



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

**Certificate Number: FMC-NF 00131
Date of First Certification: 01 October 2021
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Date of Public Summary: 27 October 2021**

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EXECUTIVE SUMMARY

This stage 2 audit on the Kedah Forest Management Unit (hereafter referred as the Kedah FMU) was conducted on 13-17 December 2020 to assess the compliance of the overall forest management system of the Kedah FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)* [MC&I SFM] using the verifiers stipulated for Peninsular Malaysia. The scope of this stage 2 audit was limited to the forest management system and practices on the Permanent Reserved Forest (PRF) within Kedah FMU.

This Stage 2 audit was conducted by a 4-team member comprising Khairul Najwan Ahmad Jahari (Lead Auditor), Hj Roslee Jamaludin (Auditor), Mohd Razman Salim (Auditor) and Mohd Annas Amin (Auditor).

Based on the findings of this stage 2 audit, it was found that Kedah FMU had complied with the requirements of the MC&I SFM. This stage 2 audit had resulted in the issuance of one (1) major and three (3) minor Non Conformity Reports (NCRs) respectively. In addition, fifteen (15) Opportunity for Improvements (OFIs) were raised.

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

2 INTRODUCTION

2.1 Name of FMU

Kedah Forest Management Unit

2.2 Contact Person and Address

Muhamad bin Abdullah
Director
Kedah State Forestry Department
Level 8, Bangunan Sultan Abdul Halim
Jalan Sultan Badlishah
05000 Alor Setar
Kedah

2.3 General Background on the FMU

The Kedah FMU is managed by the Kedah State Forestry Department (KSFD). The KSFD is committed in the management of the FMU on a sustainable basis. The administration of the FMU is divided into four forest districts namely the Kedah Utara, Kedah Timur, Kedah Selatan and Langkawi Forest Districts.

The inland forest is managed under a Selective Management System (SMS), a 30-year bi-cyclic. Under the Eleventh Malaysia Plan (2016-2020), the Annual Allowable Cut (AAC) for the Kedah FMU had been set at 3,072 ha. A Forest Management Plan (FMP) covering the period from 2016 to 2025 had been presented during the audit.

During this stage 2 audit, the Kedah FMU comprises of 341,976 ha of PRF or 35% of the State's total land area of 942,600 ha. The certified FMU area consists of mainly of Hill and Upper Hill Dipterocarp Forests with patches of Lowland Dipterocarp Forest.

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

2.4 Date First Certified

01 October 2021

2.5 Location of the FMU

The FMU is located between 5° 03' 58" N to 6° 31' 07" N and 99° 35' 47" E to 101° 08' 57" E.

2.6 Forest Management System

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

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

For the Eleventh Malaysia Plan (2016-2020), the annual allowable cut (AAC) for the FMU had been set at 3,072 ha. During this stage 2 audit, the size of the FMU is 341,976 ha.

2.8 Environmental and Socioeconomic Context

A state-wide scale macro-level environmental impact assessment (MEIA) was conducted in 2009 in Kedah FMU. Recommendations from the MEIA report were incorporated in the review of the FMP. Environmental impact assessments on rare and threatened species of flora and fauna were included in the MEIA report on the FMU. The need for biological corridors for wildlife movement was also

addressed in the report. The KSFD has played a major part in establishing and maintenance of the Central Forest Spine.

The Forest Management Plan of Kedah (2016 – 2025) showed that it has incorporated measures to mitigate the environmental impacts from forest harvesting identified in the assessments. The establishment of riparian buffer zone, road and skid trail construction complying to the specifications in the “Guidelines on Forest Road Specifications 2010 (Amended 2013) and enrichment planting were examples of mitigation efforts to be implemented.

The practice of RIL Guidelines (2003) was emphasized in the report and highlighted in the FMP. Sensitive areas were demarcated, mapped, and protected in specific conservative forest use categories. Such areas included high elevation areas (1000 m or higher), steep slopes (>40 degrees), riparian buffers. HCVF areas were identified, demarcated, mapped, and systematically protected.

There was no local or indigenous (Orang Asli) community within the FMU and no recorded claim on the FMU by local/indigenous communities. The map shows the location of 428-acre Sakai (Orang Asli) Reserve for the Orang Asli community in Ulu Legong (adjacent to PRFs). The Orang Asli, unlike members of the local communities, were allowed to freely access the forest and collect forest resources for their own consumption but not for commercialization purposes.

Kedah FMU has demonstrated to recognise, respect and collaborate with holders of duly recognised use rights of Orang Asli on road access, water intake, water catchment, fishing, hunting, non-wood forest products e.g., firewood, *ulam*, non-wood craft, wood utilisation for personal housing, cultural, historical & religious sites, as per interview with local communities and Orang Asli.

3. AUDIT PROCESS

3.1 Audit Dates

13-17 December 2020 (18 man-days)

3.2 Audit Team

Khairul Najwan Ahmad Jahari (Lead Auditor)
Hj Roslee Jamaludin (Forester)
Mohd Razman Salim (Forester)
Mohd Annas Amin Hj Omar (Forester)

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

3.3 Standard Used

Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest) [MC&I SFM] using the verifiers stipulated for Peninsular Malaysia.

3.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted in November 2020 to solicit feedback from stakeholders on the compliance of the Kedah FMU against the requirements of the MC&I SFM. The comments by the stakeholders and responses by the audit team are shown in **Attachment 3**.

3.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Kedah FMU's current documentation and field practices in forest management with the detailed of the standard of performances (SOPs) listed in the MC&I SFM, using the verifiers stipulated for Peninsular Malaysia.

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

- (i) a major NCR is a non-compliance with the requirements of the MC&I SFM;
- (ii) a minor NCR is a deviation or a lapse in complying with the requirements of the MC&I SFM; 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 SFM but without sufficient objective evidence to support a non-conformance.

Consultations were held with the contractors and workers operating in the FMU. The audit team had also held meetings with the officers and the uniformed field staff of the KSFD.

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

The KSFD had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim stage 2 audit report and sent it to the KSFD for comment. A second draft of audit report which had incorporated the comments received from the KSFD was then prepared. A final audit report was prepared after incorporated the comments from stakeholders.

4 SUMMARY OF AUDIT FINDINGS

Based on the findings of this stage 2 audit, it was found that the KSFD had continued to manage the Kedah FMU in compliance with most of the requirements of the MC&I SFM. This stage 2 audit had resulted in the issuance of one (1) major, three (3) minor NCRs and fifteen (15) OFIs. The details on the NCRs/OFI's raised are shown in **Attachment 5**.

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

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings held with the Department of Orang Asli Development or Jabatan Kemajuan Orang Asli (JAKOA). It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the KSFD.

With regard to Criterion 6.10, there was no new conversion of the PRF to forest plantations or other non-forest land uses after 1 July 2012. Based on the figure provided by the KSFD, the total area that has been approved to be converted to plantation were 10,730 ha. The earlier area approval for Gunung Inas to be converted to plantation were 5,000 ha. Therefore, the total area approved to be converted to plantation is 15,730ha. Besides that, the EIA reports have been prepared and approved by DOE for the forest plantations area.

As the major NCR raised during this stage 2 audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Management be awarded to the Kedah State Forestry Department for 5 years from 01 October 2021 to 30 September 2026.

The summary on the findings of the stage 2 audit on the Kedah FMU against the requirements of the MC&I SFM are as follows:

Principle	Strengths	Weaknesses
<p>Principle 1 Compliance With Laws and Principles</p>	<p>All applicable federal, state, local laws and regulations, policies, binding international agreements and those related to forest management were available at Kedah State Forest Department (KSFD) office. Forest officers at the state and at the district level had demonstrated an understanding on the applicable federal, state, and local laws.</p> <p>Employment contract and payslip of contractor's workers for September, October and November 2020 at Compt. 65 Rimba Teloi PRF under licence KT01-01-2020(P) and Licence No. KU-01-02-2020 Compt. 13 Sg. Badak PRF Syarikat Permata Balak Sdn. Bhd. The contractor has complied with the regulation of Minimum Wage Order 2020 for wages payment and calculation for forest workers where the workers were paid by monthly basis.</p> <p>A total of seventy-four (74) cases of various forest offences were recorded from January to November 2020 and action has been taken. Thirty-six (36) cases completed and closed and thirty-eight (38) still under action.</p> <p>The main source of revenue was from forestry royalty, premium for forest and miscellaneous income. As at November 2020, approximately RM 24.35 million from various charges were collected. The list of all fees, royalties, and taxes, including other charges were evidence. The rate was applied since 3rd August 2014.</p> <p>The state FMU is protected through legal provision in the National Forestry Act 1984 Section 7 to Section 13 comprising the gazettement of forest areas. Record of Permanent Reserve Forest was made available during the audit.</p> <p>The Enforcement Unit (Unit Operasi dan Penguatkuasaan) of KSFD has implemented inspection according to '<i>Ringkasan Laporan Pemantauan/ Penguatkuasaan Hutan</i>' till October 2020. Monthly schedule for patrolling were made available during this audit. For 2020 (till October), cumulative forest offences recorded was 68 cases. The KSFD has conducted 462 times monitoring and surveillance activities to PRF, inspection of licence areas 53 times, Used Permit 67 times, wood base Industries 100 times, Checking Station 47 times, roadblocks 81 times.</p> <p>The external boundaries of PRF are routinely maintained to ensure forest resource safety.</p>	<p>Wages deduction for advance was made without approval from Labour Department as verified at active harvesting area licence KS01-01-2020 Compt. 1 (Block 2) Gunung Inas PRF. Therefore, an OFI for Indicator 1.1.1 was raised.</p> <p>Documentation of any conflicts between laws and regulation and MC&I SFM standard yet to be prepared by the FMU. Therefore, an OFI for Indicator 1.4.1 was raised.</p> <p>However, the use of E-Geospatial Perhutanan (EGP) remote sensing system to monitor the forestry operations provided by Forestry Head Quarters in Kuala Lumpur for the FMU was not effective. The EGP was unable to detect forest opening area in certified area, thus District Forest Officer (DFO) or forest officers were unable to fully utilized the latest technology monitoring by satellite image. Site inspection on forestry operations in active logging site in Compt. 1 Gunung Inas PRF, Compt. 3 Rimba Teloi PRF, Compt. 13 Sg Badak PRF showed that the system still did not use up to date satellite data. The satellite imagery used under EGP was dated September 2019 and indicated that there was no logging operation in these areas. Therefore, a Minor NCR KN01/2020 for Indicator 1.5.2 was raised.</p> <p>The statement of commitment to MC&I standard in the FMP (2016-2025) and banner yet to be replaced to new standard MC&I SFM. Therefore, an OFI for Indicator 1.6.1 was raised.</p> <p>An OFI for Indicator 1.6.2 was raised, due to;</p> <ul style="list-style-type: none"> • The FMU has yet to brief all staff, licensee, and contractors on latest statement of commitment of MC&I SFM standard. • The website of KSFD is still

Principle	Strengths	Weaknesses
	<p>The demarcation of external boundaries was verified at Sg. Badak PRF and Koh Moi PRF, as the external boundaries was clearly marked with three ringed red paint.</p> <p>Policies and statements of commitment to manage forest resources on a sustainable basis are clearly stated in the National Forestry Policy 1984 that had been adopted by the KSFD.</p> <p>The statement of such commitment can be seen at bunting in the KSFD office and it also can be accessed in website; http://www.kedforestry.gov.my/ms/komitmen-mc-i.html</p>	<p>referring to MC&I (Natural Forest), at the time of audit</p>
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>Copy of PRF gazetted records has been made available, in line with National Forestry (Amendment) Act as referred to <i>Warta Kerajaan Negeri Kedah</i> (Register of Reserves). Current total area of PRF during this audit is 341,976 ha.</p> <p>The legal use rights of the logging contractors on the PRFs had been addressed clearly within the concession agreements, forest harvesting licenses, entry permits, road permits and use permits issued by the Kedah FMU.</p> <p>Records / map showing location of the only Orang Asli village (Ulu Legong) located outside (adjacent to PRFs) Ulu Muda FR has been maintained with no changes. The map shows the location of 428-acre Sakai (Orang Asli) Reserve in Ulu Legong.</p> <p>The Kedah FMU recognized and supported the Orang Asli use rights of on road access, water intake, water catchment, fishing, hunting, non-wood forest products e.g., firewood, <i>ulam</i>, non-wood craft, wood utilisation for personal housing, cultural, historical & religious sites as under the Aboriginal Peoples Act, 1954 (specifically Section 6, 7, 8, 10, 13, 19).</p> <p>Kedah FMU also a member in the committee entitled 'Hasil Bumi Committee' that has been chaired by the Kedah Chief Minister. This committee will discuss the issue on forest encroachment and land claim. Minutes shows that Kedah FMU had demonstrated their willingness to support all legally mechanisms on land claims. The existing cases of encroachment had been handled according to the laws. So far there was no record of any legally recognized land claims from the local communities living within the vicinity of the PRF.</p>	<p>There was no negative finding.</p>

Principle	Strengths	Weaknesses
	<p>As per based on records on the joint meeting between Kedah FMU and JAKOA, there has been no claims by Orang Asli communities on land within the Kedah FMU certified area.</p> <p>There was no recorded claim on the FMU by local communities. There was also no contractual agreement entered with free, prior and informed consent, with local communities with legal or customary tenure or use rights for use of land.</p> <p>Mechanisms to resolve disputes over tenure and use rights were in place at various levels. Disputes related to tenure and use rights were brought to the attention of the “<i>Jawatankuasa Tanah Negeri Kedah Darul Aman</i>”. To resolve issues in land tenure and use rights related to the Orang Asli meetings were also held between the Kedah FMU and the “<i>Jabatan Kemajuan Orang Asli</i>” or JAKOA (Department of Orang Asli Development). <i>Borang Maklumat Aduan Pelanggan</i> (Customers’ Complaint Form) developed and made available to the public (Refer “Aduan Orang Ramai” PHDKS 46-2004SJ2).</p>	
<p>Principle 3 Indigenous People’s Rights</p>	<p>Based on Kedah Permanent Forest Reserve Map dated 19 August 2017 (scale 1:250,000), one Orang Asli Settlement is recorded as being outside the Kedah Permanent Forest Reserve boundaries. There is no evidence of any sites of special cultural, ecological, economic or religious significance to the Orang Asli located with the Kedah FMU.</p> <p>Aboriginal lands and resources are under management and monitoring by the Orang Asli and JAKOA. There is no record of conflicts, grievances or civil court case or land claims between the Kedah FMU and the Orang Asli pertaining to their legal and customary rights within the certified Kedah FMU’s area.</p> <p>The Kedah Forest Management Plan 2016 – 2025 incorporates preventive and mitigation measures by ensuring clear boundary markings are made to avoid conflicts or claims with and from the Orang Asli.</p> <p>Since there is no evidence of existing conflict between Kedah FMU and Orang Asli, there are also no records of dialogue and consultation, arbitration or court decisions available. Other forms of complaints could be brought to the attention of the Kedah FMU and/or other authorities through letters or verbally, recorded and actions taken accordingly.</p> <p>The Orang Asli’s traditional forest-related knowledge and practices were not used by the</p>	<p>There was no negative finding.</p>

Principle	Strengths	Weaknesses
	<p>Kedah FMU in the management systems nor in forest operations. The FMU had never utilised traditional forest-related knowledge and practices of the Orang Asli and as such there were no records of compensations made to the Orang Asli community. A compensation mechanism for the use of indigenous knowledge is available, shall this knowledge have been used in later.</p>	
<p>Principle 4 Community Relations and Workers' Rights</p>	<p>Logging contractors and their workers and the KSFD staffs were given training mainly in the Training Center in Jeniang with facilities for the training programmes of the KSFD.</p> <p>Among training topics covered included establishment/maintenance of forest boundaries, river buffers, tree tagging, protection of seed trees, logging road, etc. Training was conducted annually. Training records for year 2020 were sighted, assessed and verified during the audit.</p> <p>Local infrastructure, facilities and socio-economic programmes such as housing, medical benefits and family day were also provided by the KSFD to its employees while logging contractors provided some of these facilities (e.g., medical benefits, insurance/SOCSO, EPF and accommodation at the logging camp) to their employees.</p> <p>And as many of the KSFD staff and logging contractors and their workers were local people, it could be regarded as supporting the local state population. No illegal migrant workers, child labour or forced labour in the employment of the KSFD or logging contractors.</p> <p>Contractor workers has confirmed their salary are more than RM1,100 as per Minimum Wages Order 2020.</p> <p>Collective bargaining was undertaken by the employees of the KSFD through their unions, CUEPACS and KPHMSM. The employees of the logging contractors were not restricted from joining a union of their own choice. They approached their employers as a group to bargain for better wages, benefits and facilities.</p> <p>In terms of workers' rights to employment benefits and social protection the staff and workers of the KSFD and logging contractors were under these laws included (i) Employment Act, 1955, (ii) Employees Provident Fund Act, 1991 (Workers' and employers' contribution), (iii) Employees' Social Security Act, 1969 (Employers'</p>	<p>The first aid kit such as scissor, pin, triangle bandage, arm sling, etc were not available in the first aid box as verified at Jeniang Nursery. Thus, an OFI for Indicator 4.2.3 was raised.</p> <p>For the Annual accident report (JKKP8), the FMU had submitted for year 2019 to DOSH on 18/12/2019. However, the coverage of reporting period was not fully covered for a period of 12 months that ending on 31 December of that year. Thus, an OFI for Indicator 4.2.4 was raised.</p> <p>Audit team has found that pictorial signage for hazardous material, safety poster, safety policy and PPEs were not sufficiently demarcated at working area at Jeniang forest nursery. Thus, an OFI for Indicator 4.2.5 was raised.</p>

Principle	Strengths	Weaknesses
	<p>Contribution), (iv) Employees' Social Security (General) Regulations, 1971, (v) Workmen's Compensation Act 1952 (vi) Industrial Relations Act, 1967 (Section 4 & 13) and (vii) Trade Unions Act, 1959 (Act 262).</p> <p>The mechanism titled Employees Grievances/Complaints procedure was used to resolve conflict and address workers' grievances. Complaints raised by KSFD employees were brought to and resolved by the Departmental Joint/Consultative Council (<i>Majlis Bersama Jabatan</i> or MBJ).</p> <p>In the case of grievances and conflicts raised by contract workers employed by the harvesting contractors they were brought directly to their employers to be discussed and to reach a mutual agreement.</p> <p>Contractor's workers and Kedah FMU's incharge at the active harvesting area, Forest Checking Station, and nursery have confirmed their understanding towards occupational safety and health, employee rights, minimum wage, environmental protection etc. Respective employee has also confirmed their understanding on their roles and responsibilities.</p> <p>Policy on safety and health titled 'Dasar Keselamatan dan Kesihatan Pekerja – Jabatan Perhutanan Negeri Kedah' dated 19 May 2019 was made available.</p> <p>The meeting minute of Safety & Health Committee for 2020 titled 'Mesyuarat Jawatankuasa Keselamatan dan Kesihatan Pekerjaan (JKKP) Jabatan Perhutanan Negeri Kedah' dated 28/9/2020, 22/7/2020, 6/3/2020 & 10/11/2019. No accident has been reported for year 2019.</p> <p>During site visit at active harvesting area (Compt. 1 Gunung Inas, Compt. 13 Sg. Badak and Compt. 3 Rimba Teloi PRFs), forest plantation area at Compt. 65 Rimba Teloi PRF, Forest Checking Station, Changlun and Jeniang nursery, it was found that proper safety procedures have been displayed, safety equipment (PPE), Fire extinguisher and First Aid Kit were provided and in good conditions.</p> <p>At Changlun and Jeniang Forest Nursery, no usage of any chemical/poison for seedlings/saplings. No scheduled waste and pesticides were stored within premise except fertilizer as verified titled 'Bekalan dan Penggunaan Baja'.</p> <p>Data collected through micro-level SIA were</p>	

Principle	Strengths	Weaknesses
	<p>analysed to identify potential impacts prior to harvesting, during harvesting and after harvesting on local communities that located within 3-km (minimum radius). The evaluation carried out found no negative or positive impacts of forest operations on the nearby communities. Unsolicited and ad-hoc identification of social impacts could occur through feedback from <i>Borang Aduan Pelanggan</i> (Customers' Complaints Form) and complaints brought to the <i>Jawatankuasa Tindakan Pembangunan Daerah</i> (District Development and Action Committee).</p> <p>The social/economic/environmental issues identified by the social impact evaluation was subject to be reviewed during the FMP Mid-term review.</p> <p>An EIA at the macro level also had investigated the potential impacts of forest operations on the indigenous and local communities which included recommendation actions to mitigate the impacts identified.</p> <p>Interviews carried out with KSFD officers at state and district level as well as with local community leaders during the audit, found no evidence to indicate that the local people's legal and customary rights, property, resources or livelihoods had suffered loss or damage.</p> <p>No record of any dispute or complaint made by local/Orang Asli communities on logging contractors related to property damages or losses during forestry activities.</p> <p>Appropriate mechanisms were established by KSFD to resolve grievances related to loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods, caused by forest operations. Since there was no grievances recorded, no compensation made to any party (as affirmed by KSFD officials and village leaders interviewed).</p>	
<p>Principle 5 Benefits From the Forest</p>	<p>Investments and reinvestments were made in forest management, research, conservation, social, etc. Information on the FMU income from January to November 2020 was presented during the audit. There were 28 sources of revenue ranging from royalty, premium, licensing, services, rents, compounds, sales and various repayments.</p> <p>The non-timber forest product involved were crusher run, sand, mangrove, etc. Based on the royalty and cess report for 2020 (January - October) titled 'Penyata Royalti (Cukai) Dan Cess 2020', there was income for the state government.</p>	<p>During inspection of active logging site in Compartment 1 Hutan Simpan Gunung Inas in Kedah Selatan Forest District under license KS-01-01-20 found that the mother tree (Tree Tagging Number KBD 8029, Species Meranti Seraya with DBH 50 cm and Tree Tagging Number KBD 8017, Species Meranti Seraya with DBH 48 cm) were deform and not suitable for mother trees. Thus, a Minor NCR ANS01/2020 for Indicator 5.1.2 was raised.</p>

Principle	Strengths	Weaknesses
	<p>To date the FMU has 27 active sawmill, 8 veneer/plywood mill and 3 moulding mills, beside those mill, smaller wood-based industry covered furniture, sawn logs, veneer, charcoal kilns, drying kilns, rubberwood processing, rattan processing, parquet and mouldings that covered about 127 licensed mills. Total licensed mill under KSFDF for year 2020 are 171 mills with 6 mills were unactive.</p> <p>The FMU is managed under the Selective Management System (SMS), a 30-year bi-cyclic. Sustainability is controlled through Annual Allowable Cut (AAC) approved by the “<i>Majlis Tanah Negara (MTN)</i>”. For the period in the Eleventh Malaysia Plan (RMK11), 2016-2020, the AAC calculated was 3,072 ha annually giving a total of 15,360 ha for the 5-year period.</p> <p>The harvesting license for year 2018, 2019 and 2020 were 888.00 ha, 1,693.46 ha, and 2,020.13 ha (1,245.13 for natural forest and 775 ha for forest plantation). These figures were still below the allowable annual AAC of 3,072 ha/year.</p> <p>A ceiling was imposed to control volume for tree tagging with 85 m³/ha set for primary forests and net extraction volume 68 m³/ha for subsequent rotations of secondary forests was 76m³/ha for tree tagging and net extraction is 61 m³/ha.</p> <p>The FMU productive capacity is ensured through adoption of sustainable forest management (SFM) principles. The Annual Forestry Plan is available that covers all forest management operations. The activities carried out in 2020 included boundary surveying/maintenance, Pre-F inventories, tree tagging, post-F inventory, silvicultural treatment and maintenance, VJR and HCV, infrastructure, plantation forest, IT and forest resource information, nursery, etc.</p> <p>The FMU has conducted Pre-F at Compt. 11 Sungai Badak PRF and Post-F inventory at Compt. 11 Sungkop PRF according to the Manual Perhutanan requirements as verified during this audit.</p> <p>Site inspection at the sampled active harvesting and closed harvesting areas found that the trees were tagged correctly following the Tree Marking procedures (specified in RIL) with respect to diameter cutting limits for Dipterocarps and Non – Dipterocarps. Guidelines for Reduced Impact Logging in Peninsular Malaysia, 2003 were implemented</p>	

Principle	Strengths	Weaknesses
	<p>to minimise damage to residual stand.</p> <p>Regular training was conducted for the staff on techniques of reduced-impact logging. In 2020, trainings on forest operations were done mainly internally at Pusat Latihan Perhutanan Jeniang.</p> <p>The department also has varied the source of timber by establishing Forest Plantation. The species planted include Rubber, Teak, Sentang (<i>Azadirachta excelsa</i>), Acacia, Pine, Khaya and others. The plantation serves to lessen pressure of demand on natural timber while fulfilling demand of the furniture industry in the State. Approvals for the conversion were documented and in line with applicable laws and policies.</p> <p>Records of quantity of timber harvested have been maintained by the KSFD both at the Checking Station, Forest District and State Forest Offices. Records were also kept for non-timber products (NTFP) which include rattan, bamboo and petai.</p> <p>The KSFD has included NTFP in one of its development programmes. The FMU has conducted planting programme for Non-Timber Forest Products (NTFP) such as mangrove saplings at Persisiran Pantai Kuala Sala (4.0 ha) for year 2020.</p> <p>Guidelines and/or procedures were available and implemented to identify and demarcate sensitive areas for the protection of soil and water, watercourses and wetlands. To date KSFD has established catchment areas and soil protection forest in the FMU. The maintenance objectives of catchment areas including aquatic environment were stated in the FMP (2016 – 2025).</p> <p>Areas exceeding 1,000 meters above sea level or with slopes of more than 40 degrees were excluded from logging, demarcated and mapped as protection forests.</p> <p>The demarcation and management of riparian buffers in the FMU further ensure protection of waterways from soil erosion especially during harvesting operations. The width of the buffer strips complied with the MC&I requirements and RIL specifications. Site inspection to the sampled active harvesting and closed area were evidence that the riparian buffer zone was marked with yellow paint.</p> <p>The FMU also has established ecological habitat under Central Forest Spine (CFS) CFS1 SL7 at Ulu Muda, Pedu, Chebar Besar</p>	

Principle	Strengths	Weaknesses
	<p>and Bukit Saiong PRFs which covered an area of 100 ha. Besides that, habitat restoration initiative for ecological corridor CFS was conducted at Bukit Saiong PRF that covered 40 ha.</p> <p>Forest recreation services do not tangibly contribute to local economy beyond that of workers' employment and contracts. However, some aspects of its development and management were contracted out to the local community which includes "Cleaning and Maintenance works".</p>	
<p>Principle 6 Environmental Impact</p>	<p>A state-wide scale macro-level environmental impact assessment (MEIA) was conducted in 2009 in Kedah FMU. Recommendations from the MEIA report were incorporated in the review of the FMP. The FMP (2016 – 2025) listed endemic and rare flora in the FMU including a list of protected flora. No new ERT species were identified until this audit. Guidelines were available and implemented for identifying and protecting ERT species including features of special biological interest.</p> <p>Sensitive areas included high elevation areas (≥ 1000 m), steep slopes (>40 degrees), riparian buffers, and HCWF areas were identified, demarcated, mapped, and systematically protected.</p> <p>Guidelines for the conservation of genetic, species and ecosystem diversity such as the Forest Management Plan for Kedah (2016-2025), National Policy on Biological Diversity 1998, Forestry Manual 2003 and Guidelines for the Establishment and Maintenance of Virgin Jungle Reserves, 1987 were available.</p> <p>The PRF has been elaborated into 12 forest use categories includes timber production, soil protection, flood control, water catchment, virgin jungle reserves (VJR), wildlife reserve, recreation, educational forest, research forest, federal-purpose forest and state park.</p> <p>Water catchment forests were managed for production of water strictly protected and monitored. Based on the statistics showed in "Maklumat Pewartaan Pengelasan Fungsi Hutan Mengikut Seksyen 10(1) Akta Perhutanan Negara", the gazetted Water Catchment area in Kedah FMU stood at 110,495 ha.</p> <p>Records of flora in the Kedah FMU showed "Orchid Selipar" located in Compartment 23, Gunung Jerai PRF, "Kurma laut" spp at Compartment 4, Merbok PRF and unique</p>	<p>Environmental impact assessments on rare and threatened species of flora and fauna were included in the MEIA report on the FMU. The need for biological corridors for wildlife movement was also addressed in the report. However, consideration of the impacts on risks of fire and pollution or siltation of water courses and wetlands and forest carbon stocks are yet to be included. Therefore, an OFI for Indicator 6.1.2 was raised.</p> <p>During site inspection to post harvest area Licence No. KU -01-03-2020 Compt. 9 Koh Moi PRF, found that used polybag were left on the ground in the licence area by contractor after completing enrichment planting activity without appropriate disposal mechanism. Therefore, an OFI for Indicator 6.3.1 was raised.</p> <p>The construction of road lay-out, drainage requirement and construction of log landing did not follow the specifications as outlined in <i>Garis Panduan Jalan Hutan 2010 (Pindaan 2013) (Rajah 16: Carta aliran bagi Perancangan, Pembinaan, Penyelenggaran dan Penutupan Jalan Hutan)</i>.</p> <p>a) During the inspection of the active logging site in Compartment 1 Hutan Simpan Gunung Inas in Kedah Selatan Forest District under license KS-01-01-20 found road lay out at skid trail at JT1 did not</p>

Principle	Strengths	Weaknesses
	<p>ecology for mangrove species (Bakau kurap, Nyireh Batu and Temu) in Compartment 4, Tanjung Dagu PRF for protection as HCVFs.</p> <p>Harvesting procedures for road and skid trail construction to protect the soil from compaction by harvesting machinery, soil erosion, conservation of buffer strips along streams and rivers including enrichment planting were examples of mitigation efforts were available and implemented such as Guidelines for Reduced Impact Logging in Peninsular Malaysia, 2003, Guidelines for Forest Road 2010 (Amended 2013) and the Forest Harvesting Plan of Kedah (2016-2025). During site inspection at all sampled active and closed harvesting area, the demarcation of riparian buffer zone was evident on the ground as demarcated in the road map.</p> <p>Tagged trees, felled in the direction as intended, will incur the least damage to the environment. Tree stumps inspected from active license area License No. KS01-01-2020 Compt. 1 Gunung Inas, KU01-02-2020 Compt. 13 Sg. Badak PRF and KS01-02-2020 including closed harvesting area at KU01-03-2020 Compt. 9 Koh Moi PRF, The tag numbers also corresponded to the record in the tree tagging book (<i>Buku Penandaan Pokok</i>).</p> <p>For Licence KU-01-02-20 in Compt. 13, Sg Badak Badak PRF, a stop work order was issued by District Forest Officer of Northern Kedah (Jitra), based on a letter Ref.No. PHD.KU.139-353 Jd.2/(8) dated 29th November 2020, for construction of skid trail without approval and damage to access road, as harvesting activities conducted during rainy season.</p> <p>Mother trees (seed production), protection trees and fruit trees including the enforcement of minimum cutting limit for <i>Neobalanocarpus heimii</i> (chengal) in harvesting areas, were retained and tagged to assist in the regeneration of the residual stand. For example, harvesting Licence No. KU 01-02-2020, Compt. 13 Sg. Badak PRF inspected, Meranti Seraya tree (KAZ 8941) and Meranti Seraya (KAZ 5933) trees were retained as mother trees, and post-harvest Licence area No. KU-01-03-2020 Compt. 9 Koh Moi PRF, protected tree no. F 3446 Macang spp was recorded.</p> <p>Guidelines to assess post-harvest natural regeneration was available. Forest regeneration is promoted directly, through assurance of acceptable regeneration capacity</p>	<p>follow the harvesting plan. The logging contractor has construct unauthorized four (4) new skid trails along JT1 without informing the Foresters or approval from DFO.</p> <p>b) Inspection of the active logging site in Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20 at Jalan Tuju 3, Matau 14 and Matau 15 found that the road constructions did not tally with the approved harvesting plan (road map).</p> <p>c) Review of the approved Harvesting Map in Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20 found that intensity of Jalan Tuju was 46m/ha, exceed the maximum requirement of 40m/ha</p> <p>d) During the inspection of the active harvesting site in Compartment 3, Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20, along the Jalan Sekunder and Jalan Tuju 1 found;</p> <ol style="list-style-type: none"> Construction of main roads involved too much earthworks. Too much loose soil was pushed to the slope. The retaining wall of all three (3) bridges were not constructed, Incorrect location/construction of sumps, Insufficient cross drain and side drain <p>e) Site inspection of the active logging site in Compartment 13 Hutan Simpan Sungai Badak in Kedah Utara Forest District under license KU-01-02-20 at skid trail LP13/JT1 found that excessive blading and involved too much earthworks</p>

Principle	Strengths	Weaknesses
	<p>(residual stand 32 tree/ha + 45 cm above dbh requirement, enrichment and rehabilitation plantings).</p> <p>Only indigenous forest species from the locality were used in all reforestation of natural stands in the FMU. As such the use of exotic timber species does not arise in natural stands. The Department conducted follow up monitoring to ensure planting specification, including the use of local timber species, was complied with.</p> <p>The Department of Environment (DOE) was regularly invited to pre-project briefings for contract staff and workers upon approval of harvesting license. The briefing stressed on conservation of the environment, such as handling of scheduled wastes, conduct of EIA and prohibition on open burning. Other examples of inter department collaboration include Joint Departmental Enforcement Operations involving control of illegal encroachment, logging, hunting, illegal settlement, etc. The agencies involved include Wildlife, Immigration, Fire, Local Councils and others. The KSFD listed various offences recorded within and adjacent to the FMU for 2020.</p> <p>The KSFD has played a major part in establishing and maintenance of the Central Forest Spine. Documents on the: PL5 Ulu Muda – Gunung Inas wildlife corridor was presented. The project was deliberated as in sighted CFS stakeholders meeting minutes dated 15-17 May 2017.</p> <p>Local communities were aware of the existence of ERT species in the FMU. They were also informed of the need to protect the wildlife. Records showed that prior to logging, pre-operation briefings on protect and conserve wildlife and compliance to the <i>Akta Pemuliharaan Hidupan Liar (Akta 716)</i> were conducted by forestry officers for workers in logging areas.</p> <p>The standard operation procedures for chemical usage can be found in Forestry Manual Volume III pp1279 – 1284, which was made available during the audit. However, there was no usage of pesticides at the nursery except fertilizer. Training on Nursery management was conducted on 24-26 August 2020. Since the FMU did not used any pesticides, therefore the reduction of use of chemical pesticide in the forest was not applicable.</p> <p>There is a policy on recycling which was</p>	<p>f) Inspection at Compartment 65, Hutan Simpan Rimba Teloi in Kedah Tengah District under licences KT-01-01-20 (P) Block 1, Jalan Tuju 1 found the sump were not effectively constructed to prevent sedimentation run off to waterways</p> <p>Therefore, a Major NCR MRS01/2020 for Indicator 6.5.3 was raised.</p> <p>All forest prone forest type within the FMU have yet to be prepared and implement “Fire prevention and Control Plan” specific to their premises. Therefore, an OFI for Indicator 6.5.5 was raised.</p> <p>Guidelines and procedures on the use of hazardous chemicals in forest management are made available during audit. However, policy on the use of environmentally friendly non-chemical methods of the pest management and prohibition of use of banned pesticides was not available. Therefore, an OFI for Indicator 6.6.1 was raised.</p>

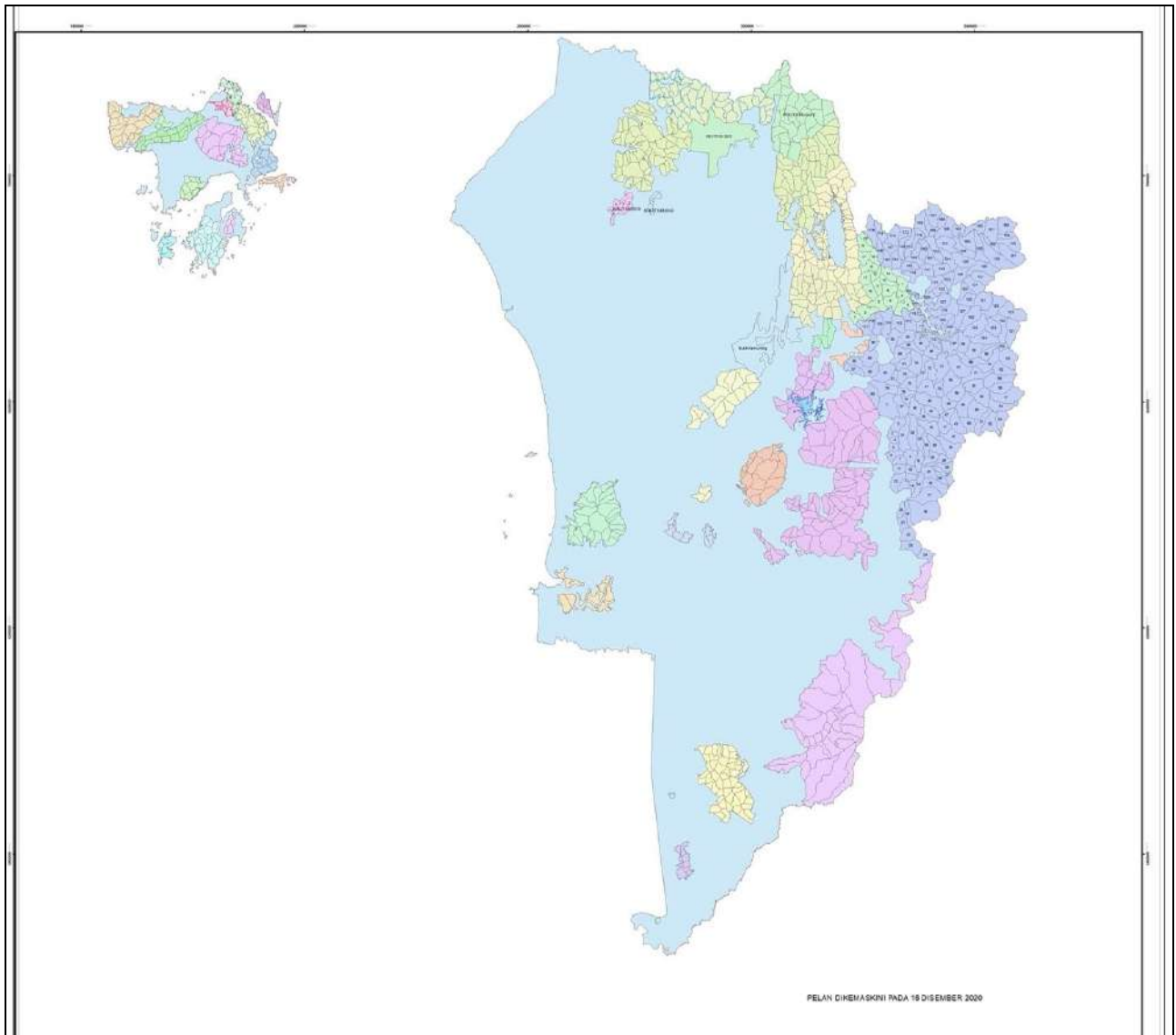
Principle	Strengths	Weaknesses
	<p>established in 2007, and still being adhered to. KSFD had established standard operating procedures on waste disposal and re-cycling of liquid and solid non-organic wastes and records of disposal of containers, liquid and solid non-organic wastes, including fuel and oil for Kedah FMU. A flow chart (<i>Carta Aliran Pengurusan Pelupusan Bahan Kimia dan Sisa Buangan Terjadual</i>) was made available.</p> <p>To date biological control agents have not been used in Kedah FMU management.</p> <p>Map showing the areas approved for conversion to forest plantation were presented. No conversion of severely degraded to forest plantation and no afforestation of ecological important non-forest ecosystem.</p> <p>The total area that has been approved for forest plantation was 15,730 ha. The EIA report and Environmental Management Plan (EMP) for the forest plantation areas were available. The social, environmental, and economic cost benefit analysis has been included in the EMP. The following Gunung Inas PRF 5,000 ha, Compt. 40 Rimba Teloi 450ha, Compt. 44,45,46 Gunung Bongsu PRF 458.66ha, Compt. 65 Rimba Teloi 490ha. and Compt.68 Rimba Teloi (Blok 1&2) 400ha were verified.</p> <p>The FMU has conducted monthly monitoring to all plantation areas. The sampled monthly monitoring report forest plantation area (planted with <i>Alibizia moluccana – Batai wood</i>) for October and November 2020 for license KT01-01-2020(P) under management of Perbadanan Menteri Besar Kedah (licensee) and contractor, Jaentique Sdn. Bhd. at Compt. 65, Rimba Teloi PRF were verified titled '<i>Laporan Bulanan Kemajuan Pengusahaan Hutan Di Dalam Hutan Simpanan Kekal</i>'</p>	
<p>Principle 7 Management Plan</p>	<p>The Forest Management Plan (FMP) 2016 - 2025 had included all the items listed from a) to i) in Criterion 7.1.</p> <p>Review on Annual Work Plan 2019 and 2020 found Rancangan Tahunan (RTH) was sent to FDPM on 16 July 2020, and the harvesting activities at Compt 13 HS Sg Badak and Compt 9 Koh Moi were available and tally with "Jadual 9: Kawasan Cadangan Pengusahaan".</p> <p>The FMP has incorporated new available scientific and technical information as provided in Chapter 3.4- Biological Diversity (pg. 63-76), Chapter 3.5 - Wood Based Industry (pg.</p>	<p>The following information yet to be included in the FMP:</p> <ol style="list-style-type: none"> 1. Fire prevention and control (Para C) in Criterion 7.1 2. Non-timber forest product used commercially (Para D) in Criterion 7.1 3. Description of stakeholder's consultation (Para J) in Criterion 7.1 4. The risk and opportunities, and implementation were not available in the forest management plan.

Principle	Strengths	Weaknesses
	<p>77-83) and Chapter 3.7 – Socio-economic (pg. 135-154). Currently, revision was done on the documents titled ‘Lampiran 5.1: Senarai Cadangan Kawasan bagi Aktiviti Inventori Hutan Sebelum Tebangan (Pre-F), Penandaan Pokok (Timber tagging) dan Inventori Hutan Selepas Tebangan (Post-F).</p> <p>KSFD also continuously acquired new scientific and technical information within the FMU area such as from the report entitled “Ringkasan Perbandingan Spesies, Bilangan dan Bilangan Pokok Sehektar Bagi Data Inventori Post-F dan Pre-F” and from established new VJR ecological permanent plot as in Compt. 20 of Gunung Jerai FR.</p> <p>KSFD has training facilities at Pusat Latihan Perhutanan Jeniang, Kedah. Annual training program for KSFD staffs were made available for 2020 as evidenced in document entitled “Senarai Kursus yang dianjurkan oleh Jabatan Perhutanan Negeri Kedah Tahun 2020”.</p> <p>The summary of the primary elements of the FMP (2016-2025) for Kedah FMU was publicly available in the Kedah Forestry Department official website – http://www.kedforestry.gov.my/ms/maklumat-perhutanan/ringkasan-rancangan-pengurusan-hutan.html</p>	<p>Thus, an OFI for Indicator 7.1.1 was raised.</p> <p>The periodic review will be conducted every five years, as in clause 7.5 – “Semakan Separuh Penggal”. The FMU has allocated budget for FMP 2016-2025 mid-term review for year 2020. However, appointment of consultant for the revision yet to be issued. Thus, an OFI Indicator 7.2.1 was raised</p>
<p>Principle 8 Monitoring and Assessment</p>	<p>The KSFD had been strictly adhered on the use of monitoring forms A-D i.e. <i>A: Infrastruktur (Infrastructure)</i>, <i>B: Pengusahaan Hutan (Forest Harvesting)</i>, <i>C: Alam Sekitar (Environment)</i> and <i>D: Pengeluaran (Output)</i> for harvesting operation. This requirement was written in the Manual Perhutanan (Forestry Manual), Volume 2 Chapter 13. All these procedures were described in Appendix 13 of the <i>Manual Perhutanan</i> (Forestry Manual).</p> <p>Monitoring forms A – D was verified for active license KS01-01-2020 Compt. 1 Gunung Inas, KU01-02-2020 Compt. 13 Sg. Badak PRF and KS01-02-2020 including closed harvesting area at KU01-03-2020 Compt. 9 Koh Moi PRF.</p> <p>The FMP (2016-2025) sighted contain required information for indicators 8.2:</p> <ul style="list-style-type: none"> a) Yield of all forest products harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity and efficiency of forest management 	<p>Audit found the procedures to monitor social, ecological, environmental and economic impacts was not available. Thus, an OFI for Indicator 8.1.2 was raised.</p> <p>In addition to the new requirement of MC&I SFM, the management review shall be conducted by the FMU to monitor the continual improvements. The annual management review meeting and internal audit was not conducted according to the requirement of the standard. Thus, an OFI for Indicator 8.1.3 was raised.</p> <p>Extracted first Log’s diameter recorded in “Buku Kawalan Pengeluaran” as control record for Removal Pass showed a significant difference compared to diameter of standing tree recorded and first log bigger or smaller than the recorded diameter in the “Buku Kawalan Pengeluaran”. Site inspection to BPH Changlun, it</p>

Principle	Strengths	Weaknesses
	<p>Data on the composition and changes of the species, regeneration and condition of the forest was also sighted during the Audit in the report entitled <i>“Ringkasan Perbandingan Spesies, Bilangan dan Bilangan Pokok Sehektar Bagi Data Inventori Post-F dan Pre-F”</i>.</p> <p>The Royalty/Cess collection for Forest Products (except quarry products and poles) (<i>“Akuan Hasil Hutan”</i>) at BPJH (Checking Stations) in Kedah, all logs transported out of the forest were recorded in C2 Forms. On the same form, the block number, coupe/license number, stumping point, name of recorder, date and vehicle number are recorded.</p> <p>This C2 Forms will accompany the logs to the nearest forest checking station of the Kedah FMU where designated Foresters of the Kedah FMU will copy the log details in the C2 form on to Removal Pass (RP). In the Removal Passes, the royalty incurred for the logs were also calculated and recorded. The logs shall be marked with a registered Forest Department revenue hammer mark after Removal Pass issuance. Only then shall the logs be allowed to proceed to their destination.</p> <p>Site inspection at Mobile Forest Checking Stations Jeniang/Sik for forest plantation area KT01-01-2020(P) at Compt. 65 Rimba Teloi Selatan PRF for removal pass no. 015181 and 015179 dated 10 December 2020 found that the tasks which include log measurement, species, <i>tukul hasil</i>, log volume, royalty rate, royalty calculation, and update of the <i>“Buku Penandaan Pokok dan Kawalan Pengeluaran Hutan”</i> were in order.</p> <p>Tree stumps inspected from active license area Licence No. KS01-02-20, Compt. 3 Rimba Teloi PRF was verified against the <i>“Buku Kawalan Pengeluaran Hutan”</i> and found the tree data were tallied and updated.</p> <p>The FMP specifically discussed the topic on monitoring activities in clause 7.0 Pemantauan, Pengawasan dan Penilaian and clause 7.5 <i>Semakan Separuh Penggal</i> (page 425-443)</p> <p>An up-to-date summary of the results of monitoring those listed in Criterion 8.2 has been updated with the data from the 5th <i>National Forest Inventory</i> (IHN) for flora and fauna made available in the following website http://www.kedforestry.gov.my</p>	<p>was found that (for License KU-01-02-2020, Compt. 13, Sg. Badak PRF):</p> <ol style="list-style-type: none"> 1. The first log recorded in <i>“Buku Kawalan Pengeluaran”</i> showed a significant difference compared to standing tree diameter as in <i>“Buku Kawalan Pengeluaran”</i>. The Sample of logs and standing tree diameter as follows: 2. The first log is bigger than the standing tree diameter recorded in <i>“Buku Kawalan Pengeluaran”</i>. The Sample of logs and standing tree diameter as follows: <p>Thus, a Minor NCR RJ01/2020 for Indicator 8.3.1 was raised.</p>

Principle	Strengths	Weaknesses
<p>Principle 9 Maintenance of High Conservation Values</p>	<p>KSFD has demarcated in total, three HCVF areas namely;</p> <ol style="list-style-type: none"> 1. Compt. 23 Gunung Jerai PRF - Slipper Orchid (<i>Paphiopedilum rothschildianum</i>)- 2. Compt. 4, Merbok PRF (Mangrove Date Palm - <i>Kurma laut</i>, <i>Phoenix paludosa</i>) and Sungai Merbok PFR (mangrove hybrids) 3. Compt. 4 Tanjung Dagu PRF – Mangrove Vegetation (on-going planning) <p>The Forest Management Plan for Kedah (2016-2025) had incorporated the HCVFs in chapter 6.4, “High Conservation Value Forest (HCVF)” (page 416).</p> <p>The measures to demarcate, maintain and/or enhance the HCVF attributes, were contained in the FMP, which can be publicly accessed at: http://kedforestry.gov.my/ms/maklumat-perhutanan/kawasan-hutan-pemeliharaan-tinggi-hcvf.html</p> <p>The FMU had followed the guidelines in identifying the presence of HCVF sites with consultation from relevant stakeholders. Records of consultation dated 9th May 2017 (PHNK 8/2013 Jld. 2) was verified. The stakeholders include Majlis Daerah Yan, Majlis Perbandaran Sungai Petani, Jabatan PERHILITAN, Jabatan Perancang Desa dan Wilayah Kedah, Jabatan Minerologi dan Geosains Kedah/Perlis/Pulau Pinang, WWF-Malaysia and others.</p> <p>Audit team has verified HCVFs area which are <i>Phoenix paludasa</i> (Kurma Laut) at Compt. 4 Merbok PRF (proposed to be HCVFs area) and <i>Paphiopedilum callosum</i> (Orkid selipar) at Compt. 23 of Gunung Jerai PRF. Both HCVFs boundaries were clearly fenced and marked with yellow paint and had adequate signage.</p> <p>Forest managers has conduct annual monitoring to assess the effectiveness of the measures in the management of the HCVFs. Records showed that slipper orchids and also other species of orchids has been monitored with latest report dated 24 September 2020.</p>	<p>There was no negative finding.</p>

Map of Kedah FMU



Experiences and Qualifications of Audit Team Members

Names of Audit Team	Role	Qualification and Experience
Khairul Najwan Ahmad Jahari	Audit Team Leader / Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience: Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001. Conduct and coordinate a research on 8th Malaysian Plan Project. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field works, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Lead Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International, since 2009. Involved in conducting assessments on forest management certification (MC&I and FSC P&C), MYNI of RSPO P&C and other management system on ISO 9001, 14001 and OHSAS 1800</p> <p>Training / Research Areas: Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] organized by MTCC, 30 March - 2 April 2009. EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009. OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009. QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>
Mohd Razman Salim	Auditor/ Forester/ Safety Auditor	<p>Academic Qualification: B.Sc. of Forestry (Forest Production), Universiti Putra Malaysia.</p> <p>Work Experience: Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). Participate in organizing committee member, division level activities and projects. Coordinate and collaborate a long term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local & international) and NGOs. Published and presented research findings at the seminars and conferences. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2013. Involved in conducting assessments on forest management certification [MC&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p>Training / Research Areas: Auditor Training Course on Malaysian Criteria and Indicators for Forest</p>

		<p>Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organized by MTCC, 1-4 December 2013.</p> <p>EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013.</p> <p>OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013.</p> <p>QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.</p>
Hj. Roslee bin Jamaludin	Auditor/Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma in 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>Training / Research Areas: 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. FMC Workshop 28th -29th November 2017</p>
Mohd Annas Amin Hj Omar	Auditor / Forester	<p>Academic Qualification: Diploma in Forestry, UPM B. Sc. In Forestry, UPM</p> <p>Work Experience: Six year as Assistant Forest Officer at Perak Forestry State Department in the year from 2013-2018. Main responsibility is Assisting District Forest Officers in administrative work, forest development and forest operations. Conduct forest Enforcement Team Activities such as The Prevention of illegal logging. Appointed to be Raid Officer in Raid Eradicating Illegal Refinery in</p>

		<p>Perak Forestry. Also appointed to be Investigative Officer in Investigations into a case involved Forest Reserve and Cased Prosecuted in Court.</p> <p>Training/Research Areas: Program of MTCS Training Course (MC&I) in Kuantan (9-12 July 2018) Lead Auditor ISO 9001, ISO 14001 & ISO 45001 Exemplar Global Certified (13-18 Ogos 2018) RSPO Lead Auditor Training (9-13 March 2020)</p>
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Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Comments/Issues Raised	Response by Audit Team
1	<p>Produktiviti dan komposisi hutan pusingan kedua adalah membimbangkan. Penilaian beberapa hutan pengeluaran balak telah menunjukkan bahawa terdapat produktiviti yang lebih rendah daripada jangkaan serta komposisi spesis telah berubah. Diharap perkara ini disemak dan dinilai untuk memberi panduan kepada Jabatan Perhutanan Negeri bagi menguruskan isu ini</p>	<p>The Kedah State Forestry Department agrees that the productivity of the second rotation forest is lower than the productivity compared to the Virgin Forest. However, in order to increase productivity optimally for the second rotation area, the Kedah State Forestry Department always conducts enrichment planting activities in declining, poor and open areas as well as planting quality species in harvesting areas such as Jalan Tuju, Lorong Penarik and Matau Sementara. In addition, the department also always ensures that the control of production through the method of tree marking and volume control is fully used in all production areas in the State of Kedah. While the selection of mother trees is marked for Dipterocarp species for the entire areas to be licensed.</p>
	<p>Pada awal tahun 2020, terdapat laporan berkaitan isu pencerobohan hutan simpan bagi tujuan pembukaan Kawasan kebun oleh penduduk berhampiran. Kawasan yang terlibat adalah di Hutan Simpan Pedu, Hutan Simpan Bukit Enggang, Hutan Simpan Bukit Perangin, Hutan Rimba Teloi dan Hutan Simpang Gunung Raya Kedah. Apakah Tindakan yang telah diambil oleh Pihak Jabatan Perhutanan Negeri berkaitan isu ini? Adakah laporan pencerobohan ini telah disediakan dan sekiranya ada apakah Langkah yang telah diambil</p>	<p>The Kedah State Forestry Department constantly patrols and monitors areas that have been identified as forest encroachment hotspots. The Department has also collected basic information on venture areas throughout the State of Kedah for the consideration of the state government whether to be given Property Rights, Use Permits or enforcement action.</p> <p>In addition, for the areas that have been explored, the Kedah State Forestry Department has carried out integrated operational activities with other enforcement agencies, clearing the outer boundaries to be clearer, installation of signs prohibiting trespassing on HSK and replanting (restoration) to prevent exploration activities. from constantly recurring. The department also regularly conducts announcements to the community regarding the importance of environmental protection and encroachment offenses as well as exploration of the HSK area.</p> <p>As reported in Indicator 1.5.2, the Enforcement Unit (Unit Operasi dan Penguatkuasaan) of KSFD has implemented inspection according to '<i>Ringkasan Laporan Pemantauan/ Penguatkuasaan Hutan</i>' till October 2020. Monthly schedule for patrolling were made available during this audit. For 2020 (till October), cumulative forest offences recorded was 68 cases. The KSFD has conducted 462 times monitoring and surveillance activities to PRF, inspection of licence areas 53 times, Used Permit 67 times, wood base Industries 100 times, Checking Station 47 times, roadblocks 81 times.</p> <p>The external boundaries of PRF are routinely maintained to ensure forest resource safety. The demarcation of external boundaries was verified at Sg. Badak PRF and Koh Moi PRF, as the external boundaries was clearly marked with three ringed red paint.</p>

		<p>In terms of control of encroachment, the enforcement unit of the Kedah FMU has presented to the audit team, the enforcement planning schedule (<i>Perancangan Aktiviti Penguatkuasaan</i>) for monitoring activities on all the licensed areas, checking station, roadblock, factories which was conducted by monthly basis.</p>
	<p>Pada akhir tahun 2019 terdapat isu penerokaan yang tidak mengikut perancangan tahunan membabitkan Hutan Simpan Ulu Muda, Kedah Tengah. Difahamkan Tindakan telah diambil oleh pihak Jabatan, apakah Tindakan mitigasi yang telah diambil oleh pihak jabatan Perhutanan Negeri supaya isu ini tidak berulang kembali</p>	<p>The Kedah State Forestry Department always adheres to the Annual Felling Ration Quota decided by the National Land Council (MTN). For logging in the Ulu Muda Forest Reserve in particular, the state government has decided that logging be carried out in accordance with the Low Impact Logging (RIL) guidelines through the use of full Logfisher machinery and double the width of the Buffer Zone.</p> <p>As reported in Indicator 7.1.1, A management plan appropriate to the scale and intensity of the operations was prepared, written, approved, implemented and kept up to date. Review on Annual Work Plan 2019 and 2020 found Rancangan Tahunan (RTH) was sent to FDPM on 16 July 2020, and found the harvesting activities at Compt 13 HS Sg Badak and Compt 9 Koh Moi were available and tally with “Jadual 9: Kawasan Cadangan Pengusahaan”.</p>
	<p>Adakah kajian impak pengusahaan ladang hutan yang dicadangan di Kompartmen 15, 42 dan 43 Hutan Simpan Gunung Bongsu, Daerah Hutan Kedah Selatan dengan berkeluasan 500 hektar telah dijalankan. Makluman Kawasan yang dicadangkan untuk pembangunan ladang hutan merupakan ESA Rank 2 dimana perubahan guna tanah adalah tidak dibenarkan dan hanya eko-pelancongan serta pengusahaan secara mampan sahaja dibenarkan. Tapak projek akan mengfragmentasikan HSK Gunung Bongsu kepada dua Kawasan hutan yang hampir terasing. Ini akan membawa impak negative yang amat signifikan kepada perkhidmatan ekosistem dan kemandirian populasi flora dan fauna. Apakah Langkah yang telah dan akan diambil oleh pihak Jabatan berkaitan perkara ini?</p>	<p>The Kedah State Forestry Department requires developers to conduct a Details Environmental Impact Assessment (DEIA) before carrying out the forest plantation development process. In the EIA Technical Review Committee (EIATRC) Meeting on 10 December 2020 as in the attachment has invited all agencies/departments to provide comments related to the development of this area before it is approved for the purpose of forest plantation development. This matter is still at the Technical Review stage to be studied by the developer/consultant in more depth based on the comments given by the EIA Technical Committee.</p> <p>As reported in Indicator 6.10.1, EIA for Compt. 44,45,46 Gunung Bongsu PRF 500 ha. Approved on 15th Mac 2020 (Ref.No. AS(B) K11/121/000/015 Jld.8(3)).</p> <p>The Environmental Management Plan (EMP) were presented during the audit, for the Compt. 44,45,46 Gunung Bongsu PRF. The social, environmental, and economic cost benefit analysis were included in the EMP.</p> <p>Map showing the areas approved for conversion to forest plantation were presented during the audit</p>
	<p>Dalam SFM serta persijilan Pengurusan Hutan, elemen sosial dan ekonomi juga dititikberatkan. Adakah kajian impak berkaitan sosial dan ekonomi terhadap pihak berkepentingan yang tinggal berhampiran mahupun didalam Kawasan</p>	<p>Forest Management Certification in the State of Kedah always adheres to the principles contained in the Forest Management Certification Standard (SFM) which involves elements of Social, Economic and Environmental Impact. For social and economic assessments, the department will prepare a Social</p>

<p>hutan simpanan ini kekal in dibuat?</p>	<p>Impact Assessment (SIA) report before, during and after logging involving residents living close to the logging area.</p> <p>However, audit found the procedures to monitor social, ecological, environmental and economic impacts was not available. Thus, an OFI for Indicator 8.1.2 was raised.</p>
<p>Soalan lain yang berkaitan dengan pengurusan hutan di negeri Kedah</p> <p>Sejauh mana penemuan penemuan terkini hasil dari R&D telah digunakan dalam menambahbaik kaedah dan system pengurusan hutan ni negeri Kedah?</p>	<p>The Kedah State Forestry Department is always open to adopt the latest Research and Development (R&D) in implementing forest management in the State of Kedah. Among them are such as monitoring through the Forest Monitoring system Using Remote Sensing (Plus), Forestry e-Geospatial and the use of the latest Drone technology. Apart from that, the Kedah State Forestry Department is also always in touch with research agencies in the country such as the Forest Research Institute of Malaysia, Kepong (FRIM), Universiti Putra Malaysia (UPM) and other Public Institutes of Higher Learning (IPTA) for Research and Development purposes. (R&D) forestry.</p>
<p>Sejauh mana pihak pengurusan Jabatan Perhutanan Negeri mengguna pakai serta merujuk kepada Dokumen Rancangan Pengurusan Hutan Negeri Kedah 2016-2025 dalam menguruskan Kawasan berhutan di Negeri Kedah?</p>	<p>To manage forest resources in the State of Kedah, the Forest Management Plan (RPH) 2016 to 2025 is always referred to and used as a guide on forestry activities that will be carried out by the Kedah State Forestry Department. All approved logging areas are within the Production Forest area only. This document is also used as a guide in advising the state government that each logging area approval to be considered must be in line with this FMP. Through this RPH document, all Permanent Forest Reserve areas classified as Protected Forests have been identified and subsequently preserved, monitored and well maintained.</p>
<p>Apakah Langkah persediaan pihak pengurusan Jabatan Perhutanan Negeri untuk mengadaptasi serta menerima pakai Kriteria & Indicator peralihan Persijilan Pengurusan Hutan Asli kepada Persijilan Pengurusan Hutan Lestari?</p>	<p>The Kedah State Forestry Department (JPNK) is constantly improving the knowledge and skills of its staff and employees in the logging sector through training and courses related to Forest Management Certification (SFM) which will replace Forest Management Certification (Natural Forest) to ensure all staff are given exposure and understanding of the transformation of the Forest Management Certification. Courses related to Forest Management Certification (SFM) such as this will be made an annual course to ensure that all staff of the Kedah State Forestry Department and employees in the forestry sector are always given the latest exposure from time to time.</p>

Stage 2 Audit Plan

DAY	TIME	PROGRAM			
		AUDITOR 1 (Najwan)	AUDITOR 2 (Razman)	AUDITOR 3 (Hj Roslee)	AUDITOR 4 (Annas)
Travelling Day 0	5.00 pm	<ul style="list-style-type: none"> Travel from Kuala Lumpur to Alor Star Check-in at Grand Alora Hotel, Alor Star Briefing by Audit Team Leader on the recertification audit plan 			
Day 1 13.12.20	8.30 am	<ul style="list-style-type: none"> Session with Director of Kedah State Forestry Department Opening Meeting with representatives of FMU Briefing session by Forest Manager of the FMU on progress of forest activities Q&A Session Evaluation of changes to the management of the FMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance Check on complaints, stakeholder comments and follow-up actions <ul style="list-style-type: none"> Orang Asli Government agencies NGOs Evaluate for internal audit Evaluate on management review system Stakeholder consultations arrangement 			
	2.00 pm – 5.00 pm	Documentation and records review <ul style="list-style-type: none"> Principle 7 – Management Plan Principle 8 – Monitoring and Assessment 	Documentation and records review <ul style="list-style-type: none"> Principle 5 – Benefits from the forest Principle 4 - Community Relations and Worker's Right 	Documentation and records review <ul style="list-style-type: none"> Principle 1 – Compliance with Laws and Principles Principle 6 – Environmental Impact 	Documentation and records review <ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 9 – Maintenance of High Conservation Value Forests
		Briefing to representatives of FMU on the progress of audit Review of Day 1 Findings by Audit Team Leader			
Day 2 14.12.20	8.30 am – 5.30 pm	Site visit (Kedah Selatan) <ul style="list-style-type: none"> Active harvesting area – Compt 1 HS Gunung Inas KS-01-01-2020 (120ha/50%) Forest Checking Station – Weng & Kuala Pegang 	Site visit (Kedah Tengah) <ul style="list-style-type: none"> Forest Checking Station – Jeniang Nursery Jeniang HCVF area – HS Gunung Jerai Compt 23 (1ha) HCVF – Compt 4 - HS Merbok (Kurma Laut) (1ha) 	Site visit (Kedah Utara) <ul style="list-style-type: none"> Active harvesting area – Compt 13 HS Sg Badak KU-01-02-2020 (50ha/50% kerja) Interview with contractors Workers camp Forest boundaries Sg Badak PRF Forest Checking Station – Changlun 	Site visit (Kedah Selatan) <ul style="list-style-type: none"> Tree tagging and active area Boundaries inspection Interview with forest workers Forest Checking Station consultations with local communities

				<ul style="list-style-type: none"> Chemical handling at Nursery - Changlun 	
		<ul style="list-style-type: none"> Briefing to representatives of FMU on the progress of audit Review of Day 2 Findings by Audit Team Leader 			
Day 3 15.12.20	7.30 am – 5.30 pm	Site visit <ul style="list-style-type: none"> Pre-F area – Compt 11 HS Sg Badak 	Site visit <ul style="list-style-type: none"> Post-F – Compt 40 HS Padang Terap Boundaries inspection Checking Station Interview with forest workers 	Site visit <ul style="list-style-type: none"> Closed area – Compt 9 HS Koh Moi KU-01-03-2020 (95ha) Boundaries inspection Checking Station 	Site visit <ul style="list-style-type: none"> Closed area Boundaries inspection Interview with forest workers Forest Checking Station
Day 4 16.12.20	7.30 am – 5.30 pm	Site Visit & Stakeholder consultations <ul style="list-style-type: none"> Compt. 3, Rimba Teloi PRF - KS 01-02-2020, 170 ha Interview with contractors Department of Environmental (DOE) 	Site Visit & Stakeholder consultations <ul style="list-style-type: none"> Conversion area Compt 65, 3 blok, Rimba Teloi Selatan Kesatuan KPPHM Malaysia Barat 	Site Visit & Stakeholder consultations <ul style="list-style-type: none"> Forest boundaries Conversion area Compt/Blok 4 HS Bukit Keramat (380ha/70%) Department of Environmental (JAS) 	Site Visit & Stakeholder consultations <ul style="list-style-type: none"> Wildlife Department (PERHILITAN) HVCF - Langkawi HS Tanjung Dagu Compt 4 Phenology Plot Compt 1 HS Gunung Raya
Day 5 17.12.20	8.30 am 9.00 am 10.00am 11.30am	Documentation and records review Preparation of audit report and finding Briefing to representatives of FMU on the progress of audit Closing Meeting and presentation of findings of audit and discussion on follow-up activities Adjourn Closing Meeting			

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

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 6.5.3	Major NCR: MRS01/ 2020	<p>Requirement: Indicator - 6.5.3 - Availability and implementation of guidelines for forest road lay-out, drainage requirement and construction, including log landings and drainage requirements.</p> <p>Finding: The construction of road lay-out and construction of log landing did not follow the specifications as outlined in Garis Panduan Jalan Hutan 2010 (<i>Pindaan 2013</i>) (<i>Rajah 16: Carta aliran bagi Perancangan, Pembinaan, Penyelenggaran dan Penutupan Jalan Hutan</i>)</p> <p>Objective evidence:</p> <p>a) During the inspection of the active logging site in Compartment 1 Hutan Simpan Gunung Inas in Kedah Selatan Forest District under license KS-01-01-20 found road lay out at skid trail at JT1 did not follow the harvesting plan. The logging contractor has construct unauthorized four (4) new skid trails along JT1 without informing the Foresters or approval from DFO.</p> <p>b) Inspection of the active logging site in Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20 at Jalan Tuju 3, Matau 14 and Matau 15 found that</p>	<p>Result of investigation and determination of root cause:</p> <p>a review of items a, b, d, e, and f found that this was due to the licensee's failure to comply with the Forest Road Guidelines 2010 and the instructions of the South Kedah District Forest Officer during the briefing before the harvesting work was given.</p> <p>for item c, the review found that the road distance density 46m/ha is referring to Secondary Road. secondary road density is not subject to forest road guidelines 2010. road density for this area is 37.19m/ha</p> <p>Correction and corrective action plan including completion date:</p> <p>Issue stop-work order to the licensing of forest work KS-01-01-20 from 1 December 2020 (letter PHDKS 849 SJ 25-68 vol 2 (81).</p> <p>Form 2 and compound were issued (letter PHNK 033950 (51) dated 22 Feb 2021 and PHDKS 25-68 SN 849 Vol 3 dated 21 Feb 2021</p> <p>The licensee has submitted an application to build a tow lane (letter dated 6 Jan 2021 letter PHDKS 25-68 SJ 849 Jld 3 (8) dated 13 Jan 2021</p> <p>Trees has been planted along skid trails</p>	<p>Evidence dated 5 January 2021 (PHNK 62/2014 JLD.2/ (39) "Laporan Maklumbalas Penemuan Audit Bebas MC&I (SFM) FMU Negeri Kedah" received on 27 January 2021. However, it was not accepted by auditor due to incomplete investigation and evidences.</p> <p>Kedah FMU has resending (HN 15-97 Sk 2. Jld 8 [37]) dated 18 March 2021 titled "Laporan Maklumbalas Penemuan Audit Bebas MC&I (SFM) FMU Negeri Kedah" received by Sirim QAS on 19 March 2021 and has been accepted by the audit team.</p> <p>The last evidences were received on 27 April 2021 and has been accepted and closed by the auditors on 11 May 2021</p> <p>a) Compartment 1 Hutan Simpan Gunung Inas in Kedah Selatan Forest District under license KS-01-01-20</p> <ol style="list-style-type: none"> a letter [PHDKS 25-68 Sj 849 Jld 2 (81)] from Kedah Selatan DFO to Temenggong Corporation (Compartment 1 Hutan Simpan Gunung Inas license KS-01-01-20) on stop work order was issued on 1 December 2020. a letter [PHNK033950 (51)] from KSFD Office to Temenggong Corporation (Compartment 1 Hutan Simpan

		<p>the road constructions did not tally with the approved harvesting plan (road map).</p> <p>c) Review of the approved Harvesting Map in Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20 found that intensity of Jalan Tuju was 46m/ha, exceed the maximum requirement of 40m/ha</p> <p>d) During the inspection of the active harvesting site in Compartment 3, Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20, along the Jalan Sekunder and Jalan Tuju 1 found;</p> <p>i. Construction of main roads involved too much earthworks. Too much loose soil was pushed to the slope.</p> <p>ii. The retaining wall of the all three (3) bridges were not constructed.</p> <p>iii. Incorrect location construction of sumps,</p> <p>iv. Insufficient cross drain and side drain</p> <p>e) Site inspection of the active logging site in Compartment 13 Hutan Simpan Sungai Badak in Kedah Utara Forest District under license KU-01-02-20 at skid trail LP13/JT1 found that excessive blading and involved too much earthworks</p> <p>f) Inspection at Compartment 65, Hutan Simpan Rimba</p>	<p>Training on Garis Panduan Jalan Hutan 2010 (<i>Pindaan 2013</i>) to contractors and KSFD staffs on 25 March 2021 (letter PHNK 116 2013 Jld 5 (67) and PHNK 2025 Jld 17 (86) dated 15 March 2021</p> <p>Letter of instruction to monitor from KSFD state office to all District Office, including to Forest engineer. The monitoring report was conducted by Forest Engineering (letter PHNK 90-79 Jld 8 (102)</p> <p>There was an error during the audit where the plan shown during the audit was using the obsolete plan (Letter PHNK 90-79 Jld 8 (101) bertarikh 7 Mac 2021) the obsolete plan in licence document were stamped with 'batal'</p> <p>Forest road plan (skid trail-amended) dated 26 October 2020 for licence KS-01-02-20 (skid trail 3, Matau 14 and Matau 15) was the latest plan</p> <p>The review found that there was an error in the main road run data form shown by the PIC to the auditor. this is due to the lack of understanding of the officers about the Main Road Data Form in Compt. 3 Rimba Teloi PRF</p> <p>KSFD will conduct training on 22-24 March 2021 to all staff (Grade 22 and above) on Garis Panduan Jalan Hutan 2010 (<i>Pindaan 2013</i>) to ensure no reoccurrence on this issue. (Letter PHNK 2025 Jld 17 (67) dated 15 March 2021)</p> <p>Review found that during the audit, staff had provided secondary road data instead skid trail data to the auditor. This is because staff was unaware about the use of skid trail</p>	<p>Gunung Inas license KS-01-01-20) on compound was issued on 22 February 2021.</p> <p>3. a directive letter [PHDKS 25-68 Sj 849 Jld 3 ()] from Kedah Selatan DFO to Baling Renj. Officer (Compartment 1 Hutan Simpan Gunung Inas license KS-01-01-20) on stop work order and action to be taken was issued on 21 February 2021. This includes Borang 2 – Perintah Memberhentikan Kerja Hutan (Section 25, Forestry Act 1984) dated 21 February 2021. The Borang 2 has been accepted by contractor on 21 February 2021 and payment on Penerimaan Tawaran Mengkompaun (Kaedah 33 Kaedah kaedah Hutan 1989) has been paid on 4 March 2021 with receipt no: 009516 04/03/2021.</p> <p>4. A request letter from contractor of Compartment 1 Hutan Simpan Gunung Inas license KS-01-01-20, Sing Ta Nian on amendment of Skid Trail dated 6 January 2021 has been approved by DFO on 13 January 2021 [PHDKS 25-68 Sj 849 Jld 3 (8)]. This includes map on Pelan Pindaan Jajaran Jalan Hutan (Jalan Sekunder, Jalan Tuju & Jalan Matau), length of the Skid Trails.</p> <p>5. Pictures on tree planting on unauthorized Skid trails (immediate</p>
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		<p>Teloi in Kedah Tengah District under licences KT-01-01-20 (P) Block1, Jalan Tuju 1 found the sump were not effectively constructed to prevent sedimentation run off to waterways</p>	<p>or secondary road data</p> <p>KSFD will conduct training on 22-24 March 2021 to all staff (Grade 22 and above) on Garis Panduan Jalan Hutan 2010 (<i>Pindaan 2013</i>) to ensure no reoccurrence on this issue. (Letter PHNK 2025 Jld 17 (67) dated 15 March 2021)</p> <p>A review found that this was due to a lack of understanding among loggers regarding this matter. KSFD has taken action as below;</p> <p>Instruction on Stop Work Order with letter PHDKS 25-68 Sj 750 Jld 2 (115) dated 15 December 2020</p> <p>Issuance of "Notis Borang 2" (Stop Work Order) (letter PHNK 033950 (51) dated 22 Feb 2021 and PHDKS 25-68 SN 849 Jld 3 dated 21 Feb 2021</p> <p>Contractors has been instructed to repair</p> <ol style="list-style-type: none"> i. the main roads immediately. Pictures of road repairing was provided. ii. The retaining wall was repaired to all bridges iii. new sumps, and iv. new cross drain and side drain <p>Letter of instruction to monitor from KSFD state office to all District Office, including to Forest engineer. The monitoring report on Matau, Maid Road, Secondary Road, Skid Trail was conducted by Forest Engineer (letter PHNK 90-79 Jld 8 (103) dated 9 March 2021)</p> <p>KSFD has instructed the contractor to take corrective action to repair the area, and to carry out tree planting activities to reduce the open area.</p>	<p>rehabilitation) at LP22, Matau 4, LP6, LP5, LP7 and Matau 20.</p> <ol style="list-style-type: none"> 6. A monitoring report [Laporan Semakan Kelarian Jalan Hutan (Matau), Jalan Sekunder, Jalan Tuju & Lorong Penarik] dated 9 March 2021 has been made by Forest Engineering Unit 7. a letter [PHNK 116 2013 Jld.5 (67)] from Kedah State Forestry Director to Pengerusi Persatuan Pembalakkan Negeri Kedah on Kursus Garis Panduan Jalan Hutan 2010 (pindaan 2013) dan Keselamatan & Kesihatan Pekerjaan Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 22-25 March 2021 and list of participants. 8. The evidences of the training conducted 22-25 March 2021 (attendance list, pictures) were received by Sirim QAS on 27 April 2021. <p>b) Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20</p> <ol style="list-style-type: none"> 1. Investigation report from Forest Engineer Status Pembetulan Penemuan Audit Bebas FMU Kedah ke atas Ketakakuran Kerja-Kerja di Kompartmen 3 Hutan Simpan Rimba Teloi dated 7 March 2021 [letter PHNK 90-79 Jld 8 (101). 2. The engineer report includes
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			<p>KSFD will conduct training on 22-24 March 2021 to all staff (Grade 22 and above) on Garis Panduan Jalan Hutan 2010 (<i>Pindaan 2013</i>) to ensure no reoccurrence on this issue. (Letter PHNK 2025 Jld 17 (67) dated 15 March 2021)</p>	<p>a. Canceled [stamped with red colour "DIBATALKAN"] map of Pelan Jajaran Jalan Hutan (Jalan Tuju & Jalan Sekunder) and Borang Data Kelarian Jalan Hutan by Forest Engineer on 17 March 2020</p> <p>b. corrected or new map of Pelan Jajaran Jalan Hutan (Jalan Tuju & Jalan Sekunder), Borang Pengiraan Cadangan Lorong Penarik, and Borang Data Kelarian Jalan Hutan approved by Forest Engineer dated 26 October 2020 [PHNK 033950]</p> <p>c) Compartment 3 Hutan Simpan Rimba Teloi in Kedah Selatan Forest District under license KS-01-02-20</p> <ol style="list-style-type: none"> 1. a letter [PHNK 2025 Jld. 17 (86)] from Kedah State Forestry Director to all DFOs, Engineers, Enforcements and Assistants Officers to attend training on Kursus Garis Panduan Jalan Hutan 2010 (pindaan 2013) dan Keselamatan & Kesihatan Pekerjaan Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 22-25 March 2021 and list of participants. 2. The evidences of the training conducted 22- 25 March 2021 (attendance list, pictures, training material on map,
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				<p>2021. This includes tentative of training from 22-25 March 2021 and list of participants.</p> <p>5. The evidences of the training conducted 22- 25 March 2021 (attendance list, pictures, training material) were received by Sirim QAS on 27 April 2021.</p> <p>6. A monitoring report [Laporan Semakan Kelarian Jalan Hutan (Matau), Jalan Sekunder, Jalan Tuju & Lorong Penarik] dated 9 March 2021 has been made by Forest Engineering Unit</p> <p>7. a letter [PHNK 116 2013 Jld.5 (67)] from Kedah State Forestry Director to Pengerusi Persatuan Pembalakkan Negeri Kedah on Kursus Garis Panduan Jalan Hutan 2010 (pindaan 2013) dan Keselamatan & Kesihatan Pekerjaan Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 22-25 March 2021 and list of participants.</p> <p>8. The evidences of the training conducted 22-25 March 2021 (attendance list, pictures) were received by Sirim QAS on 27 April 2021.</p> <p>e) Compartment 13 Hutan Simpan Sungai Badak in Kedah Utara Forest District under license KU-01-02-20</p> <p>1. Pictures (pictures before, after and monitoring) on Laporan Bergambar</p>
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				<p>Tindakan Pembedulan Dilorong Penarik LP13/JT1 Kompt. 13 Hutan Simpan Sg Badak Daerah Kedah Utara on repaired Sumps, side drains and water bun.</p> <p>2. a letter [PHNK 2025 Jld. 17 (86)] from Kedah State Forestry Director to all DFOs, Engineers, Enforcements and Assistants Officers to attend training on Kursus Garis Panduan Jalan Hutan 2010 (pindaan 2013) dan Keselamatan & Kesihatan Pekerjaan Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 22-25 March 2021 and list of participants.</p> <p>f) Compartment 65, Hutan Simpan Rimba Teloi in Kedah Tengah District under licences KT-01-01-20 (P)</p> <p>1. a letter [PHNK 2025 Jld. 17 (86)] from Kedah State Forestry Director to all DFOs, Engineers, Enforcements and Assistants Officers to attend training on Kursus Garis Panduan Jalan Hutan 2010 (pindaan 2013) dan Keselamatan & Kesihatan Pekerjaan Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 22-25 March 2021 and list of participants.</p> <p>Monitoring Report of Borang A, B, C and D on month of December 2020 (Compartment 1 Hutan Simpan Gunung Inas license</p>
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				KS-01-01-20), month of January 2021 (Compartment 3 Hutan Simpan Rimba Teloi license KS-01-02-20) Status: Closed
Indicator 1.5.2	Minor KN01/ 2020	<p>Requirement: Indicator - 1.5.2 - FMU shall be protected from encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities.</p> <p>Finding: The monitoring action of forest operations to detect unauthorised activities were found to be insufficient</p> <p>Objective evidence: The use of E-Geospatial Perhutanan (EGP) remote sensing system to monitor the forestry operations provided by Head Quarters for the FMU was not effective. The EGP was unable to detect forest opening area in certified area, thus District Forest Officer (DFO) or forest officers were unable to fully utilized the latest technology monitoring by satellite image. A check of forestry operations in active logging site in Compt. 1 Gunung Inas PRF, Compt. 3 Rimba Teloi PRF and Compt. 13 Sg Badak PRF showed that the system still did not use up to date satellite data. The satellite imagery used under EGP was dated September 2019 and indicated that there was no logging operation in these areas.</p>	<p>Result of investigation and determination of root cause: E-Geospatial (e-GP) was maintained by “Bahagian Pengurusan Maklumat Ibu Pejabat Jabatan Perhutanan Semenanjung Malaysia” (BPM). The related image was updated by HQ. Thus, KSFD State Office has no control on this matter.</p> <p>Correction and corrective action plan including completion date: KSFD had requested BPM to update the satellite image at least once in a month as stated in letter PHNK 62/2014 Jld 2 (36) dated 20 December 2020</p> <p>Monitoring on forest encroachment has to be conducted through e-GP system and FMRS Plus (letter form FDPM JH/BPM 9.7 Jld 2(1) dated 28 October 2020 and JH/BPM 6.20.1(99) dated 4 March 2021</p> <p>Latest satellite image of PRF in Kedah FMU has been updated into e-GP up to 31st December 2020</p> <p>KSFD will requesting an approval and budget allocation from Kedah State Government of the year 2022 to use monitoring system of EOS or other applications (incase e-GP is not updated). Thus, discussion has been made with BPM on 10 March 2021 regarding this matter</p>	<p>A Letter from Kedah State Forestry Director to Ketua Pengarah Headquarters Kuala Lumpur [PHNK 62/2014 Jld 2 (36)] dated 20 December 2020 requesting an update to the satellite image in Kedah FMU</p> <p>A reply letter from Ketua Pengarah Headquarters Kuala Lumpur [JH/BPM 6.20.1 (99)] dated 4 March 2021 on Pengemaskinian Maklumat Imej Satelit Didalam Sistem E-Geospatial Jabatan Perhutanan Semenanjung Malaysia</p> <p>Updated satellite image e-GP on 31 December 2020 using a Sentinel Image</p> <p>Status: Correction and corrective action plan was accepted</p> <p>The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs shall be verified by the audit team during the next surveillance audit.</p>

<p>Indicator 8.3.1</p>	<p>Minor RJ 01/ 2020</p>	<p>Requirement: Indicator - 8.3.1 - Forest managers shall provide relevant documents for identifying all forest products leaving the area to be certified so that their origin could be easily determined.</p> <p>Finding: Extracted first Log's diameter recorded in "Buku Kawalan Pengeluaran" as control record for Removal Pass showed a significant difference compared to diameter of standing tree recorded and first log bigger or smaller than the recorded diameter in the "Buku Kawalan Pengeluaran".</p> <p>Objective evidence: Site inspection to BPH Changlun, it was found that (for Licence KU-01-02-2020, Compt. 13, Sg. Badak PRF):</p> <ol style="list-style-type: none"> 1. The first log recorded in "Buku Kawalan Pengeluaran" showed a significant difference compared to standing tree diameter as in "Buku Kawalan Pengeluaran". 2. The first log is bigger than the standing tree diameter recorded in "Buku Kawalan Pengeluaran". 	<p>Result of investigation and determination of root cause:</p> <p>a thorough investigation conducted by the North Kedah DFO found that there were errors when entering data from trees marked in the field (tree tagging) to Tree Tagging Book in Forest Checking Station</p> <p>letter PHD.KU 139-353 Jd 2/(12) dated 20 December 2020 and "Ringkasan Borang Penandaan Pokok" and "Borang Kawalan Isipadu dikemukakan"</p> <p>Correction and corrective action plan including completion date:</p> <p>To ensure no reoccurrences, the DFO had instructed all staffs to ensure to cross-check all data in Borang Kawalan Isipadu with Borang Penandaan Pokok dilapangan (letter PHNK 62/2014 (44) dated 10 March 2020)</p>	<p>An instruction letter from Deputy Director (Pembangunan) of KSFD to all DFOs of Kedah Utara, Kedah Tengah, Kedah Selatan and Langkawi to check all tree tagging book [PHNK 62/2014 (44)] dated 10 March 2021 in each Forest District.</p> <p>A letter [PHDKU 139-353 Jld.2 (12)] from Kedah Utara DFO to Director of KSFD on investigation report at Compt. 13, Sg. Badak PRF Licence KU-01-02-2020 dated 20 December 2020. This includes verification on tree tagging book, Borang Penandaan Pokok,</p> <p>Status: Correction and corrective action plan was accepted</p> <p>The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs shall be verified by the audit team during the next surveillance audit.</p>
<p>Indicator 5.1.2</p>	<p>Minor ANS 01/ 2020</p>	<p>Requirement: Indicator - 5.1.2 - Provisions and management prescriptions are made to maintain, restore or enhance the productive capacity and ecological integrity of the FMU to ensure its economic viability</p> <p>Finding: Provisions and management prescriptions are made to maintain, restore or enhance the productive capacity not</p>	<p>Result of investigation and determination of root cause:</p> <p>The review found that there was an error during the marking of the mother tree by the staff on duty. Apart from that, there was no review and verification report made by the Renj Officer</p> <p>Investigation found the PIC was not fully understand the requirement on mother</p>	<p>A letter from DFO to Ketua Renj Hutan, Baling [PHDKS 25-67 sj 849 Jld 3 (11)] – Arahan Tindakan Pembetulan Pokok Ibu yang Tidak Memenuhi Kriteria di Compartment 1, Hutan Simpan Gunung Inas dated 16 March 2021</p> <p>A letter from DFO to all Ketua Renj Hutan Baling, Ketua Renj Hutan Kulim/Pahau and Ketua Renj Hutan Weng [PHDKS 6-97 Jld.5 (7)] – Kriteria dan</p>

		<p>sufficiently implemented</p> <p>Objective evidence: During the inspection of the active logging site in Compartment 1 Hutan Simpan Gunung Inas in Kedah Selatan Forest District under license KS-01-01-20 found that the mother tree (Tree Tagging Number KBD 8029, Species Meranti Seraya with DBH 50 cm and Tree Tagging Number KBD 8017, Species Meranti Seraya with DBH 48 cm) were deform and not suitable for mother trees.</p>	<p>trees selection</p> <p>Correction and corrective action plan including completion date:</p> <p>Forest officers or PIC shall always keep Buku Garis Panduan (Pekeliling KPPSM) [letter of instruction PHDKS 25-67 sj 849 Jld 3 (11)] during the tree marking process as reference.</p> <p>Contractors are not allowed to participate in any tree marking process as stated in letter [PHDKS 6-97 Jld 5 (9).</p> <p>Training on Kriteria Pemilihan Pokok Ibu to be conducted in March 2021</p>	<p>Pemilihan Pokok Ibu bagi aktiviti Penandaan Pokok dilapangan dated 10 March 2021</p> <p>A letter [PHNK 2025 Jld. 17 (87)] from Kedah State Forestry Director to all DFOs, Engineers, Enforcements and Assistants Officers to attend training on Kursus Pemantapan Bagi Penentuan Sempadan Hutan dan Penandaan Pokok Jabatan Perhutanan Negeri Kedah was issued on 15 March 2021. This includes tentative of training from 28-31 March 2021 and list of the participants.</p> <p>Memo regarding correction from Forester to Renj Officer dated 5 January 2021 regarding correction made to change the two (2) mother trees</p> <p>Picture of changed two (2) "pokok ibu" was verified</p> <p>Status: Correction and corrective action plan was accepted</p> <p>The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs shall be verified by the audit team during the next surveillance audit.</p>
Indicator 1.1.1	OFI#1	<p><u>Records and availability of up-to-date: federal, state and local laws, regulations and policies that are relevant to forest management.</u></p> <p>The sampled contractor's workers employment contract and payslip were made available during audit. However, wages deduction for advance was made without approval from Labour Department.</p>	Corrective action is not required.	Status: Verified the action taken during next audit.

<p>Indicator 1.4.1 (MC&I SFM)</p>	<p>OFl#2</p>	<p><u>Availability of documentation of any conflicts between laws, regulations and these Principles and Criteria.</u></p> <p>Documentation of any conflicts between laws and regulation and MC&I SFM standard yet to be prepared by the FMU.</p>	<p>Corrective action is not required</p>	<p>Status: Verified the action taken during next audit.</p>
<p>Indicator 1.6.1 (MC&I SFM)</p>	<p>OFl#3</p>	<p><u>Availability of policies or statements of commitment to forest management practices consistent with these Principles and Criteria.</u></p> <p>The statement of commitment to MC&I standard in the Forest Management Plan (2016-2025) and banner yet to be replaced to new standard MC&I SFM.</p>	<p>Corrective action is not required</p>	<p>Status: Verified the action taken during next audit.</p>
<p>Indicator 1.6.2 (MC&I SFM)</p>	<p>OFl#4</p>	<p><u>Policies or statements are communicated throughout the organisation and its contractors and are made available to the public.</u></p> <ul style="list-style-type: none"> • The FMU has yet to brief all staff, licensee and contractors on latest statement of commitment of MC&I SFM standard. • The website of FMU is still referring to MC&I (Natural Forest). 	<p>Corrective action is not required</p>	<p>Status: Verified the action taken during next audit.</p>
<p>Indicator 4.2.3</p>	<p>OFl#5</p>	<p><u>Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest workers in the workplace.</u></p> <p>First aid box at Jeniang Nursery was made available. However, the first aid kit such as scissor, pin, triangle bandage, arm sling, etc were not available.</p>	<p>Corrective action is not required</p>	<p>Status: Verified the action taken during next audit.</p>

Indicator 4.2.4	OFI#6	<p><u>Forest managers shall maintain up-to-date safety records in compliance with all applicable laws and/or regulations covering health and safety of forest workers.</u></p> <p>The FMU had submitted the annual accident report (JKKP8) for year 2019 to DOSH on 18/12/2019. However, the coverage of reporting period was not fully covered for a period of 12 months that ending on 31 December of that year.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 4.2.5	OFI#7	<p><u>Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials</u></p> <p>Pictorial signage for hazardous material, safety poster, safety policy and PPEs were not sufficiently demarcated at working area at forest nursery.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 6.1.2 (MC&I SFM)	OFI#8	<p><u>Environmental impact assessments are carried out, including the potential impacts on rare, threatened endangered species of flora and fauna, and rare and vulnerable ecosystems, and the need for biological corridors in the FMU, appropriate to the scale and intensity of forest management; as well as consideration of the impacts on risks of fire and pollution or siltation of water courses and wetlands and forest carbon stocks.</u></p> <p>Consideration of the impacts on risks of fire and pollution or siltation of water courses and wetlands and forest carbon stocks are not available.</p>	Corrective action is not required	Status: Verified the action taken during next audit.

Indicator 6.3.1	OFI#9	<p><u>Availability and implementation of management guidelines to assess post-harvest natural regeneration, and measures to supplement natural regeneration and rehabilitate degraded areas, where necessary, in the FMU.</u></p> <p>Used polybag were left on the ground in the licence area by contractor after completing enrichment planting activity without appropriate disposal mechanism.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 6.5.5 (MC&I SFM)	OFI#10	<p><u>Fire prevention and control plan to be prepared and implemented for all fire prone forest types.</u></p> <p>All forest prone forest type within the FMU have yet to be prepared and implement "Fire prevention and Control Plan" specific to their premises.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 6.6.1 (MC&I SFM)	OFI#11	<p><u>Availability of management policy on the use of environmentally friendly non-chemical methods of pest management and prohibition of use of banned pesticides.</u></p> <p>The policy on the use of environmentally friendly non chemical methods of the pest management and prohibition of use of banned pesticides not available.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 7.1.1 (MC&I SFM)	OFI#12	<p><u>Availability and implementation of forest management plan including consideration of risks and opportunities concerning compliance with the requirements of the standard.</u></p> <p>The following information yet to be included in the FMP: 5. Fire prevention and</p>	Corrective action is not required	Status: Verified the action taken during next audit.

		<p>control (Para C) in Criterion 7.1</p> <p>6. Non-timber forest product used commercially (Para D) in Criterion 7.1</p> <p>7. Description of stakeholders consultation (Para J) in Criterion 7.1</p> <p>8. The risk and opportunities, and implementation were not available in the forest management plan.</p>		
Indicator 7.2.1	OFI#13	<p><u>Implementation of procedures to periodically revise the forest management plan, incorporating the results of monitoring or new scientific and technical information, the frequency of which shall be appropriate to the scale and intensity of forest management operations, so as to respond to changing environmental, social and economic circumstances.</u></p> <p>The FMU has allocated budget for FMP 2016-2025 mid-term review for year 2020. However, appointment of consultant for the revision yet to be issued.</p>	Corrective action is not required	Status: Verified the action taken during next audit.
Indicator 8.1.2 (MC&I SFM)	OFI#14	<p><u>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</u></p> <p>Procedures to monitor social, ecological, environmental and economic impacts was not available</p>	Corrective action is not required	Status: Verified the action taken during next audit.

<p>Indicator 8.1.3 (MC&I SFM)</p>	<p>OFI#15</p>	<p><u>Forest managers shall undertake annual internal audit and management review of forest management for continual improvement. The conduct of internal audit, management review and continual improvement is stipulated in APPENDIX A.</u></p> <p>1) The management review was not conducted by the FMU. 2) The annual internal audit not conducted according to the requirement of the standard.</p>	<p>Corrective action is not required</p>	<p>Status: Verified the action taken during next audit.</p>
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Peer Reviewer Evaluation of Audit Report

Peer Reviewer 1

Name of Peer reviewer: Noorainie Awang Anak

No	Item	Comments	Auditor's response
1.	Comprehensiveness and quality of reporting	The report is well written, comprehensive and quite thorough. However, please standardize the font.	<i>Noted. The font was changed to Arial Font</i>
2.	Has the audit been conducted objectively and professionally?	Yes, the audit has been conducted objectively and professionally. The requirement and finding are well described in the 'Objective evidence section'. For examples on the list of training, list of guidelines, list of documents and so forth.	<i>Noted</i>
3.	Has each Principles and Criterion been adequately addressed? Please include comments on each principles and Criterion	P 4: Community Relations and Worker's Rights <u>Criterion 4.1</u> <u>Item:</u> Under Objective evidence(s) <u>Paragraph 2</u> . Training was conducted annually according to a set programme and companies were notified to send their workers, including contractors and supervisors. The KSFD training records for year 2020 were sighted, assessed and verified during the audit. <i>Training was conducted annually according to set programme and companies were notified to send their workers, including contract workers and supervisors.</i> Comments: Duplicate sentences as stated above in italic	<i>Noted Paragraph 2 was amended to "Training was conducted annually according to a set programme and companies were notified to send their workers, including contractors and supervisors. The KSFD training records for year 2020 were sighted, assessed and verified during the audit."</i>
4.	Are the conclusions of the findings appropriate?	Yes, the conclusions of the findings are appropriate.	<i>Noted</i>
5.	Agreement/Disagreement with the NCRs raised by the Audit Team	In agreement with the NCRs raised by the Audit Team.	<i>Noted</i>
6.	Are the recommendations by the audit team appropriate?	Yes, the recommendations by the audit team found to be appropriate.	<i>Noted</i>

7.	Areas where additional information is required	Not applicable	-
8.	Others	Not applicable	-

Peer Reviewer 2

Name of Peer reviewer: Dr. Woon Weng Chuen

No	Item	Peer reviewer comments	Auditor respond
1.	Comprehensiveness and quality of reporting	The Audit Report was comprehensive and of good quality.	<i>Noted</i>
2.	Has the audit been conducted objectively and professionally?	In my opinion the audit has been conducted in an objective and professional manner.	<i>Noted</i>
3.	Has each Principles and Criterion been adequately addressed? Please include comments on each principles and Criterion	All the Principles and Criterion have been adequately addressed by the Audit Team. For more details please refer to the Peer Reviewer's Comments on Appendix 3.	<i>Noted</i>
4.	Are the conclusions of the findings appropriate?	In my opinion all the conclusions of the findings were appropriately dealt with by the Auditors.	<i>Noted</i>
5.	Agreement/Disagreement with the NCRs raised by the Audit Team	I am in total agreement with the NCRs raised by the Audit Team.	<i>Noted</i>
6.	Are the recommendations by the audit team appropriate?	All major NCR(s) raised were successfully closed within the time frame given and the respective proposed corrective action plans for all the minor NCRs were also accepted by the Auditors. They were appropriately dealt with. The recommendation for the Kedah FMU to be certified in compliance with the requirements of the MC&I SFM standard is appropriate.	<i>Noted</i>
7.	Areas where additional information is required	The Audit Report was comprehensive and covers all aspects and as such no additional information is required.	<i>Noted</i>
8.	Others	In general, I found that the Audit Report presented by the Audit Team has improved both in quality and comprehensiveness, perhaps due to the new format of reporting used. It is much easier to read and follow through with the actions required when NCRs were raised.	<i>Noted</i>