



**PUBLIC SUMMARY  
1<sup>st</sup> SURVEILLANCE AUDIT ON  
PASIN FOREST MANAGEMENT UNIT  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC-NF 00124  
Date of First Certification: 16 Mac 2020  
Audit Date: 11-13 January 2021 (Remote)  
6-11 December 2021 (Onsite)  
Date of Public Summary: 7 February 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)**

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## EXECUTIVE SUMMARY

The Surveillance 1 audit for forest management certification on the Pasin Sdn Bhd – Pasin FMU was conducted from 11-13 January 2021 (Remote Audit) and 6-13 November 2021 (Onsite Audit). This was an audit conducted following the previous audit which was conducted on 4-9 November 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. The audit was conducted with the full cooperation of the Pasin FMU by a three-member team comprising Mohd Razman Salim (Lead Auditor) and Ismail Adnan Abdul Malek (Auditor). The Pasin FMU only covers an area of 132,151 ha of Baleh Protected Forest, Katibas Bangkit Protected Forest, Tekalit Protected Forest and Stateland Forest. The forest area is situated approximately between Latitudes 1° 32' 00" N to 2° 00' 00" N and Longitudes 112° 22' 00" E to 112° 43' 00" E. The audit involved the verification of documentations and field visits and inspections. There were also consultations being held with relevant government agencies, local community, and indigenous people within FMU. In general, the findings of this surveillance 1 audit have indicated that the Pasin FMU had complied with most of the requirements of the MC&I SFM despite the issuance of total two (2) Minor Non-Conformance Report (NCRs) and one (1) Opportunities for Improvement (OFI), against the requirements of the MC&I SFM. The audit team had also verified on the issues of concern taken by the Pasin FMU to address all the finding raised during the last Stage II audit. The Audit Team Leader after consultation with team members recommends that certification of Pasin 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 1 audit. The FMU had submitted a proposed corrective action plans to address the NCRs and OFI raised during the surveillance 1 audit by email on 22<sup>th</sup> December 2021 which has been accepted by the audit team leader. 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.

## **1.0 INTRODUCTION**

### **1.1 Name of FMU**

Pasin Forest Management Unit

### **1.2 Contact Person and Address**

Name : Nelson Bijack James Chas  
Designation : General Manager – Kapit FMU & SFM Department  
Address : Ta Ann Building,  
No. 6, Jalan Rawang,  
96008 Sibu, Sarawak  
Phone # : 084 315154  
Fax # : 084 312919

### **1.3 General Background on the Pasin FMU**

Pasin FMU is located in the central region of Sarawak, Song District, Kapit Division. The FMU covers 65,625 ha of Protected Forest (PF) and 66,526 ha of Stateland Forest. The Protected Forest consists of 35,351 ha of Baleh PF, 27,804 of Katibas Bangkit PF and 2,470 ha of Tekalit PF. Pasin FMU lies between latitudes 10 32' 00" and 20 00' 00" N, and longitudes 1120 22' 00" and 1120 43' 00" E. It consists of logged-over lowland mixed dipterocarp forest (MDF) with elevation from 75 to 880 m above sea level. The camp office and workers quarters' are located at Woodley Camp in Coupe 2.

The FMU is bordered by alienated land along Batang Rajang in the North. The eastern FMU boundary is bordered with Kapit FMU (T/3491 Tanjong Manis Holdings Sdn Bhd). The western area is bounded by Sg. Katibas. For southern area, it reached Malaysia-Indonesia International boundary, LPF0010 Ta Ann Plywood Sdn Bhd and Lanjak Entimau Wildlife Sanctuary.

The Pasin Sdn Bhd – Pasin FMU is operating under the Forest Timber License (FTL) No. T/3135 issued to Pasin Sdn Bhd, a 100% subsidiary of Ta Ann Holdings Berhad. The FTL was issued on 14 January 1985. The licence area has been revised to 132,151 ha by Forest Department of Sarawak on 29 July 2019 (WPO.628.345(VI)-19) since further renewed of the FTL with annual license renewal from 14 January 2021 to 13 January 2022 with condition to implement certification for sustainable management of natural forest. The 60-year tenure will be granted once the area is certified.

The FMU covers 89,554 ha (68%) are production areas, 37,465 ha (28%) are set aside for community use areas and 5,132 ha (4%) are conservation areas. Conservation areas were identified and protected and these were confined mostly on areas with steep terrain  $\geq 350$ , 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.

Based on Social Impact Assessment report in 2019 indicates that the FMU had identified 112 settlements of local communities (54 settlements living inside the FMU and 58 settlements located within 3 kilometres from the FMU boundaries (Refer to Appendix II). Ethnically, most communities are Iban, Cina, Melayu etc.

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

### **1.4 Date First Certified**

16 Mac 2020

## **1.5 Location of the FMU**

The FMU is located approximately between Latitudes 10 32' 00" N to 20 00' 00" N and Longitudes 1120 22' 00" E to 1120 43' 00" E.

## **1.6 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 (2018-2027) was presented during this audit.

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

For the Twelfth Malaysia Plan (2021-2025) the Annual Allowable Cut (AAC) was calculated at an average of 102,915.457 m<sup>3</sup>/year or not more than 3,582.2 ha/year on average for the 25 years of cutting cycle. During this Stage 1 surveillance audit, the FMU covers 65,625 ha of Protected Forest (PF) and 66,526 ha of Stateland Forest.

## **1.8 Environmental and Socioeconomic Context**

The audit is basically limited to the Pasin FMU, a gazetted entity under the management of Pasin Sdn Bhd, and demarcated on the ground by clear boundaries. A production area of 89,554 ha (68% of total area) of the FMU were subjected to the certification process. The physical environment, related forest-based operations and community areas referred to in the audit, and their associated documentation, are confined within the borders of the said FMU. Similarly, the socioeconomic context referred to in the audit is also confined within the FMU borders. The audit report does not concern with matters outside the designated FMU boundaries.

# **2.0 AUDIT PROCESS**

## **2.1 Audit Dates**

11-13 January 2021 (Remote) & 6-11 December 2021 (12 auditor man-days).

## **2.2 Audit Team**

1. Mohd Razman Salim (Lead Auditor/Forester)
2. Ismail Adnan Abdul Malek (Auditor/Forester)

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

## **2.3 Standard Used**

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

## **2.4 Stakeholder Consultations**

A stakeholder notification was issued in November 2021 for a period of one month with relevant stakeholders invited to give comments on the FMU. There were three (3) comments received from the stakeholders on Pasin FMU during the period.

The audit team had conducted an onsite consultation with the relevant stakeholders during the Surveillance 1 audit. Details of the consultation with the stakeholders are showed in the audit plan as well as in the Surveillance 1 audit report in Principles 2, 3 and 4.

Comments by stakeholders and responses from the audit team are given in **Attachment 3**.

## **2.5 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 Peninsular, 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 coverage of this Stage 1 surveillance audit is as shown in the audit plan in Attachment 4.

## **3.0 SUMMARY OF AUDIT FINDINGS**

A total of two (2) Minor Non-Conformance Report (NCRs) [Indicator 2.3.1 & 9.22] and one (1) Opportunities for Improvement (OFI) were raised on the Pasin 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 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. Pasin FMU had showed their commitment to address the non-conformities in this surveillance audit as detailed in **Attachment 5**. Previous findings and corrective action taken are shown in **Attachment 6**.

The summary on the findings of the Stage 1 surveillance audit on the Pasin FMU against the requirements of the MC&I (Natural Forest) are as follows:

Principle	Strengths	Weaknesses
<b>Principle 1 Compliance with Laws and Principles</b>	<p>The FMU had updated and maintained a legal register with records of all relevant national and local laws and regulations and policies related to forest management MC&amp;I SFM which were updated on May 2021 and made available during audit. Forest manager and FMU management were aware of the federal and state laws and regulatory framework related to forest management. There were four cases of violations due to liquidated damages for log pond inspection and action had been taken by the FMU on July 2021. Records of violation were kept at base camp.</p> <p>All applicable and legally prescribed fees, royalties, taxes, and other charges were sighted during the audit. Records of payment were sighted and verified. These included renewal of STIDC annual registration fee, payment of liquidated damages and renewal of STA membership.</p> <p>Documents of binding international agreements, including ASEAN Agreements such as the Transboundary Haze Pollution 2002 were available and sighted at the Woodley Base camp office. The forest manager interviewed showed awareness of such international agreements.</p> <p>The FMU recorded a few conflicts between Principles and Criteria against the laws and regulations on ILO Conventions (No. 87, 105 and 111). Forest managers indicated that they were willing to participate in the resolution of any conflicts as verified in the Declaration of Willingness to Participate (November 2021).</p> <p>The FMU Forest Timber License (FTL No. T/3135) has been renewed by the Forest Department Sarawak covering 14 January 2021 to 13 January 2022. Records of monitoring activities on all the licenced areas were verified in Annual Monitoring Plan for</p>	

Principle	Strengths	Weaknesses
	<p>Boundary Patrolling (1/1/2020). FMU areas with high potential for forest offences were identified and ground patrolling conducted in monthly monitoring assisted by helicopter surveys. There were no illegal activities or fire incidence recorded. The boundary monitoring schedule titled Boundary Monitoring Schedule for PFE/License Boundary for 2021 was verified.</p> <p>Policies presented in the FMP, and the policy titled Sustainable Forest Management Policy (1 February 2021) displayed on campsite noticeboard, indicated commitment to manage the FMU on a sustainable basis. The FMU's commitment to manage the forest as consistent with the Principles and Criteria of the MC&amp;I SFM was communicated throughout the organization. This was also verified in the training record sighted. The statement of commitment can be accessed <a href="http://www.pasinfmu.com.my/about-us/">http://www.pasinfmu.com.my/about-us/</a>.</p>	
<b>Principle 2 Tenure and Use Rights and Responsibilities</b>	<p>The document entitled Forest Timber License (FTL) No. T/3135 was issued to Pasin Sdn Bhd. by the Forest Department Sarawak and has been renewed on annual basis. Forest managers supported legally recognised mechanisms for resolving land claims and the FMU has established the Native Claims and Compensation Procedure (2<sup>nd</sup> February 2017) and the Communication with Natives Procedure (5<sup>th</sup> January 2018). In addition, the Forest Management Certification Liaison Committee (FMCLC) was similarly established.</p> <p>Documents on legal or customary tenure or use rights of local communities within relevant federal and state legal frameworks and customary laws for the FMU were available in the main office at Woodley base camp. To the date, all complaints and grievances received from local communities had been resolved except for one at the time of audit. These were verified by the auditors. In general, the heads of the local communities were happy with the operations of Pasin FMU. All agreed that FPIC must be obtained through consultation with owners of NCR land before commencement of any logging operation. No cases of encroachment into their NCR land were</p>	<p>Interviews with the local communities and review of records however indicated that the SOP was not followed since the complaint forms (Borang Aduan) did not include some grievances and requests, and consequent acknowledgement and decision made by CM or GM on these issues. <b>A Minor NCR (ISMA 01/2021) against Indicator 2.3.1</b> was therefore raised.</p>



Principle	Strengths	Weaknesses
	<p>recorded at time of audit.</p> <p>Appropriate mechanisms, as mentioned earlier (Indicator 2.1.2), were available as guidelines to resolve dispute over tenure and use right. The SOP Management and monitoring of native forest-related traditional knowledge and special sites' (TA-SOP-CON-06) was also available and used by the FMU as the mechanism to ensure that sites of special cultural, ecological, economic or religious significance to the local community were identified and duly protected.</p>	
<b>Principle 3 Indigenous People's Rights</b>	<p>Documentation of the customary rights of indigenous peoples' lands was available. The FMU excluded 37,397 ha of land under the NCR and shifting Agriculture (SA) areas in order to protect native rights of the communities from being affected by logging operations. Gazetted NCR areas were excluded from the Timber License by the Sarawak Forestry Department. Maps titled Summary of High Conservation Value Assessment at Pasin FMU (17<sup>th</sup> September 2019) showing SA locations and various maps on Important Sites to the Local Community pertaining to specific longhouses, were sighted. Appropriate mechanism was employed to resolve disputes over tenure claims and use rights of the local communities as implemented through the Pasin Committee for Community relations (CRC). Community conflicts and grievances were settled according to the SOP, Communication with natives Rev. 2.</p> <p>The Forest Management Plan (2018-2027) assured that management practices in indigenous people's lands recognized within relevant federal, state and local laws their native rights and as such will not threaten or diminish, either directly or indirectly, their use of resources or tenure rights. Preventive and mitigation measures were incorporated in the FMP which has also listed out the objectives of local community development and associated development plan. The FMU Liaison Committee and CRC was established to protect community tenure and land claim, against measures that threaten or diminish their resources or tenure right. Its responsibility also included protection of special sites, long term social and economic well-being of the local community and</p>	

Principle	Strengths	Weaknesses
	<p>resolution of grievances raised.</p> <p>The FMU has addressed the mechanisms to ensure that sites of special cultural, ecological, economic or religious significance to the local community were identified and duly protected. Locality Map in the FMP showed location of local communities' settlements and updated map Summary of High Conservation Value Assessment at Pasin FMU (17<sup>th</sup> September, 2019). This map also included community settlement location, protection sites of special cultural, ecological, economic or religious significance to indigenous peoples.</p> <p>The FMU and local community had identified traditional forest-related knowledge and practices as verified in the Social Program Report and tabled out under Important sites to the local community and forest-related traditional knowledge inherited. A schedule showing implemented Social Awareness program by Pasin FMU at local community longhouses was sighted. However no indigenous traditional forest-related knowledge was used in the FMU forest management practices. Nevertheless, specific mechanism and compensation for the commercial utilization of traditional knowledge was provisioned for. The SOP titled Management and monitoring of native forest-related traditional knowledge and special sites (TA-SOP-CON-06) provided a mechanism that takes care of native claims and compensation.</p>	
<b>Principle 4 Community Relations and Workers' Rights</b>	<p>Qualified community members living within, or adjacent to, the FMU were given preference for employment and contract works. Out of a total 126 workers employed by the FMU, 28 were from local communities. An examination of the employee master list and service record and the license files found no illegal migrant workers, child labour or forced labour in the employment of the FMU or logging contractors. This was also supported by villagers interviewed during the audit.</p> <p>Records of dissemination of up to-date safety and health information to forest workers were based on the laws and regulations complied with the Occupational</p>	

Principle	Strengths	Weaknesses
	<p>Safety and Health Act, 1994, NADOPOD, 2004 and confirmed through worker interviews. Safety and Environment Policy (1<sup>st</sup> June 2016) was on display in the main office, workers camp, workshop and central stumping area. This was frequently discussed during morning briefing. Personal Protective Equipment were distributed to all workers such including safety helmet and safety vest. Record of equipment and maintenance were verified and found to be in good working condition. A Safety and Health Officer (SHO) was specially appointed to maintain up-to-date safety records, including minutes of meetings and accidents. Accident reports were submitted to DOSH within 7 days of occurrence. Guidelines on Disposal and Storage of Scheduled Waste, (18<sup>th</sup> March 2017) was available. The Guidelines for storage and handling of hazardous material in accordance with the requirements, Usage and Disposal of Hazardous Goods, have been revised (18 September 2017). Verification on sites including Scheduled Waste Store, chemical store and Fuel Oil Lubricant (FOL) Depot confirmed implementation of guidelines as per SOP.</p> <p>In accordance to ILO Convention 87, workers are free to organise into union of their own choice without previous authorization. Interview with workers confirmed that the FMU management has no objection for them to establish union. The FMU however need to comply with the Trade Unions Act 1959 before submitting registration to the Director General of Trade Union. The FMU has allowed the workers to form the Employee Representative Committee (ERC) which held their first meeting on 26 October 2021. In terms of workers' rights to employment benefits and social protection the staff and workers of the FMU and logging contractors were covered by a number of laws and/or regulations such as Labour Ordinance (Sarawak Cap 76) and Employees Provident Fund Act, 1991. Monthly-paid employees of the FMU were protected by their employment agreement and covered by the EPF. The right of workers to employment benefits and social protection was assured under applicable laws and/or regulations as verified in their letters of appointment. Contract employees</p>	

Principle	Strengths	Weaknesses
	<p>were also protected by the terms and conditions stated in their employment agreement including SOCSO or workmen's compensation (Workmen's Compensation Act 1952). The FMU was also found to be committed to address complaints or any grievances raised by workers in accordance to TA-SOP-HR-01 Employee Grievances Rev. 01 (14<sup>th</sup> June 2017. FMU found to be committed to handle complaint or any grievances raised by workers following TA-SOP-HR-01 Employee Grievances Rev. 01 dated 14/06/2017. Interview with workers confirm that the mechanism to resolve conflict/issue of workers through consultation with immediate mandore/supervisor who will bring the matters to camp manager. If the matter could not be resolve by the camp manager, the matter will be brought to the attention of management of company headquarters. In the case of grievances and conflicts raised by contract workers employed by the harvesting contractors they were brought directly to their employers to be discussed and to reach a mutual agreement.</p> <p>The FMU has conducted a SIA entitled SIA for the Timber Harvesting within the FMU FTL T/3135, at the Sg. Katibas-Batang Rajang area Kapit. An evaluation has been finalized and documented in October 2019. A CRC (Community Relation Committee) meeting was conducted on 18 October 2019 to share the HCV and SIA report at the Song District office attended by the SFD, SFC, Ta Ann, local community leaders and local government officers (District office Kapit and Song). Plan for actions to prevent and mitigate impact of forest harvesting activities, resulting from the SIA report has been incorporated in the FMP.</p> <p>Provisions and measures were taken by the FMU to prevent loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods. These were included in the FMP (Chapter 1) and confirmed by FMU managers and relevant personnel interviewed regarding awareness and understanding on Adat practices (hunting area, shifting agricultural area, burial sites, etc.). The FMU management showed respect to the community by paying compensation to all</p>	

Principle	Strengths	Weaknesses
	<p>claimants on user rights from areas affected by the forest operation. These areas have been demarcated on the FMU map. There is a contractual agreement between the FMU and local communities pertaining to their use rights within the management area.</p>	
<p><b>Principle 5 Benefits From the Forest</b></p>	<p>Investments and reinvestments in forest management at Pasin FMU included provisions for forest administration, research, human resource development, protection, economic, conservation, environmental and social aspects. The relevant documents, Expenditure for Pasin FMU 2021 and 2021 Annual Budget for Pasin FMU were verified. The Pasin FMP (2018-2027) specifically aimed to maintain, restore or enhance the productive capacity and ecological integrity of the FMU to ensure its economic viability (Chapter 3.2; Management Objective).</p> <p>The FMP (Chapter 2) mentioned forest resources inventory based on Forest Resource Assessment (FRA). The inventory formed the basis for AAC projection and consequent optimal use of forest resources. Both inventory data and maps of the locations on the established FRAs and PSPs were available and presented during audit. Two PSPs were verified on the ground. Some parameters checked were found accurate as per record in the Data Record Sheet. The AAC was calculated at an average of 102,915 m<sup>3</sup>/year (or 3,582 ha/year on average) over a 25-year of cutting cycle. Record on Quantity &amp; Percentage of Timber Forest Products Processed Locally and Exported verified that actual production did not exceed the AAC for Pasin FMU for July 2021 to June 2022. The Export Clearance Certificate for January - November 2021 was similarly verified.</p> <p>To minimize damage to residual stands and product wastage in log extraction the Guidelines for Reduced and Low Impact Logging Systems in Forest Management Certification (Natural Forest) Area, second edition, 2014, by the Forest Department Sarawak was implemented in the Pasin FMU. The approved General Harvesting Plan (GP) and Detailed Harvesting Plan (DP) for Coupe 1 – Coupe 4 were sighted. Established SOPs for RIL implemented at</p>	

Principle	Strengths	Weaknesses
	<p>Pasin FMU were also sighted. Site inspection of harvesting activities confirmed minimal damage to residual stand. Training record on reduced-impact logging (RIL) for departmental staff (February, November, October 2021) was verified.</p> <p>Other than logs, Pasin FMU has no plan for production of mixed commercial forest products including the utilisation of non-timber forest products. However, the FMU allowed local communities to gather non-timber products for their own consumption.</p> <p>Documentation review and site visit verified that sensitive areas in the FMU were demarcated and protected for soil and water, watercourses and wetlands including riparian buffers, Terrain IV, water catchments and other HCVFs. The FMU adopted the guidelines 'Identification and Demarcation of Buffer Zones for the Protection of Permanent Waterway' (TA-SOP-CON-04, ver. 02 dated 1 Nov 2016). Forest services and resources and their protection strategies were included in the Pasin FMU Forest Management Plan (Chapter 11) with maps showing zones demarcated for conservation and protection areas. Site inspection verified adequate signage for stream buffers in active (Block 42 Coupe 03) and post-harvest sites (Block 49 Coupe 3). FMP guidelines (Chapter 16) included strategies and measures to maintain/enhance forest resources and mitigate climate change by reducing greenhouse gas emission from forest harvesting activities.</p> <p>As indicated in the FMP, the rate of harvest should not exceed the estimated regrowth rate of the residual stand based on FRA assessment over a 25-year of cutting cycle. The AAC for the Pasin FMU was set at 102,915 m<sup>3</sup>/year (or an average annual operable production area of 3,582 ha/year). Timber is the only product since there is no non-timber commercial harvest from the FMU. The Pasin FMU has also maintained records of log production in 2019, 2020 and 2021 for Coupe 1, 2 &amp; 3.</p>	

<b>Principle 6 Environmental Impact</b>	<p>An Environmental Impact Assessment was prepared in July 2017 titled Environmental Impact Assessment for Timber Harvesting Within Pasin Forest Management Unit (FMU) Under the Forest Timber Licence (FTL) No. T/3135 at the Sg. Katibas-Batang Rajang Area Kapit Division, Sarawak. Logging operations complied with several guidelines to ensure the environment is sufficiently conserved. Riparian buffers with slopes exceeding 350 were protected (Terrain IV) and the area demarcated. Harvesting operation were also guided by approved comprehensive harvesting plan for specified felling blocks. Logging operations adopted the Reduced Impact Logging (RIL) prescriptions to minimize damage. The EIA report had also raised environmental issues in forest management particularly on measures to mitigate potential environmental impacts during harvesting, through proper road construction. The FMU has indicated measures to mitigate the environmental impacts identified in the EIA report. The FMU has also conducted quarterly EMR as required by the NREB. This included assessment of management impacts on ERT of flora and fauna, conservation of riparian buffer, etc. Water quality of the waterway was good with no pollution detected. EMR Monitoring Reports were sighted.</p> <p>The FMU has taken positive steps to identify and protect ERT flora and fauna, including features of special biological interest such as seed trees, salt licks, nesting and feeding areas. A SOP for identification and protection of these species (31 March 2017) and guidelines prepared by the Sarawak FD (Guidelines to identify rare, threatened forest tree species in Sarawak) were available. An SOP on Identification and Demarcation of Block Boundary and Area for Protection and Conservation was available and was implemented. Riparian buffers were demarcated. The FMU collaborated with UNIMAS to monitor the wildlife around salt licks. A resulting report Spatial and temporal dynamics of wildlife in salt lick areas of FMU in Central Sarawak (2019-2020) was sighted. An MOU with UNIMAS on joint monitoring was held on August 2019. Field staff and logging contractors interviewed indicated awareness of the need to protect ERT species. There was no evidence of hunting by forest workers. The FMU also conducted social awareness programme for local communities on SFM practices.</p> <p>Post-harvest SOP was available to monitor damage to stands. Records in Post-Logging Assessment Forms were verified during audit. Enrichment</p>	
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	<p>planting was conducted on degraded sites to enrich these understocked areas which included skid trails, access roads and temporary log landings. Potential crop trees and protected trees were marked to ensure their protection during logging operations. Harvesting was designed taking into consideration the need for conservation of water stream as features of special biological interest for wildlife. This was verified in the field (Block 42 Coupe 3).</p> <p>The FMU had taken steps to identify, demarcate and protect HCV areas such as riparian buffers, salt licks, watersheds and terrain IV areas to minimize environmental impacts as well as protect areas with high conservation values. Such areas also included the Lanjak Entimau Wildlife Sanctuary located along the international boundary with Indonesian Kalimantan. Representative areas of existing forest ecosystem (RoEFE) near Woodley Base Camp were identified and set aside for protection (FMP, Chapter 11).</p> <p>Harvesting operations were conducted along the requirements of Reduced Impact Logging, Guidelines for Forest Road Layout and Construction and the approved Comprehensive Harvesting Plan. Compliance ensured minimum soil compaction and erosion due to use of heavy vehicles. An SOP on Planning and Marking Log Landing and Skid Trails was available to control and minimize forest canopy cover opening and damage to the residual stand. Old roads within the FMU were maximally reused. Field inspection of post-harvest site (Block 42 in Coupe 3) showed compliance to guidelines and SOP. Marked protected trees and riparian buffers were secured from damage due to logging operations. The FMU had prepared a forest fire management plan entitled Forest Fire Management Plan for Natural Timber Harvesting within Pasin Forest Management Unit (FMU) under the Forest Timber Licence No. T/3135 Pasin Sdn Bhd (January 2021), for fire prevention and control especially in fire-prone areas.</p> <p>Management policy on the use of environmentally friendly non-chemical methods of pest management and avoiding the use of chemical pesticides were available, The Environmental Policy document was signed by the CEO on 1<sup>st</sup> June 2016. An SOP Handling of Agrochemicals (TAP-SOP-CHL) dated 18 Sept 2017 serves as guidelines for handling of pesticide by the FMU staff and field workers. FMU nursery workers attended a training on Handling of Hazardous Agrochemical on October 2020. The audit sighted the document, Ta Ann Group Forest Management Unit (FMU) Plan for the Reduction of</p>	
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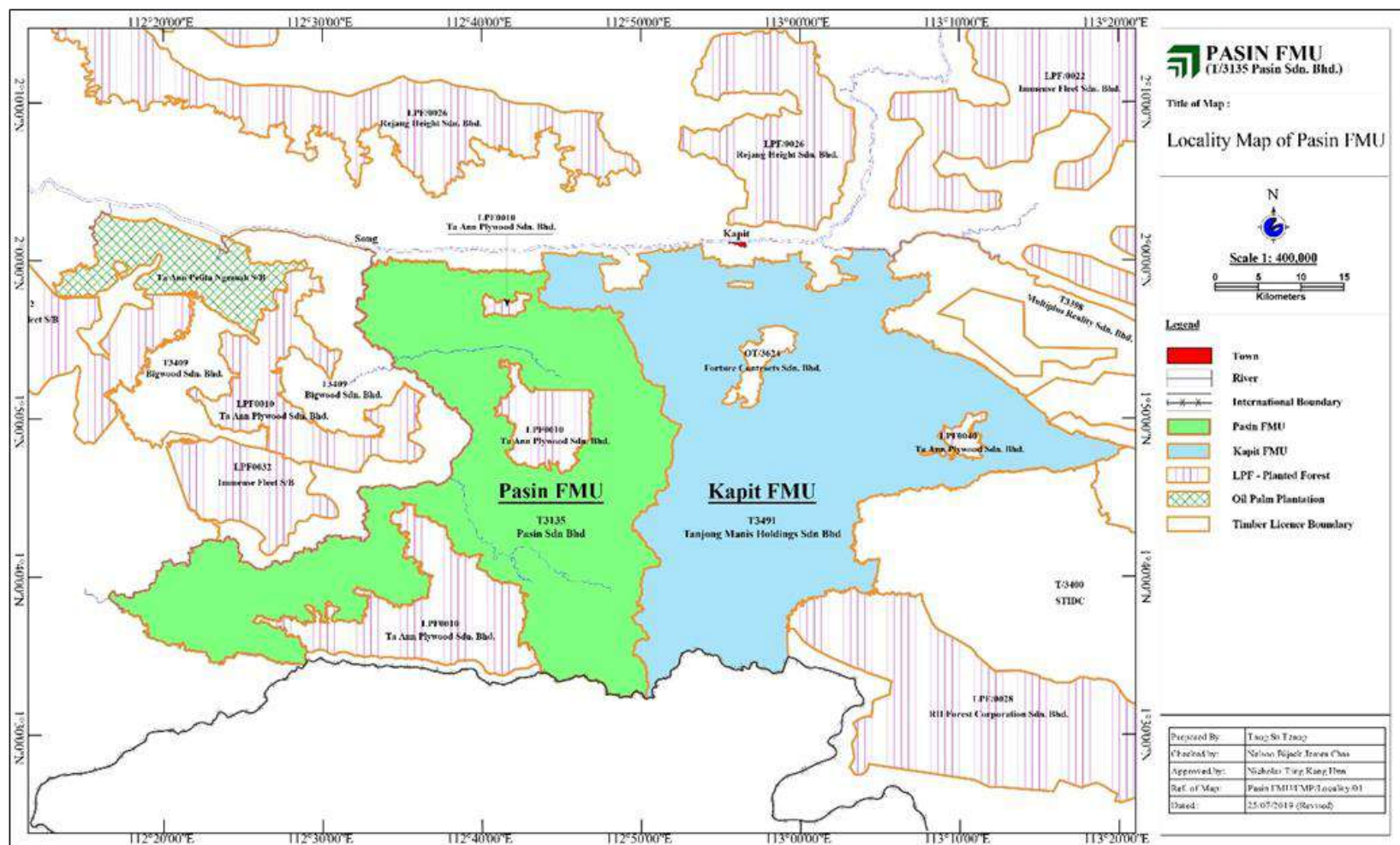


	<p>Use of Chemical Pesticides (June 2021). The plan encourages mechanical/manual weeding, use of Class III and IV chemical pesticide and continuous awareness briefings.</p> <p>The SOP on waste disposal and recycling of liquid and solid non-organic wastes, Waste Management (TA-SOP-EMS-01) ver. 02 dated 18<sup>th</sup> March 2017, was sighted. All scheduled wastes disposed by registered contractors. The DOE was notified online (<a href="https://eswis.doe.gov.my">https://eswis.doe.gov.my</a>) and regularly updated. Non-organic waste, such as used tyres, were sent to collection centers.</p> <p>Biological control agents have not been used in FMU management.</p> <p>As a matter of policy, only indigenous forest species are used in all reforestation of natural stands in the FMU. The guidelines for enrichment planting also do not encourage the planting of exotic species.</p> <p>There is no conversion of natural forest to plantation or other land use in the FMU.</p> <p>There was no conversion of severely degraded forests to forest plantations as verified during this audit.</p> <p>There was no afforestation of ecologically important non-forest ecosystems occur as verified during this audit.</p>	
<b>Principle 7 Management Plan</b>	<p>The Forest Management Plan for Pasin Forest Management Unit for period 10 years (1<sup>st</sup> January 2018 – 31<sup>st</sup> December 2027) Rev.02, April 2021), approved on 12 May 2021 by Forest Department of Sarawak. The FMP provided items (a) to (i) as per requirements of Criteria 7.1.</p> <p>Periodic review as prescribed in the Pasin FMU Forest Management Plan will be conducted in 2023. The forest managers were aware of new scientific and technical information pertinent to management of natural forest. Staff members attended online seminar/briefing on orangutan conservation (August 2021) and on Employees' Minimum Standards of Housing, Accommodation and Amenities Act (Act 446) in Sarawak.</p> <p>The internal and external training programme in 2021 was verified. Among others it included working safety and health, OSH, personal protective equipment and handling of hazardous agrochemicals (2020, 2021).</p>	<p>The briefing on Employees' Minimum Standards of Housing, Accommodation and Amenities Act (Act 446) in Sarawak was attended by STA members including the Operational Manager and Senior Forest Executive. The audit noted that the General manager should also participate on such awareness training in future. <b>Thus, an OFI for Indicator 7.2.2 was raised.</b></p>

	<p>A summary of the primary elements (a) to (i) of the Pasin FMU Forest Management Plan (2018 – 2027) implemented under Indicator 7.1.1 was made publicly available through. website: <a href="http://www.pasinfmu.com.my/fmp/">http://www.pasinfmu.com.my/fmp/</a>.</p>	
<b>Principle 8 Monitoring and Assessment</b>	<p>Quarterly monitoring of the FMU was conducted by Ecosol Consultancy Sdn Bhd. The latest quarterly reports for 2021 (1<sup>st</sup> - 3<sup>rd</sup> Quarters) were verified. Erosion rates were within acceptable limits and water quality was in Class II. Monitoring of license boundaries were conducted regularly. The monitoring schedule for 2020 as well as the report were made available (October-December 2020). No encroachment was reported. Progress of logging operations was monitored through the Block Inspection Record for Block 14, Coupe 03. As part of monitoring, an Internal Audit was conducted by the FMU management on 7-11 September 2021 to audit compliance against the requirements of the MC&amp;I SFM. Two (2) Major and six (6) Minor NCRs were raised. The related documents were verified.</p> <p>A Forest Resource Assessment (FRA) was conducted for the FMU in 2017. The overall volume of trees above 5cm dbh was 207 m<sup>3</sup>/ha, with the dipterocarps comprising 93.8 m<sup>3</sup>/ha of the stock. Measurements for PSPs will be carried out every 3 years. The list of PSPs in the FRA-Based PSP Establishment Plan for Year 2021, was verified. Harvesting is presently conducted in Block 42 Coupe 03AR. Monthly volume extraction (July 2021 to June 2022) was not exceeded. Actual production was only 33,705.19 m<sup>3</sup> (Jan – Nov 2021) as against the total AAC of 102,915.457 m<sup>3</sup> for that period. Flora changes will be monitored through the PSP, systematically located throughout the FMU. The FMU in collaboration with UNIMAS monitored wildlife around the salt lick areas. The related report Spatial and temporal dynamics of wildlife in salt lick areas of FMU in Central Sarawak was sighted. Total costs/expenditures for 2020 amounted to RM19.3 million. The FMU adequately invested to ensure that all the operations will be undertaken efficiently and is in line with the requirements needed to comply with sustainable forest management practices.</p> <p>All documents relevant to the movement of forest products leaving the certified area were sighted and verified. Among others the list covered Daily Felling Records, Royalty Removal Pass, Transit Removal Pass, Inspection Report at Source, Transit Removal Pass, Shipping Pass and Detail of Cargo. All processes were undertaken accordingly and all necessary documents and approvals by relevant authorities were available from the forest stand to</p>	

	<p>log landing and on to the PoRM and the CDC.</p> <p>The Forest Management Plan for the FMU was revised in April 2021 (Revision 02) and is valid for the period 1 January 2018 to 31<sup>st</sup> December 2027. The subsequent review of the FMP will be undertaken during the mid-term.</p> <p>Results of monitoring for the FMU were made publicly available via the Pasin FMU website - <a href="http://www.pasinfmu.com.my/public-summary/monitoring">http://www.pasinfmu.com.my/public-summary/monitoring</a>.</p>	
<b>Principle 9 Maintenance of High Conservation Values</b>	<p>The FMU conducted assessment on the presence of the attributes consistent with HCVF sites. The report, Assessment of High Conservation Value (HCV) Site within Pasin Forest Management Unit (FMU), Song – (revised in June 2019), was made available. The presence of three HCVs was included in the FMP (Chapter 12), and demarcated on the map, HCV within Pasin FMU (17 September 2019). Stakeholders consulted in this were the FDS, SFC, WWF, STA and the local communities.</p> <p>The FMU consulted the FDS, Land Survey Department, District Office and Pasin Community Representative Committee (CRC) on 6 November 2020. There was no recommendation from them for new HCV areas within the FMU. The FMU will protect established HCVs in their forest operations as stated in the FMP (Chapter 12).</p> <p>Specific measures were outlined in the Pasin FMP in recognizing HCV areas. This was included in the FMU public summary at <a href="http://www.pasinfmu.com.my/hcv/">http://www.pasinfmu.com.my/hcv/</a></p> <p>The FMP clearly stated the management and monitoring recommendations for the HCVs in the FMU. Chapter 12 – Section 12.3 specifically dealt with HCV Management and Monitoring Recommendation to assess the effectiveness of the measures employed. Monitoring guidelines are contained in the SOP Management and Effectiveness Monitoring of High Conservation Value (HCV) Area (14 March 2017 – Version 2). The FMU conducted annual monitoring with the latest report titled High Conservation Value Monitoring Report 2020. The document, Pasin FMU – High Conservation Value Monitoring Report 2020, was sighted. Results and findings of the HCVFs monitoring activities will be incorporated into the FMP during mid-term review.</p>	

### Map of Pasin FMU



## Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualifications and Experience
Mohd Razman Salim	Assessment Team Leader / Forester	<p>Academic Qualification: B.Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experience: Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). Participate in organizing committee member, division level activities and projects. Coordinate and collaborate a long-term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local &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>Training / Research Areas: 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. EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013. OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013. QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013.</p>
Ismail Adnan Abdul Malek	Auditor/ Forester	<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,</p>

		<p>Selangor. Responsible for Forestry Teaching, Research and Extension. Had taught subjects in Forest Management, Forest Harvesting and Geo-spatial technology (Remote sensing &amp; 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&amp;I (Natural Forest) &amp; MC&amp;I (Plantations).</p> <p>Attended and pass the following training programmes:</p> <ul style="list-style-type: none"> <li>• Auditor Training Course on MC&amp; I (Natural Forest) and MC&amp;I (Forest Plantation V2) (SIRIM QAS Sdn. Bhd), 9<sup>th</sup>-10<sup>th</sup> July 2015.</li> <li>• EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23<sup>rd</sup>-27<sup>th</sup> Nov 2015.</li> <li>• Training on Auditing Techniques (SIRIM QAS Int. Sdn. Bhd), 26<sup>th</sup> January 2016.</li> <li>• RSPO Lead Auditor Training organized by Wild Asia Sdn Bhd, 10<sup>th</sup> – 14<sup>th</sup> October 2016</li> </ul>
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## Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Stakeholder 1	<p>Letter to General Manager of Pasin Sdn Bhd dated 25 August 2021. <b><u>Larangan dan bantahan operasi pembalakan di kawasan temuda penduduk Rumah Lasin di Nanga Nansang, Sungai Bangkit, Katibas, Song.</u></b></p> <p>Kami ingin memaklumkan kepada pihak tuan bahawa kami penduduk dari Rh. Lasin di Nanga Nansang, Sungai Bangkit, Song seperti senarai nama yang dikepilkan tidak bersetuju untuk pihak pasin Sdn Bhd atau Pasin FMU yang mewakili pihak Ta Ann Sdn Bhd untuk melakukan aktiviti pembalakan di kawasan temuda kami.</p> <p>Aktiviti pembalakan yang dimaksudkan adalah termasuk dengan pembinaan balak, jalan menarik kayu balak, apa-apa aktiviti jentera berat yang dimiliki oleh pihak pasin dan juga aktiviti menebang kayu di kawasan temuda kami.</p> <p>Kami juga ingin memaklumkan pihak tuan bahawa kami tidak pernah melantik sebarang individu sama ada penduduk rumah panjang kami atau juga Tuai Rumah kami supaya menjadi wakil untuk sebarang urusan perbincangan dalam membuat perjanjian dengan pihak tuan supaya bersetuju untuk operasi pembalakan di kawasan temuda kami.</p> <p>Kami menentang sekera-kerasnya aktiviti pembalakan yang dijalankan di kawasan kami kerana ia akan mencemarkan kawasan alam sekitar di kawasan kami selain daripada pembayaran yang amat tidak setimpal dari pihak tuan.</p> <p>Oleh itu, kami tidak akan melakukan apa-apa rundingan sama ada dengan pihak tuan terutamanya Manager atau pengurus kem balak Pasin yang selalu cuba untuk mengacau atau memujuk kami untuk membenarkan operasi</p>	<p>The refusal of Rumah Lasin community to allow Pasin FMU to work in their claimed customary land, hence, no delegation of FPIC (letter dated 25 August 2021). Pasin FMU did not enter their land and no harvesting had been carried out. This was evidenced by sighted PEC permits for Coupe 3AR (PEC Ref No: 3135/3A/3A) dated 22 January 2020 which excluded the Rumah Lasin claimed blocks from Operation 5.</p> <p>The chronology of the grievance from Rh Lasin and response from Pasin FMU are as follows:</p> <ol style="list-style-type: none"> <li>1) 25 August 2021: Letter from Rh Lasin community on refusal to allow Pasin FMU to do logging in the 'Temuda' of Rh Lasin, Ng Nansa, Sg Bangkit, Katibas, Song.</li> <li>2) 6 September 2021: Pasin FMU acknowledged the objection and forward a letter of request for representatives of Rh Lasin to contact Pasin FMU management for FPIC discussion.</li> </ol> <p>Pasin decision to no logging in Blocks claimed as NCR land by Rh Lasin.</p> <p>(No request for Operation 5 in the claimed blocks).</p> <p>PEC for Coupe 3AR (PEC Ref No: 3135/3A/3A) dated 22 January 2020 with showed no Operation 5 approved for the Rh Lasin claimed Blocks.</p>

		<p>balak di kawasan temuda kami. Adalah diminta supaya Manager atau pengurus kem balak Pasin untuk menghentikan taktik beliau dan berhenti melakukan operasi memujuk secara individu itu kerana ia mengganggu kehidupan seharian kami dan juga mengugat keharmonian rumah panjang kami. Keputusan kami untuk tidak membenarkan pihak tuan menjalankan operasi pembalakan di kawasan temuda kami adalah muktamad. Sebarang rundingan secara berselindung atau kaedah memujuk yang dilakukan secara bersembunyi akan di anggap sebagai suatu gangguan dan akan kami laporkan kepada pihak yang berkaitan.</p> <p>Jika kami mendapati bahawa kawasan kami diceroboh oleh aktiviti pembalakan pihak tuan tanpa apa-apa kebenaran dari kami, kami akan membuat laporan dan mengenakan Tindakan undang-undang disamping mengenakan kompoun mengikut budi bicara pihak kami.</p>	
2	Stakeholder 2	<p>Letter from Sambang Anak Jalak to General Manager of Pasin Sdn Bhd dated 18 August 2021. <b><u>Pencerobohan Operasi Pembalakan Di Tanah NCR oleh Pihak Pasin FMU.</u></b></p> <p>Saya Sambang Anak Jalak adalah salah seorang penduduk di rumah Panjang Akang Anak Jebeng Batu Pikul Bangkit Song ingin memaklumkan bahawa pihak pasin FMU telah melakukan pencerobohan iaitu tanpa kebenaran dari saya telah melakukan aktiviti pembalakan secara haram di dalam kawasan <b>NCR atau temuda</b> keluarga saya.</p> <p>Pada 13.8.2021 jam kurang lebih 1000 hrs, saya telah pergi ke Song dan bertempat di Tanah Pusaka keluarga saya mendapati kawasan tanah NCR saya di Block 47, Gerugu Anga Sungai Mino, Bangkit Song telah diceroboh oleh pihak pasin FMU pada awal Mac 2021 untuk mengambil kayu balak dan menyimpan kayu balak di Log Pong kami tanpa kebenaran.</p>	<p>The grievance of Sambang from Rumah Akang was still being addressed. He claimed his land was encroached and used as log landing by Pasin FMU without authorization. Site visit by the auditor to the site during the audit confirmed the land was utilized by the FMU (Lat 1° 43' 1.3 N" and 112° 43' 17" E) as log landing. Interview with Tuai Rumah Akang acknowledged that the complainant was not present during signing of the FPIC Agreement between residents of Rumah Akang with Pasin FMU on 18 August 2020. A total of 5 residents (including Sambang Ak Jalak) did not sign the FPIC Agreement. Interview with Tuai Rumah Akang also acknowledged that Sambang did not lived in the longhouse at the time of the agreement. A letter of complaint from Sambang Ak Jalak regarding encroachment and use of his NCR land as log landing by Pasin FMU dated 23 August was received. Complainant Sambang requested compensation of RM13,000 which</p>



	<p>Saya dan keluarga saya tidak pernah memberikan kebenaran untuk pihak Pasin FMU untuk mengambil kayu di dalam kawasan NCR dan temuda saya seperti yang tertera di atas. Dikepilkkan Bersama adalah Repot Polis yang bernombor SONG/000890/21.</p> <p>Oleh itu, saya dan keluarga saya ingin menuntut ganti rugi sebanyak RM10,000 denda pencerobohan dan RM3,000 sebulan bagi sewa Log Pond.</p>	<p>was counter offered by Pasin for one off payment of RM1,800. A letter from Pasin requesting an FPIC meeting was also sent to the complainant dated 6 September 2021. A meeting to discuss FPIC was held between Sambang and Pasin management with representatives from the Kapit Region Forest Office as observers was held on 5 December 2021 at the Lajan Logpond in Song. However, no resolution was obtained at the meeting, hence, the Sarawak Forest Department representatives recommended the next meeting to be held in Song with committee of the Pasin CRC committee to mediate. At the CRC included meeting, the grievance of Sambang shall be further negotiated for a fair resolution.</p> <p>The chronology of Sambang's grievance received and response from Pasin FMU is as follows:</p> <ol style="list-style-type: none"> <li>1) 2 February 2020: Letter of Complaint by Tuai Rumah Akang regarding Pasin FMU encroachment into their NCR land.</li> <li>2) 12 May 2020: Letter of complaint by Tuai Rumah Akang regarding Pasin FMU encroachment into their NCR land and request for compensation.</li> <li>3) 15 May 2020: Pasin letter of response informing Rh Akang that the logging is legal and within the approved Timber License approved PEC.</li> <li>4) 18 August 2020: Agreement between Rh Akang community members with Pasin FMU delegating FPIC for logging was signed. However, five (5) members of the community including Sambang Ak Jalak did not sign the Agreement.</li> <li>5) 23 August 2021: Letter of complaint from Sambang Ak Jalak regarding encroachment and use of his NCR land as log landing by Pasin FMU was received.</li> <li>6) 6 September 2021: Letter from</li> </ol>
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			<p>Pasin FMU requesting an FPIC meeting was sent to complainant (Sambang)</p> <p>7) 5 December 2021: An FPIC meeting between Sambang and Pasin FMU with Kapit Regional Forest Office representatives as witnesses was held at Lajan Logpond, Song to discuss compensation. Sambang's request of RM13,000 for compensation was not agreed by Pasin who counter proposed payment of RM1800 one off instead. <b>No resolution was reached.</b> Members of the Forest Department proposed the next meeting with involvement of the Pasin FMU CRC committee as mediators to discuss amicable compensation from Pasin FMU.</p> <p><b>At the time of Audit, this grievance is still being addressed through further negotiation.</b></p>
3	Stakeholder 3	<p>Letter to General Manager Pasin Sdn Bhd <b><u>Declaration of Community Representative (Non-Individual) From Rh. Sebastian Tambi, Nanga Bangkit, Katibas, Song For Any Dealings or Communications with Pasin Sdn Bhd and Objection to Logging Operation Within Our Pemakai Menua, Pulau Galau and NCR Land</u></b> dated 14 March 2020.</p> <p>We wish to inform you that our community from Rh. Sebastian Tambi, Nanga bangkit, Katibas, Song is declaring that no single individual or Tuai RUmah either from within or outside of our longhouse community is/has/will be representing on behalf of our community in any dealings or discussion or communication with your company with any individual stated above or so-called representative which does not have a majority consent from the signatory name list as attached in appendix 1 is considered as void. This also include any agreement signed by the Tuai Rumah or member from the JKK on behalf of the community as he or she is/are also not considered to be representing the whole community.</p>	<p>The refusal of community at Rumah Sebastian Tambi dated 28 October 2021 to allow Pasin FMU to work in their claimed customary land. Due to no delegation of FPIC from the community, the FMU did not enter their land and no harvesting had been carried out. This was evidenced by the sighted PEC permits for Coupe 2AR (PEC Ref No: 3135/19/2A) dated 31 January 2019 and Coupe 3AR (PEC Ref No: 3135/3A/3A) dated 22 January 2020 which excluded the claimed blocks by Rumah Sebastian Tambi from Operation 5 (Felling and Extraction). Sighted Closure permit for Coupe 02A dated 29 April 2021 also did not include Blocks claimed by Rumah Sebastian Tambi.</p> <p>Review of records of consultation and FPIC negotiations between Pasin FMU and Rumah Sebastian Tambi community were as follows:</p> <p>1) 3 May 2019: 1<sup>st</sup> FPIC consultation with Rh Sebastian, Rh Kunyo and Rh Selat</p> <p>2) 7 May 2019: 2<sup>nd</sup> FPIC consultation with Rh Sebastian,</p>

		<p>We also would like to inform that any representative or representatives elected from our longhouse in the CRC (Community Representative Committee) initiated by your company specifically for your MTCC certification does not represent our community. Your CRC initiative is not all effective in engaging the community on the ground. It is only for the elected individual/individuals. Any decision, communication or dealings between the individual/individuals within the CRC with your company does not represent the view and decision of our community. Any agreement/agreements between your company and the individual/individuals in the CRC is/are considered as only between your company and the individual itself and does not reflect or involve the community as it is against our communal rights.</p> <p>All communications, discussion, dealings or agreement should be done though open discussion or open dialog with presence of all the community or their signatory representatives (as in appendix 1) and any decision made under these events must be done with collective agreement by each of the community's representatives and not through any single individual approach or individual representative.</p> <p>We also object to any timber harvesting or logging activity within our pemakai menoa, pulau galau and NCR land in Nanga bangkit, Katibas. We also do not acknowledge the certificate of forest management certification scheme awarded to your FMU as we observed that there was no transparency in your previous conducts, communications, and dealings with our community. There was also no proper FPIC (Free Prior Inform Consent) done with our community. We also don't have any record of any visit done by any of your consultants for development of the FMU's EIA (Environmental Impact Assessment) and HCVF (High Conservation Value Forest) assessment however we observed that</p>	<p>Rh Kunyo and Rh Selat. Discussed requests raised by Pasin</p> <p>3) 13 May 2019: 3<sup>rd</sup> FPIC consultation with Rh Sebastian, Rh Kunyo and Rh Selat. Finalized negotiation.</p> <p>4) 22 May 2015: Signing of Agreement between Rh Sebastian and RH Kunyo with Pasin FMU</p> <p>5) 23 May 2019: Presentation of payment for "Pasik Menoa", "Ayer Keroh" and "Sagu hati" to communities of Rh Sebastian and Rh Kunyo</p> <p>6) 3 June 2019: Notification letter of Tractors and Machinery standby to enter Coupe 2AR to start operation.</p> <p>7) 14 March 2020: Received letter from Sebastian Tambi Community on "Refusal to allow Pasin FMU to work in their claimed customary land and withdrawal of FPIC. i.e. "Deklarasi Perwakilan Komuniti (Bukan Persendirian) dari Rh Sebastian Tambi, Ng Bangkit, Katibas, Song Untuk Urusan atau Komunikasi Dengan Pasin S/B dan Bantahan Operasi Pembalakan di Kawasan Pemakai Menoa, Pulau Galau dan Tanah NCR"</p> <p>8) 3 June 2019 and 2 September 2020: Pasin letter of response to Rh Sebastian Tambi community</p> <p>Pasin decision on no logging in Blocks claimed as NCR land by Rh Sebastian Tambi.</p> <p>(No request for Operation 5 in claimed blocks) from Pasin FMU to SFD.</p> <p>(PEC permits for Coupe 2AR (PEC Ref No: 3135/19/2A) dated 31 January 2019 and Coupe 3AR (PEC Ref No: 3135/3A/3A) dated 22 January 2020). Showed no Operation 5 approval for claimed Blocks.</p> <p>Closure permit for Coupe 02A dated</p>
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	<p>these reports were available and deemed as completed during your second stage certification audit by SIRIM Malaysia but were not made available to us. This is a sign that our community was never properly consulted during the development of those two important documents which eventually led to the approval of the FMU's Forest Management Plan and even the logging license.</p> <p>We also observed there were attempts to use the old conventional ways in dealings and discussions on matters between your logging activities with some individuals within your community to coax and deceit them into certain situation such as signing agreement to give consent on behalf of the community for the FMU to conduct logging activities within our communal land. This we regard as a serious breach of procedure especially when your FMU is being certified under the MTCC (Natural Forest) certification. A complain on these matters will be sent to the responsible certification body and relevant government agencies as a sign of objection from our community as a result of your irresponsible acts.</p>	<p>29 April 2021 also did not include Blocks claimed by Rumah Sebastian Tambi.</p>
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## Surveillance 1 Audit Plan

DAY	TIME	PROGRAM	
		AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)
<b>Day 0 Sunday 5/12/2021</b>		<ul style="list-style-type: none"> <li>Travel from Kapit FMU to Woodley Base Camp, Pasin FMU</li> </ul>	<ul style="list-style-type: none"> <li>Travel from Kapit FMU to Woodley Base Camp, Pasin FMU</li> </ul>
<b>Day 1 Monday 6/12/2021</b>	8.00 am – 12.30 pm	<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 5 – Benefits from the forest</li> <li>Principle 6 – Environmental Impact</li> <li>Principle 7 – Management Plan</li> <li>Principle 8 – Monitoring and Assessment</li> <li>Principle 9 – Maintenance of High Conservation Value</li> </ul>	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>Principle 1 – Compliance with Laws Areas</li> <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> <li>Consultation with staff and workers at camp</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 1 Findings by Audit Team Leader</li> </ul>	
<b>Day 2 Tuesday 7/12/2021</b>	8.00 am – 5.00 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)
		<ul style="list-style-type: none"> <li>Inspection of pre-harvesting area (Block 8, Coupe 4)</li> <li>Inspection of active harvesting area (Block 42, Coupe 3)</li> <li>Inspection of riparian buffer</li> <li>Inspection of post harvesting - Enrichment planting (Block 14, Coupe 3)</li> <li>Post-F assessment (Block 49, Coupe 3)</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with CRC representative (Gemazon)</li> <li>Rh. William a/k Uncat (Sg. Yong)</li> <li>Rh. Bundong a/k Tajak (Sg. Kapit)</li> <li>Rh. Gawan a/k Tuan (Sg. Sut)</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 2 Findings by Audit Team Leader</li> </ul>	
<b>Day 3 Wednesday 8/12/2021</b>	8.00 am – 5.00 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Ismail)
		<ul style="list-style-type: none"> <li>Inspection of PSPs               <ul style="list-style-type: none"> <li>i.PSP#8-SU31 (Coupe 9)</li> <li>ii.PSP#17-SU61 (Coupe 11)</li> </ul> </li> <li>Conservation area – Terrain IV</li> </ul>	<ul style="list-style-type: none"> <li>Rh. Lawan a/k/ Sadat (Sg. Gaat)</li> <li>Rh. Ragai a/k Ubong (Sg. Gaat)</li> </ul>
		<ul style="list-style-type: none"> <li>Review of Day 3 Findings by Audit Team Leader</li> </ul>	

<b>Day 4</b>  <b>Thursday</b>  <b>9/12/2021</b>	8.00 am – 5.00 pm	<b>AUDITOR 1</b> <b>(Razman)</b>	<b>AUDITOR 2</b> <b>(Ismail)</b>
		<ul style="list-style-type: none"> <li>• Inspection of CoC at Central Stumping Site (CS)</li> <li>• Point of Royalty Marking (PoRM)</li> <li>• Camp inspection - diesel storage, lubricant store, SW store, workshop, housing &amp; genset</li> <li>• Nursery and chemical store</li> </ul>	<ul style="list-style-type: none"> <li>• Rh. Johny a/k/ Nyengat (Sg. Sut)</li> <li>• Rh. Ikau a/k Kaya (Sg. Sut)</li> <li>• Rh. Jugah a/k/ Lidi (Sg. Sut)</li> <li>• Rh. Emak a/k/ Libau (Sg. Sut)</li> <li>• Rh. Braoh a/k Tuba (Sg. Sut)</li> </ul>
		• Review of Day 4 Findings by Audit Team Leader	
<b>Day 5</b>  <b>Friday</b>  <b>10/12/2021</b>	8.00 am – 5.00 pm	<b>AUDITOR 1</b> <b>(Razman)</b>	<b>AUDITOR 2</b> <b>(Ismail)</b>
		<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>• Principle 5 – Benefits from the forest</li> <li>• Principle 6 – Environmental Impact</li> <li>• Principle 7 – Management Plan</li> <li>• Principle 8 – Monitoring and Assessment</li> <li>• Principle 9 – Maintenance of High Conservation Value</li> </ul>	<u>Documentation and records review</u> <ul style="list-style-type: none"> <li>• Principle 1 – Compliance with Laws Areas</li> <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> <li>• Consultation with staff and workers at camp</li> </ul>
		• Review of Day 5 Findings by Audit Team Leader	
<b>Day 6</b>  <b>Saturday</b>  <b>11/12/2021</b>	8.00 am - 1.00 pm	<b>AUDITOR 1</b> <b>(Razman)</b>	<b>AUDITOR 2</b> <b>(Ismail)</b>
		<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	• Closing Meeting and presentation of findings of audit	

## Audit Findings and Corrective Action Taken (2021)

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<b>Indicator 2.3.1</b>  <b>Minor</b>  <b>NCR: ISMA 01 2021</b>	<p><b>Requirement Indicator 2.3.1:</b> Availability of appropriate mechanisms to resolve disputes over tenure claims and use rights</p> <p><b>Finding:</b> The SOP titled 'Communication with Natives' (TA-SOP-COM-01) for grievances from the natives was not followed.</p> <p><b>Objective evidence:</b> Based on grievances/request records review, there was no evidence that the form titled 'Borang Aduan' provided for recording of the grievances/request from natives and steps when addressing them as in the SOP was used for the following :</p> <ol style="list-style-type: none"> <li>1)Record of grievances and request (either verbally or in writing) from the natives onto the form by the FMU Camp Manager either directly or as attachment to the form.</li> <li>2)Record of acknowledgement and decision of Camp Manager or General Manager in resolution of the grievance/request.</li> <li>3)Record of the Camp Manager or General Manager decision delivered in writing to the complainant/requester.</li> </ol>	<p><b>Root cause:</b> FMU record grievances and request (verbally or in writing) from natives in the form of field/ consultation report or minutes of meeting without using the "Borang Aduan".</p> <p><b>Corrective action plan:</b></p> <ol style="list-style-type: none"> <li>To review SOP titled 'Communication with Natives (TA-SOP-COM-01) for the recording of; <ul style="list-style-type: none"> <li>• grievances and request,</li> <li>• decision made by FMU, and</li> <li>• delivering decision made in writing to the complainant/requester.</li> </ul> </li> <li>To ensure that the revised SOP is being implemented.</li> </ol>	<p>Corrective action plan was received on 22 December 2021 and accepted by audit team.</p> <p><b>Status:</b> <b>Effectiveness of implementation of 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 01 2021</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 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 are 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>Root cause:</b> Surveyors unable to identify some of the reported RTE/endemic species during pre-harvest inventory.</p> <p><b>Corrective action plan:</b></p> <ol style="list-style-type: none"> <li>To conduct training for the identification of the reported RTE/Endemic species.</li> <li>To protect the identified RTE/Endemic species (if any) during harvesting.</li> </ol>	<p>Corrective action plan was received on 22 December 2021 and accepted by audit team.</p> <p><b>Status:</b> <b>Effectiveness of implementation of corrective action plan will be verified during next audit.</b></p>
<p><b>Indicator 7.2.2</b></p> <p><b>OFI#1</b></p>	<p><b><u>Forest managers shall be aware of new scientific and technical information, including any applicable traditional and indigenous knowledge pertinent to the management of the FMU.</u></b></p> <p>Operational Manager and Senior Forest Executive had attended training on forest conservation and related laws for year 2021. General Manager also could participate on awareness training for forest management, and any new scientific and technical information in future.</p>	<p>Not required corrective action plan.</p>	<p><b>Status:</b> <b>The implementation will be verified during next audit.</b></p>



## Previous Audit Findings and Corrective Action Taken (2019)

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Major  NCR: ANS 01 2019	<p><b>Requirement:</b> Indicator 1.1.1 Records and availability of up-to-date applicable federal, state and local laws, and regulations and policies, in particular those related to forest management</p> <p><b>Finding:</b></p> <ol style="list-style-type: none"> <li>Salary deductions were made in excess of 50% of wages earned by workers.</li> <li>No permission was obtained from labour department to accumulate the rest day for each week and utilize the four accumulated rest days at once per month.</li> </ol> <p><b>Objective evidence:</b></p> <p>(1) Worker No HWW L004 earned RM5711.30 in September 2019. A sum of RM 5222.00 was deducted from his September 2019 salary to pay for his canteen expenses and cash advance. However, this requires approval from Labour Department under Section 114(8) Labour Ordinance Sarawak which prohibits salary deductions in excess of 50% of wages earned by that worker in that month.</p> <p>(2) In the terms and conditions of employment of Mathew Anak Lang and Pawa Anak Jasa, it was stated that</p>	<p>Directive to be issued to the FMU (licensee and contractors) to manage and monitor the total of any amount deduction from wages of an employee in respect of any one month shall not exceed 50% of the wages earned by that employee in that month.</p> <p>The FMU to check with labour department on the status of submitted written permission to accumulate rest days from Labour Department.</p>	<p>The Ta Ann Holdings Berhad – Human Resource Manager has issued and circulated an Inter-Office Memo titled ‘Directive on Monthly Wages Deduction for Upstream Forestry Operations’ dated 15 November 2019 to the Pasin FMU management. The letter stated that total of pay amount deducted from the wages of an employee of any one month shall not exceed fifty per centum (50%) of the wages earned in that month.</p> <p>The contractor, Hariwood Sdn Bhd (subsidiary of Ta Ann Holdings Bhd) has received an approval letter from Labour Department dated 30 June 2020 (JTKSWK-DG-32 Jld.4(14)) and also permit titled ‘Permit Pengumpulan Cuti Rehat Mingguan di bawah Seksyen 105B(3) Ordinan Buruh (Sarawak Bab 76)’ No Siri: JTKSWK/CM/016/2020/(KAPIT) dated 30 June 2020 for accumulation of rest day (4 days) for the same month.</p> <p><b>Status: Closed</b></p>

	<p>employees are entitled for 4 accumulated rest days at the end of the month. However, permission from the Labour Department is needed to allow this. There was no evidence of such permission being granted.</p>		
<p>Minor</p> <p>NCR: ANS 02/ 2019</p>	<p><b>Indicator 2.2.2</b> Forest Managers shall recognize, respect and collaborative with holders of duly recognized legal or customary tenure or user rights within relevant federal, state and local laws in activities that may affect such rights.</p> <p><b>Finding:</b> Consultation with stakeholders and keeping of records of consultation were insufficient.</p> <p><b>Objective evidence:</b> Discussions with 27 longhouses, Rh Garuma, Rh Lucas, Rh Japok , Rh Bagan, Rh Guntor, Rh Serit, Rh Philip, Rh Melayu, Rh Menkan Rh Ribut, Rh Kawin Laja, Rh Beragok, Rh Untang, Rh Jagok, Rh Sebastian, Rh Kunyo, Rh Selat, Rh Malai, Rh Sa, Rh Jabu, Rh Gong, Rh Lasin, Rh Gendi, Rh Jabu, Rh Jimpai and Rh Kana showed that the FMU consultation with the respective longhouses was not sufficient. Majority of the communities were not aware of the Forest Management Certification process, CRC concept and the background of the FMU.</p>	<p>The FMU to prepare a strategic plan for social visit / program covering identified longhouses within and adjacent to the FMU on phased approached focusing on the directly affected settlements.</p> <p>The FMU to progressively implement the plan and disseminate relevant information e.g., FMU background, Forest Management Certification process, CRC concept, and result/outcome of social impact assessment on their significant sites</p>	<p>Feedback from 37 Tuai Rumah/Pemanca/Penghulu and community members interviewed confirmed the communities are presently aware of the Forest Management Certification process, CRC concept and function, the background of the FMU and grievance procedure. Review of CRC minutes showed, briefing on the matter was carried out during the meetings; also, during or “Awareness Briefing” consultation sessions carried out by the FMU in their longhouses.</p> <p><b>Status: Closed</b></p>

<p>Minor</p> <p>NCR: AS 01 2019</p>	<p><b>Indicator 3.3.2</b> Availability of appropriate mechanisms for Conflict Resolution.</p> <p><b>Finding:</b> 1. Written response of grievances raised by communities were not available. 2. Implementation of conflict and grievances mechanism contradict with the SOP provided by FMU. Reference SFM/001 Procedure on Land Claim Rev.0 dated 15/03/2017 - Section 2.0 Land claim flow chart.</p> <p><b>Objective evidence:</b> Consultations with the communities in the respective longhouses indicated that written grievance to the company was not given response in due time.</p>	<p>The FMU management or representatives to adhere with the provided SOP (SOP ID: TA-SOP-COM-01) in dealing with grievances raised by communities.</p> <p>The FMU to prepare a written response and to record any communications or negotiations held with affected party according to the time frame as per stipulated in the SOP.</p>	<p>Pasin FMU had followed and complied with the 'Communication with natives' SOP, which included acknowledgement and response to any grievance within two weeks. The evidence found were:</p> <ol style="list-style-type: none"> <li>1. Grievance by Sambang (received on 23 August 2021; response 6 September 2021)</li> <li>2. Grievance from Rh Sebastian Tambi (received on 26/5/21 response 3/6/2021)</li> <li>3. Grievance from Rh Lasin (Received on 1 Sep 2021 Response 6/Sept 2021)</li> </ol> <p><b>Status: Closed</b></p>
<p>Minor</p> <p>NCR: AS 02 2019</p>	<p><b>Requirement:</b> Indicator 4.4.1 – Forest managers shall evaluate, through consultations, social impact of forest management operations directly affecting communities, and the people and groups directly affected by the forest management operations shall have access to information on the results of the social impact evaluations.</p> <p><b>Findings:</b> Social impact assessment results were not shared with the communities of longhouses within and adjacent to the FMU.</p> <p><b>Objective evidence:</b> Assessment local consultation with 27</p>	<p>The FMU to prepare a strategic plan for social visit / program covering identified longhouses within and adjacent to the FMU on phased approached focusing on the directly affected settlements.</p> <p>The FMU to progressively implement the plan and disseminate relevant information e.g., FMU background, Forest Management Certification process, CRC concept, and result/outcome of social impact assessment on their significant sites.</p>	<p>Social Awareness Programme for Rh. Kawin Laja, Rh. Akang and Rh Selat (covered also Rh. Jabu and Rh. Lasin) for Zone Katibas Ulu &amp; Zone Katibas Hilir had been conducted on 7-8 November 2020, 12-13 September 2020 and 29 February – 1 March 2020. The FMU has briefed on SFM policies, FMCLC, CRC, mechanism for communication and grievances (including grievance form), forest operation, RTE, employment opportunities, SIA, EIA, HCV results, etc. The FMU has scheduled the awareness programme for year 2022 to cover other longhouses in</p>

	villagers in Zone Kapit, Zone Katibas Hilir and Rajang, Zone Katibas and Tekalit, Zone Katibas Tengah and Bangkit and Zone Katibas Hulu from 5-7 Nov 2019 showed that villagers were aware of the social assessment on their significant sites but they did not know the outcome of the findings.		Zone Katibas Ulu, Zone KatibasTengah/Bangkit/ Zone Katibas/Tekalit, Zone Katibas Hilir & Batang Rejang and Zone Kapit that cannot be reached in year 2021 due to Movement Control Order (MCO) and pandemic Covid-19. Therefore, previous Minor NCR AS02/2019 for Indicator 4.4.1 was closed and the implementation will be verified during next audit.  <b>Status: Closed</b>
Minor  NCR: AS 03 2019	<p><b>Requirement:</b> Indicator 4.5.2 Appropriate mechanism are employed to expeditiously resolve grievances and provide fair and equitable compensations for any loss and damage affecting the local communities legal or customary rights, property, resources, or their livelihoods caused by forest operations.</p> <p><b>Finding:</b> Grievance Report form was not made available to community leaders.</p> <p><b>Objective Evidence:</b> Consultation with CRC representatives from Rh. Kawin, Rh. Ribut, Penghulu from Zone Katibas and Kapit and communities Consulted in 27 longhouses, Rh Garuma, Rh Lucas, Rh Japok , Rh Bagan, Rh Guntor, Rh Serit, Rh Philip, Rh Melayu,Rh Menkan, Rh.Sebastian, Rh. Kawin Pau, Rh. Malai, Rh. Selat,Rh. Belagok, Rh Jimpai,Rh.Gindi,Rh.Kawin, Rh.Peter Laja,,</p>	<p>The FMU to brief the CRC representatives on the availability of the mechanism and appropriate procedure to relay their grievances to the FMU management accordance with SOP Communication with Natives (SOP ID: TA-SOP-COM-01). The FMU representatives who dealing with communities to also adhere with the provided SOP Native Claims and Compensations (SOP ID: TA-SOP-COM-02).</p> <p>The FMU to distribute the grievance report form to the CRC representatives and community leaders.</p>	<p>During this audit, feedback from 37 Tuai Rumah/Pemanca/Penghulu and community members interviewed confirmed the communities are presently aware of the Forest Management Certification process, CRC concept and function, the background of the FMU and grievance procedure.</p> <p><b>Status: Closed</b></p>

	Rh.Kunyo,Rh.SA,Rh.Jabu,Rh.Gong,Rh.Ribut, Rumah Untang, Rh.Jagok and Rh Kana confirmed that they were not aware of the procedures.		
Minor  NCR: SAM 01 2019	<p><b>Requirement: Indicator 6.4.1</b> - Representative areas of existing forest ecosystems, appropriate to the scale and intensity of forest operations, identified and selected under 6.2.2, are demarcated, mapped and protected in their natural state</p> <p><b>Finding:</b> Representative areas of existing forest ecosystem have not been identified and set aside for protection.</p> <p><b>Objective evidence:</b> The FMU has set aside areas categorized under HCVF for protection, however there was no evidence that the FMU has set aside representative areas of existing ecosystems which are protected in their natural state.</p>	<p>The FMU will set aside an area as representative area of existing forest ecosystem.</p> <p>The FMU will identify and confirm the boundary of this area, demarcate, record on map and protect its natural state.</p>	<p>The FMU has identified and set aside representative areas of the existing forest ecosystem (RoEFE) that located near Woodley Base Camp. The area covers 63 ha of hill mixed dipterocarp forest that contain protection site within the FMU which needs to be protected in their natural state (i.e., stream buffer zone, terrain IV or localized steep terrain, water supply catchment and conservation site (i.e. nesting trees, feeding ground etc.)).</p> <p>Verified report dated 15 July 2020 titled 'Report of RoEFE Establishment' the establishment of RoEFE area in Coupe 02AR. Signage of 'RoEFE' has been erected and also ground demarcation/boundary marking for protection using blue paint.</p> <p><b>Status: Closed</b></p>
Minor  NCR: MRS 01 2019	<p><b>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> Protection of soil from erosion</p>	To finalize Standard Operating Procedure (SOP) for Forest Road Construction and Maintenance that includes the requirement of sediment traps at strategic locations and also the possibility of construction of retaining walls on certain bridges to prevent loose soil from entering waterways (if	Inspection of construction of bridge in Block 42 Coupe 3 active harvesting area found that forest operation has followed RIL guidelines and adequate sediment trap, and cross drains were constructed and maintained to

	<p>during harvesting operations is inadequate.</p> <p><b>Objective evidence:</b> Inspection of feeder roads in the active harvesting areas in Coupe 1 indicates construction bridges lack retaining walls to prevent loose soil from entering into waterways. Adequate sediment traps need to be constructed and maintained to prevent soil being pushed into waterways.</p>	<p>required).</p> <p>To conduct briefing and training on the implementation of the SOP.</p>	<p>prevent soil being washed into waterways when it rains.</p> <p><b>Status: Closed</b></p>
<p>Minor</p> <p>NCR: SAM 03 2019</p>	<p><b>Indicator 6.5.2</b> - Implementation of reduced/low impact logging to minimize damage to the environment.</p> <p><b>Finding:</b> Implementation of reduced impact logging to minimize damage to the environment was inadequate.</p> <p><b>Objective evidence:</b> Inspection of roads in the active harvesting areas and in Coupe 1 and pre-harvest areas in Coupe 2 indicated that there are several areas along the roads where quarrying is done to collect materials for road construction and maintenance. Some of the quarried sites showed evidence of erosion. There is no mechanism to control the intensity and size of quarrying operations and mitigation measures to control soil erosion.</p>	<p>To develop a practical mechanism for quarrying i.e., identify location, erosion control, control of size and other control/preventive measure etc.</p> <p>To conduct training and monitoring on the implementation of the mechanism.</p>	<p>The FMU has managed the quarry area (materials for road construction and maintenance) where the size and intensity of the quarrying operation were minimized. No landslide and soil erosion found at the quarry area in Coupe 3 and Coupe 4.</p> <p><b>Status: Closed</b></p>
<p>Minor</p> <p>NCR: SAM 02</p>	<p><b>Requirement Indicator 6.5.3</b> - Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements.</p>	<p>To finalize Standard Operating Procedure (SOP) for Forest Road Construction and Maintenance that includes the requirement on road width specification and strategic</p>	<p>Inspection of main access road, feeder road in Block 42 Coupe 3 active harvesting area found that forest operation has followed RIL</p>

2019	<p><b>Finding:</b> The implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements are not adequate</p> <p><b>Objective evidence:</b> During the inspection of feeder roads in the active harvesting areas in Coupe 1, it was found that road maintenance activities had carried out too much scraping resulting in excessive loose soil pushed to the sides. Several portions of the roads have been widened unnecessarily exceeding specifications. Drainage also needs to be improved by increasing the number of cross drains.</p>	<p>location/ specific requirement i.e., construction, location, etc. for the cross drain.</p> <p>To conduct briefing and training on the implementation of the SOP.</p>	<p>guidelines and adequate sediment trap, and cross drains were constructed and maintained to prevent soil being washed into waterways when it rains.</p> <p><b>Status: Closed</b></p>
<p>Minor</p> <p>NCR: MRS 02 2019</p>	<p><b>Requirement: Indicator 8.2.1</b> - Forest managers shall gather the relevant information, appropriate to the scale and intensity of the forest management operations, needed to monitor the items (a) to (e) listed in Criterion 8.2.</p> <p><b>Finding:</b> Tree tagging, measurements and recordings at PSP plots were not appropriately conducted.</p> <p><b>Objective evidence:</b> During site visit at PSP#54 and PSP#75, the auditor has found some mistake in tree tagging, measurements and recordings as described below: 1. Some of tree tags were nailed at the point of measurement which may</p>	<p>To develop and finalize Standard Operating Procedure (SOP) on the Conversion of FRA to PSP.</p> <p>To conduct training on the SOP.</p>	<p>During site visit at PSP#8-SU31 and PSP#17-SU61, the tree tags were tagged above the point of measurement. Tree location and tree shape were recorded in the inventory form. The measurement of tree diameter for big trees were measured at the point of measurement.</p> <p><b>Status: Closed</b></p>

	<p>contribute to errors during future measurements.</p> <p>2. Useful information on unique tree location and tree shape were not recorded in the inventory form (Remarks column). Such information is needed in explaining unusual tree growth.</p> <p>3. Measurement of tree diameter for big trees were not directly measured but only estimated and included the buttress</p>		
OFl#1	<p><b>Requirement:</b>  <u>Indicator 4.1.1 Forest managers provide appropriate support for training, retraining, local infrastructure, facilities and socio-economic programmes that commensurate with the scale and intensity of forest management operations.</u></p> <p>Pasin FMU has briefed CRC committee on the MC&amp;I Forest Certification and their roles as Community Representatives. However, communities of 27 longhouses consulted in Zone Katibas Ulu, Zone KatibasTengah/Bangkit/ Zone Katibas/Tekalit, Zone Katibas Hilir &amp; batang Rejang and Zone Kapit indicated that they were not aware of MC&amp;I forest certification and roles of CRC.</p>	Not required.	<p>Social Awareness Programme for Rh. Kawin Laja, Rh. Akang and Rh Selat (covered also Rh. Jabu and Rh. Lasin) for Zone Katibas Ulu &amp; Zone Katibas Hilir had been conducted on 7-8 November 2020, 12-13 September 2020 and 29 February – 1 March 2020. The FMU has briefed on MC&amp;I SFM certification, and roles of FMCLC and CRC. The FMU has scheduled the awareness programme for year 2022 to cover other longhouses in Zone Katibas Ulu, Zone KatibasTengah/Bangkit/ Zone Katibas/Tekalit, Zone Katibas Hilir &amp; Batang Rejang and Zone Kapit that cannot be reached in year 2021 due to Movement Control Order (MCO) and pandemic Covid-19.</p> <p><b>Status: Closed and will be verified the implementation during next audit.</b></p>



OFI#2	<p><b>Requirement:</b>  <u>Indicator 4.1.2 Communities living within, or adjacent to, the FMU are given preference for employment and contract works.</u></p> <p>Communities consulted in the 27 longhouses consulted indicated that employment opportunities for longhouses communities is given priority to work in the FMU area. Not all the longhouses consulted were informed of any vacant position in the FMU.</p>	Not required.	<p>Social Awareness Programme for Rh. Kawin Laja, Rh. Akang and Rh Selat (covered also Rh. Jabu and Rh. Lasin) for Zone Katibas Ulu &amp; Zone Katibas Hilir had been conducted on 7-8 November 2020, 12-13 September 2020 and 29 February – 1 March 2020. The FMU has briefed on employment opportunities, etc. The FMU has scheduled the awareness programme for year 2022 to cover other longhouses in Zone Katibas Ulu, Zone KatibasTengah/Bangkit/ Zone Katibas/Tekalit, Zone Katibas Hilir &amp; Batang Rejang and Zone Kapit that cannot be reached in year 2021 due to Movement Control Order (MCO) and pandemic Covid-19</p> <p><b>Status: Closed and will be verified the implementation during next audit.</b></p>
OFI#3	<p><b>Requirement:</b>  <u>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.</u></p> <p>The FMU has uploaded all primary elements of the Pasin forest management plan at website <a href="http://www.pasinfmu.com.my/fmp/">http://www.pasinfmu.com.my/fmp/</a> except for Permanent Sample Plots (PSP).</p>	Not required.	<p>The information on Permanent Sample Plots (PSP) has been made publicly at website at link Annual Forest Monitoring <a href="http://www.pasinfmu.com.my/fmp/">http://www.pasinfmu.com.my/fmp/</a>.</p> <p><b>Status: Closed</b></p>

OFI#4	<p><b>Requirement:</b>  <u>Indicator 9.2.1 Forest managers shall consult with relevant stakeholders on the options to maintain or enhance the identified HCV areas.</u></p> <p>The FMU has consulted the Community Relation Committee (CRC) on 15 August 2019 on the identified conservation attributes, and options for the maintenance for all HCVFs area. However, the FMU has yet to consult other relevant stakeholders such as local communities, Forest Department of Sarawak, Sarawak Forestry Corporation (SFC), Wildlife World Fund (WWF), and UNIMAS.</p>	Not required.	<p>For this surveillance audit, consultation with relevant stakeholders was conducted on 6 November 2020 with Forest Department of Sarawak (FDS), Land and Survey Department, District Office and Pasin Community Representative Committee (CRC). The FMU also has sent HCV report to WWF for review and comments in April 2021. However, no feedback received by the FMU until this audit.</p> <p><b>Status: Closed.</b></p>
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