



**PUBLIC SUMMARY
SURVEILLANCE 2 AUDIT (1st CYCLE) ON
DANUM FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC- NF 00129
Date of First Certification: 8th August 2020
Audit Date: 10th - 14th January 2023
Date of Public Summary: 2nd June 2023**

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EXECUTIVE SUMMARY

This surveillance 2 audit on the Danum Forest Management Unit (hereafter referred as the Danum FMU) was conducted on 10th -14th January 2023 to assess the compliance of the overall forest management system of the Danum FMU against the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification* [MC&I SFM)] using the verifiers stipulated for Sarawak. The scope of this surveillance 2 audit was limited to the forest management system and practices on the Management of Natural Forest in the Danum Forest Management Unit T/3342 (200,383 Hectares).

This surveillance 2 audit was conducted by a 3-member team comprising Mohd Annas Amin Hj.Omar (Lead Auditor), Khairul Najwan Ahmad Jahari (Auditor), and Puteri Arlydia Abdul (Auditor).

Based on the findings of this surveillance 2 audit, it was found that Danum FMU had complied with the requirements of the MC&I SFM. This audit had resulted in the issuance of three (3) minor Non-Conformity Reports (NCRs).

This public summary contains the general information on the Danum FMU, the findings of the surveillance 2 audit, NCRs raised as well as the decision on the certification of the FMU.

1.0 INTRODUCTION

1.1 Name of FMU

Danum Forest Management Unit

1.2 Contact Person and Address

Name: Andy Wong Ko Hock
Designation: General Manager
Address: Shin Yang Sdn. Bhd. – Danum FMU
Lot 515, Jalan Datuk Edward Jeli,
Piasau Industrial Estate,
98000 Miri,
Sarawak.

Phone # : 085-656699
Fax # : 085-668299

1.3 General Background on the Danum FMU

The Forest Timber Licence (FTL) No. T/3342 was issued to Shin Yang Industries (Bintulu) Sdn. Bhd. by the Sarawak Forestry Department on 17th June 1997 until 16th June 2023 to manage a total 219,380 ha of the part of Danum Protected Forest, part of Linau Protected Forest and part of Balui Protected Forest which is located at upper Sg. Murum area in Kapit Division, Sarawak for period of 25 years. About 18,997 ha was excluded from certification scope due to the impoundment of Murum Dam and oil palm plantation within the licensed area (Seping Oil Palm Plantation).

The Natural Forest (NFM) is managed by Shin Yang Industries (Bintulu) Sdn. Bhd. covers an area of 200,383 ha of part of Danum Protected Forest (54,395 ha), part of Linau Protected Forest (117,547 ha) and part of Balui Protected Forest (28,441 ha).

The forest area is situated approximately between Latitudes 2° 16.30' N to 2° 49.13 N and Longitudes 114° 18.26' E to 115° 13.91' E within Kapit Division. The eastern boundary of Danum FMU is the border of Sarawak (Malaysia) – Kalimantan (Indonesia) International Boundary. The Danum FMU is about 120 km Northwest from Belaga Town and accessible by the Bintulu-Bakun-Murum road and logging roads which was constructed by Shin Yang Sdn Bhd.

The forest types in the FMU are logged-over Mixed Dipterocarp Forest (MDF). The general landform of the FMU ranges from undulating to steep terrain with elevation between 380m to 2,000m a.s.l.

Based on cutting diameter limits of 50cm and above for Dipterocarps and 45cm and above for Non-Dipterocarps, the Annual Coupe of Danum FMU was changed to not more than 140,758 m³/year (started in 2023) instead of 98,513 m³/year in 2019 (average annual coupe production area shall be 5,078 ha/year). Forest Management Plan (FMP) for Danum FMU entitled “Danum Forest Management Unit (T-3342) – Forest Logging Re-Entry” [2018-2027], 4 March 2019 was available and presented during the audit. The FMP has been revised for mid-term review and updated on 26 January 2022 (Revision 5)

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

1.4 Date First Certified

8th August 2020

1.5 Location of the FMU

The FMU is located between Latitudes 2° 16.30' N to 2° 49.13 N and Longitudes 114° 18.26' E to 115° 13.91' 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.). Forest Management Plan (FMP) for Danum FMU entitled “Danum FMU T3342-Forest Management Plan 2018-2027” was presented during the audit.

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

The rate of harvest was calculated to not be greater than estimated regrowth of the residual stand based on permanent sample plots assessment (within a pre-defined 30 year of cutting cycle), with total productive area of 5,078 ha/yr. as stated in the Danum FMP. Based on cutting diameter limits of 50cm and above for Dipterocarps and 45cm and above for Non-Dipterocarps, the Annual Coupe of Danum FMU was changed to not more than 140,758 m³/year (started in 2023) instead of 98,513 m³/year in 2019 (average annual coupe production area shall be 5,078 ha/year).

1.8 Environmental and Socioeconomic Context

Environmental Impact Assessments (EIA) that was carried out and prepared by Ecosol Consultancy on October 2015 in the report entitled "*Re-entry Hill Timber Harvesting Under the Forest Timber Licence No. T/3342, at Uppper Sg. Murum Area, Kapit Division, Sarawak*" [Ref. NREB/6-3/2F/70].

The Forest Management Plan had also incorporated an assessment of environmental impacts specific to potential impacts on endangered, rare, and threatened species of flora and fauna (ERT), and the need for biological corridors in the FMU.

Documentation of the customary rights of indigenous peoples' lands was available. Procedures on Land Claim and Guidelines on Conflict Resolution will be used if complaint arise against conflicts and grievances between parties involved. The management of Danum FMU has shown respect to the community by paying compensation to all local community who has claimed the community user rights area at Long Tanyit, Long Abit and Long Lidem which were affected by the forest operation. The areas claimed by the community have been marked in the FMU map. The bilateral agreement was agreed by local communities and the Danum FMU management. The agreement was signed by Long Tanyit on 6 September 2019, Long Lidem community on 14 August 2017 and Long Abit on the 22 September 2019.

As the indigenous traditional forest related knowledge is not used in FMU's forest management practices, specific mechanism, and compensation for the commercial utilization of traditional knowledge is not established.

2.0 AUDIT PROCESS

2.1 Audit Dates

10th -14th January 2023 (15 man-days)

2.2 Audit Team

Mohd. Annas Amin Haji Omar (Lead Auditor)
Khairul Najwan Ahmad Jahari (Forester)
Puteri Arlydia Abdul (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 Management Certification [MC&I SFM] using the verifiers stipulated for Sarawak.

2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted beginning December 2022 to solicit feedback from stakeholders on the compliance of the Danum FMU against the requirements of the MC&I SFM. 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 compliance of the Danum FMU's current documentation and field practices in forest management with the detailed of the standard of performances (SOPs) listed in the MC&I SFM, using the verifiers stipulated for Sarawak.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FMU, local community or stakeholders or field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors then decided on the degree of the FMU's overall compliance with the indicator and decided whether 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.

Consultation was conducted with 4 longhouses at Long Abit, Long Kajang, Long Tanyit, and Long Lidem. Consultation was also conducted with Worker's representative, and workers.

The coverage of this surveillance 2 audit is as shown in the surveillance 2 Audit Plan in **Attachment 4**.

The Danum FMU had sent a corrective action plan to the audit team to address the minor NCRs which the audit team had reviewed and accepted them. The audit team had prepared an interim surveillance 2 audit report and sent it to the Danum FMU for comment. A second draft of surveillance 2 audit report which had incorporated the comments received from the Danum FMU was then prepared. A final surveillance 2 audit was then prepared after incorporated the comments from reviewer.

3.0 SUMMARY OF AUDIT FINDINGS

Based on the findings of this surveillance 2 audit, it was found that the Shin Yang Industries (Bintulu) Sdn.Bhd. had managed the Danum FMU in compliance with most of the requirements of the MC&I SFM. This surveillance 2 audit had resulted in the issuance of three (3) minor NCRs. The details on the NCRs raised are shown in **Attachment 5**.

The audit team had reviewed, accepted, and verified the corrective actions taken by the Shin Yang Industries Sdn. Bhd.- Danum FMU to address the Minor NCR raised during this surveillance 2 audit. The audit team reviewed and accepted the proposed corrective actions to address the 3 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 Danum FMU to address the four (4) Minor NCRs which were raised during the previous audit. The responses made by the audit team leader on these corrective actions and on the final status of the NCRs are as in **Attachment 6**.

Mechanism to resolve any conflicts and grievances were through Corporate Social Responsibility section and Sustainable Liaison officer, Danum FMU also had established Committee for Community Development (CCD) in 3 of the villages.

About Criterion 6.10, Conversion of natural forest into non-forest land use had not occurred within the Danum FMU and the FMU management has no plan to convert the forest area into plantations.

As there is no major NCR raised during this surveillance 2 audit, the audit team had therefore recommended that the Certificate for Forest Management be awarded to Danum FMU be maintained.

The summary on the findings of the surveillance 2 audit on the Danum FMU against the requirements of the MC&I SFM are as follows:

Principle	Strengths	Weaknesses
<p>Principle 1 Compliance With Laws and Principles</p>	<p>Danum FMU had maintained records of all relevant national, local laws, regulations and policies related to forest management. The 'Legal register' or list of documents available at Shin Yang's FMU' updated in 2022 was also presented for verification.</p> <p>Consultation with the forest manager and executives, and the new camp manager of Danum FMU found that they were aware and understood of the federal, state and local laws and regulatory framework for forest management.</p> <p>Danum FMU has not violated any laws and therefore no compound or penalty imposed by the relevant authorities.</p> <p>Current list of all legally prescribed fees, royalties, taxes, and other charges was available at the Danum FMU Base Office (Abit Stumping Office) as stated in the Licence Agreement.</p> <p>Payments to Sarawak Forest Department (SFD) for Forest Royalty or Premium due to harvesting operations has been verified during the audit.</p> <p>Forest manager and the new Camp Manager was aware of all the binding international agreements.</p> <p>Documentation of any conflicts between laws, regulations and these principles and criteria was available at Danum FMU (SOP REF: LEG/01). The records reviews as in "Declaration of Conflict Form" updated 22/2/2022.</p> <p>The forest managers had demonstrated and expressed their willingness to participate in the resolution of such conflicts if they arise with the affected parties since 2017.</p> <p>Sign boards on control of hunting had been erected at the strategic location. Posters on Total Protected Wildlife in Sarawak were also observed at the Abit Base Camp Office. Control of encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities in the FMU was conducted through boundary patrolling. The "Monitoring Checking Report" with pictures of monitoring was verified.</p> <p>The policy statement was displayed at</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>prominent sites within the FMU and had been communicated throughout the organization. The policies or statement were clearly explained to all workers on 30 December 2022.</p> <p>The Policies were made available in Public Summary at the website https://www.shinyang.com.my/products-services/forest-management-unit.html</p>	
Principle 2 Tenure and Use Rights and Responsibilities	<p>All relevant documents of legal or customary tenure or use rights of the FMU were made available during the audit. Forest Timber Licence (FTL) No. T/3342 was issued to Shin Yang Industries (Bintulu) Sdn. Bhd. by the Forestry Department Sarawak on 17th June 1997 until 16th June 2022 (the renewal was in progress as verified through the communication records between Danum FMU with Sarawak Forest Department).</p> <p>Stakeholder consultation with Long Tanyit, Long Kajang, Long Abit and Long Lidem has confirm no land claims within the Danum FMU for 2022/2023.</p> <p>Maps showing the location of settlements of local communities in and adjacent to the FMU were maintained with no changes inside the revised Forest Management Plan (FMP) approved by Director of Forestry Department Sarawak on 30th September 2022 and mid-term review rev 5 dated 26th January 2022.</p> <p>Appropriate mechanisms have been employed to resolve disputes over tenure claims and use rights of the local communities through its Corporate Social Responsibility section and Sustainable Liaison officer.</p>	There were no negative findings
Principle 3 Indigenous People's Rights	<p>The management of Danum FMU has shown respect to the community by paying compensation to all local community who has claimed the community user rights area at Long Tanyit, Long Abit and Long Lidem which were affected by the forest operation.</p> <p>No records of conflicts and grievances between parties involved concerning their legal and customary rights within the FMU.</p> <p>Stakeholder consultation with local communities of Long Tanyit, Long Kajang, Long Abit and Long Lidem has confirm the community zone areas for sites of special cultural, ecological, economic or religious significance to indigenous peoples has been maintain with no disturbance by Danum FMU activities.</p>	There were no negative findings

Principle	Strengths	Weaknesses
	<p>Mechanisms established and records of fair and equitable compensation for the commercial utilisation of traditional forest-related knowledge and practices of natives were addressed in SOP Ref 12 Procedure to Identify Local Community Use Zone Area (Compensation) dated Jan 2022.</p>	
<p>Principle 4 Community Relations and Workers' Rights</p>	<p>The FMU has provided training, retraining, local infrastructure, facilities, and social program for all levels of its employees as evidence by the Training record. FMU has conducted 16 training 2022 and for 2023, one training has been conducted on 7th January 2023.</p> <p>Safety and Health Committee meetings has been conducted on 2nd January 2022, 6th April 2022, 1st July 2022 and 29th September 2022. Agenda covered were occupational safety and health programs, incident statistic, hazard management, chemical health risk assessment, personal protective equipment (PPE) and others.</p> <p>Up-to-date information on all applicable laws/regulations covering occupational safety and health of forest workers were disseminated to them.</p> <p>There were no restrictions for workers to freely organise into union of their own choice in accordance with ILO Convention No. 87. Verified with sampled workers through interview.</p> <p>Local workers and foreign workers had been provided with SOCSO protection.</p> <p>Social Impact Assessment (SIA) monitoring report dated January 2023 covering all four (4) villagers Long Lidem, Long Tanyit, Long Kajang and Long Abit has include updated from Social Monitoring information.</p> <p>SOP REF:04 "General Mechanism of Conflict Resolution Procedure" was available as guidelines to address conflict occurrence with local communities due to impact of forest harvesting operation.</p> <p>Allowance's payment receipt for the community leader and welfare of local community as per agreement were verified and also confirm during stakeholder consultation.</p>	<ol style="list-style-type: none"> 1. Visit to Block 22, Coupe 01AR found machine with number G1192 showed 14582 run hours on its hour meter. Interview with excavator operator noted the hour's gauge is in good conditions. However, review of machinery service record (Danum Base T/3342) it was recorded as "last service maintenance" 14447 run hours on 28 September 2022. Meanwhile machines with number C628 was recorded as "next service maintenance" run hours 3780 on 15 October 2022. 2. Visit at Block 21 Coupe 1AR found machine with number C245 showed 2360 run hours on its hour meter. However, there was no record maintenance in Machinery Service Record (Danum Base T/3342). <p>Therefore, a Minor NCR LYD01/2023 for indicator 4.2.3 was raised.</p>

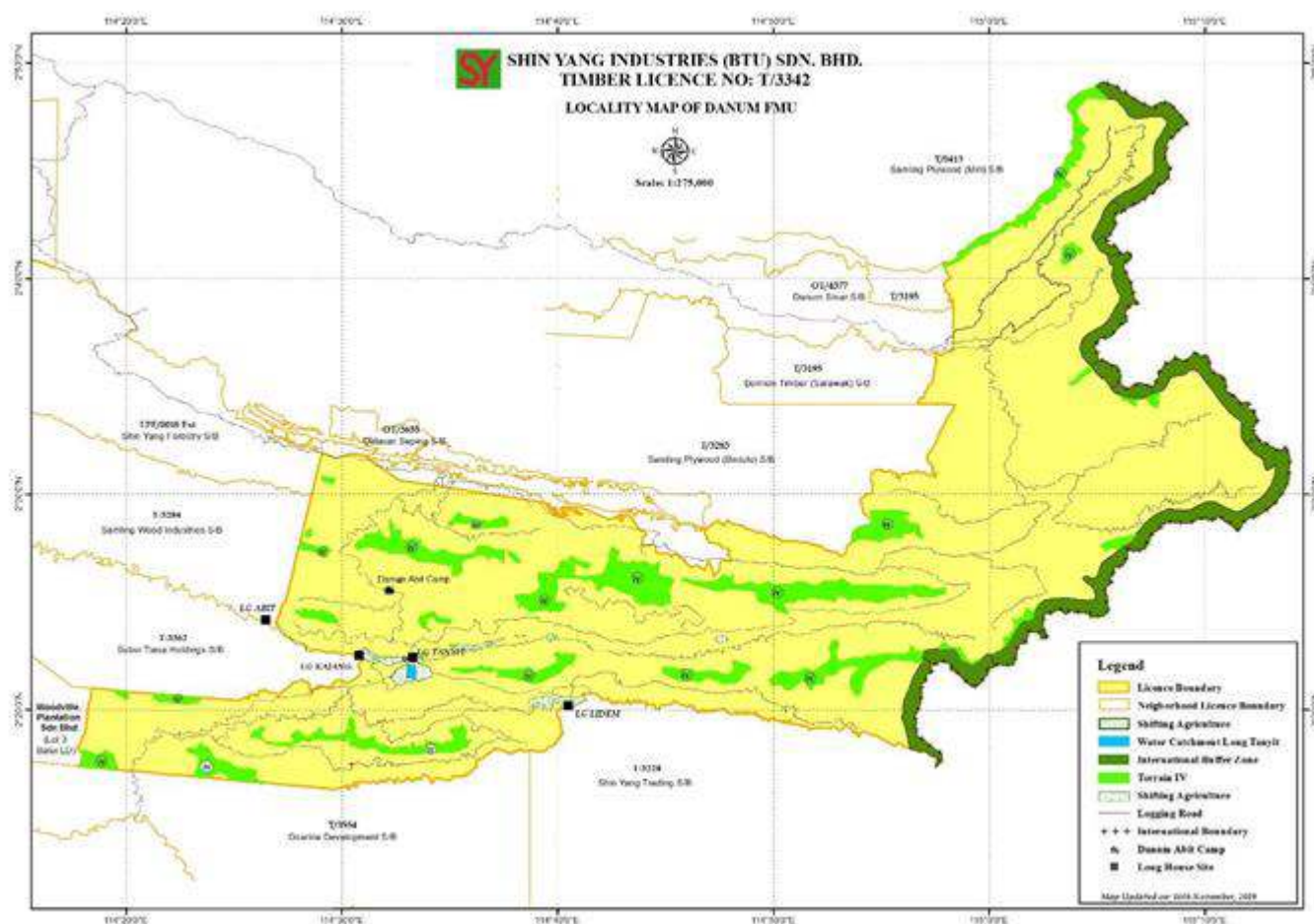
Principle	Strengths	Weaknesses
Principle 5 Benefits From the Forest	<p>The “Budget Operating Expenses (Fixed and Variable) of Shin Yang FMU (T/3342) for 10 years (2018 – 2027) was presented for verification. Investments and reinvestments were made in forest management by Danum FMU.</p> <p>Planned silviculture activities included enrichment planting to rehabilitate severely degraded and steep open areas. Enrichment planting was under research, where Engkabang were planted as reported in the document “Enrichment Planting Status Report for the Year 2022” verified by the auditor. Silviculture activity was aimed towards improving the stocking and growing volume of production forest.</p> <p>Continuous Forest Inventory (CFI) data from permanent sample plots (PSP) established at Danum FMU shall be used for more accurate Growth and Yield predictions, hence, update the AAC at Danum FMU. Till February 2022, a total of 32 PSPs had been established.</p> <p>The harvesting activities had followed established SOP which was based on the ‘Guidelines for Reduced and Low Impact Logging Systems in Forest Management Certification (Natural Forest); Second edition 2014’.</p> <p>Regular training has been conducted for the staff on techniques of reduced-impact logging. Refreshment Training in Tree Felling, Log Extraction and Log Landing was conducted on 5th -7th Jan 2023.</p> <p>Timber was still the main product being extracted from the forest in the FMU, no minor forest produce had been extracted.</p> <p>The sensitive areas were demarcated and protected for protection of soil and water, watercourses and wetlands which include Stream buffer reserve (SBR) or Riparian buffers, Terrain IV, Water Catchments, Burial sites and other HCVFs.</p> <p>The rate of harvest was calculated to not be greater than estimated regrowth of the residual stand based on permanent sample plots assessment (within a pre-defined 30 year of cutting cycle), with total productive area of 5,078 ha/yr.</p>	<p>There were no negative findings</p>
Principle 6 Environmental Impact	<p>The EIA Report for Danum FMU was comprehensive that covers the existing environment, environment impact assessment, mitigation measure and monitoring activities that should be done. The</p>	<p>A review of the Forest Management Plan for Danum Forest Management Unit (T/3342) Forest Logging Re-Entry (Year 2022-2031) Revision 5 found that mitigation measures</p>

Principle	Strengths	Weaknesses
	<p>potential impact on endangered, rare and threatened (ERT) species of flora and fauna due to forest operation was specifically reported in para 4.3.4.</p> <p>FMU management is guided by the FMP to establish representative, conservation and protection areas, in accordance with existing forest ecosystems.</p> <p>Co-operation between forest managers and conservation organizations including regulatory authorities in implementing conservation and management activities were presented and verified during the audit.</p> <p>The FMU has provide awareness training on protected animals and plants (ERT) including HCV area for the local community during CCD (Mesyuarat Tahunan Bersama Pengurusan Unit Hutan Danum T/3342) conducted on 20 February 2022.</p> <p>Harvesting in Danum FMU is designed and followed the RIL guidelines with consideration of the need for the conservation of biological corridors and will exclude the area of biological interest for wildlife and declared them as HC VF. Several in-house SOP were available to protect soil from compaction, reduce/low impact logging, forest road, log landing and stream buffer zone.</p> <p>Fire prevention and control plan titled Forest Fire Management Plan (FFMP) (Rev.3) was verified.</p> <p>Management policy on environmentally friendly non-chemical methods of pest management titled 'Environmental Policy' dated 25 May 2018 and revised 13 December 2020 was made available and displayed at the strategic location in the base camp.</p> <p>Standard operating procedures on waste disposal and solid non-organic waste were made available in Usage, Labelling, Storage and Disposal of Hazardous Goods. The Danum FMU did follow the SOP regarding the disposal and handling of Schedule Waste.</p> <p>There was no application of biological control agents in the FMU.</p> <p>Conversion of natural forest into non forest land use had not occurred within the Danum FMU and the FMU management has no plan to convert the forest area into plantations.</p>	<p>recommended by the Environmental Consultant as contained in the EIA Report dated 3 Dec 2015 (Ref: (11) NREB/6-3/2F/70), stated "(a) Those blocks that have very low stand and uneconomical to harvest shall be excluded from the present round of harvesting" was not incorporated into the forest management plan.</p> <p>Therefore, a Minor NCR ANS01/2023 for Indicator 6.1.3 was raised.</p>
Principle 7 Management	A revised FMP (revision 5) updated on 26 th January 2022, "Forest Management Plan	A of review of Job Descriptions of Mandor/Foremen and interview with

Principle	Strengths	Weaknesses
Plan	<p>(FMP) for Danum FMU entitled “Danum Forest Management Unit (T-3342) – Forest Logging Re-Entry” [2018-2027], 4 March 2019 was available, presented, and verified during the audit. The FMP has included all items from a-j.</p> <p>Danum FMP was prepared for the period of 2018-2027, and the content has been revised during mid-term review in 2022 (Revision 5) with monitoring information gathered.</p> <p>Summary of Forest Management Plan for Danum FMU is made available to the public through website link - https://www.shinyang.com.my/products-services/forest-management-unit/danum-forest-management-unit-t3342.html</p>	<p>new appointed Mandor Danum FMU during site visit at Block 22 of Coupe 1AR found that their job description was not clearly understood by the forest workers.</p> <p>Therefore, a Minor NCR ANS02/2023 for Indicator 7.3.1 was raised.</p>
Principle 8 Monitoring and Assessment	<p>The Danum FMU complies with the regulatory monitoring procedures in accordance with relevant federal and state guidelines of the Forestry Departments and other relevant agencies.</p> <p>The FMU had undertaken an annual internal audit on 19-22 September 2022 and management review meeting (held on 6 December 2022) of its forest management activities. The internal audit, management review and continual improvement activities were conducted following the requirements of the MC&I SFM standards as stipulated in APPENDIX A.</p> <p>The Danum FMU management has appropriately included all relevant information needed to monitor items listed in (a) to (e) of Criterion 8.2.</p> <p>Tracking the forest product (logs) from its origin, a process known as the “chain of custody”, leaving the certified area, was verified through selected records and relevant documents presented. The documents were verified to be in order.</p> <p>The FMU has updated the latest monitoring and results of PSP and Environmental Quality Monitoring for 2022 in the revised Forest Management Plan (Revision 5).</p> <p>Public summary of the forest monitoring indicators a) to e) is available at the website: https://www.shinyang.com.my/products-services/forest-management-unit/danum-forest-management-unit-t3342.html</p>	There were no negative findings
Principle 9 Maintenance of High	The assessment report titled ‘High Conservation Value (HCVF) Assessment Report Danum FMU, dated July 2017 by	There were no negative findings

Principle	Strengths	Weaknesses
Conservation Values	<p>Sarawak Forestry Corporation Sdn Bhd' was presented and verified during the audit.</p> <p>A meeting with stakeholders for Danum FMU HCV i.e., with representatives from Sarawak Forestry Corporation (SFC) Kuching and Bintulu, Belaga District Officer, WWF-Malaysia, NREB Bintulu, and representatives of local communities was conducted on 21st November 2017. The minute of consultation was verified during the audit.</p> <p>A review and updating of the current status of HCV at Danum FMU was conducted on 9th Feb 2022 where SA areas in the FMU were excluded from the HCV 4 classification.</p> <p>The Specific measure was outlined in the Danum FMP for recognizing HCV areas in the form of a map entitled 'Map indicating the location of HCV within Danum FMU' dated 24 January 2018.</p> <p>Public Summary on HCVs with measures was included as verified during the audit in The Forest Management Plan (Danum Forest Management Unit (T- 3342)) for Forest Logging Re-Entry (2018- 2027), at the Shin Yang's website: https://www.shinyang.com.my/products-services/forest-management-unit.html</p> <p>The FMU has established a monitoring procedure to assess the effectiveness of the measures in the management of the HCVs titled "Model of Monitoring and Assessment - SOP Ref: MA/01". Monitoring of HCVs in the FMU has been conducted and the latest HCVs monitoring reports were verified</p> <p>Data collected from HCV monitoring has been incorporated into the latest revision of the management plan to enhance management decisions, which include Results and findings of the HCVs monitoring activities.</p>	

Map of Danum FMU



Experiences and Qualifications of Audit Team Members

Names of Audit Team	Role	Qualification and Experience
Mohd Annas Amin bin Haji Omar	Lead Auditor/ Forester	<p>Academic Qualification: Diploma In Forestry, Upm B. Sc. In Forestry, Upm</p> <p>Work Experience: Six Years As Assistant Forest Officer At Perak State Forestry Department From 2013-2018. Main Responsibility Is Assisting District Forest Officers In Administrative Work, Forest Development And Forest Operations.</p> <p>Conduct Forest Enforcement Team Activities Such As The Prevention Of Illegal Logging. Appointed As Raid Officer In Raid Eradicating Illegal Refinery In Kinta Manjung Forest District. Also Appointed As Investigation Officer In A Case Involved Ayer Chepam Forest Reserve And Cased Prosecuted In Court.</p> <p>Training / Research Areas: Attended And Pass The Following Training Programmes:</p> <ul style="list-style-type: none"> • Auditor Training Course On MC&I Sustainable Forest Management 18/08/2020 - 18/08/2020 • Smeta- Sedex Members Ethical Trade Audit (Awareness & Auditor Course) 20/10/2021 - 21/10/2021 • MTCS Auditor Training Course 09/07/2018 - 12/07/2018 Lead Auditor Integrated Management Systems (Ims) Iso 9001, Iso 14001 & Ohsas 18001/Iso 45001 13/08/2018 - 18/08/2018 • Coc Auditor Training 19/12/2018 - 20/12/2018 • RSPO P&C 5-Day Lead Auditor Course 09/03/2020 - 13/03/2020 • Training On Indigenous People 04/10/2021 - 04/10/2021 • FMC Workshop 23/11/2021 - 24/11/2021 • Audit Report Writing & NCR 25/06/2018 - 25/06/2018 • MTCS Auditor Training Course 09/07/2018 - 12/07/2018 • Lead Auditor Integrated Management Systems (Ims) Iso 9001, Iso 14001 & Ohsas 18001/Iso 45001 13/08/2018 - 18/08/2018 • Coc Auditor Training 19/12/2018 - 20/12/2018 • Culture Transformation Program 04/04/2019 - 04/04/2019 • Workshop for MSPO SC 22/08/2019 - 22/08/2019 • Calibration Workshop For Rspo Workshop P&C (Session 2) 28/01/2020 - 28/01/2020 • SIA Workshop 30/01/2020 - 30/01/2020 • Training EMS for FMC Auditor 12/02/2020 - 12/02/2020 • Training Ohsas For Fmc Auditor 11/02/2020 - 11/02/2020 • RSPO P&C 5-Day Lead Auditor Course 09/03/2020 - 13/03/2020

		<ul style="list-style-type: none"> • ISO/lec 17021 12/06/2020 - 12/06/2020 • Principles Of Conformity Assesment 12/06/2020 - 12/06/2020 • RSPO Pc Workshop 22/12/2020 - 23/12/2020 • Training On Indigenous People 04/10/2021 - 04/10/2021 • FMC Workshop 23/11/2021 - 24/11/2021 • Program Siri Bicara Integriti Bagi Anggota Kerja Kumpulan Sirim Dan Anak-Anak Syarikatnya 20.9 20/09/2021 - 20/09/2021 • MSPO Workshop 2022 06/07/2022 - 07/07/2022 • General Workshop For Mscd 29/08/2022 - 29/08/2022 • Legal Awareness Osha Act 2020 30/08/2022 - 30/08/2022 • RSPO P&C Calibration Workshop [Session - 2] 22/09/2022 - 22/09/2022 • RSPO P&C Calibration Workshop (Session - 2) 22/09/2022 - 22/09/2022 • RSPO P&C 5-Day Lead Auditor Course 09/03/2020 - 09/03/2020 • Training On Indigenous People 04/10/2021 - 04/10/2021 • FMC Workshop 23/11/2021 - 23/11/2021
Khairul Najwan Ahmad Jahari bin	Auditor/forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience: Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001. Conduct and coordinate a research on 8th Malaysian Plan Project. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field works, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Lead Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International, since 2009. Involved in conducting assessments on forest management certification (MC&I), MYNI of RSPO P&C and other management system on ISO 9001, 14001 and OHSA 1800</p> <p>Training / Research Areas: Was attending and pass in the following training programmes: Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] organized by MTCC, 30 March - 2 April 2009. EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009. OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009. QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>
Puteri Arlydia Abdul	Auditor/Forester	<p>Academic Qualification: B.Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experience: 1 year with Forestry Department Peninsular Malaysia (JPMS) 2007-</p>

		<p>2008, 3 years with Forest Plantation Development Sdn Bhd (Wholly owned by MTIB) 2008 – 2011, 1 year with Transparency International Malaysia 2011-2012, 3 years with Intertek Certification International Sdn Bhd 2012-2015 and with Sirim QAS International from 2015 onwards. Her working experience cover forest elements among others, Geographic Information System, Remote Sensing, Forest Governance Integrity and Local Communities programs and auditing in ISO 9001 (Quality), ISO 14001 (Environment), PEFC Chain of Custody and PEFC MC&I (both Natural and Plantation Forest).</p> <p>Training / Research Areas:</p> <p>Was attending and pass in the following training programmes:</p> <ul style="list-style-type: none"> • ISO 9001: 2008 Lead Auditor Course dated 19-23/03/2012 • MC&I (Natural and Plantation) Lead Auditor Course 9-10/07/2015 • Training on ISO 9001:2015 (final version) dated 21/09/2015 • ISO 14001: 2004 Lead Auditor Course dated 18-22/05/2015 • Aspect and Impact Mitigation and Environmental Laws dated 27/05/2016 • Schedule Waste Handling dated 1/06/2016 • ISO 14001:2015 dated 18/09/2017 • PEFC CoC by MTCC dated 6 & 14/12/2017 •
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Comments Received from Stakeholders and Responses by Audit Team Leader

No.	Comments/Issues Raised	Response by Audit Team
1	No Response Received	
2		
3		
4.		

Surveillance 2 Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Annas)	AUDITOR 2 (Najwan)	AUDITOR 3 (Lydia)
Sunday 8/1/2023		<ul style="list-style-type: none"> Travel to Bintulu (17:10 – 19:15; MH2746) Overnight at New World Suites Hotel 		
Monday 9/1/2023		<ul style="list-style-type: none"> Travel from Bintulu to Danum FMU camp Auditor 2 Travel to Menawan Camp 		
Day 1 Tuesday 10/1/2023	8.00 am – 12.30 pm	AUDITOR 1 (Annas)	AUDITOR 2 (Najwan)	AUDITOR 3 (Lydia)
		<ul style="list-style-type: none"> Opening Meeting with representatives of FMU Briefing session by Forest Manager of the FMU Follow up on NCR from previous audit Check on complaints, stakeholder comments and follow-up actions (if any) 		
	2.00 – 5.00 pm	<u>Documentation and records review</u> <ul style="list-style-type: none"> Principle 6 – Environmental Impact Principle 7 – Management Plan Principle 8 – Monitoring and Assessment 	<ul style="list-style-type: none"> Site Danum FMU (T/3342) external License Boundaries with T/3195, and T/3283 in the north part of Danum FMU Travel to Danum FMU camp <u>Documentation and records review</u> <ul style="list-style-type: none"> Principle 1 – Compliance with Laws Principle 5 – Benefits from the forest Principle 9 – Maintenance of High Conservation Value Areas 	<u>Documentation and records review</u> <ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right
		<ul style="list-style-type: none"> Review of Day 1 Findings by Audit Team Leader 		
Day 2 Wednesday 11/01/2023	8.00 am – 5.00 pm	AUDITOR 1 (Annas)	AUDITOR 2 (Khairul)	AUDITOR 3 (Lydia)
		<ul style="list-style-type: none"> Inspection of pre-harvesting area Coupe 1AR Block 25 Inspection of active harvesting area – Coupe 1AR Block 22 40% Inspection of workers' 'rumah tarik'/skid house 	<ul style="list-style-type: none"> Inspection of active harvesting area Coupe 1AR Block 21 50% Inspection of post-harvesting (Enrichment planting) Coupe 1AR Block 42&46 Inspection of workers' 'rumah tarik'/skid house Inspection Monitoring Exotic 	<ul style="list-style-type: none"> Consultations with Penan Communities at Long Abit Consultations with Penan Communities at Long Kajang Visit to SA and Burial site of Long Tanyit Licence boundary inspection Coupe 29-

		<ul style="list-style-type: none"> Inspection Coupe 2 Boundary Inspection SBR Sg Betelui. 	Species Coupe 28	Sungai Linau- Subur tiasa T/3362
		• Review of Day 2 Findings by Audit Team Leader		
Day 3 Thursday 12/01/2023	8.00 am – 5.00 pm	AUDITOR 1 (Annas) <ul style="list-style-type: none"> Inspection of PSP Cluster Cluster 5 Coupe 1 Inspection of PSP Stripe Stripe 1 Coupe 25 Nursery 	AUDITOR 2 (Najwan) <ul style="list-style-type: none"> Inspection of HCV – Wild Boar Nest, Apan Sungai Torai Saltlick 5 (inside SA Area). Inspection of HCV – HCV-Hornbill nest at Coupe 30 Camp inspection - diesel storage, genset, SW store, clinic, workshop, housing, and chemical store 	AUDITOR 3 (Lydia) <ul style="list-style-type: none"> Consultations with Punan Busang Communities at Long Lidem Consultations with Penan Communities at Long Tanyit
		• Review of Day 3 Findings by Audit Team Leader		
Day 4 Friday 13/01/2023	8.00 am – 5.00 pm	AUDITOR 1 (Annas) <p><u>Site inspection</u></p> <ul style="list-style-type: none"> CoC inspection at stumping (PoRM) KM83 Documentation and records review 	AUDITOR 2 (Najwan) <p><u>Documentation and records review</u></p> <ul style="list-style-type: none"> Principle 1 – Compliance with Laws Principle 5 – Benefits from the forest Principle 9 – Maintenance of High Conservation Value Areas 	AUDITOR 3 (Lydia) <ul style="list-style-type: none"> Consultation with workers representative Documentation and records review
		• Review of Day 4 Findings by Audit Team Leader		
Day 5 Saturday 14/01/2023	8.00 am – 12.00 pm	AUDITOR 1 (Annas)	AUDITOR 2 (Najwan)	AUDITOR 3 (Lydia)
		<ul style="list-style-type: none"> Audit team discussion and preparation of audit finding and reports Briefing to representatives of FMU on the findings of audit 		
	2.00 – 5.00 pm	Closing meeting and presentation of findings of audit		
	5.00 pm	Auditor 1 Travel from base camp to New world hotel Bintulu Auditor 2 & 3 Travel from base camp to Miri Pullmen Hotel		
Sunday 15/01/2023		• Auditor 1 Travel from Bintulu to Kuala Lumpur (11:25 - 13:40; MH2743)		

Details on NCRs and OFIs Raised During this Surveillance 2 Audit and Corrective Actions Taken (2023)

Indicator	Detail Non-conformances	Corrective Action Taken
<p>Minor</p> <p>NCR: LYD01/ 2023</p>	<p>Requirement: Indicator 4.2.3 - Appropriate safety and operational equipment in good working condition, including operational procedures, shall be made available to forest workers in the workplace.</p> <p>Finding: Records of equipment and maintenance not properly recorded</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> 1. Visit to Block 22, Coupe 01AR found machine with number G1192 showed 14582 run hours on its hour meter. Interview with excavator operator noted the hour's gauge is in good conditions. However, review of machinery service record (Danum Base T/3342) it was recorded as "last service maintenance" 14447 run hours on 28 September 2022. Meanwhile machines with number C628 was recorded as "next service maintenance" run hours 3780 on 15 October 2022. 2. Visit at Block 21 Coupe 1AR found machine with number C245 showed 2360 run hours on its hour meter. However, there was no record maintenance in Machinery Service Record (Danum Base T/3342). 	<p>Result of investigation and determination of root cause:</p> <p>An investigation has been conducted by the OSH team and the outcome of the investigation is shown below:</p> <p>During the investigation, the OSH team identified that the maintenance form has been formulated and designed in working groups (Skidding group,JKR group, and Logging Truck Group.)</p> <p>However the mechanic group in Danum FMU is categorized by the type of machinery (mechanic tractor,mechanic truck and mechanic Excavator)</p> <p>It has resulted in a conflict with the current maintenance form,where each maintenance form might be filled by a different mechanic group.</p> <p>Interview with the mechanic tractor and excavator also identified a conflict in the recording of running hours in which the mechanic excavator record is based on the running hour,whereas the mechanic tractor recorded in the next maintenance hours,</p> <p>Correction and corrective action plan including completion date:</p> <p>Standardize the recording procedure is by revising the maintenance record-adding a new column in the maintenance record form of next service hour to prevent confusion by the mechanic about whether to record the current run hours or the next maintenance run hours. Date completion 1 Month</p> <p>Revise the maintenance record form from the working group to the mechanic group where the machinery listed each maintenance record will be based in which mechanic group is responsible for the machinery</p>

<p>Minor</p> <p>NCR: ANS01/ 2023</p>	<p>Requirement: Indicator 6.1.3 - Forest management plans shall incorporate measures to mitigate the environmental impacts identified in the assessments.</p> <p>Finding: Measure to mitigate the environmental impacts identified in the assessment not incorporated in the Forest management plan.</p> <p>Objective evidence: A review of the Forest Management Plan for Danum Forest Management Unit (T/3342) Forest Logging Re-Entry (Year 2022-2031) Revision 5 found that mitigation measures recommended by the Environmental Consultant as contained in the EIA Report dated 3 Dec 2015 (Ref: (11) NREB/6-3/2F/70), stated "(a) Those blocks that have very low stand and uneconomical to harvest shall be excluded from the present round of harvesting" was not incorporated into the forest management plan.</p>	<p>Result of investigation and determination of root cause: Environmental Management Plan in the Forest Management Plan is pre approved and no all term & condition of EIA are included and mitigated in the chapter 7 of FMP. By the when management unit consider the conditions of EIA said that those block that have very low stand and uneconomical to harvest shall be excluded from the present round of harvesting is not included, this is due to FDS is unable to decided the benchmark of low stand. Thus, it results the FMP Chapter 7 measurement lack of this condition.</p> <p>Correction and corrective action plan including completion date: Chapter 7 of Danum FMP will be revised and will included all the management plan in connection with the mitigation and measures of approved EIA term and conditions.</p>
<p>Minor</p> <p>NCR: ANS02/ 2023</p>	<p>Requirement: Indicator 7.3.1 - Forest managers shall clearly define and assign specific roles to and responsibilities of the forest worker to ensure effective implementation of the forest management plan.</p> <p>Finding: Roles and responsibilities was not clearly understood by the forest worker</p> <p>Objective evidence: A of review of Job Descriptions of Mandor/Foremen and interview with new appointed Mandor Danum FMU during site visit at Block 22 of Coupe 1AR found that their job description was not clearly understood by the forest workers.</p>	<p>Result of investigation and determination of root cause: Upon our investigation,foreman of Danum is lack of knowledge of using compass and clinometer. This is because his job of nature is not a surveyor. However we agreed and accept advice of auditor that foremen shall know how to identify the direction during monitor RIL activities and master the RIL map in order to ensure harvest the right harbvestable tree in the block,</p> <p>Correction and corrective action plan including completion date: Internal training of using the compass and clinometer to foreman has been conducted. Foreman has been taught by Mr Lau (certification incharge) how to dedrived the skid trail from the RIL map and hoy to identify location of trees from tree map.</p>

Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit (2022)

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p>Indicator 6.7.1</p> <p>Minor</p> <p>NCR: ISMA 01/2022</p>	<p>Requirement: Indicator 6.7.1 – Oil, fuel, tyres, containers, liquid and solid non-organic wastes, shall be disposed of in an environmentally appropriate and legal manner</p> <p>Finding : Environmental Quality (Scheduled Wastes) Regulations 2005 was not fully complied with.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> Containers of Scheduled wastes (SW305, SW306 and SW102) i.e. spent oils and batteries at the Scheduled Waste store did not have “Date of Generation” written on their labels The FMU has registered and notified scheduled wastes, SW305, SW306, SW312 and SW410 through the Electronic Scheduled Waste Information System (e-SWIS). However, the FMU has yet to key-in and update data of SW notification, inventory and disposal of Scheduled Waste. 	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> Based on the investigation, it was found out that the storekeepers (Mr Aris Biantoro, Mr Radiansyah, and Mr Udang Hasan) wrongly thought that the date of the labelling shall be input with the date when the drum is fully filled, instead of "first generated date". It's due to the lack of provision of awareness program of Scheduled Waste Management towards the storekeeper, and also lack of supervision. The management of Danum FMIJ is currently retaining the previous practice by submitting consignment notes manually to the Department of Environment. This is due to the management hasn't changed its practice since it's first submission back to year 2016. <p>Correction and corrective action plan including completion date:</p> <ol style="list-style-type: none"> An awareness internal training program 'Scheduled Waste Management' will be conducted as soon as possible to enhance the awareness of storekeepers toward the correct procedure of Scheduled Waste Management. The training will include agenda such as labeling of scheduled waste, storage of Scheduled Waste, etc. Besides, the management will regularly perform site verification to ensure that the date input on the labeling of the drum is correct and according to the correct practice. The management will liaise with the 	<p>During this audit, it was found the “Date of Generation” of spent oils and batteries at the Scheduled Waste store has been printed on their labels Containers of Scheduled wastes (SW305 (20 Dec 2022), SW306 (15 October 2022), SW410 (5 Dec 2022), and SW312 (10 Nov 2022). Furthermore, these spent lubricant oils were recorded in the “Schedule Waste Inventory Record”. A review of the records showed SW305 was recorded 0.80MT dated 20 Dec 2022, spent hydraulic Oil SW306 with 0.20MT dated 15 Oct 2022, and Oil Filter SW410 0.20MT dated 5 Dec 2022. Therefore, Minor NCR ISMA 01 2022 for Indicator 6.7.1 was satisfactorily closed.</p> <p>Status: Closed.</p>

		Department of Environment (DOE) for the registration of eSWIS and will study the use of eSWIS system. Once registered, the management will convert from the current practice of manual submission of consentment notes to submission through eSWIS system.	
Indicator 7.1.1 Minor NCR: MRS 01/ 2022	<p>Requirement: Indicator 7.1.1 Availability and implementation of forest management plan including consideration of risks and opportunities concerning compliance with the requirements of the standard.</p> <p>Finding : Actual schedule of harvesting operation, figure of AAC, implementation of Pre-Felling Inventory, minimum number of PCTs and post-harvest assessment were not clearly described in the FMP 2018-2027.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> The harvesting schedule for Coupe 1 and Coupe 2 were delayed from the actual harvesting schedule in the FMP. In the Public summary, the net volume was stated at 22.0 m³/ha. However, this figure was not stated in the FMP (section 3.7 AAC Verification) No figure for minimum number of Potential Crop Tree (PCT) to be retained for future harvestable trees in section (5.4 Pre-Felling Inventory) in the FMP. Sufficient stock to permit the forest manager to schedule harvesting was not stated to comply with section 5.4 Pre-Felling Inventory and section 9.5 Method of Silviculture Treatment. The FMU has conducted analysis of post-harvest for sampled inventoried harvestable tree (HT) and PCT in harvested Blocks in Coupe 1. However, this did not comply with section 9.2 Diagnostic Sampling After Post 	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> Due to Pandemic hit and production process and application process with Government Agencies have been affected the schedule performance of harvesting in Coupe 1. FMP are written according to comments and advices from forest department. Inside the green book of FMP guideline, economical cut 22m³/ha is not the compulsory item in 3.7. AAC and ACA are sufficient in chapter 3 according to guideline. Thus, Danum FMP is basically follow the requirement of FMP per said in green book. FMP of pre-post harvesting in chapter 4-5 is written according to the Sarawak RIL guidelines (Part 1 & Part 2) and baseline of PCT (Minimum) is not mentioned in RIL guidelines and RIL only cover the guidelines of PCT tagging and selection characteristic. FMU existing stock control practice for pre-felling are focus only on Harvestable Tree(s) which shall at least achieve 22m³/ha or 8-11 trees and not yet focus on the baseline set for PCTs. Our PCT inventoried are only the PCT with interval 60m between skid trail which may impacted by harvesting operation within the winch able range (60m left and right of skid trail). SMI in the Danum FMP is self — regulatory based on Forest Manager decision making on post felling inventory. Sometimes after post felling, ground may not able to fulfil the exact interval as per requested in FMP. FMU is depend on surveyors / enrichment planting crew to 	<p>During this surveillance audit, the auditor had verify the Detailed Harvesting Plan/Road Map for Coupe 2AR (2023 Coupe Year) of Licence No T/3342 (Danum FMU) that was approved on 21 October 2022.</p> <p>The Forest manager had revised the content of FMP on Chapter 3.7 by included the AAC, ACA and economical cut for Harvestable Tree. Management plan also include the target of balance will be preserved for future. Character of PCT written in Chapter 5,page 47 Baseline of PCT and HT is written in Clause 5.8 of FMP page 49 for Pre-harvesting and clause 6.8.8 for the baseline of PCT and HT of post harvesting.</p> <p>Status: Closed</p>

	<p>Harvesting in the FMP, where the FMU is required to conduct diagnostic sampling of residual forests at certain interval after harvesting was done (i.e 2.5% of area sampled).</p>	<p>check the residual trees after the post harvesting and constraints of crew members arrangement may affect the time of checking inline to the interval set in FMP.</p> <p>Correction and corrective action plan including completion date:</p> <ol style="list-style-type: none"> 1.Forest manager decided to proceed Coupe 2 application and estimated the operation will proceed to next coupe for year 2023; 2.Revised the content of FMP Chapter 3.7 by include the AAC, ACA and economical cut for Harvestable Tree. Management plan will also include the target of balance will be preserved for future. 3.Minimum PCT has been set as minimum 19 trees PCT/ha for each harvesting block and this has been updated in FMP as part of the management objective in FMP; 4.Forest manager has set sufficient stock as HT (11 tree/ha) & PCT (19 tree/ha) for Pre-F AND HT (3 trees/ha) & PCT (18 trees/ha) for post F based on the condition of logged-over forest in FMU. 5.FMU will ensure the ground practice in conducting diagnostic sampling of residual forests at certain interval after harvesting. Once PEC 5 approved, FM will set interval e.g. 9 months harvesting and 1 month after harvesting 	
<p>Indicator 7.2.2</p> <p>Minor</p> <p>NCR: MRS 02/ 2022</p>	<p>Requirement: Indicator 7.2.2 - 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.</p> <p>Finding : Management has yet to provide training on new scientific and technical information for sustainable forest management for forest managers.</p>	<p>Result of investigation and determination of root cause:</p> <p>FMU manager is new manager and commence dated Jan 2022. Thus, the training for camp manager is yet to be arrange.</p> <p>Correction and corrective action plan including completion date:</p> <ul style="list-style-type: none"> • Manager will be trained for Carbon Emission issue on Apr 2022 which covers the impact of logging activities to carbon emission 	<p>During this surveillance audit, Mr Tie previous manager has been replaced by new FMU manager, Mr Ha Tiong See. The new manager has been trained on 30 December 2022 on RIL, Carbon emission, EIA terms condition, MC&I SFM and forest management plan.The certificates of the training was made presented during the audit.</p>

	<p>Objective evidence:</p> <p>Management was yet to plan and provide training for camp manager to enhance their knowledge on forest management, forest certification (MC&I SFM), carbon stock/ green-house gas emission, forest technology, environmental management, etc.</p>	<p>& climate change AND mitigation of harvesting activities to reduce the impact in carbon emission;</p> <ul style="list-style-type: none"> • Manager will be trained for new scientific knowledge such as RILs and Excavator (workmen rule) in May 2022 ; • Manager will be trained for understanding of EIA terms and conditions in June 2022; • Manager has been trained for MC&I SFM and Management plan in Jan 2022. 	<p>Status: Closed</p>
<p>Indicator 8.4.1</p> <p>Minor</p> <p>NCR: MRS 03/ 2022</p>	<p>Requirement: Indicator 8.4.1 - Forest managers shall incorporate the results and findings of the monitoring activities into the implementation and revision of the forest management plan.</p> <p>Finding : Management yet to update results and findings from monitoring during mid-term review of the FMP 2018-2027.</p> <p>Objective evidence:</p> <p>The FMU has yet to update results and findings from monitoring for year 2020-2021 during the mid-term review of the FMP 2018-2027 for the following requirements:</p> <p>(a) Yield of all forest products harvested,</p> <p>(b) Composition changes of flora and fauna, and</p> <p>(d) Cost and productivity of forest management</p>	<p>Result of investigation and determination of root cause:</p> <ol style="list-style-type: none"> 1. FMU has updated the Yield of all forest products harvested (production) , HCV 1.2-1.3 monitoring and cost & productivity of forest management and these info are yet to be updated into FMP due to Danum FMP is no yet come to mid —year review (5 years) 2. However, financial report of FMU is sensitive & confidential and protected under control copy. Thus, detail of cost is not convenient to be shown in FMP and Public Summary. <p>Correction and corrective action plan including completion date:</p> <ol style="list-style-type: none"> 1. Harvesting Yield for year 2020-2021 will updated in the mid-year revised FMP; 2. Change of Flora and fauna will be updated in the chapter 11 (HCV) of FMP 3. Latest costing report will be updated in FMP chapter 15 only and general total costing updated public summary due to confidential of financial report. 	<p>Evidence submitted by FMU:</p> <p>Revised Forest Management Plan Revision 5 was included in the the Yield Production (log royalty) has been included in the FMP Chapter 16 HCVF report in Chapter 11 has been updated based on monitoring latest status</p> <p>Status: Closed</p>

End of Report