



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

**Certificate Number: FMC-FP 00002
Date of First Certification: 18 July 2014
Audit Date: 25-26 February 2021 (Remote)
& 22-24 February 2022 (Onsite)
Date of Public Summary: 15 December 2023**

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EXECUTIVE SUMMARY

This surveillance 1 audit on the Segan Forest Plantation Management Unit (hereafter referred as the Segan FPMU) was conducted on 25-26 February 2021 (Remote) & 22-24 February 2022 to assess the continued compliance of the overall forest management system of the Segan FPMU against the requirements of the Malaysian Criteria and Indicators (MC&I SFM) using the verifiers stipulated for Sarawak. The scope of this surveillance 1 audit was limited to the forest plantation management system and practices on the Segan FPMU.

This surveillance 1 audit was conducted by a 2-member team comprising Mohd. Razman Salim (Lead Auditor), and Ismail Adnan Abdul Malek (Auditor).

Based on the findings of this surveillance 1 audit, it was found that Segan FPMU had continued to comply with the requirements of the MC&I SFM. This surveillance 1 audit had resulted in the issuance of 4 (four) minor Non-Conformity Reports (NCRs), and 1 (one) Opportunity For Improvement (OFI).

This public summary contains the general information on the Segan FPMU, the findings of the surveillance 1 audit, NCRs raised as well as the decision on the continued certification of the FPMU.

1. INTRODUCTION

1.1 Name of FPMU

Segan Forest Plantation Management Unit

1.2 Contact Person and Address

Name : David Marsden
Designation : Chief Forester
Address : Wisma Samling,
Lot 296, Jalan Temenggong, Datuk Oyong Lawai Jau,
98000 Miri, Sarawak
Phone : 085-413099
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E-mail : marsdend@samling.com.my

1.3 General Background on the Segan FPMU

Syarikat Samling Timber Sdn Bhd has signed a Licensed Planted Forests LPF0014 with the Sarawak State Government on 27 January 1999 to establish and maintain a forest plantation in the LPF0014 - Segan FPMU for a period of 60 years from 27 January 1999 to 26 January 2059.

The Segan FPMU (herewith designated as FPMU) is managed by the Samling Timber Sdn Bhd. The FPMU is committed in the management of the FPMU on a sustainable basis. The FPMU is located at latitudes approximately 03° 0' 0" N to 03° 07' 30" N and longitudes 113° 0' 0" E to 113° 10' 0" E in the Tatau District, Sarawak. The FPMU consisted of a northern block which stretches from Sg. Segan in the west to Sg. Ninai in the east with the southern bank of Batang Kenena forming the northern boundary. This block consists of 3,400 ha. The eastern block covers an area of 5,450 ha and share common boundaries with Alabumi oil palm plantation and Sarawak Planted Forest. The smallest is the western block with an area of 1,950 ha which is also surrounded by Alabumi Estate to the east and Sarawak Planted Forest in the other three directions. It is 10,332 ha of plantation consisting mainly of *Acacia mangium* trees.

The FPMU is managed under a Sustainable Management System on scheduled rotation period. A Forest Plantation Management Plan (FPMP) covering the period from 1st November 2013 to 31st October 2023, which was revised on 17 February 2020 was available during the audit. A Sustainable Allowable Annual Cut was set at 42,000 metric tonnes. During this surveillance 1 audit, the Segan FPMU has maintained its size of 10,332 ha.

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

1.4 Date First Certified

18th July 2014

1.5 Location of the FPMU

The Segan FPMU is located between latitudes approximately 03° 0' 0" N to 03° 07' 30" N and longitudes 113° 0' 0" E to 113° 10' 0" E.

1.6 Forest Management System

The Segan FPMU had followed the principles of sustainable forest plantation management and the requirements of the Licence Agreement of the State government. A Forest Plantation Management Plan (FPMP) covering the period from 1st November 2013 to 31st October 2023 was presented during this audit.

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

For the period 2013 to 2022, the Sustainable Annual Allowable Cut (SAAC) for the Segan FPMU had been set at 42000 metric tonnes per year. During this surveillance 1 audit, the size of the FMU is 10,332 ha.

1.8 Environmental and Socioeconomic Context

The EIA report for the FPMU *Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak* was prepared in June 1999 as required under the prescribed activities of the Natural Resources and Environment (Prescribed Activities) Order 1994. 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 FPMU Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak had been incorporated in the FPMP. The Forest Plantation Management Plan 'Segan Industrial Tree Plantation LPF/0014, Edition 5 from 1st November 2013 to 31st October 2023 which was revised on 17 February 2020 had incorporated measures to mitigate environmental impacts.

The potential impacts on endangered, rare, and threatened species of flora and fauna, and the need for biological corridors in forest plantation management had been identified in the EIA report, Chapter 3.2 Biological Environment, 3.2.1 Flora Component, 3.2.2 Fauna Component, and mitigation plan at chapter 4.3.8 Impact Assessment.

Consultations with the local long house communities showed that the FPMU had not utilized indigenous people's traditional knowledge in the use of forest species or management systems in their forest plantation operations.

The Community Representative Committee has been maintained as platform where grievances of local people would be adjudicated through a conflict resolution process. Interview with FPMU representative has confirm the awareness of the established boundary between the plantation and community land which in some places jointly demarcated or separated by built ditches.

No sites of special cultural, ecological, economic, or religious significance to indigenous peoples were present within the FPMU.

The FPMU have been providing various assistances to local communities from time to time comprising road maintenance, donation etc.

Qualified people in communities living within, or adjacent to, the FPMU are given preference for employment and contract works. It was evidence that, notification of job vacancies by the FPMU was available through flyers on company's notice boards, notice boards of long house communal hall and 'word of mouth' through community visits programmes implemented.

2. AUDIT PROCESS

2.1 Audit Dates

25-26 February 2021 (Remote)

22-24 February 2022 (Onsite)/8 auditor day(s)

2.2 Audit Team

Mohd. Razman Salim (Lead Auditor)

Ismail Adnan Abdul Malek (Forester)

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

2.3 Standard Used

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

2.4 Stakeholder Consultations

A one -month stakeholder consultation was issued in January 2022 for a period of one month inviting relevant stakeholders to give comments on the FPMU. There were two comments received from the stakeholders on Segan FPMU during the period. The comments by the stakeholders and responses by the audit team are shown in Attachment 3.

2.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Segan 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, 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 five (5) local Communities living adjacent to FPMU area, i.e. Rh. Anthony, and Rh. Atan, within FPMU, Rh. Philip and at Segan East, Rh. Charlie, and Rh. Taboh. The audit team had also held meetings with the officers and the field staff of the Segan FPMU.

The coverage of this surveillance 1 audit is as shown in the Surveillance 1 Audit Plan in **Attachment 4**.

The Segan FPMU had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim surveillance 1 audit report and sent it to the Segan FPMU for comment. A final surveillance 1 audit report was prepared after incorporated the comments from the FPMU.

3. SUMMARY OF AUDIT FINDINGS

Based on the findings of this Surveillance 1 audit, it was found that the Syarikat Samling Timber Sdn Bhd had continued to manage the Segan FPMU in compliance with most of the requirements of the MC&I SFM. This surveillance 1 had resulted in the issuance of 4 (four) minor NCRs and 1 (one) OFI. The details on the NCRs and OFI raised are shown in **Attachment 5**.

The audit team had reviewed and accepted the Segan FPMU's proposed corrective actions to address the 4 (four) 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 Segan FPMU to address the 6 (six) 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**.

It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the Segan FPMU.

About Criterion 6.10, there was no new conversion of the PRF to forest plantations or other non-forest land uses during the intervening period since the last audit. The forest plantation in the Segan FPMU has remained the same at 10,332 ha.

As there is no major NCR raised during this Surveillance 1 audit, the audit team had therefore recommended that the Certificate for Forest Plantation Management for Segan FPMU be maintained.

The summary of the findings of the Surveillance 1 audit on the Segan FPMU against the requirements of the MC&I Forest Plantation.v2 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. An office staff had been appointed to update and maintain all these relevant documents. These documents were updated on 22 January 2022.</p> <p>Forest managers had demonstrated knowledge of the federal, state, and local laws and regulatory framework.</p> <p>There was no forest offence recorded for years 2020 and 2021 as verified in the 'Annual Forest Offences Summary Reports'.</p> <p>The FPMU had maintained a list of all legally prescribed fees.</p> <p>Auditor has verified a sample of royalty payment voucher and royalty statement (logs) for harvested Log. Payment of annual license fee and annual land rental were made on 28 December 2021 for period 27 January 2022 – 26 January 2023.</p> <p>Forest managers continued to demonstrate awareness of all the binding international agreements.</p> <p>The record of evaluation of conflicts between laws, regulations and these Principles and Criteria were available at the Segan camp office. There are three (3) conflicts area that has been recognized for Indicator 3.4.1, 3.4.2, and 4.3.1.</p> <p>Regular patrolling was carried out to detect irregularities in the FPMU such as encroachment and illegal activities within its boundaries.</p> <p>A written policy statement 'Certification Policy Statement' for Segan Plantation Management Unit (LPF/0014) signed by the CEO dated 29 May 2020 was made available during the audit.</p>	There were no negative findings

Principle	Strengths	Weaknesses
Principle 2 Tenure and Use Rights and Responsibilities	<p>The licence for Planted Forests Licence No. LPF/0014 was issued to Samling Manufacturing Plantation Sdn. Bhd on 27 January 1999 and valid until 26 January 2059, is the documentation of legal status, and established forest use rights of the land or forest resources for Samling Segan.</p> <p>All relevant documents on legal or customary tenure or use rights of local communities within relevant federal and state legal frameworks for the forest plantation area were available during the audit.</p> <p>A total of 2,532 ha of shifting cultivation area (SA) within FPMU area has been identified by land and Survey Department and was demarcated under this category of land use in 'Map Showing Plantation Basemap of LPF/0014 Segan Plantation'.</p>	<p>Mechanism of" Recording of Minutes of Meeting with Local Communities" not adequate.</p> <ol style="list-style-type: none"> 1. The form "Record of meetings with Communities" did not differentiate between 'CSR request" and "Complaints". 2. No column provided in the form to record management decision on the request/complaint. 3. No column provided to record acknowledgement of requesting or complainant party upon receiving the management decision. <p>Therefore, a Minor NCR (ISMA 01/2022) for Indicator 2.3.1 was raised.</p>
Principle 3 Indigenous People's Rights	<p>Documents relevant to the customary rights of indigenous people were in accordance to the Land Ordinance (Land Code; Chapter 81) and established native customary rights of the State (Native Customs (Declaration) Ordinance, 1992.</p> <p>Sampled Agreements dated 14 August 2020 showed 4 villagers from Rumah Jack and Rumah Tabor and Samling Manufacturing Plantation Sdn Bhd reached an agreement whereby "the Licensee has agreed to make certain payments as hereafter specified to the Claimants to amicably settle their said claims".</p> <p>A schedule was available for meeting with local communities and implement social monitoring for 2021 and 2022 and was made available for verification.</p> <p>The FPMU had not in any way threatened or diminished indigenous people's lands recognized within the legal frameworks.</p> <p>No sites of special cultural, ecological, economic, or religious significance to indigenous peoples were present within the FPMU.</p> <p>No indigenous traditional forest-related knowledge and practices have been used by the FPMU in forest operations.</p>	<p>There were no negative findings.</p>

Principle	Strengths	Weaknesses
Principle 4 Community Relations and Worker's Rights	<p>The FPMU has fully supported and provide a training programme for skill development of their staff and workers.</p> <p>Records showed that all workers were paid based on minimum monthly salary of RM1,200 in compliance to the Minimum Wages Order 2020.</p> <p>FPMU has not employed or be involved in the employment of illegal immigrants as per review of employment records and interview with the employees sampled.</p> <p>Qualified people in communities living within, or adjacent to, the FPMU are given preference for employment and contract works.</p> <p>Updated information on all applicable laws and/or regulations covering health and safety of workers at the FPMU were made available by the Health and Safety Officer for audit.</p> <p>Record of equipment and maintenance together with has been verified and found to be in good working condition.</p> <p>Interview has confirmed understanding of workers on safety at workplace and emergency preparedness and response.</p> <p>Record of medical annual surveillance for nursery sprayer operator (malathion) and gasoline handler as per CHRA report requirement has been made available.</p> <p>Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials found to be adequate.</p> <p>Workers have the rights to join unions as provided for by the Industrial Relations Act 1967, Trade Union Act 1959, and the Labour Ordinance (Sarawak Cap 76).</p> <p>Relevant federal and state legal frameworks had been respected to prevent loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods from FPMU operations,</p>	<p>A review of the "Worker Grievance" SOP (PR005) found that, it was not adequate. The "<i>Borang Rungutan</i>" form did not provide columns for the following:</p> <ol style="list-style-type: none"> 1. Record of management decision to resolve the grievance. 2. Record of acknowledgement of grievance upon receiving the management decision <p>Therefore, a Minor NCR ISMA 02/2022 for Indicator 4.3.4 was raised.</p> <p>Following 'Community consultation' programmes to be developed by Samling Segan FPMU for 2022, the community visits shall be implemented to provide awareness briefings to include the following topics:</p> <ol style="list-style-type: none"> 1. Current status of operation of the FPMU 2. RTE species 3. HCV and special site protection 4. Grievance/request procedures <p>Therefore, an OFI for Indicator 4.1.1 was raised.</p>
Principle 5 Benefits From the Forest	<p>Investments and reinvestments are made in forest management, including for forest administration, research, human resource development, protection, economic, conservation environmental and social aspects, consistent with the tenure of the FPMU. The FPMU has been allocated</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>budget for financial period July 2021 - June 2022.</p> <p>The main product being extracted from the forest plantation in the FPMU is timber. No non-timber forest product been harvested from this FPMU.</p> <p>The plantation practices the optimal use of forest plantation resources by extracting all the timber at the site.</p> <p>A ground based "High Lead" yarding system was used for timber harvesting, hence, impacts on the forest plantation soil was low as skid trail construction was minimized.</p> <p>The FMU management has established standard operating procedures for identification and demarcation of sensitive areas to serve for the protection of soil and water resources. Sensitive areas had been identified, classified, and mapped as evidenced in the Harvesting General Map (Coupe 1A, 2A and 6A) and Plantation Base Map (Management Plan LPF/0014 Segan).</p>	
<p>Principle 6 Environmental Impact</p>	<p>The EIA report for the FPMU titled 'Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division, Sarawak' prepared in June 1999 was made available during the audit. The potential impacts and strategies to mitigate the impacts were written in this document.</p> <p>The FPMU had developed its own <i>Segan Forest Plantation LPF/0014 Wildlife Monitoring Manual (GL016)</i>.</p> <p>Representative conservation and protection areas were established in the forest plantation. The SMZ (conservation areas) boundaries were clearly marked with blue paint and having adequate signages.</p> <p>There was evidence, cooperation between forest plantation managers, and conservation organizations and regulatory authorities in implementing conservation and ongoing management activities. Cooperation has been conducted with FRIM, FDS, and SFC.</p> <p>Hunting and fishing within the FPMU were not allowed. Signboard to prohibit hunting, fishing, and collecting were erected at strategic location in the FPMU area.</p> <p>Harvesting was not permitted in the protected areas, consideration the need for biological corridors (identified as Greenbelt</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p data-bbox="437 185 971 241">& Conservation Area) and buffer zones for wildlife.</p> <p data-bbox="437 277 971 645">Mitigation measures had been specified in the EIA and forest plantation management plan to control erosion; minimise forest damage during plantation establishment and harvesting, road construction, and all other mechanical disturbances; and to protect water resources. Site visit to the Blocks, it was found that the buffer belts were intact without damages to the vegetation and measured to the specified width (20 m). Riparian buffers were demarcated on the ground with poles painted with blue colour.</p> <p data-bbox="437 674 971 824">The 'Fire Protection Plan for Segan Plantation' – updated 2 January 2022 was made available during the audit. The FPMU has conducted forest fire fighting training on 7 October 2021.</p> <p data-bbox="437 857 971 1070">The record of application of fertilizer and chemical pesticides titled 'Chemical & Fertilizer Record' for year 2021 was verified by auditor. Chemical use includes Multicote, Organic Agrobien & NPK Fertiliser, and chemical pesticides use such as Agritox, Bencide, Dithane & Captan.</p> <p data-bbox="437 1104 971 1406">The FPMU had conducted risk assessment for chemical hazardous to health – Chemical Health Risk Assessment (CHRA) by registered hygiene technician (JKKP KIM 127/453/6(17)) which is valid from 19 April 2018 to 19 April 2023. Medical surveillance as per CHRA recommendation on five (5) workers handling chemical (Malathion) and gasoline petrol were conducted on 7 December 2021.</p> <p data-bbox="437 1440 971 1529">Refresher training on scheduled waste management has been conducted on 20 October 2021.</p> <p data-bbox="437 1563 971 1832">Used lubricant oil, fuel containers, liquid and solid non-organic wastes were disposed of in an environmentally appropriate and legal manner. Procedures for disposing such materials and containers were prescribed in 'Guidelines on Disposal and Storage of Scheduled Wastes' and 'Guidelines on Storage and Handling of Hazardous Material'.</p> <p data-bbox="437 1865 971 1955">The FPMU also had registered at DOE e-Swis online system – https://eswis.doe.gov.my</p> <p data-bbox="437 1989 971 2045">Biological control agents have not been used in the FPMU management.</p>	

Principle	Strengths	Weaknesses
	<p>A policy statement titled 'Invasive exotic species introduction' dated 13 November 2013 for <i>Segan LPF 0014</i> stated the FPMU commitments to control exotic species in planting program to prevent them from invading protected sites and areas outside the plantation. The FPMU has monitored on exotic species weekly as evidenced by sighted 'Patrol sheets' for year 2021 were verified by the auditor.</p> <p>Conversion of forest plantation area into non forest land use had not occurred within the FPMU.</p> <p>There was no afforestation of ecologically important non-forest ecosystems occur as verified during this audit.</p>	
Principle 7 Management Plan	<p>It was stated in the Forest Plantation Management Plan that revision would be conducted annually to incorporate data obtained from monitoring and research activities within the FPMU. The Forest Plantation Management Plan 2013 – 2023 (5th revision) was revised on 17 February 2020.</p> <p>Workers were trained for effective implementation on the forest plantation management plan. Annual Training Plan for 2021-2022 was presented during the audit.</p> <p>The publicly available summary of the forest plantation management plan was presented in the web page: https://www.samling.com/sarawak-itp-certification</p>	<p>The audit found that the following information as required by new MC&I SFM standard yet to be included in the FPMP Ed 5:</p> <ol style="list-style-type: none"> 1. Fire prevention and control 2. Non timber forest product used commercially. 3. Description of stakeholder consultation (local community) 4. Harvesting target for financial year 2021 and 2022 set at 69,600 tonne and 59,200 tonnes respectively, however, in the FPMP set at 42,000 tonne, hence, the AAC in the FPMP shall be revised. 5. Harvest cycle should be mentioned in the AAC description in the FPMP. <p>Therefore, a Minor NCR MRS 01/2022 for Indicator 7.1.1 was raised.</p>
Principle 8 Monitoring and Assessment	<p>PSPs were used to monitor planted tree growth and develop tree growth models, to observe signs and symptoms of pest and disease attack and to estimate the changes in stocking and volume of trees. A total of 313 PSP plots have been established within the plantation as of February 2022 for 2nd rotation.</p> <p>The FPMU has monitored for social, ecological, environmental, and economic impacts. The Environmental Monitoring Reports which also includes the Progress of Implementation and Compliance Status of the Prescribed Mitigation Measures, were</p>	<p>The internal audit that conducted on 13-15 January 2022 did not follow the requirement of 'Procedure for Internal Audit and Management Review'. Management has yet to train and officially appoint internal auditor before conducting internal audit:</p> <ol style="list-style-type: none"> i) No record of appointment letter for internal auditor. ii) No record of training for internal auditor on internal audit procedure.

Principle	Strengths	Weaknesses
	<p>submitted to the NREB. The latest report was conducted for the period of April - September 2021. The report has concluded that no major impact to the environment.</p> <p>The monthly Progress of planting in the FPMU was sent to Samling HQ and monitored by the FDS.</p> <p>Wildlife monitoring in FPMU area was carried out weekly as evidence by "Wildlife Sighting Record" for January 2022.</p> <p>The auditor also inspected the R&D monthly progress report for Segan FPMU where the progress of all research and species trials conducted in the FPMU were monitored and reported.</p> <p>The movement of harvested logs from stump to mill according to log flow chart (Chain of Custody) titled 'Segan ITP Log Flow: Harvesting Blocks to Bintulu Mills' was monitored by both FDS and Segan FPMU. The relevant documents verified includes Reforestation Log Delivery Order (DO), Weigh Bridge Advise Ticket, Timber from Planted Forest Specification (Royalty/Assessment/Transit) form, Removal Pass and Royalty Assessment and Transit form. All documents were found in order.</p> <p>Results from the various monitoring activities for items (a) to (e) listed in Criterion 8.2 were incorporated in the forest plantation management plan (<i>SST Management Plan for LPF/0014-Segan</i>) Edition 5.</p> <p>The indicators (a) to (e) listed in Criterion 8.2 specified are included in the public summary of the revised FPMP. It was made publicly available to the public via the Samling website: https://www.samling.com/sarawak-itp-certification</p>	<p>Therefore, a Minor NCR MRS 02/2022 for Indicator 8.1.3 was raised.</p>
Principle 9 Maintenance of High Conservation Value (HCV)	<p>The FPMU conducted a HCV assessment according to the High Conservation Value Forests Guidelines for LPF/0014 Segan. The relevant reports verified included High Conservation Value Forest (HCV1- HCV4) Assessment Report March 2014 and A Social economic Profiling Study of Communities Living Within and Around the Northern Block of Segan Licensed Planted Forest (LPF/0014), Bintulu Division November 2013.</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>From the assessment reports, it had been concluded that there was no requirement for a <i>forest area fundamental to meeting the basic needs of the local communities</i> (HCV 5) or presence of cultural or religious site (HCV6) in Segan FPMU.</p> <p>The management provided a list of stakeholders consulted regarding possible presence of HCV areas in the plantation. No new HCVF area was identified during the recent audit. Results of discussion with some stakeholders on the status of HCVF were incorporated in the FPMP.</p> <p>The Forest Plantation Management Plan's public summary describes the Conservation and Protection objectives made publicly available at the Samling website at the link: https://www.samling.com/sarawak-itp-certification</p> <p>The FPMU conducted annual monitoring on protected areas and residual forests which harbour wildlife corridors and riparian buffer belts.</p>	

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 & 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&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&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&I (Natural Forest)] & [MC&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 of 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</p>

		<p>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>Attended and pass the following training programmes:</p> <ul style="list-style-type: none"> • Auditor Training Course on MC&I Sustainable Forest Management (MC&I SFM) organized by MTCC, 18 August 2020 • Auditor Training 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
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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 - Land and Survey Department Bintulu	Namun begitu, berdasarkan rekod jabatan pihak kami ada menerima permohonan tanah di Segan Forest Reserve dan Segan Reforestation termasuk kawasan kampung dan rumah Panjang di kawasan ini. Prosedur kerja di Jabatan Tanah dan Survei bagi permohonan seperti ini memerlukan komen daripada pihak pengurusan hutan dan pihak perlesenan bagi tujuan pemberitahuan.	Due to time constraints during this Surveillance 1 audit, the audit team will consult Land and Survey Department and the local communities that applied for the land ownership during next audit.
2	Stakeholder 2 -Rh.Tabor	<p>Received through email dated 20 February 2022:</p> <p>I am grateful to response to your invitation to allow us to comment on your audit report questionnaires.</p> <p>I am a resident of RH. TABOR Sungai Sera Sebauh District Bintulu Division, affected by the Syarikat Samling Timber SDN BHD, planting the Acacia Tree partially on our land located at Sungai Sera Valley.</p> <p>Our Tamuda Land had been affected ever since 1978 start with the Felling of Primary Jungle which is under the RH.Tabor Native Tutorial Domain (NTD) and later 2002 onward planting the Acacia Tree until today.</p> <p>My two cents comment and response to your questionnaire.</p> <p>1) Pelindungan Alam Sekitar- di kawasan Sungai Sera Sebauh. --Erosion, disilting to main River Stream Sungai Sera, Muddy river all year round the next couple of decade sungai sera and its tributaries will be experiencing flood and what not? Kindly get the water sample after raining days. milky Sera River what we get.</p> <p>2) Pemulihan kepelbagaian biologi.... From the Company Syarikat Samling Sdn Bhd NONE or not to our knowledge. Few occassion for the past years our river had been pour with synite poison for catching fish in the Sera River but unfortunately our longhouse Team cannot find the intruder and end up making a police report.</p> <p>3)Peluang Pekerjaan-to date nothing...what we knew was Indonesian, Philipino, Chinese and even South African.</p>	<p>1) The FPMU has conducted Environmental Monitoring Report (EMR) by half yearly for with latest report for April - September 2021. The water sampling was collected at Sg. Ruit in Coupe 3A. The report has concluded that no major impact to the environment. The water qualities were generally found to be moderately good, with all the parameters monitored within Class I and IIB of the NWQSM.</p> <p>The flow of Sg. Sera flowing into Coupe 5A to Ulu Sg. Sera. The Coupe 5A is partially swamp area and used by local community as shifting agriculture area. The nearest distance from Rh. Tabor to Segan FPMU is at Block 25C, Coupe 4 about 7KM where the last harvesting was in 2018/2019.</p> <p>Based on EMR report, no water sampling for Sg. Sera. The FPMU will consider adding another water sampling point from Sg. Sera for the next EMR assessment.</p> <p>2) Segan FPMU has followed all applicable legal and MC&I SFM standard requirements in complying with conservation and protection of riparian buffer and tributaries, steep area (>35⁰) and residual forest as verified by auditor. The use of chemical pesticides has followed laws and chemical pesticides usage reduction plan. All staff and field workers were not allowed to hunting/catching fish where it is the policy of the Segan FPMU for environment conservation.</p> <p>3) Records for year 2022 show that out of a total of 120 workers were employed in the FPMU, 17 were from local people</p>

		<p>4) Hubungan Communiti dan Hak Pekerja- The letter inviting us for the Audit response was recieved only last night- given by Tuai Rumah Tabor. Due to other committment he (Tr.Tabor) cannot attend to the request. Samling Timber Sdn Bhd had never ever had any formal dialog of any kind with people of Rumah Tabor Sungai Sera. What they do was to look for one of our Longhouse dweller/Resident.Mr.John anak Changgai, from there John will send the second-hand message to Tuai Rumah or other Resident or persuade the Longhouse Landowner to sell their Native land to the company with a price tag from RM250 to Rm1,000.00 per hectare. (Please refer to Land Code Section 15 native land was or were allowed to be sold to others other than Native themselves) Those whom were willing including John anak Chamggai himself had sold their anccestoral land, to the company. Kindly check with their (SMT) record if that was a fake news.</p> <p>5) Manfaat dari Hutan...depleted jungle resources such as timber for housing or woodwork, rottan etc. name it, IT ALL GONE. Benefit from the planted forest ...none...except misery.</p> <p>6) Hubungan dengan FPMU- NONE- NOT TO MY KNOWLEDGE.</p> <p>7)Cadangan penambahbaikan--- Consider stop planting tree on our Land and withdrew from the present planting area sungai Sera start from kuala sungai Ruth West to Batu Kapal/ Bukit Ujan Range, boundary with Sungai Segan Tributaries and to the east to Bukit Mikai Range boundary to Sungai Sekabai Sebauh Bintulu. (refer to topo map for the name mentioned aboved).</p> <p>We the native would like very much if the international body like SIRIM QAS INTERNATIONAL to initiate a proper dialog through Forest Department Sarawak, the Stakeholder, Land and Survey Sarawak,Sebauh District Office and the affected Longhouse.</p> <p>Hopefully the two cents response to your questionnaire will bring a clear and undoubtful future to these Generation of Native living in the affected planted forest project so that the accreditation wouldn't be in doubt by foreign buyer.</p>	<p>of Sarawak, 60 other Malaysians and 43 foreign workers.</p> <p>4) The auditor has issued an OFI for the FPMU to implement community consultation programme with local community including people from Rh. Tabor for year 2022.</p> <p>There was no agreement or action from the FPMU to buy longhouse land (Native land). The only agreement available was on "the right to fell, remove and sell all standing timber and the right to build roads and buildings shall apply to and be exercisable on the claimed temuda as if there were no temuda and/or native customary rights claim over the claimed temuda". The agreement was signed by the villagers from Rh. Tabor in year 2020 and 2021 for non-NCR land that located in Coupe 04A and Coupe 05A.</p> <p>5) The FPMU had identified and protected shifting agriculture area that used by local community. The location has been mapped in the Harvesting General Plan and Plantation Base Map. The boundary has been marked with red color pole to prevent any disturbance caused from the plantation operation.</p> <p>6) Segan FPMU will improve on the local community engagement. Community consultation programme with be carried out in year 2022.</p> <p>7) Segan FPMU during the community consultation programme will discuss with people of Rh. Tabor for any issues and open for suggestion/view for future improvement on forest plantation activity and protection/conservation of Sg. Sera starts from Kuala Sungai Ruth West to Batu Kapal/ Bukit Ujan Range, boundary with Sungai Segan Tributaries and to the east to Bukit Mikai Range boundary to Sungai Sekabai Sebauh Bintulu.</p> <p>Senior manager of the Segan FPMU will contact head of village Rh. Tabor to discuss the above raised issues, to identify the root cause and where the actual location of erosion, desilting, and flood area at Sg. Sera.</p> <p>Audit team will verify the outcome of the discussion between Rh. Tabor and the FPMU in solving the issues during next audit.</p>
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Surveillance 1 Audit Plan

DAY	TIME	COVERAGE OF ASSESSMENT	
		AUDITOR 1 (Razman)	AUDITOR 2 (Ismail Adnan)
Day 0 Monday (21 February 2022)		<ul style="list-style-type: none"> Travel from KLIA to Bintulu KUL - BTU: 17:10 – 19:15 (MH2746) <ul style="list-style-type: none"> Travel from Bintulu to base camp 	
Day 1 Tuesday (22 February 2022)	8.00 - 9.30 am	<ul style="list-style-type: none"> Opening Meeting with representatives of FPMU Briefing session by Forest Manager of the FPMU Evaluation of changes to the management of the FPMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance. Check on complaints and follow-up actions. Verification of NCRs raised during the previous audit. 	
	9.30 am – 5.00 pm	<u>Documentation Review</u> <ul style="list-style-type: none"> Principle 5 – Benefits from the Forest Principle 6 – Environmental Impact Principle 7 – Management Plan Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation on Value Area 	<u>Documentation Review</u> <ul style="list-style-type: none"> Principle 1 – Compliance with Laws Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 – Community Relations and Workers' Right
	5.00 – 5.30 pm	Review of Day 1 Findings by Audit Team Leader	
Day 2 Wednesday (23 February 2022)	8.00 am – 5.00 pm.	AUDITOR 1 (Razman) <p>Site visit:</p> <ul style="list-style-type: none"> Inspection FPMU Boundary <ul style="list-style-type: none"> -Stateland, Block 3, Coupe 1A -Sarawak Planted Forest (SPF043), Block 2, Coupe 1A -BBC, Block 3B, Coupe 2A Harvesting area – Block 7B, Coupe 1A Riparian buffer (RBZ) – Sg. Segan, Block 6, Coupe 1A Research plot (R&D) – Block 11B, Coupe 1A & Block 10C, Coupe 1A Inspection of replanting – Block 9, Coupe 1A & Block 12A, Coupe 1A PSP plot – Block 3A, Coupe 2A Verification Sg. Sera & Sg. Ruit riparian buffer – Block 1 & Block 15, Coupe 3A 	AUDITOR 2 (Ismail Adnan) <p>Site visit:</p> <ul style="list-style-type: none"> Local community <p><u>Within FPMU</u></p> <p>Segan North:</p> <ul style="list-style-type: none"> -Rh Philip Anak Bagong <p><u>Adjacent FPMU</u></p> <p>Segan North:</p> <ul style="list-style-type: none"> -Rh Anthony Anak Egok -Rh. Atan Anak Tuah <p>Segan East:</p> <ul style="list-style-type: none"> -Rh Charlie Anak Amboh -Rh Tabor Anak Lasah

	5.00 – 5.30 pm	Review of Day 2 Findings by Audit Team Leader	
Day 3 Thursday (24 February 2022)	8.00 am – 12.30 pm	AUDITOR 1 (Razman)	AUDITOR 2 (Ismail Adnan)
		Site visit: <ul style="list-style-type: none"> • Nursery • Workshop • Genset Room • Scheduled waste store. 	<ul style="list-style-type: none"> • Continue documentation review. • Interview with workers – union, insurance, payslip, etc.
	2.00 – 4.00 pm	<ul style="list-style-type: none"> • Preparation of audit report and findings (if any) 	<ul style="list-style-type: none"> • Preparation of audit report and findings (if any)
	4.00 – 5.00 pm	<ul style="list-style-type: none"> • Closing Meeting 	<ul style="list-style-type: none"> • Closing Meeting
		<ul style="list-style-type: none"> • Travel from Bintulu to KLIA2 20.25 – 22.30 (AirAsia) 	

Details on NCRs and OFIs Raised During this Surveillance 1 (2022) Audit and Corrective Actions Taken

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 2.3.1 Minor NCR: ISMA 01/2022	<p>Requirement: Indicator 2.3.1 Availability of appropriate mechanism to resolve disputes over tenure claims and use rights</p> <p>Finding: Mechanism of the "Recording of Minutes of Meeting with Local Communities" not adequate.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. The form "Record of meetings with Communities" did not differentiate between 'CSR request' and "Complaints". 2. No column provided in the form to record management decision on the request/complaint. 3. No column provided to record acknowledgement of requesting or complainant party upon receiving the management decision. 	<p>Result of investigation and determination of root cause:</p> <p>Investigation: The objective evidence (OE) Items 1, 2 and 3 above are not disputed.</p> <p>Determination of root cause:</p> <ol style="list-style-type: none"> 1. It had not been recognized by the FMU that the form in use should differentiate between 'CSR request' and 'Complaints'. 2. An updated 'Complaints Form' which has the columns mentioned in OE Items 2 & 3 was available from 14 February 2022 (having been revised after auditor comment at recent Marudi FMU surveillance audit - 27 January 2022). However, although this revised form had already been distributed to all FMUs and was in use in Segam FMU at the time of the surveillance audit the revised edition was not on the file reviewed by the auditors. <p>Correction and corrective action plan including completion date:</p> <p>Corrective action plan: Ensure that:</p> <ol style="list-style-type: none"> 1. 'CSR requests' and 'Complaints' are clearly differentiated on the forms; 2. By staff briefing - the correct form is used and that the management decisions regarding requests and complaints are recorded and acknowledged on the form by the requesting or complainant party upon 	<p>Corrective action plan was received by mail/email on 14 March 2022 which has been accepted by the audit team leader on 17th March 2022.</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

		<p>receiving the management decision; and that.</p> <p>3. details of both the person requesting or complaining and the person acknowledging the management decision are included in the relevant form.</p> <p>Completion date: For immediate action.</p>	
<p>Indicator 4.3.4</p> <p>Minor</p> <p>NCR: ISMA 02/2022</p>	<p>Requirement: Indicator 4.3.4 Availability of appropriate mechanism to address grievances raised by workers and/or their organizations and for conflict resolution</p> <p>Finding: SOP on the “Worker Grievance” (PR005) not adequate.</p> <p>Objective evidence: The form “Borang Rungutan” did not provide columns for the following:</p> <ol style="list-style-type: none"> 1. Record of management decision to resolve the grievance. 2. Record of acknowledgement of grievance upon receiving the management decision 	<p>Result of investigation and determination of root cause:</p> <p>Investigation: The form which was on file was the previous version which do not provide the columns required for the OE Items 1 & 2.</p> <p>Determination of root cause: The updated form (14 February 2022) which has the columns mentioned in OE Items 1 & 2 was in place in the “Worker Grievance” box. However, the form which was kept on file had not been changed to the current edition.</p> <p>Correction and corrective action plan including completion date:</p> <p>Correction: The previous ‘Grievance form’ on file has been replaced with the latest revised edition of “Grievance form” which has the columns mentioned under OE Items 1 & 2.</p> <p>Corrective action plan: Pek Hing Lee to remind the admin executive (Mdm Mudam) to always ensure that the latest editions of the correct forms are in use.</p> <p>Completion date: 25th February 2022</p>	<p>Corrective action plan was received by mail/email on 14 March 2022 which has been accepted by the audit team leader on 17th March 2022.</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

<p>Indicator 7.1.1</p> <p>Minor</p> <p>NCR: MRS 01/ 2022</p>	<p>Requirement: Indicator 7.1.1 Availability and implementation of forest management plan including consideration of risk and opportunities concerning compliance with the requirements of the standards</p> <p>Finding: The Samling Segan FPMP Ed 5 did not include required information with the requirements of the standards</p> <p>Objective evidence: In the FPMP Ed 5, the following information yet to be included:</p> <ol style="list-style-type: none"> 1. Fire prevention and control 2. Non timber forest product used commercially. 3. Description of stakeholder consultation (local community) 4. Harvesting target for financial year 2021 and 2022 set at 69,600 tonne and 59,200 tonnes respectively, however, in the FPMP set at 42,000 tonne, hence, the AAC in the FPMP shall be revised. 5. Harvest cycle should be mentioned in the AAC description in the FPMP. 	<p>Result of investigation and determination of root cause:</p> <p>The OE is correct. However,</p> <ol style="list-style-type: none"> 1. Segan does have a standalone fire plan. 2. There are currently no commercial NTFPs in the Segan FMU. 3. For Items 3 to 5, Segan FMP has yet to be revised to incorporate the changes. <p>Correction and corrective action plan including completion date:</p> <p>Corrective action plan: The FMP will be revised to include reference to the Fire Plan and to OE Items 3 to 5.</p> <p>Completion date: Before the next surveillance audit.</p>	<p>Corrective action plan was received by mail/email on 14 March 2022 which has been accepted by the audit team leader on 17th March 2022.</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>
<p>Indicator 8.1.3</p> <p>Minor</p> <p>NCR: MRS 02/ 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 APPENDIX A.</p> <p>Finding: Management has yet to train and officially appoint internal auditor before conducting internal audit.</p>	<p>Result of investigation and determination of root cause:</p> <p>Investigation:</p> <ol style="list-style-type: none"> 1. Samling staff were recently trained by MTCC in the MC&I audit process. 2. The new internal audit procedure available and was included in the FMP. 3. AGM plans to request thru STA or direct to MTCC for onsite MC&I audit training. <p>Determination of root cause:</p>	<p>Corrective action plan was received by mail/email on 14 March 2022 which has been accepted by the audit team leader on 17th March 2022.</p> <p>Status: The effectiveness of implementation will be verified during next audit.</p>

	<p>Objective evidence:</p> <p>The internal audit that conducted on 13-15 January 2022 did not follow the requirement of 'Procedure for Internal Audit and Management Review':</p> <ul style="list-style-type: none"> i) No record of appointment letter for internal auditor. ii) No record of training for internal auditor on internal audit procedure. 	<ul style="list-style-type: none"> 1. Past Refor practice was to conduct Internal Audits using senior staff from other FMUs. 2. The internal audit procedure is newly created and only came into effect on 1st January 2022. <p>Correction and corrective action plan including completion date:</p> <p>Correction: Samling now has MTCC trained and certificated auditors able to conduct internal audits for MC&I and these people will be used in future to lead the internal audit teams.</p> <p>Corrective action plan: 1. AGM will officially appoint the lead auditor and audit team for future internal audits. 2. AGM plans to request thru STA, or direct to MTCC, for onsite MC&I audit training.</p> <p>Completion date: On going for all future audits.</p>	
<p>OFI#1</p> <p>Indicator 4.1.1</p>	<p><u>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>Following 'Community consultation' programmes to be developed by Samling Segan FPMU for 2022, the community visits shall be implemented to provide awareness briefings to include the following topics:</p> <ul style="list-style-type: none"> 1. Current status of operation of the FPMU 2. RTE species 3. HCV and special site protection 4. Grievance/request procedures 	<p>Not required for corrective action plan.</p>	<p>Status: Will be verified the implementation during next audit.</p>

Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit (2020)

Indicator	Specification Major/Minor/ OFI	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 3.1.3 LHF 02/2020	Minor	<p>Requirement: Indicator 3.1.3 - Availability of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p>Finding: Mechanisms to resolve any conflicts and grievances between parties involved was inadequate.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. In the previous procedure (Guidelines for Conflict Resolution Segen Plantation LPF/0014) noted in 2018 audit, it was indicated that FPMU would conduct formal meetings with communities twice a year. However, in the updated guideline 2019, these formal meetings were not stated. 2. During community consultations, the communities consulted requested formal meetings with FPMU twice a year for 4 reasons. <ul style="list-style-type: none"> (a) absence of prior notification before commencement any forest operation, (b) lack of discussion on boundary marking between villages and FPMU, (c) lack of formal communication and 	<p>Email on Corrective action Plan received 8th March 2020 is referred.</p> <p>Result of investigation</p> <ol style="list-style-type: none"> 1. The evidence is not disputed. 2. There is no record of such requests on file. <p>Determination of root cause</p> <ol style="list-style-type: none"> 1. Given the long, cordial relationship regular meetings were considered to be an unnecessary burden on both parties. 2. No such requests had been received by the FPMU. Addressing the 4 reasons: <p>Totally impractical to give prior notification given the number of ongoing operations: planting, weeding etc at any one time. Rarely if ever does a forest operation affect any of the kampongs all of which are on the roadside or in SA. (b) Other than the boundaries stipulated in the licence (i.e., licence, coupe, block, HCV) the management has no authority to discuss or establish boundaries with 3rd parties; (c) see Item 1 above; (d) these had never been requested in the past.</p> <p>Corrective Action Plan</p> <ol style="list-style-type: none"> 1. Meetings with communities will now be scheduled 	<p>Records showed community meeting had been held at least twice a year both in 2020 (18 and 20 October 2020) and 2021. The latest community meeting was held between the FPMU and Rh. Awang on 26 January 2022.</p> <p>Status: Closed</p>

		<p>engagement, (d) did not receive any written copies of any discussion made.</p>	<p>2. Requests will be dealt as appropriate noting the root causes. (a) where a forest operation might directly impact a community; (b) try to address the concern within the FMU's authority; (c) See Item 1; (d) will confirm & comply as required.</p> <p>Completion date: to be in place at time of first surveillance audit.</p>	
<p>Indicator 4.2.3</p> <p>ISMA 01/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 4.2.3 – Appropriate safety and operational equipment in good working conditions, including operational procedures shall be made available to forest plantation workers in the workplace.</p> <p>Finding: Chemical mixing facilities and emergency chemical spill shower /eyewash were not adequate.</p> <p>Objective evidence: Site inspection at the nursery found chemical mixing and shower facilities for emergency spill /eyewash were not adequate i.e.</p> <ol style="list-style-type: none"> 1. No suitable table with appropriate drainage facility for collection/recovery of chemical-mix water for reuse was available. 2. Separate and closed shower compartment for workers to bathe/wash after chemical use and emergency chemical spill 	<p>Email on Corrective action Plan received 8th March 2020 is referred.</p> <p>Result of investigation</p> <ol style="list-style-type: none"> 1. The evidence is not disputed. 2. The evidence is not disputed. <p>Determination of root cause On a journey of continuous improvement</p> <p>Corrective action plan</p> <ol style="list-style-type: none"> 1. Table and appropriate drainage facility will be provided. 2. Shower and appropriate drainage facility will be provided. <p>Completion date: to be in place at time of first surveillance audit.</p>	<p>The chemical mixing facilities and emergency chemical spill shower /eyewash in good condition. Drainage facility for collection/recovery of chemical-mix water for reuse was made available. Facility for closed shower compartment for workers to bathe/wash after chemical use and after emergency chemical spill was verified.</p> <p>Status: Closed</p>

<p>Indicator 4.4.1</p> <p>LHF 03/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 4.4.1 – Forest plantation managers shall evaluate, through consultations, social impact of forest plantation management operations directly affecting communities, and the people and groups directly affected by the forest plantation management operations shall have access to information on the results of the social impact evaluations.</p> <p>Finding: There was incomplete information on the social impact assessment.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. The Social-economic Profiling Study of Communities Living Within and Around the Northern Block of Segan Licensed Planted Forest (LPF/0014), Bintulu Division did not include communities in the Western Segan and Eastern Segan. 2. In the Environmental Impact Assessment of the Proposed Segan Forest Plantation Bintulu Division Sarawak (Doc002), section 4.3.10 (Socio-Economic Impacts), there was no detailed information on socio-economic conditions of local communities. 3. Some villages adjacent to Western Segan were not included. 	<p>Email on Corrective Action Plan received 8th March 2020 is referred.</p> <p>Result of investigation</p> <ol style="list-style-type: none"> 1. The evidence is not disputed. 2. The evidence is not disputed. 3. Duplication - See Item 1. <p>Determination of root cause Management has always considered that its relationship with community is good. A quote from SIA (2013) page 30 reinforces this: “...<i>The communities are very happy with the management of the SSTSB as the latter always go on the ground and consult them on land matters...</i>”. And this continues to be generally the case as has been confirmed by the SIRIM audits over the past six years. Most villages adjacent to the LPF are within areas controlled by other companies, e.g., Ta Ann, Almabumi & SPF</p> <p>Corrective action plan</p> <ol style="list-style-type: none"> 1. The situation regarding Segan LPF and the communities within and adjacent to the LPF will be reviewed; especially. 2. In Segan West where some communities have not been included in a formal SIA. <p>Completion date: to be in place at time of first surveillance audit.</p>	<p>Reviewed list of stakeholders (local communities) within and adjacent to Samling-Segan FPMU during the current audit found an updated and comprehensive list of long houses (10 within FPMU, 10 within 3 km distance from FPMU and 3 adjacent but more than 3 km from FPMU).</p> <p>The FPMU had also conducted Social Impact Assessment for Communities within and adjacent to Segan FPMU. The assessment is conducted by Faculty of Agricultural Science and Forestry, UPM Sarawak from 3 – 13 March 2020. A report titled ‘Social Impact Assessment Report’ dated 22 February 2021 was available.</p> <p>Status: Closed</p>
<p>Indicator 4.5.2</p> <p>LHF 04/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 4.5.2 - Appropriate mechanisms within relevant federal and state legal frameworks are employed to resolve grievances involving loss or damage affecting the local people’s</p>	<p>Email on Corrective Action Plan received 8th March 2020 is referred.</p> <p>Result of investigation The investigation concurs with the Objective</p>	<p>The procedure was adequately implemented as verified from reviewed records: (1) The implementation</p>

	<p>legal or customary rights, property, resources, or their livelihoods, caused by forest plantation management operations.</p> <p>Finding: Mechanisms within relevant federal and state legal frameworks employed to resolve grievances involving loss or damage affecting the local people's legal or customary rights, property, resources, or their livelihoods, caused by forest plantation management operations were not adequately implemented.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. Inspection of documentation found that implementation was not based on the written procedures available. 2. Consultations with communities on 18 and 19 February 2020 showed that the villagers confirmed that. <ol style="list-style-type: none"> (i) the audit consultation at village level was new and (ii) they were not aware of mechanism to raise grievances. Implementation of the mechanism was inadequate as it did not follow the procedures outlined in the Conflict Resolution – flow chart for Segan LPF/0014. Consultations with communities showed that they were not aware of the procedures. 3. Current consultation is conducted on individual need basis and not at village level. 4. Continual consultation at village level has yet to be implemented to regularly engage with communities on any updates. 	<p>Evidence in that the mechanism is not formal, but it also finds that the mechanism works quite well - as it has done for many, many years (around 40). It is not clear what is meant in (2) (i) as several village level consultations have been conducted in the past. No grievances have been expressed to management in the past few years.</p> <p>Determination of root cause Management's approach has been that if something of this nature is working quite well then best leave it alone.</p> <p>Correction action plan There is need to:</p> <ol style="list-style-type: none"> 1. become more formal in engaging with the communities; 2. follow the written procedures when dealing with communities & ensure engagement is documented; and 3. improve the implementation of dealing with grievances through the Conflict Resolution process. <p>Completion date: to be in place at time of first surveillance audit.</p>	<p>was based on the written procedures available.</p> <p>(2) Consultations with local communities during the audit showed that the villagers confirmed that the villagers were aware of the mechanism to raise grievances following the procedures outlined in the Conflict Resolution – flow chart for Segan LPF/0014.</p> <p>(3) Current consultation is conducted both individual and village level need basis.</p> <p>Status: Closed</p>
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<p>Indicator 6.9.1</p> <p>ANS01/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 6.9.1 - Document, control and monitor the use of exotic species to avoid adverse ecological impacts.</p> <p>Finding: Implementation of control measure on exotic species in plantation not sufficient.</p> <p>Objective evidence: During site visit to SMZ (natural forest) at Coupe 3 block 16 found that <i>Acacia sp</i> had grown in the SMZ area. Verification of the record monitoring of exotic tree species form SST/RP/OP/10 found no evidence of control has been carried out.</p>	<p>Email on Corrective Action Plan received 8th March 2020 is referred.</p> <p>Result of investigation and determination of root cause Investigation</p> <p>The road forms an SMZ (natural forest) boundary. The daylighting required to allow the road to dry quickly also creates an opportunity for the light demanding <i>Acacia</i> to establish on the roadside strip. However, given that <i>Acacia</i> is a pioneering light demander it does not establish in areas of natural forest & hence does not invade the natural forest of the SMZ.</p> <p>Determination of root cause</p> <ol style="list-style-type: none"> 1. In order to reduce the use of pesticides the daylight strip is not sprayed but from time to time the taller woody vegetation is mechanically reduced in height. <p>There is no mention of 'control' in SST/RP/OP/10. The requirement is only to monitor. The preamble clearly states that <i>Acacia</i> is non-invasive when natural forest is considered.</p> <p>Correction action plan</p> <p>SST/RP/OP/10 will be revised to clearly state that, currently, there is no requirement for any form of control of the exotic species planted.</p> <p>Completion date: to be in place at time of first surveillance audit.</p>	<p>The FPMU has monitored on exotic species weekly as evidenced by sighted 'Patrol sheets' for year 2021 were verified by the auditor.</p> <p>During site visit to SMZ (natural forest) area and riparian buffer belts at Block 2,3,3B,7B,9,10C,11B&12A of Coupe 1A, Block 3A of Coupe 2A and Sg. Segan (Block 6 of Coupe 1A), Sg. Sera (Block1 of Coupe 3A) and Sg. Ruit (Block 15 of Coupe 3A), there was no exotic tree species grown in the protection area.</p> <p>Status: Closed</p>
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<p>Indicator 7.1.1 –</p> <p>ANS</p> <p>02/2020</p>	<p>Minor</p>	<p>Requirement: Indicator 7.1.1 - Implementation of forest plantation management plan. a) Description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands.</p> <p>Finding: Description of the forest resources to be managed not updated in the Forest Plantation Management Plan.</p> <p>Objective evidence:</p> <p>Review of the The Forest Plantation Management Plan 2013 – 2023 (4th revision; accepted 12 November 2019 found “Table 5.1: LPF/0014 Coupe’s area, location and Soil type”, (page number C5-2) was not updated)</p>	<p>Result of investigation and determination of root cause</p> <p>Investigation Table 5.1 was revised 17 February 2020.</p> <p>Tables 5.2 & 5.3 & Fig 5.1 had all been revised on 5 February 2020.</p> <p>Corrective action plan None required. Ch 5 of FMP already updated (6 March 2020)</p>	<p>The Table 5.1: LPF/0014 Coupe’s area, location and Soil type has been updated in the FMP (Edition 5) which was revised on 17 February 2020.</p> <p>Status: Closed</p>
<p>Indicator 8.1.2</p> <p>LHF</p> <p>01/2020</p>	<p>Major</p>	<p>Requirement: Indicator 8.1.2 - Forest plantation managers shall identify and implement appropriate monitoring procedures, in accordance with the scale and intensity of the forest plantation management operations, for assessing social, ecological, environmental and economic impacts.</p> <p>Finding:</p> <ol style="list-style-type: none"> 1. There is no procedure available for social and economic impact monitoring. 2. A social monitoring form was made available but yet to be implemented. <p>Objective evidence:</p>	<p>Result of investigation and determination of root cause</p> <p>Result of investigation</p> <p>It is correct that there is no formal ‘social monitoring’. But we have been operating in this area for 40 years & the relationship is generally cordial - as the audit confirmed. The management’s records show a significant number of community interactions throughout the year.</p> <p>Determination of root cause Given the long & the generally cordial relationship it was considered prudent to continue with ad hoc communication rather than to formalise and possibly disturb the status quo...</p>	<p>The Planning schedule of meeting the FPMU and community for the year 2021 and 2022 were verified.</p> <p>The result of social & economic monitoring of six communities and the LPF summary also was verified.</p> <p>Status: Closed</p>

		<p>Consultations with villages on 18 and 19 February 2020 showed that there was no social and economic monitoring related to FPMU operations conducted. It was also found that with inadequate SIA, there was no guideline and procedure for social and economic impact monitoring. It was raised in the previous audit as a MINOR NCR as implementation of the Social Monitoring procedure and legal requirement for monitoring was insufficient.</p>	<p>Corrective Action Plan</p> <ul style="list-style-type: none"> (a) Regularise community/FPMU meetings: schedule to be prepared (b) Conduct social & economic impact monitoring assessments with the results shown in the 2020 Annual Monitoring Summary Report. (c) The inadequacy of SIA will be addressed under LHF03/2020 <p>Completion date Schedule & (b) social & economic impact monitoring assessment to be submitted before 20 May 2020</p>	
Indicator 4.1.2	OFI	<p>Requirement: Indicator 4.1.2 - Qualified people in communities living within, or adjacent to forest plantation areas are given preference for employment and contract works.</p> <p>Finding: It was observed that there is room for further improvement in terms of providing notification on employment opportunities to the local communities.</p>	Not required	<p>In this audit, consulted villagers of Rh. Philip, Rh. Chom, Rh. Eloh and Rh. Tabor acknowledged that notification of job vacancies by the FPMU was available through flyers on company's notice boards, notice boards of long house communal hall and 'word of mouth' through community visits programmes implemented.</p> <p>Status: Closed</p>
Indicator 7.3.2	OFI	<p>Requirement: Indicator 7.3.2 - Forest Plantation workers shall be trained as to their respective roles in the implementation of the forest plantation management plan</p> <p>Finding: Site inspection of PSP plots at C3A/32D found the workers had measured Horizontal Distances using the "Stepping method". Their skill on 'Horizontal distance' measurements can be improved with</p>	Not required	<p>During site visit at PSP plot in Block 3A Coupe 2A (<i>E. pellita</i>), the inventory team has followed the correct technic on measurement of horizontal distances and tree height measurement.</p> <p>Status: Closed</p>

		knowledge on the “Slope correction table” method. “Tree height measurement” skill for workers also need to be further improved. Worker’s skill enhancements shall be achieved through formal training on ‘forest mensuration’.		
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End of Report