



**PUBLIC SUMMARY
3rd SURVEILLANCE AUDIT (2nd CYCLE) ON
SAMLING REFORESTATION (BINTULU) SDN BHD – LPF/0006
LANA FOREST PLANTATION MANAGEMENT UNIT (FPMU)
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC - FP 00116
Date of First Certification: 12 May 2017
Audit Date: 13-15 April 2023
Date of Public Summary: 17 November 2023**

Certification Body:

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

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
1.1 Name of FPMU.....	4
1.2 Contact Person and Address	4
1.3 General Background on the Lana FPMU.....	4
1.4 Date First Certified	4
1.5 Location of the FPMU	4
1.6 Forest Management System	4
1.7 Annual Allowable Cut/Annual Harvest under the Forest Management Plan	5
1.8 Environmental and Socioeconomic Context	5
2 AUDIT PROCESS	5
2.1 Audit Dates.....	5
2.2 Audit Team	5
2.4 Stakeholder Consultations	5
2.5 Audit Process	5
3 SUMMARY OF AUDIT FINDINGS	6

Attachment

Map of Lana FPMU.....	18
Details of the Auditors and their Qualification.....	19
Comments by Stakeholders and Responses from Audit Team	21
Surveillance 3 Audit Plan	22

EXECUTIVE SUMMARY

The Lana Reforestation Forest Plantation Management Unit (hereafter referred to as 'the Lana Reforestation FPMU') was awarded the Certificate for Forest Management against the MC&I Forest Plantation.v2 following the Stage 1 Audit and Stage 2 Audit that were conducted on 2-3 August 2016 and 17-19 January 2017 respectively. Following the certification, the Surveillance 1 Audit was conducted on 27-29 March 2018 and the Surveillance 2 Audit was conducted on 2-4 April 2019. Recertification audit was conducted on 14-16 January 2020. The Surveillance 2 audit was conducted on 12th – 14th April 2022 using MC&I SFM stipulated for Sarawak, subsequently Surveillance 3 audit was conducted on 13th – 15th April 2023 using MC&I SFM stipulated for Sarawak.

The audit was conducted with the full cooperation of the Samling Reforestation (Bintulu) Sdn. Bhd. by two-auditor team, Hj.Roslee Jamaludin (Lead Auditor),and Azrul Ikhsan Mohamed (Auditor).

The Lana Forest Plantation Management Unit (FPMU) is managed by Samling Reforestation (Bintulu) Sdn. Bhd. covers an area of 9,393 ha, which is part of the 81,900 ha of LPF/0006 - Lana Reforestation areas. The scope of the audit was limited to the forest plantation management system and practices of the Plantation Forest area within the Belaga, Kapit, Sarawak. The audit involved the verification of documentations and field visits and inspections. There were also consultations being held with the Sarawak Forestry Department and relevant indigenous settlements near to FPMU.

During this Surveillance 3 audit (2023), audit team had also verified on the implementation and correctives action taken by the LPF/0006 - Lana Reforestation FPMU for previous audit findings (2022) of eight (8) Minor Non-Conformance Report (NCRs) and one (1) OFIs.

In general, the findings of this Surveillance 3 audit (2023) have indicated that the LPF/0006 - Lana Reforestation FPMU had complied with most of the requirements of the MC&I SFM despite the issuance of three (3) Major Non-Conformance Report (NCR), and three (3) Minor Non-Conformance Report (NCRs). The FPMU had submitted proposed corrective action plans on 12th May 2023 via email and has been accepted by the audit team on 17th May 2023. The evidence of implementation to address Major NCR raised during this surveillance 3 Audit was submitted via email on 13th July 2023 which has been accepted by the audit team and closed on 16th July 2023. The effectiveness of the corrective actions taken by the FMU to address the Minor NCRs shall be verified by the audit team during the next surveillance audit.

The Audit Team Leader after consultation with team members recommends that certification of Samling Reforestation (Bintulu) Sdn Bhd - LPF/0006 - Lana Reforestation FPMU against the MC&I SFM (MTCS ST 1002:2021)to continue to be renewed.

1 INTRODUCTION

1.1 Name of FPMU

Lana Reforestation Forest Plantation Management Unit

1.2 Contact Person and Address

Name : Philip Visser
Designation : Silviculture Manager
Address : Wisma Samling, Lot 296, Jalan Temenggong Datuk Oyong Lawai Jau,
98000 Miri, Sarawak
Phone # : 011-1405 7908 (Lana Refor Camp)
E-mail : philipv@samling.com.my

1.3 General Background on the Lana FPMU

The Samling Reforestation (Bintulu) Sdn. Bhd. signed a License Planted Forests LPF/0006 with the Sarawak State Government on 8th December 1998 to establish and maintain a planted forest in the LPF/0006 - Lana for a period of 60 years for the 1998-2058 period.

The certified Forest Plantation Management Unit (FPMU) managed by Samling Reforestation (Bintulu) Sdn. Bhd. covers an area of 9,393 ha, which is part of the 81,900 ha of LPF/0006 - Lana areas in the Belaga, Kapit, Sarawak. Other area listed in the table were not certified due to conversion after year 2010 as compliance of indicator 6.10.1 in MC&I Forest Plantation.v2.

For the certified area, the FPMU has classified ITP productive area (planted, plantable and potential area cleared before 31 Dec 2010) and non-productive area such as conservation area, buffer zone, steep area, road line, and others. However, for the uncertified 2,507 ha, there are unplanted area, conservation area, gully area, steep area (> 350), rocky area, oil palm plantation area and local community villages.

The plantation was started in June 2007. To date, fast growing quality timber species with *Acacia mangium* (57%), *Eucalyptus pellita* (27%) *Falcataria moluccana* (9%) and *Gmelina arborea* (5%) had been selected for the planting programs. Harvesting rotation of 5 to 12 years is planned to ensure efficient timber production as compared to natural forest harvesting. Currently, the forest operations involved harvesting in Coupe 4A and other activities such as slashing, pruning, herbicide spraying and tree planting.

A map of the Lana FPMU is attached in **Attachment 1**.

1.4 Date First Certified

12 May 2017

1.5 Location of the FPMU

The certified FPMU is located at the Nanga Merit area in the Nanga Merit Sub-district and Belaga District of Kapit Division at approximately latitudes 20 25' 0" N to 20 35' 0" N and longitudes 1130 10' 0" E to 1130 30' 0" E. The area is bordering with Bah-Sama Protected Forest and also adjacent to Batang Rajang which is about 30km to south east of FPMU.

1.6 Forest Management System

The 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) 2016 to 2026 was presented during this audit.

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

The Sustainable Allowable Annual Cut Calculation for Lana (LPF/0006) had projected volume of 66,504 m³/year for the year 2022-2023. The prescribed cutting cycle will be in 10-12 years.

The Lana Forest Plantation Management Unit (FPMU) covers an area of 9,393 ha, which is part of the 81,900 ha of LPF/0006 - Lana Reforestation areas.

1.8 Environmental and Socioeconomic Context

The audit is basically limited within the boundaries of the Lana Forest Plantation Management Unit (FPMU) which covers an area of 9,393 ha, which is part of the 81,900 ha of LPF/0006 - Lana Reforestation areas. The FPMU is a gazetted entity and demarcated on the ground by clear boundaries. The physical environment, and related forest-based operations referred to in the audit, and their associated documentation, are confined within the borders of the said FPMU. Similarly, the socioeconomic context referred to in the audit is also confined within the FPMU borders.

The EIA report for the FPMU titled “Environmental Impact Assessment Report for the Lana Forest Plantation (LPF/0006) in Nanga Merit-Punan Bah Area, Kapit Division, Sarawak”, was prepared in January 2003. It included potential impacts in the FPMU and mitigation strategies.

2 AUDIT PROCESS

2.1 Audit Dates

13-15 April 2023

2.2 Audit Team

1. Hj. Roslee Jamaludin (Lead Auditor)
2. Azrul Ikhsan Mohamed (Auditor)

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, Malaysia.

2.4 Stakeholder Consultations

A stakeholder notification was issued in March 2023 for a period of one month inviting relevant stakeholders to give comments on the FMU. There was one comment received. The comment of stakeholder as in Attachment 3.

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

2.5 Audit Process

The audit was conducted primarily to evaluate the level of compliance of the FMU, current documentation, Standard Operating Procedures (SOPs) and field practices in forest

management with the detailed of the listed in the MC&I SFM (MTCS ST 1002:2021) using the verifiers stipulated for Sarawak, Malaysia.

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

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

- (i) A major NCR is a non-compliance deemed by the Auditor to be critical and is likely to result in an immediate hazard to the quality or standard of forest management system and practices in the FMU.

The FMU is requested to notify SIRIM QAS International Sdn Bhd (SIRIM QAS International) of the proposed corrective actions taken within one month from the last date of the audit. The corrective actions as notified by the FMU shall be verified by the Audit Team Leader or a member of the audit team within three months from the last date of audit.

- (ii) A minor NCR is a single observed lapse in compliance by the FMU to the MC&I SFM (MTCS ST 1002:2021)

The FMU shall respond in writing to SIRIM QAS International within one months from the last date of audit detailing the actions to be taken to address all minor NCRs. The effectiveness of the resulting actions taken by the FMU must be verified at the next surveillance visit.

- iii) An OFI is a situation where the auditor has noted an area of concern on the capability of the forest management system to achieve conformance to the requirements of the MC&I SFM (MTCS ST 1002:2021) but without sufficient objective evidence to support a non-conformity. The closing of an OFI shall be made during the next surveillance audit.

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

3 SUMMARY OF AUDIT FINDINGS

A total of three (3) Major [Indicator 3.1.3, 4.1.3, and 4.4.2] and three (3) Minor Non-Conformance Report (NCRs) [Indicator 1.5.2, 6.6.2, and 8.3.1] were raised on the Lana FPMU against the requirements of the MC&I SFM (MTCS ST 1002:2021). The audit team had examined all the proposed corrective action plans to address the NCRs raised during the audit by email on 12th May 2023 which has been accepted by the audit team on 17th May 2023 (**Attachment 5**). The evidence of implementation for Major NCRs was received on 13th July 2023 and has been accepted and closed on 16th July 2023.

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

FPMU had showed their commitment to address the non-conformities by establishing action plans as detailed in **Attachment 6**.

The summary of the findings of the Recertification audit on the Lana 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 have maintained a legal register with records of all relevant national and local laws and regulations and policies related to forest plantation management. Copies of all relevant laws, policies and regulations stipulated in the MC&I SFM fundamental for the FPMU management were made available and verified in the meeting room of Lana Camp office. The manager was aware of the relevant federal and state laws, administrative requirements, and the regulatory framework for management of forest plantation. Consultations with the Regional Forest Officers from Forest Department Sarawak regional office in Bintulu during the audit confirmed that the FPMU did not violate any of the forest laws.</p> <p>The FPMU had maintained a list of all legally prescribed fees, royalties, taxes, and other charges were made available in File Principle 1 (Compliance with Law). Records on payment of royalty for timber harvesting were available.</p> <p>The Forest Plantation Manager was aware of all the binding international agreements such as International Labour Organizations Conventions (ILO), Convention of Biological Diversity (CBD), International Tropical Timber Agreement 1994 and the Convention on Wetlands of International Importance Especially as Waterfowl Habitat 1971.</p> <p>Record of conflicts between laws, regulations and Principles and Criteria was available at the Lana camp office. The forest manager was willing to participate in resolution of such conflicts if such issues were to arise.</p> <p>Legal provisions for the establishment and protection of forest plantation areas were available. FPMU managers followed a legal requirement on establishment and protection of the forest plantation as required by Forest Department Sarawak (FDS) based on DF Circular 6/99 titled 'Conservator of Wildlife in Forest Timber Licensed Areas' dated 30 April 1999. Monitoring of encroachment, illegal harvesting, hunting, fishing and settlement, and other un-authorized</p>	<p>Site inspection to active harvesting areas (M-2 and SBZ) in Block 18, Coupe 4A, showed that block boundary was not demarcated on the ground. Therefore, a Minor NCR RJ01/2023 for Indicator 1.5.2 was raised.</p>

Principle	Strengths	Weaknesses
	<p>activities in the forest plantation management unit was carried out monthly. Records such as 'Plantation Monitoring and Patrolling' logbook, "DF Circular 6/99 on 'Conservator of Wildlife in Forest Timber Licensed Areas 1999' were available.</p> <p>Written policy statement of commitment to forest plantation management practices dated 1st December 2017 with no new amendment was verified during the audit. Policies or statements were communicated throughout the organisation and contractors through framed displays, training and the FMU website.</p>	
Principle 2 Tenure and Use Rights and Responsibilities	<p>Samling Reforestation (Bintulu) Sdn. Bhd. signed a License Planted Forests LPF/0006 with the Sarawak State Government on 8th December 1998 to establish and maintain a planted forest in the LPF/0006 - Lana for a period of 60 years until 7th December 2058. Documentation of legal status, and established forest use rights of the land or forest resources was kept in the main office. There was however no village located within the 9,393-ha certified area (part of LPF/0006 area of 81,900 ha) as shown map entitled "Plantation Base Map of Lana Reforestation for the year 2023". Forest plantation managers were willing to support legally recognised mechanisms for resolving land claims if they were to arise.</p> <p>Documents on legal or customary tenure or use rights of local communities within relevant federal and state legal frameworks and customary laws for the forest plantation areas were available at the main office. The FPMU managers collaborate with holders of duly recognised legal or customary tenure or use rights within relevant federal and state legal frameworks and customary laws, in activities that may affect such rights.</p> <p>Appropriate mechanisms to resolve disputes over tenure claims and use rights were available. Outstanding claims by the Punan Bah and Punan Data Bah communities were brought to the attention of the court and are still pending.</p>	

Principle	Strengths	Weaknesses
Principle 3 Indigenous People's Rights	<p>Documentation of the customary rights of indigenous peoples' lands was available at the Lana Office Camp. There was a total of 15,450 ha identified as shifting cultivation (SA) areas that are located outside the certified area but within the LPF/006 area. The SA areas were mapped in Plantation Base Map of LPF/006 Lana Reforestation dated 7 January 2020. The LPF does not affect the NCR land which any native has prior to the issue of the license, lawfully acquired under the Land Code.</p> <p>Forest plantation management practices on indigenous people's lands do not threaten or diminish, either directly or indirectly, their resources or tenure rights. These were evident from protection of SA areas, protection of sites with religious and cultural significance within the certified area and management operations that do not threaten or diminish indigenous resources or tenure rights.</p> <p>Procedures for identifying and protecting sites of cultural, ecological, economic, or religious significance to indigenous people and provisions for rights of access to these sites were available. The relevant documents such as the "<i>Prosedur Identifikasi dan Perlindungan Tapak Kebudayaan, Keagamaan dan Kepercayaan Orang Asal</i>" 2018 were sighted. Established procedure, LPF/006, SOP PR002 on Conflict Resolution was available if any conflict were to arise between the community and the FPMU.</p> <p>Consultations with communities of Punan Bah, Punan Biau, and Punan Data Ba on the 14th April, 2023 confirmed that the FPMU managers did not make use indigenous traditional forest-related knowledge and practices in forest plantation operations. This obviated the requirement for a compensation mechanism.</p>	<p>Consultation with Local community of Punan Data Bah, Punan Bah, and Punan Biau on 14th April 2023 indicated that since 2019, no Community Relations Committee (CRC) was established by the FPMU. This was further confirmed during audit document review. A MINOR NCR for indicator 3.1.3 in the previous audit was thus upgraded to Major NCR AZR01/2023 for Indicator 3.1.3.</p>
Principle 4 Community Relations and Worker's Rights	<p>Forest plantation manager has provided, where appropriate, support for training, retraining, local infrastructure, facilities, and social programmes commensurate with the scale and intensity of forest plantation management operations as planned in the Annual Training Plan 2022-2023. A list of 23 training sessions in 2022-2023 (Feb) was sighted. Priority</p>	<p>Consultation with the silviculture workers at Coupe 04A (Bock 3B), showed that three Indonesian workers, working for Contractors appointed by the FPMU, were without legal documentation. Thus, a Major NCR AZR02/2023 for indicator 4.1.3 was raised for the non-compliance.</p>

Principle	Strengths	Weaknesses
	<p>of employment was given to locals as evidenced from record review. Of the total 44 employees, 34 were Sarawak workers and of these 20 were from the local communities.</p> <p>The documentation on all the applicable laws and/or regulations covering health and safety specified under the indicator was updated by the Health and Safety Officer. Up-to-date safety and health information to forest workers have also been given via briefings. The FPMU has established operational procedures on maintenance of equipment and machinery titled 'Preventive maintenance for Equipment and Machinery' and 'Work Instruction for Preventive Maintenance'. To protect their health and safety, the workers were provided with personal protective equipment (PPE) suitable for their different tasks. For the year 2022 Lana FPMU and its contractor did not have any major accidents that resulted in injuries lasting more than three days of lost work time. Hazardous areas were demarcated with adequate signage. Scheduled wastes were properly stored in labelled containers and their inventories were presented during audit.</p> <p>FPMU workers were free to organize into union as posited in the ILO Convention No. 87 entitled "Freedom of Association and Protection of the Right to Organize Convention". Further, the document "Right to Organize and Collective Bargaining" (ILO Convention No. 98) stated that "Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. The Joint Consultative Committee (JCC) provides the mechanism to resolve conflict/issue of workers through consultation. The workers' representatives are members of the JCC.</p> <p>Social Impact Assessment (SIA) Report of Lana Reforestation Project LPF/0006 dated November 2017 was available and reviewed by the auditor. The local communities interviewed showed that they were generally aware of the reforestation project. Lana FPMU had also conducted Social Monitoring in 2023 titled "<i>Program Pemantauan Sosial</i></p>	<p>The audit noted that the FPMU had made an addendum in the 2017 SIA to include updated Chapter 1.2 on the sociocultural environment of the local communities. However, the information collected was only of one community (Kampung Punan Data Bah) but not for the three others (Punan Bah, Punan Biau and Punan Sama). Thus, the Minor NCR for indicator 4.4.2 issued earlier was upgraded to Major NCR AZR03/2023 for Indicator 4.4.2</p>

Principle	Strengths	Weaknesses
	<p><i>Terhadap Impak Operasi Perladangan Hutan Lana & Kesedaran tentang CRC</i>" [Social Monitoring Programme on Impact of Lana Forest Plantation Operation and Awareness on the CRC] on several villages.</p> <p>Provisions and measures taken to prevent loss or damage affecting the local community's legal or customary rights, property, resources, or their livelihoods were documented in "Guidelines on Conflict Resolution 2013". The guidelines address potential conflicts that may occur with local communities due to impact of forest plantation development. The newly established Joint CRC with Bah Sama FMU in 2023 will serve as the mechanism for preventing loss or damage affecting the local community.</p>	
Principle 5 Benefits From the Forest	<p>The investments and reinvestments forest plantation management plan including for forest plantation administration, nursery, building and facilities maintenance, research (R&D), harvesting, silviculture, workshop, CSR, training, environment, safety, and health were stated in the "Camp Administration Budget 2022 – 2023" and "Reforestation Project (June 2023- June 2024) for Lana Reforestation Budget". These were verified during audit. The Forest Plantation Management Plan for the MTCS (Malaysian Timber Certification Scheme) area within Lana LPF/0006 stated the provision for maintaining ecological productivity of the ITP. Preliminary analysis of PSP data was provided during audit.</p> <p>The Permit to Harvest Ref. No. (106) PHWBTU/P/98(LANA)(LPF/0006) Jld.4 dated 6th December 2023 was presented during the audit. The Blocks approved for harvesting were chosen on the basis of optimal use of the timber resource on the FPMU.</p> <p>The FPMU has established and implemented guidelines for reduced/low impact logging to minimise damage to other forest resources and wastage as verified during site visit to harvesting area Coupe 4A, Block 018. The internal training on Reduced Impact Logging was conducted on 1st December 2022.</p> <p>The FPMU was established solely for the production of timber. There is no</p>	

Principle	Strengths	Weaknesses
	<p>provision for non-timber products.</p> <p>The Special Management Zones (SMZ) which represent sensitive areas was demarcated with residual forests to serve the protective function for soil and water. Procedures to identify and demarcate these areas for the protection of soil and water in the forest plantation areas was verified. The establishment of riparian buffer belts will follow EIA recommendations in compliance with the contract made with the Natural Resources and Environment Board (NREB).</p> <p>The rate of harvest and prescribed cutting cycle were defined in the Forest Plantation Management Plan - Sustainable Allowable Annual Cut Calculation for Lana (LPF/0006). The Sustainable Allowable Annual Cut for Lana (LPF/0006) was projected at 66,504 m³/year for the year 2022-2023, as stated in Harvesting Progress Report for February 2023. The prescribed cutting cycle will span 10-12 years. The Trucking Report from July 2022 to Jun 2023, showed that a total of 30,388.27 metric tonnes of timber were harvested until January 2023. As mentioned earlier, non-timber forest products are not produced in the FPMU.</p>	
Principle 6 Environmental Impact	<p>The EIA report for the FPMU titled "Environmental Impact Assessment Report for the Lana Forest Plantation (LPF/0006) in Nanga Merit-Punan Bah Area, Kapit Division, Sarawak," prepared in January 2003 as required under the prescribed activities of the Natural Resources and Environment (Prescribed Activities) Order 1994 was examined during the audit. The document includes potential impacts and strategies on mitigation measures. Assessment of environmental impacts carried out included the potential impacts on ERT flora and fauna, and the need for biological corridors in forest plantation areas. Measures to mitigate environmental impacts caused by harvesting activities identified in the EIA study had been incorporated in the FPMP.</p> <p>There were prescribed guidelines established by the Sarawak Forestry Corporation for fauna conservation and</p>	<p>A site inspection to the Nursery in Lana Refor Camp, discovered that the mixing of chemicals for spraying were prepared in the adjacent open space and the spillage or waste water from the mixing or washing emptied directly into the general drain system without installation of any chemical or waste trap. Therefore, a Minor NCR RJ02/2023 for Indicator 6.6.2 was raised.</p>

Principle	Strengths	Weaknesses
	<p>ecosystem management to identify and protect ERT species, including features of special biological interest such as seed trees, salt licks, nesting and feeding areas in the forest plantation areas. Several guidelines used by the FPMU were sighted. Riparian buffer belts along the major rivers were protected and demarcated in maps and on the ground. Cooperative efforts between the FPMU with governmental agencies and the Sarawak Forestry Corporation, was initiated on 29 January 2016. The initiative mainly involved R&D over a wide range of research areas. Hunting and fishing were forbidden within the FPMU and regular monitoring patrol was maintained. Workers and local communities were informed through displays of conservation posters on ERT species posted in strategic areas. Briefings on the issue were regularly conducted to increase awareness.</p> <p>The FPMU has followed and implemented the conservation procedures “Guidelines for the Conservation of Genetic, Species and Ecosystem Diversity” and “Guidelines for Biological Corridors and Buffer Zone for Wildlife” to demarcate and protect natural forests. These include measures to enhance natural regeneration, where necessary, in forest plantation areas. Harvesting was accordingly not permitted in these designated protection areas. Guidelines for the conservation of genetic, species and ecosystem diversity “Guidelines for the Conservation of Genetic, Species & Ecosystem Diversity” were available at camp office. Riparian buffer zones were found intact during site inspection.</p> <p>Representative areas of existing forest ecosystem had been demarcated and mapped for protection. These areas, such as Terrain IV Class & riparian buffer zone, were demarcated and shown in the “Plantation Base Map of LPF/0006 Lana Reforestation” dated 7 January 2022. There were however no environmentally sensitive areas located adjacent to the FPMU. Evidence based on this map showed that the forest plantation design and layout also promoted the protection, restoration, and conservation of natural forests in the area. The FPMU had also considered for the need of wildlife corridors, buffer strips for permanent</p>	

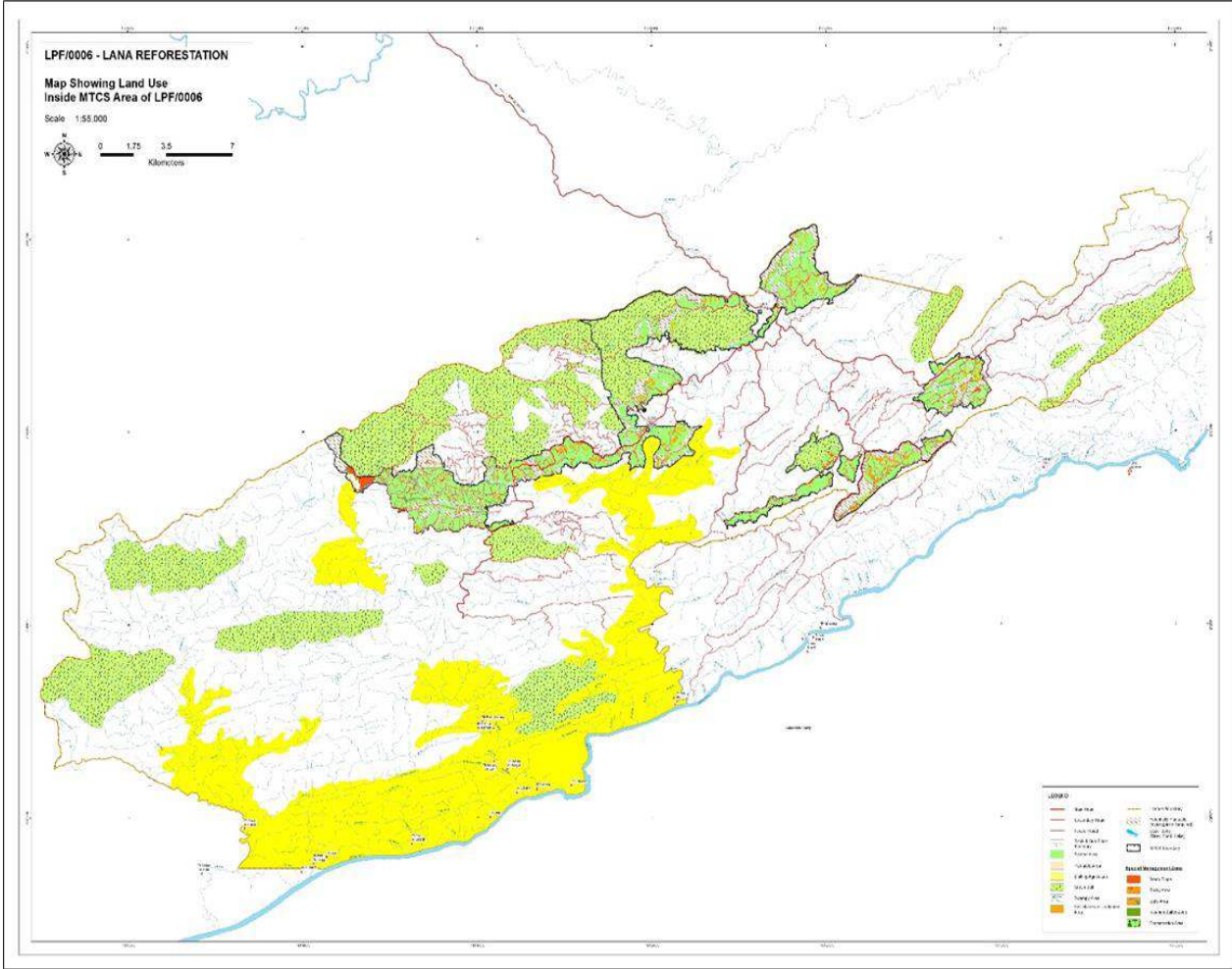
Principle	Strengths	Weaknesses
	<p>streams and rivers, as well as stand mosaic of different age classes.</p> <p>The FPMU had established harvesting procedures and forest road specification titled “Work Instruction – WI/OP/06 for harvesting operations” and “SST/RP/OP/03 Planting establishment” to avoid loss of topsoil nutrients, soil erosion and compaction from inappropriate use of mechanical and chemical techniques. Mitigation measures had also been specified in the EIA and forest plantation management plan to minimise any environmental degradation. The FPMU also complied the “Guidelines for Biological Corridors and Buffer Zone for Wildlife” to demarcate and protect natural forests, and enhance natural regeneration. Forest Fire plan was prepared on 27 May 2016 and revised on April 2023.</p> <p>The FPMU had established guidelines and procedures on the use of chemicals in the FPMU area. These were verified in the audit. The FPMU had trained workers on the proper use of hazardous chemicals. The Register of Chemical Hazardous to Health had listed all chemicals used and monitored the quantities purchased and used. A Chemical Management System was prepared based on Occupational Safety and Health (Use and Standards of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>Used lubricant oil, fuel containers, liquid and solid non-organic wastes were disposed off 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>There was no application of biological control agents in the FPMU.</p> <p>Eight exotic species were planted within the FPMU and these was included in the Forest Plantation Management Plan. Their management and development were carefully monitored to avoid adverse ecological impacts. A policy titled “Invasive exotic species introduction”,</p>	

Principle	Strengths	Weaknesses
	<p>March 2027, stated the FPMU commitments to control exotic species in the planting programme from invading protected sites and areas outside the plantation. The choice of species was justified based on soil suitability, rate of growth and intended final product of the wood produced. This was contained in the 2003 EIA report and also in the FMP. Growth performance of the selected species, including pest and disease assessment, were monitored through the use of permanent sample plots (PSP).</p> <p>The certified Forest Plantation Management Unit (FPMU) managed by Samling Reforestation (Bintulu) Sdn. Bhd. covers an area of 9,393 ha, which is part of the 81,900 ha of Lana LPF/0006 areas. The certified forest plantation area only covers specific coupe areas. The remainder were excluded from audit scope due to conversion taken after 31 December 2010.</p>	
<p>Principle 7 Management Plan</p>	<p>The Forest Plantation Management Plan for the MTCS Area within LANA LPF/0006 for period 1st December 2016 to 30th November 2026, edition 2, revised on 10th April 2022 was made available during the audit. A review of the FPMP found that the plan had addressed all issues and requirements of Criterion 7.1. items (a) to (i) listed in Principle 7.</p> <p>Periodic review as prescribed in the Forest Plantation Management Plan will be conducted at every five years. Records of new scientific and technical information pertinent to the management of the planted area were also available to forest manager.</p> <p>Forest workers were clearly defined in their specific role and responsibilities as mentioned in the Offer Letter of Appointment. Some relevant documents were verified. Trainings of forest plantation workers on their roles in the implementation of the forest plantation management plan were conducted through briefings and on-job training. The auditor had also sighted the "Annual Training Plan 2022 to 2023".</p> <p>The publicly available summary of the forest plantation management plan was presented in the web page: http://www.samling.com/doc/Lana%20FP</p>	

Principle	Strengths	Weaknesses
	MP%20PUBLIC%20SUMMARY%20%202%20DEC%2016.pdf	
Principle 8 Monitoring and Assessment	<p>The FPMU has established a network of permanent sample plots (PSPs) to monitor growth characteristic, performance, and management of the selected species for forest plantation. The management will establish PSPs for a new planting area (after 1 or 2 years from initial planting/replanting activities) where for every 5 ha, one PSP will be established. The FPMU had also conducted environmental monitoring as verified through the quarterly Environmental Monitoring Report (EMR). The mitigation measures as recommended in the EMR and the EIA Report had been implemented. An Internal Audit was conducted on 31st January – 2nd February 2023 and a Management Review meeting was conducted on 22nd March 2023. All information for continued management improvement as required in Appendix A was included and verified.</p> <p>PMU managers had gathered the relevant information, appropriate to the scale and intensity of the forest management operations, needed to monitor the items (a) to (e) listed in Criterion 8.2. These included a network of PSPs to monitor stand growth and yield, and monitoring of HCV areas, social programmes for local communities, and monitoring of costs, productivity, and efficiency for the Lana FPMU.</p> <p>The FPMU has established a standard procedure for the movement of certified logs from their origin titled “Log Flow – Lana LPF/0006 to Bintulu Mills”. The procedure was last revised on 31st January 2023. It required the completion of 12 forms to monitor the certified logs from the harvesting block to Grand Paragon Mill.</p> <p>Forest plantation managers will incorporate the results and findings of the monitoring activities such as information from Permanent Sample Plot (PSP), social assessment and HCV monitoring into the implementation and revision of the forest plantation management plan during midterm review in 2021. This was verified by the current audit.</p>	<p>A site survey found that the Reforestation Log Delivery Order (Form No.1) was not issued by the scaler-in-charge in the harvesting block. Instead, several delivery orders examined during audit were issued by the clerk at the weighbridge station. For this non-compliance a Minor NCR RJ 03/2023 for Indicator 8.3.1 was raised.</p>

Principle	Strengths	Weaknesses
	<p>A summary of the results of monitoring indicators, including those listed in Criterion 8.2, was made public via the Samling website: https://www.samling.com/sites/default/files/Lana%20FMP%20PUBLIC%20SUMMARY%20%2014%20April%202023.pdf</p>	
Principle 9 Maintenance of High Conservation Value (HCV)	<p>The HCV Assessment report titled “High Conservation Value (HCV) Assessment Lana Reforestation LPF/0006, Sarawak” dated August 2016 was reviewed during the audit. The assessment had identified three types of HCV area in the FPMU; namely Wildlife areas with RTE species, Riparian buffers and steep slope of Terrain IV Class</p> <p>The list of relevant stakeholders consulted regarding the HCVFs was made available during the audit. There was no new HCVF area in the certified area reported in the present audit. The status or information of HCVF was incorporated into the Forest Plantation Management Plan (1st December 2016 to 30th November 2026, Rev. No. 1). Site inspection of the FPMU had verified that residual forest sites, steep areas and riparian buffer belts were protected.</p> <p>The assessment report “High Conservation Value (HCV) Assessment Lana Reforestation LPF/0006, Sarawak” dated November 2016 had prescribed management and monitoring recommendations for HCV areas. All the identified sites in the report had been protected as conservation areas and riparian buffer belts. A public summary on the HCVs was included in the Forest Plantation Management Plan.</p> <p>The monitoring procedure for HCV areas “Common Guidelines for the Management & Monitoring of High Conservation Values” was established by the FPMU to assess the effectiveness of management measures in the HCV areas. The information will be incorporated into the revision of the FPMP midterm review to enhance the management decisions.</p>	

Map of Lana FPMU



Details of the Auditors and their Qualification

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

		<ul style="list-style-type: none"> • MSPO Training Course 16-17 Feb 2019 organised by SIRIM • Forest Management Certification (FMC) Workshop' for 2019 on 25 & 26 June 2019 organised by SIRIM QAS (Food,Agri &Forestry Section). • CoC Workshop for 2019 on 27/6/2019 organised by SIRIM QAS (Food,Agri &Forestry Section).
Azrul Ikhsan Mohamed	Auditor	<p>Academic Qualification:</p> <p>Diploma in Agriculture, Universiti Putra Malaysia Kampus Bintulu</p> <p>Bachelor of Science with Honours (Plant Resource Science and Management), Universiti Malaysia Sarawak.</p> <p>Work Experience:</p> <p>Five years of Experience in the field of Forestry, 2 Years of Forest Plantation as Assistant Plantation Manager in Forestry Assets SDN BHD in the year from 2015 to 2017, and 4 Years in Natural Forest as Forest Manager in RELIWOOD SDN BHD in the year 2018 – 2021. Main responsibility is Assisting and Manage in the administrative work, forest development, and forest operations based on the MC&I SFM standard. Work closely with relevant stakeholders on the development of the Forest such as Enrichment planting, HCV collaboration, Improvement of the Reduced impact logging, and developing procedures.</p> <p>Training / Research Areas:</p> <ul style="list-style-type: none"> · Auditor Training Course on Forest Management Certification Under the Malaysian Timber Certification Scheme (MTCS) – (13th – 15th October 2021) · SIRIM LEAD AUDITOR COURSE INTEGRATED MANAGEMENT SYSTEMS (IMS) ISO 9001, ISO 14001 & ISO 45001 (LIMS02) – (25th – 29th October 2021)

Comments by Stakeholders and Responses from Audit Team

No.	Stakeholder	Comments/Issues Raised	Response by Audit Team
1	Sarawak Forestry Corporation. (10 th April 2023)	<p>1 .Pemuliharaan Kepelbagaian Biologi;</p> <p>1.1 Staf Lana ada Renjer Hidupan Liar Kehormat di lantik di bawah Ordinan Perlindungan Hidupan Liar 1998, Sarawak, di bawah seliaan Sarawak Forestry Corporation (SFC). Seorang (1) staf, Perlantikannya sebagai Renjer Hidupan Liar Kehormat berkuatkuasa pada 1st January 2021 dan akan tamat tempoh lantikan pada 31st December 2023. Tiga (3) orang staf dalam proses memohon untuk menjadi sukarelawan Renjer Hidupan Liar Kehormat tahun 2023.</p> <p>1.2 Setakat pengawasan pihak penguatkuasa Sarawak Forestry Corporation (SFC) di Kawasan Lana FPMU, tiada menjumpai kesalahan dibawah Ordinan Perlindungan Hidupan Liar 1998, Sarawak.</p> <p>2. Hubungan dengan FPMU.</p> <p>2.1 Sarawak Forestry Corporation adalah "Stakeholder" dalam pelaksanaan undang-undang di bawah Ordinan Perlindungan Hidupan Liar 1998, Sarawak.</p> <p>3. Penambahbaikan.</p> <p>3.1 Pihak Lana FPMU digalakkan perlu bekerjasama dengan pihak Sarawak Forestry Corporation (SFC) untuk menjalankan program Komunikasi Pendidikan dan Kesedaran Awam (CEPA) bagi tujuan mendidik dan mewujudkan kesedaran dalam diri pekerja dan masyarakat tempatan sekeliling untuk memahami kepentingan pemuliharaan ekosistem hidupan liar.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p>

Surveillance 3 Audit Plan

DAY	TIME	PROGRAM	
		AUDIT TEAM LEADER (Hj.Roslee)	AUDITOR (Azrul)
Day 0 Wednesday (12 th April 2023)		<ul style="list-style-type: none">Travel from KLIA to BintuluKUL - BTU: ETD17.20- ETA19.30Travel from Bintulu to Lana Base CampBriefing by Audit Team Leader on the audit plan	
Day 1 Thursday (13 th April 2023)	8.30 – 9.30 am	<ul style="list-style-type: none">Opening Meeting with representatives of FPMUBriefing session by Forest Manager of the FPMU on the progress of forest activitiesQ&A SessionEvaluation of changes to the management of the FPMUCheck on complaints, stakeholder comments and follow-up actions with Government agencies and NGOsVerification of NCRs raised during the previous audit.	
	9.30 am – 5.00 pm	Documentation Review <ul style="list-style-type: none">Principle 5- Benefit from the Forest.Principle 6- Environmental ImpactPrinciple 7- Management PlanPrinciple 8- Monitoring and Assessment.Principle 9- Maintenance of High Conservation Value Areas	Documentation Review <ul style="list-style-type: none">Principle 1- Compliance with LawsPrinciple 2- Tenure and Use Right and ResponsibilitiesPrinciple 3- Indigenous Peoples' RightsPrinciple 4- Community Relation and Workers Rights.
	5.00 – 5.30 pm	• Review of Day 1 Findings by Audit Team Leader	
Day 2 Friday (14 th April 2023)	8.30 am – 1.00 pm	Site visit <ul style="list-style-type: none">Inspection of Harvesting Area : 4A/12A(log Extraction)50%Inspection of Replanting Area: 4A/03B(MPS) Pruning 4.5m and 4A/11B(PSL),4A/11D (PSL)-Pre-planting and slashing.Inspection of R&D Plot: 1A/23(EP), 4A/05D(PF)(Albizzia), and 4A/10E(EP)PSP Plot :4A/05B (EP) and 4A/10A(AM)License boundary: Lana Refo/Lana oil palmNurseryScheduled waste storeWorkshopClinicForest campGenset House	Consultation with local community: <ul style="list-style-type: none">Consult Communities Relation Committee (CRC)Kg. Punan Data BaKg. Punan BiauKg Punan Sama (cannot visit due to recent death)Licence Boundary: at 17A/15(LPF/T- Licence)Site visit to Logpond (CoC)
	2.00 – 5.00pm		
			• Briefing to representatives of FPMU on the progress of audit
		• Review of Day 2 Findings by Audit Team Leader	

Day 3 Saturday (15th April 2023)	8.30 am – 12.00 pm 2.00 - 5.00 pm	<ul style="list-style-type: none"> Continue document and records review Briefing to representatives of FPMU on the progress of audit Preparation of summary report and audit findings (if any) Adjourn Closing Meeting Overnight at New World Suites Hotel, Bintulu
Sunday (16th April 2023)		<ul style="list-style-type: none"> Travel from Bintulu to KLIA 11.25 – 13.40 (MH2743)