoring will be made available at the first surveillance audit.</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verify during next audit.</p>

<p>Indicator 9.2.1</p> <p>NCR: RJ01/2018</p>	<p>Major</p>	<p>Requirement : Indicator 9.2.1 Forest managers shall provide the assessors with a list of relevant stakeholders who have been consulted regarding the HCVF area.</p> <p>Finding : The list of relevant stakeholders consulted and evidence of consultation regarding the HCVF area was not available.</p> <p>Objective evidence : The list of relevant stakeholders and evidence of consultation with stakeholders was not available.</p>	<p>The HCVA will be reviewed and discussed with SFC [planned for 31st July] following which a stakeholder consultation will be held [target – before mid-August 2018]. An attendance list of the stakeholders will be prepared as evidence of the meeting. Target completion by end of August 2018.</p>	<p>The FPMU has consulted all relevant stakeholders regarding HCVF area on 8 August 2018. Among the participants were local communities from Long Panai, Long Terawan, Sg. Brit, Sg. Linei, Sg. Linei Merah, Sg. Linei Hilir, Sg. Stapang, Rh. Keir, Rh. Lalo, Rh. Anja, Rh. Jimbau, Rh. Adam, Rh. Dee, Rh. Adang, Long Ukok, and Linei Bukit. Government agencies also attended the briefing which are Forest Department of Sarawak and Sarawak Forestry Corporation. List of relevant stakeholders also made available and verified by audit team.</p> <p>Status: Closed</p>
<p>Indicator 10.7.1</p> <p>NCR: MRS 03/2018</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>Finding: Procedures for preventing, monitoring and assessing invasive plant introductions was not sufficient.</p> <p>Objective evidence : The procedure for preventing, monitoring and assessing invasive plant introductions titled 'Monitoring of exotic tree species' only stated aim and method. The frequency of the monitoring and monitoring form were not stated in the SOP.</p>	<p>The SOP will be redrafted & the frequency of the monitoring will be stated and the monitoring form will be made reference to. Completion before the surveillance audit.</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verify during next audit.</p>