



**PUBLIC SUMMARY
SURVEILLANCE 1 AUDIT ON
ULU TRUSAN FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC- NF 00120
Date of First Certification: 19 Dec. 2018
Audit Date: 12-15 Nov. 2019
Date of Public Summary: 24th March 2020**

Certification Body:

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

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EXECUTIVE SUMMARY

This surveillance 1 audit on the Ulu Trusan Forest Management Unit (Ulu Trusan FMU) was conducted on 12th -15 Nov. 2019 to assess the continued compliance of the overall forest management system of the Ulu Trusan FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)* [MC&I (Natural Forest)] using the verifiers stipulated for Peninsular Sarawak. The scope of this surveillance 1 audit was limited to the forest management system and practices on the Protected Forest within the Ulu Trusan FMU.

This surveillance 1 audit was conducted by a 3-member team comprising Hj. Roslee Jamaludin (Lead Auditor), 2. Mohd.Anas Amin Hj.Omar (Auditor), Dr. Lim Hin Fui (Auditor).

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

This public summary contains the general information on the Ulu Trusan FMU, the findings of the surveillance 1 audit, NCRs raised as well as the decision on the continued certification of the FMU.

1 INTRODUCTIONS

1.1 Name of FMU

Ulu Trusan Forest Management Unit

1.2 Contact Person and Address

Name : David Marsden
Designation : Chief Forester
Address : Wisma Samling, Lot 296
Jalan Temenggong Datuk Oyong Lawai Jau
98000 Miri Sarawak

1.3 General Background on the Ulu Trusan FMU

The Ulu Trusan Forest Management Unit (FMU) is the combination of Forest Timber Licence (FTL) No. T/9115 (Majulaba Sdn. Bhd.) and Forest Timber Licence (FTL) No. T/0280 (KTN Timor Sdn. Bhd.) and was issued to Syarikat Samling Sdn. Bhd. by the Sarawak Forestry Department to manage a total 92,751 ha of the forest, which is located within the Lawas District of Limbang Division, Sarawak. Both Forest Timber Licences were valid from 15 November 2018 to 14th November 2019 (Majulaba Sdn. Bhd. T/ 9115)) and 23rd Dec. 2019 to 22nd Dec. 2020 (KTN Timor Sdn. Bhd. T/0280). Timber Licence for No. T/9115 for Majulaba Sdn. Bhd. will be renewed when the FMU comply with the DF Circular No.2/2019 regarding the enrichment planting and restoration program within the licenced area. (Refer letter from Sarawak Forest Depart. Ref. no WPO.628.68.1(11)-83 dated 26th September 2019. The FMU has responded to SFD through a letter Ref. MMD/CORR/19-05 dated 22nd October 2019 by submitting photos and locality map of nursery established.

The Ulu Trusan FMU covers an area of 92,751 ha of proposed Ulu Trusan Protected Forest (62,613 ha) and proposed Trusan-Kelalan Protected Forest (4,695 ha). The remaining area of the FMU is occupied by the respective local communities (9,579 ha). The forest area is situated approximately between Latitudes 4° 35' 41" N to 4° 11' 8" N and Longitudes 115° 29' 2" E to 115° 40' 7" E in the Lawas District of Limbang Division, Sarawak, about 70 km South from Lawas town and accessible by the logging roads constructed by the Samling Group.

The forest types in the FMU are Hill Mixed Dipterocarp Forest (MDF) (63%), Mixed Dipterocarp Forest (4%), Sub-Montane Forest (4.4%), Kerangas Forest scattered on sandy terraces (4.4%), and Secondary/Degraded Forest (10.1%). The rest of the forest is within the Ulu Sebuang Nature Reserve, Paya Maga Conservation Area, and border zone (14.2%). The general landform of the FMU ranges from hilly to mountainous terrain with elevation between 300m to 1600m a.s.l. The FMU also within the Heart of Borneo Corridor (HoB).

The Forest Management Plan for Forest Timber Licences FTL No. T/9115 and FTL No.T/0280, Ulu Trusan Forest Management Unit for period 2017 to 2026, dated February 2018, was made available 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

19th Dec.2018

1.5 Location of the FMU

The FMU is located approximately between Latitudes 4° 35' 41" N to 4° 11' 8" N and Longitudes 115° 29' 2" E to 115° 40' 7"

1.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement of the State government. A Forest Management Plan (FMP) (2017) to (2026) was presented during this audit.

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

The net operable area of forest in Timber Licence T/0280 and T/9115 estimated to be 55,406 ha. Assuming the production area is evenly distributed at the cutting cycle of 25 years, the AAC is set at 2,216 ha/yr, and for 30 years is set at 1,847ha the optimum sustained commercial harvesting volume was set at 25.16m³ /ha - 30.10 m³ /ha which projected the annual harvestable volume range between 55,591 m³ – 55,761 m³.

1.8 Environmental and Socioeconomic Context

The EIA for The Re-Entry Hill Logging Under Timber Licence No. T/0280 at the Batang Trusan – Sg Tengoa – Sg Lopeng, Lawas District and Miri Divisions, Sarawak and The EIA Report for Re-entry Hill Logging Under Timber Licence No. T/9115 for Majulaba at Sg. Berayong – Sg Pasia were conducted for the FMU as required under item 2(i) of the First Schedule of the said Order under Section 11A (1) of the Natural Resources and Environmental Ordinance. The reports were approved by Natural Resources and Environment Board (NREB) on 26th May 2010 for FTL T/0280 and 8th June for FTL T/9115.

The Forest Management Plan of Ulu Trusan FMU (2017-2026) had also incorporated an assessment of environmental impacts specific to potential impacts on endangered, rare, and threatened species of flora and fauna (ERT), and the need for biological corridors in the FMU.

Documents on legal or customary tenure or use rights of local communities within relevant federal and state legal frameworks and customary laws for the forest areas were available in base camp main office. Guidelines on Conflict Resolution Revision 0 and Procedures on Land Claim Revision 0 are the appropriate mechanisms used to resolve any conflicts and grievances arise.

Assessment consultation with FMU managers and stakeholders showed that no indigenous traditional forest-related knowledge and practices has been used by the FMU in forest operations.

Qualified people in communities living within, or adjacent to, the FMU were given preference for employment and contract works. Records showed that out of a total of 61 workers were employed in the FMU with 39 workers (64%) from local communities.

2 AUDIT PROCESS

2.1 Audit Dates

12-15 Nov. 2019 (12 man-days)

2.2 Audit Team

Hj. Roslee Jamaludin	(Lead Auditor) (Forester)
Mohd. Anas Amin Hj. Omar	(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 Management Certification (Natural Forest) [MC&I(Natural Forest)] using the verifiers stipulated for Sarawak.

2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted in October 2019 to solicit feedback from stakeholders on the compliance of the Ulu Trusan 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 Ulu Trusan 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 Sarawak.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FMU, local community or stakeholders or field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors then decided on the degree of the FMU's overall compliance with the indicator and decided whether 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 local communities in Long Kerabangan, Long Luping, Long Sukang and Long Merarap, the staff from Sarawak Forestry Corporation (SFC) and Sarawak Forest Department were also consulted.

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

The _SFD had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim surveillance 1 audit report and sent it to the Ulu Trusan FMU for comment. A second draft surveillance 1 audit report which had incorporated the comments received from the Ulu Trusan was then prepared.

3 SUMMARY OF AUDIT FINDINGS

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

The audit team had reviewed, accepted, and verified the corrective actions taken by Syarikat Samling Sdn. Bhd to address the 4 major NCR raised during this surveillance 1 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 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 Syarikat Samling Sdn. Bhd to address the 9 Minor NCRs and 1 OFIs which were raised during the previous audit. 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 local community rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings with the Community Representative Committee (CRC). It was noted that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the management.

Regarding Criterion 6.10, There was no plan for converting the forest area to plantations. Conversion of natural forest into non-forest land use had not occurred within the FMU.

As the major NCR raised during this surveillance 1 audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Management be awarded to the Ulu Trusan FMU be maintained.

The summary on the findings of the surveillance 1 audit on the Ulu Trusan FMU against the requirements of the MC&I (Natural Forest) are as follows:

Principle	Strengths	Weaknesses
Principle 1 Compliance with Laws and Principles	<p>The forest management had maintained records of all relevant national, local laws, regulations and policies related to forest management. Copies of all relevant laws, policies and regulations stipulated in the MC&I (Natural Forest) fundamental for the FMU management were available in the office at the Merarap Base Camp Lawas District, Limbang Division, Sarawak.</p> <p>Current list of all legally prescribed fees, royalties, taxes, and other charges was available at the Merarap Camp Office, as stated in the Licence Agreement.</p> <p>Forest manager and senior officer of the FMU showed that they had demonstrated an awareness and understanding of the federal, state, and local laws and regulatory framework for forest management.</p> <p>The forest managers showed willingness to participate in resolution of conflicts if they arise. This was evidence by the establishment of <i>“Community Representative Committee (CRC) in Long Semadoh in 2017 and in Long Long Sukang in 2018 as well as Forest Management Certification Liaison</i></p>	<p>1. Employment agreement for workers are available and there is room for improvement to include matters such as leaves and termination of contract service by notice, to be in line with Labour Ordinance Sarawak 1952 (Act A1237). Therefore, an OFI for indicator 1.1.1.</p> <p>2. During the site inspection at Merarap basecamp it was found that permanent building was constructed to accommodate the PETRONAS staffs and workers for the gas pipelines project (SSGP), there is no evidence of approval from the Forestry Department. Therefore, a Minor NCR for Indicator 1.5.2 was raised.</p>

	<p>Committee (FMCLC) in 2018.</p> <p>Sign boards on control of hunting had been erected at the strategic location. Posters on Total Protected Wildlife in Sarawak were also observed at the Base Camp office.</p> <p>The policy statement was displayed at prominent sites within the FMU and had been communicated throughout the organization. The document was signed by the Chief Executive Officer of Samling Group of Companies on 1st Mach 2017.</p>	
Principle 2 Tenure and Use Rights and Responsibilities	<p>The Ulu Trusan Forest Management Unit (FMU) is the combination of Forest Timber Licence (FTL) No. T/9115 (Majulaba Sdn. Bhd.) and Forest Timber Licence (FTL) No. T/0280 (KTN Timor Sdn. Bhd.) and was issued to Syarikat Samling Sdn. Bhd. by the Sarawak Forestry Department. Both Forest Timber Licences were valid from 15th November 2018 to 14th November 2019 (Majulaba Sdn. Bhd T/ 9115)) and 23rd Dec. 2019 to 22nd Dec. 2020 (KTN Timor Sdn. Bhd. T/0280). Timber Licence for No. T/9115 for Majulaba Sdn. Bhd. will be renewed when the FMU comply with the DF Circular No.2/2019 regarding the enrichment planting and restoration program within the licenced area.</p> <p>Legal documents such as The Constitution of the state of Sarawak, Land Code 1958 (Cap 81), Natives Court Ordinance 1992, Natives Customs (Declaration) 1996, Sarawak Cultural Heritage Ordinance 1993, Community Chiefs and Headmen Ordinance 2004, Native Courts (Amendment) Ordinance 2001 (Cap A87) has been made available at main office at Merarap Camp.</p>	<p>Assessment consultations with villagers in Long Kerabangan, Long Luping and Long Sukang showed that no form was available for them to raise the any complaint. Therefore, a Minor NCR for indicator 2.3.1 was raised.</p>
Principle 3 Indigenous People's Rights	<p>Documentation of the customary rights of indigenous peoples' lands was available. Guidelines on Conflict Resolution Revision 0 and Procedures on Land Claim Revision 0 are the appropriate mechanisms used to resolve any conflicts and grievances arise.</p> <p>The FMU has established Strategic Forest Management Plan (2017-2026), approved by Forest Department of Sarawak. Forest management practices in indigenous people's lands recognised</p>	<p>During Stage 2 audit, a Minor NCR for Indicator 3.1.3 was raised regarding the missing records on the implementation of resolving three complaints arising from local communities / indigenous people. However, during this assessment found that conflict and grievances of the third villager were not adequately addressed where missing records of claim has yet to be made available.</p>

	<p>within relevant federal, state and local laws FMP- Chapter 12, Community Development, the FMU will not threaten or diminish, either directly or indirectly, their resources or tenure rights</p> <p>Based on interview with FMU managers and stakeholder's consultation, no indigenous traditional forest-related knowledge and practices has been used by the FMU in forest operations.</p>	<p>Therefore, the previous Minor NCR was upgraded to a Major NCR.</p>																											
Principle 4 Community Relations and Workers' Rights	<p>Qualified people in communities living within, or adjacent to, the FMU are given preference for employment and contract works. Records showed that out of a total of 61 workers were employed in the FMU with 39 workers (64%) from local communities.</p> <p>Up-to-date information on all applicable laws and/or regulations covering occupational safety and health of forest workers is disseminated to them from time to time.</p> <p>Site inspection at workshop in Schedule Waste Store, chemical store, Fuel Oil Lubricant (FOL) Depot etc. has confirm the implementation are as per SOP inclusive of hazard and warning signage's as per required under the OSHA were placed at strategic areas.</p> <p>Document on Right to Organize and Collective Bargaining (ILO Convention No. 98) was available at main office at Merarap Camp.</p>	<p>1. It was observed that the "Borang Keluhan" (complaint form) could be further improved to include matters such as signature of worker, date of submission to relevant unit for further action, action taken and confirmation by officer-in-charge. Therefore, an OFI for indicator 4.3.2 was raised.</p> <p>2. Assessment consultation with villagers in Long Kerabangan, Long Luping and Long Sukang showed that villagers have no access to the information on the results of the social impact evaluation. A Major NCR for Indicator 4.4.1 was raised as the same issue was included under Indicator 4.5.2 during stage 2 audit.</p>																											
Principle 5 Benefits From the Forest	<p>Ulu Trusan FMU had prepared the annual budget for the year 2019 to 2020. This annual budget, which includes budget for FMC expenses, training, community, HCV monitoring, PSP. Silviculture and RIL monitoring, were made available during the audit.</p> <p>Forest Management Plan (FMP) for the period of 2017 – 2026 has been presented during the audit. Chapter 2 of the FMP had detailed out the forest resource assessment for the FMU. For the assessment of timber resource, the FMU had established sampling units of 20m width and 240m length and systematic recording of field data and information are being carried out by the FMU. A minimum 123 of Sampling unit</p>	<p>During Site inspection harvesting area in Block 25 coupe 01A at M-4 and Block 29 Coupe 1A at ST-6-2, it was evidence that trees with DBH above 30cm were not tag as PCT, trees as follows:</p> <table border="1"> <thead> <tr> <th>No.</th><th>Species</th><th>DBH</th></tr> </thead> <tbody> <tr> <td>1</td><td>Empenit</td><td>36.0cm</td></tr> <tr> <td>2</td><td>Empenit</td><td>37.0cm</td></tr> <tr> <td>3</td><td>Akau</td><td>38.6cm</td></tr> <tr> <td>4</td><td>Asam</td><td>38.3cm</td></tr> <tr> <td>5</td><td>Medang</td><td>30.0 cm</td></tr> <tr> <td>6</td><td>Akau</td><td>34.0cm</td></tr> <tr> <td>7</td><td>Meranti</td><td>40.8cm</td></tr> <tr> <td>8</td><td>Medang</td><td>40.6cm</td></tr> </tbody> </table>	No.	Species	DBH	1	Empenit	36.0cm	2	Empenit	37.0cm	3	Akau	38.6cm	4	Asam	38.3cm	5	Medang	30.0 cm	6	Akau	34.0cm	7	Meranti	40.8cm	8	Medang	40.6cm
No.	Species	DBH																											
1	Empenit	36.0cm																											
2	Empenit	37.0cm																											
3	Akau	38.6cm																											
4	Asam	38.3cm																											
5	Medang	30.0 cm																											
6	Akau	34.0cm																											
7	Meranti	40.8cm																											
8	Medang	40.6cm																											

	<p>has been targeted to be established throughout the productive area of FMU, during the audit, 54 sampling unit has been completed. During this surveillance 1 audit FMU has selected 14 PSPs out of 54 PSPs for re-measurement, to date 8 PSPs has been re-measured.</p> <p>A Toolbox Talks on Reduce Impact Logging (RIL) were conducted on 19-20 September 2018. The Annual Training Plan for 2018/2019 was made available during the audit. The refresher and newly appointed crew training on RIL were planned to be held annually, other training programs: Log Extraction and Tree Felling expected to be conducted twice annually.</p> <p>Timber is the main product, no non-timber forest product harvested from the FMU.</p> <p>Protection Areas of terrain IV, watershed area, shifting cultivation area, low density mix dipterocarp forest, Kerangas were excluded from logging and were demarcated on the map was verified during the audit.</p> <p>The overall AAC for the FMU was based on the preliminary calculation. Assuming the production area is evenly distributed at the cutting cycle of 25 years, the AAC is set at 2,216 ha/yr, and for 30 years is set at 1,847ha the optimum sustained commercial harvesting volume was set at 25.16m³ /ha - 30.10 m³ /ha which projected the annual harvestable volume range between 55,591 m³ – 55,761 m³</p>	<p>Therefore, a Minor NCR for Indicator 5.2.1 was raised.</p>
Principle 6 Environmental Impact	<p>The EIA for The Re-Entry Hill Logging Under Timber Licence No. T/0280 at the Batang Trusan – Sg Tengoa – Sg Lopeng, Lawas District and Miri Divisions, Sarawak and The EIA Report for Re-entry Hill Logging Under Timber Licence No. T/9115 for Majulaba at Sg. Berayong – Sg Pasia were conducted for the FMU as required under item 2(i) of the First Schedule of the said Order under Section 11A (1) of the Natural Resources and Environmental Ordinance. The EIA reports were approved by Natural Resources and Environment Board (NREB) on 26th May 2010 for FTL T/0280 and 8th June</p>	<p>There were no negative findings</p>

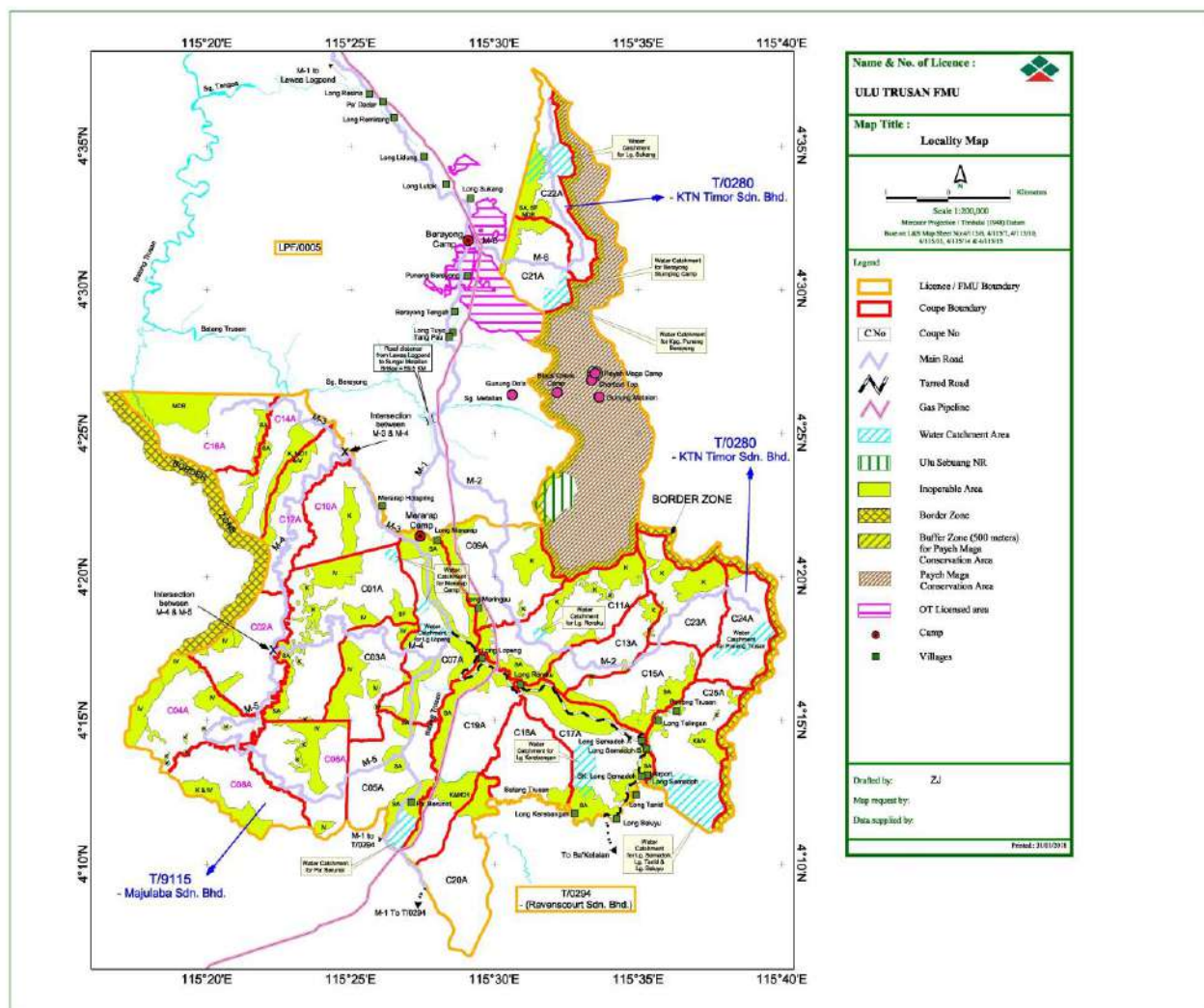
	<p>for FTL T/9115. Forest Management Plan had incorporated assessment of environmental impacts as seen in Chapter 7 of FMP (2017-2026)</p> <p>The guidelines to establish representative conservation and protection areas, in accordance with existing forest ecosystems were stated in 'Procedures for Pre-Felling Inventory' (by SFC). The guidelines were including the List of Protected Species and List of Totally protected Species (First and Second Schedule, Wildlife Protection Ordinance, 1998 (Cap. 26)</p> <p>Existence of cooperation between forest managers, and conservation organizations and regulatory authorities in implementing conservation and management activities as listed below;</p> <ul style="list-style-type: none"> • Assessment on Bird Diversity at Payeh Maga Highland Conservation Project, Long Tuyo, Lawas, Sarawak- Collaboration with Department of Forestry Sarawak and University Putra Malaysia Bintulu Sarawak Campus. • Tree Diversity at Payeh Maga, Lawas collaborative project Forestry Department Sarawak and University Putra Malaysia, Bintulu Sarawak Campus. <p>Prevention of activities on hunting, fishing, and collecting activities and inappropriate activities in the FMU were controlled by six appointed Honorary Wildlife Rangers. Wildlife monitoring programs were also scheduled and carried out.</p> <p>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>Management policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides were available in "Environmental Policy" signed by the CEO on dated 5th June 2017.</p>	
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	<p>Procedure on scheduled waste management titled 'Guidelines on Disposal and Storage of Scheduled Wastes' was available. Disposal of Scheduled Waste has been conducted base on the guidelines.</p> <p>There was no application of biological control agents in the FMU.</p> <p>No exotic species were planted in the the FMU forest.</p> <p>There was no plan for converting the forest area to plantations. Conversion of natural forest into non-forest land use had not occurred within the FMU.</p>	
Principle 7 Management Plan	<p>The Forest Management Plan for Forest Timber Licences FTL No. T/9115 and FTL No.T/0280, Ulu Trusan Forest Management Unit for period 2017 to 2026, dated February 2018, was made available during the audit.</p> <p>Periodic review as prescribed in the Forest Management Plan will be conducted at every five years.</p> <p>Records of new scientific and technical information and from monitoring activities were covered in the FMP as cooperation between forest managers, and conservation organizations and regulatory authorities in implementing conservation and management activities.</p> <p>The FMU provides classroom facility and training has been planned as per Training Schedule 2018 and 2019.The following training has been conducted;</p> <ol style="list-style-type: none"> 1. Awareness on MC&I (NF) 16th Oct.2019 2. Wildlife Awareness 23rd Oct. 2019 3. Industrial Relation,Employment Act&Labour Act 14th Oct.2019 4. HCVF (Induction to forest workers) 30th Jan.2018 5. Reduced Impact Logging 19th -20th Sept.2018 6. Honorary Wildlife Ranger 18th -21st Sept.2018. <p>The summary of the primary elements of the forest management plan as prepared and implemented under Indicator 7.1.1 were made available in</p>	There were no negative findings

	http://www.samling.com/uto_pubsummary.php	
Principle 8 Monitoring and Assessment	<p>Sarawak Forestry Corporation has conducted harvesting monitoring as per 'Procedures for the inspection of harvesting areas, 1999'. Pre-felling inspection on coupe boundaries and buffer zone area has been conducted on 15th June 2019. Logging road inspection for feeder roads and skid trails was carried out on 17th June 2019.</p> <p>The forest managers had provided relevant documents for identifying all forest products leaving the Ulu Trusan FMU area so that their origin could be easily determined. Logs leaving the logged stand to stumping area are issued with a Transit Bill prepared by the FMU where the log production number, LPI No., species, log length, diameter, and net volume were documented, including the block number, coupe/license number, stumping point, name of recorder, property mark, date, and vehicle number. From stumping area to Lawas Log Pond, SFC will issue a Removal Pass where coupe No., Licence No., name of licensee, date of issue and date of expiry were documented.</p> <p>The relevant results of monitoring activities to be incorporated into the periodic review as prescribed in the Forest Management Plan for Forest Timber Licences FTL No. T/9115 and FTL No. T/0280, Ulu Trusan Forest Management Unit for period 2017 to 2026, dated February, at every five years.</p> <p>Auditor has verified summary of the results of monitoring in Indicator 8.2.1 at the Samling's website. A summary of the monitoring results for (a) Yield of all forest products harvested, (c) Composition and observed changes in the flora and fauna, and (e) Costs, productivity and efficiency of forest management was verified in the public summary titled 'Public Summary – Forest Management Plan for Ulu Trusan Forest Management Unit for the period 2017 - 2026' at the Samling's website: http://www.samling.com/uto_pubsummary.php</p>	<p>During the Stage 2 audit, the measurement of the plots (length and width of the plots) was not corrected based on clinometer slope reading (correction table).</p> <p>During this surveillance audit on the PSP 7 and 14, The auditors has found:</p> <ol style="list-style-type: none"> 1. The measurement of the plots (length and width of the plots) was not corrected based on clinometer slope reading (correction table). 2. Useful information on unique tree location and tree shape were not recorded in the inventory form (Remarks column). Such information is needed in explaining unusual tree growth. <p>Therefore, the Minor NCR for Indicator 8.2.1 raised during Stage 2 audit was upgraded to Major NCR.</p>

<p>Principle 9 Maintenance of High Conservation Values</p>	<p>The report on assessment, identification, and management of High Conservation Value Forests Guidelines for Ulu Trusan FMU had been completed. The assessment report titled 'High Conservation Value (HCVF) Assessment Report Ulu Trusan FMU, dated February 2018 by Sarawak Forestry Corporation Sdn Bhd' was presented. Demarcation on Maps of HCVF has been verified in "Map of Summary of High Conservation Value Assessment (HCVA) at Ulu Trusan FMU, dated 24.2.2018".</p> <p>The list of relevant stakeholders consulted regarding the HCVFs was made available during the audit. Records of meetings/dialogues with relevant stakeholders and experts regarding the HCVFs had been initiated on 10th January 2018 and latest records of consultation was made on 10th February 2018. Minutes of meetings including attendance list and pictures were verified during the audit.</p>	<p>During the Stage 2 audit the "Procedures for Monitoring the High Conservation Value (HCV) Management Measures, Procedures: SFM/PR 007, Revision:0, dated 1st August 2017", and had clearly recommended monitoring activities. However, the timeline or frequency of monitoring to assess the effectiveness of the HCVFs measures were not stated in any procedures or management plan.</p> <p>During this surveillance audit, the timeline or frequency of monitoring to assess the effectiveness on HCVFs were not stated in any procedures or management plan.</p> <p>Therefore, the minor NCR raised during stage 2 audit is upgraded to Major NCR.</p>
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Map of Ulu Trusan FMU



Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Hj.Roslee Bin Jamaludin	Audit Team Leader / Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p>Work Experience: A retiree of Forest Conservator from Forestry Department of Peninsular Malaysia, with 36 years of experience in forest management, operation and administration. Has been working in various position since appointment in 1977, which includes Assistant Forest Management officer in Kuantan, Forestry Department of Pahang, Assistant District Forest Officer in Kuala Lipis Pahang and Segamat, Johor. Forest Plantation Officer in Johor and Terengganu, Forestry Officer for the State of Malacca. Assistant Director for Forest Harvesting and Industries in Selangor, District Forest Officer in Dungun Terengganu, Assistant Director for Forest Management in Negeri Sembilan and the State Director of Forestry Penang before retirement in April 2015. Has involved in several Working Committee form by the Forestry Department of Peninsular 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. • Forest Management Certification (FMC) Workshop' organised by SIRIM (Food,Agr.& Forestry Section)06 & 07 December 2016 • Forest Management Certification (FMC) Workshop 2017 organised by SIRIM (Food,Agr. & Forestry Section)08 – 09 May 2017 • 'Forest Management Certification (FMC) Workshop' for 2017 organised by SIRIM (Food,Agr. &Forestry Section)28 & 29 November 2017. • FMC Workshop for 2018 organised by SIRIM (Food,Agr. &Forestry) 22 November 2018 • COC Workshop 2018 organised by SIRIM 26 November 2018 <p>Auditor Training Course on PEFC Chain of Custody Certification organized by MTCC on 19th -20th December 2018.</p>

<p>Mohd Annas Amin bin Haji Omar</p>	<p>Auditor</p>	<p>Academic Qualification: <i>Diploma in Forestry, UPM</i> <i>B. Sc. In Forestry, UPM</i></p> <p>Work Experience: Six year as Assistant Forest Officer at Perak Forestry State Department in the year from 2013-2018. Main responsibility is Assisting District Forest Officers in administrative work, forest development and forest operations. Conduct forest Enforcement Team Activities such as The Prevention of illegal logging. Appointed to be Raid Officer in Raid Eradicating Illegal Refinery in Kinta Manjung Forest District. Also appointed to be Investigative Officer in Investigations into a case involved Ayer Chepam Forest Reserve and Cased Prosecuted in Court.</p> <p>Attended and pass the following training programmes:</p> <ul style="list-style-type: none"> • Program of MTCS Training Course (MC&I) in Kuantan (9-12 July 2018) • Lead Auditor ISO 9001, ISO 14001 & ISO 45001 Exemplar Global Certified (13-18 August 2018)
<p>Dr.Lim Hin Fui</p>	<p>Auditor/ Forester</p>	<p>Academic Qualification:</p> <p>Trained in social anthropology, Dr. Lim Hin Fui graduated in 1983 with a BA. Honours in Anthropology and Sociology from the UKM, Master's Degree in social science from University Science Malaysia and PhD from University of Malaya. He was a Senior Research Officer (Sociologist) at Forest Research Institute of Malaysia, (FRIM) from 1989 till 2017.</p> <p>On forestry, he authored a book on the indigenous people entitled Orang Asli, Forest and Development in 1997 and The Role of Research and Development in Sustainable Utilisation of Matang Mangroves in Malaysia in 1999. He co-authored Essential Oils Rich in Safrrole: Survey on Production, Trade and Use in East and South East Asia in 2007 published by United Nations Office on Drugs and Crime, Regional Centre for East Asia and the Pacific.</p> <p>Work Experience:</p> <p>He was a Senior Research Officer (Sociologist) at Forest Research Institute of Malaysia, (FRIM) from 1989 till 2017.</p> <p>On forestry, he authored a book on the indigenous people entitled Orang Asli, Forest and Development in 1997 and The Role of Research and Development in Sustainable Utilisation of Matang Mangroves in Malaysia in 1999. He co-authored Essential Oils Rich in Safrrole: Survey on Production, Trade and Use in East and South East Asia in 2007 published by United Nations Office on Drugs and Crime, Regional Centre for East Asia and the Pacific.</p> <p>Attended training programmes:</p> <ul style="list-style-type: none"> • 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] • Member of the audit team to field test the Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] in the Perak State FMU, 1-6 March 2004.

		<ul style="list-style-type: none"> • Since 2005 till 2018, he was member of the audit team in conducting forest management certification: <ul style="list-style-type: none"> (a) against the MC&I (Natural Forest and Forest Plantation) in Peninsular Malaysia (Johor, Kedah, Negeri Sembilan, Perak, Pahang, Selangor, Terengganu), Sarawak (Kubaa Puak FMU, Anap Muput FMU, Shin Yang Forestry Sdn Bhd, Ravenscourt FMU, Lana Reforestation Forest Plantation), Sabah (KTS Plantation Sdn Bhd, Sagaliud Lokan FMU, Sapulut FMU, Bornion Timber Sdn Bhd). (b) Against FSC Surveillance 4 on Deramakot FR, Sabah.
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Comments Received from Stakeholders and Responses by Audit Team Leader

Stakeholder	Stakeholders Comment	Auditors Comment
Undisclosed Comment received on 17 th Oct. 2019	<p>1. Adakah Samling (FMU Ulu Trusan) mempunyai kelulusan drp. Pengarah Hutan untuk membenarkan kakitangan Petronas mendiami kawasan/kem pembalakan.</p> <p>2. FMU Ulu Trusan sedang atau dalam proses pemberhentian pekerja-pekerja terlibat dalam aktiviti pembalakan yang member kesan kepada ekonomi penduduk penduduk terlibat secara tergesa gesa.</p>	<p>1. FMU has followed the Labour Ordinance Sarawak 1952 in the retrenchment exercise. Record showed that in the Ordinance, Part 3 Contract of Service, Section 12A stated "Termination of contract of service by notice of 4 weeks if service is less than 2 years, 6 weeks if service between 2 and less than 5 years, and 8 weeks if service is 5 years or more". Records showed that a briefing of reorganization exercise and retrenchment was held for all workers on 15 October 2019.</p> <p>Having understood the briefing, a total of 24 local workers and 26 Indonesian workers chose to request for voluntary separation scheme (VSS) on the same day. Records further showed that the workers requesting for VSS were provided terms and benefits. For example, in the case of worker with employment number R94943 who voluntarily accepted the retrenchment, records showed the below benefits under VSS scheme:</p> <p>a. Payment in lieu of notice (RM68.05 x 8 weeks' notice x 7 days) = RM3810.80</p> <p>b. VSS benefits (RM68.05 x 20 days x 13.01 years of service) = RM17,706.61</p> <p>Total=RM 21,517.41</p> <p>2. During the site inspection at Merarap basecamp it was found that permanent building was constructed to accommodate the PETRONAS staffs and workers for the gas pipelines project (SSGP), there is no evidence of approval from the Forestry Department. A Minor NCR was raised for Indicator 1.5.2</p>
Undisclosed Comment received on: 14/11/2019	<p>1. Kalau dari awal lagi perlindungan alam sekitar dilakukan, keadaan seperti sekarang ini tidak akan berlaku disebabkan penebangan hutan yang</p>	<p>Noted. The FMU has just been certified in 2018. The condition of the forest before the FMU been certified might be as what</p>

	<p>pesat dan bebas menunjukkan peningkatan perubahan iklim tempatan dan global dengan penjejasan aliran wap dan air yang sangat tidak baik ketika ini. Banyak orang dalam atau sekitar Kawasan FMU Ulu Trusan ini tidak menyedari masalah ini yang walaupun ia melibatkan kehidupan kesihatan manusia.</p> <ol style="list-style-type: none"> 2. Banyak benda-benda hidup hutan (biologi) sudah musnah ketika ini yang sangat berguna untuk perubahan tradisional tidak dapat ditemui oleh pakar-pakar perubahan tradisional lagi. 3. Kalau dipandang dari sudut ekonomi atau peluang pekerjaan memang sangat baik untuk segelintir orang yang bernasib baik sahaja.. 4. Biasanya cara-cara orang kampung berunding atau minta tolong dengan syarikat pembalakan disini ialah dengan cara kekerasan iaitu membuat bentangan kain merah untuk menutup jalan, baru dapat bantuan, bagi yang berunding secara lembut itu mendapat 'boleh boleh' atau 'ya ya' sahaja. 5. Adapun Syarikat Timber memberi wang tiap-tiap hujung tahun RM1000, RM2000 atau RM4000 mengikut kecil besar komuniti setempat tetapi nilai alam semulajadi jauh lebih berharga untuk manusia, untuk segala jenis makhluk hidup yang bergerak, yang berkeriapan dalam air, burung-burung yang bersayap dan segala jenis ternak dan segala jenis binatang melata di muka bumi ini. 6. Setelah pembalakan masuk dalam kawasan ini pada 1983 banyak perkara-perkara terjejas seperti sumber-sumber makanan manusia dan keperluan lain dari hutan dan sungai. Sumber-sumber makanan binatang-binatang, flora dan fauna dan banyak lagi masalah-masalah berbangkit lain. <p>Pencegahan sudah terlambat, umpama menjaga sarang lebah tidak bermadu, Kalau keadaan memaksa jangan abaikan kepentingan komuniti-komuniti tempat yang terlibat baik dari segi aspek apa atau keadaan apapun ia.</p>	<p>has been stated by the Ketua Kaum.</p> <p>However, since the FMU has been certified under MC&I (Natural Forest) the forest management of FMU will have to adhere to Principles, Criteria and Indicators of the certified area. This principle will include community relation.</p>
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Surveillance 1 Audit Plan

DAY	TIME	PROGRAM		
		(AUDITOR 1) Hj.Roslee	(AUDITOR 2) Mohd. Annas	(AUDITOR 3) Dr. Lim Hin Fui
Day 0 11.11.19 (Monday)	8:00 am - 8:00pm	<p>All Auditors travelling from KLIA to Miri on 11th Nov. 2019 Flight KUL to MYV- MH2574, ETD - 11:30, ETA - 13:45</p> <p>Continue travelling from Miri to Lawas, Flight MYV to LWY- MH3518, ETD – 16:00, ETA – 16:45</p> <p>Overnight in Lawas</p> <p>Briefing by Audit Team Leader on the surveillance 1 audit plan (auditors only)</p>		
Day 1 12.11.19 (Tuesday)	7.30 am 8.30 am – 1.00 pm	<ul style="list-style-type: none"> Travelling to Ulu Trusan Office Opening Meeting with representatives of FMU Briefing session by Forest Manager of the FMU Q&A Session Follow up on issues of concern from Stage 2 Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> Local Communities Government agencies NGOs Evaluate on internal audit and management review 		
	2.00 pm – 7.30 pm	Documentation and records review		
		Principle 1 – Compliance with Laws and Principles	Principle 6 – Environmental Impact	Principle 2 – Tenure and Use Rights and Responsibilities
		Principle 5 – Benefits from the forest	Principle 8 – Monitoring and Assessment	Principle 3 – Indigenous Peoples’ Right
		Principle 7 – Management Plan Principle 4 - Community Relations and Worker’s Right	Principle 9 – Maintenance of High Conservation Value (HCV)	Principle 4 - Community Relations and Worker’s Right
		Review of day 1 finding by Audit Team Leader		

Day 2 13.11.19 (Wednesday)	7.30 am – 6.30 pm	Site Visit		
		<ul style="list-style-type: none"> Inspection of active harvesting area in Block 025 and 029, Coupe 1A, Inspection of coupe & Licence Boundary: Coupe 01A/Coupe 02A and Coupe 03A/1A Inspection of Licence Boundary at Sg.Pasia.,Majulaba/KTN. Inspection of Clinic. 	<ul style="list-style-type: none"> Conservation area: SBR at Long Luping (Coupe 7A&3A) Inspection of PSPs: PSPNo.07 in Copue 03A. Fauna Monitoring sites/HCVF Site: Salt lick Sg. Dualan. Kg Pa'Berunut interview with local community(Bloc kade). 	<ul style="list-style-type: none"> Consultation with local Community: <ul style="list-style-type: none"> Long Kerabangan Long Luping Water catchment Long Luping coupe 7A/3A Consultation with SFC and Forestry Department Sarawak.
		<ul style="list-style-type: none"> Review of Day 2 Findings by Audit Team Leader 		
Day 3 14.11.19 (Thursday)	7.30 am – 6.30 pm	Site visit <ul style="list-style-type: none"> PSP plots No. 14, at Coupe 02A Conservation areas: SA bordering Block 36 and Block 47 in Coupe 1A. SBR at Block 21, Kerangas area at block 24 in Coupe 01A and Water Catchment area in coupe 01A. Inspection of Workshop. 	Site visit <ul style="list-style-type: none"> Inspection of Post Harvesting area: Block 22&24 in Coupe 01A. HCVF: HCV 1.4 (Salt Lick –Long Rereku) Stumping Site-Ulu Trusan. External Boundary between KTN/LPF. 	Site visit <ul style="list-style-type: none"> Consultation with Local Community: <ul style="list-style-type: none"> Long Sukang Long Merarap Burial site at Long Merarap Inspection of workers quarters
		<ul style="list-style-type: none"> Review of Day 3 Findings by Audit Team Leader 		
Day 4 15.11.19 (Friday)	7.30am – 1.00 pm	<ul style="list-style-type: none"> Documentation and records review Preparation of audit report and finding Briefing to representatives of FMU on the findings of audit 		
	2.00pm – 6.30pm	<ul style="list-style-type: none"> Closing Meeting and presentation of findings of audit and discussion on follow-up activities Adjourn Closing Meeting Travel back to Lawas, check-in at Seri Malaysia Hotel. 		
16.11.19 (Saturday)	9.00 am – 4.30 pm	All auditors travel back to Kuala Lumpur Flight LWY to MYV- MH3541 ETD-11.25,ETA 12.10 Connecting Flight MYV-KUL – MH 2575, ETD-14.30,ETA-16.45		

Details on NCRs and OFIs Raised During this Surveillance 1 Audit and Corrective Actions Taken (2019)

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 1.5.2 NCR: RJ02/2019	Minor	<p>Requirement: Indicator 1.5.2 - Control of encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities in the FMU.</p> <p>Finding: The control of encroachment illegal settlement, and other unauthorized activities in the FMU was not sufficient.</p> <p>Objective evidence: During the site inspection at Merarap basecamp it was found that permanent building was constructed to accommodate the PETRONAS staffs and workers for the gas pipelines project (SSGP), there is no evidence of approval from the Forestry Department.</p>	<p>Result of investigation and determination of root cause:</p> <p>a) Samling had informed FDS of these activities undertaken by Sy Samling Timber Sdn Bhd as contractor for the SSGP by letter dated 8th May 2019 but there has been no response to date.</p> <p>b) On enquiry to FDS we were advised that FDS had written in May to PETRONAS seeking clarification without response to date</p> <p>Correction and corrective action plan including completion date:</p> <p>Obtain the approval letter from FDS</p> <p>a) Liaise with and maintain a follow up with FDS until the letter is in hand.</p> <p>b) On 18 Nov 2019 D Marsden spoke to Deputy Director FDS on this. He will look further and speak to the Director.</p> <p>c) Samling has followed up by letter to FDS dd 25 Nov 2019</p> <p>Completion date: Evidence will be available by next surveillance audit.</p>	<p>Corrective action has been accepted and the effectiveness of the action taken to be verified during the next audit</p> <p>Status: Accepted</p>

<p>Indicator 2.3.1</p> <p>NCR: LHF02/2019</p>	<p>Minor</p>	<p>Requirement:Indicator 2.3.1 - Availability of appropriate mechanisms to resolve disputes over tenure and use rights.</p> <p>Finding: No form was available for villagers to raise the any complaint.</p> <p>Objective evidence: Assessment consultations with villagers in Long Kerabangan, Long Luping and Long Sukang showed that no form was available for them to raise the any complaint.</p>	<p>Result of investigation and determination of root cause: The Samling Guidelines on Conflict Resolution (SFM/GL001) do not make use of a form for raising a complaint. The need for such a form had never been raised by any party involved in disputes over tenure and use rights.</p> <p>Correction and Corrective action plan including completion date: An appropriate form is required. a) Form will be designed and made available to the community; and b) Use of the form will be incorporated into Figure 1 of Conflict Resolution Flow Chart Guidelines in Conflict Resolution (SFM/GL001</p> <p>Completion date Evidence will be available by next surveillance audit</p>	<p>Corrective action has been accepted and the effectiveness of the action taken to be verified during the next audit</p> <p>Status: Accepted</p>
<p>Indicator 5.2.1</p> <p>NCR: RJ01/2019</p>	<p>Minor</p>	<p>Requirement: Indicator 5.2.1 - Forest management practices encourage the optimal use of forest resources.</p> <p>Finding: Trees within the definition of Potential crop tree (PCT) (Guideline for Reduced Impact Logging: Part 1) not marked.</p> <p>Objective evidence: During Site inspection harvesting area in Block 25 coupe 01A at M-4 and Block 29 Coupe 1A at ST-6-2, it was evidence that trees with DBH above 30cm were not tag as PCT, trees as follows:</p>	<p>Result of investigation and determination of root cause: Whilst it is correct that the above PCTs had not been tagged there is currently no requirement to do so.</p> <p>Root cause: Block 25 was enumerated (100% tagging) in September 2018. At that time the MC&I verifier was (and still is) the Guidelines/Procedures on Reduced & Low Impact Harvesting Systems,1999, in which PCTs are not mentioned. Whilst Ch.10A of the RIL Guideline in the 2019 Green Book requires PCTs to be tagged it</p>	<p>Corrective action has been accepted and the effectiveness of the action taken to be verified during the next audit.</p> <p>Status: Accepted</p>

		<table><tr><td>No.</td><td>Species</td><td>DBH</td></tr><tr><td>1</td><td>Empenit</td><td>36.0cm</td></tr><tr><td>2</td><td>Empenit</td><td>37.0cm</td></tr><tr><td>3</td><td>Akau</td><td>38.6cm</td></tr><tr><td>4</td><td>Asam</td><td>38.3cm</td></tr><tr><td>5</td><td>Medang</td><td>30.0 cm</td></tr><tr><td>6</td><td>Akau</td><td>34.0cm</td></tr><tr><td>7</td><td>Meranti</td><td>40.8cm</td></tr><tr><td>8</td><td>Medang</td><td>40.6cm</td></tr></table>	No.	Species	DBH	1	Empenit	36.0cm	2	Empenit	37.0cm	3	Akau	38.6cm	4	Asam	38.3cm	5	Medang	30.0 cm	6	Akau	34.0cm	7	Meranti	40.8cm	8	Medang	40.6cm	<p>states: “only such trees that are in danger of being damaged by the fall of a harvestable tree will be identified.” This RIL Guideline it is currently under consideration for revision in order to clarify certain ambiguous points, one of which is that of tagging PCTs.</p> <p>Correction and Corrective action plan including completion date:</p> <p>1. Since September 2018 there have been three RIL training courses for Samling staff and contractor crews.</p> <p>a) 29 Oct-7 Nov 2018 in CTB Baram conducted by SFC.</p> <p>b) 13-15 May 2019 in CTB Baram conducted by SFC; and</p> <p>c) 14 Aug 2019 in Merarap Camp conducted by HQ SEU for SEU staff and contractor.</p> <p>Correction (additional): Refresher courses will be conducted</p> <p>Corrective action plan:</p> <p>a) In 2020 there will be at least one refresher course on RIL for Samling staff and contractor crews.</p> <p>b) The course content will use the revised RIL Guideline.</p> <p>Completion date: Evidence will be available by next surveillance audit</p>	
No.	Species	DBH																													
1	Empenit	36.0cm																													
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6	Akau	34.0cm																													
7	Meranti	40.8cm																													
8	Medang	40.6cm																													
Indicator 3.1.3	Major	Requirement: -Indicator 3.1.3 - Availability of appropriate mechanisms to resolve any conflicts and grievances between parties	Result of investigation and determination of root cause:	Ulu Trusan FMU management has conducted a meeting with Penghulu Dennis Yahya on 5 th Feb.2020 as																											

<p>NCR: LHF01/2019</p>		<p>involved.</p> <p>Finding: The conflict and grievances of three villagers were not adequately addressed.</p> <p>Objective evidence: This assessment found that conflict and grievances of the third villager were not adequately addressed where missing records of claim has yet to be made available. Therefore, the previous MINOR NCR LYD 01/2018 raised during stage 2 audit is upgraded to a Major NCR.</p>	<p>a) Penghulu Dennis Yahya Ating had confirmed to the then camp manager, Perry Sigar, that Yohanis Rugu had no valid claim to commission on log production from Block 03, 04, 05 & 06 inside Coupe 03A of KTN.</p> <p>b) Perry Sigar had requested Samling Native Affairs office in Miri HQ to obtain a statement from Yohanis Rugu withdrawing his claim for log commission.</p> <p>Root Cause: There was:</p> <p>a) no written record of the meeting with Penghulu Dennis Yahya Ating and camp manager; and</p> <p>b) no written statement from Yohanis Rugu.</p> <p>Correction and Corrective action plan including completion date:</p> <p>Either Root Cause a) or b) is to be resolved.</p> <p>As Yohanis Rugu is said to be working offshore Brunei a meeting with the Penghulu is planned for 28th Nov 2019 when a signed statement confirming that Yohanis Rugu is not eligible for commission on logs produced from the area in question.</p> <p>Completion date: Before 14th Feb 2020</p>	<p>Yohanis Rugu is said to be working offshore Brunei. The meeting involved the Penghulu and the management of Ulu Trusan FMU. The minute of the Meeting was attached. The conclusion of the meeting, as stated by the Penghulu Dennis Yahya: Let the issue of land ownership be settle among their family without interference from outside. Document attached as evidence: Notes to the corrective Action Plan & Evidence dated 11th Feb. 2020 (Prepared by David Marsden-Samling Sdn Bhd), Statement from Senior Community Service, (Mr. Stewart Paran of Ulu Trusan FMU), A Minute of Meeting with Penghulu Dennis Yahya Ating, dated 5th Feb. 2020 and Locality Map of Claimed Area in Coupe T/0280/13/03A.</p> <p>Status: Closed</p>
<p>Indicator 4.4.1</p>	<p>Major</p>	<p>Requirement: Indicator 4.4.1 – Forest managers shall evaluate, through consultations, social impact of forest</p>	<p>Result of investigation and determination of root cause:</p>	<p>A compilation report of Social Impact Assessment (SIA) Ulu Trusan FMU (T/9115 and T/0280) on: (1) SIA</p>

<p>NCR: LHF02/2019</p>		<p>management operations directly affecting communities, and the people and groups directly affected by the forest management operations shall have access to information on the results of the social impact evaluations.</p> <p>Finding: The villages located within and near to FMU which were involved in the social impact assessment have yet to have access to the results of the assessment.</p> <p>Objective evidence: Assessment consultation with villagers in Long Kerabangan, Long Luping and Long Sukang showed that villagers have no access to the information on the results of the social impact evaluation.</p> <p>A Major NCR was raised as the same issue was included under Indicator 4.5.2 during stage 2 audit.</p>	<p>The villagers in Long Kerabangan, Long Luping and Long Sukang had no access to the results of the social impact evaluation.</p> <p>Root Cause: It was planned to conduct the sharing session together with recent CRC meeting, but the logistic arrangements were upset and it did not happen.</p> <p>Correction and Corrective action plan including completion date: Access to the results of the social impact evaluation will be given to the communities of Long Kerabangan, Long Luping and Long Sukang.</p> <ul style="list-style-type: none"> a) Social impact evaluation will be conducted in the local communities located within and near to Ulu Trusan FMU, b) The social impact of the forest operation on the local community will be evaluated under the monitoring process. c) Results of the social impact evaluation will be made available to Long Kerabangan, Long Luping and Long Sukang by means of sharing with the community. <p>Completion date: Before 14th Feb 2020</p>	<p>Findings Sharing Session with Long Kerabangan, Long Luping and Long Sukang(14th &19 Jan 2020). (2) Social Impact Monitoring for Long Kerabangan, Long Luping and Long Sukang was presented.</p> <p>Based on the letter dated 11th Jan.2020 title “Jemputan Untuk Menghadiri Sesi Perkongsian Hasil Dapatan Penilaian Impak Sosial Ulu Trusan FMU (T/0280 and T/9115)”. The FMU has Invited Headman of Kg. Long Sukang, Long Luping and Long Kerabangan on 13th Jan. 2020 for Long Sukang(postpone to 19th Jan.2020), 14th Jan 2020 for Long Kerabangan and Long Luping.</p> <p>The evidence of the meeting and consultation were presented.</p> <p>Status: Closed.</p>
<p>Indicator 8.2.1</p> <p>NCR:</p>	<p>Major</p>	<p>Requirement: Indicator 8.2.1 - Forest managers shall gather the relevant information, appropriate to the scale and intensity of the forest management</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> a) Slope corrections had not been made 	<p>A compilation of report of permanent Sample Plot (PSP) for Ulu Trusan FMU (T/0280 & T/9115) on:</p>

ANS01/2019		<p>operations, needed to monitor the items (a) to (e) listed in Criterion 8.2.</p> <p>Finding: Tree tagging, measurements and recordings at PSP plots were not appropriately conducted.</p> <p>Objective evidence:</p> <p>During the Stage 2 audit, the measurement of the plots (length and width of the plots) were not corrected based on clinometer slope reading (correction table).</p> <p>During this surveillance audit on the PSP 7 and 14, The auditors has found:</p> <ol style="list-style-type: none"> 3. The measurement of the plots (length and width of the plots) were not corrected based on clinometer slope reading (correction table). 4. Useful information on unique tree location and tree shape were not recorded in the inventory form (Remarks column). Such information is needed in explaining unusual tree growth. <p>Therefore, the Minor NCR KN 02/2018 raised during Stage 2 audit is upgraded to Major NCR.</p>	<p>when establishing the PSP.</p> <p>b) The Remarks column of the inventory form was not fully utilized.</p> <p>Root Cause: No PSP refresher course conducted during the year.</p> <p>Correction and Corrective action plan including completion date:</p> <ol style="list-style-type: none"> a) All linear measurements to be checked & plot boundaries to be re-established as necessary. b) Border-line trees on existing plot boundaries to be excluded or included consequent of the revised boundaries. <p>Corrective action plan:</p> <ol style="list-style-type: none"> a) Refresher course on use of clinometer in correcting linear measurements for slope to be conducted for FMC & SEU personnel on 29th November 2019 b) Tool box talk on data recording & use of forms for PSPs establishment to be conducted on 29th November 2019 c) Plot boundaries of PSPs 7 & 14 will be re-established. d) Trees affected by changes in the position of the boundaries will be recorded or deleted from the previous record as appropriate. <p>Completion date: Before 14th Feb 2020</p>	<ol style="list-style-type: none"> (a) Refresher Course (b) Re-Align PSP length and size precisely on the ground with slop Correction for PSP no.7 and 14. <p>The FM has conducted a refresher course on forest survey on 27th November 2019 for Toolbox briefing and on the ground training on 11-16 Dec. 2019 which involved 7 workers from surveyor section. Re – measurement for PSP 7 and 14 has also been carried out, the new data has been collected and entered and the PSP 7 and 14 have been corrected.</p> <p>Status: Closed.</p>
Indicator 9.4.1	Major	Requirement: Indicator 9.4.1 - Forest managers shall conduct, appropriate to scale and intensity of forest management	Result of investigation and determination of root cause:	The Ulu Trusan FMu has revised the "Procedure for Monitoring the High Conservation Value (HCV)

<p>NCR: ANS02/2019</p>		<p>operations, annual monitoring to assess the effectiveness of the measures in the management of the HCVFs in the FMU.</p> <p>Finding: The HCVFs monitoring procedure was not sufficient.</p> <p>Objective evidence: During the Stage 2 audit the “Procedures for Monitoring the High Conservation Value (HCV) Management Measures, Procedures: SFM/PR 007, Revision:0, dated 1st August 2017’, and had clearly recommended monitoring activities. However, the timeline or frequency of monitoring to assess the effectiveness of the HCVFs measures were not stated in any procedures or management plan.</p> <p>During this surveillance audit, the timeline or frequency of monitoring to assess the effectiveness on HCVFs were not stated in any procedures or management plan.</p> <p>Therefore, the minor NCR KN 04/2018 raised during stage 2 audit is upgraded to Major NCR</p>	<p>It is correct that the timeline or frequency of monitoring to assess the effectiveness of the HCVFs measures were not stated in any procedures or management plan.</p> <p>Correction and Corrective action plan including completion date:</p> <p>Corrective action plan: a) Timeline or frequency of monitoring to assess the effectiveness of the HCVFs measures will be stated in all relevant procedures and in the management plan on first revision.</p> <p>Completion date Before 14th Feb 2020</p>	<p>Management Measures, Procedure” – SFM/ PR007, Revision: 1.0 dated 2nd December 2019. The Procedure has included the timeline or frequency of monitoring to assess the effectiveness of the HCVFs measures.</p> <p>Status: Closed.</p>
<p>Indicator 1.1.1</p>	<p>OFI</p>	<p><u>Records and availability of up-to-date applicable federal, state and local laws, and regulations and policies, in particular those related to forest management.</u></p> <p>Employment agreement for workers are available and there is room for improvement to include matters such as leaves and termination of contract service by notice, to be in line with Labour Ordinance Sarawak 1952 (Act A1237).</p>	<p>This OFI was sent to HR for their action [21 Nov 2019]</p>	<p>The Corrective action plan has been accepted and the effectiveness of the action taken to be verified during the next audit.</p> <p>Status: Accepted</p>

Indicator 4.3.2	OFI	<p><u>Provisions for workers the right to organise and undertake collective bargaining leading to agreements in accordance with ILO Convention No. 98 – The Right to Organise and Collective Bargaining Convention, 1949 - Articles 1 and 2, ILO Convention No. 111 – Discrimination (Employment and Occupation), 1958 - The Right to Equal Treatment, ILO Convention No. 100 – Equal Remuneration, 1951 - The Right to Equal Pay.</u></p> <p>It was observed that the “Borang Keluhan” (complaint form) could be further improved to include matters such as signature of worker, date of submission to relevant unit for further action, action taken and confirmation by officer-in-charge.</p> <p style="text-align: center;">BORANG KELUHAN</p> <p>Tarikh Hantar: _____</p> <p>Keluhan Tertentu <i>(Sila berikan sebanyak mungkin butiran. Jika ruang yang disediakan tidak mencukupi, lapiran yang berasingan boleh disertakan.)</i></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Difailkan oleh:</p> <p>Nama Pekerja dan syarikat Tandatangan</p>	<p>Both the BM & English versions of the form attached to the Employees’ Grievance Resolution Procedure have been revised to include all the items mentioned in the OFI .</p> <p>A compressed sample of the revised BM Borang Keluhan is shown opposite.</p>	<p>The Corrective action plan has been accepted and the effectiveness of the action taken to be verified during the next audit.</p> <p>Status: Accepted</p>
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	<p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>Borang Keluhan diterima oleh:</p> <p>_____</p> <p>Nama: _____</p> <p>Tarikh: _____</p> <hr/> <p>Tindakan: _____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Tindakan diambil oleh:</p> <p>_____</p> <p>Jawatan : _____</p> <p>Tarikh: : _____</p> <p>_____</p> <p>cc. Ketua Jabatan/Jabatan Sumber Manusia Unit Operasi</p>		
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Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit (2018)

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 1.5.2 NCR: KN01/ 2018	Major	<p>Requirement: Indicator 1.5.2 - Control of encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities in the FMU.</p> <p>Finding: The control of encroachment, illegal harvesting and settlement, and other unauthorised activities in the FMU was not sufficient.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> During site inspection at Coupe 07A, it was found; <ol style="list-style-type: none"> Three (3) temporary structure house was being constructed, and two (2) trees of Meranti Kuning with size of 75cm dbh and 60cm dbh were illegally felled During site inspection at Coupe 17A, it was found; <ol style="list-style-type: none"> Two (2) permanent structure house was constructed, and Six (6) trees (various species) with size from 30cm dbh to 80cm dbh (approximately) were illegally felled. 	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> FDS has been informed these illegal activities via letter dated 15 March 2018 Assistance of FDS has been sought to investigate and advise on the control over such illegal activities by the villagers <p>Correction and corrective action plan including completion date:</p> <ul style="list-style-type: none"> The corrective plan shall be based on the findings and recommendations of FDS The FMU management has also proposed that FDS to give awareness talk on the use rights of forest resources by the villagers and their responsibilities, too Completion date: May 2018 	<p>A letter to Limbang Divisional Forest Officer (SST/CORR/18/4) dated 15th March 2018 regarding the encroachment and un-authorized felling of trees in Coupe 07A and 17A was verified</p> <p>Evidence dated 2 August 2018 was referred.</p> <p>Letter from Sarawak Forestry Department No. (1) PHBL/600-3/7/101/JLD.1 dated 25 July 2018 noted the investigation process were in progress. The letter was including map of encroached area. The briefing to local were conducted by the Forestry Department.</p> <p>The control the encroachment, illegal harvesting and settlement, and other un-authorized activities were done by regular patrolling. Patrolling Schedule on every two-weeks and patrolling report dated 19 July 2018, 6 July 2018, 6 June 2018 and 22 June 2018 was verified</p> <p>Status: Closed</p>

<p>Indicator 6.5.1</p> <p>NCR: RJ04/2018</p>	<p>Major</p>	<p>Requirement: Indicator 6.5.1 - Availability and implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations</p> <p>Finding: Construction of skid trail was carried out without official permission from Sarawak Forestry Corporation (SFC).</p> <p>Objective evidence: During site inspection at Block 14 Coupe 1A, it was found that skid trail at MT- 4 has been constructed at F-1-1-3 which is a different location as approved by Sarawak Forestry Corporation. The approved location was at S-1-1. The relocation of the skid trail was without the permission of Sarawak Forestry Corporation.</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> • Skid trail MT-4 was relocated to join F-1-1-3 on order to facilitate skidding of the felled trees instead of using the proposed and approved skid trail alignment joining S-1-1 • Log fisher operator had decided that it was better to re-locate the skid trail than use the one approved, but he failed to discuss this idea with his supervisor Richard who was not working that day. He was correct in principle and it was a sensible idea, but he should have waited for instruction from supervisor Richard. The operator knew that only approved and numbered skid trails as shown on the Harvest Map can be used for extraction, but he just went ahead and re-located the skid trail. Had Richard been working that day he would have decided whether or not to use the approved skid trail or to call SEU to survey the suggested re-location. • Log fisher operator failed to wait for the return of his supervisor who would have decided the best course of action – instead he just went ahead and re-locate the skid trail. <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> • Application letter dated 14/03/2018 has been submitted to SFC for their endorsement and approval of the relocation of MT-4 	<p>A letter to Miri Regional Office, Sarawak Forestry Corporation (SFC) (KTN/C1A/18-04) dated 14th March 2018 requesting an approval for relocating of skidding trail No.MT4, including map of the location and RILP Summary was verified</p> <p>A letter of approval by Forest Officer from SFC (SFC600-1/1/50.2(44) dated 26 March 2018 was verified</p> <p>Evidence on tool box talks to all tractor & log fisher operators as a refresher training was conducted on 20 March 2018. Attendance list and training report was verified.</p> <p>Status: Closed</p>
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			<ul style="list-style-type: none"> It is important to note that retrospective approval was given by SFC in the letter already referred to: meaning that having requested re-location of the skid trail and subsequently receiving SFC's approval for the relocation, there was no further issue on this matter as far as SFC was concerned. A tool box talks to all tractor & log fisher operators as a refresher to help avoid such issues re-occurring. A copy of the toolbox talk will be obtained from Merarap camp. 	
<p>Indicator 6.5.4</p> <p>NCR: RJ03/2018</p>	Major	<p>Requirement: Indicator 6.5.4 - Availability and implementation of guidelines for conservation of buffer strip along streams and river.</p> <p>Finding: The implementation of the buffer strips was not followed the "Forest Road Layout and construction, 1999".</p> <p>Objective evidence: Site visit to active areas in Block 14 Coupe 1A at MT-5 and ST-5-1, it was found that tree No.0001 (Kepayang) 50cm dbh and tree No. 0106 (Kelempayan) 45cm dbh were felled into the marked buffer zone at Sungai Ulu Selibang.</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> A river buffer zone, marked with blue paint, was in place at the time of the audit. But the blue paint mark was on the sides of the trees i.e. facing along the RBZ boundary and was therefore not easily seen when looking directly – perpendicularly - at the RBZ from the harvest block. The chainsaw operators are aware that a) no trees shall be felled within the RBZ (even if trees have been tagged by mistake by the 100% inventory crew); and b) when felling trees near the RBZ every effort must be made to directional fell so that the crown of the tree falls outside of the RBZ. Where the operator is not confident that the crown of the tree will not fall outside the RBZ then the 	<p>Evidence (report) on 5m buffer zone map (RIL Map Coupe 01A, Block 14) and buffer zone pictures was verified.</p> <p>The Buffer Zone Rehabilitation was conducted on 24 March 2018 to the affected area. Pictorial report was verified by the auditor.</p> <p>Evidence on tool box talks to all tractor & log fisher operators as a refresher training was conducted on 20 March 2018. Attendance list and training report was verified.</p> <p>Status: Closed</p>

			<p>tree will be left standing.</p> <ul style="list-style-type: none"> • The chain saw operator did not follow instruction to take appropriate care when felling trees near RBZs. • The skid trail and the river buffer zone are being re-tracked to reconfirm the GPS location with respect to the skid trail map • The river width was found to be 5m and there is no obstruction to the flow of water which remain clear <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> • The river buffer zone shall be re-demarcated accordingly • The disturbed area of the river buffer zone shall be rehabilitated by planting wildings collected from nearby area • Completion date: May 2018 	
<p>Indicator 8.1.2</p> <p>NCR: KN02/2018</p>	Minor	<p>Requirement: Indicator 8.1.2 - Forest managers shall identify and implement appropriate monitoring procedures, in accordance with the scale and intensity of the forest management operations, for assessing social, ecological, environmental and economic impacts.</p> <p>Finding: The monitoring report for assessing social, ecological, environmental and economic impacts were not available</p> <p>Objective evidence: Monitoring report for assessing social, ecological, environmental and economic impacts for forest management operations was</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> • Log production summary, wildlife sighting, major/minor accident & near miss record, and patrolling record are available. All these records shall be consolidated as monthly monitoring report • Environmental monitoring and Silviculture treatment shall commence every quarterly • Data on forest regeneration, forest condition and flora changes shall be collected one a year • PSP re-assessment is to be carried 	<p>The monitoring report for assessing social, ecological, environmental, and economic impacts for forest management operations was available and verified during the audit. Therefore, Minor NCR KN02/2018 on Indicator 8.1.2 was satisfactorily closed.</p> <p>Status: Closed</p>

		not available.	<p>out once every 2 years.</p> <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> Monthly Monitoring Report (i.e April 2018, May 2018, etc.), Quarterly Monitoring Report (i.e. as at April 2018, as at July 2018, etc.) and Annual Monitoring Report (i.e. as December 2018) shall be prepared commencing from the month of April 2018. 	
<p>Indicator 8.2.1</p> <p>NCR: KN03/2018</p>	Minor	<p>Requirement: Indicator 8.2.1 - Forest managers shall gather the relevant information, appropriate to the scale and intensity of the forest management operations, needed to monitor the items (a) to (e) listed in Criterion 8.2.</p> <p>Finding: The establishment and monitoring of Permanent Sample Plots were not satisfactorily enumerated and Costs, productivity and efficiency of forest management as required by the standards were not available.</p> <p>Objective evidence: During the site inspection of Permanent Sample Plots, it was found;</p> <ol style="list-style-type: none"> PSP No.0001 at Coupe 09A; <ol style="list-style-type: none"> one (1) tree size >30cm dbh were miss out and not inventoried and the measurement of the plots (length and width of the plots) were not corrected based on clinometer slope reading (correction table), and three (3) trees were incorrectly 	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> Review of the problematic PSP shall be carried out Data on the logging operation costing are available <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> Re-establishment of PSP No. 001 and 006 shall be done and completed in May 2018 A refresher training of the Forest Resources Assessment/PSP survey crew shall be conducted in June 2018 Logging Operation Costing Report (Private and Confidential) shall be made available for perusal on request. 	<p>During this surveillance audit on the PSP 7, The auditor has found:</p> <ol style="list-style-type: none"> The measurement of the plots (length and width of the plots) were not corrected based on clinometer slope reading (correction table). Useful information on unique tree location and tree shape were not recorded in the inventory form (Remarks column). Such information is needed in explaining unusual tree growth. <p>Status: Minor NCR KN03/2018 for Indicator 8.2.1 Upgraded to Major NCR ANS01/2019</p>

		<p>measured</p> <p>2. PSP No.06 at Coupe 22A; a. the measurement of the plots (length and width of the plots) were not corrected based on clinometer slope reading (correction table)</p> <p>3. (e) Costs, productivity and efficiency of forest management as required by the standards were not available.</p>		
<p>Indicator 9.4.1</p> <p>NCR: KN04/2018</p>	Minor	<p>Requirement: Indicator 9.4.1 - Forest managers shall conduct, appropriate to scale and intensity of forest management operations, annual monitoring to assess the effectiveness of the measures in the management of the HCVFs in the FMU.</p> <p>Finding: The HCVFs monitoring procedure was not sufficient.</p> <p>Objective evidence: "Procedures for Monitoring the High Conservation Value (HCV) Management Measures, Procedures: SFM/PR 007, Revision:0, dated 1st August 2017', and had clearly recommended monitoring activities. However, the time line or frequency of monitoring to assess the effectiveness of the HCVFs measures were not stated in any procedures or management plan</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> • Procedure SFM/PR-007 shall be reviewed. • Time line or frequency of monitoring of HCVFs shall be set in the Procedure and be incorporated into FMP <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> • The procedure and the FMP shall be updated by May 2018 	<p>However, during this audit, the time line or frequency of monitoring to assess the effectiveness of the HCVFs measures were not stated in any procedures.</p> <p>Status: Minor NCR KN04/2018 for Indicator 9.4.1 was upgraded to Major NCR ANS02/2019</p>
<p>Indicator 5.3.1</p> <p>NCR: RJ02/2018</p>	Minor	<p>Requirement: Indicator 5.3.1 - Implementation of guidelines for reduced/low impact logging to minimize damage to residual stand.</p> <p>Finding: Implementation of tree tagging for harvesting did not follow the "RIL Guidelines</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> • It should be noted that verifier in the MC&I (Natural Forest) is: Guidelines/Procedures on Reduced and Low Impact Harvesting Systems, 	<p>During this surveillance 1 audit , it was evidence that the tree tagging for harvestable trees has followed the SOP.</p>

		<p>for Pre-F Inventory Covering 100% Tree Enumeration, Marking and Tagging of Trees to be Harvested”</p> <p>Under para 3.3 “Trees for protection” of the guideline, Potential crop tree (PCT) under para (b) stated that all PCTs located within (a) the skid trail corridor (width not wider than the length of the tractor blade - 4meters taking into consideration that the width of the standard blade for a caterpillar D6 tractor is 3.2 meters) and (b) cleared width of the logging road alignments (as specified in the Guidelines for Forest Road Layout and Construction) are allowed to be felled & extracted. All these PCT must be measured & tagged with single section of white plastics tag during the pre- felling inventory stage.</p> <p>Objective evidence: During the site visit to MT-1 at S-1-1 Block 17 of Coupe 1A, it was found Potential Crop Trees (PCT) was tagged with more than one plastics tag during the pre- felling inventory stage as below;</p> <ol style="list-style-type: none"> 1. PCT No. 1 (Benu) 32cm dbh tagged with orange tag and white tag no BB7553 (whole section), 2. PCT No. 2 (Medn) 34cm dbh tagged with orange tag and white tag no BB 7554 (whole section), 3. PCT No. 3 (Aras) 36cm dbh tagged with orange and white tag no.BB7555 (whole section) and, 4. PCT No. 4 (Benu)35cm dbh tagged with orange tag and white tag no. BB 7556 (whole section). 	<p>1999. In this document Sections 2.7 - Tagging of trees for harvesting & Section 2.8 -Tree felling, make no mention of tag colour at all, only the requirement that trees to be harvested will be tagged.</p> <ul style="list-style-type: none"> • It is in Section 2.7 (renamed marking of harvestable trees) of the Second Edition 2014 that tag colours are stated namely: harvestable trees are tagged with white colour, potential crop trees with orange colour and mother tress and protected trees with blue colour. But the 2014 edition is not the MC&I verifier. • However, SFC require the colour coded tagging as above. It seems from the draft of the SFC RIL Guidelines, July 2017 that this will change again: the PCTs will be marked (it does not say how) or flagged with plastic tape. It then goes on to say (Section 5(b) pages 11 and 12) that PCTs within in the skid trail may be harvested “... all such PCTs must be measured and tagged with a single section of white plastic tag...”. • From the above it is easy to see where confusion might arise. • the final version of the Guidelines has still to be distributed (STA – 4 Sep 2018 - advise that it is only now being printed). It is hoped that it will be distributed by SFC at the time of the two SFC RIL training course to be held in Miri 19-20 September 2018 which many of Samling staff will be attending. 	<p>Status: Closed</p>
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			<ul style="list-style-type: none"> Block 17 of Coupe 1 was one of the earlier blocks to be 100% enumerated. Both SFC and Samling were on learning curves. Initially PCTs were tagged <i>orange</i>. Then SFC required PCTs that were within the skid trail and which were to be felled and extracted to have a <i>white</i> tag. Logically the orange tag should have been removed at the time when the white tag was attached. But this was not done. Hence PCTs could be found on the skid trail with both <i>orange</i> and <i>white</i> tags. initially there was no clear direction from SFC and then there were also changes as to the requirements. This gave rise to the duplicate tagging. The orange tags should have been removed, but obviously, they were not. <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> The orange tags have been removed and the trees in question have been harvested. This problem only occurred in 5 or 6 blocks all of which have been harvested now. There should be no more confusion on this matter as there is more clarity Responsibility for the 100% enumeration comes under SEU for both in-house and contract. Training on RIL Guidelines is scheduled for the survey crews as refresher course on tree enumeration and tagging in April 2018 	
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<p>Indicator 5.1.1</p> <p>NCR: RJ01/2018</p>	Minor	<p>Requirement: Indicator 5.1.1 - Investment and reinvestment are made in forest management, including for forest administration, research, human resource, development, protection, economic, conservation, environmental and social aspect, consistent with the tenure of the FMU.</p> <p>Finding: The annual budget and expenditure for forest management does not include the silvicultural treatment.</p> <p>Objective evidence: The Annual budget (July 2017 – June 2018) does not include the budget for the silvicultural treatment, as Ulu Trusan FMU has identified 226 ha of areas in coupe 1A as shown in Table 9.1 of Forest Management Plan (2017-2026).</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> The manpower and budget for the Forest Resources Assessment (FRA) Unit shall be apportioned for the silvicultural works <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> The silvicultural treatment of the proposed areas of 226 ha (comprising of 4 blocks as trials) shall commence in April 2018 and shall complete by January 2019 	<p>During this surveillance 1 audit it was verified that the budget for silvicultural treatment has been included in the budget.</p> <p>Status: Closed</p>
<p>Indicator 3.1.3</p> <p>NCR: LYD01/2018</p>	Minor	<p>Requirement: Indicator 3.1.3 – availability of appropriate mechanism to resolve any conflict and grievances between parties involves, and FMU SFM/PR 001 Procedures on Land Claim Rev. 0 dated 15/03/2017 Section 2.0 Land Claim Flow Chart</p> <p>Finding: Implementation of resolving complaints arising from local communities / indigenous people found to be contradict with FMU SFM/PR 001 Procedures on Land Claim Rev. 0 dated 15/03/2017 Section 2.0 Land Claim Flow Chart</p> <p>Objective evidence: Implementation of resolving conflicts arising from local communities / indigenous people found to be contradict with FMU SFM/PR 001</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> Achang Lawai and Yahya have duly received their compensation on logs extracted from their lands The status of Yuhanis land claim was disputed by Achang Lawai and hence the compensation was withheld Penghulu of Long Semadoh confirmed that Achang Lawai is the rightful owner of Block 4 and 5 The area maps of the claim blocks are being prepared and to be updated in the FMP map The contradiction in implementation of the procedure shall be reviewed 	<p>However, this assessment found that conflict and grievances of the third villager were not adequately addressed. In this third case involving Yuhanis Rugu dated 9/1/2017 for KTN 3A part of Block 4&5 – missing records of claim has yet to be made available.</p> <p>Status: MINOR NCR LYD01/2018 for Indicator 3.1.3 was upgraded to a MAJOR NCR LHF1/2019.</p>

		<p>Procedures on Land Claim Rev. 0 dated 15/03/2017 Section 2.0 Land Claim Flow Chart for the following cases:</p> <ol style="list-style-type: none"> 1. Yuhanis Rugu dated 9/1/2017 for KTN 3A part of Block 4&5 – missing record of claim, GPS location and operation status. Also noted that the area claim has yet to be updated in FMU map 2. Achang Lawai dated 9/1/2017 for KTN 3A block 2&3 - missing record of claim and operation status. Also noted that the area claim has yet to be updated in FMU map 3. Yahya @ Ballang Racha for KTN 3A block 5&6 missing record of claim, GPS location and operation status. Also noted that the area claim has yet to be updated in FMU map 	<p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> • Penghulu of Long Semadoh has been consulted and he would produce the statement of fact to close the case • The FMP map shall be updated accordingly • The contradiction in the process of implementation shall be revise accordingly • Completion date: May 2018 	
<p>Indicator 3.2.2</p> <p>NCR: LYD02/ 2018</p>	Minor	<p>Requirement: Indicator 3.2.2 – Actions shall be taken to prevent or mitigate adverse impact</p> <p>Finding: Records of actions taken to prevent or mitigate adverse impact from logging operations that might threaten / diminish the resources / tenure rights of indigenous people as per required in Chapter 12 FMP has not been made available</p> <p>Objective evidence: Records of actions taken to prevent or mitigate adverse impact from logging operations that might threaten / diminish the resources / tenure rights of indigenous people as per required in Chapter 12 FMP has not been made available for the following:</p> <ol style="list-style-type: none"> 1. Annual monitoring at the water catchment (for indigenous people) inside FMU. 	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> • Signage has recently been installed to indicate the location of the water catchments inside the FMU • The monitoring of the catchment shall be done jointly with the CRC once a year • The monitoring report shall be submitted to the FMU management and SFM Liaison Committee • The monitoring of cultural/historical/religious sites has to be done jointly by the local Community/CRC/FORMADAT and the Sarawak Museum as required by the Sarawak Cultural Heritage Ordinance, 1993 	<p>During this surveillance 1 audit, the required information was provided.</p> <p>Status: Closed</p>

		2. Monitoring of cultural / historical / religious sites	<p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> A join inspection of the status of the water catchment shall be arranged. Completion date July 2018 The Sarawak Museum has its own preservation plan for the local community with respect to cultural heritage of ethnic group of Sarawak. 	
Indicator 4.4.1 NCR: LYD03/2018	Minor	<p>Requirement: Indicator 4.4.1 – forest managers shall evaluate, through consultations, social impact of forest operations directly affecting communities, and the people and groups directly affected by the forest operations shall have access to the information on the results of the social impact evaluations</p> <p>Finding: Access to information on the results of the social impact evaluations found to be inadequate.</p> <p>Objective evidence: The FMU has conducted SIA and the report of evaluation has been finalized and documented by Feb 2018. Hence, the CRC (Community Relation Committee) meeting conducted on 10/02/2018 has only attended by representative from Long Sukang Division/Region</p>	<p>Result of investigation and determination of root cause:</p> <ul style="list-style-type: none"> Copies of power point presentation were requested by the CRC Long Sukang during the CRD Meeting CRC Long Semadoh Central was invited but was unable to attend due to logistic problem and bad weather <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> Copies of the power point presentation shall be extended to CRC Long Sukang by April 2018 A sharing session of SIA Report with its findings with CRC Long Semadoh Central shall be scheduled in June 2018 	<p>A Minor NCR LYD04/2018 on Indicator 4.5.2 was raised during Stage 2 audit stating, “Villagers have yet to receive information on the findings of the social impact of forest management operations directly affecting the communities.”</p> <p>In this surveillance audit, it was found that the people and groups directly affected by the forest operations has yet to have access to information on the results of the social impact evaluations. Assessment consultation with 19 villagers in Long Kerabangan, 6 villagers in Long Luping on 13 November 2019 and 30 villagers in Long Sukang on 14 November 2019 confirmed that they have yet to have access to the SIA results. Therefore, a MAJOR NCR LHF02/2019 for Indicator 4.4.1 was raised.</p> <p>Status: Upgraded to Major NCR LHF02/2019</p>

<p>Indicator 4.5.2</p> <p>NCR: LYD04/2018</p>	<p>Minor</p>	<p>Requirement: Indicator 4.5.2 – appropriate mechanisms are employed to expeditiously resolve grievances, and provide fair and equitable compensation for any loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods, caused by forest operations</p> <p>Finding: FMU – local community consultation conducted through CRC meeting dated 10/02/2018 found to be insufficient.</p> <p>Objective evidence: FMU – local communities conducted through CRC meeting dated 10/02/2018 found to be insufficient.</p> <p>During stakeholder consultation (SIRIM current audit) conducted with indigenous people from Long Semadoh Rayeh, Long Tuyo, Long Kerabangan, Forum Masyarakat Adat Dataran Tinggi Borneo (FORMADAT – comprising local community representatives) and CRC members, the audit team has gathered the following concern:</p> <ul style="list-style-type: none"> • Villagers have yet to receive information on the findings of the social impact of forest management operations directly affecting the communities. • Unclear demarcation of FMU area • Unclear status of previous mutual agreement between villagers with FMU (previously known as KTN Timur Sendrian Berhad dated 26/12/1984. The villagers concern on FMU compliance against the TOR in the agreement e.g. – Article 2B – The company shall undertake to construct, maintain and repair the feeder roads leading to the said kampongs for the general used of all 	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> 1. CRC Long Semadoh Central (comprising of Long Semadoh Rayeh and Long Tuyo), Long Kerabangan (of CRC Long Semadoh), FORMADAT and its members were absent from the meeting of CRC Long Semadoh on 10/2/2018 2. Unclear demarcation of FMU boundary. The General Plan (GP) for Ulu Trusan was on show at the 'sharing meetings' held in mid-2017. The GP shows the FMU boundary and at these meetings the boundary was pointed out on the GP together with some explanation. Furthermore, the FMU boundary is also demarcated on the ground and most people are, or should be, aware of this. Many people are involved in this FMU and not all attended these meetings. This means that there will be pockets of ignorance and misunderstanding. An auditor might well interview 4-5 people all of whom claim to be unclear – but this is a result of their failing to attending the meetings. 3. Unclear status of previous mutual agreement between villagers with FMU (previously known as KTN Timur Sendrian Berhad dated 26/12/1984. The villagers concern on FMU compliance against the TOR in the agreement e.g. – Article 2B – The company shall undertake to construct, 	<ol style="list-style-type: none"> 1. Unclear demarcation of FMU area. During the assessment consultation in Long Sukang on 14 November 2019, the villagers understood the extent of the FMU area. 2. Unclear status of previous mutual agreement between villagers with FMU (previously known as KTN Timur Sendrian Berhad dated 26/12/1984. The villagers concern on FMU compliance against the TOR in the agreement e.g. – Article 2B – The company shall undertake to construct, maintain and repair the feeder roads leading to the said kampongs for the general used of all. Records showed that road maintenance is on-going. 3. FORMADAT signage on local communities' protection area e.g. riparian area has been damaged during logging operations. Records reported that site inspection did not show any damage to the riparian areas because of logging operations and there was no logging operation near the rivers passing by the local communities where the vegetation is shifting agriculture (SA) or temuda. <p>Status: Closed</p>
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			<p>to the river where there would inevitably be some damage incurred.</p> <p>Correction and Corrective action plan including completion date:</p> <ul style="list-style-type: none"> A sharing session of the SIA Report and its findings shall be conducted for the villagers at CRC Long Semadoh Rayeh, Long Kerabangan, FORMADAT and its members in June 2018 	
Indicator 6.7.1	OFI	<p>Indicator 6.7.1 - Oil, fuel, containers, liquid and solid non-organic wastes shall be disposed of in an environmentally appropriate and legal manner.</p> <p>The organisation has request extension period from DOE-31.1.2018 for disposing scheduled waste due to difficulties to have frequent visit by the scheduled waste contractor. The request status is still pending and thus the effectiveness of the implementation of disposing of schedule waste are subject to be verified during next audit</p>	<p>A meeting with DOE, the licensed scheduled waste contractor has been fixed in mid-June 2018 to resolve this issue</p>	<p>The following Schedule Waste Inventory Record has been verified;</p> <ul style="list-style-type: none"> Spent Lubricant Oil (SW 305) Disposed of by Legenda bumimas SDN BHD on 23 September 2019 Spent Used oil filter (SW 410), Disposed of by Legenda bumimas SDN BHD on 23 September 2019 Reject Battery Transit Record, Sent to Sorvino Holdings on 11& 12 September 2019 Tire Transit for Retreading Record 25th March 2019 Sent to Sorvino Holdings. <p>Status: Closed.</p>

End of Report