



**PUBLIC SUMMARY  
SURVEILLANCE 2 AUDIT ON  
RAPLEX FOREST MANAGEMENT UNIT  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC-NF 00122  
Date of First Certification: 28 June 2019  
Audit Date: 13 - 17 December 2021  
Date of Public Summary: 23 March 2022**

**Certification Body:**

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

## TABLE OF CONTENTS

	Page No.
EXECUTIVE SUMMARY .....	3
2 INTRODUCTION .....	4
2.1 Name of FMU .....	4
2.2 Contact Person and Address .....	4
2.3 General Background on the Raplex FMU .....	4
2.4 Date First Certified .....	4
2.5 Location of the FMU .....	4
2.6 Forest Management System .....	4
2.7 Annual Allowable Cut/Annual Harvest under the Forest Management Plan .....	5
2.8 Environmental and Socioeconomic Context .....	5
3 AUDIT PROCESS .....	5
3.1 Audit Dates .....	5
3.2 Audit Team .....	5
3.3 Standard Used .....	5
3.4 Stakeholder Consultations .....	5
3.5 Audit Process .....	5
4 SUMMARY OF AUDIT FINDINGS .....	6
<u>Attachment</u>	
Map of Raplex FMU .....	18
Experiences and Qualifications of Audit Team Members .....	19
Comments Received from Stakeholders and Responses by Audit Team Leader .....	22
Stage 2 Surveillance Audit Plan .....	23
Details on NCRs and OFIs Raised During this Stage 2 Surveillance Audit and Corrective Actions Taken ..	25
Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit .....	31

## EXECUTIVE SUMMARY

The Surveillance 2 audit for forest management certification on the Raplex Sdn Bhd – Raplex FMU was conducted from 13 December 2021 to 17 December 2021. This was an audit conducted following the previous audit which was conducted on 18-22 March 2019 on the overall forest management system and practices of the FMU against the requirements of the Malaysian Criteria and Indicators for Forest Management Certification (MC&I SFM) using the verifiers stipulated for Sarawak, Malaysia. Surveillance 1 audit cannot be conducted for year 2020 due to Movement Control Order (MCO) and pandemic Covid-19. Remote audit was conducted on 3-5 August 2020 to replace the Surveillance 1 audit.

The audit was conducted with the full cooperation of the Raplex FMU by a three-member team comprising Mohd Razman Salim (Lead Auditor), Ismail Adnan Abdul Malek (Auditor) and Angelica Sinimis Suimin (Sociologist).

The Raplex FMU only covers an area of 63,933 ha of Mujong-Merirai Protected Forest (53%) and 31,133 ha of stateland area (47%). The forest area is situated approximately between Latitudes 20 0' 13" and 20 00' 39" N, and longitudes 1130 00' 07" and 1130 00' 46" E within the Kapit Division, Sarawak. About 220 km from Sibu to Sg. Pila base camp and accessible by the Batang Rajang and Batang Baleh (Kapit town). It took about 6 hours of travelling time from Sibu. It has two camps called Sg. Pila camp and nursery camp.

The audit involved the verification of documentations and field visits and inspections. There were also consultations being held with the Forestry Department, Labour Department (Kapit) and relevant indigenous settlements within FMU.

In general, the findings of this Surveillance 2 audit have indicated that the Raplex FMU had complied with most of the requirements of the MC&I SFM despite the issuance of total two (2) Major and four (4) Minor Non-Conformance Report (NCRs), against the requirements of the MC&I SFM.

The audit team had also verified on the issues of concern or the previous year findings taken by the Raplex FMU to address all the finding raised during the Stage 2 year audit.

The Audit Team Leader after consultation with team members recommends that certification of Raplex FMU against the MC&I SFM for certification conditional upon acceptance of corrective action plans within one (1) month from the date of the surveillance 2 audit.

The FMU had submitted a proposed corrective action plans to address the NCRs and OFI raised during the surveillance 2 audit by email on 22 December 2021 which has been accepted by the audit team leader. The last evidences of corrective action taken for Major NCR was received on 16 February 2022 and has been accepted and closed on 27 February 2022 respectively.

The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs shall be verified by the audit team during the next surveillance audit.

## 2 INTRODUCTION

2.1 Name of FMU  
Raplex Forest Management Unit

2.2 Contact Person and Address

Mr. Nelson Bijack James Chas  
General Manager  
Ta Ann Building  
No 6, Jalan Rawang,  
96000 Sibu  
Sarawak  
Phone # : (+60-84) 315 154  
Fax # : (+60-84) 312 919

2.3 General Background on the Raplex FMU

Raplex Forest Management Unit (FMU) is located in the central region of Sarawak within Kapit Division. The area covers about 63,993 hectares and lies between latitudes 2° 0' 13" and 2° 00' 39" N, and longitudes 113° 00' 07" and 113° 00' 46" E. It consists of logged-over lowland mixed dipterocarp forest (MDF) with elevation from 90 to 750 m above sea level.

Raplex FMU covers 32,860 ha of Mujong-Merirai Protected Forest (53%) and 31,133 ha of stateland area (47%). The FMU is bounded on the north by the south bank of Batang Rajang and on the south by Sungai Pila. The FMU shares a common licence boundary with Forest Timber Licences T/0518 (STIDC-Song Logging Company SB), T/3064 (Sut Sawmill SB), T/3353 (Jayatiasa SB), T/3290 (Polymore Timber SB) and T/3291 (Polymore Timber SB). It has two camps called Sg. Pila camp and nursery camp.

Raplex FMU is under the Forest Timber Licence No. T/0560 issued to Raplex Sdn. Bhd. for Natural Forest Management (SFM). Currently, the license of this FMU is annually renewed from 1 February 2021 to 1 February 2022. The 60-year tenure will be granted once the area is certified. The FMU covers 45,150 ha (70%) are production areas, 16,962 ha (27%) are set aside for community use areas and 1,881 ha (3%) are conservation areas. Conservation areas were identified and protected and these were confined mostly on areas with steep terrain > 35°, river area and river buffer. The forested area of the FMU primarily consists of (a) logged-over hill mixed dipterocarp forest and (b) secondary forests due to past shifting agriculture activities particularly along the banks of Batang Rajang, Sungai Pila and Sungai Ebon.

Based on Social Impact Assessment report in March 2017 indicates that the FMU has 5 local communities living inside the FMU and 20 other communities that are considered to be Project-Affected Communities (PACs) as they are located within 3 kilometres from the FMU boundaries (Refer to Appendix II). Ethnically, most communities are Iban, Punan and Sekapan while other races are Kenyah, Tanjong and Kayan.

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

2.4 Date First Certified  
28 June 2019

2.5 Location of the FMU

The FMU is located between 2° 0' 13" and 2° 00' 39" N, 113° 00' 07" and 113° 00' 46" 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) (2018 – 2027. Rev.02) was presented during this audit.

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

For the Eleventh Malaysia Plan (2016-2020), the annual allowable cut (AAC) for the FMU had been set at 2,257.5 ha/year (Chapter 3.1.61 of the FMP). During this Stage 2 Surveillance audit, the size of the FMU is 63,993 ha.

## 2.8 Environmental and Socioeconomic Context

The FMU practiced sustainable management through compliance with the MC&I standards. The management has conducted EIA, including measures on ERT species protection, provision for biological corridors, wildlife buffers, riparian buffers and various mitigation measures. Relevant guidelines on protection and conservation were complied with. Representative ecosystems were preserved and RIL procedures followed strictly.

The FMU also generates job opportunity with qualified local community given preference as plantation workers and for contract works. The FMU mainly produce logs which feed into the local wood-based industry. Presently there's no production on minor forest products but its collection is permitted for the local community.

# 3 AUDIT PROCESS

## 3.1 Audit Dates

3-5 August 2020/13-17 December 2021 (15 man-days)

## 3.2 Audit Team

Mohd Razman Salim (Lead Auditor)  
Ismail Adnan Abdul Malek (Auditor)  
Angelica Sinimis Suimin (Auditor)

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 stakeholder notification was issued in November 2021 for a period of one month inviting relevant stakeholders to give comments on the FMU. However, there was no comment received from the stakeholders.

The audit team had conducted an onsite consultation with the relevant stakeholders during the Surveillance 2 audit. Details of the consultation with the stakeholders are showed in the audit plan as well as in the Surveillance 2 audit report in Principles 2, 3 and 4.

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 compliance of the FMU, current documentation, Standard Operating Procedures (SOPs) and field practices in forest management with the detailed of the listed in the MC&I SFM using the verifiers stipulated for Sarawak/Sabah, Semenanjung Malaysia.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FMU or stakeholders or field audit or a combination of these methods. Depending on the level of compliance with the verifiers on a particular indicator, the auditors had reviewed and verified the degree of the overall compliance in the indicator before a finding was raised either a nonconformity (NCR) (minor or major) or opportunities for improvement (OFI).

An NCR raised during the audit and categorized by the audit team as either major or minor or is defined as follows:

- (i) A major NCR is a non-compliance deemed by the Auditor to be critical and is likely to result in an immediate hazard to the quality or standard of forest management system and practices in the FMU.  
The FMU is requested to notify SIRIM QAS International Sdn Bhd (SIRIM QAS International) of the proposed corrective actions taken within one month from the last date of the audit. The corrective actions as notified by the FMU shall be verified by the Audit Team Leader or a member of the audit team within three months from the last date of audit.
- (ii) A minor NCR is a single observed lapse in compliance by the FMU to the MC&I.  
The FMU shall respond in writing to SIRIM QAS International within one months from the last date of audit detailing the actions to be taken to address all minor NCRs. The effectiveness of the resulting actions taken by the FMU must be verified at the next surveillance visit.
- (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 but without sufficient objective evidence to support a non-conformity. The closing of an OFI shall be made during the next surveillance audit.

The Audit Plan is shown in **Attachment 4**.

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

Based on the findings of this Stage 2 Surveillance, it was found that the Raplex Sdn Bhd had continued to manage the Raflex FMU in compliance with most of the requirements of the MC&I (Natural Forest). This Stage 2 Surveillance had resulted in the issuance of **two (2) Major [Indicator 4.2.4 & 4.3.3] and four (4) Minor non-conformance [Indicator 3.1.3, 4.2.3, 4.3.2 & 9.2.2]**. The details on the NCRs/OFIs raised are shown in **Attachment 5**. Non-Conformance Report (NCRs) were raised on the Raplex FMU against the requirements of the MC&I SFM. The audit team had examined all the proposed corrective action plans to address the NCRs and OFI raised during the audit by email on 22 December 2021 which has been accepted by the audit team leader. The last evidences of corrective action taken for Major NCR was received on 16 February 2022 and has been accepted and closed on 27 February 2022 respectively.

The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs and OFIs shall be verified by the audit team during the next surveillance audit. FMU had showed their commitment to address the non-conformities by establishing action plans as detailed in **Attachment 6**.

The summary on the findings of the Stage 2 surveillance audit on the Raplex FMU against the requirements of the MC&I (Natural Forest) are as follows:

Principle	Strengths	Weaknesses
<p><b>Principle 1 Compliance With Laws and Principles</b></p>	<p>The Raplex FMU has generally continued to maintain records of all relevant national and local laws and regulations and policies related to forest management. Copies of the documents were available at the Sg Pila base camp office. Forest managers were generally aware of the said laws and regulations. The updated list of documents were sighted. No forest violation was recorded in 2020/2021.</p> <p>Current list of all legally prescribed fees, royalties, taxes, and other charges were made available and sighted at the Sg Pila base camp office. Records of payments, such as the STIDC annual registration fee (validity until 31.8.2022) and Royalty &amp; Premium for December 2021 were sighted.</p> <p>Forest managers had demonstrated awareness of international agreements. Copies of these documents, such as the International Labour Organisation (ILO) Conventions, Convention of Biological Diversity (CBD), International Tropical Timber Agreement 1994 and Convention on Wetlands, Waterfowl Habitat 1971, were available at the Sg Pila base camp office.</p> <p>The FMU has documented conflicts between the Principles and Criteria and particulars of ILO Convention No. 87 (union), specifically 105 (discrimination on employment) &amp; 111 (forced labour) following a Forest Management Certification Technical Meeting on 17th December 2020. Forest managers profess willingness to participate in the resolution of such conflicts through signing the “Declaration of Willingness to Participate” of the Ta Ann Group dated 24th September 2018.</p> <p>The legal provisions for establishment and protection of forest reserve in the FMU were specified in the license agreement signed by the Raplex FMU which operates under the Forest Timber License (FTL) No. T/0560 issued to Raplex Sdn Bhd, a 100% subsidiary of Ta Ann Holdings Berhad, by the Sarawak State Government on 12 February 1977. The FMU was monitored through helicopter air surveillance, boat and land transport as verified through the ‘Forest Patrolling and Monitoring Schedule’ for 2021. Boundary monitoring were conducted on 28 August 2021 as verified through ‘<i>Borang Pemantauan Kawasan FMU</i>’. No illegal activity was found in the area.</p>	

Principle	Strengths	Weaknesses
	<p>A Sustainable Forest Management policy was signed by the Raplex FMU on 1st February 2021 which pledged commitment " <i>to the sustainable management of our natural resources via the implementation of the Malaysian Criteria and Indicators for Sustainable Forest Management (MC&amp;I SFM</i>". Verification of records showed that this commitment was communicated throughout the organization, stakeholders (through Social Programs) and forest contractors during various briefings and meetings. A public summary of the policy commitment is available on the website: <a href="http://www.raplexfmu.com.my/policy/">http://www.raplexfmu.com.my/policy/</a>.</p>	
<p><b>Principle 2 Tenure and Use Rights and Responsibilities</b></p>	<p>The legal or customary tenure and use rights of the FMU are contained in the Forest Timber License No. T/0560 issued to Raplex Sdn Bhd on 31 January 2020 and valid from 1 February 2020 to 1 February 2021 (WPO.628.312(X)-11). The 25 communities/settlements within the FMU have earlier established the Community Representative Committee (CRC) in May 2018 to serve as a forum for consultation by members and to arbitrate social grievances affecting the FMU.</p> <p>The Raplex FMU had acknowledged, identified and mapped the local communities' settlements, shifting agriculture area (SA), community use areas and burial grounds as per Sarawak Forest Department directive (letter dated 26 June 2018, titled 'Submission of Rajang-Pila General Harvesting Plan (GP) for Forest Timber Licence (FTL) No. T/0560, Raplex Sdn. Bhd.' (Reference no.: WPO.628.312(IX)-73)). FMU managers also recognized, respected and collaborated with holders of duly recognised legal or customary tenure or use rights of the local communities (verified in the minutes of the Community Representative Committee (CRC) meeting held on 17 July 2020). A series of social awareness programs was conducted in the villages (24 January – 18 December 2020) to update on the latest Raplex FMU operations, disseminate results of the Social Impact Assessment and conduct consultation on HCV findings, their traditional knowledge, grievances, claims and requests.</p> <p>Appropriate mechanisms were employed to resolve disputes over tenure claims and use rights of the local communities through the SOP 'Communication with Natives' and 'Native Claims and Compensation' established by the FMU. The FMU has formulated the Community Representative Committee (CRC) as consultation mechanism headed by the community leader to arbitrate on social grievances. Minutes of</p>	



Principle	Strengths	Weaknesses
	<p>meetings (21 February 2019, July 2018, 2 August 2019, 19 November 2019, and 17 July 2020) were sighted. There is no issue on land disputes that required resolution by the Native Courts or Civil Courts.</p>	
<p><b>Principle 3 Indigenous People's Rights</b></p>	<p>The relevant documents on the customary rights of indigenous peoples' lands were kept at Sg. Pila Base Camp office. Map of the General Harvesting Plan (GP) dated 26 June 2018 showed locations of longhouses, burial ground and water catchment within and adjacent to the FMU located in the Shifting Agriculture (SA) sites. The user rights of Customary Land within the PRF is respected in forest management planning and operation as stated in the FMP and SOP. The SA area is clearly demarcated in the FMP and recognized by the state law and local law.</p> <p>Since there was no tenancy or customary sites in the FMU area (Criterion 2.1 above) the requirement pertaining to management of indigenous land is deemed not applicable.</p> <p>The SIA report (2017) concluded that the local communities living within and surrounding the Raplex FMU do not face potential impact from FMU forest operations, particularly if the recommended mitigation measures are implemented and the SA areas safeguarded and left undisturbed. The mitigations included protection of community use areas, cultural and religious site stated in the FMP (2018-2038). Protection of SA areas complied with the letter issued by the Sarawak Forest Department (Submission of Rajang-Pila General Harvesting Plan (GP) for Forest Timber Licence (FTL) No. T/0560, Raplex Sdn. Bhd.' (Reference no: WPO.628.312(IX)-73, dated 26 June 2018).</p> <p>Sites of special cultural, ecological, economic or religious significance were identified by the FMU as sighted in the SIA report (2017). The sites were also mapped in the General Harvesting Plan (GP). There was no recorded case of conflict with indigenous peoples. Further, mechanism for conflict resolution was established in the CRC meeting on 25th May 2018.</p> <p>The auditors interviewed six villages located outside 3 km radius of the Reflex FMU to enquire on traditional forest-related knowledge and practices. They verified that no such traditional knowledge was adopted in the use of forest species or practiced in the FMU management systems.</p>	<p>Mechanism to resolve conflicts and grievances, if any, was established through the Communities Representatives Committee (CRC) and SOP (Communication with Natives). The audit however discovered an oversight where the grievance form (Borang Aduan) was not used as means of complaint procedures by the community as required in the SOP. The CRC and FMCLC platforms were not included in the conflict resolution process. No contact number was provided to file complaints or channel back responses. <b>A Minor NCR AS 1/2021 Indicator 3.1.3 was raised.</b></p>

Principle	Strengths	Weaknesses
<p><b>Principle 4 Community Relations and Workers' Rights</b></p>	<p>The FMU provided various internal training for their staff and external training at agencies including the Sarawak Timber Association (STA) and Sarawak Forestry Corporation (SFC). There were 12 internal training in 2020 and 17 in 2021, and 4 external training in 2020 and 5 in 2021. The FMU had promoted job opportunities to local communities. The Raplex FMU Current Employment Record for the Month Ending 30<sup>th</sup> November 2021, showed that the FMU had employed 42 workers from the local communities.</p> <p>Field workers were updated on applicable laws and regulations regarding occupational safety and health, through briefings and displays at camp office, quarters, workshop and canteen. Records of equipment and maintenance were made available and verified. A series of Safety and Health Meetings held in 2020 and 2021 covered matters pertaining to safety and health of workers, Covid -19, Chemical storage, first aid kits, accidents, safety policies and PPE. The FMU sent an annual accident report (JKKP 8) to DOSH dated 19 January 2021. Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials were found to be adequate at the workshop, scheduled waste store and nursery at the Sg. Pila base camp.</p> <p>The FMP allowed their workers the right to freely organize themselves into union of their own choice. The workers have access to their rights and benefits and protection is assured under applicable laws and/or regulations. Contract workers of Raplex Sdn Bhd, Ironwall Sdn Bhd and Ta Ann Plywood Sdn Bhd (Reforestation) had established a Workers Committee (Jawatankuasa Perwakilan Pekerja) on 29 June 2018. The audit verified records on workers including grievances, accommodation, salary increment and disbursement, leave, annual leave, rests days and public holidays.</p> <p>A report of social impact assessment (SIA) of the Raplex FMU was made on 2017 and sighted during audit. The assessment covered 25 settlements, with 5 settlements within the license area and 20 within the vicinity of the FMU. The FMU conducted a series of social awareness programs in several villages between January 2020 and December 2020 during which the SFM policy and current logging operations were briefed and SIA findings disseminated. Other matters included employment opportunities, local community consultations on HCV findings (identification of special sites, etc.), records on forest related traditional knowledge, grievances,</p>	<p>At the Sg. Pila workshop a worker was observed not to wear proper safety clothing and equipment while cutting and welding a wire rope. Additionally, a survey compass was found with a large air bubble, greater than 1/4 inch diameter, which may cause inaccurate reading. <b>A Minor NCR MRS 01/2021 for Indicator 4.2.3 was thus raised.</b></p> <p>The minutes of eight OSH meetings conducted between September 2020 to December 2021 revealed that the committee only reported the accidents that occurred during the period but without any discussion of corrective action plans to rectify the root causes and mitigate future occurrences. Investigation on one particular accidental death of a worker (26 June 2021) was still pending by the time of the audit. Only some of the Internal investigation reports were available to the auditors. <b>A Major NCR AS 2/2021 indicator 4.2.4 was raised.</b></p> <p>Based on the ERC standard terms of reference, item no. 4 mentioned that the Workers Committee should hold meetings twice a year (March &amp; October). However only one meeting was held in 2020 and 2021 respectively. Thus, a <b>Minor NCR AS 03/2021 indicator 4.3.2 was raised.</b></p> <p>The audit discovered that four contract workers at Ironwall Sdn Bhd, indicated that the terms and conditions of their employment were similar</p>

Principle	Strengths	Weaknesses
	<p>claims and requests. The FMU has also incorporated the results of the SIA survey into forest planning and management as verified in the FMP on socio economic impacts and mitigation measures.</p> <p>The provisions and measures within relevant federal, state and local laws to prevent loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods were available. Documents on these relevant laws were maintained at the Sg. Pila base camp. The FMU also had established a mechanism to resolve grievances and fair compensation for any loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods caused by forest operations through the Community Representative Committee (CRC) and SOP 'Native Claims and Compensation'. During the audit, no new native claim and compensation were recorded.</p>	<p>with those of permanent workers but they were however not provided with annual leave and sick leave entitlement. Interviews with three foreign contract workers confirmed that they were given leave on their rest days, 4 days a month and public holidays (but only at) at the end of their contract. Nine other workers confirmed that they were not sure of the contents of their employment contract as it was written in English. <b>A Major NCR AS 04/2021 for Indicator 4.3.3 was raised for these non-compliances.</b></p>
<p><b>Principle 5 Benefits From the Forest</b></p>	<p>Investments and reinvestments in forest management at Raplex FMU included provisions for forest administration, research, human resource development, protection, forest operations, conservation, environmental (EMR and ECA) and social aspects (CSR, compensation). Annual budgets for 2020 and 2021 were available and verified. To ensure productive capacity and ecological integrity of the FMU silvicultural treatment in the form of Kelampayan Enrichment Planting was implemented in post-harvest area. Provision for silviculture, forest rehabilitation and reforestation operations were included in the FMP. Site visit to Kelempayan planting areas were made during the audit.</p> <p>To ensure proper forest resources inventory the Reflex FMU included in its FMP a 'Baseline assessment of Forest Stand'. Information on growth for consequent yield predictions are based on data collected from 32 permanent sample plots (PSP) in Continuous Forest Inventory (CFI). An accurate resource inventory and growth projection are essential in ensuring optimal use of timber resources. The PSPs were inspected on site and their recording accuracy verified. Harvested timbers were processed locally by Raplex Sdn Bhd and the report "Quality and Percentage of Timber Products Processed Locally and Exported (1st July 2020 – 30th June 2021)" examined for optimal usage.</p> <p>The 'Guidelines for Reduced and Low Impact Logging Systems in Forest Management</p>	

Principle	Strengths	Weaknesses
	<p>Certification (Natural Forest) Area, second edition, 2014', issued by the Forestry Department Sarawak was implemented in FMU operations. Harvesting plans for the FMU verified during audit included the "Detailed Harvesting Plan (DP)/Road Plan (Ref:SFC.600-3/2/1(141)Jld.3) for Coupe 2A (2019-2020 Coupe Year) of License No. T/0560 - Raplex FMU" which was approved by the SFC on 25 February 2019, and the "Detailed Harvesting Plan (DP)/Road Plan for Coupe 3A (2020-2021 Coupe Year) of License No. T/0560 - Raplex FMU" approved by the SFD on 12<sup>th</sup> December 2019. Site inspection found minimal harvesting damage to residual stand. Tree felling was directional, skid trails pre-planned and old trails reused wherever possible.</p> <p>The FMU was operating mainly for the production of timber logs. The management has no plan for production of mixed commercial forest products including the utilisation of non-timbers.</p> <p>The FMU has implemented procedures on protection of sensitive areas titled 'Identification and Demarcation of Buffer Zones for the Protection of Permanent Waterway' (TA-SOP-CON-04, ver. 02 dated 1 Nov 2016). Site visits found sensitive areas were demarcated and protected. These included soil and water protection zones, watercourses and wetlands, riparian buffers, steep Terrain IV, water catchments and other HCV areas. Important forest services and resources and their protection strategies were explained under 'Protection of Conservation Areas' in the Raplex FMU FMP. The document also included Forest Zoning Map of the FMU that showed Terrain IV, river buffers as well as community's shifting agriculture and water catchment areas.</p> <p>The AAC varied between 27.28 m<sup>3</sup> (2019), 26.55 m<sup>3</sup> (2020) and 24.47m<sup>3</sup>/ha (2021). The Annual Coupe was set to 63,989 m<sup>3</sup>/year with the average production area of 2,257.5 ha/year (Chapter 3.1.61 of the FMP). The annual figures are based on estimated regrowth data of residual stands recorded in PSPs and calculated over a 25-year cutting cycle. Production of logs are recorded and data for 2020/2021 were sighted during audit. A total of 35,682 m<sup>3</sup> of logs were used for local milling and 31,449 m<sup>3</sup> exported. The total was below the AAC. The FMU did not produce any non-timber products.</p>	
<b>Principle 6 Environmental Impact</b>	An EIA report "Environmental Impact Assessment for the Proposed Timber Harvesting Project in the Raplex FMU under Forest Timber License (FTL) No. T/0560 in the Upper Batang Rajang area,	

Principle	Strengths	Weaknesses
	<p>Kapit Division, Sarawak – August 2017“ was sighted during audit. Findings were incorporated in the Raplex FMU Forest Management Plan (Chapter 7 - Environmental and Social Impact Assessment). The EIA report was approved by the Natural Resources and Environment Board (NREB) on 8<sup>th</sup> December 2017. Provisions for endangered, rare and threatened species of flora and fauna (ERT), biological corridors, HCV areas and mitigation measures were included.</p> <p>The guidelines to establish representative conservation and protection areas, in accordance with existing forest ecosystems were stated in the “Procedures for Pre-Felling Inventory” issued by the SFC. The guidelines also include the List of Protected Species and List of Totally protected Species (First and Second Schedule, Wildlife Protection Ordinance, 1998 (Cap. 26)). Field inspection (e.g. post-harvest Blocks 38 Coupe 03) showed that protected trees were marked and left intact, areas were demarcated for protection and conservation including riparian buffers. The FMU cooperated with conservation organizations and regulatory authorities in implementing conservation and management activities. The cooperative project with the Universiti Malaysia Sarawak (UNIMAS) was noted. An Honorary Wildlife Rangers (HWLR) was specifically appointed by the SFC to monitor and control hunting, fishing and collecting activities in the FMU. Awareness on ERT species among forest workers and local communities was made through trainings, briefings and strategic dissemination of leaflets and posters. Visits to villages were made between May 2019 and January 2020.</p> <p>Post-harvest natural regeneration were adequately assessed and supplemented where necessary. Restorative plantings of Kelempayan seedlings (<i>Neolamarckia cadamba</i>) at the edge of skid trail, feeder trail, main trail and log landing were inspected at site and records of enrichment planting in the FMU was verified (Coupe 01, 02 and 03, July 2019 - November 2021). A report titled “Growth Monitoring and Assessment for Kelampayan Enrichment Planting for Coupe 11A (1), September 2021” was sighted. Conservation of genetic, species and ecosystem diversity in the FMU was implemented through the guidelines “Conservation of Genetic, Species and Ecosystem diversity in the FMU” (TA-SOP-CON-05, dated 1 February 2017). Harvesting was designed taking into consideration the need for the conservation of water stream and features of special biological interest for wildlife. This was verified in the visit to Coupe 3, Block 39 (pre-harvesting area), Block 38 (active harvesting area) and Block 20 (post-harvesting area) in Sg.</p>	

Principle	Strengths	Weaknesses
	<p data-bbox="448 217 687 246">Pila and Sg. Abang.</p> <p data-bbox="448 293 1050 566">Representative areas of existing forest ecosystems, appropriate to the scale and intensity of forest management operations had been identified. These include PSP No. 55 (1.0 ha) located in Coupe 01 (established in 2017) and water catchment areas in Coupe 18 and Coupe 19. The site/areas are protected and demarcated in the map titled “Representative of Existing Forest Ecosystem”, dated 5 June 2020.</p> <p data-bbox="448 613 1050 1283">Three guidelines on implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations were sighted. Site visit (Block 38 Coupe 3, Sg. Pila and Sg. Abang) showed that construction of road layout, log landings, drainage and buffer zones complied to specifications in “Guidelines for Forest Road Layout and Construction, Sarawak Forestry Department”. No soil erosion was detected in active sites. The Environmental Monitoring Report (EMR) for Re-entry Hill Logging (Coupe 12AR of Forest Timber License (FTL) No. T/0560 in the Kapit Division, Sarawak, 4th Quarter 2018) concluded that the FMU has complied with all monitoring parameters (Class I to IIB, the NWQSM standards) and no major water pollution were detected. The audit found minimal damage to the residual stand after harvesting (Coupe 02A, Block 2). Residuals trees (Block2, Subplot 3) were correctly measured, identified and recorded as per the SOP.</p> <p data-bbox="448 1330 1050 1883">Management policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides is available in “Environmental Policy” signed by the CEO on 1<sup>st</sup> February 2021. Interviews with forest managers and nursery workers showed that they were aware of the environmental policy. Guidelines on “Handling of Agrochemicals” (TAP-SOP-CHL Rev 01) dated 18 September 2017 were made available at the nursery. Site visit by auditors confirmed that the chemicals used were registered and control measures were available. PPE issued to workers complied with Occupational Safety and Health Regulations. Interviews revealed that they were aware of the proper chemical handling procedures. They were also given training on safety and health on 13 October 2021.</p> <p data-bbox="448 1930 1050 2045">The SOP on waste disposal and recycling of liquid and solid non-organic wastes (Waste Management (TA-SOP-EMS-01) ver. 02 dated 18<sup>th</sup> March 2017) was sighted. Records on</p>	

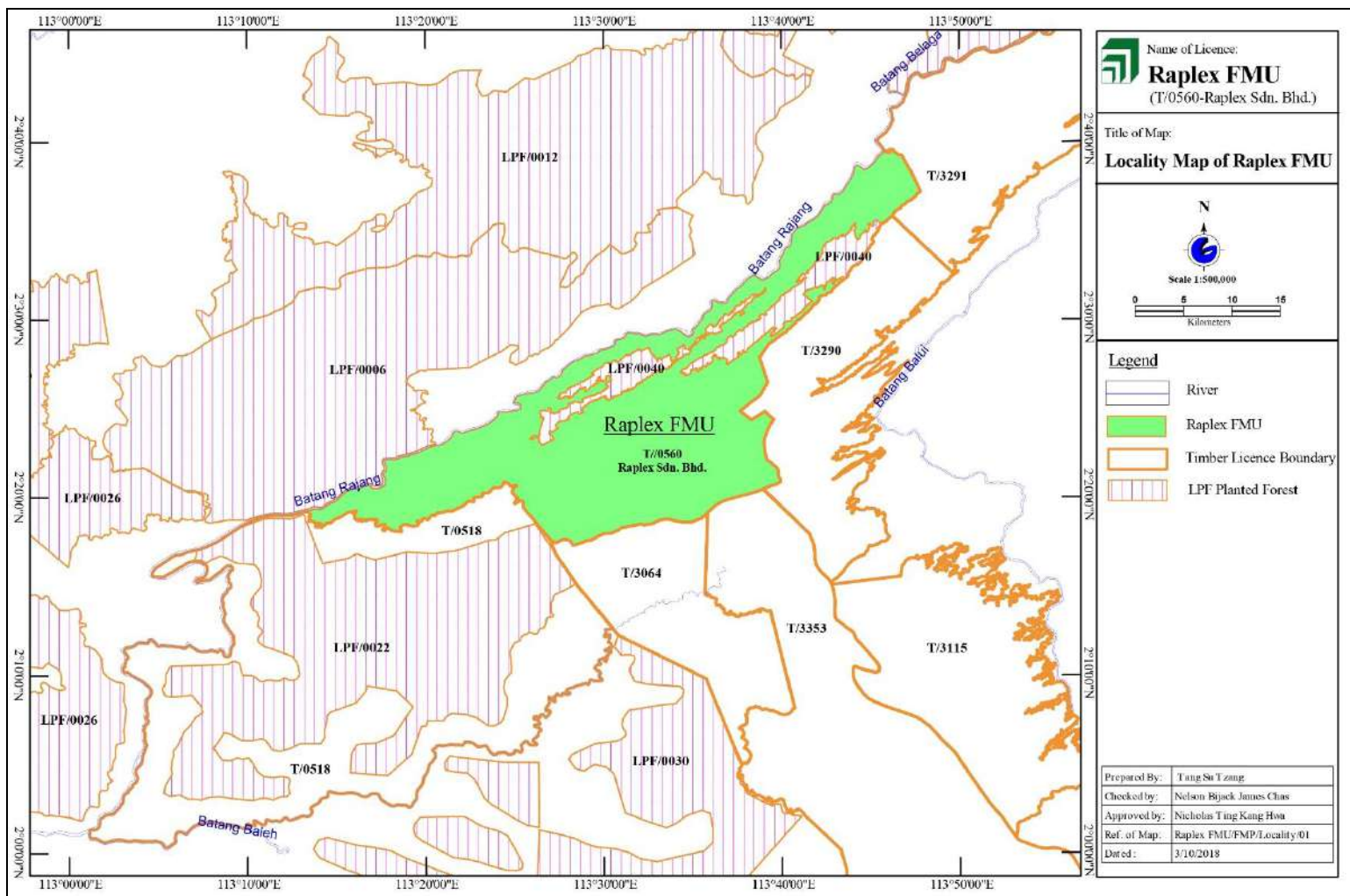
Principle	Strengths	Weaknesses
	<p>scheduled wastes disposal (at nursery and Sg. Pila base camp) were seen and verified. The wastes included spent batteries and oil, contaminated soil and debris, used filters and rags.</p> <p>Biological control agents are not used in the Raplex FMU.</p> <p>An exotic species, <i>Acacia mangium</i>, was once produced at the nursery for plantation at LPF/0040. This was discontinued and verified in the present audit. The FMU however continued to monitor the potential spread of wilding acacias using the SOP “Control and Monitoring of Exotic Species in Natural Forest FMUs” as guide. The species can only occupy open areas and cannot grow under shed. Wildings found in the open were weeded out.</p> <p>There is no conversion of natural forest to plantation or other land use in Raplex FMU.</p>	
<p><b>Principle 7 Management Plan</b></p>	<p>The Forest Management Plan (2018 - 2027) Raplex FMU was approved by Sarawak Director of Forests on 6 September 2021 was presented for verification during the audit. The FMP made provisions for items (a) to (j) as per requirements of Criteria 7.1.</p> <p>The Raplex FMU forest managers are aware of new scientific and technical information pertinent to the management of the natural forest. Specifically cooperative projects with UNIMAS have provided information on wildlife (presence, distribution, salt licks, hornbills) relevant to the FMU. Further, the managers keep abreast with current knowledge through attending workshops and seminars. Attendance list for 2020-2021 was sighted.</p> <p>The FMU has planned annual training programme for 2021 titled “2021 Briefing and Training Programme TAG FMU’s”. Training sessions of workers in their respective roles for the implementation of the FMP were held in 2021. The list of internal and external trainings was sighted.</p> <p>A summary of the primary elements (a) to (i) of the Raplex FMU Forest Management Plan (2018 – 2027) implemented under Indicator 7.1.1 was made publicly available through the website: <a href="http://www.raplexfmu.com.my/public-summary/forest-management-plan/">http://www.raplexfmu.com.my/public-summary/forest-management-plan/</a></p>	

Principle	Strengths	Weaknesses
<p><b>Principle 8 Monitoring and Assessment</b></p>	<p>The audit sighted relevant documents on monitoring and assessment of the FMU covering social, ecological, environment and economic aspects. The forest manager has also identified and implemented the appropriate monitoring procedures for this. The full complete “Forest Monitoring Report” for Raplex FMU (2019/2020) on forestry activities was presented and verified. The FMU had undertaken an annual internal audit (May 2021 – August 2021) and held a management review meeting (August 2021) on forest management activities as stipulated in the MC&amp;I SFM standards.</p> <p>The Raplex FMU management has appropriately included all relevant information needed to monitor items listed in (a) to (e) of Criterion 8.2. A total of sixteen relevant documents were sighted. This was complemented with field verifications in several areas including PSP plots, enrichment planting, pre-harvest coupes, HCV/conservation and post-harvest coupes.</p> <p>The chain of custody (CoC) procedure of logs leaving the FMU certified area was verified during the audit through selected records and relevant documents available at three points; at log landing, the PORM and the CDC.</p> <p>The FMU manager confirmed that results of monitoring on harvesting and post-harvest activities, and protection/conservation areas, among other information, will be incorporated into the FMP (2018-2027) when it is due for mid-term review on 2023 after 5 year of implementation. Other information that will be considered include update on forest resources, logging techniques and changes in environmental, social and economic factors.</p> <p>The Public Summary of the forest monitoring indicators (Criterion 8.2: a to e) is available at the website: <a href="http://www.raplexfmu.com.my/public-summary/annual-forest-monitoring">http://www.raplexfmu.com.my/public-summary/annual-forest-monitoring</a></p>	
<p><b>Principle 9 Maintenance of High Conservation Values</b></p>	<p>Assessment on the presence of the attributes consistent with HCV areas was conducted by the Sarawak Forestry Corporation for Raplex FMU T/0560 on 14<sup>th</sup> – 26 March 2017 and the report entitled “High Conservation Value Assessment Report T/0560 - Raplex Sdn Bhd; dated June 2017 was available. To identify HCV attributes present within the FMU the management consulted related government agencies, NGOs, UNIMAS and the local communities.</p>	<p>The audit team has however found that HCV 1.2 and HCV 1.3 species were not adequately protected from forest management operations. Protection measures were not possible since the staff involved were not able to identify many of the species nor locate them in the FMU. Identification of</p>



Principle	Strengths	Weaknesses
	<p>The FMU held consultations on options to maintain or enhance the identified HCV areas. The stakeholders consulted on 4 November 2020 included the Forest Department of Sarawak (FDS), Land Survey Department and the Raplex Community Representative Committee (CRC). Further consultation on 14 December 2020 included CRC members from several villages. Further, the FMU management sent the HCV monitoring report to the WWF-Malaysia, FDS, SFC and UNIMAS on 29 March 2021 for comments on the latest HCV status. The forest managers have also demonstrated that the HCVs were included in their forest operation and are protected as provisioned in the FMP.</p> <p>Specific measures were outlined in the Raplex FMP for recognizing HCV areas which are specifically shown in the “Map indicating location of HCV within Raplex FMU” dated 24 January 2018. This was also stated in the FMU public summary at <a href="http://www.raplexfmu.com.my/hcv/">http://www.raplexfmu.com.my/hcv/</a>. Site visits (Block 34 Coupe 2, and Pulau Mali in Coupe 12) verified the proper demarcation and maintenance of HCV areas.</p> <p>Monitoring procedures to assess the effectiveness of the measures in the management of the HCVs “Management and Effectiveness Monitoring of High Conservation Value (HCV) Area”, 14 March 2017 – Version 2 was available for the audit. The monitoring will be conducted at least once a year.</p> <p>Monitoring results for 2020/2021 were presented to the audit. Reports from periodic HCV monitoring in the FMU were also available and verified. Results and findings of the HCV monitoring activities had been incorporated into the revised Forest Management Plan (2018 – 2027) Rev 02.</p>	<p>trees in the PSP plots was not down to the species level and similarly so in the comprehensive harvesting plans. Hence potential HCV species cannot be properly identified. <b>A Minor NCR MRS 02/2021 was thus raised against Indicator 9.2.2</b></p>

Map of Raplex 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</p>

		<p>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. 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>
<p>Angelica Sinimis Suimin</p>	<p>Auditor/ Sociology</p>	<p><b>Academic Qualification:</b> She has a Bachelor of Arts in Social Science and MSc in Environmental Management and Social Development. Has a certificate in Paralegal Studies and Diploma in Emergency Medical Technician (UK) and Human Resources Management (UM).</p> <p><b>Work Experience:</b> A competent One to One Competency Based and Education Trainer from De Taffe University, Australia. Independent Auditor under SIRIM QAS Malaysia and Technical Expert for FSC audit under SCS Global services. Has worked as Rural Sociologist under the World Bank project under the Japanese Trust Fund for Community Forestry Project in Sabah for 3 years. She has over 30 years of working experience and was working in the Forestry Related Industries both in Sabah and Sarawak for 28 years in different capacities(e.g independent Researcher, Rural Sociologist, Sr.Training and Administrator, Human Resources Executive, Emergency Medical Technician, Training Officer, CSR Manager, Chief Operation Officer for Avantha Foundation Malaysia).</p> <p><b>Attended training programmes:</b></p> <ol style="list-style-type: none"> <li>1. MTCC Forest certification Standards for Forest Management and Plantations, 2013, SIRIM QAS</li> </ol>

		<ol style="list-style-type: none"> <li>2. FSC Forest Certification standards for Forest Management and Control Wood, 2015;Nepcon</li> <li>3. LEAD ASSESSOR COURSE ISO 14001(EXEMPLAR GLOBAL CERTIFIED LEMS01) , 2016; SIRIM QAS</li> <li>4. DIPLOMACY TRAINING (Human Rights, Indigenous People, the Private Sector and Development), 2017; Faculty of law, Uni New South Wales</li> <li>5. MC&amp;! *Natural Forests and Plantation v.2 standards, 2017 – MTCC</li> </ol>
--	--	--

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

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
NA	NA	NA	NA

## Stage 2 Surveillance Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)	AUDITOR 3 (Angelica)
Day 0 Sunday 12/12/2021		<ul style="list-style-type: none"> <li>Travel from Pasin FMU to Sg. Pila Base Camp, Raplex FMU</li> </ul>	<ul style="list-style-type: none"> <li>Travel from Pasin FMU to Sg. Pila Base Camp, Raplex FMU</li> </ul>	<ul style="list-style-type: none"> <li><b>Saturday (11/12/2021) –</b></li> <li><b>1)BKI - LBU</b> MH3047; 14:40 – 15:15</li> <li><b>2)LBU – MYY</b> MH3229; 15:45 – 16:30</li> <li><b>3)MYY – SBW</b> MH3657; 17:25 – 18:25</li> <li>Overnight at Kingwood Hotel</li> <li><b>Sunday (12/12/2021)-</b> Travel from Sibiu to Sg. Pila Base Camp, Raplex FMU</li> </ul>
Day 1 Monday 13/12/2021	8.00 am – 12.30 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Angelica)</b>
		<ul style="list-style-type: none"> <li>Opening Meeting with representatives of FMU</li> <li>Briefing session by Forest Manager of the FMU</li> <li>Follow up on NCR from previous audit</li> <li>Check on complaints, stakeholder comments and follow-up actions (if any)</li> </ul>		
	2.00 – 5.00 pm	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>Principle 1 – Compliance with Laws</li> <li>Principle 6 – Environmental Impact</li> <li>Principle 7 – Management Plan</li> <li>Principle 9 – Maintenance of High Conservation Value Areas</li> </ul>	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>Principle 5 – Benefits from the forest</li> <li>Principle 8 – Monitoring and Assessment</li> </ul>	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>Principle 2 – Tenure and Use Rights and Responsibilities</li> <li>Principle 3 – Indigenous Peoples’ Right</li> <li>Principle 4 - Community Relations and Worker’s Right</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 1 Findings by Audit Team Leader</li> </ul>		
Day 2 Tuesday 14/12/2021	8.00 am – 5.00 pm	<b>AUDITOR 1 (Razman)</b>	<b>AUDITOR 2 (Ismail)</b>	<b>AUDITOR 3 (Angelica)</b>
		<ul style="list-style-type: none"> <li>Inspection of pre-harvesting area – Block 39 Coupe 3</li> <li>Inspection of active harvesting area – Block 38 Coupe 3</li> <li>Inspection of riparian buffer</li> <li>Inspection of PSP#15-SU49, Coupe 9</li> </ul>	<ul style="list-style-type: none"> <li>Inspection of post-harvesting (Enrichment planting) – Block 20, Coupe 3</li> <li>Post-F assessment – Block 2, Coupe 2</li> <li>External boundary – LPF/0040</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with CRC representative</li> <li>Consultation with local community located <b>within FMU area</b></li> <li>FMU boundary inspection</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 2 Findings by Audit Team Leader</li> </ul>		

Day 3		AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)	AUDITOR 3 (Angelica)
Wednesday 15/12/2021	8.00 am – 5.00 pm	<ul style="list-style-type: none"> <li>• HCV / Conservation area</li> <li>• Fauna monitoring</li> <li>• Camp inspection - diesel storage, lubricant store, SW store, workshop, housing, genset, nursery and chemical store</li> </ul>	<ul style="list-style-type: none"> <li>• Inspection of CoC at Point of Royalty Marking (PoRM)</li> <li>• Inspection of PSP#20-SU65, Coupe 2</li> <li>• Fauna monitoring – Camera trap, Coupe 2</li> <li>• HCV – Pulau Mali</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation with local community located <b>within/outside FMU area</b></li> </ul>
		• Review of Day 3 Findings by Audit Team Leader		
Day 4 Thursday 16/12/2021	8.00 am – 5.00 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)	AUDITOR 3 (Angelica)
		<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>• Principle 1 – Compliance with Laws</li> <li>• Principle 6 – Environmental Impact</li> <li>• Principle 7 – Management Plan</li> <li>• Principle 9 – Maintenance of High Conservation Value Areas</li> </ul>	<u>Site inspection</u> <ul style="list-style-type: none"> <li>• CoC inspection at CDC logpond</li> </ul> <u>Documentation and records review</u> <ul style="list-style-type: none"> <li>• Principle 5 – Benefits from the forest</li> <li>• Principle 8 – Monitoring and Assessment</li> </ul>	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>• Principle 2 – Tenure and Use Rights and Responsibilities</li> <li>• Principle 3 – Indigenous Peoples’ Right</li> <li>• Principle 4 - Community Relations and Worker’s Right</li> </ul>
• Review of Day 4 Findings by Audit Team Leader				
Day 5 Friday 17/12/2021	8.00 am -12.00 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)	AUDITOR 3 (Angelica)
		<ul style="list-style-type: none"> <li>• Audit team discussion and preparation of audit finding and reports</li> <li>• Briefing to representatives of FMU on the findings of audit</li> </ul>		
	2.00 – 5.00 pm	<ul style="list-style-type: none"> <li>• Closing meeting and presentation of findings of audit</li> <li>• Travel from base camp to Sibul</li> <li>• Overnight at Kingwood Hotel</li> </ul>		
<ul style="list-style-type: none"> <li>• Razman &amp; Ismail Adnan travel from Sibul to Kuala Lumpur (<b>Saturday; 18/12/2021 - AirAsia 09:35-11:30</b>)</li> <li>• Angelica travel from Sibul to Kota Kinabalu (<b>Saturday; 18/12/2021</b>) – MH3654; 14:00 – 15:00 MH3229; 16:55 – 17:40 MH3048; 18:10 – 18:45</li> </ul>				



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

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p><b>Indicator 4.2.4</b></p> <p><b>Major</b></p> <p><b>NCR: AS 02/ 2021</b></p>	<p><b>Requirement :</b> Indicator 4.2.4 Forest managers shall maintain up-to-date safety records in compliance with all applicable laws and/or regulations covering health and safety of forest workers</p> <p><b>Finding :</b></p> <p>1.Internal investigation and reports on the series of accidents were not available.</p> <p>2.Safety meeting was not conducted after the occurrence of accidents as per required by the Guidelines for Safety Committee in the Safety and Health Regulations 1996 section 31.</p> <p><b>Objective evidence:</b></p> <p>1. The annual Safety and Health report to DOSH- JKKP8/67558/20 confirmed that 8 forest related accidents occurred in 2020.</p> <p>2. Minutes of Safety and Health meetings (18<sup>th</sup> Sept, 25<sup>th</sup> February, 2020, 25<sup>th</sup> November, 2020, 16<sup>th</sup> June, 2020, 28<sup>th</sup> June, 2021, 18<sup>th</sup> March, 2021, 9<sup>th</sup> Sept, 2021 and on 06 December, 2021 respectively were verified. These minutes of meetings showed that the committee only reported the accidents had occurred on certain dates but does not include any discussion of corrective action plans to rectify the root cause and mitigate future</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>1.For accident recorded in 2020, FMU has prepared all 8 accident investigation reports.</p> <p>2.As for 2021, only 1 (out of 6) accident investigation report yet to completed involving late Mohd Khairuddin Bin Mohd Zainuddin. The delay was caused by miscommunication between HQ &amp; site office.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>1.To issue directive to FMU on the need to call for Safety and Health Committee Meeting upon occurrence of accident</p> <p>2.To call for SHC meeting upon occurrence of accident at workplace. The meeting shall discuss the root cause of the accident, propose a corrective action plan and mitigation measures to prevent future occurrences.</p> <p>3.To conduct accident investigation to the cause of death to the late Mohd Khairuddin Bin Mohd Zainuddin.</p> <p>4.To be completed in February 2022.</p>	<p><b>Evidence submitted by FMU:</b></p> <p>1.An internal memo titled ‘Calling of Safety and Health Committee (SHC) Meeting upon Occurrence of Accident at Workplace’ dated 14 January 2022 was issued to the FMU by SFM Department to conduct Safety and Health Committee Meeting for any occupational accident occurred and shall be reported to DOSH within 7 days.</p> <p>2.Accident investigation meeting has been conducted on 18 December 2021 titled ‘Laporan Siasatan Kemalangan Mohd Khairuddin Bin Mohamad Zainudin’. Based on the investigation, root caused of death was due to ‘Left Thalamic Bleed – Hypertensive Emergency’ as confirmed by Sibuh Hospital on 20 June 2021. Therefore, the committee concluded that the death was not resulted from work-related incident/exposure.</p> <p>3.Verified the Medical Certificate of Cause of Death No.088297 dated 20 June 2021 issued from Sibuh Hospital.</p>

	<p>occurrence of accidents.</p> <p>3. Internal Investigation for the late Mohd Khairuddin Bin Mohd Zainuddin who passed away on the 26.06.21 is yet to be carried out.</p> <p>4. A series of forest related accidents were recorded (8 in 2020 and 6 in 2021) were reported to DOSH and other relevant authorities but not all internal investigation and reports were available.</p>		<p>4.Verified record of 'Extract of Entry from the Register of Deaths' No.SK313992 from National Registration Department (JPN) of the victim stated the cause of death was 'Left Thalamic Bleed – Hypertensive Emergency'.</p> <p>5.Minute of safety and health meeting titled 'Minit Mesyuarat Jawatankuasa Keselamatan dan Kesihatan Pekerjaan Bil 31/2021' dated 21 December 2021 was verified. The meeting has concluded that the FMU admin was misunderstood that the cause of death of the victim was occupational fatality. The meeting has agreed to conduct accident investigation for any future accident before submit accident report to DOSH.</p> <p><b>Status: Closed</b></p>
<p><b>Indicator 4.3.3</b></p> <p><b>Major</b></p> <p><b>NCR: AS 04/ 2021</b></p>	<p><b>Requirement:</b> Indicator 4.3.3 – The right of workers to benefits and protection is assured under applicable laws and/or regulations.</p> <p><b>Finding:</b></p> <p>1. Annual leave or Sick leave was not included in the Employment Agreement of contract workers contravening section 105D and 105E of the Sarawak Labour Ordinance Cap.76.</p> <p>2. Workers were not aware of the content of their employment agreement,their compensation</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>1.Logging contractor (Ironwall Sdn Bhd) is not aware that contract workers are entitled to annual leave and sick leave.</p> <p>2.The employment contract was written in English however briefing of the content in the agreement was conducted in Bahasa Melayu or local language. However, some workers not sure of the content of the employment contract as it was written in English.</p>	<p><b>Evidence submitted by FMU:</b></p> <p>1.Raplex Sdn Bhd has added clause on the provision of annual leave and sick leave to all its contract employee similar to permanent employee.</p> <p>2.Verified sampled of local &amp; Indonesian workers employment contracts in Bahasa.</p> <p>3.The FMU (Raplex Sdn Bhd) and contractor</p>

	<p>and benefits including annual leave, medical/sick leave and other statutory deductions.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>1. Verification of employment agreement of 4 contract workers at Ironwall Sdn Bhd, indicated that the terms and conditions of employment was similar with the permanent workers but all contract workers were not provided with annual leave and sick leave entitlement.</li> <li>2. Interviews with 3 foreign contract workers confirmed that they were given leave on the their rest days (4 days a month), public holidays and at the end of their contract.</li> <li>3. Interview with 9 workers confirmed that they were not sure of the contents of their employment contract as it was written in English.</li> </ol>	<p><b>Correction and corrective action plan including completion date:</b></p> <ol style="list-style-type: none"> <li>1. Logging contractor to include the provision of annual leave and sick leave to all its contract employee similar to permanent employee.</li> <li>2. To translate the content of workers employment contracts into Bahasa Melayu.</li> <li>3. To brief employees on the content of their employment contracts.</li> </ol>	<p>(Ironwall Sdn Bhd) have briefed surveyors, cook and tree feller on the contents of Employment Agreement (Bahasa version) including employee rights under the Sarawak Labour Ordinance Cap 76, Employment Act 1955 and ILO Convention 1969 on 12 &amp; 13 February 2022 at camp and at Ironwall Sibul office on 29 January 2022.</p> <p><b>Status: Closed</b></p>
<p><b>Indicator 3.1.3</b></p> <p><b>Minor</b></p> <p><b>NCR: AS 01/ 2021</b></p>	<p><b>Requirement : Indicator 3.1.3</b> Availability and use of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p><b>Finding :</b></p> <ol style="list-style-type: none"> <li>1. The SOP on Communication with Natives (TA-SOP-Com-01) has not incorporated the conflict resolution process description on the CRC and FMCLC as a forum to resolve conflict.</li> <li>2. The grievance form attached to the SOP and circulated to the community was not effectively used as a complaint procedure.</li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <ol style="list-style-type: none"> <li>1. SOP yet to incorporate CRC and FMCLC as part of the FMU conflict resolution process</li> <li>2. FMU records grievances and requests (verbally or in writing) from natives in the form of field/consultation reports or minutes of meeting without using the "Borang Aduan".</li> </ol> <p><b>Correction and corrective action plan including completion date:</b></p> <ol style="list-style-type: none"> <li>1. To review SOP titled 'Communication with Natives (TA-SOP-COM-01) for the</li> </ol>	<p>Corrective action plan was verified and accepted on 22 December 2021 by audit team.</p> <p><b>Status: Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

	<p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>1. The SOP on Communication with Natives (TA-SOP-Com-01) was inspected and it has not included the CRC and FMLC platform for Conflict Resolutions.</li> <li>2. Interviews with local communities indicated that the SOP and the grievance form circulated to the community was not being used as means of complaint procedure. There was nobody identified including contact number of the responsible person to receive/response to the complaint.</li> </ol>	<p>recording of grievances and requests, decision made by FMU, and delivering decisions made in writing to the complainant/requester. To be completed in Feb 2022.</p> <p>2.To implement the revised SOP.</p>	
<p><b>Indicator 4.2.3</b></p> <p><b>Minor</b></p> <p><b>NCR: MRS 01/2021</b></p>	<p><b>Requirement : Indicator 4.2.3</b> Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest workers in the work place.</p> <p><b>Finding :</b></p> <ol style="list-style-type: none"> <li>1. Unsafe act was found without appropriate PPE.</li> <li>2. Survey equipment was not in good condition.</li> </ol> <p><b>Objective evidence :</b></p> <ol style="list-style-type: none"> <li>1. Observed unsafe act by lorry driver who was cutting wire rope using welding equipment at Sg. Pila workshop. Leather gloves and goggle/face cover were not used for body protection.</li> <li>2. Operational equipment/tool such as compass used by surveyor found with air bubble more than 1/4 inches in diameter. It may cause inaccuracy of the compass.</li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <ol style="list-style-type: none"> <li>1.The lorry driver ignores the requirement to wear appropriate PPE when cutting wire rope using acetylene torch at workshop.</li> <li>2.Surveyor thought that the compass is still usable.</li> </ol> <p><b>Correction and corrective action plan including completion date:</b></p> <ol style="list-style-type: none"> <li>1.A warning letter has been issued to the lorry driver as a reminder and to prevent such incidents to occur again in future.</li> <li>2.To conduct refresher training on the need to wear appropriate PPE for mechanics and lorry drivers.</li> <li>3.To replace the damaged compass with a new/working compass.</li> <li>4.To remind surveyors to request a replacement if equipment/materials used for work is damaged/faulty.</li> </ol>	<p>Corrective action plan was verified and accepted on 22 December 2021 by audit team.</p> <p><b>Status: Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

<p><b>Indicator 4.3.2</b></p> <p><b>Minor</b></p> <p><b>NCR: AS 03/ 2021</b></p>	<p><b>Requirement: Indicator 4.3.2</b> Provisions for workers the right to organise and undertake collective bargaining leading to agreements in accordance with ILO Convention No. 98 – The Right to Organise and Collective Bargaining Convention, 1949 - Articles 1 and 2, ILO Convention No. 111 – Discrimination (Employment and Occupation), 1958 - The Right to Equal Treatment, ILO Convention No. 100 – Equal Remuneration, 1951 - The Right to Equal Pay</p> <p><b>Finding:</b> Workers Committee (Jawatankuasa Perwakilan Pekerja) or Employees’ representatives committee (ERC) has not conducted meetings according to the requirements in the ERC terms of reference.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>1. ERC was established on June 29<sup>th</sup> 2018 and has set the standard terms of reference in Item no.4 to conduct meeting 2 times a year.</li> <li>2. Verification of the minutes of meeting indicated that there was only one meeting for the year 2020 (15<sup>th</sup> March, 2020) and 2021 (25<sup>th</sup> August, 2021).</li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <ol style="list-style-type: none"> <li>1.The Term of Reference (TOR) require ERC to meet twice a year; the first meeting is to be conducted on the first half (Jan – May) and the second meeting is to be conducted on the second half (Jun-Dec).</li> <li>2.An internal audit conducted in August 2021 has identified that ERC was only conducted once in 2020 where internal minor NCR has been raised. After the internal audit, FMU immediately conducts the ERC meeting at the end of Aug 2021 covering the second half ERC meeting for 2021.</li> <li>3.The ERC assumed that one meeting conducted in Aug 2021 is sufficient to cover the second half as the first half meeting has already lapsed</li> </ol> <p><b>Correction and corrective action plan including completion date:</b></p> <p>To ensure that ERC conducts meetings according to the requirements indicated in the ERC term of reference.</p>	<p>Corrective action plan was verified and accepted on 22 December 2021 by audit team.</p> <p>A reminder letter titled ‘ERC Meetings’ dated 10 January 2022 issued by SFM Department to the ERC and employer representative (licensee &amp; contractor) to plan and conduct ERC meeting timely (at least two (2) times per year).</p> <p><b>Status: Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>
<p><b>Indicator 9.2.2</b></p> <p><b>Minor</b></p> <p><b>NCR: MRS 02/</b></p>	<p><b>Requirement: 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>Finding:</b> HCV 1.2 and 1.3 for FMU were not adequately protected from forest management</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>Surveyors unable to identify some of the reported RTE/endemic species during pre-harvest inventory</p> <p><b>Correction and corrective action plan including</b></p>	<p>Corrective action plan was verified and accepted on 22 December 2021 by audit team.</p> <p><b>Status: Effectiveness of implementation of the corrective action plan will be verified during next audit.</b></p>

<p><b>2021</b></p>	<p>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 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 were not undertaken to species level for the PSP 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><b>completion date:</b> 1.To conduct training for the identification of the reported RTE/Endemic species 2.To protect the identified RTE/Endemic species (if any) during harvesting</p>	
--------------------	--	--	--

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

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p>Minor</p> <p>NCR: MNS01/ 2019</p>	<p><b>Requirement: Indicator 4.4.1</b> – Forest managers shall evaluate, through consultations, social impact of forest operations directly affecting communities, and the people and groups directly affected by the forest operations shall have access to information on the results of the social impact evaluations.</p> <p><b>Finding:</b> Record of meetings and /or consultations between forest managers and communities affected by forest operation was not available.</p> <p><b>Objective evidence:</b></p> <p>1. During this Stage 2 audit, records presented by Raplex FMU were reviewed and feedbacks of the communities were obtained during the field visit of Rh. Aji, Rh. Mero, Rh. Empang, Rh. Awi Lahang Long Dungan, Rh. Sekapan Panjang, Rh. Sekapan Piit, Rh. Dari Jelawing, Rh. Punan Sama and Rh. Tanjong were noted. Evidence of CRC meeting with the community representative (leaders) were available but communities affected by the forest operations still has not been informed about the function of CRC, the mechanism/procedure to resolve issues</p>	<p>- To plan and conduct local communities' awareness/social Program to the project affected communities.</p> <p>- To request members of CRC to disseminate the function of CRC and grievances procedure to their respective zone i.e. Sekapan, Punan and Pila.</p> <p>- To consult potentially affected communities prior to opening new annual coupe and prepare report for all consultation conducted.</p>	<p>Series of social awareness programs was conducted at Rh. Gendang, Ng. Piun, Sg. Pila, Kapit on 24<sup>th</sup> January 2020, 14<sup>th</sup> -15<sup>th</sup> February 2020 at Rh Gendang, Ng. Piun, Sg. Pila, Kapit and 18<sup>th</sup> December 2020 at Rh. Tanjung, Long Pawah Belaga to update on the latest operations of Raplex FMU, brief local community on SFM policy, disseminate results of the Social Impact Assessment, introduce the Raplex CRC, promote employment opportunities, consult the local communities on the findings of HCV and identify special sites important to local community, record forest related traditional knowledge, grievances, claims and requests and communicate on the FMU's commitment toward SFM through Implementation of MC&amp;I SFM (Natural Forest) certification.</p> <p>The FMU has consulted local communities that maybe affected by current logging operation in Coupe 1, Coupe 2, Coupe 3 &amp; Coupe 4. The meeting has briefed and discussed on company policy, harvesting plan, safety of villagers and others related issue:</p> <p>1. 2-5 December 2018 – Rh. Sekapan</p>

	<p>affecting communities due to the forest operations, and about the FMU (Raplex, Ironwall, Ta Ann) itself.</p> <p>2. There was no records of meeting/consultations between the FMU representatives and communities from Rh. Empang, Rh. Vincent and Rh. Gendang which may be affected by current logging operation in Coupe 1AR.</p>		<p>Panjang, Rh. Sekapan Pi'it, Rh. Tanjong, Uma Badeng and Uma Tevok</p> <ol style="list-style-type: none"> <li>2. 22 May 2019 - Rh. Gendang &amp; Rh. Empang (Coupe 1 &amp; 2)</li> <li>3. 24 January 2020 - Rh. Gendang (Coupe 3)</li> <li>4. 25 January 2020 - Rh. Empang (Coupe 3)</li> <li>5. 14-15 February 2020 – Rh. Gendang (Joint together from Rh. Empang, Rh. William, and Rh. Jamit)</li> <li>6. Rh. Vincent is located far from the previous, current and future operation area (Coupe 1, 2, 3 and 4). This village community reserve and territorial domain is located in Coupe 9, 12 and 13. The</li> <li>7. 14-15 December 2020 - Rh. Tanjong has shifting culture area within these coupes - Coupe 3 and 4</li> <li>8. 4 March 2021 – Visit to Rh. Vincent was postponed due to Covid-19. The longhouse was not allowed any social program at their longhouse.</li> </ol> <p><b>Status: Closed</b></p>
<p>Minor NCR: MRS01/ 2019</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.</p> <p><b>Finding :</b> Bridge constructed in the license area did not effectively minimize soil erosion.</p> <p><b>Objective evidence :</b></p>	<ul style="list-style-type: none"> <li>- To rehabilitate any bare slope near bridges with cover crops or other fast-growing vegetation i.e. cover crop or tree.</li> <li>- To construct embankment retaining wall or “<i>Tembok Penahan Tebing</i>” on eroded portion at the side of logging bridge to avoid further landslide.</li> <li>- To conduct training in effort to make aware and improve understanding of contractor and road maintenance team on the need to</li> </ul>	<p>During site inspection of bridge which was located in the pre-felling (Block 39 Coupe 3) and active harvesting area (Block 38 Coupe 3), it was found that no soil erosion at the left side of the bridge as verified at Sg. Pila and Sg. Abang.</p> <p><b>Status: Closed.</b></p>



	During site inspection of bridge which was located in the pre-felling area between Block 4 and Block 6, Coupe 1AR, it was found that the soil was eroded at the left side of the bridge.	construct embankment retaining wall at logging bridge that has risk of landslide.	
Major NCR: MRS02/ 2019	<p><b>Requirement : Indicator 6.5.4</b> - Availability and implementation of guidelines for conservation of buffer strips along streams and rivers.</p> <p><b>Finding :</b> Riparian buffer zone has been encroached by the buildings, houses and roads.</p> <p><b>Objective evidence :</b> During inspection of Sg. Pila base camp, audit team has found logging road, water pump house and workers housing were located inside the buffer zone area (40 m width) of Sg. Pila. This is non-conformance of the requirement of the MC&amp;I standards and EIA requirements regarding river protection and riparian buffer zone. Raplex FMU management is aware of the requirement and to date has taken efforts in mitigation which include the study by Ecosol Consultancy Sdn Bhd”, the report titled “Verification study and Rehabilitation for the Pila Camp of Raplex FMU” and removal of some structures in the buffer zone. However, the mitigation measures taken were not fully completed. In addition, it was found, the marking of riparian buffer boundary also was not clearly marked along the river.</p>	<ol style="list-style-type: none"> <li>1. Demarcate the riparian buffer boundary (40m width).</li> <li>2. To remove any structure located within the buffer zone i.e. water pump house.</li> <li>3. Rehabilitate area with cover crop and planting of indigenous trees inside buffer zone.</li> <li>4. Work completed 6 April 2019</li> </ol>	<p>During inspection of Sg. Pila base camp, audit team has found the buffer zone area (40 m width) of Sg. Pila had been conserved and signboard ‘Buffer zone’ was erected along the buffer zone boundary. The previous logging road located inside the buffer zone has been planted with local tree species. Water pump house and workers housing had been relocated outside of the buffer zone area.</p> <p><b>Status: Closed.</b></p>
Minor NCR:	<b>Requirement : Indicator 6.9.1</b> - Document, control and monitor on the use of exotic species to avoid adverse ecological impacts. Preference	- To plan monitoring schedule on the extent of the <i>Acacia mangium</i> trees at the forest nursery and within the Raplex FMU area.	The FMU has monitored this exotic species once a year as per SOP ‘Control and Monitoring of Exotic Species in Natural Forest

<p>MRS03/2019</p>	<p>shall be given to native species in enrichment planting.</p> <p><b>Finding:</b> The FMU has yet to monitor the exotic species that grows inside the license area.</p> <p><b>Objective evidence :</b> Audit team has found acacia mangium trees growing in the surrounding of the nursery area. However, there was no records of monitoring on the extent of the <i>acacia mangium</i> trees conducted by Raplex FMU.</p>	<p>- To implement the plan and report the extent of the <i>Acacia mangium</i> trees growing surrounding the nursery and within the FMU area. Monitoring expected to start in April/ May 2019.</p> <p>- Once Acacia harvested, it shall be replanted with indigenous tree species.</p>	<p>FMUs'. For year 2021, the monitoring was conducted on 4 June 2021 and 5 December 2021. Regeneration of <i>acacia mangium</i> only occurs in open area along road shoulder/clearing without any sign of wild acacia spread into adjacent natural forest area. These regenerated acacia wildings were subsequently removed on the same day to prevent further growth.</p> <p><b>Status: Closed.</b></p>
-------------------	---	---	--