



**PUBLIC SUMMARY  
SURVEILLANCE 1 AUDIT ON  
KEJIN LONG LAMA FOREST PLANTATION MANAGEMENT UNIT (LPF/17)  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC 00114  
Date of First Certification: 03 February 2017  
Audit Date: 19-21 December 2017  
Date of Public Summary: 16 November 2019**

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## EXECUTIVE SUMMARY

This Surveillance Audit on the Shin Yang Forest Plantation Management Unit (Kejin Long Lama LPF/17 FPMU) hereafter referred as the Kejin Long Lama LPF/17 FPMU was conducted on 19-21 December 2017 to assess the continued compliance of the overall forest management system of the Kejin Long Lama LPF/17 FPMU against the requirements of the *Malaysian Criteria and Indicators for Forest Plantation Management Certification* [MC&I Forest Plantation.v2] using the verifiers stipulated for Sarawak. The scope of this Surveillance audit was limited to the forest plantation management system and practices on the Kejin Long Lama LPF/17 FPMU.

This Surveillance audit was conducted by a 2-member team comprising Dr. Yap Son Kheong (Lead Auditor) and Puteri Arlydia binti Abdul (Auditor).

Based on the findings of this Surveillance audit, it was found that Kejin Long Lama LPF/17 FPMU had continued to comply with the requirements of the MC&I Forest Plantation.v2. A total of two (2) Major NCR and eight (8) Minor NCRs against requirements of MC&I (Forest Plantation).V2 were raised during this Surveillance 1 Audit.

This public summary contains the general information on the Kejin Long Lama LPF/17 FPMU, the findings of the Surveillance audit, NCRs raised as well as the decision on the certification of the FPMU.

## 1 INTRODUCTION

### 1.1 Name of FPMU

Shin Yang Forest Plantation Management Unit (Kejin Long Lama LPF/17 FPMU).

### 1.2 Contact Person and Address

Name : Mr. Ling Ee Khai  
Designation : Plantation Controller.

Address : Lot 515, Jalan Datuk Edward Jeli,  
Piasau Industrial Estate,  
98000 Miri, Sarawak.

Phone # : 085 656699

Fax # : 085-604555

### 1.3 General Background on the Kejin Long Lama LPF/17 FPMU

The Kejin Long Lama LPF/17 FPMU is managed by the Shin Yang Forestry Sdn. Bhd. which has committed the management of the FMU on a sustainable basis. The forest plantation area is located just upstream of Long Lama and is bounded by Batang Baram on the west; Sg. Palutan on the south; Sg. Aban Deng, Sg. Buan, Sg. Teloak on the east; and Sg. Temala on the north.

The forest plantation is managed under a Sustainable Forest Management System (SFM) on a 7-10 year rotation period. The Annual Allowable Cut (AAC) for the Kejin Long Lama LPF/17 FPMU had been set at 11,424 ha that is based on area planted from 2015-2019. A Forest Management Plan (FMP) covering the period from 2015 to 2024 had been presented during the audit.

The Licenced Planted Forest area covers an area of 65,178 hectares but only 28,093.35 ha are subjected for certification. Of this area only 11,424 ha had been planted as the remaining area were protected under shifting cultivation, water catchment, riparian buffer and bird nest harvesting site for local community (Table 1).

Table 1: Area of Kejin Long Lama LPF/17 FPMU

Coupe	Gross Area(ha)	Water Catchment (ha)	National Park Buffer Area (ha)	Camp area & Nursery (ha)	Buffer zone (ha)	Planted area (ha)
1A, 2A, 3A, and 6A	12,285.35	93	445.35	10	313	11,424
Shifting cultivation	10,952					
Water catchment	631					
Bird Nest cave	4225					
Total	28,093.35	93	445.35	10	313	11,424

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

### 1.4 Date First Certified

03 February 2017

## 1.5 Location of the FPMU

The Kejin Long Lama LPF/17 FPMU is located between 3°29.7'N - 3°49.8'N, 114°23.7'E - 114°42.3'E.

## 1.6 Forest Management System

The Kejin Long Lama LPF/17 FPMU) had followed the principles of sustainable forest plantation management and the requirements of the Licence Agreement of the State government. The revised Forest Plantation Management Plan Version 2 was completed in July 2015. A Forest Plantation Management Plan (FPMP) 2015 to 2024 was presented during this audit.

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

The FPMP indicated the total areas planted within areas cleared up to 2010 would be 11,424 hectares. The AAC would be harvested according to areas planted and approved by Forest Department. For 10 years rotation, the AAC would be one coupe per year.

For the period (2015 – 2019), the annual allowable cut (AAC) for the Kejin Long Lama LPF/17 FPMU had been set at 11,424 ha. During this Surveillance audit, the size of the FMU is 28,093.35 ha.

## 1.8 Environmental and Socioeconomic Context

An EIA report “Environmental Impact Audit Report for the Proposed Long Lama Forest Plantation in Long Lama Miri March 2000 was produced. The potential impacts and strategies to mitigate the impacts were written in this report. This report had also considered on-site impacts as well as at landscape level. This report was submitted and approved by Natural Resources and Environmental Board (NREB).

The people staying in these regions are Iban, Penan, Kayan and Kenyah. There are about 8 longhouses comprising 371 doors (families) with a total population of 2,415 people living within or along the boundary of the FPMU.

The FPMU had been operating in the area as prescribed by the Licence for Planted Forests Licence no. LPF/0017 with specified conditions. The management had excluded areas within the licenced area used as Shifting Agriculture (SA) by local communities from the forest plantation activities. In addition, areas of special importance to local communities are managed by themselves were also not affected by the forest plantation activities. Furthermore, as part of the social contribution, the management of the FPMU had provided free transportation to the local communities on requests, foods and drinks for special occasions, repair of access roads to longhouses. The management had also assisted in the construction of a long house for the Penan communities.

## 2 AUDIT PROCESS

### 2.1 Audit Dates

19-21 December 2017

### 2.2 Audit Team

Dr Yap Son Kheong (Lead Auditor)  
Puteri Arlydia binti Abdul (Forester)

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

### 2.3 Standard Used

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

### 2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted beginning July 2015 to solicit feedback from stakeholders on the compliance of the Kejin Long Lama LPF/17 FPMU against the requirements of the MC&I Forest Plantation.v2. The comments by the stakeholders and responses by the audit team are shown in **Attachment 3**.

### 2.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Kejin Long Lama LPF/17 FPMU current documentation and field practices in forest plantation management with the detailed of the standard of performances (SOPs) listed in the MC&I Forest Plantation.v2, using the verifiers stipulated for Sarawak.

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

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

Consultations were held with three long houses of Long Tepen, Long Lunyim and Uma Akeh which is located within the Kejin Long Lama LPF/17 FPMU, and members of the Liaison Committee Member Organisation of these longhouses and villagers as well as contractors and workers operating in the FPMU. The audit team had also held meetings with the officers and the field staff of the (Kejin Long Lama LPF/17 FPMU).

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

The Kejin Long Lama LPF/17 FPMU had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim Surveillance audit report and sent it to the (Kejin Long Lama LPF/17 FPMU for comment.

## 3 SUMMARY OF AUDIT FINDINGS

Based on the findings of this Surveillance audit, it was found that the Kejin Long Lama LPF/17 FPMU had continued to manage the Kejin Long Lama LPF/17 FPMU in compliance with most of the requirements of the MC&I Forest Plantation.v2. This Surveillance audit had resulted in the issuance of two (2) major, minor (8) minor NCRs and seven (2) OFIs. The details on the NCRs/OFIs raised are shown in **Attachment 5**.

The audit team had reviewed, accepted and verified the corrective actions taken by the Kejin Long Lama LPF/17 FPMU to address the 2 major NCR raised during this audit. The audit team was satisfied that the corrective action had been effectively implemented and had therefore closed out these major NCRs. The audit team had also reviewed and accepted the Kejin Long Lama LPF/17 FPMU proposed corrective actions to address the 8 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, "*Mechanism to Resolve Local Issues*" dated 6 June 2015 had been prepared to resolve any tenure claims and requests for assistance. It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the Kejin Long Lama LPF/17 FPMU.

The summary of the findings of the Surveillance audit on the Kejin Long lama LPF/17 FPMU against the requirements of the MC&I Forest Plantation.v2 are as follows:

Principle	Strengths	Weaknesses
<p><b>Principle 1 Compliance With Laws and Principles</b></p>	<p>Shin Yang FPMU (Kejin Long Lama LPF/17 FPMU) management has respected all applicable laws and international treaties and agreements to which Malaysia is a signatory, and complied with all the Principles and Criteria contained herein.</p> <p>Documents on all the binding international agreements which Malaysia is a signatory were present at Kejin Camp and made available to the forest managers.</p> <p>There were no conflicts documented between these Principles and Criteria, laws and regulations. The forest managers had expressed their willingness to participate in resolution of such conflicts if they arise.</p> <p>The FPMU is protected under both the provisions of the Forest Ordinance and Wildlife Protection Ordinance. Signage stating no hunting and fishing had been erected at prominent spots within the FPMU.</p> <p>There was a statement of commitment of the forest plantation management practices that was consistent with the MC&amp;I Forest Plantation.v2 Principles and Criteria in the Forest Plantation Management Plan and the publicly available summary.</p>	<p>Based on interviews conducted during this surveillance the field managers were not fully aware of international agreements binding to Malaysia relevant to forest plantation such as CITES, ILO Conventions, ITTA and Convention on Biological Diversity. Minor NCR #:LYD 01/2017</p>
<p><b>Principle 2 Tenure and Use Rights and Responsibilities</b></p>	<p>Long-term tenure and the use rights to the land and forest resources had been clearly defined, documented and legally established. The forest use rights were provided in the Licence for Planted Forests no. LPF/0017 issued to Shin Yang Forestry Sdn Bhd from 19 November 1999 to 18 November 2059.</p> <p>Forest managers had continued to recognise, respect and collaborate with holders of duly recognised legal or customary tenure or use rights of the local communities.</p>	

Principle	Strengths	Weaknesses
	<p>There were mechanisms in place at various levels for use to resolve disputes over tenure and use rights.</p>	
<p><b>Principle 3 Indigenous People's Rights</b></p>	<p>The legal and customary rights of local communities to own, use and manage their lands, territories, and resources had continued to be recognised and respected by the Shin Yang FPMU (Kejin Long Lama LPF/17 FPMU).</p> <p>The Shin Yang FPMU (Kejin Long Lama LPF/17 FPMU) had excluded areas within the licenced area used as Shifting Agriculture (SA) by local communities from the forest plantation activities. In addition, areas of special importance to local communities and managed by themselves were also not affected by the forest plantation activities.</p> <p>There was no evidence that local communities' traditional forest-related knowledge and practices in the use of forest species or management systems were utilized by the FPMU in managing its forest. There was also no record of commercial utilization of their traditional forest-related knowledge and practices.</p>	<p>The FPMU had established procedure SYF/MC&amp;I/P.09 Mechanism to Resolve Local Communities Issues Rev 3 dated 22/09/2015. It was stated in the Liaison Committee Document that controller would fill Aduan form (SYF/MC&amp;I/G.01) and Penyelesaian form (SYF/MC&amp;I/G.01) as evidence of implementation of the mechanism.</p> <p>Some of the Local Communities Issues were in the middle of meditation/resolution, the records/evidence of resolution for the following cases were not in placed as per procedure:</p> <p>1.24/7/2015 Long Tepen request for logs commission (compensation) for all natural and planted logs within their area Coupe 8 (non-certified MC&amp;I) and Coupe 2 (certified MC&amp;I)</p> <p>2.10/8/2015 Long Tepen requested logs commission (compensation) for the area of Sg. Temala Musang, Sg. Lunyang, Sg. Sengayan, Sg. Jenuing, Sg. Punau, Sg. Andong for Coupe 4, 5, 8 (non-certified MC&amp;I) and Coupe 6 (non-certified MC&amp;I). Minor NCR #:LYD 02/2017</p>
<p><b>Principle 4 Community Relations and Worker's Rights</b></p>	<p>FPMU management had continued to maintain the long-term social and economic well-being of the forest workers and local communities.</p> <p>Wherever possible, qualified people in the surrounding communities were provided with employment opportunities. A SOP SYF/MC&amp;I/P10 Mechanisms to Encourage Locals to be Employed was written.</p> <p>All applicable laws and/or regulations covering health and safety of employees were made available and had been explained to them.</p> <p>Management Policies on Safety and Health had been clearly established and implemented. Posters on Occupational Safety and Health Policy dated September 2014 were displayed at the store, camp office, workshop and store.</p> <p>Safety and Health Committee had been</p>	<p>A safety and health committee was formed and 3 meetings were held in 2017. These were on 27 march, 19 June, 12 September 2017. Only two similar meetings were conducted in 5 March and 13 June 2016. The number of meetings conducted in 2016 did not follow the specification of DOSH. Minor NCR 4.2.2 #:SK 01/2017</p> <p>The safety and operational equipment for the sprayer was not in good working condition as it was observed to be torn. Minor NCR 4.2.3#:LYD 03/2017</p> <p>Provision of guidelines for storage and handling of hazardous materials had not been effectively maintained at Chemical Store. It was noted that all chemicals used in the nursery were not been placed with secondary</p>



Principle	Strengths	Weaknesses
	<p>established by FPMU, but meeting had yet to be conducted.</p> <p>The FPMU had communicated to the staff and workers of their rights to freely organise into union of their own choice. Provisions for forest plantation workers to freely organize into unions of their own choice had been provided for under the Industrial Relations Act 1967, Trade Union Act 1959 and the Labour Ordinance (Sarawak Cap 76). Copies of these laws were available at the Kejin Camp office.</p>	<p>containment to prevent spillage during handling and to prevent leakage of the container. Thus, Minor 4.2.5 NCR #:LYD 04/2017</p>
<p><b>Principle 5 Benefits From the Forest</b></p>	<p>The annual operating and development budget was documented in the Annual Development Budget 2015. Investments and reinvestments are made in forest management, including for forest administration, research, human resource development, protection, economic, conservation environmental and social aspects, consistent with the tenure of the FPMU.</p> <p>The FPMU was established as a main source of logs for the mill in Miri for the production of plywood. Most of the species planted were <i>Paraserianthes falcataria</i> (Batai) followed by <i>Acacia mangium</i>, both were found to be suitable for producing veneer. The FPMU was also planting on trial basis other suitable species for the face and back of the veneers. As the mill was able to utilize logs with diameters of 10 cm and above all the felled materials would be harvested leaving only small woody residues which would be left for soil improvement.</p> <p>Forest harvesting was guided by the FPMP, General Harvesting Plan and Comprehensive Harvesting Plan. The harvesting process conducted by the FPMU LPF/0017 was in accordance to the SOP SYF / MC &amp; I / P.12 Reduce Impact Logging (RIL) Harvesting Operation. The harvesting operations prescribed measures to protect soil from compaction and erosion and reduce wastage.</p> <p>The FMU management has established standard procedures for the identification and demarcation of sensitive areas to serve for the protection of soil and water resources, slopes of more than 35 degrees (terrain IV), watershed area were excluded from logging and was demarcated. Riparian</p>	<p>Inspection conducted on buffer belts (SBZ) along Sengayan and Temala rivers and its tributaries had indicated some of the signs for riparian buffer were not present. Steep slopes along Block 30 in Coupe 2 were exposed to erosion after land clearing and planting owing to the absence of any vegetation cover. Thus minor NCR #: SK 02/2017 was raised for indicator 5.5.1</p>

Principle	Strengths	Weaknesses
	<p>reserve of 20m wide had been demarcated and marked out on the field.</p> <p>The rate of harvest for LPF/0017 had been stated in the FPMP. The Annual Allowable Cut (AAC) would be controlled based on the approved area by the Forest Department Sarawak with no activities allowed within protected areas. The AAC would be harvested according to areas planted and approved by Forest Department Sarawak. For 10 years rotation, the AAC would be one coupe per year</p>	
<p><b>Principle 6 Environmental Impact</b></p>	<p>Shin Yang FPMU (Kejin Long Lama LPF/17 FPMU) management had continued to conserve biological diversity and its associated values, water resources, soils, unique and fragile ecosystems and landscapes, in line with the aim to maintain the ecological functions and the integrity of the forest.</p> <p>Guidelines and SOPs presented for <i>Protection of natural forest Procedure for Identifying and Demarcation Sensitive Areas for the Protection of Soil and Water, 1999, Guidelines for Identification and Management of Protection Area Rev no 01</i> and SYF / MC &amp; I / P.11 <i>Guidelines for the Conservation of Genetic, Species and Ecological Diversity</i> 1 April 2015 were available.</p> <p>The monthly patrolling and monitoring had also included the documentation of any illegal activities occurring within the plantation area. Signage and posters had been posted at the main entrance and office. Signs prohibiting hunting were also erected at strategic points.</p> <p>The RIL guidelines SYF / MC &amp; I / P.12 <i>Reduced Impact Logging (RIL) Harvesting Operation</i> were adopted by the management of LPF/0017 in harvesting operations. The guidelines contained measures to protect soil from compaction and erosion. The guidelines for forest road layout and construction, and harvesting plan were also presented. These mitigation measures for harvesting were also presented in the EIA and FPMP.</p> <p>The FPMU has established SOP related to waste disposal such as Storage of scheduled waste, Handling of scheduled waste, Labelling of scheduled waste,</p>	<p>An IA report for the 'Environmental Impact Assessment Report for the Proposed Long Lama Forest Plantation in Long Lama Miri, March 2000 was available. The potential impacts and strategies to mitigate the impacts were written in this document. The EIA for the FMU is however out-dated. It would have to be updated to take into consideration the changes to the environment within and adjacent the FMU since the last 15 years. This was a Minor NCR SM2/2015 raised during the Stage 2 evaluation. The impacts of new plantation activities and additional information gathered within the FPMU had not been included. Thus Major NCR #:SK 03/2017 against indicator 6.1.1</p> <p>The EIA had reported the absence of endangered, rare and threatened species of flora and fauna within the plantation area. References to Sarawak Plant Red List and master Plan for wildlife in Sarawak 1996 had been made in the SOP 11. These specifies requirements were not included in the EIA. Thus Minor NCR #:SK 05/2017 was raised against indicator 6.1.2.</p> <p>Scheduled waste had not been disposed in legal manner as per Environmental Quality Act 1974 Environmental Quality (Scheduled Wastes) Reg 2005 stipulated under Clause 9(5) that; Any person may store scheduled wastes generated by him for 180 days or less after its generation provided that – (a) the quantity of scheduled wastes accumulated on site shall not exceed 20 metric tonnes. It has been found ut</p>

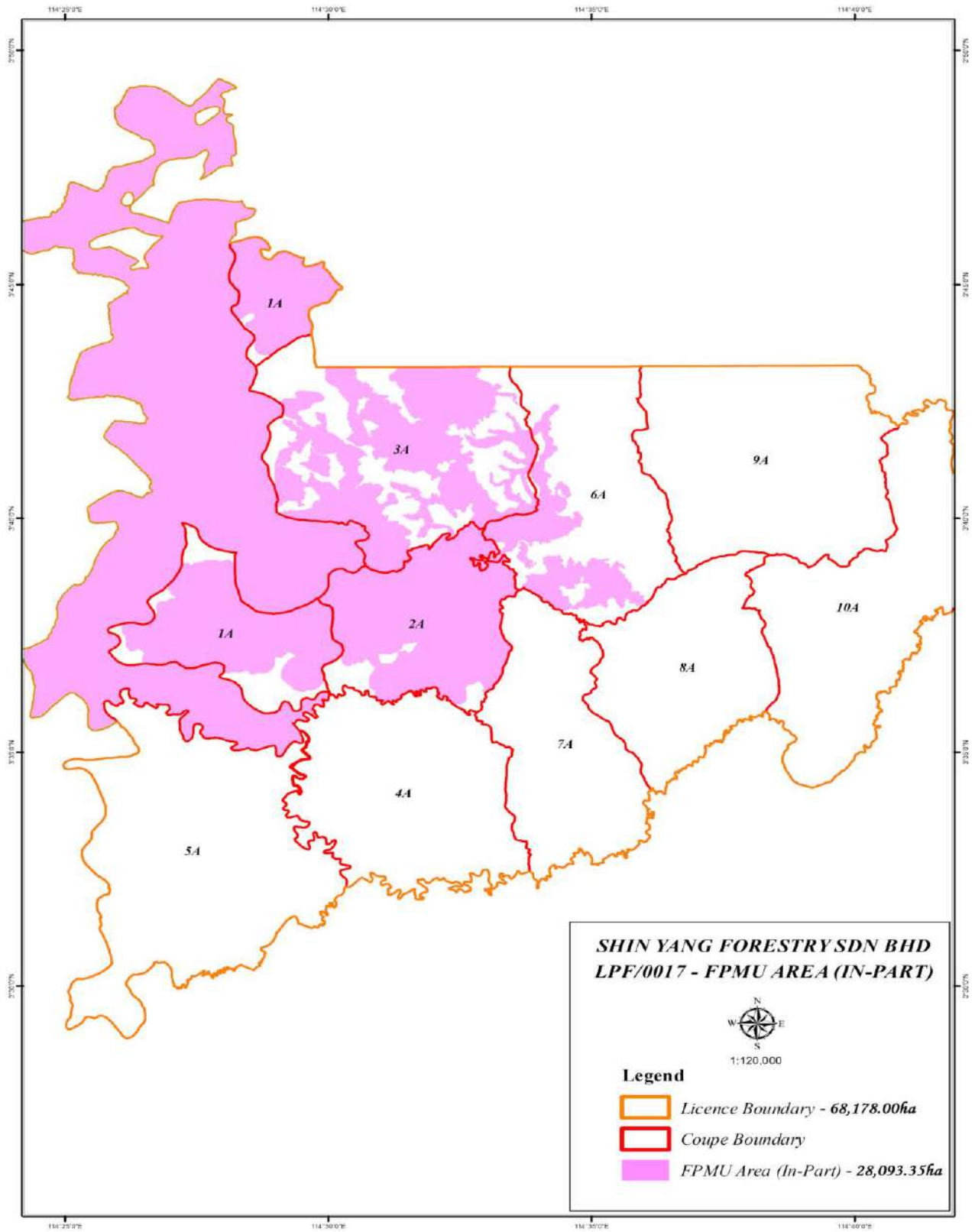
Principle	Strengths	Weaknesses
	<p>Scheduled wastes spillage, Removal and disposal of solid waste and Storage, handling and disposal of hazardous goods.</p> <p>There was no application of biological control agents in the FPMU.</p> <p>Operating procedure SYF / MC &amp; I / P.04 Procedure for Preventing, Monitoring and Assessing Invasive Plant Introduction had been written for the control of exotic species.</p> <p>Management had recorded all the exotic species established within the FPMU. The exotic species established within the FPMU were <i>Paraserianthes falcataria</i>, <i>Acacia mangium</i>, <i>Eucalyptus pellita</i> and <i>Eucalyptus deglupta</i>.</p>	<p>that during site visit to schedule waste store the following has exceed 180 days:</p> <ul style="list-style-type: none"> <li>• SW410 (contaminated filter and cotton rags) 1 drum since 15/1/2017</li> <li>• SW306 (used hydrolic oil) 1 drum since 15/1/2017</li> <li>• SW305 (spent lubricant oil) 7 drums since 15/1/2017</li> </ul> <p>1) The following had not been identified as scheduled waste and no evidence showing it had been disposed as per scheduled waste requirement:</p> <ul style="list-style-type: none"> <li>• SW416 (Disposed paints container)</li> <li>• SW409 (Disposed containers contaminated with chemicals &amp; pesticides)</li> </ul> <p>Thus minor NCR #:LYD 06/2017 was raised against indicator 6.7.1</p> <p>Availability and implementation of guidelines and/or procedures on the use of chemicals in forest plantation areas approved by relevant regulatory authorities.</p> <p>Chemical treatment had been prescribed as pre-treatment prior to plantings of seedlings.</p>
<p><b>Principle 7 Management Plan</b></p>	<p>The revised Forest Plantation Management Plan Version 2 had been completed in July 2015 and was made available. The FPMP had included all the management objectives as well as providing the items (a) to (i) of the criterion. It had also included the relevant existing guidelines and provisions listed in Principle 1.</p>	
<p><b>Principle 8 Monitoring and Assessment</b></p>	<p>There were 25 PSPs established within the plantation. Eight (8) of the PSPs consisted of <i>Acacia mangium</i>, ten (10) on <i>Paraserianthes falcataria</i>, five (5) on <i>Hevea</i>, one (1) on <i>Eucalyptus</i> and one (1) on <i>Terminalia</i>. The growth rates of the <i>Acacia mangium</i> and <i>Paraserianthes falcataria</i> from these PSPs had being incorporated into the Annual Allowable Cut (AAC) in in</p>	

Principle	Strengths	Weaknesses
	<p>the Rev 2. FPMP on July 2015.</p> <p>Appropriate procedures to monitor social, ecological, environmental and economic impacts in process of development and the intensity of forest operations were developed in SOP Ref: No. SYF/MC&amp;I/P.05 dated 6 June 2015.</p> <p>Forest plantation managers had gather the relevant information, appropriate to the scale and intensity of the forest plantation management for the following indicators:</p> <ul style="list-style-type: none"> <li>a) Yield of log harvested.</li> <li>b) Growth rates, regeneration and condition of the forest.</li> <li>c) Composition and observed changes in the flora and fauna.</li> <li>d) Environmental and social impacts of harvesting and other operations.</li> <li>e) Costs and productivity of forest management</li> </ul> <p>The procedure for the control of log movement from the forest to the log pond had been developed as in SYF / MC &amp; I / P.03 <i>Procedure for Chain of Custody</i> to identify all forest products leaving the planted area in the block to Hollystone Weighbridge at Batu Gading, Long Lama.</p> <p>The revised Forest Plantation Management Plan for LPF 0017 v 2 had incorporated the latest results and findings of the monitoring activities of growth data, PSPs, and SIA.</p>	
<p><b>Principle 9</b> <b>Maintenance of High Conservation Value (HCV)</b></p>	<p>A draft copy of the HCVF report was presented during the audit.</p>	<p>Results of annual monitoring of the HCV attributes identified in the HCV report were not presented or made available in the public summary. A Major NCR SK 4/2017 was issued.</p>
<p><b>Principle 10</b> <b>Forest Plantation Development and Management</b></p>	<p>The revised forest plantation management plan of July 2015 had in <i>Chapter 11: Identification and Management of Protection Areas</i> included in Section 11.2 the need to protect stream bank reserves (SBR), water catchment areas, HCV and Terrain IV. The SBR were demarcated with blue paint on trees. Signage of SRB was seen planted on the ground next to Sungai</p>	

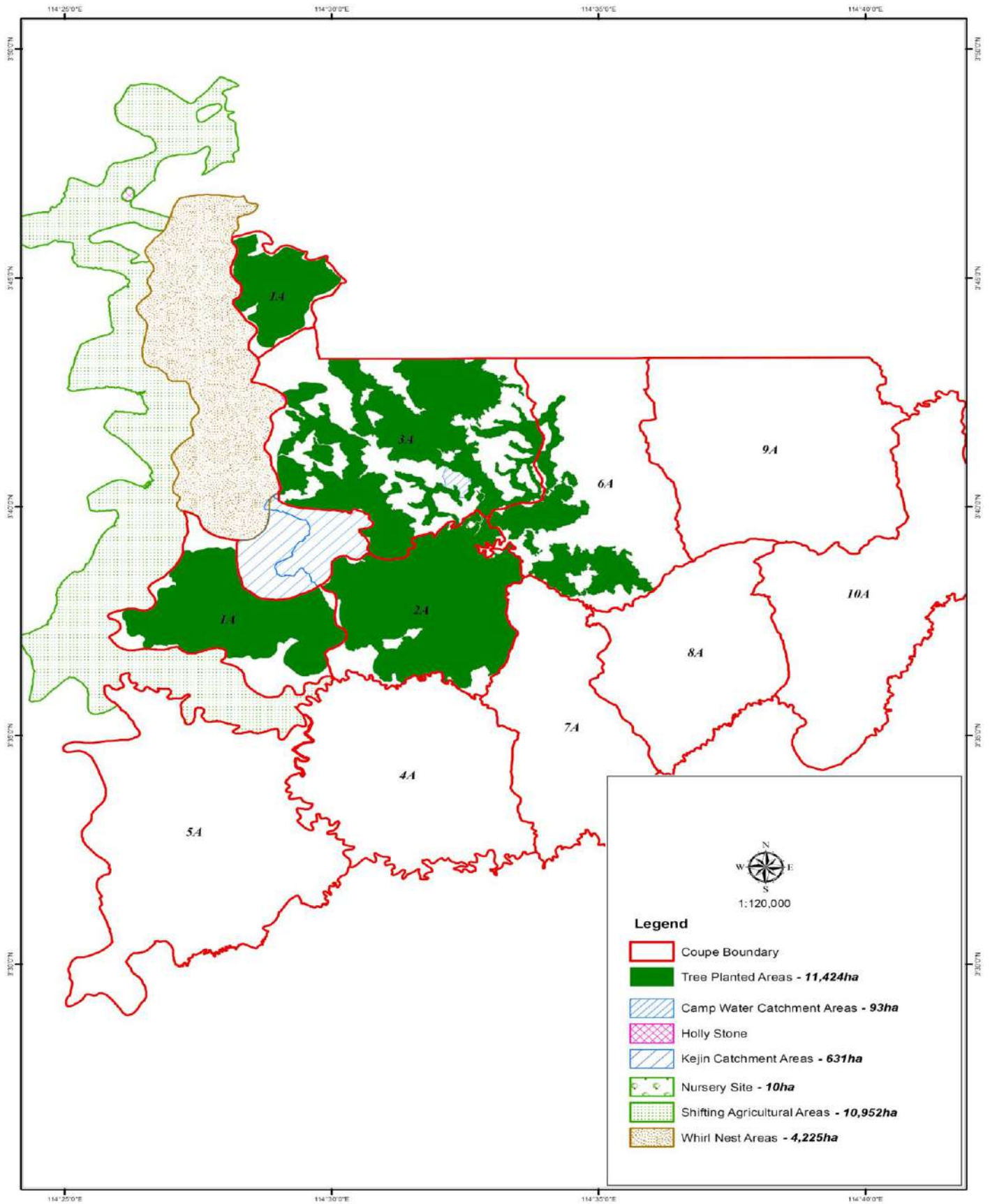
Principle	Strengths	Weaknesses
	<p>Temala. The riparian buffer established along this river continued from Coupe 1 to southern part of Coupe 2 covering a length of 26.6 km. The locations of these protected areas were marked on maps.</p> <p>Total potential areas that can be planted within the Coupes 1 to 3 and Coupe 6 of the LPF 0017 undergoing this certification audit amounted to 28,093.35 ha out of the total size of the FPMU of 65,178 ha including areas for water catchment, shifting cultivation and bird nest area. To date a total 11,424 ha have been planted.</p> <p>Information on planting stock and species planted in the forest plantation areas was presented. Taking cognizance of the need of diversity in composition in forest plantation, the plantation had included indigenous species Ketapang (<i>Terminalia catapa</i>) planted in Block 7 of Coupe 1. The area planted was 2 ha. In addition, Sawih (<i>Duabanga molucana</i>), a local species, was planted in Block 2 of Coupe 1, with an area of 1.6 ha.</p> <p>A description of the soil types within the FPMU was presented in Section 1.4.2 of the revised FPMP.</p> <p>Results of comparative justification were made available in the FPMP chapter 2 Section 2.3 Growing Timber Stock. This section presented comparative advantages / benefits of planting exotic species over native species in the establishment of the plantation.</p> <p>Documentation and maps depicting areas managed as natural forest in the forest plantation areas were available. The General Harvesting Plan and Detailed Harvesting Plan of each coupe examined had demarcated riparian reserve, water catchment areas, HCV, and terrain Class IV areas. These residual forest sites and riparian buffers were protected.</p> <p>Management had established procedures in accordance to <i>Guidelines for forest road layout, construction and maintenance</i>. The RIL guidelines had been adopted in the FPMU as shown in the SOP SYF / MC &amp; I / P.12 <i>Reduced Impact Logging (RIL) Harvesting Operation</i> in harvesting operations to protect soil from compaction and erosion</p>	

Principle	Strengths	Weaknesses
	<p>The EIA report and the revised forest plantation management plan had included preparation and planting techniques.</p> <p>The FPMU did not apply fertilizers in the forest plantation after planting. No biological agents were used in the plantation.</p> <p>Environmental monitoring including quality of water, impacts of plantation establishment and conditions of base camps were done at quarterly intervals as specified under the approval of the EIA. In addition a monthly patrol system had been instituted and the record forms were inspected. A team had also been established to initiate consultation with different long houses within and bordering the plantation area.</p> <p>A research report on the monitoring of insect and pest problems on <i>Acacia mangium</i> and <i>Paraserianthes falcataria</i> seedlings in the plantation conducted in LPF 0019 was used in this FPMU.</p>	

Map of Kejin Long Lama LPF/17 FPMU



# Map of LPF 0017 – Long Lama Forest Plantation Management Unit (Planting Map)





**Details of the auditors and their qualification**

Audit Team	Role/Area of MC&I Requirement	Qualification and Experience
Dr. S.K. Yap	Audit Team Leader / Environment / Social issues	Currently an independent consultant on forestry, arboriculture and environment. He has a B.Sc. Hons. Second Class Upper (Botany and Ph. D. in forest biology. He is an independent auditor appointed by FSC's accredited certifier - Scientific Certification System (SCS) Global Services of USA and SIRIM QAS Malaysia to conduct Forest Management Certification under the FSC Principles and Criteria and Malaysian Criteria and Indicators since 2001. He is also an accredited EMS ISO 14001 auditor with SIRIM and a Lead Auditor for RSPO certification scheme. He is a forest/flora ecology consultant for EIA and HCVF. Qualified as lead auditor under the QMS ISO 9001 in September 2013
Puteri Arlydia Abdul	Assessment Team Member / Forester	<p><b>Academic Qualification:</b></p> <p>B.Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p><b>Work Experience:</b></p> <p>1 year with Forestry Department Peninsular Malaysia (JPSM) 2007-2008, 3 years with Forest Plantation Development Sdn Bhd (Wholly owned by MTIB) 2008 – 2011, 1 year with Transparency International Malaysia 2011-2012, 3 years with Intertek Certification International Sdn Bhd 2012-2015 and with Sirim QAS International from 2015 onwards. Her working experience cover forest elements among others, Geographic Information System, Remote Sensing, Forest Governance Integrity and Local Communities programs and auditing in ISO 9001 (Quality), ISO 14001 (Environment), PEFC Chain of Custody and PEFC MC&amp;I (both Natural and Plantation Forest).</p> <p><b>Training / Research Areas:</b></p> <p>Was attending and pass in the following training programmes:            ISO 9001: 2008 Lead Auditor Course dated 19-23/03/2012            MC&amp;I (Natural and Plantation) Lead Auditor Course 9-10/07/2015            Training on ISO 9001:2015 (final version) dated 21/09/2015            ISO 14001: 2004 Lead Auditor Course dated 18-22/05/2015            Aspect and Impact Mitigation and Environmental Laws dated 27/05/2016            Schedule Waste Handling dated 1/06/2016            ISO 14001:2015 dated 18/09/2017            PEFC CoC by MTCC dated 6 &amp; 14/12/2017</p>

## Surveillance 1 Audit Plan

DAY	TIME	PROGRAM	
		AUDIT TEAM LEADER (AUDITOR 1)	AUDITOR (2)
<b>Day 0</b> <b>18/12/2017</b>		Flight <b>MH2584</b> KL to Miri 1705hr to 1920 hr	
<b>Day 1</b> <b>19/12/2017</b>	7.30 am - 12.00 am  1.00 pm - 3.00 pm   3.00 pm - 5.00 pm  8.00 pm - 10.00 pm	Travel to Kejin Camp  Opening Meeting with representatives of FPMU Briefing by Lead Auditor on audit process and <i>MC&amp;I (Forest Plantation) V 2</i> Briefing session by Forest Manager of the FPMU Evaluation of changes to the management of the FPMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance Check on complaints and follow-up actions Verification of NCRs raised during the previous audit. Q&A Session Confirm audit schedule  <ul style="list-style-type: none"> <li>• Documentation review</li> <li>• Documentation review</li> <li>• Review of Day 1 Findings by Audit Team Leader</li> </ul>	
<b>Day 2</b> <b>20/12/2017</b>	7.30 am – 5.00 pm       8.00 pm – 10.00pm	Site Visits ( <b>Auditor 1</b> ) <ul style="list-style-type: none"> <li>• Conservation sites</li> <li>• FPMU boundary</li> <li>• HCVF sites</li> <li>• Biological corridors</li> <li>• Planting area</li> <li>• Pre Harvesting area</li> <li>• Harvesting area</li> <li>• Experimental planting</li> <li>• Forest maintenance activities</li> <li>• PSPs</li> </ul>	Site Visits ( <b>Auditors 2</b> ) <ul style="list-style-type: none"> <li>• Consultation with forest plantation workers</li> <li>• Residual areas to be logged</li> <li>• Meeting with long house communities</li> <li>• Nursery area</li> <li>• Chemical store</li> <li>• Base camp inspection (scheduled wastes and storage)</li> <li>• Consultation with FPMU staff</li> </ul>

		<ul style="list-style-type: none"> <li>• Documentation review</li> <li>• Briefing to representatives of FMU/FPMU on the progress of audit</li> <li>• Review of Day 2 Findings by Audit Team Leader</li> </ul>
<b>Day 3</b> <b>21/12/2017</b>	7.30 am – 10.00 pm  10.00 pm – 02.00 pm  2.00 pm - 03.30 pm  3.30 pm - 05.00 pm	AUDIT TEAM Preparation of closing meeting  Travel to Miri Shin Yang Forestry head office  Issuance of NCRs.  Closing Meeting and presentation of findings of audit and discussion on follow-up activities at Shin Yang Forestry Miri  Adjourn Closing Meeting Night in Miri
<b>Day 4</b> <b>22/12/2017</b>		Flight from Miri to KL

## Surveillance 1 Audit Findings and Corrective Action Taken

Indicator	Specification Major/Minor/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 1.3.1  NCR #: LYD 01/2017	Minor	<p><b>Indicator 1.3.1</b> - Forest plantations managers are aware of international agreements binding to Malaysia relevant to forest plantation management.</p> <p><b>Finding:</b> Forest plantations managers had not demonstrated adequately awareness of international agreements binding to Malaysia relevant to forest plantation management.</p> <p><b>Objective evidence:</b> Upgraded from previous OFI.</p> <p>Based on interviews conducted during this surveillance the field managers were not fully aware of international agreements binding to Malaysia relevant to forest plantation such as CITES, ILO Conventions, ITTA and Convention on Biological Diversity.</p>	Training on International Agreements Binding to Malaysia relevant to forest plantation will be given to the field manager by 26/1/2018.	The proposed action on training is accepted. This training will be verified during the next surveillance audit.
Indicator 3.1.3  NCR #: LYD 02/2017	Minor	<p><b>Indicator 3.1.3</b> - Availability of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p><b>Finding:</b> Appropriate mechanisms to resolve any conflicts and grievances between parties involved had not been implemented adequately.</p> <p><b>Objective evidence:</b> Upgraded from previous OFI.</p> <p>The FPMU had established procedure SYF/MC&amp;I/P.09 Mechanism to Resolve Local Communities Issues Rev 3 dated 22/09/2015. It was stated in the</p>	Training on the procedure of Mechanism to resolve Local Communities Issues will be given to the Liaison Committee Document Controller by 12/1/2018.	The scheduled training presented is accepted as corrective action. The verification of the scheduled training will be conducted on the next surveillance.

		<p>Liaison Committee Document that controller would fill Aduan form (SYF/MC&amp;I/G.01) and Penyelesaian form (SYF/MC&amp;I/G.01) as evidence of implementation of the mechanism.</p> <p>Some of the Local Communities Issues were in the middle of meditation/resolution, the records/evidence of resolution for the following cases were not in placed as per procedure:  1.24/7/2015 Long Tepen request for logs commission (compensation) for all natural and planted logs within their area Coupe 8 (non-certified MC&amp;I) and Coupe 2 (certified MC&amp;I)  2.10/8/2015 Long Tepen requested logs commission (compensation) for the area of Sg. Temala Musang, Sg. Lunnyang, Sg. Sengayan, Sg. Jenuing, Sg. Punau, Sg. Andong for Coupe 4, 5, 8 (non-certified MC&amp;I) and Coupe 6 (non-certified MC&amp;I).</p>		
<p>Indicator 4.2.2</p> <p>NCR #: SK 01/2017</p>	Minor	<p><b>Indicator 4.2.2</b> - Availability of management policies addressing the occupational safety and health of forest plantation workers and their families with current legislation and/or regulations.</p> <p><b>Finding:</b> The frequency of Safety and Health Committee meeting did not follow the specification of Department of Safety and Health.</p> <p><b>Objective evidence:</b>  A safety and health committee was formed and 3 meetings were held in 2017. These were on 27 march, 19 June, 12 September 2017. Only two similar meetings were conducted in 5 March and 13 June 2016. The number of meetings conducted in 2016 did not follow the specification of DOSH.</p>	<p>Training on Occupational Safety and Health (Safety and Health Committee) Reg will be given to all Safety Committee meeting for year 2017 will be held on 29/1/2017.</p>	<p>The scheduled training on Occupational Safety and Health Regulations to be given to all Safety Committee meeting is accepted as part of the corrective action. Verification of the training will be conducted during the next surveillance.</p>

<p>Indicator 4.2.3</p> <p>NCR #: LYD 03/2017</p>	<p>Minor</p>	<p><b>Indicator 4.2.3</b> - Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest plantation workers in the work place.</p> <p><b>Finding:</b> Appropriate safety and operational equipment were not in good working condition.</p> <p><b>Objective evidence:</b> The safety and operational equipment for the sprayer was not in good working condition as it was observed to be torn.</p>	<p>The current safety and operational equipment especially sprayer will be replaced with new one and checklist of Safety and operational equipment maintenance will be establish to make sure the equipment in good condition all the time by 12/1/2018.</p>	<p>The action to be taken to replace safety and operational equipment especially sprayer with new ones and the establishment of a checklist on safety and operational equipment maintenance by 12/1/2018 is accepted as appropriate corrective action. Verification of these actions will be conducted during the next surveillance.</p>
<p>Indicator 4.2.5</p> <p>NCR #: LYD 04/2017</p>	<p>Minor</p>	<p><b>Indicator 4.2.5</b> - Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials.</p> <p><b>Finding:</b> Provision of guidelines for storage and handling of hazardous materials were not in placed.</p> <p><b>Objective evidence:</b> Provision of guidelines for storage and handling of hazardous materials had not been effectively maintained at Chemical Store. It was noted that all chemicals used in the nursery were not been placed with secondary containment to prevent spillage during handling and to prevent leakage of the container.</p>	<p>Training on the guideline for storage and handling of hazardous materials will be given to nursery-in-charge and workers. All chemicals used in the nursery will e provided with secondary containment by 5/1/2017.</p>	<p>The scheduled training on the guideline for storage and handling of hazardous materials to be given to nursery-in-charge and workers is noted. The provision of secondary containment for all chemicals used in the nursery by 5/1/2017 is appropriate corrective action. These actions will be verified during the next surveillance..</p>
<p>Indicator 5.5.1</p> <p>NCR #: SK 02/2017</p>	<p>Minor</p>	<p><b>Indicator 5.5.1</b> – Availability and implementation of guidelines and/or procedures to identify and demarcate sensitive areas for the protection of soil and water, watercourses and wetlands in the forest plantation areas.</p> <p><b>Finding:</b> During the site inspection it was observed that many of the signage for riparian buffer (SBZ) was not present.</p>	<p>The new SBZ signboard will be re-install at Sg. Sengayan and Temala river and the trees along the buffer will be painted using blue color paint by 10/3/2018.</p> <p>Chapter 4: Maintenance of Tree Plantation Manual will</p>	<p>The placing of SBZ signage along the buffer belt is accepted as the correct action. Revision of the Chapter 4: Maintenance of Tree Plantation Manual will be verified during the next surveillance.</p>

		<p>Steep slopes cleared for planting were exposed to erosion impacts.</p> <p><b>Objective evidence:</b>  Inspection conducted on buffer belts (SBZ) along Sengayan and Temala rivers and its tributaries had indicated some of the signs for riparian buffer were not present. Steep slopes along Block 30 in Coupe 2 were exposed to erosion after land clearing and planting owing to the absence of any vegetation cover.</p>	<p>be revise and the used of chemical treatment method will limited to certain area only.</p>	
<p>Indicator 6.1.1</p> <p>NCR #: SK 03/2017</p>	Major	<p><b>Indicator 6.1.1</b> – Assessment of environmental impacts are carried out, including landscape level considerations, as well as the impacts of on-site processing facilities, appropriate to the scale and intensity of forest plantation management, prior to commencement of forest plantation operations in the forest plantation areas.</p> <p><b>Finding:</b> The report of the EIA had not been updated.</p> <p><b>Objective evidence:</b>  An IA report for the 'Environmental Impact Assessment Report for the Proposed Long Lama Forest Plantation in Long Lama Miri, March 2000 was available. The potential impacts and strategies to mitigate the impacts were written in this document. The EIA for the FMU is however out-dated. It would have to be updated to take into consideration the changes to the environment within and adjacent the FMU since the last 15 years. This was a Minor NCR SM2/2015 raised during the Stage 2 evaluation. The impacts of new plantation activities and additional information gathered within the FPMU had not been included.</p>	<p>The impacts of new plantation activities within the FPMU will be included into current EIA by 16/3/2018.</p>	<p>The proposed action plan was accepted and the revised EIA would be inspected during the next surveillance audit.</p>
<p>Indicator 6.1.2</p>	Minor	<p><b>Indicator 6.1.2</b> – Assessment of environmental impacts are carried out, including the potential impacts</p>	<p>The environmental impacts assessment result will be included</p>	<p>The inclusion of the new environmental impacts in the revised</p>

<p>NCR #: SK 05/2017</p>		<p>on rare, threatened and endangered species of flora and fauna, and the need for biological corridors in forest plantation areas, appropriate to the scale and intensity of forest plantation management.</p> <p><b>Finding:</b> Assessment of environmental impacts had been carried out without following the organization SYF/MC&amp;I/P.11 Guidelines of the Conservation of Genetic, Species, and Ecosystem Diversity Rev 1 dated 6/6/2015 requiring the check of all national plans and laws for references to biodiversity conservation needs including IUCN Red List of Threatened Species, Sarawak Plant Red List, A Master Plan for Wildlife in Sarawak 1996 and Wildlife Protection Ordinance 1998.</p> <p><b>Objective evidence:</b> Upgrade from previous OFI.</p> <p>The EIA had reported the absence of endangered, rare and threatened species of flora and fauna within the plantation area. References to Sarawak Plant Red List and master Plan for wildlife in Sarawak 1996 had been made in the SOP 11. These specifies requirements were not included in the EIA.</p>	<p>in the current EIA by 16/3/2018.</p>	<p>assessment will be verified during the next surveillance.</p>
<p>Indicator 6.7.1  NCR #: LYD 06/2017</p>	<p>Minor</p>	<p><b>Indicator 6.7.1</b> – Oil, fuel, containers, liquid and solid non-organic wastes, shall be disposed of in an environmentally appropriate and legal manner.</p> <p><b>Finding:</b> Oil, fuel, containers, liquid and solid non-organic wastes has not been disposed in an environmentally appropriate and legal manner.</p> <p><b>Objective evidence:</b> 2) Scheduled waste had not been disposed in legal manner as</p>	<p>All the current Scheduled waste will be disposed immediately by 19/1/2018.</p> <p>The FPMU will register SW416 &amp; SW409 with DOE by 23/2/2018.</p>	<p>Removal of the current scheduled wastes by 19/1/2018 is accepted as a corrective action..</p>



		<p>per Environmental Quality Act 1974 Environmental Quality (Scheduled Wastes) Reg 2005 stipulated under Clause 9(5) that; Any person may store scheduled wastes generated by him for 180 days or less after its generation provided that – (a) the quantity of scheduled wastes accumulated on site shall not exceed 20 metric tonnes. It has been found ut that during site visit to schedule waste store the following has exceed 180 days:</p> <ul style="list-style-type: none"> <li>• SW410 (contaminated filter and cotton rags) 1 drum since 15/1/2017</li> <li>• SW306 (used hydrolic oil) 1 drum since 15/1/2017</li> <li>• SW305 (spent lubricant oil) 7 drums since 15/1/2017</li> </ul> <p>3) The following had not been identified as scheduled waste and no evidence showing it had been disposed as per scheduled waste requirement:</p> <ul style="list-style-type: none"> <li>• SW416 (Disposed paints container)</li> <li>• SW409 (Disposed containers contaminated with chemicals &amp; pesticides)</li> </ul>		
<p>Indicator 9.4.1</p> <p>NCR #: SK 04/2017</p>	Major	<p><b>Indicator 9.4.1</b> - Forest plantation managers shall conduct, appropriate to scale and intensity of forest plantation management, annual monitoring to assess the effectiveness of the measures in the management of the HCV area in forest plantation areas.</p> <p><b>Finding:</b> Results of annual monitoring of the HCV attributes identified in the HCV report were not presented.</p> <p><b>Objective evidence:</b> Results of annual monitoring of the HCV attributes identified in the HCV report were not presented or made available in the public summary.</p>	<p>The results of annual monitoring of the HCV will be add into public summary at <a href="https://www.shinyang.com.my/products-services/tree-plantation/lpf0017-long-lama-estate.html">https://www.shinyang.com.my/products-services/tree-plantation/lpf0017-long-lama-estate.html</a> by 15/3/2018.</p>	<p>The HCVF report was completed in November and incorporated into the revised FPMP. Monitoring procedures had been prescribed and will be implemented as scheduled. As the HCVF sites had just been identified the results of monitoring would be assessed during the next audit.</p>

<p>Indicator 4.2.4</p> <p>OFI #: 1</p>	<p>OFI</p>	<p><u>Forest plantation managers shall maintain up-to-date safety records in compliance with all applicable laws and/or regulations covering health and safety of forest plantation workers.</u></p> <p>Records from 2013 to August 2017 indicated 11 Minor injuries reported. Two cases were reported in 2013 and 2014, one incidence in 2015 while there were 3 cases in 2016 and 3 cases in the first eight months of 2017.</p>	<p>Not required.</p>	
<p>Indicator 6.6.1</p> <p>OFI #: 2</p>	<p>OFI</p>	<p><u>Availability and implementation of guidelines and/or procedures on the use of chemicals in forest plantation areas approved by relevant regulatory authorities.</u></p> <p>Chemical treatment had been prescribed as pre-treatment prior to plantings of seedlings.</p>	<p>Not required.</p>	

**Verification on Previous Stage 2 Audit Findings and Corrective Action Taken**

Indicator	Specification Major/Minor/OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p><b>Indicator 6.2.5</b></p> <p><b>NCR #: EC1/2015</b></p>	<p align="center"><b>Minor</b></p>	<p><b>Indicator 6.2.5</b> - Forest plantation workers shall be aware of endangered, rare and threatened species of forest flora and fauna found in the forest plantation areas. Such awareness shall be promoted among local communities</p> <p><b>Finding:</b> Promotion of awareness of endangered, rare and threatened species to the local communities was not done.</p> <p><b>Objective evidences:</b> Posters on the protection of endangered, rare and threatened species were displayed at junctions of main roads. Records of regular briefings to forest plantation workers and local communities on the awareness of endangered, rare and threatened species to the local communities were not available.</p>	<p>Masama staff would conduct training during meeting with the local communities on 17 to 21 August. The records of the training would be referred in Minit Mesyuarat Mesyuarat Bersama Masyarakat Tempatan 17 to 21 August 2015.</p>	<p><i>Guidelines for Identification and Management of Protection Area Rev no 01 and SYF / MC &amp; I / P.11 Guidelines for the Conservation of Genetic, Species and Ecological Diversity</i> 1 April 2015 were made available during the audit. These provided guidance on the appropriate approaches for the protection of rare, threatened and endangered species. Posters on the protection of plants and wildlife were displayed at junctions of main roads. Lists and posters of protected species of flora and fauna were also displayed at the Kejin camp. Copies of <i>Wildlife Protection Ordinance 1998, A Master Plan for Wildlife in Sarawak 1996, IUCN Red List of Threatened Species and Sarawak Plant Red List</i> were made available during the audit. The revised <i>Forest Plantation Management Plan Revision LPF0017 Kejin Long Lama FPMU (Rev. 005: December 2017-December 2027)</i> had in Chapter 11 Identification and Management of Protection/HCV Areas had provided guidelines for endemic, threatened and endangered species. HCV sites and areas of importance in service of</p>

				nature were identified. This Minor NCR was closed.
<p><b>Indicator 6.3.3</b></p> <p><b>NCR #:</b> <b>EC2/2015</b></p>	<p><b>Minor</b></p>	<p><b>Indicator 6.3.3</b> - Harvesting of forest plantation is designed taking into consideration the need for biological corridors and buffer zones for wildlife.</p> <p><b>Finding:</b> The need for biological corridors for wildlife had not been incorporated into the land clearance for planting process.</p> <p><b>Objective evidences:</b> The FPMU had yet to prepare a holistic map on the establishment of biological corridors and residual forested sites within the forest plantation. There was no clear indication on the linkage of areas of Class IV terrains with river buffer zones that had been identified. These sites were not all demarcated on the ground for protection.</p>	<p>Surveyors will mark and track the existing buffer zones to reassess the linkage of the buffer belts. Maps of biological corridor will be established after the tracking process scheduled to be completed in October 2015.</p>	<p>In the revised <i>Forest Plantation Management Plan Revision LPF0017 Kejin Long Lama FPMU (Rev. 005: December 2017-December 2027)</i> Map E of Chapter 11 indicated the protected natural forest areas. These consisted riparian buffer belts (wildlife corridors), water catchment and HCV areas including bird nest harvesting site were indicated. This Minor NCR was closed..</p>
<p><b>Indicator 8.3.1</b></p> <p><b>NCR # :</b> <b>EC3/2015</b></p>	<p><b>Minor</b></p>	<p><b>Indicator 8.3.1</b> - Forest plantation managers shall provide relevant documents for identifying all forest products leaving the planted area to be certified so that their origin could be easily determined.</p> <p><b>Finding:</b> A SOP on the process of controlling the movement of logs from the plantation to the gate according to the CoC process had not been developed.</p> <p><b>Objective evidence:</b> The flow chart for the CoC presented during the audit did not provide detailed procedures on the relevant documentation and mechanism on the transportation of the forest products from the plantation forest to the log pond.</p>	<p>Flow chart for the COC process will be revised and improved. The procedure for chain of custody was revised on 6 September 2015.</p>	<p>Application For Royalty Assessment and Transit had to be made to SFC when a specified load of logs was to be delivered to the mill. The application would include the landing site and LPF number together with the registration of the truck. The number of logs and species would also be included. On inspection and the affix of hammer mark on each log by SFC the logs would be loaded on trucks. An application for Timber From Planted Forest Specification Form (Royalty Assessment/Transit), Removal Pass and Transit Pass would follow. A Royalty Removal Pass would be issued by SFC following the logs to the</p>

				weigh bridge at Hollystone Batu Gading. Upon weighing and receiving a Weighbridge Advice Ticket an inspection of the related documents would be done by Harwood Timber Sdn Bhd which would then issue an Endorsement Clearance Certificate (ECC) For Reservation Quota Logs together with Inspection Report for logs from Planted Forests. Only with the completion of these processes a transit Removal Pass would be issued for the logs to leave the weighbridge. Four set of documents dated 29 August, 5, 7 and 14 September 2017 for logs harvested from Coupe 3 were inspected. The verification process of CoC therefore involved SFC and Harwood Sdn. Bhd. A set of these endorsed and certified documents must accompany the truck that carried the logs to the mill. The Minor NCR was closed..
<p><b>Indicator 10.7.3</b></p> <p><b>NCR #:</b> <b>EC4/2015</b></p>	<p><b>Minor</b></p>	<p><b>NCR No. : EC4/2015</b></p> <p><b>Indicator 10.7.3</b> - Assessment of forest plantations established with exotic species through monitoring of permanent sample plots to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.</p> <p><b>Finding:</b> The monitoring process of pests and diseases maintained did not provide information for control and treatment.</p> <p><b>Objective evidence:</b> The monthly monitoring maintained at the FPMU did not provide comprehensive data on</p>	<p>Procedure to control and treatment for the spread of massive exotic species will be established. Internal training on pests and diseases will be given to surveyors and this was conducted on 19 September 2015.</p>	<p>The EIA report and the revised forest management plan had included guidelines and procedure to control outbreaks of pests, diseases and fire. Specific measures were presented in the SOP SYF / MC &amp; I / P.23 <i>Standard Operation Procedures for Pest Control and Disease Management Practices, including Forest Hygiene Practices and Biological Control Methods</i> which included the flow charts on control of pests and diseases. Written procedures on control of forest fires were included in</p>

		the presence of pests and diseases for subsequent mitigation measures.		SOP SYF / MC & I / P.24 <i>Pelan Kecemasan Jika Berlaku Kebakaran di Hutan</i> (Emergency Plan for Fire Outbreaks in Forest). There was, however no Forest Fire Management Plan developed for the FPMU when examined during the Stage 2 audit. Minor NCR EC 4/2015 was raised. A <i>Forest Fire Management Plan LPF 0017 Kejin Camp Long Lama</i> had been written in October 2015. Following this a fire prevention and control briefing was conducted on 26 September 2017. This Minor NCR was closed.
<b>Indicator 4.2.3</b>  <b>NCR # : KN 1/2015</b>	<b>Minor</b>	<b>Indicator 4.2.3</b> - Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest plantation workers in the work place.  <b>Finding:</b> The operation of equipment in the base camp did not comply fully with the Factories and Machineries Act 1967 (Steam Boiler & Unfired Pressure Vessel) Regulations, 1970 – Reg. 19  <b>Objective evidence:</b> Application for the Certificate of fitness for one unit of air compressor (Ref. No.: SWAN-MFG 8801050) at workshop to DOSH was not available.	The air compressor (Ref. No. SWAN-MFG 8801050) will be made obsolete because of incomplete documents from the supplier. It had been replaced with new units and application for CF was in progress The inspection by JKPP Bintulu was done on 1 October 2015.	As action to rectify the compressor with new units had been completed the Minor NCR was closed.
<b>Indicator 7.4.1</b>  <b>NCR # : KN 2/2015</b>	<b>Minor</b>	<b>NCR No: KN 2/2015</b>  <b>Indicator 7.4.1</b> - A summary of the primary elements of the forest plantation management plan as prepared and implemented under	The public summary would be updated upon completion of the revised version 3 of the Forest Plantation Management Plan by October 2015.	The version 3 of the FPMP had been completed and the revised public summary including the new FPMP was available in the web page of the company. The Minor NCR was closed.

		<p>Indicator 7.1.1 shall be made publicly available.</p> <p><b>Finding:</b> The public summary in the company web page did not cover all the primary elements of the forest plantation management plan.</p> <p><b>Objective evidence:</b> The publicly available summary of the forest management plan (shinyang.com.my) did not include all the listed elements in Criterion 7.1.1. Information on (b) description of the forest resources (c) description of silvicultural and/or other management system (d) and rationale for rate of annual harvest and species selection were not available</p>		
<p><b>Indicator 9.1.1</b></p> <p><b>NCR # : KN 3/2015</b></p>	<p><b>Major</b></p>	<p><b>Indicator 9.1.1</b> - Forest plantation managers shall conduct an assessment to identify High Conservation Value (HCV) areas in accordance with relevant guidelines, appropriate to scale and intensity of management for forest plantation areas, and in consultation with relevant stakeholders and experts.</p> <p><b>Finding :</b> There was an agreement with SFC to conduct a HCVF study within the FPMU. Report on the assessment and maps showing HCV areas was not available.</p> <p><b>Objective evidence:</b> Report on the assessment of HCVF sites at LPF/0019 Masama (in part) FPMU and maps showing these areas using guidelines, such as the High Conservation Value Forest (HCVF) Toolkit for Malaysia were not available.</p>	<p>The FPMU management would follow up with Sarawak Forestry Corporation which was preparing the HCVF report. Maps of the HCVF sites would also be prepared by October 2015.</p>	<p>The <i>High Conservation Value Area Assessment in Shin Yang Masama Tree Plantation Coupe 1-5 of LPF 0019 (T4212) Tatau Bintulu Sarawak</i> dated October 2015 was presented during the verification audit on December 2015. This Major NCR was therefore closed.</p>
<p><b>Indicator 9.2.1</b></p>	<p><b>Major</b></p>	<p><b>Indicator 9.2.1</b> - Forest plantation managers shall provide the assessors with a list of relevant</p>	<p>The UPM Bintulu would be included in the stakeholders list and consultations would be</p>	<p>During the verification audit in December 2015, the minutes of the consultative meeting with stakeholders</p>

<p><b>NCR # : KN 4/2015</b></p>		<p>stakeholders who have been consulted regarding the HCV area.</p> <p><b>Finding:</b> The list of stakeholders consulted regarding the HCV sites did not include all relevant stakeholders.</p> <p><b>Objective evidence :</b> The list of relevant stakeholders consulted did not include environmental NGOs and research institutions.</p>	<p>carried out. Appointments had been made with WWF. Consultations with all stakeholders including SFC would be conducted once the HCVF report had been completed. (List of participants and minutes of meeting attached)</p>	<p>held on 11 November 2015 was presented. The list of stakeholders had also been revised to include Malaysian Nature Society, UPM, Forest Department and the local communities. This Major NCR was closed.</p>
<p><b>Indicator 9.2.2</b></p> <p><b>NCR #: KN 5/2015</b></p>	<p><b>Minor</b></p>	<p><b>Indicator 9.2.2</b> - Forest plantation managers shall demonstrate that forest plantation management protect areas of high conservation value in forest plantation areas.</p> <p><b>Finding :</b> The Forest Plantation Management Plan had not incorporated HCVF sites.</p> <p><b>Objective evidence :</b> HCV sites had not been identified and incorporated into the Forest Plantation Management Plan at Masama LPF/0019 FPMU</p>	<p>The HCVF sites and their locations would be incorporated into the FPMP upon the completion of the report.</p>	<p>The protected HCV areas would be updated in the FPMP once the HCV assessment report had been completed. In the verification audit conducted in December 2015, it was found that the revised FPMP version 004 Chapter 11 had included the HCV report. The Minor NCR was closed.</p>
<p><b>Indicator 9.3.1</b></p> <p><b>NCR No. KN 6/2015</b></p>	<p><b>Major</b></p>	<p><b>Indicator 9.3.1</b> - Measures to demarcate, maintain and / or enhance the HCV attributes are documented in the forest plantation management plan and effectively implemented.</p> <p><b>Finding :</b> Measures to demarcate, maintain and / or enhance the HCV attributes have yet to be developed.</p> <p><b>Objective evidence :</b></p> <ul style="list-style-type: none"> <li>•The HCV sites had yet to be mapped and incorporated into the Forest Plantation Management Plan and not all the sites had been demarcated on the ground.,</li> <li>•Management prescriptions to maintain and / or enhance HCV attributes, and reports on measures taken at Masama</li> </ul>	<p>The HCVF sites would be mapped and demarcated once identified in the HCV assessment report.</p> <p>Measures to enhance the HCV attributes would be established once the report had been completed in October 2015.</p>	<p>The revised <i>Forest Plantation Management Plan for Shin Yang Forestry Sdn. Bhd. LPF/0019: Masama (in part) FPMU 2<sup>1st</sup> October to 31 December 2025</i> Revision No. 004 was presented during the verification audit in December 2016.</p> <p>The Plan had included in Chapter 11 Identification and Management of High Conservation Value (HCV) Area. The section included map showing the HCV sites and demarcation on ground was inspected. Management and monitoring of HCV areas were also presented in that</p>



		LPF/0019 PFMU have yet to be developed		chapter. The Major NCR was therefore closed.
<p><b>Indicator 9.3.2</b></p> <p><b>NCR # : KN 7/2015</b></p>	Major	<p><b>Indicator 9.3.2</b> - These measures shall be included in the forest plantation management plan summary made publicly available.</p> <p><b>Finding :</b> Public summary of the forest plantation management plan did not include HCV measures.</p> <p><b>Objective evidence :</b> The public summary of the forest plantation management plan available in the shinyang.com.</p>	The public summary would be updated once the HCV study had been completed.	The revised publicly available summary of the FPMP was presented during the verification audit in December 2016. The Minor NCR was closed.
<p><b>Indicator 9.4.1</b></p> <p><b>NCR # : KN8/2015</b></p>	Major	<p><b>Indicator 9.4.1</b> - Forest plantation managers shall conduct, appropriate to scale and intensity of forest plantation management, annual monitoring to assess the effectiveness of the measures in the management of the HCV area in forest plantation areas.</p> <p><b>Finding :</b> Annual monitoring procedures to assess the effectiveness of the measures in the management of the HCV area were not developed.</p> <p><b>Objective evidence :</b> Monitoring procedures to assess the effectiveness of the measures in the management of the HCV area was not available in Masama LPF/0019 FPMU</p>	<p>An internal audit would be established to monitor the HCV sites identified.</p> <p>A SOP for conducting internal audit including HCV sites was attached. Procedure for Internal Audit including determination of the effectiveness of the measures in the management of the HCV area was written.</p> <p>An audit plan for 2015 V 2 was prepared which had included assessment of HCV areas. The MC&amp;I Forest Plantation V2 Internal Audit Report dated 1 October 2015 was completed. (documents attached)</p>	During the verification audit in December 2015t a SOP for conducting internal audit including HCV sites and Procedure for Internal Audit including determination of the effectiveness of the measures in the management of the HCV area was examined. The audit plan for 2015 V 2 which had included assessment of HCV areas was presented during the verification. The <i>MC&amp;I Forest Plantation V2 Internal Audit Report</i> dated 1 October 2015 and the NCR and OFI raised for the effectiveness of HCV management was inspected. As there was a measure of effectiveness of the HCV management the Major NCR was closed.

<p><b>Indicator 10.2.2</b></p> <p><b>NCR # : KN9/2015</b></p>	<p>Minor</p>	<p><b>Indicator 10.2.2</b> - Forest plantation establishment shall, appropriate to the scale of the operation, follow natural landscape and take into account the need for wildlife corridors, buffer strips for permanent streams and rivers, as well as a mosaic of stands of different age classes.</p> <p><b>Finding :</b> Records and maps of planting patterns in the forest plantation areas including demarcation and protection of such areas were not available in the Forest Plantation Management Plan</p> <p><b>Objective evidence :</b> Records and maps of planting patterns in the forest plantation areas to indicate wildlife corridors and mosaic of stands were not available in the Forest Plantation Management Plan at Masama LPF/0019 FPMU</p>	<p>Map of planting patterns will be produced with the update of the FPMP. The surveyors will track and map the buffer zones for wildlife corridors by October 2015.</p>	<p>The maps showing the biological corridors were presented during the verification audit on December 2015. The Minor NCR was closed.</p>
<p><b>Indicator 10.3.2</b></p> <p><b>NCR # : KN10/2015</b></p>	<p>Minor</p>	<p><b>Indicator 10.3.2</b> - Availability of documentation of the size and spatial distribution of the established forest plantation areas.</p> <p><b>Finding :</b> The extent of area planted by each species and maps depicting the spatial distribution of the planted species was not available</p> <p><b>Objective evidence :</b> The extent of area planted by each species and maps depicting the spatial distribution of the planted species was not available at Masama LPF/0019 FPMU</p>	<p>Planting distribution map will be produced by October 2015.</p>	<p>Information on planting stock and species planted in the forest plantation areas was presented in the revised <i>Forest Plantation Management Plan Revision LPF0017 Kejin Long Lama FPMU (Rev. 005: December 2017-December 2027)</i>. The two main species planted in all the coupes were <i>Paraserianthes falcataria</i> and <i>Acacia mangium</i>. Taking cognizance of the need of diversity in composition in forest plantation, the plantation had included indigenous species in trials such as Ketapang (<i>Terminalia catapa</i>) planted in Block 7 of Coupe 1. The area planted was 2 ha. In addition, Sawih (<i>Duabanga molucana</i>), a local species,</p>

				was planted in Block 2 of Coupe 1, with an area of 1.6 ha. The Minor NCR was closed..
<p><b>Indicator 10.7.1</b></p> <p><b>NCR # : KN11/2015</b></p>	Minor	<p><b>Indicator 10.7.1</b> - Availability and implementation of guidelines and/or procedures to control the outbreaks of pests, diseases and fire, as well as invasive plant introductions, if any, for forest plantation areas.</p> <p><b>Finding :</b> A Forest Fire Management Plan was not available</p> <p><b>Objective evidence :</b> A Forest Fire Management Plan had not been formulated in Masama LPF/0019 FPMU.</p>	Action taken to develop a forest fire management plan by August 2015. The Forest Fire Management Plan for LPF/0019 Masama Estate was completed in August 2015.	The EIA report and the revised forest management plan had included guidelines and procedure to control outbreaks of pests, diseases and fire. Specific measures were presented in the SOP SYF / MC & I / P.23 <i>Standard Operation Procedures for Pest Control and Disease Management Practices, including Forest Hygiene Practices and Biological Control Methods</i> which included the flow charts on control of pests and diseases. The Minor NCR was closed.
<p><b>Indicator 1.5.2</b></p> <p><b>NCR # : SK 1/2015</b></p>	Minor	<p><b>Indicator 1.5.2</b> - Control of encroachment, illegal harvesting, hunting, fishing and settlement, and other unauthorized activities</p> <p><b>Finding :</b> Monthly patrols were conducted and Forest Patrol Record Forms were inspected. There were no details on the results of inspection to reflect the condition of the sites inspected.</p> <p><b>Objective evidence :</b> The monthly Forest Patrol Record Forms had only one entry on licence encroachment which did not include details of the sites inspected and there was consultation with local communities on illegal entries from the Anap river.</p>	Internal training regarding forest patrolling will be given to the surveyors. This training will be conducted at least once a year. The Forest Patrol Form would be improved.	<i>Revised monitoring form SYF/MC&amp;I/LPF0017/PAT. 002 Rev 004 effective 15 February 2017 was presented. It included monitoring of boundary of FPMU specifying on illegal cultivation, occupancy and burning. Records of 1 December and 8 December 2017 were examined. In addition there was a record of wildlife observed and poaching activities, HCV site (salt lick)pat Block 16 Coupe 3 and Block 10 and appropriate markings and signage any encroachment monitoring of exotic species in Coupe 1A emphasizing on diseases and pests, degree of invasion of exotic species in Coupe 1A and 2 A. Monitoring schedule was presented in the <i>Annual Work Plan &amp; Budget of</i></i>

				2016 and 2017. The Minor NCR was closed.
<p><b>Indicator 1.6.1</b></p> <p><b>NCR #: SK 2/2015</b></p>	Minor	<p><b>Indicator 1.6.1</b> - Availability of policies or statements of commitment to forest plantation management practices consistent with these Principles and Criteria</p> <p><b>Finding :</b> Policies or statements of commitment to forest plantation management practices consistent with these Principles and Criteria was not stated in the forest plantation management plan and was only stated in the general statement in the public summary of Shin Yang Forest Plantation public summary.</p> <p><b>Objective evidence :</b> There was no statement of commitment to forest plantation management practices consistent with the MC &amp; I (Forest Plantation) Version 2 Principles and Criteria in the Forest Plantation Management Plan and the publicly available summary.</p>	The policy on commitment to MC&I (Forest Plantation) would be included in the Forest Plantation Management Plan to be revised by October 2015.	There were statements of commitment of the forest plantation management practices with the <i>MC &amp; I (Forest Plantation) Version 2</i> Principles and Criteria in the revised <i>Forest Plantation Management Plan LPF 0017 Kejin Long Lama FPMU (rev. 005 December 2017-December 2027)</i> and the publicly available summary in the web page <a href="http://www.shinyang.com.my">www.shinyang.com.my</a> . The Minor NCR was closed.
<p><b>Indicator 2.2.2</b></p> <p><b>NCR No: SK 3/2015</b></p>	Minor	<p><b>Indicator 2.2.2</b> - Forest plantation managers shall collaborate with holders of duly recognised legal or customary</p> <p><b>Finding :</b> A Masama FMU Liaison Committee Member Organization structure was presented to the audit team. However, there was no documented consultation or meetings conducted with the stakeholders.</p> <p><b>Objective evidence :</b> A Masama FMU Liaison Committee Member Organization structure had been presented in the Forest Plantation Management Plan but there was no evidence of meetings organized with local communities.</p>	The Masama FPMU Liaison Committee would be conducting a meeting with 6 long houses within the FMU scheduled on 17 to 21 August 2015. Minutes of meetings would be prepared. For Rumah Anai the meeting was scheduled on 19 August, Rumah Enteri on 17 August , Rumah Mancha on 16 August, Rumah Nyatch on 21 August, Rumah Sempurai on 20 August and Rumah Wan on 21 August.	A FPMU Liaison Committee Member Organization structure had been presented in the Forest Plantation Management Plan. The Minor NCR was closed.

<p><b>Indicator 2.3.1</b></p> <p><b>NCR No: SK 4/2015</b></p>	<p>Minor</p>	<p><b>Indicator 2.3.1</b> - Availability of appropriate mechanisms to resolve disputes over tenure claims and use rights.</p> <p><b>Finding :</b> There were no established mechanisms for the resolution of disputes over tenure claims and use rights.</p> <p><b>Objective evidence :</b> A flow chart on ad hoc responses to requests from local communities had been prepared but there was no standard operating procedure for resolution of conflicts.</p>	<p>Standard Operating Procedure for the resolution of conflicts would be written and consultation to be conducted with local communities. The SOP was revised on 22 September 2015.</p>	<p>A revised <i>Mechanism to Resolve Local Issues</i> dated 22/09/2015 had been prepared to resolve any tenure claims and requests for assistance. The role of the Liaison Committee had been included in the document. The response process had included a consultative process with the local communities. The Minor NCR was closed.</p>
<p><b>Indicator 3.3.1</b></p> <p><b>NCR No: SK 5/2015</b></p>	<p>Minor</p>	<p><b>Indicator 3.3.1</b> - Availability of appropriate procedures within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites by indigenous peoples within relevant federal and state legal frameworks or by mutual agreement.</p> <p><b>Finding :</b> Although consultation had been reported on the identification of sites of significant importance there was no record of such consultations.</p> <p><b>Objective evidence :</b> There was no documentation for identifying and protecting such sites and consultation conducted with local communities on the identification of sites of cultural or religious importance.</p>	<p>Results on consultation will include HCV assessment report. The HCV report was to be completed in October 2015.</p>	<p>This Minor NCR was closed as appropriate procedures within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites used by indigenous peoples had been written in <i>Procedure and Guideline for Identification, Demarcation, Mapping and Conservation</i> with new revision on 24/07/2017. On 20/07/2015, FPMU visited Long Tepen to identify buried area and this site although outside the certified area was marked (tree marking) for protection.</p>
<p><b>Indicator 3.3.1</b></p> <p><b>NCR No: SK 5/2015</b></p>	<p>Minor</p>	<p><b>Indicator 3.3.1</b> - Availability of appropriate procedures within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites by indigenous peoples within relevant federal and state legal frameworks or by mutual agreement.</p> <p><b>Finding :</b></p>	<p>Results on consultation will include HCV assessment report. The HCV report was to be completed in October 2015.</p>	<p>This Minor NCR was closed as appropriate procedures within current administrative processes for identifying and protecting such sites and provisions for rights of access to these sites used by indigenous peoples had been written in <i>Procedure and Guideline for</i></p>

		<p>Although consultation had been reported on the identification of sites of significant importance there was no record of such consultations.</p> <p><b>Objective evidence :</b> There was no documentation for identifying and protecting such sites and consultation conducted with local communities on the identification of sites of cultural or religious importance.</p>		<p><i>Identification, Demarcation, Mapping and Conservation</i> with new revision on 24/07/2017. On 20/07/2015, FPMU visited Long Tepen to identify buried area and this site although outside the certified area was marked (tree marking) for protection.</p>
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-End Of Public Summary-