



**PUBLIC SUMMARY  
RECERTIFICATION AUDIT (1<sup>st</sup> CYCLE) ON  
KAPIT FOREST MANAGEMENT UNIT  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC – NF 00118  
Date of First Certification: 11 June 2018  
Audit Date: 29 November to 4 December 2021  
Date of Public Summary: 27 January 2022**

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## EXECUTIVE SUMMARY

This re-certification audit on the Kapit Forest Management Unit (hereafter referred as the Kapit FMU) was conducted from 29 November to 4 December 2021 to assess the continued compliance of the overall forest management system of the Kapit FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)* [MC&I (Natural Forest)] using the verifiers stipulated for Sarawak. The scope of this re-certification audit was limited to the forest management system and practices on the Permanent Reserved Forest (PRF) within the Kapit FMU.

This re-certification audit was conducted by a 4-member team comprising Mohd Razman Salim (Lead auditor), Ismail Adnan Abdul Malek (Auditor), Hj Roslee Jamaludin (Auditor) and Dr Samsudin Musa (Auditor).

Based on the findings of this re-certification audit, it was found that Kapit FMU had continued to comply with the requirements of the MC&I (Natural Forest). This re-certification audit had resulted in the issuance of one (1) major and four (4) minor Non-Conformance Reports (NCRs). In addition, two (2) Opportunity of Improvements (OFI) were raised.

This public summary contains the general information on the Kapit FMU, the findings of the re-certification audit, NCRs raised as well as the decision on the continued certification of the FMU.

## 2 INTRODUCTION

### 2.1 Name of FMU

Kapit Forest Management Unit

### 2.2 Contact Person and Address

General Manager  
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### 2.3 General Background on the Kapit FMU

The Kapit FMU is managed by the Tanjong Manis Holdings Sdn. Bhd. The organisation is committed in the management of the FMU on a sustainable basis. The Kapit FMU is operating under the Forest Timber License (FTL) No. T/3491 issued to Tanjong Manis Holdings Sdn. Bhd., a subsidiary of Ta Ann Holdings Berhad.

Kapit FMU is located in the southern part of Kapit District. 38% (57,408 ha) of the FMU is located in the Baleh Permanent Forest Reserve while the remaining 62% (92,469 ha) falls under the Stateland Forest.

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

### 2.4 Date First Certified

11 June 2018

### 2.5 Location of the FMU

The FMU is located between latitudes 1° 32' 4.4" N and 2° 00' 7.1" N and longitudes 112° 43' 45.8" E and 113° 20' 30" E.

### 2.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement of the State government. A Forest Management Plan (FMP) covering a period of 2017 to 2026, which subject to a periodic review of every five years had been presented during the audit.

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

The annual allowable cut (AAC) for the FMU had been set at 18.50m<sup>3</sup> ha. During this re-certification audit, the size of the FMU is 149,877 ha. The annual Production Limit approved by the Sarawak Forestry Department (July 2021- June 2022) was 88,536 m<sup>3</sup> (or 7,378 m<sup>3</sup> per month).

## 2.8 Environmental and Socioeconomic Context

The Environmental Impact Assessment has resulted in identification and management of potential impact on endangered, rare and threatened species of flora and fauna (ERT), and the need for biological corridors within the FMU. There are about 28 local settlements located within the FMU area, 24 local settlements located within 3 km radius from the FMU boundary, and 3 local settlements located 4.5 to 5.5 km from the FMU boundary. 90% of workers hired by the forest manager are Malaysian including community members living within and surrounding Kapit FMU.

## 3 AUDIT PROCESS

### 3.1 Audit Dates

29 November to 4 December 2021 (6 man-days)

### 3.2 Audit Team

Mohd Razman Salim (Lead Auditor)  
Ismail Adnan Abdul Malek (Forester)  
Hj Roslee Jamaludin (Forester)  
Dr Samsudin Musa (Sociologist)

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 (Natural Forest)] using the verifiers stipulated for Sarawak.

### 3.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted in November 2021 to solicit feedback from stakeholders on the compliance of the Kapit FMU against the requirements of the MC&I (Natural Forest). The comments by the stakeholders and responses by the audit team are shown in **Attachment 3**.

### 3.5 Audit Process

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

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

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

Consultations were held with the local communities Rh. Lawan and Rh. Ragai which is located within the Kapit FMU, as well as contractors and workers operating in the FMU. The audit team had also held meetings with the officers and the uniformed field staff of the Kapit FMU.

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

The Kapit FMU 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 recertification audit report and sent it to the Kapit FMU for comment. A second draft re-certification audit report which had incorporated the comments received from the Kapit FMU was then prepared and sent to two peer reviewers for independent reviewing. A final recertification audit was prepared after incorporated the comments from peer reviewers.

#### **4 SUMMARY OF AUDIT FINDINGS**

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

The audit team had reviewed, accepted and verified the corrective actions taken by the Kapit FMU to address the 1 major NCR raised during this recertification 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 Kapit FMU's proposed corrective actions to address the 4 minor NCRs. However, these corrective actions shall be verified by the audit team during the next audit.

The audit team had also verified on the corrective actions taken by the Kapit FMU to address the 4 Minor NCRs and 2 OFIs which were raised during the previous audit. The responses made by the audit team leader on these corrective actions and on the final status of the NCRs and OFIs are as in **Attachment 6**.

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through Communities Representatives Committee (CRC). It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the Kapit FMU.

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

As the major NCR raised during this recertification audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Management be awarded to the Tanjong Manis Holdings Sdn. Bhd.'s Kapit FMU be extended for another 3 years.

The summary on the findings of the re-certification audit on the Kapit FMU against the requirements of the MC&I (Natural Forest) are as follows:

Principle	Strengths	Weaknesses
<b>Principle 1 Compliance with Laws and Principles</b>	<p>The Kapit FMU had maintained a legal register with records of all relevant national and local laws and regulations and policies related to forest as stated under the Forestry Department of Sarawak regulations.</p> <p>Forest managers are aware of the international agreements such as the ILO Conventions and other forestry-related agreements.</p> <p>There are no conflicts between Kapit FMU regarding the laws, regulations and the MC&amp;I SFM Principles and Criteria.</p> <p>The Kapit FMU operates under the Forest Timber License (FTL) No. T/3491 issued to Tanjong Manis Holdings Sdn Bhd by the Sarawak State Government.</p> <p>A monitoring plan consists of aerial (helicopter) and ground methods (4WD vehicle) was established to monitor and prevent encroachment and any illegal activities within the FMU.</p> <p>A Sustainable Forest Management policy statement on commitment to forest management of natural resource by implementing the Malaysian Criteria and Indicators (MC&amp;I) for Forest Management Certification (Natural Forest) is publicly on <a href="http://www.kapitfmu.com.my/policy/">http://www.kapitfmu.com.my/policy/</a></p>	
<b>Principle 2 Tenure and Use Rights and Responsibilities</b>	<p>The <i>Forest Timber Licence No. T/3491</i> is subject to annual renewal. The annual renewal was approved by the Forest Department of Sarawak (FDS) until 11 April 2022.</p> <p>A Kapit FMU's "Community Representative Committee" (CRC) was established to serve as a mechanism for village members to address conflicts, requests and communication with the FMU. Members of the CRC include a representative from Sg kapit, Sg Sut, Sg Gaat and Sg Yong's longhouses. The CRC also includes a representative from the FMU and Sarawak Forestry Department to serve as a forum for consultation and to arbitrate social problems and grievances affecting the FMU.</p> <p>The local communities' settlements or 'Shifting Agriculture (SA) land' were identified and demarcated in the 'Forest Zoning Map of Kapit FMU' and 'Annual Coupe of Kapit FMU (T/3491)' document, which are attached in the</p>	

Principle	Strengths	Weaknesses
	<p>FMP and also in the General Harvesting Plan (GP).</p> <p>55 local communities or longhouses within and adjacent to the FMU have been identified and mapped in the 'Location of Settlement at Kapit FMU' map.</p> <p>The FMU had established SOP on 'Communication with Natives' and 'Native Claims and Compensation' to enabled grievances from the natives to be received, rectified and recorded.</p>	<p>A form titled '<i>Borang Aduan</i>' for recording of problems and grievances was not used as per SOP.</p> <p><b>OFI against Indicator 2.3.1 was raised.</b></p>
<p><b>Principle 3 Indigenous People's Rights</b></p>	<p>Map on 'Location of Community Settlement and Shifting Agriculture (SA)' at Kapit FMU is still in use to show locations of longhouses and river within and adjacent to the FMU and the location of Shifting Agriculture (SA) sites.</p> <p>The management and use of shifting agriculture (SA) areas are controlled by the local communities.</p> <p>Any conflicts and grievances are conveyed through Communities Representatives Committee (CRC) as per SOP under the 'Communication with Natives' section.</p> <p>A preventive and mitigation measures to protect community use area, cultural sites and religious site were incorporated in the 'Identification and Management of Protection and Conservation Areas' section of the FMP (2017-2022).</p> <p>The FMU's community liaison officer is responsible in handling of community resource mapping that include present land use, permanent crop land, water catchment, agriculture infrastructure, religious and cultural sites, high conservation value area, and communal use forest. This is as per FMU's procedure on the 'Management and monitoring of native forest related to traditional knowledge and special sites'.</p> <p>A 'Social Awareness' program was implemented by Kapit FMU to protect communities' special sites by mapping and demarcation of such sites. The program also enables the identification of the customary right area for shifting agriculture. The areas were mapped in the 'Customary Right Area Claimed'.</p> <p>Although the FMU haven't involve in use or commercialization of any traditional forest related knowledge, a procedure on "Compensation for commercial utilization of traditional forest related knowledge" and</p>	



Principle	Strengths	Weaknesses
	<p>'Management and monitoring of native forest related traditional knowledge and special sites" were established as guides for a fair and equitable compensation in any use or commercial utilization of traditional forest related knowledge and practices belong to the local communities.</p>	
<p><b>Principle 4 Community Relations and Workers' Rights</b></p>	<p>Various internal and external training (i.e., by Sarawak Timber Association (STA) and Sarawak Forestry Corporation (SFC), related to forest management and logging operation were provided to the staff.</p> <p>The management of Kapit FMU had maintained the employment number with more than 90% of workers consist of Malaysian and local communities living within and adjacent to the FMU.</p> <p>Safety and Health policy was established and well implemented. Posters on Occupational Safety and Health awareness are displayed at the store, camp office, workshop and store. A Safety and Health Officer was appointed to monitor the safety and health issues.</p> <p>All fire extinguishers are functional where pressure &amp; inspection by DOSH for fire extinguisher is valid with expiry period until 2/11/2022. The FMU has monitored by monthly as verified in the monitoring form 'Monitoring of Portable Fire Extinguisher' with latest record dated 24 November 2021.</p> <p>A flowchart on 'Accident Reporting Flowchart' was established to prevent recurrence of the same accident in the future. All accidents were reported to DOSH via MyKKP website within 7 days.</p> <p>Safety equipment (PPE) including safety googles, face mask, gloves, safety boots etc. were in good working conditions. A PPE pictogram such as gloves, respirator, apron, safety boots, etc. was displayed at the working area (workshop, genset room, scheduled waste store, diesel store room, lubricant and petrol room) as safety awareness for the workers.</p> <p>The FMU has established an "Employee Representatives Committee" (Jawatankuasa Perwakilan Pekerja Kapit FMU) to address any grievances raised and for conflict resolution.</p> <p>The "Social Impact Assessment (SIA) Report</p>	<p>Use of mineral water bottle for storing of fuel could be improve by re-labelling the bottle as per requirement in Part VI: Labelling and Relabelling, under the Occupational Safety and Health Act 1994 (Act 514). <b>Thus, an OFI#2 for Indicator 4.2.5 was raised.</b></p> <p>Wages of Indonesian workers were deducted for Advance-Kapit (base camp grocery). No record of request in writing by the workers to request for wage deduction, and no approval from Sarawak Labour</p>

Principle	Strengths	Weaknesses
	<p>June 2017" covering 55 settlements was conducted where results of the SIA were incorporated in the FMP 2017-2026.</p> <p>The Community Representative Committee is used as a mechanism to resolve grievances and compensation for any loss or damage affecting the local communities' legal or customary rights, property, resources, as well as their livelihoods caused by the forest operations.</p>	<p>Department were recorded. <b>Thus, a Minor NCR MRS 01 2021 for Indicator 4.3.3 was raised.</b></p>
<b>Principle 5 Benefits from the Forest</b>	<p>The Forest Management Plan (FMP) for Kapit Forest Management Unit (T/3491) for a period of 5 years was approved on 19<sup>th</sup> August 2021 by the Sarawak Forestry Department. The FMP, had stated the FMU commitment to maintain, restore or enhance the productive capacity and ecological integrity of the FMU to ensure its economic viability.</p> <p>The harvesting activities is based on the "Guidelines for Reduced and Low Impact Logging Systems in Forest Management Certification (Natural Forest); Second edition 2014", (Sarawak FD).</p> <p>The local communities are allowed to gather non-timber forest products for their own consumption as reported by the Social Impact Assessment (SIA) consultant. The locals were collecting forest products such as rattan, and conduct fishing and agriculture activities and cash crops in the FMU. In addition, the Kapit FMU had allocated Shifting Agriculture area (SA) of 27,289.00 ha for the total 55 surrounding Long Houses.</p> <p>The sensitive areas were identified and demarcated in accordance with the FMU procedure for the 'Identification and Demarcation of Buffer Zones for the Protection of Permanent Waterway'.</p> <p>The rate of harvest was calculated to not be greater than the estimated regrowth of the residual stand based on permanent sample plots assessment (within a pre-defined 25 year of cutting cycle), with total productive area of 119,657 ha.</p> <p>The Annual Coupe or sustainable AAC of Kapit FMU is 88,532.6 m<sup>3</sup>/year or 18.5 m<sup>3</sup>/ha, which was determined by the Sarawak Forestry Department.</p>	<p>It was found that the total production of logs for Coupe 2 in 2020 was amounted at 73,311 m<sup>3</sup> covering a total area of 2,738 ha. This has resulted in harvesting rate of 26.78 m<sup>3</sup>/ha, which exceeded the AAC for the FMU of 18.5 m<sup>3</sup>/ha. <b>A Major NCR SM01/2021 for Indicator 5.6.1 was raised.</b></p>

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<p><b>Principle 6 Environmental Impact</b></p>	<p>An EIA for the proposed Timber Harvesting Operation in Kapit FMU under Forest Timber Licence (FTL) No. T/3491, Melekun and Sg. Yong, Kapit Division, Sarawak was conducted as required under the Natural Resources and Environmental Ordinance.</p> <p>The mitigation measures of the potential impacts on endangered, rare and threatened species of flora and fauna (ERT) and the need for biological corridors were described in the HCV Management and Monitoring of High Conservation Value (HCV) document, that include procedures for the identification and protection of rare, threatened and endangered species of flora and fauna, as well as guidelines to establish a representative conservation and protection areas, in accordance with the existing forest ecosystems.</p> <p>The activities of hunting, fishing and collecting in the FMU are controlled by three (3) appointed Honorary Wildlife Rangers. The FMU had also conducted an awareness training/briefing on ERT's and firearms, traps and wild meat hunting activities with the workers.</p> <p>Posters and Leaflets on Endangered Species (Totally Protected Animals of Sarawak, Protected Animals of Sarawak, and Totally Protected Plants of Sarawak), are posted at various locations including camp office, canteen, workshop, workers housing and other strategic areas in the FMU.</p> <p>Awareness briefing on ERTs and HCV to local communities was also conducted during 'Hari Bersama Komuniti' and at the CRC Annual General Meeting (AGM), which was attended by the longhouse representatives. Poster of totally protected flora and fauna was also distributed to Tuai Rumah for displaying at their longhouses.</p> <p>Conservation of genetic, species and ecosystem diversity in the FMU was implemented based on guidelines on 'Conservation of Genetic, Species and Ecosystem diversity in the FMU'.</p> <p>Harvesting was designed by taking consideration on the need for a conservation of biological corridors and buffer zones.</p>	
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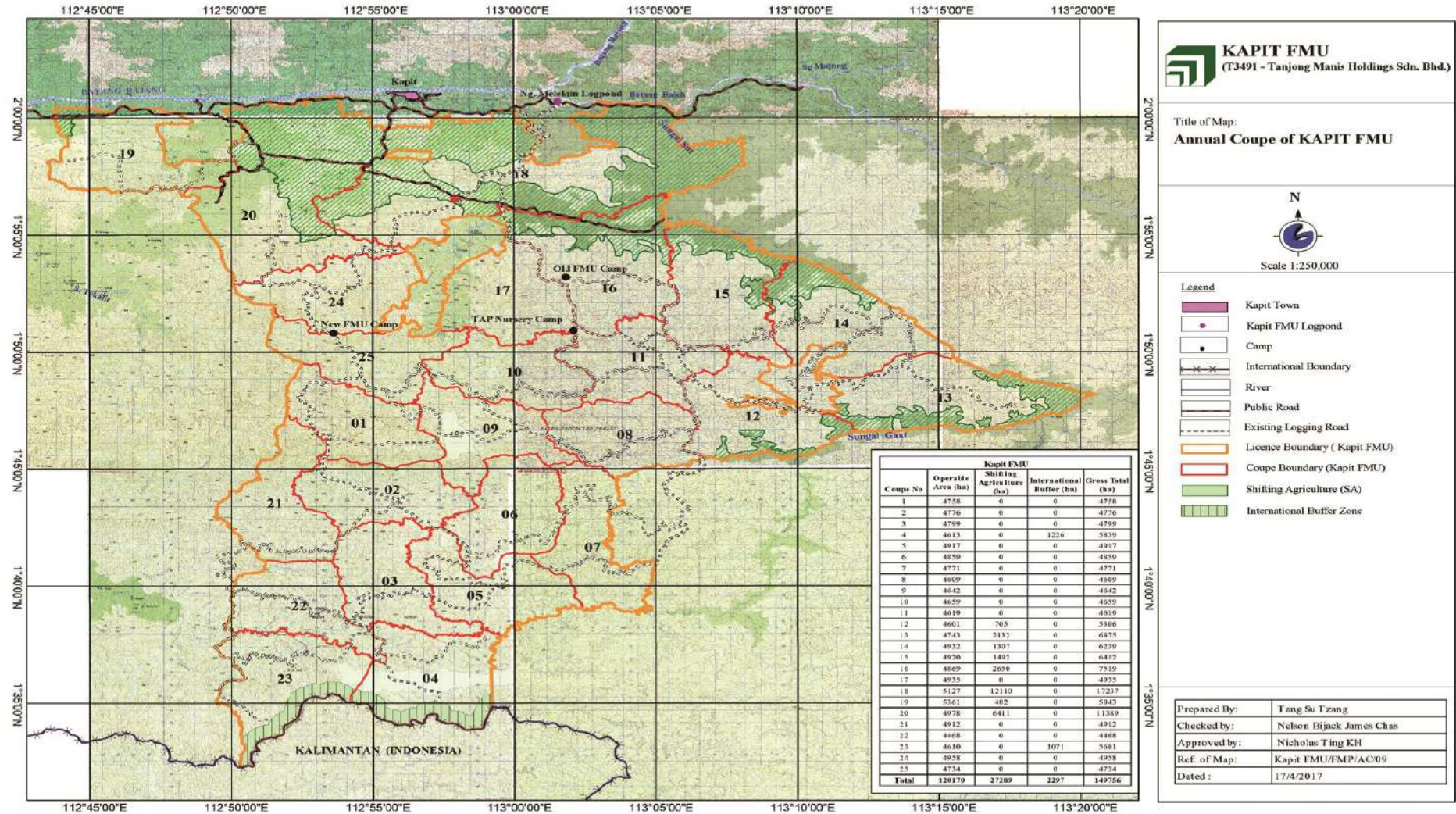
	<p>Representative areas of existing forest ecosystems, appropriate to the scale and intensity of the forest management operations was demarcated and protected in their natural state as per latest revision of the HCVF report.</p> <p>The implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations was in accordance with the “Guidelines for Reduced Impact Logging Systems in Forest Management Certification (Natural Forest) Area, Second Edition, 2014”.</p> <p>Guidelines for forest road lay-out and construction, including log landings and drainage requirements were based on the “Guidelines for Forest Road Layout and Construction, Sarawak Forestry Department”.</p> <p>The management policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides were available and signed by the CEO on 1<sup>st</sup> Feb. 2021.</p> <p>PPE issued to workers (e.g., Apron, Glove, Respirator and etc.) is complied with the Occupational Safety and Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulations 2000.</p> <p>The FMU has notified DOE for all generated scheduled waste. Inventory of scheduled waste was updated as scheduled at <a href="https://eswis.doe.gov.my">https://eswis.doe.gov.my</a></p> <p>There was no usage of biological control agents and exotic species in Kapit FMU. About 29,760 seedlings of Kelempayan has been planted since December 2019 as an enrichment planting.</p> <p>There was no conversion of natural forest or severely degraded forests to plantation or other land use occurred in Kapit FMU.</p>	<p>It was observed that much soil has been scraped and pushed to the sides of the skid trail that caused soil erosion. The damage to the site exposing bare soil was large enough that it could be seen from a distance. Therefore, a <b>Minor NCR SM02/2021 for Indicator 6.5.1</b> was raised.</p>
<b>Principle 7 Management Plan</b>	<p>The Forest Management Plan (2017 – 2026) Rev. 02 for Kapit FMU of FTL No: T/3491 dated May 2021 was approved by the Sarawak Director of Forestry on 19 August 2021, subject to a periodic review of every five years.</p>	

	<p>Training on new scientific and technical information pertinent to the management of the natural forest was attended by SFM Department Officers in year 2021.</p> <p>Various internal training related to forest management and logging operation for the staff and workers were conducted. Training conducted also includes by external agencies such as Sarawak Timber Association (STA).</p> <p>A summary of the primary elements (a) to (i) of Kapit FMU Forest Management Plan (2017-2026) implemented under Indicator 7.1.1 is publicly available at <a href="http://www.kapitfmu.com.my/fmp/">http://www.kapitfmu.com.my/fmp/</a></p>	
<b>Principle 8 Monitoring and Assessment</b>	<p>The FMU monitoring procedure is complied with the Sarawak Forestry Department's document on 'Instructions for the Inspection of Logging Areas 1982' and 'Procedures for the Inspection of Harvesting Areas 1999.</p> <p>The forest manager has also identified and implement a monitoring activity, through internal audit and management review to assess the social, ecological, environmental and economic impacts due to the forest management operations.</p> <p>The Kapit FMU management has appropriately included all relevant information needed to monitor yield of all forest products harvested, composition and observed changes in the flora and fauna, environmental and social impacts of harvesting and other operations, costs and productivity of forest management, as well as growth rates, regeneration and condition of the natural forest and planted forest and tracing of the forest product (logs) from its origin.</p> <p>Public summary of the forest monitoring indicators a) to e) is available at <a href="http://www.kapitfmu.com.my/monitoring/">http://www.kapitfmu.com.my/monitoring/</a></p>	<ol style="list-style-type: none"> <li>1. Site inspection at pre harvesting area in coupe 3AR Block 48 at skid trail MT-1 (FT-1-02), the harvestable tree number were written with strip line/tree no. (e.g 10/22, using slash sign), but in active harvesting area coupe 3AR block 25 and post-harvest area coupe 2AR Block 62 and block 29, the felled tree number were written as strip line tree number (eg. 7.21, using dot sign), and in the Daily Felling Record as dash (-).</li> <li>2. Site inspection in post-harvest area in coupe 2AR at Block 62, at FT-1-1 1 found that the harvestable tree tag on stump has faded and difficult to identify the tree number.</li> <li>3. The documentation review for CoC at the Collection and Distribution Centre (CDC) at Sungai Melekun, found that 4 species recorded in the field ("100% Enumeration Field Data Form" and Daily Felling Record") were difference from what is recorded at CDC ("Daily Production Return", "Log Specification Form" (Assessment), "Log Specification Form (Transit)").</li> </ol> <p><b>Minor NCR RJ01/2021 for Indicator 8.3.1</b> was raised.</p>
<b>Principle 9 Maintenance of High Conservation Values</b>	<p>Reports on the proposed HCVFs assessment from relevant stakeholders was done in December 2015, organized by the Sarawak Forestry Department.</p> <p>The HCVF is reported in the "Assessment of High Conservation Values Areas Within Kapit FMU" document. The FMU has demonstrated that the identified HCVs are protected, managed and monitored as stated in the FMP 2017-2022.</p>	

	<p>Consultative meeting with local communities was conducted at the CRC Annual General Meeting (AGM), which was attended by the communities' heads and members as well as the longhouse representatives.</p> <p>An awareness briefing on ERTs and HCV to local communities was conducted during "Hari Bersama Komuniti".</p> <p>Specific measure was outlined in the Kapit FMP for recognizing HCV areas in the form of map entitled "HCV attributes Identified in Kapit FMU". It was also stated in the FMU's online public summary at <a href="http://www.kapitfmu.com.my/hcv/">http://www.kapitfmu.com.my/hcv/</a>.</p>	<p>The protection of HCV 1.2 – Threatened and endangered species as well as HCV 1.3 – Endemic species for 11 species fauna was found to be inadequate. Measures to protect these species during forestry operations are not possible as the staff involved are not able to identify many of these species. Current identification of tree species is not undertaken to species level for the FRA plots as well as for the comprehensive harvesting plans. As such the trees if present in forest harvesting areas may not be protected. <b>A Minor NCR SM 03/2021 for Indicator 9.2.2 is raised.</b></p>
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# Map of Kapit FMU



## Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Mohd Razman Salim	Assessment Team Leader / Forester	<p><u>Academic Qualification:</u></p> <p>B.Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p><u>Work Experience:</u></p> <p>Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). Participate in organizing committee member, division level activities and projects. Coordinate and collaborate a long-term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local &amp; international) and NGOs. Published and presented research findings at the seminars and conferences. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2013. Involved in conducting assessments on forest management certification [MC&amp;I (Natural Forest)] &amp; [MC&amp;I (Plantations)], MYNI of RSPO P&amp;C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p><u>Training / Research Areas:</u></p> <p>Has attended and passed in the following training programmes:</p> <ul style="list-style-type: none"> <li>• Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&amp;I (Natural Forest)] &amp; [MC&amp;I (Plantations)] organized by MTCC, 1-4 December 2013.</li> <li>• EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013.</li> <li>• OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013.</li> <li>• QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.</li> </ul>
Ismail Adnan Abdul Malek	Assessor/ Forester	<p><u>Academic Qualification:</u></p> <p>Master of Forestry, University of British Columbia, Canada</p> <p><u>Work Experience:</u></p> <p>One year (1974-1975) experience as Sub Assistant Conservator of Forest at the Pahang Forest Department, involved with Forest Administration/Management and Enforcement. Next, seven years (1979-1986) experience as Forest Officer/Logging Superintendent at Syarikat Jengka Sdn. Bhd (SJSB), an integrated timber complex in Pahang. Responsible for Forest Licensing/ Administration, Forest Mapping, Road Construction and Logging Operations. Senior Lecturer at the Forestry Faculty, Universiti Putra Malaysia (UPM) from 1986 to 2014. Responsible for teaching and research in Forest Mensuration, Forest Survey, Forest Road, GIS/Remote Sensing and Forest Mapping. Responsible for academic supervision of more than 100 Bachelor/Master/Phd students in their research and thesis writing.</p>



		<p>Own research at UPM include various areas such as forest mapping using geo spatial tools, forest inventories, forest harvesting and forest management system (SMS). Also involved with consultancy works which include RPH development and Forest Mapping. Participate in organizing local/international seminars on Forestry areas. Published and presented research findings at seminars/conferences and journals. Currently as Auditor at the Food, Agriculture and Forestry /ion (FAF), SIRIM QAS International Sdn Bhd, since 2016. Involved in conducting assessments on forest management certification MC&amp;I (Natural Forest) &amp; MC&amp;I (Forest Plantations).</p> <p><u>Training / Research Areas:</u></p> <ul style="list-style-type: none"> <li>• Auditor Training Course on MC&amp; I (Natural Forest) and MC&amp;I (Forest Plantation V2), 9th-10th July 2015, SIRIM QAS International Sdn Bhd</li> <li>• ISO 14001:2004 Lead Assessor Training, 23rd-27th Nov 2015, SIRIM Training Services Sdn. Bhd</li> <li>• Training on Auditing Techniques, 26th January 2016, SIRIM QAS International Sdn Bhd</li> </ul>
Hj.Roslee Jamaludin	Auditor	<p><u>Academic Qualification:</u></p> <p>B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma in Forestry, Mara Institute of Technology, Malaysia.</p> <p><u>Work Experience:</u></p> <p>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&amp;I for forest certification. A member of MAJURUS was appointed as an Internal Auditor for the MC&amp;I. Has attended several forestry Conference overseas and local. A member of IRIM (Institut Rimbawan Malaysia). Appointed as a facilitator and trainer for Forest Road Guidelines by Forestry Department Peninsular Malaysia.</p> <p><u>Training / Research Areas:</u></p> <ul style="list-style-type: none"> <li>• Had Attended and Passed the following Training programmes:</li> <li>• Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&amp;I (Natural Forest)] &amp; [MC&amp;I (Plantations)] organised by MTCC, 9 – 10 July 2015</li> <li>• EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 Nov. – 27 Nov. 2015.</li> <li>• Briefing on RSPO Principle &amp; Criteria (HCV) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 21 August 2015.</li> <li>• Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 26 Jan 2016.</li> </ul>

		<ul style="list-style-type: none"> <li>• FMC Workshop 28<sup>th</sup> -29<sup>th</sup> November 2017</li> <li>• FMC Workshop for 2018 organised by SIRIM (Food, Agri &amp; Forestry) 22 November 2018</li> <li>• COC Workshop 2018 organised by SIRIM 26 November 2018</li> <li>• Auditor Training Course on PEFC Chain of Custody Certification organized by MTCC on 19<sup>th</sup> -20<sup>th</sup> December 2018.</li> <li>• MSPO Training Course 16-17 Feb 2019 organised by SIRIM</li> <li>• Forest Management Certification (FMC) Workshop' for 2019 on 25 &amp; 26 June 2019 organised by SIRIM QAS (Food, Agri &amp; Forestry Section).</li> <li>• CoC Workshop for 2019 on 27/6/2019 organised by SIRIM QAS (Food, Agri &amp; Forestry Section).</li> </ul>
Dr. Samsud in Musa	Auditor	<p>Dr. Samsudin bin Musa is a Senior Research Officer at the Forest Research Institute of Malaysia (FRIM) since 1997. He graduated in 1984 with a B Sc. Forestry from the University Putra Malaysia and has completed his PhD studies in Universiti Kebangsaan Malaysia (UKM) in 2011. From 1993 to 1997 he was the Forest Inventory Officer at the Forestry Department Headquarters, Peninsular Malaysia. Prior to that, he was the Head of Inventory Unit of the ASEAN Institute of Forest Management in Kuala Lumpur from 1987 to 1993. His area of expertise include silviculture, climate change and forest certification.</p> <p>He was involved in the following forest management/chain-of-custody certification training programmes:</p> <p>Workshop on Forest Management Certification, Institut Penyelidikan Perhutanan Malaysia, Kepong. (12-13 December 1996). – Resource person</p> <p>XXI IUFRO Pre-Congress Workshop on Sustainable Forest management and Criteria &amp; Indicators, FRIM, Kepong, Malaysia (1-4 August, 2000) – Resource person</p> <p>Workshop on Methodologies for Assessing Forest Biodiversity and Estimating its Recovery. Kuala Lumpur, Malaysia (30-31 October, 2001). – Resource person</p> <p>Training in Forest Management Certification by Scientific Certification System, SIRIM, February 2000, Shah Alam, Selangor</p> <p>Quality Assurance Auditor/Lead Auditor Training Course and Examination, 25-29 March 2003, Moody International Certification., FRIM, Kepong, Selangor</p> <p>Forest Management Certification Procedures, SIRIM QAS, 19 February 2009, Shah Alam, Selangor</p> <p>ISO 14001:2004 EMS Lead Auditor Training Course under SIRIM Training Services Sdn Bhd, 2-6 March 2009</p> <p>Auditor Training Course on MC&amp;I 2002, 30 March – 2 April 2002 by MTCC, Kuala Lipis, Pahang</p> <p>His auditing experiences include the following:</p> <p>Conducted by SIRIM QAS International against the MC&amp;I (2002), 9-13 April 2007</p> <p>Lead Auditor in Field Tests of MC&amp;I (2002) in Sarawak FMU for the Malaysian Timber Certification Council.</p>

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

No.	Comments/Issues Raised	Response by Audit Team
1	<p>Pematuhan dari aspek perundangan di bawah kuasa Jabatan Keselamatan dan Kesihatan Pekerjaan (AKJ 1964 dan AKKP 1994. Sila pastikan jentera bersijil didaftarkan (crawler crane, air receiver, dsb jika ada). Pengendali crawler crane perlu mempunyai kompetensi dan perlu berdaftar dengan JKKP.</p>	<p>The FMU has complied on the requirements of Factory and Machinery Act 1964 and Occupational Safety and Health 1994.</p> <p>Certificate of fitness from DOSH for air compressor <i>Lesen Air Receiver / Pengandung Tekanan Tak Berapi</i> were made available and valid as below:</p> <ol style="list-style-type: none"> <li>1) Air compressor – SW PMT 10933 still valid up to 10/6/2022</li> <li>2) Air compressor – SW PMT 10953 still valid up to 10/6/2022</li> <li>3) Air compressor – SW PMT 10865 still valid up to 10/6/2022</li> </ol> <p>Crawler crane was not used by the FMU for forest harvesting operation as verified by auditor.</p>

## Recertification Audit Plan

DAY	TIME	PROGRAM			
		AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)	AUDITOR 3 (Hj Roslee)	AUDITOR 4 (Dr Samsudin)
<b>Sunday</b> <b>28/11/2021</b>		<ul style="list-style-type: none"> <li>Travel from KLIA to Sibul - MH2712 (8:35 – 10:30)</li> <li>Travel to Engkeramuh Base Camp, Kapit FMU</li> </ul>			
<b>Day 1</b>  <b>Monday</b> <b>(29/11/2021)</b>	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Hj Roslee)</b>	<b>AUDITOR 4 (Dr Samsudin)</b>
		<ul style="list-style-type: none"> <li>Opening Meeting with representatives of FMU</li> <li>Briefing session by Forest Manager on progress of forest activities</li> <li>Evaluation of changes to the management of the FMU</li> <li>Check on complaints, stakeholder comments and follow-up actions with Government agencies and NGOs</li> <li>Evaluate on internal audit and management review</li> </ul>			
		Documentation and records review <ul style="list-style-type: none"> <li>Principle 1 – Compliance with Laws and Principles</li> <li>Principle 4 - Community Relations and Worker's Right</li> <li>Principle 7 – Management Plan</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 2 – Tenure and Use Rights and Responsibilities</li> <li>Principle 3 – Indigenous Peoples' Right</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 5 – Benefits from the forest</li> <li>Principle 6 – Environmental Impact</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 8 – Monitoring and Assessment</li> <li>Principle 9 – Maintenance of High Conservation Value Forests</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 1 Findings by Audit Team Leader</li> </ul>			
<b>Day 2</b>  <b>Tuesday</b> <b>(30/11/2021)</b>	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Hj Roslee)</b>	<b>AUDITOR 4 (Dr Samsudin)</b>
		<ul style="list-style-type: none"> <li>Consultation with stakeholders – Meeting with CRC representative</li> <li>Inspection of licence boundary at Northern part of FMU (Coupe 18) i)LPF/0010 ii)Pasin FMU</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with CRC representatives</li> <li>Consultation with local community – Sg. Kapit</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of pre-harvesting area (Coupe 03AR &amp; Coupe 04AR)</li> <li>Inspection of active harvesting area (Coupe 03AR)</li> <li>Inspection of riparian buffer</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of PSP #14 – SU15 (Coupe 24AR)</li> <li>Inspection of HCV #1 - Terrain IV (Coupe 03AR)</li> <li>#2 – Salt lick (Coupe 01AR)</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 2 Findings by Audit Team Leader</li> </ul>			

<b>Day 3</b>  <b>Wednesday</b>  <b>(1/12/2021)</b>	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Hj Roslee)</b>	<b>AUDITOR 4 (Dr Samsudin)</b>
		<ul style="list-style-type: none"> <li>Inspection of External Boundary:               <ol style="list-style-type: none"> <li>South boundary to RH Forest Corporation LPF/0028 (Coupe 03AR)</li> <li>External boundary T3400/STIDC (Coupe 12)</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Consultation with local community – Sg Sut</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of post harvesting &amp; enrichment planting (Coupe 02AR)</li> <li>Sg. Sengkabang &amp; Sg. Ensurai (Coupe 02AR)</li> <li>Riparian buffer (Coupe 03AR)</li> <li>Post-F assessment (Coupe 02AR)</li> </ul>	<ul style="list-style-type: none"> <li>Post-harvesting area (Coupe 02AR)</li> <li>Terrain IV (Coupe 25)</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 3 Findings by Audit Team Leader</li> </ul>			
<b>Day 4</b>  <b>Thursday</b>  <b>(2/12/2021)</b>	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Hj Roslee)</b>	<b>AUDITOR 4 (Dr Samsudin)</b>
		<ul style="list-style-type: none"> <li>Base camp inspection – diesel storage, lubricant store, SW store, workshop, housing, genset, nursery and chemical store</li> <li>Consultation with contractors and workers</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with Kapit Land &amp; Survey Department and other govt agencies.</li> <li>Consultation with local community – Sg Yong &amp; Sg Gaat</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of CoC               <ol style="list-style-type: none"> <li>Place of Royalty Marking (PoRM)</li> <li>Ng. Melekun Collection and Distribution Centre (CDC)</li> </ol> </li> </ul>	
		<ul style="list-style-type: none"> <li>Review of Day 4 Findings by Audit Team Leader</li> </ul>			
<b>Day 5</b>  <b>Friday</b>  <b>(3/12/2021)</b>	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Hj Roslee)</b>	<b>AUDITOR 4 (Dr Samsudin)</b>
		Documentation and records review <ul style="list-style-type: none"> <li>Principle 1 – Compliance with Laws and Principles</li> <li>Principle 4 - Community Relations and Worker's Right</li> <li>Principle 7 – Management Plan</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 2 – Tenure and Use Rights and Responsibilities</li> <li>Principle 3 – Indigenous Peoples' Right</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 5 – Benefits from the forest</li> <li>Principle 6 – Environmental Impact</li> </ul>	Documentation and records review <ul style="list-style-type: none"> <li>Principle 8 – Monitoring and Assessment</li> <li>Principle 9 – Maintenance of High Conservation Value Forests</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 5 Findings by Audit Team Leader</li> </ul>			
<b>Day 6</b>		<b>AUDITOR 1</b>	<b>AUDITOR 2</b>	<b>AUDITOR 3</b>	<b>AUDITOR 4</b>

		(Razman)	(Ismail)	(Hj Roslee)	(Dr Samsudin)
<b>Saturday</b> <b>(4/12/2021)</b>	8.00 am – 1.00 pm	<ul style="list-style-type: none"> <li>• Continue documentation and records review</li> <li>• Audit team discussion and preparation of audit finding and reports</li> </ul>			
	2.00 – 5.00 pm	<ul style="list-style-type: none"> <li>• Closing meeting</li> <li>• Hj Roslee &amp; Dr Samsudin travel from base camp to Sibu</li> <li>• Overnight at Kingwood Hotel</li> <li>• Dr Samsudin travel from Sibu to KLIA (<b>Sunday; 5/12/2021 – AirAsia 9:35-11:30</b>)</li> </ul>			

## Details on NCRs and OFIs Raised During this Re-certification Audit and Corrective Actions Taken

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.3.3	Minor  NCR: MRS01/2021	<p><b>Requirement:</b> <b>Indicator 4.3.3</b> - The right of workers to employment benefits and social protection is assured under applicable laws and/or regulations.</p> <p>Labour Ordinance Sarawak 1952 (Ch. 76) <b>114. Lawful deductions.</b> (4) The following deductions shall not be made except at the request in writing of the employee and with the prior permission in writing of the Director: (d) deductions in respect of payments for the purchase by the employee of any goods of the employer's business offered for sale by the employer;</p> <p><b>Finding:</b> No request in writing of the employee and prior permission from Sarawak Labour Department for wage deduction.</p> <p><b>Objective evidence:</b> Wages of Indonesian workers were deducted for 'Advance-Kapit' (base camp grocery) as verified in the payslip for August, September and October 2021 for Hookman (KAF026 &amp; KAF013) and Tractor Operator (KAF007). Based on consultation with these workers, they have agreed and permitted their employer to deduct their monthly wage for the advance. However, no</p>	<p><b>Result of investigation and determination of root cause:</b></p> <ul style="list-style-type: none"> <li>• Employer only obtained verbal consent to deduct employee wages to recover of advance of wages.</li> <li>• Employer thought that such deduction is lawful under section 114. (2) (c).</li> </ul> <p><b>Correction and corrective action plan including completion date:</b></p> <ul style="list-style-type: none"> <li>• The FMU to prepare form for employee to request for cash advance complete with consent to allow employer to deduct their wage for the recovery of advance of wages made with no interest.</li> <li>• Employer to consult Labour department on the detailed requirement for cash advance. If permit is</li> </ul>	<p>Corrective action plan was received on 11 December 2021. Audit team has accepted the corrective action plan.</p> <p><b>Status:</b> <b>Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

		record of request in writing of the employee for their employer for wage deduction, and no approval from Sarawak Labour Department.	required, employer shall apply for permit from labour department.	
<b>Indicator 5.6.1</b>	<b>Major NCR: SM01/2021</b>	<p><b>Requirement: Indicator 5.6.1</b> - Rate of harvest shall not be greater than estimated regrowth of the residual stand based on permanent sample plots within a pre-defined cutting cycle (NF).</p> <p><b>Finding:</b> The rate of harvest in Coupe 2 was found to be greater than the AAC for the FMU in 2020.</p> <p><b>Objective evidence:</b> The AAC for total volume of timber removal for the FMU determined by the Forestry Department in April 2019 was 18.5 m<sup>3</sup>/ha or 88, 532.6 m<sup>3</sup> per annum. It was found that the total production of logs for Coupe 2 in 2020 amounted to 73,311 m<sup>3</sup> covering an area of 2,738 ha. This gave a harvesting rate of 26.78 m<sup>3</sup>/ha. This has exceeded the AAC for the FMU which was 18.5 m<sup>3</sup>/ha. The high harvesting rate will have significant implication on the sustainability and productivity of the residual stand.</p>	<p><b>Result of investigation and determination of root cause:</b></p> <ul style="list-style-type: none"> <li>The FMU monitor its compliance to AAC on annual basis in the month of December.</li> <li>Due to the long monitoring interval, this cause gap in monitoring has resulted FMU exceeded its AAC for coupe 2 in 2020.</li> </ul> <p><b>Correction and corrective action plan including completion date:</b></p> <ul style="list-style-type: none"> <li>To shorten the compliance of AAC monitoring period from annual basis to quarterly basis for upcoming coupe.</li> <li>Checks on AAC compliance on current year operational Coupe 03AR reviewed that average production year-to-date Oct 2021 is at 18.15m<sup>3</sup>/ha.</li> </ul>	<p>It seems that the AAC for Coupe 03AR has reduced significantly compared to Coupe 02AR and has not exceeded the approved AAC of 18.5m<sup>3</sup>/ha. The proposal to monitor the AAC on a quarterly basis is good as it will enable better control of wood production by the FMU and ensure that it does not exceed the approved AAC. It is also good to review the current AAC based on updated data from PSP.</p> <p><b>Status:</b></p> <p><b>The Major NCR raised was closed. The implementation and compliance on AAC for future harvesting area, Coupe 04AR, will be monitored in the next audit.</b></p>



			<ul style="list-style-type: none"> <li>• To review existing FRA/PSP data and collect new PSP data</li> <li>• To re-generate AAC based on the new information gathered from PSP.</li> </ul>	
<b>Indicator 6.5.1</b>	<p><b>Minor</b></p> <p><b>NCR: SM02/2021</b></p>	<p><b>Requirement: Indicator 6.5.1</b> - Availability and implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations (NF).</p> <p><b>Finding:</b> The construction of the skid trail at Coupe 2 Block 61 resulted in too much earthworks and did not adhere to the RIL Guidelines for Ground based harvesting system.</p> <p><b>Objective evidence:</b> It was found that the construction of skid trail in Coupe 2 Block 61 had resulted in excessive earthworks. It was observed that much soil has been scraped and pushed to the sides of the skid trail which will result in soil erosion. The damage to the site exposing bare soil was large enough that it could be seen from a distance.</p>	<p><b>Result of investigation and determination of root cause:</b></p> <ul style="list-style-type: none"> <li>• Scraping of soil on skid trail and pushing of soil to the sides of skid trail was caused by log extraction during monsoon seasons and opening of excavator winching platform.</li> <li>• Construction of winching platform is to secure and stabilise excavator footing during log winching operation.</li> </ul> <p><b>Correction and corrective action plan including completion date:</b></p> <ul style="list-style-type: none"> <li>• To conduct refresher training on Reduced Impact Logging (RIL) on the do and don't during harvesting operation.</li> <li>• To minimise scraping and</li> </ul>	<p>Corrective action plan was received on 11 December 2021. Audit team has accepted the corrective action plan.</p> <p><b>Status:</b> <b>Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

			pushing of soil during harvesting/log extraction.	
<b>Indicator 8.3.1</b>	<b>Minor</b>  <b>NCR: RJ01/2021</b>	<p><b>Requirement: Indicator 8.3.1</b> - Forest managers shall provide relevant documents to ensure that all forest products leaving the certified area can be identified (including volumes and types) so that their origin can be determined. Specific claims to communicate the origin of products are specified in <b><u>APPENDIX B</u></b>.</p> <p><b>Finding:</b></p> <ol style="list-style-type: none"> <li>1. Inconsistency in recording the tree number for harvestable tree tags.</li> <li>2. The tree number and other information on harvestable tree tag on stump has faded and difficult to identify.</li> <li>3. The tree species recorded in the field for harvestable trees as in the "100% Enumeration Field Data Form" were difference as recorded in the document at CDC.</li> </ol> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>4. Site inspection at pre harvesting area in coupe 3AR Block 48 at skid trail MT-1 (FT-1-02), the harvestable tree number were written with strip line/tree no. (e.g 10/22, using slash sign), but in active harvesting area coupe 3AR block 25 and post-harvest area coupe 2AR Block 62 and block 29, the felled tree number were written as strip line.tree number (eg. 7.21, using dot sign), and in the</li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <ul style="list-style-type: none"> <li>• The existing SOP does not address the requirement on the format to write tree number format on tree tag, enumeration record and also daily felling record.</li> <li>• Harvestable tree tag faded as the tag has been written during enumeration in 2018 and harvested in 2019. Verification of tag was done in 2021. Some written information on tags has faded after 4 years of weathering since 2018.</li> <li>• RevLOG (FDS CoC system) group species up to genus level and some species was found to be wrongly identified by new surveyor.</li> </ul> <p><b>Correction and corrective action plan including completion date:</b></p>	<p>Corrective action plan was received on 11 December 2021. Audit team has accepted the corrective action plan.</p> <p><b>Status:</b></p> <p><b>Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

		<p>Daily Felling Record as dash (-).</p> <p>5. Site inspection in post-harvest area in coupe 2AR at Block 62, at FT-1-1 1 found that the harvestable tree tag on stump has faded and difficult to identify the tree number.</p> <p>6. The documentation review for CoC at the Collection and Distribution Centre (CDC) at Sungai Melekun, it was found that 4 species recorded in the field ("100% Enumeration Field Data Form" and Daily Felling Record") were difference as recorded at CDC ("Daily Production Return", "Log Specification Form" (Assessment), "Log Specification Form (Transit)"). The four (4) species recorded were as follows;</p> <p>i. Tree stump no. 10/25 species recorded in the field as Rehu, recorded as Asam at CDC.</p> <p>ii. Tree stump no. 10/26 species recorded in the field as Kasai, recorded as Ubah at CDC</p> <p>iii. Tree stump no. 6/37 species recorded in the field as Kumpang, recorded as Nyatoh at CDC.</p> <p>iv. Tree stump no. 6/26 species recorded in the field as Keruing, recorded as Asam at CDC.</p>	<ul style="list-style-type: none"> <li>• To review SOP and standardise the tree tag numbering format, followed by training and implement the new SOP.</li> <li>• To review the tagging system to ensure that the tree info does not fade over time.</li> <li>• To conduct refresher training for Tree Identification for new surveyors.</li> </ul>	
<b>Indicator 9.2.2</b>	<p><b>Minor</b></p> <p><b>NCR: SM03/2021</b></p>	<p><b>Requirement:</b></p> <p><b>Indicator 9.2.2</b> Forest managers shall demonstrate that the forest management operations protect areas of high conservation value in the FMU</p>	<p><b>Result of investigation and determination of root cause:</b></p> <ul style="list-style-type: none"> <li>• Surveyors unable to identify some of the reported</li> </ul>	<p>Corrective action plan was received on 11 December 2021. Audit team has accepted the corrective action plan.</p>

		<p><b>Finding:</b> HCV 1.2 and 1.3 for FMU were not adequately protected from forest management operations in the FMU</p> <p><b>Objective evidence:</b> Measure for protection of HCV 1.2 – Threatened and endangered species as well as HCV 1.3 – Endemic species for 11 species flora was found to be inadequate. Measures to protect these species during forestry operations are not possible as the staff involved are not able to identify many of these species. The location of the species within the FMU is not known. Current identification of tree species are not undertaken to species level for the FRA plots as well as for the comprehensive harvesting plans. As such the trees if present in forest harvesting areas may not be protected.</p>	<p>RTE/endemic species during pre-harvest inventory and FRA</p> <p><b>Correction and corrective action plan including completion date:</b></p> <ul style="list-style-type: none"> <li>• To conduct training for the identification of the reported RTE/Endemic species.</li> <li>• To protect the RTE/Endemic species during harvesting.</li> </ul>	<p><b>Status:</b> <b>Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>
Indicator 2.3.1	OFI #1	<p><u><b>Availability of appropriate mechanisms to resolve disputes over tenure claims and use rights</b></u></p> <p>The form titled '<i>Borang Aduan</i>' provided was not used as per procedure. Only hard copy of complaint/request from villagers were found at the FMU base camp office. The SOP should be used for:</p> <ol style="list-style-type: none"> <li>1. Recording of grievances and request (either verbally or in writing) from the natives onto the form by the FMU CM either directly or as attachment to the form.</li> </ol>	No corrective action plan required.	<p><b>Status:</b> <b>The implementation will be verified during next audit.</b></p>

		<p>2. The form to be used for CM or GM acknowledgement and decision on the grievance/complaints.</p> <p>3. Recording of the CM or GM decision in the resolution of the grievance/request.</p> <p>4. Recording of the acknowledgement of the natives being informed of the CM or GM decision in the resolution of their grievance/request to the FMU.</p>		
Indicator 4.2.5	OFI #2	<p><b><u>Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials.</u></b></p> <p>The use of mineral water bottle for storing fuel could be improve by re-labelling the bottle as a requirement in Part VI:Labelling and Relabelling under Occupational Safety and Health Act 1994 (Act 514).</p>	No corrective action plan required.	<p><b>Status:</b></p> <p>The implementation will be verified during next audit.</p>

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

Indicator	Specification Major/Minor/ OFI	Details of Non-conformances	Corrective Action Taken	Verification by Assessor
1.1.1	Minor  NCR: MRS01/2019	<p><b>Requirement:</b> <b>Indicator 1.1.1</b> Records and availability of up-to-date applicable federal, state and local laws, and regulations and policies, in particular those related to forest management</p> <p><b>Finding:</b> Storage of diesel without permit from related government authority agencies.</p> <p><b>Objective evidence:</b> Permit for diesel storage with capacity 36,000 liters at Sg. Engkeramuh base camp was not available during audit.</p>	<p>The FMU site management has submitted application to the authorities concerned for the application of permit for storage of diesel at Sg Engkeramuh Base Camp.</p> <ul style="list-style-type: none"> <li>Attached are application to Balai Bomba dan Penyelamat Kapit for Permohonan Sokongan Perlesenan for Diesel Storage at Sg Engkeramuh Base Camp.</li> <li>Once surat sokongan has been obtained, the FMU shall apply from KPDNHEP for storage permit.</li> <li>Expected completed date 6 months.</li> </ul>	<p>Permit for diesel storage tank (160,000 liters) at Melekun Camp Logpond (Q001038) and Engkeramuh Camp (Q001043) are made available. Both permits are still valid until 3 May 2022 and 31 May 2022.</p> <p><b>Status: Closed</b></p>
1.5.1	Minor  NCR: IAM01/2019	<p><b>Requirement:</b> <b>Indicator 1.5.1</b> Availability of legal provisions for the establishment and protection of the permanent reserved</p>	<ul style="list-style-type: none"> <li>In the remaining of 2019, the FMU targeted to consult at</li> </ul>	<p>On the joint identification and demarcation of Kapit FMU external and community use area boundary, audit team</p>

		<p>forest in the forest management unit (FMU)</p> <p><b>Finding:</b> Joint identification and demarcation of Kapit FMU Northern external and community use area boundary for 2018 was not fully implemented</p> <p><b>Objective evidence:</b> Verification of document and site inspection of SA areas found:</p> <ol style="list-style-type: none"> <li>1. Only Rh Ikau and Rh Bundong were consulted for Joint identification and demarcation of Kapit FMU Northern external and community use area boundary but the other longhouses at Sg Kapit, Sg Yong and Sg Balleh &amp; Sut were not consulted.</li> <li>2. Tentative schedule for joint identification and demarcation of Kapit FMU Northern external and community use area boundary for 2018 was not fully implemented</li> </ol>	<p>least 3 settlements commencing from settlement located along Sg Sut as they are the directly affected local communities on our current harvesting operation in Coupe 1.</p> <ul style="list-style-type: none"> <li>• In 2020 and onwards, the FMU shall progressively consult at least 4 settlements per annum</li> </ul>	<p>has verified schedule for consultation with local communities from 2019 to 2030 titled 'Tentative Schedule for Consultation, Identification and Joint Demarcation of Kapit FMU External and Community Use Area Boundary'. For year 2019, the FMU had consulted Rh. Johny Anak Nyengat, Rh. Ragai Anak Ubong and Rh. Manok Manchal Ak Sibat. While for year 2020 for Rh. Osmond Minggan Ak Engin, Rh. Bundong Ak Tajok and Rh. William Unchat. The joint demarcation and consultation with local community for year 2021 was postponed due to MCO and pandemic Covid-19. The FMU has planned to resume this program in year 2022.</p> <p><b>Status: Closed</b></p>
4.1.1	<p>Minor</p> <p>NCR: LYD01/2019</p>	<p><b>Requirement:</b> <b>Indicator 4.1.1</b> Forest managers provide appropriate support for training, retraining, local infrastructure, facilities and social programmes that commensurate with the scale and intensity of forest management operations.</p> <p><b>Finding:</b> Refresher course has not been conducted as per Annual Training Plan 2018</p> <p><b>Objective evidence:</b></p>	<p>Implementation of any formal and informal training and retraining in the FMU based on the annual training plan that has been approved for 2019 shall be recorded.</p>	<p>Verified training record for Internal Training Program which have been conducted in year 2020 and 2021.</p> <p><b>Status: Closed</b></p>

		<p>Refresher course has not been conducted as per Annual Training Plan 2018:</p> <ol style="list-style-type: none"> <li>1. Safety and Health Aspects of Forest Operations.</li> <li>2. Dissemination of Law and Regulation.</li> <li>3. Waste Management</li> <li>4. Conservation and Ecosystem.</li> <li>5. Security (Patrolling etc.)</li> <li>6. Monitoring of Social, Ecological, Environmental, Economic Impact.</li> <li>7. Implementation of Forest Management Plan.</li> <li>8. Management of Employees Grievances</li> <li>9. Logs Chain of Custody (CoC) &amp; Field Training.</li> <li>10. Forest Resource Assessment (FRA) Permanent Sampling Plot (PSP).</li> </ol>		
<b>4.2.3</b>	<b>OFI #1</b>	<p><u>Requirement 4.2.3</u>  <u>Appropriate safety and operational equipment in good working condition, including.</u>  <u>operational procedures, shall be made available to forest workers in the work place.</u></p> <p>Safety of workers in Skid House can be improved if all skid houses are provided with appropriate Fire Extinguishers.</p>	Not required	<p>All fire extinguishers are functional where pressure &amp; inspection by DOSH for fire extinguisher is valid until 2/11/2022. The FMU has monitored by monthly as verified in the monitoring form 'Monitoring of Portable Fire Extinguisher' with latest record dated 24 November 2021. All working area including skid house/towing house are provided with fire extinguisher.</p> <p><b>Status: Closed</b></p>
<b>4.2.4</b>	<b>OFI#2</b>	<p><u>Requirement 4.2.4 Forest managers shall maintain up-to-date safety records in compliance with all applicable laws and/or</u></p>	Not required	<p>The FMU has recorded 7 accidents in 2020 and 6 accidents in 2021 (January – November). These accidents have been</p>



		<p><u>regulations covering health and safety of forest workers.</u></p> <p>Reporting of accidental to JKKP/DOSH can be further improved in timely manner as per NADOPOD Regulation 2004 (Regulation 5. Notification and reporting of accident and dangerous occurrence. - within 7 days).</p>		<p>reported to DOSH via MyKKP website within 7 days.</p> <p><b>Status: Closed</b></p>
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