



PUBLIC SUMMARY
SURVEILLANCE 3 AUDIT (1st CYCLE) ON
MARUDI FOREST PLANTATION MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION

Certificate Number: FMC - FP 00117
Date of First Certification: 15 Jan 2019
Audit Date: 25 - 27 Jan 2022
Date of Public Summary: 22 July 2022

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1 EXECUTIVE SUMMARY

This surveillance 3 audit on the Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi Forest Plantation Management Unit hereafter referred as the Marudi FPMU (Marudi LPF/0008 FPMU) was conducted on 25th -27th January 2022 to assess the continued compliance of the overall forest management system of the Marudi FPMU (Marudi LPF/0008 FPMU) against the requirements of the Malaysian Criteria and Indicators (MC&I SFM) using the verifiers stipulated for Sarawak. The scope of this surveillance 3 audit was limited to the Management of Marudi Forest Plantation Management Unit (Coupes 1A, part of 2A, part of Coupe 3A, and Coupe 4A), 19,941 hectares located in the Licensed Plantation Forest No. LPF/0008.

This surveillance 3 audit was conducted by a 3-member team comprising Hj. Roslee Jamaludin (Lead Auditor), Ismail Adnan Abdul Malek (Auditor) and Mohd.Annas Amin Hj.Omar (Auditor).

Based on the findings of this surveillance 3 audit, it was found that Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi FPMU had continued to comply with the requirements of the MC & I SFM. This surveillance 3 audit had resulted in the issuance of eleven (11) Minor Non-Conformity Reports (NCRs).

This public summary contains the general information on the Samling Reforestation (Bintulu) Sdn Bhd – LPF/0008 Marudi FPMU, the findings of the surveillance 3 audit, NCRs raised as well as the decision on the continued certification of the FPMU.

2 INTRODUCTION

2.1 Name of FPMU

Marudi Forest Plantation Management Unit

2.2 Contact Person and Address

Name: Mr. David Marsden
Designation: Forest Advisor
Address: Wisma Samling, Lot 296 Jalan Temenggong
Datuk Oyong Lawai Jau 98000 Miri, Sarawak

Phone #: 085-413099

Fax #: 085-429073

2.3 General Background on the Marudi FPMU

Marudi FPMU is under the License for Planted Forests No. LPF/0008 of Samling Reforestation (Bintulu) Sdn Bhd (SRB) for industrial tree plantation (ITP). This FPMU has been licensed for ITP from 8th December 1998 to 7th December 2058 for a period of 60 years. The Marudi LPF/0008 FPMU managed by Samling Reforestation (Bintulu) Sdn Bhd covers an area of 19,941 hectares (Coupe 1A, part of Coupe 2A, part of Coupe 3A and Coupe 4A) from total area of LPF0008 of 55,822 ha. The uncertified area of 35,881 ha was excluded from the audit scope due to the soil type as peat swamp and part of Coupe 2A and 3A were established after 31 December 2010.

The FPMU is located at latitudes approximately 04° 0' 0" and 04° 15' 0" N, and longitudes 114° 25' 0" and 114° 35' 0" E in the Marudi District, Miri Division, Sarawak. The topography of this plantation area is dominated by rolling low hills varying between 30 m and 300 m asl.

The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. A Forest Plantation Management Plan (FMP) covering the period from 1st January 2018 to 31st January 2028, (edition 1), had been presented during the audit.

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

2.4 Date First Certified

15/01/2019

2.5 Location of the FPMU

The Marudi FPMU is located between latitude 04° 0' 0" and 04° 15' 0" N, and longitudes 114° 25' 0" and 114° 35' 0"

2.6 Forest Management System

The Marudi FPMU had followed the principles of sustainable forest plantation management and the requirements of the Licence Agreement of the State government. Forest Plantation Management Plan (FPMP) covering the period from 1st January 2018 to 31st January 2028, (edition 1), was presented during this audit.

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

The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. Log extractions were recorded by monthly basis.

2.8 Environmental and Socioeconomic Context

The Environmental Impact Assessment was prepared for forest plantation in August 2007 titled 'Environmental Impact Assessment Report for the Tree Component of the Proposed Samling Marudi Forest Plantation under Licence for Planted Forests No. LPF/0008 in Miri Division Sarawak'. The potential impacts and strategies to mitigate the impacts were written in this document. Measures to mitigate environmental impacts caused by harvesting activities identified in the EIA study had been incorporated in the FPMP.

There are 20 villages located outside the certified area, comprising 4 villages located within LPF/0008 but outside of certified area and 16 villages located adjacent to the certified area, ranging between 500m and 10km from the nearest boundary of certified area. The location of villages is marked in 'Map 5.4 MTCS Area Within LPF/0008 of the Forest Plantation Management Plan for the MTCS Area within Marudi LPF/0008, 2018–2028'.

The FPMU did not make use of the indigenous traditional forest-related knowledge and practices in forest plantation operations, therefore there was no specific mechanism and compensation for the commercial utilization of traditional knowledge. However as stated earlier, compensation for the surrender of temuda area of villagers within MTCS area was made by the FPMU.

3 AUDIT PROCESS

3.1 Audit Dates

25th -27th January 2022 (9 man-days)

3.2 Audit Team

1. Hj.Roslee Jamaludin(Lead Auditor)
2. Mohd.Annas Amin Hj.Omar
3. Ismail Adnan Abdul Malek

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 Plantation Management Certification MC&I SFM using the verifiers stipulated for Sarawak.

3.4 Stakeholder Consultations

A stakeholder notification was issued in December 2021 for a period of one month inviting relevant stakeholders to give comments on the FPMU. There were no comments received from the stakeholders on Samling Reforestation (Bintulu) Sdn Bhd - LPF/0008 Marudi FPMU during the period.

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 Marudi FPMU's current documentation and field practices in forest plantation management with the detailed of the standard of performances (SOPs) listed in the MC&I SFM using the verifiers stipulated for Sarawak.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FPMU, local community or stakeholders or field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors

then decided on the degree of the FPMU's overall compliance with the indicator and decided whether to issue a major or minor NCR or an OFI which is defined as follows:

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

Consultations were held with the local communities in Long Panai, Long Patan. (Org Ulu). Rumah Rok and Sumping (Iban). The staff, workers of Marudi FPMU and Community Representative Committee (CRC) were also consulted.

The coverage of this Surveillance 3 audit is as shown in the Surveillance 3 Audit Plan in **Attachment 4**.

The Marudi FPMU had sent a corrective action plan to the audit team to address the minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim Surveillance 3 audit report and sent it to the Marudi FPMU for comment. A second draft audit report which had incorporated the comments received from the Marudi FPMU was then prepared.

4 SUMMARY OF AUDIT FINDINGS

Based on the findings of this Surveillance 3 audit, it was found that the Samling Reforestation (Bintulu) Sdn Bhd had continued to manage the Marudi FPMU in compliance with most of the requirements of the MC&I SFM. This Surveillance 3 had resulted in the issuance of eleven (11) minor NCRs. The details on the NCRs raised are shown in **Attachment 5**.

The audit team had reviewed, accepted, and verified the corrective actions taken by the Marudi FPMU to address the Minor NCR raised during this Surveillance 3 audit. The audit team had reviewed and accepted the Marudi FPMU's proposed corrective actions to address the 11 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 Marudi FPMU to address the 3 (three) Minor NCRs and 2 (two) OFI 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 are as in **Attachment 6**.

Mechanism to resolve any conflicts and grievances was established through "Guidelines on conflict resolution of Marudi Reforestation Project LPF/0008 dated 15 March 2017 (GL006)" was available. The guidelines will guide in the formation of CRC. The CRC Tutoh for Orang Ulu was formed in August 2018 while CRC Marudi was formed on 25 November 2019 for Iban communities.

About Criterion 6.10, the audited area was converted to plantation before 31 December 2010. There was no HCV area had been converted to forest plantation.

As there was no Major NCR raised during this surveillance 3 audit and the Corrective Action for Minor NCR were accepted, the audit team had therefore recommended that the Certificate for Forest Plantation Management be awarded to Marudi FPMU to be maintained.

The summary of the findings of the Surveillance 3 audit on the Marudi FPMU against the requirements of the MC&I SFM are as follows:

Principle	Strengths	Weaknesses
Principle 1 Compliance with Laws and Principles	<p>The FPMU had maintained a legal register with records of all relevant national and local laws and regulations and policies related to forest management.</p> <p>Forest managers had demonstrated awareness of all the binding international agreements.</p> <p>The FPMU had maintained a list of all legally prescribed fees, royalties, taxes, and other charges</p> <p>There is a record of evaluation of conflicts between laws, regulations and these Principles and Criteria available. There were two conflicts between laws, regulation and the MTCS Principle and Criteria recorded were: i) regarding Indicator 3.4.1 and 3.4.2. and ii) regarding Indicator 4.3.1.</p> <p>Records on monitoring and control of encroachment were kept by the FMU. Patrol Sheet was used to monitor wildlife & Conservation, encroachment, health & safety, and community interaction.</p> <p>The Written policy/statement of commitment to forest plantation management practices dated 1st Mach 2018 was available and were communicated throughout the organisation and contractors.</p>	<p>There were no negative findings</p>
Principle 2 Tenure and Use Rights and Responsibilities	<p>Long-term tenure and use rights to the land and forest resources has been clearly defined, documented, and legally established. Documents were available upon request and approved by the authorized personnel. Samling Reforestation (Bintulu) Sdn. Bhd. signed a License Planted Forests LPF/0008 with the Sarawak State Government in December 1998.</p> <p>Marudi FPMU managers had supported legally recognised mechanisms for resolving land claims. Records of participation in the resolution of land claims were presented during the audit.</p>	<p>The SOP titled "Guidelines on conflict resolution" (SFM/GL 001) was established and available to address community grievances, however, it was not followed based on records review where:</p> <ol style="list-style-type: none"> 1. Decisions from Samling Reforestation FPMU on community conflict resolution/CSR requests were not conveyed back to the local communities (stakeholders) and not recorded in the 'Borang Komuniti' form 2. Acknowledgement of requester/grievance party on receiving the FPMU decision acting upon their request/grievance is also not recorded in the 'Borang Komuniti' Komuniti' form. 3. A column to record the acknowledgement

Principle	Strengths	Weaknesses
		<p>of the requester/grievance party upon receiving the FPMU decision acting on their request/grievance is not provided in the 'Borang Komuniti'</p> <p>Therefore, a Minor NCR ISMA 04/2022 for Indicator 2.2.1 was raised.</p> <p>Although, stakeholders (local communities) consultation regarding user rights and land claims had been held previously, records verified during the audit showed that "awareness consultation" programmes had not been recently implemented where there were:</p> <ol style="list-style-type: none"> 1. No awareness meeting with between FPMU and local communities had been held since 2020 2. Awareness meeting schedule dates between FPMU and local communities for year 2022 was not available 3. Topics of briefing to local communities during awareness meetings not comprehensive (did not include FPMU operation status, MC&I, Grievance mechanism and ERT) <p>Therefore, a Minor NCR ISMA 01/2022 for Indicator 2.2.2 was raised.</p> <p>Auditor's consultation with the communities of Long Panai, Long Patan, Rh Rok, Rh Sumping, Rh Lajang and Rh Anthony during the audit found the following:</p> <ol style="list-style-type: none"> 1. All the communities in the 6 (six) villages consulted were not aware of the mechanism available to resolve dispute. 2. Evidence of dialogue and consultation held with FMU local communities and relevant stakeholders on the dispute mechanism process was not available 3. Time frame for conflict resolution as verified in the SOP 'Guidelines on Conflict Resolution – SFM/GL 001 was not specified. <p>Therefore, a Minor NCR ISMA 02/2022 for Indicator 2.3.1 was raised.</p>
Principle 3 Indigenous	The relevant laws on the customary rights of indigenous peoples' lands	There were no negative findings

Principle	Strengths	Weaknesses
People's Rights	<p>as stated in the verifiers were available.</p> <p>Procedures for identifying and protecting sites of cultural, ecological, economic or religious significance and provisions for rights of access to these sites are available. There was no significant site of cultural, ecological, economic, or religious significance located within the FPMU area.</p> <p>Discussion and consultation were the mechanism used to ensure FPMU activities did not threaten or diminish, either directly or indirectly, their resources or tenure rights.</p> <p>Agreements between Marudi FPMU and local villagers on use rights were evidence of previous discussion and FPIC from villagers.</p> <p>The FPMU manager did not make use indigenous traditional forest-related knowledge and practices in forest plantation operations.</p>	
Principle 4 Community Relations and Worker's Rights	<p>The FPMU has provided training, retraining, local infrastructure, facilities, and social program for all levels of its employees. Marudi LPF/0008 Annual Training Plan (July 2021- June 2022) was made available.</p> <p>Employment of indigenous peoples' records (January 2022) showed that out of a total of 54 employees, 12 villagers (22%) from local indigenous communities were employed in Marudi LPF/0008.</p> <p>All applicable laws and/or regulations covering health and safety of employees were made available and explained to them. Occupational Safety and Health (OSH) officer had been appointed for the plantation.</p> <p>Workers were provided with personal protective equipment (PPE).</p> <p>Pictorial signage such as 'Danger', 'Explosive', 'No Smoking', 'Flammable' was displayed at the scheduled waste store.</p>	<p>A SOP titled 'Procedure on Employees' grievance resolution' (SFM/PR 002) had been established by the FPMU to enable workers to channel their grievance or requests. However, verification of the SOP by the auditor found the SOP was not followed fully by the FPMU as follows:</p> <ol style="list-style-type: none"> 1. Record of decision of Samling Reforestation FPMU conveyed to workers with grievance is not recorded in the '<i>Borang Keluhan</i>'. 2. Worker's acknowledgement on receiving of the FPMU decision acting upon his/her grievance was also not recorded in the '<i>Borang Keluhan</i>' form. <p>Therefore, a Minor NCR ISMA 03/2022 for Indicator 4.3.4 was raised.</p>

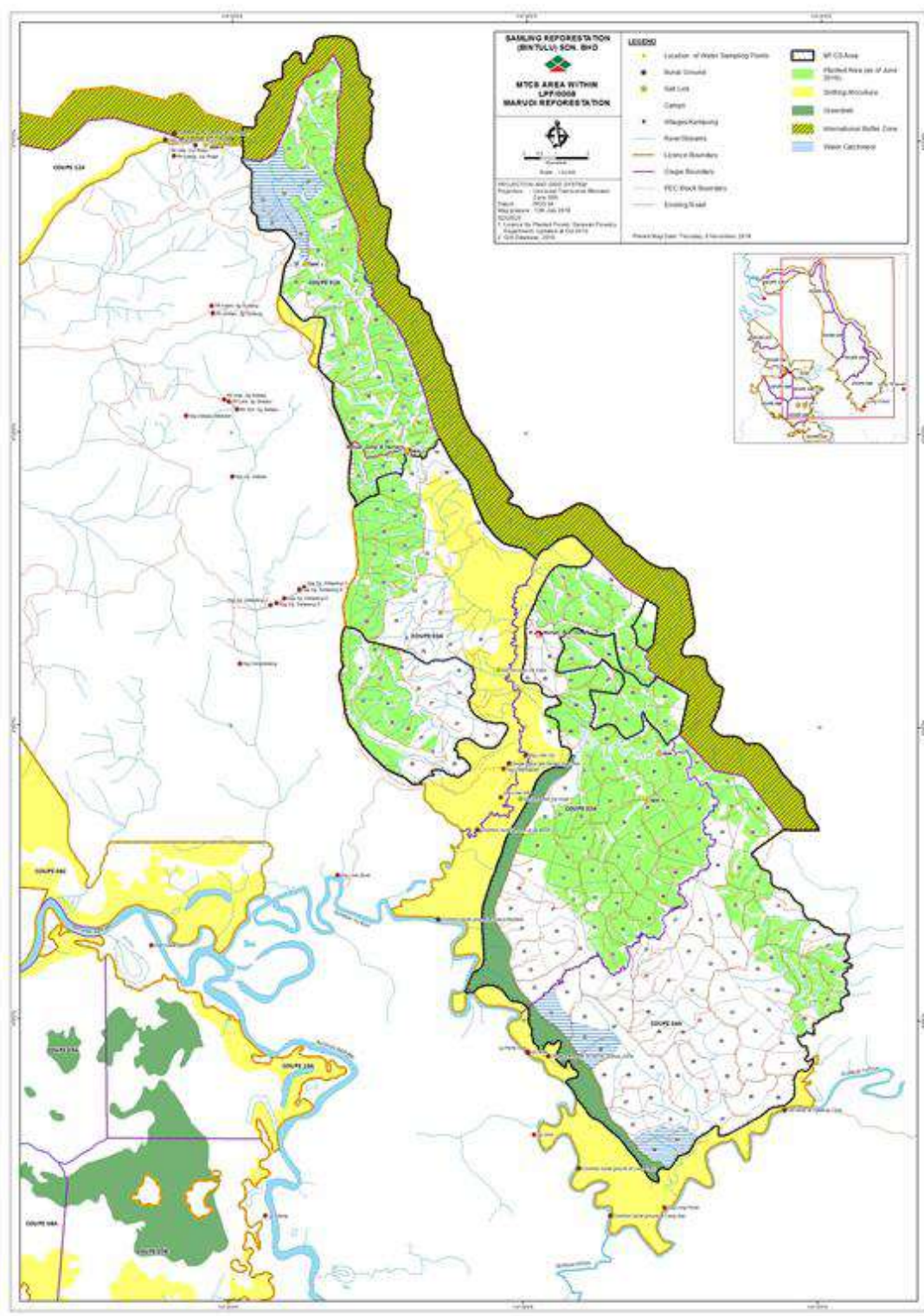
Principle	Strengths	Weaknesses
	<p>Record (Chemical Health Risk Assessment Report) showed that the FPMU conducted chemical health risk assessment (CHRA) which is valid from July 2017 to July 2022.</p> <p>The workers' representatives are members of the Joint Consultative Committee (JCC), as shown in Marudi Reforestation Organization Chart (LPF0008)'s JCC dated 19/1/2021. Minute of JCC Meeting dated 17/1/2020, 17/9/2021, 16/6/2021, 22/4/2021 and 14/9/2020 showed that the meeting was held to include discussion on wages, transportation, health and safety for worker, workers' quarters, and general welfare of workers.</p> <p>Guidelines on conflict resolution of Marudi Reforestation Project LPF/0008 dated 15 March 2017 (GL006) was available.</p>	
Principle 5 Benefits From the Forest	<p>The investments and reinvestments forest plantation management plan including for forest plantation administration, research (R&D), human resource development, environmental (operation) and social aspects (native compensation) can be seen in "Marudi Reforestation Budget (July 2021- June 2022)- Capital Expenditure and Camp Administrative Budget 2021/2022.</p> <p>The AAC for the first year was set at 41,312m³ at 8 years rotation. The AAC will be at 80,000m³ for 2nd year and until the 8th year. However, harvesting has been temporarily stopped since August 2021.</p> <p>Special Management Zones (SMZ) with protected residual forest, which would contribute towards a protective function for soil and water, had been established. Procedures to identifying and demarcating sensitive areas for the protection of soil and water, by SFC (PR003) in the forest plantation areas was verified.</p>	<p>Based on the Annual Training Record / Plan 2021-2022, the training on the RIL has not been conducted even though the training program did include the training to be conducted in November 2021. Therefore, a Minor NCR RJ01/2022 for Indicator 5.3.2 was raised.</p>

<p>Principle 6 Environmental Impact</p>	<p>The Environmental Impact Assessment was prepared for forest plantation in August 2007 titled 'Environmental Impact Assessment Report for the Tree Component of the Proposed Samling Marudi Forest Plantation under Licence for Planted Forests No. LPF/0008 in Miri Division Sarawak'. The potential impacts and strategies to mitigate the impacts were written in this document.</p> <p>The FPMU has implemented procedures on protection of sensitive areas titled 'Identification and Demarcating Sensitive Areas for the Protection of Soil and Water.</p> <p>Hunting and fishing within the FPMU were not allowed. The FPMU has posted a conservation poster on wildlife at the entrance gate, office, and worker's quarters.</p> <p>There is a guideline to identify and protect ERT for flora including special biological interest such as seed trees, salt licks, nesting and feeding areas in the forest plantation area.</p> <p>The FPMU has established Guidelines related to waste disposal 'Guidelines on Disposal and Storage of Scheduled Wastes' and 'Guidelines on Storage and Handling of Hazardous Material'.</p> <p>The FPMU has conducted monitoring on exotic species by weekly.</p> <p>There is no application of biological control by the FPMU.</p> <p>Permanent sample plots (PSPs) to monitor forest growth and dynamics were established with one PSP established for every 5ha planted. 106 new plots were established, at two years of age, comprised Acacia mangium, pellita and crasscarpa species.</p> <p>There was no new conversion of natural forest to forest plantations.</p>	<p>Review of responsible forest management policy dated 1st February 2021 on Para 4.10 not included the statement on prohibition of use banned pesticides.</p> <p>Therefore, a Minor NCR ANS02/2022 for Indicator 6.6.1 was raised.</p>
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<p>Principle 7 Management Plan</p>	<p>The Forest Plantation Management Plan for the MTCS Area within Marudi LPF/0008 for period 1st January 2018 to 31st January 2028, edition 1, was made available during the audit.</p> <p>Records of new scientific and technical information pertinent to the management of the planted area to be certified were also available to the forest managers</p> <p>Trainings of forest plantation workers on their roles in the implementation of the forest plantation management plan were done through briefings conducted during the toolbox briefing and regular on job training.</p>	<p>The Forest Plantation Management Plan for the MTCS areas within Marudi LPF/0008 for the period 1st February 2018 to 31st January 2028 did not provide:</p> <ul style="list-style-type: none"> a. Para (j) "Description of Stakeholders Consultation", and b. Consideration of risks and opportunities concerning compliance with the requirements of the standard. <p>Therefore, a Minor NCR RJ02/2022 for Indicator 7.1.1 was raised.</p> <p>Para 3.1 "Our Commitment" of the Public Summary for Forest Plantation Management plan MTCS Area within Marudi LPF/0008, has not been change to the new Standard: MC&I SFM.</p> <p>Therefore, a Minor NCR RJ03/2022 for Indicator 7.4.1 was raised.</p>
<p>Principle 8 Monitoring and Assessment</p>	<p>The Permanent Sample plots (PSP) in the FPMU were inspected during the audit, and it was found that the PSP were properly lay out and recorded. The staffs for the PSP establishment have shown their understanding in PSP establishment and usage of instrument.</p> <p>The Environmental Monitoring Reports for year 2021 were prepared by Ecosol Consultancy Sdn Bhd. The latest report was for 4rd Quarter 2021 (October-December 2021).</p> <p>Monitoring on the changes of flora and fauna had been initiated and the list was presented in the 'HCVF report' and 'Quantity Survey Monthly Report'.</p> <p>The movement of harvested logs from stump to mill according to set procedures (Chain of Custody) was monitored by both SFC and the FPMU.</p> <p>The Forest Plantation Management Plan for the MTCS Area within Marudi LPF/0008 for the Period 1st February to 31st January 2028 had incorporated the results and findings of the monitoring activities.</p>	<p>Review of the Internal audit report that conducted on 20-22 September 2021, the report not included:</p> <ul style="list-style-type: none"> (i) Frequency of internal audit (ii) Methods and responsibilities (iii) Audit criteria and audit scope (iv) Issuance of non-compliance report (v) Closure of non-compliance report (vi) Timeframe of reporting of internal audit report. <p>Therefore, the minor NCR ANS01/2022 for Indicator 8.1.3 was raised.</p> <p>Reviewed the Marudi FPMU Public Summary on the Samling website found that the following indicator not included in Public Summary:</p> <ul style="list-style-type: none"> a) Yield of all forest products harvested. b) Composition and observed changes in the flora and fauna. c) Environmental and social impacts of harvesting and other operations. d) Costs and productivity of forest management. e2) Growth rates and condition of planted forest. (FP) <p>Therefore, Minor NCR ANS03/2022 for indicator 8.5.1 was raised</p>

<p>Principle 9 Maintenance of High Conservation Value (HCV)</p>	<p>The assessment report titled 'High Conservation Value (HCV) Assessment Report "MTCS area within Marudi Forest Plantation Management Units LPF/0008FMC dated July 2018 was presented during the audit.</p> <p>The FPMU had provided the auditor with a list of relevant stakeholders who have been consulted regarding the HCV area.</p> <p>The FMU has incorporated HCVFs information into the Forest Management Plan under Chapter Eleven: "Identification and Management of Protection Areas".</p> <p>Latest monitoring on riparian buffer, conservation area on 12 December 2021 at water catchment Ulu Ridan and wildlife monitoring was conducted on 31 December 2021 at Coupe 4A.</p>	<p>Public summary on HCV was included in the Forest Plantation Management Plan in Chapter 12 - Conservation, Conservation Areas and High Conservation Value, however there was no map of HCVF.</p> <p>Therefore, a Minor NCR ANS04/2022 for indicator 9.3.2 was raised.</p>
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Map of Marudi FPMU



Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Hj.Roslee Bin Jamaludin	Audit Team Leader / Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p>Work Experience: A retiree as Forest Conservator from Forestry Department of Peninsular Malaysia, with 36 years of experience in forest management, operation, and administration. Has been working in various position since appointment in 1977, which includes Assistant Forest Management officer in Kuantan, Forestry Department of Pahang, Assistant District Forest Officer in Kuala Lipis Pahang and Segamat, Johor. Forest Plantation Officer in Johor and Terengganu, Forestry Officer for the State of Malacca. Assistant Director for Forest Harvesting and Industries in Selangor, District Forest Officer in Dungun Terengganu, Assistant Director for Forest Management in Negeri Sembilan and the State Director of Forestry Penang before retirement in April 2015. Has involved in several Working Committee form by the Forestry Department of Peninsular Malaysia to further improve the existing procedures, such as, Forestry Manual, Forest Road Guidelines, Forestry Rules, other guidelines regarding the MC&I for forest certification. A member of MAJURUS, was appointed as an Internal Auditor for the MC&I. Has attended several forestry Conference overseas and local. A member of IRIM (Institut Rimbawan Malaysia). Appointed as a facilitator and trainer for Forest Road Guidelines by Forestry Department Peninsular Malaysia.</p> <p>Attended training programmes:</p> <ul style="list-style-type: none"> • Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organised by MTCC, 9 – 10 July 2015 • EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 Nov. – 27 Nov. 2015. • Briefing on RSPO Principle & Criteria (HCV) organised by SIRIM QAS (Food, Agri & Forestry Section) 21 August 2015. <p>Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agri & Forestry Section) 26 Jan 2016.</p> <ul style="list-style-type: none"> • Forest Management Certification (FMC) Workshop' organised by SIRIM (Food,Agr.& Forestry Section) 06 & 07 December 2016 • Forest Management Certification (FMC) Workshop 2017 organised by SIRIM (Food,Agr. & Forestry Section)08 – 09 May 2017 • 'Forest Management Certification (FMC) Workshop' for 2017 organised by SIRIM (Food,Agr. &Forestry Section)28 & 29 November 2017. • FMC Workshop for 2018 organised by SIRIM (Food,Agr. &Forestry) 22 November 2018 • COC Workshop 2018 organised by SIRIM 26 November 2018 <p>Auditor Training Course on PEFC Chain of Custody Certification organized by MTCC on 19th -20th December 2018.</p>

<p>Mohd Annas Amin bin Haji Omar</p>	<p>Auditor</p>	<p>Academic Qualification: <i>Diploma in Forestry, UPM</i> <i>B. Sc. In Forestry, UPM</i></p> <p>Work Experience: Six years as Assistant Forest Officer at Perak State Forestry Department from 2013-2018. Main responsibility is Assisting District Forest Officers in administrative work, forest development and forest operations. Conduct enforcement activities such as prevention of illegal logging. Appointed as Raiding Officer in eradicating illegal refinery in Kinta Manjung Forest District. Also appointed as Investigation Officer in a case which involved Ayer Chepam Forest Reserve and the case was prosecuted in Court.</p> <p>Attended and passed the following training programmes: <ul style="list-style-type: none"> • Program of MTCS Training Course (MC&I) in Kuantan (9-12 July 2018) • Lead Auditor ISO 9001, ISO 14001 & ISO 45001 Exemplar Global Certified (13-18 August 2018) </p>
<p>Ismail Adnan bin Abdul Malek</p>	<p>Auditor/ Forester</p>	<p>Academic Qualification: Master of Forestry (Forest Harvesting), University of British Columbia, Canada.</p> <p>Work Experience: One year experience as Sub Assistant Conservator of Forest from 1974 to 1975. In charge of Kuantan Forest District (Administration). Seven years (1979 – 1986) experience as Forester/Logging Superintendent) at Syarikat Jengka Sdn. Bhd, Jengka, Pahang. Specific duties were Mapping and supervising Forest Management and Logging Operations. Twenty-five (25) years experienced as Senior Lecturer at the Faculty of Forestry, Universiti Putra Malaysia, Serdang, Selangor. Responsible for Forestry Teaching, Research and Extension. Had taught subjects in Forest Management, Forest Harvesting and Geo-spatial technology (Remote sensing & GIS) and had supervised student research at both undergraduate and graduate (Master/PhD) levels. Had received grants and carried out research in Forest Management, Forest Harvesting and Forest Management System (SMS). Participated as Resource Person/Organizing Committee member for Training and Seminar/Conferences held at both Local and International levels organized by the faculty. Published and presented research findings in Forestry Journals/Publications and proceedings of local and international seminars/ conferences attended. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2016. Involved in conducting assessments on forest management certification MC&I (Natural Forest) & MC&I (Plantations).</p> <p>Training / Research Areas:</p> <p>Attended and pass the following training programmes:</p> <ul style="list-style-type: none"> • Lead Auditor Course on MC& I (Natural Forest) and MC&I (Forest Plantation V2) (SIRIM QAS Sdn. Bhd), 9th-10th July 2015. • EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23rd-27th Nov 2015. • Training on Auditing Techniques (SIRIM QAS Int. Sdn. Bhd), 26th January 2016. • RSPO Lead Auditor Training organized by Wild Asia Sdn Bhd, 10th – 14th October 2016

Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
		There was no comment received	

Surveillance 3 Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Hj.Roslee)	AUDITOR 2 (Mohd. Annas)	AUDITOR 3 (Ismail)
Day 0 24/1/22 (Mon)	9.00- 17.00	<ul style="list-style-type: none"> All auditors travelling from KLIA to Miri Flight: MH2594 ETD: 14.15. ETA: 16.30 Travel to Marudi Stay at Mount Mulu Hotel 		
Day 1 25/1/22 (Tue)	8.00-9.30	<ul style="list-style-type: none"> Opening Meeting with representatives of FPMU Briefing session by Forest Manager of the FPMU Q&A Session Follow up on issues of concern from Stage 1 Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> Local Communities Government agencies NGOs 		
	9.30 am – 5.30 pm	Documentation and record review: <ul style="list-style-type: none"> Principle 1 – Compliance with Laws and Principles Principle 4 - Community Relations and Worker's Right (Indicator 4.2.5) Principle 5 – Benefits from the forest Principle 7 Management Plan 	<ul style="list-style-type: none"> Principle 6– Environmental Impact Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value (HCV) 	<ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right
		<ul style="list-style-type: none"> Review of Day 1 Findings by Audit Team Leader Stay at Mount Mulu Hotel 		

Day 2 26/1/22 (Wed)	7.30 am – 5.30 pm	Site visit: <ul style="list-style-type: none"> Permanent sample plots (PSPs) – Acacia mangium, Acacia pellita, etc Coupe 1A, Block 25C and Acacia mangium, Euc.pellita, etc. Coupe 1, Block 13C Inspection of LPF boundary and international boundary Malaysia –Brunei (Coupe 1, Block 26 D) Coupe 4A, Block 25B- disease area. Consultation with contractors and workers Workshop/Scheduled waste store 	<ul style="list-style-type: none"> Inspection of Post harvesting area (Coupe 1A, Block 34A/B/C) Inspection of replanting area and silviculture operations (planting, weeding, slashing, pruning, chemical spraying, etc.) Coupe 1, Block 33A Maintenance area- Coupe 3A/Block 25A Inspection of residual forest sites/ water catchment/ river buffer (RBZ)/ steep area (>350)- Permanent sample plots (PSPs) – Acacia mangium, Euc.pellita, etc. Coupe 1, Block 13C Verification on CoC process for certified and uncertified logs. Consultation with contractors and workers Nursery Management of forest fire Staffs/workers quarters 	<ul style="list-style-type: none"> Consultation with local communities - Iban (and Kayan) 4 villages: Long Panai, Long Patan. (Org Ulu). Rumah Rok and Sumping (Iban) Interview with worker's representative- union, insurance, payslip, medical & accident, training etc. Consultation with Community Representative Committee (CRC)
		<ul style="list-style-type: none"> Review of Day 2 Findings by Audit Team Leader Stay at Mount Mulu Hotel 		
Day 3 27/1/22 (Thurs)	8.00 am 2.00 pm 4.00 pm 5.00 pm	<ul style="list-style-type: none"> Documentation and records review Preparation of audit report and finding Closing Meeting Travel from Marudi to Miri Check-in at Pullman Miri Waterfront. 		
28/1/22 (Fri)	8.30am- 4.00pm	All Auditors travel back to Kuala Lumpur by MH 2575: ETD: 11.30, ETA: 13.45		

Details on NCRs and OFIs Raised During this Surveillance 3 Audit and Corrective Actions Taken (2022)

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Minor NCR: ISMA 04/2022	<p>Requirement: Indicator 2.2.1: Availability of documentation of legal or customary tenure or use rights of local communities within relevant federal, state and local laws in the FMU</p> <p>Finding: The SOP titled “Guidelines on conflict resolution’ (SFM/GL 001) to address community grievances was not followed.</p> <p>Objective evidence:</p> <p>1. Decision of Samling Reforestation FPMU conveyed to local communities (stakeholders) regarding the latter’s CSR requests/grievance (land claims) was not recorded in the ‘Borang Keluhan’ form.</p> <p>2. Acknowledgement of requester/grievance party upon receiving the FPMU decision regarding their request/grievance is not recorded in the ‘Borang Keluhan’ form.</p>	<p>Result of investigation and determination of root cause:</p> <p>The three points of objective evidence should refer to the “Complaint Form” (also known as ‘Borang Community or Borang Aduan’’. (The ‘Borang Keluhan’ is the ‘Grievance Form’ that applies to employees.) The concept used is the same. The forms allow grievances or complaints to be put forward to the management, record the progress of subsequent action taken by management to resolve the matter and to allow the originator of the complaint/grievance to acknowledge the management’s decision.</p> <p>It is true that the three points of objective evidence were not recorded and provided in the form in use at the time of the SIRIM audit.</p> <p>Correction and corrective action plan including completion date:</p> <p>The Complaint Form or ‘Borang Aduan’ covers community grievances. The previous form has</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>

	<p>3. A column to record the acknowledgement of the requester/grievance party upon receiving the FPMU decision on their request/grievance is not provided in the 'Borang Keluhan'</p>	<p>now been revised to:</p> <ol style="list-style-type: none"> 1. include a record of the decision made by the management regarding the community's grievance; and 2. allow a signed acknowledgement, by the community's representative, of receiving the above decision made by the management. 	
<p>Minor</p> <p>NCR:</p> <p>ISMA 01</p> <p>/2022</p>	<p>Requirement: Indicator 2.2.2 - With respect to activities that may affect such rights, forest managers shall recognise, respect, and collaborate with holders of duly recognised legal or customary tenure or use rights within relevant federal, state and local laws.</p> <p>Finding: Stakeholders (local communities) awareness consultation not implemented.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. No awareness meeting between FPMU and local communities had been held since 2020 2. Awareness meeting schedule 	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> 1. It is true that there no awareness meeting between FPMU and local communities had been held since 2020. External meetings could not be conducted during the year e.g., a request to Director of Forest for dialogue with Uma Beluvuh and Long Panai planned to be held on 19th October 2020 was suspended due to MCO. 2. It is true that awareness meeting schedule dates between FPMU and local communities for year 2022 are not available. Awareness meeting for local communities have not been scheduled previously. Timing of engagement is based on availability of 	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>

	<p>dates between FPMU and local communities for year 2022 not available</p> <p>3. Topics of briefing to local communities during awareness meetings not comprehensive (did not include FPMU operation status, MC&I, Grievance mechanism and ERT)</p>	<p>both parties.</p> <p>3. It is true that topics of briefing to local communities during awareness meetings did not include FPMU operation status, MC&I, grievance mechanism and ERT species. This was an oversight.</p> <p>Correction and corrective action plan including completion date:</p> <ol style="list-style-type: none"> 1. To schedule and implement awareness meeting with local communities at least once a year. 2. To establish awareness meeting schedule with the local communities. 3. To include mention of FPMU operation status, MC&I, grievance mechanism and ERT species during awareness meeting in topics of briefing. <p>All the above will have been done before the next Surveillance Audit.</p>	
<p>Minor NCR: ISMA 02 /2022</p>	<p>Requirement: Indicator 2.3.1: Availability of appropriate mechanisms to resolve disputes over tenure claims and use rights.</p> <p>Finding: 1. No engagement and</p>	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> 1. It is true that the local communities were not aware of the mechanism available to resolve dispute. It was 	<p>The corrective action plan was accepted by audit team.</p>

	<p>disclosure of dispute mechanism process including time frame to response to dispute</p> <p>2. Dispute mechanism on land claims not made available to the communities.</p> <p>Objective Evidence:</p> <p>1. During SIRIM-Stakeholder's consultation, all the communities in 6 villages were not aware of the mechanism available to resolve dispute.</p> <p>2. Dialogue and consultation held with FMU local communities and relevant stakeholders on the dispute mechanism process was not available</p> <p>3. Time frame for conflict resolution as verified in the SOP 'Guidelines on Conflict Resolution – SFM/GL 001 was not available</p>	<p>because the mechanism never been specifically briefed to them.</p> <p>2. It is true that dialogue and consultation held with FMU local communities and relevant stakeholders on the dispute mechanism process was not available. Previously, it was just direct explanation to the complainant individually on how the mechanism works without any record of briefing.</p> <p>3. It is true that time frame for conflict resolution as verified in the SOP 'Guidelines on Conflict Resolution – SFM/GL 001 was not available. The time frame is not mentioned in the guidelines.</p> <p>Correction and corrective action plan including completion date:</p> <p>1. To give awareness of mechanism to resolve dispute to the local communities.</p> <p>2. Correction No. 1 to close issue No. 2.</p> <p>3. Time frame for conflict resolution is now included in the revised SOP 'Guidelines on Conflict Resolution – SFM/GL 001</p> <p>1 & 2 will be addressed during the next community engagements in 2022.</p>	<p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
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<p>Minor NCR: ISMA 03/2022</p>	<p>Requirement: Indicator 4.3.4 – Availability of appropriate procedures to address grievance raised by workers and/or their organizations and for conflict resolution.</p> <p>Finding: SOP titled ‘Procedure on Employees’ grievance resolution’ (SFM/PR 002) not followed</p> <p>Objective Evidence:</p> <ol style="list-style-type: none"> 1. Record of decision of Samling Reforestation FPMU conveyed to workers with grievance is not available in the ‘Borang Keluhan’. 2. Worker’s acknowledgement on receiving of the FPMU decision acting upon his grievance was not recorded in the ‘Borang Keluhan’ form. 	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> 1. It is true that record of decision of Samling Reforestation FPMU conveyed to workers with grievance is not available in the ‘Borang Keluhan’. This was an oversight. 2. It is true that worker’s acknowledgement on receiving of the FPMU decision acting upon his grievance was not recorded in the ‘Borang Keluhan’ form. This was an oversight. <p>Correction and corrective action plan including completion date:</p> <p>The Grievance Form or ‘Borang Keluhan’ has now been revised to:</p> <ol style="list-style-type: none"> 1. include a record of the decision made by the management regarding workers’ grievance; and 2. allow a signed acknowledgement, by the worker, of receiving the management’s decision. 	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
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<p>Minor NCR: RJ01/2022</p>	<p>Requirement: Indicator 5.3.2 – Training shall be conducted for the staff on techniques of reduced-impact logging.</p> <p>Finding: The Reduced Impact Logging (RIL) training has not been conducted.</p> <p>Objective Evidence: Based on the Annual Training Record / Plan 2021-2022 , the training on the RIL has not been conducted even though the training program did include the training to be conducted on November 2021.</p>	<p>Result of investigation and determination of root cause:</p> <p>It is true that no training was done. The LPF management assumed that training need not be conducted as the harvesting operation had stopped prior to the scheduled training date and the crews were no longer on site. The training was scheduled to be held in Nov 2021. However, harvesting operation was stopped in Aug 2021. due to the changes in Samling’s overall harvesting schedule. Harvesting staff and workers were transferred to Paong LPF before Nov 2021. The Training Schedule had not been revised to reflect the major change in Samling’s harvest plans and that, crucially, there would be no harvesting teams on site to receive training on the scheduled date</p> <p>Correction and corrective action plan including completion date:</p> <p>The Training Schedule will be revised to ensure that training is scheduled immediately prior to harvesting re-starting.</p> <p>Currently the startup date is not known.</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
<p>Minor NCR: ANS</p>	<p>Requirement: Indicator 6.6.1 - Availability of management policy on the use of environmentally friendly non-chemical methods of pest management</p>	<p>Result of investigation and determination of root cause:</p> <p>It is true that during the audit review of the LPF copy of the “Responsible Forest</p>	<p>The corrective action plan was accepted by audit team.</p>

02/2022	<p>and prohibition of use of banned pesticides.</p> <p>Finding: Management policy on the use of environmentally friendly of pest management not sufficient.</p> <p>Objective Evidence: Review of Responsible Forest Management” policy dated 1st February 2021 on Para 4.10 not included the statement on prohibition of use banned pesticides.</p>	<p>Management” policy dated 1st February 2021 Para 4 did not include a statement on the prohibition on the use of banned pesticides. This was because when printing the document para 4.11, which mentions the prohibition on use of banned pesticides, was inadvertently missed off the top of the page.</p> <p>The policy document may be seen on Samling’s website.</p> <p>Correction and corrective action plan including completion date:</p> <p>The policy has been reprinted and the hard copy displayed in Marudi now includes para 4.11.</p>	<p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
<p>Minor NCR: RJ02/2022</p>	<p>Requirement: Indicator 7.1.1 - Availability and implementation of forest management plan including consideration of risks and opportunities concerning compliance with the requirements of the standard.</p> <p>Finding: The Supporting Document were not sufficient to cover Forest Plantation Management Plan.</p> <p>Objective Evidence:</p>	<p>Result of investigation and determination of root cause:</p> <p>It is true that para (j) Description of Stakeholders Consultation”, and Consideration of risks and opportunities concerning compliance with the requirements of the standard did not provide in the FPMP. This was an oversight.</p> <p>Correction and corrective action plan including completion date:</p> <p>To include para (j) Description of Stakeholders</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>

	<p>The Forest Plantation Management Plan for the MTCS areas within Marudi LPF/0008 for the period 1st February 2018 to 31st January 2028 did not provide :</p> <p>c. Para (j) “Description of Stakeholders Consultation”, and</p> <p>d. Consideration of risks and opportunities concerning compliance with the requirements of the standard.</p>	<p>Consultation”, and Consideration of risks and opportunities concerning compliance with the requirements of the standard in the FPMP.</p> <p>By end of April 2022</p>	
<p>Minor NCR: RJ03/2022</p>	<p>Requirement: Indicator 7.4.1 - A summary of the primary elements of the forest management plan as prepared and implemented under Indicator 7.1.1 shall be made publicly available.</p> <p>Finding: Para 3.1 of FPMP Public summary for Marudi FPMU – LPF /0008 still referring to MC&I Forest Plantation v.2.</p> <p>Objective Evidence: Para 3.1 “Our Commitment” of the Public Summary for Forest Plantation Management plan MTCS Area within Marudi LPF/0008, has not been change to the new Standard: MC&I SFM.</p>	<p>Result of investigation and determination of root cause:</p> <p>It is true that para 3.1 “Our Commitment” of the Public Summary for Forest Plantation Management plan MTCS Area within Marudi LPF/0008, has not been change to the new Standard: MC&I SFM. This was an oversight.</p> <p>Correction and corrective action plan including completion date:</p> <p>Public Summary is now revised to refer to “MC&I SFM”.</p> <p>It will be uploaded before end of March 2022</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>

<p>Minor NCR: ANS 01/2022</p>	<p>Requirement: Indicator 8.1.3 - Forest managers shall undertake annual internal audit and management review of forest management for continual improvement. The conduct of internal audit, management review and continual improvement is stipulated in <u>APPENDIX A</u>.</p> <p>Finding: Annual Internal audit conducted not as stipulated in Appendix A</p> <p>Objective Evidence:</p> <p>Review of Internal audit report conducted on 20-22 September 2021 found that the following information were not included:</p> <ul style="list-style-type: none"> (i) Frequency of internal audit (ii) Methods and responsibilities (iii) Audit criteria and audit scope (iv) Issuance of non-compliance report (v) Closure of non-compliance report (vi) Timeframe of reporting of internal audit report 	<p>Result of investigation and determination of root cause:</p> <p>It is true that annual Internal Audit was not conducted as stipulated in Appendix A. Previously this was not an MC&I requirement.</p> <p>Correction and corrective action plan including completion date:</p> <p>An SOP for Internal Audit and Management Review as stipulated in Appendix A is now in place.</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
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<p>Minor NCR: ANS 03/2022</p>	<p>Requirement: Indicator 8.5.1 - A summary of the results of monitoring indicators, including those listed in Criterion 8.2, shall be made publicly available.</p> <p>Finding: Summary of the results of monitoring indicators, including those listed in Criterion 8.2 not made publicly available</p> <p>Objective Evidence: Review of the Marudi FPMU Public Summary on the Samling website, found that the following indicator not included in Public Summary:</p> <ul style="list-style-type: none"> a) Yield of all forest products harvested. b) Composition and observed changes in the flora and fauna. c) Environmental and social impacts of harvesting and other operations. d) Costs and productivity of forest management. e2) Growth rates and condition of planted forest. (FP) 	<p>Result of investigation and determination of root cause:</p> <p>It is true that summary of results of monitoring indicators, including those listed in Criterion 8.2 not made publicly available. This was an oversight.</p> <p>Correction and corrective action plan including completion date:</p> <p>To integrate those requirements into the public summary.</p> <p>By 30 April 2022</p>	<p>The corrective action plan was accepted by audit team.</p> <p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
<p>Minor NCR:</p>	<p>Requirement: Indicator 9.3.2 - These measures shall be included in the forest</p>	<p>Result of investigation and determination of root cause:</p>	<p>The corrective action plan was accepted by audit team.</p>

<p>ANS 04/2022</p>	<p>management plan summary made publicly available.</p> <p>Finding: Measures to demarcate, maintain and/or enhance of the HCVF not made publicly available.</p> <p>Objective Evidence: Review the Marudi FPMU Public Summary on the Samling website found that there was no map of HCVF.</p>	<p>It is true that reviewed the Marudi FPMU Public Summary on the Samling website found that there was no map of HCV areas. Samling management considers HCV information on flora and fauna potentially sensitive data that should not be in the public domain. Both plant and animal hunters maybe able to make use locational information for illegal purposes. However, as it happens there are only HCV 4 and HCV 5 areas in the MTCS area of Marudi FMU.</p> <p>Correction and corrective action plan including completion date:</p> <p>In the Public Summary Map 12.1 shows HCV 4 and HCV 5 inside MTCS area.</p> <p>The revised edition will be uploaded by end of March 2022</p>	<p>Status: Implementation and effectiveness of the corrective action plan will be verified during next audit.</p>
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Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit (2019)

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 2.1.1 NCR: LHF01/2019	Minor	<p>Requirement: Indicator 2.1.1 - Availability of documentation of legal status, and established forest use rights of the land or forest resources within the relevant federal and state legal frameworks for the forest plantation areas.</p> <p>Finding: The location of a villager's house in the FPMU is yet to be demarcated in any map by FPMU</p> <p>Objective evidence:</p> <p>Assessment visit showed there is one village house owned by Andrew Wan of Long Panai located within Coupe 4A of the certified area, constructed around 2013 before certification took place. The location of this house is yet to be demarcated in any map by FPMU.</p>	<p>The location of the house will be:</p> <ul style="list-style-type: none"> (a) GPSd; (b) Demarcated on FPMU's maps; and (c) Reported to FDS <p>Completion date: Well before the next Surveillance Audit.</p>	<p>A review of the map titled 'MTCS Area Within LPF/0008' dated 18 January 2022 sighted by the auditor during the current audit verified that the location of Rh Wan was demarcated in the map.</p> <p>Status: Closed.</p>

<p>Indicator 6.7.1</p> <p>NCR: RJ01/2019</p>	<p>Minor</p>	<p>Requirement: Indicator 6.7.1 – Oil, fuel, containers, liquid and solid non-organic wastes shall be disposed of in an environmentally appropriate and legal manner</p> <p>Finding: Record of disposal of used containers for chemical, pesticide and herbicide in the nursery was not evidence.</p> <p>Objective evidence:</p> <p>Site inspection at Marudi FPMU nursery at Block 16 Coupe 1, showed that there were chemicals used for the nursery operation. However, there was no record showing the disposal of the use containers in an environmentally appropriate and legally manner.</p>	<p>a) A system for recording the movement of drums and the stock balances until they have been tripled rinsed is required.</p> <p>b) A record of the return to supplier of triple rinsed but damaged drums is also required.</p> <p>The above systems will be established, and training will give to the nursery storekeeper in their use.</p>	<p>Site inspection at Marudi FPMU nursery at Block 16 Coupe 1, showed that there were chemicals used for the nursery operation, there was record showing the disposal of the use containers as Camp Despatch Note No A 92084 dated 12 November 2021.</p> <p>Status: Closed</p>
<p>Indicator 10.7.1</p> <p>(New Indicator 6.9.4)NCR RJ 03/2019</p>	<p>Minor</p>	<p>Requirement: Indicator 10.7.1 (new Indicator 6.9.4)- Availability and implementation of guidelines and/or procedures to control the outbreaks of pests, diseases, and fire, as well as invasive plant introductions, if any, for forest plantation areas</p> <p>Finding: The implementation of guideline /procedure to control the disease detected was not evidence.</p> <p>Objective evidence:</p> <p>A report on the occurrence of disease (Pest & Disease Report 00013/08/04A25B) was prepared on 12th September 2019 for Block 25B, in</p>	<p>The AGM Refor will alert the new manager to the matter and a response and proposed action will then be forthcoming.</p>	<p>R&D section of the FPMU has taken action to investigate the occurrence of disease. The cause of the disease has been identified. However, the trees recovered and survived. The site visit to this area has been conducted during this audit, it was evidence that the trees survive, and no sign of the disease traced.</p> <p>Status: Closed</p>

		Coupe 4A for Acacia mangium species, and was sent to the R&D unit of FPMU on 19th September 2019. However, the response and action to the report was not evidence.		
Indicator 4.2.5 NCR RJ 02/2019	Major	<p>Requirement: Indicator 4.2.5 - Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials.</p> <p>Finding: Storage and handling of hazardous material does not comply to the: Guidelines on hazardous materials.</p> <p>Objective evidence:</p> <p>Site inspection in Workshop of Marudi FPMU found the following:</p> <p>At the Used Part Store:</p> <ol style="list-style-type: none"> 1. 3 (three) plastic containers filled with lubricant were kept in the store, not stored in the designated area for fuel,oil and lubricant. 2. 3 (three) used batteries were kept in the store, but not in the designated area for schedule waste. 3. 1(one) plastic container filled with sulphuric acid was kept in the store, but not in the designated area for storage of chemical. <p>At the Fuel, Oil and Lubricant (FOL) Store:</p>	<p>Corrective action plan:</p> <ol style="list-style-type: none"> (a) All items to be moved to correct locations (b) Notices to be displayed that, if being re-used for other purposes, mineral water bottles must be appropriately labelled (as done for the eye wash in the FOL store). <p>Completion date: Before 28 February 2020</p>	<p>The Marudi FPMU has provided the photos for the following evidence of implementation:</p> <p>At the Used Part Store:</p> <p>The photos showed the batteries were removed and put in the Scheduled Waste store; the three Used Parts stores (containers) now identified by notices and tidied with all offending items removed. The container filled with sulphuric acid has been stored in battery charging store, and the containers with lubricant oil has been issued for usage.</p> <p>At the Fuel, Oil and Lubricant (FOL) Store:</p> <p>The contaminated water bottle was removed to Scheduled Waste store and stored as SW 410.</p> <p>Status:Closed</p>

		1. A mineral water was filled with spent lubricant but not label.		
Indicator 8.4.1 NCR: LHF 01/2019	Major	<p>Requirement: Indicator 8.4.1 - Forest plantation managers shall incorporate the results and findings of the monitoring activities into the implementation and revision of the forest plantation management plan.</p> <p>Finding: The results and findings of the monitoring activities has yet to be incorporated into the implementation and revision of the forest plantation management plan</p> <p>Objective evidence: Audit assessment has found that there was no record on monitoring activities on social assessment, hence no results and findings of the monitoring activities being incorporated into the forest plantation management plan.</p> <p>Therefore, the previous MINOR NCR LHF 02/2018 issued in 2018 is upgraded to a MAJOR NCR LHF1/2019.</p>	<p>Corrective action plan:</p> <p>(a) A Social Monitoring Interview Form will be prepared</p> <p>(b) Interviews with the communities will be conducted & information will be gathered based on the form.</p> <p>(c) The results of the social monitoring will be incorporated into an Annual Monitoring Report</p>	<p>The Marudi FPMU has provided the evidence as follows:</p> <p>(a) A Social Monitoring Interview Form has been prepared.</p> <p>(b) Interviews with the communities have been conducted with the Social Monitoring Interview Form used.</p> <p>(c) The results of the social monitoring will appear in Marudi's Annual Monitoring Summary Report 2020.</p> <p>Status: Closed</p>

Indicator 1.1.1	OFI	<p><u>Records and availability of up-to-date applicable federal, state and local laws, and regulations and policies, in particular those related to forest management.</u></p> <p>Employment agreement for workers is available and there is room for improvement to include matters such as leaves and termination of contract service by notice, to be in line with Labour Ordinance Sarawak 1952 (Act A1237).</p>	Not required	Status: Closed.
Indicator 4.3.2	OFI	<p><u>Provisions for workers the right to organise and undertake collective bargaining leading to agreements in accordance with ILO Convention No. 98 – The Right to Organise and Collective Bargaining Convention, 1949 - Articles 1 and 2, ILO Convention No. 111 – Discrimination (Employment and Occupation), 1958 - The Right to Equal Treatment, ILO Convention No. 100 – Equal Remuneration, 1951 - The Right to Equal Pay.</u></p> <p>It was observed that the “Borang Keluhan” (grievance form) could be further improved to include matters such as signature of worker, date of submission to relevant unit for further action, action taken and confirmation by officer-in-charge.</p>	Not required.	Status: Closed

End of Report