



**PUBLIC SUMMARY  
SURVEILLANCE 2 AUDIT (1<sup>st</sup> CYCLE) ON  
MUJONG-MELINAU FOREST MANAGEMENT UNIT  
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC – NF 00130  
Date of First Certification: 24<sup>th</sup> August 2020  
Audit Date: 13<sup>th</sup> - 15<sup>th</sup> December 2022  
Date of Public Summary: 24<sup>th</sup> April 2023**

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## **EXECUTIVE SUMMARY**

This Surveillance 2 audit on the Mujong-Melinau Forest Management Unit (hereafter referred as the (Mujong Melinau FMU) was conducted on 13<sup>th</sup> – 15<sup>th</sup> December 2022 to assess the compliance of the overall forest management system of the Mujong-Melinau 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 Stateland Forest within the Mujong- Melinau FMU.

This Surveillance 2 audit was conducted by a 3-member team comprising Hj.Roslee Jamaludin (Lead Auditor), Dr. Mohd.Nazre Saleh (Auditor), and Angelica Suimin Sinimis (Auditor).

Based on the findings of this Surveillance 2 audit, it was found that Mujong-Melinau FMU had complied with the requirements of the MC&I SFM. This Surveillance 2 audit had resulted in the issuance one (1) Major and Four (4) minor NonConformity Reports (NCRs).

This public summary contains the general information on the Mujong-Melinau FMU, the findings of the Surveillance 2 audit, NCRs raised as well as the decision on the certification of the FMU.

## INTRODUCTION

### 1.0 Name of FMU

Mujong-Melinau Forest Management Unit

### 1.2 Contact Person and Address

Name : Mr Lance Hung Sing Lu  
Designation : Manager (Forest Certification Dept.)  
Address : Subur Tiasa Holdings Berhad - Mujong - Melinau FMU  
No. 66-78, Pusat Suria Permata,  
Jalan Upper Lanang, CDT123, 96000 Sibuan, Sarawak  
  
Phone # : 084-211555/ 019-8885329 (Mr Lance)  
Fax : 084-211886  
E-mail : hsl001@suburtiasa.com

### 1.3 General Background on the Mujong- Melinau FMU

The Forest Timber Licence (FTL) No. T/3361 was issued to Subur Tiasa Holding Berhad by the Forest Department of Sarawak (FDS) on 21 September 1998 – 20 September 2010 to manage a total of 44847 ha of the State Land, however based on the new calculation by FDS the area became 41,696 which is located within the Kapit Division, Sarawak for an initial period of 12 years. However, during surveillance 1 audit, the scope of the certification for Mujong – Melinau FMU has been reduced by 393 ha, reduced to 41303 ha. This area has been approved by the Government for the construction of Bukit Mabong Airport. The forest area is situated approximately between Latitudes 1° 24. 729' N to 2° 12.572' 000" N and Longitudes 113° 26.243' E to 113° 40.918' E within Kapit Division the Forest Timber Licence subsequently renewed on 25 April 2019 to 24 April 2020 for re-entry logging. The Forest Timber Licence No. T/3361 was further renewed for a period of (25.4.2022-24.4.2023) as per ref.no WPO.627.33.1(iV)(T/3361) dated 2/8/2022.

The General harvesting Plan (GP) for Mujong – Melinau Forest management Unit (Partly within T/3361-Subur Tiasa Holding Berhad) has been approved on 11 April 2019. (Ref. (22) JHS/600-3/7/110/Jld.2.

The Detailed Harvesting Plan for Coupe 02A has been approved on 25<sup>th</sup> August 2020. However, during this surveillance 2 audit, there was no active harvesting area, as the harvesting has been suspended. The Director of Forest Department Sarawak has approved the suspension of the harvesting operation.

The new General Harvesting Plan (GP) excluding the 393 hectares has been approved by Forest Department Sarawak on 23.12.2021 which was verified (Ref No. WPO.600-/1/1(37)).

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

### 1.4 Date First Certified

24<sup>th</sup> August 2020

### 1.5 Location of the FMU

The forest area is situated approximately between Latitudes 1° 24. 729' N to 2° 12.572' 000" N and Longitudes 113° 26.243' E to 113° 40.918' E.

### 1.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement of the State government. A Forest Management Plan (FMP) (Mujong-Melinau FMP) for Forest Timber Licence No. T/3361 covering stateland under Mujong- Melinau for the period 2018-2033 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 within a pre-defined 25 years of cutting cycle, with total productive area of 23,155 ha. Annual Coupe of Mujong – Melinau FMU was set to not more than 64000m<sup>3</sup> /year, with monthly production of 5393m<sup>3</sup> for 25 years of cutting cycle.

## 1.8 Environmental and Socioeconomic Context

An EIA report was made available titled 'Environmental Impact Assessment (EIA) for the Re-Entry Timber Harvesting under Forest Timber Licence No. T/3361, at Sg. Mujong - Sg. Melinau Area, Kapit Division, Sarawak' – April 2016. The EIA report was approved by the Natural Resources and Environment Board (NREB) on 30 June 2016 (Reference No.: (14) NREB/6-3/2F/82).

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.

The relevant documents on the customary rights of indigenous peoples' lands were kept at Garu Base Camp office. Mechanism to resolve any conflicts and grievances was established through Communities Representatives Committee (CRC) and sighted SOP titled 'SOP Public Conflict Resolution Mechanism'. There was no record of conflict and grievance from local communities based on stakeholders' interview and available records sighted at the FMU during this audit.

The FMU had identified the important cultural, ecological, economic, or religious sites in the FMU as sighted in the SIA report dated February 2018 section 3.211 'Burial grounds, cultural sites and salt lick area'.

There was no application of any traditional forest-related knowledge and practices of natives in forest operations. However, the FMU has established an SOP titled 'Mechanism on Traditional Knowledge Documentation (Inventory)'.

Communities living within, or adjacent to, the FMU are given preference for employment and contract works as per confirm during interview with and interview with samples worker during current audit.

## 2.0 AUDIT PROCESS

### 2.1 Audit Dates

13<sup>th</sup> -15<sup>th</sup> December 2022 (9 man-days)

### 2.2 Audit Team

Hj.Roslee Jamaludin (Lead Auditor)  
Mohd. Nazre Saleh (Forester)  
Angelica Suimin Sinimis (Sociologist)

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 stakeholder notification was issued in November 2022 for a period of one month inviting relevant stakeholders to give comments on the FMU. However, there was no comment received.

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 Mujong-Melinau 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 or not to issue a major or minor NCR or an OFI which is defined as follows:

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

Consultations were held with local communities in, Rh. Jala, Rh. Anding, Rh. Jantang, Rh.Barang,Rh. Mansai and Rh. Anding, Rh. Tangai, Rh.Ejon, Rh.Segiang, Rh.Jos and Rh.Seman which situated within and adjacent of FMU. The coverage of this Surveillance 2 audit as shown in the Surveillance 2 Audit Plan in **Attachment 4**.

The Mujong-Melinau FMU had sent a corrective action plan to the audit team to address the Major and minor NCRs which the audit team had reviewed and accepted them. The evidence of implementation for the Major NCR has been submitted by FMU on 10<sup>th</sup> February 2023, and has been accepted by the audit team and closed on 22<sup>nd</sup> February 2023. The audit team had prepared an interim Surveillance 2 audit report and sent it to the Mujong-Melinau FMU for comment. A second draft of Surveillance 2 audit report which had incorporated the comments received from the Mujong-Melinau FMU was then prepared. A final surveillance 2 audit report was prepared after incorporating.

## 3.0 SUMMARY OF AUDIT FINDINGS

Based on the findings of this Surveillance 2 audit, it was found that the Subur Tiasa Holding Berhad had managed the Mujong-Melinau FMU in compliance with most of the requirements of the MC&I SFM. This Surveillance 2 audit had resulted in the issuance of one (1) Major and four (4) 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 Mujong-Melinau FMU to address the Major and Minor NCR raised during this Surveillance 2 audit. The audit team had reviewed and accepted the Mujong- Melinau proposed corrective actions to address the one(1) Major and four (4) minor NCRs. However, these corrective actions for Minor NCR shall be verified by the audit team during the next audit.

The audit team had also verified on the corrective actions taken by the Mujong-Melinau to address the nine (9) 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**.

On local community rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings with the Community Representative Committee (CRC). SOP titled "Public Conflict Resolution Mechanism" was available. there was no record of conflict and grievance from local communities based on stakeholders' interview and available records sighted at the FMU during this audit.

Regarding Criterion 6.10, there is no conversion of natural forest to plantation or other land use by the FMU.

As the major NCR raised during this surveillance 2 audit was satisfactorily closed, the audit team had therefore recommended that the Certificate for Forest Management awarded to Mujong-Melinau FMU be maintained

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

Principle	Strengths	Weaknesses
<b>Principle 1</b> <b>Compliance With Laws and Principles</b>	<p>The forest management had maintained records of all relevant national, local laws, regulations and policies related to forest management, and were available in the office at the Garu Camp Office of FMU.</p> <p>Senior forest managers had demonstrated understanding of the federal, state and local laws and regulatory framework. The knowledge on MC&amp;I SFM of the senior managers were also improved as briefing on the MC&amp;I had been conducted.</p> <p>There was no violation of offence recorded based on record by the FMU and consultation with the forest officers of Forest Department of Sarawak attended during the surveillance 2 audit.</p> <p>Current list of all legally prescribed fees, royalties, taxes, and other charges was available at the Garu Camp Office. Record of payment made to the Government of Sarawak were made available during the audit.</p> <p>The forest managers were aware of all the binding international agreements.</p> <p>Documentation of any conflicts between laws, regulations and these principles and criteria was made available during the audit. The conflicts were recorded mainly on the understanding of the laws and regulations and were documented for the FMU action.</p> <p>The forest managers had expressed their willingness to participate in resolution of such conflicts if they arise with the affected parties.</p> <p>The Patrolling Team has been established by the FMU to enhance the monitoring and inspection of FMU licenced area. There was no cases of encroachment were detected and reported to Forestry Department during this audit.</p> <p>Sustainable Forest Management Policy signed by Regional Forest Manager dated December 2021 was made available during the audit. The policy was found to be displayed at appropriate location.</p>	<p>There were no negative findings</p>
<b>Principle 2</b> <b>Tenure and Use Rights</b>	<p>The Forest Timber Licence – FTL No T/3361 issued to Subur Tiasa Holdings Bhd dated 21/09/1998 to 20/09/2020 and</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
<b>Responsibilities</b>	<p>renewal ref (12) JHS/WPO.627.33.1(IV) dated 5/04/2021 for period 25/04/2021 to 24/04/2022 vide (13) JHS/WPO.627.33.1(IV). The latest renewal was through the memo from Forest Department Sarawak - JHS/WPO.627.33.1(IV). (55)JHS/WPO.627.33.W.1(IV) on 16<sup>th</sup> August 2022 effective from 25<sup>th</sup> April 2022 until 24<sup>th</sup> April 2023. The document were presented during the audit.</p> <p>No land claims by local communities were raised since last audit. This was confirmed during consultation with villagers and site visit at Rh Anding, Rh. Tanggai, Rh. Jala, Rh. Ejon/Rh. James Saka, Rh Mansai and Rh Barang on the 14<sup>th</sup> December, 2022.</p> <p>An SOP "Public Conflict Resolution Mechanism" was established by Mujong-Melinau FMU. No records of direct negotiations, arbitration or mediation cases filed at of Native / Civil Courts and disputes over tenure and use rights since last audit.</p>	
<b>Principle 3 Indigenous People's Rights</b>	<p>Documentation of the customary rights of indigenous peoples' lands within relevant federal, state, and local laws were kept at base camp and presented during this audit.</p> <p>FMU has carried out Free and Prior inform consent from the affected communities whenever they carried out the SA boundary licence and HCV demarcation, using the-permission to enter form known as "<i>kebenaran memasuki, menanda, mengecat dan memasang papan tanda (Mutual Agreement Form)</i>".</p> <p>The FMU had taken the initiative to install a community notice board in every longhouse (Grievance Form/ HCVA, CRC information and RTE poster) to allow community access or submit their grievances/complaints to the Forest Manager if required.</p> <p>No commercial utilization of traditional forest-related knowledge and practices of indigenous peoples. FMU has established an SOP titled 'Mechanism on Traditional Knowledge Documentation (Inventory)-related traditional knowledge and special sites' as guides for a fair and equitable compensation for the commercial utilization of traditional forest-related knowledge and practices of local communities (via the</p>	<ol style="list-style-type: none"> <li>1. Interview with Forest Manager indicate that Community grievances/complaints/suggestions were sent through whatsapp/calls but not recorded in the <i>Borang Cadangan/Aduan/Borang Rungutan as per</i> Public Conflict Resolution Mechanism STH/FOD/LPR/01</li> <li>2. Time frame for conflict resolution as verified in the SOP Public Conflict Resolution Mechanism STH/FOD/LPR/01 Rev 0 dated 1/03/2019 was not specified.</li> <li>3. Name and contact person was not included in the '<i>Borang Cadangan/Aduan/Borang Rungutan</i>'</li> </ol> <p>Therefore, <b>Minor NCR AS01/2022</b> for <b>Indicator 3.1.3</b> was raised.</p>



Principle	Strengths	Weaknesses
	Community Representative Committee (CRC).	
<b>Principle 4 Community Relations and Workers' Rights</b>	<p>Forest managers has provided appropriate support for training, retraining, local infrastructure, facilities, and socio-economic programmes that commensurate with the scale and intensity of forest management operations as per addressed in forest management plan.</p> <p>Communities living within, or adjacent to, the FMU are given preference for employment and contract works as per confirm during interview with and interview with samples worker during this audit.</p> <p>Safety and Health officer has been appointed by FMU, and "Perakuan Pendaftaran" with DOSH were found valid from 30/11/2021 – 29/11/2024.</p> <p>Forest managers has maintained up-to-date safety records in compliance with all applicable laws and regulations covering health and safety of forest workers as verified during the audit on JKPP 8 ref JKPP 8/111606/2021 dated 4/02/2022.</p> <p>SOP Scheduled Waste Procedure STH/FOD/SWP/01 Rev 1 dated 1/09/2019 were maintained with no changes.</p> <p>Appropriate mechanisms have been employed to expeditiously resolve grievances and provide fair and equitable compensation for any loss or damage affecting the local communities' legal or customary rights, property, resources, or their livelihoods, caused by forest operations. An SOP on "Public Conflict Resolution Mechanism" STH/FOD/LPR/01 Rev 0 dated 1/03/2019 were presented during the audit.</p>	<ol style="list-style-type: none"> <li>1. The SIA results and monitoring report was yet to be shared with local communities.</li> <li>2. Consultations with long house communities Rh. Ejon/Rh. James Saka, Rh. Barang, Rh. Mansai, RH. Anding, RhTanggai and Rh. Jala confirmed that the SIA and social monitoring results are yet to be shared to the communities.</li> </ol> <p>Therefore, the previous <b>Minor NCR LYD03/2022</b> for <b>Indicator 4.4.1</b> was <b>upgraded</b> to <b>Major NCR AS02/2022</b> for <b>Indicator 4.4.1</b></p>
<b>Principle 5 Benefits From the Forest</b>	<p>The investments and reinvestments for forest management includes, forest administration, forest operation (Pre-F, RILP, demarcation of protected areas, nursery, enrichment planting and rehabilitation works, harvesting, community and monitoring were included in 5 Years Budget Plan and the yearly Budget for FMU T3361 from January to December 2022, Budget for 2022.</p> <p>A total of 25 PSPs were established in Mujong - Melinau during this Surveillance 2 audit.</p>	<p>Based on the Standard Operating Procedure (SOP) of "Enrichment Planting Procedure (Procedure No. STH/FOD/RIL/09) dated 1<sup>st</sup> March 2022, para iv, Post Planting Maintenance, required,</p> <ol style="list-style-type: none"> <li>a. The assessment must be carried out in 2 weeks after planting, and perform seedlings supply immediately.</li> <li>b. A second and third survival assessment should be</li> </ol>

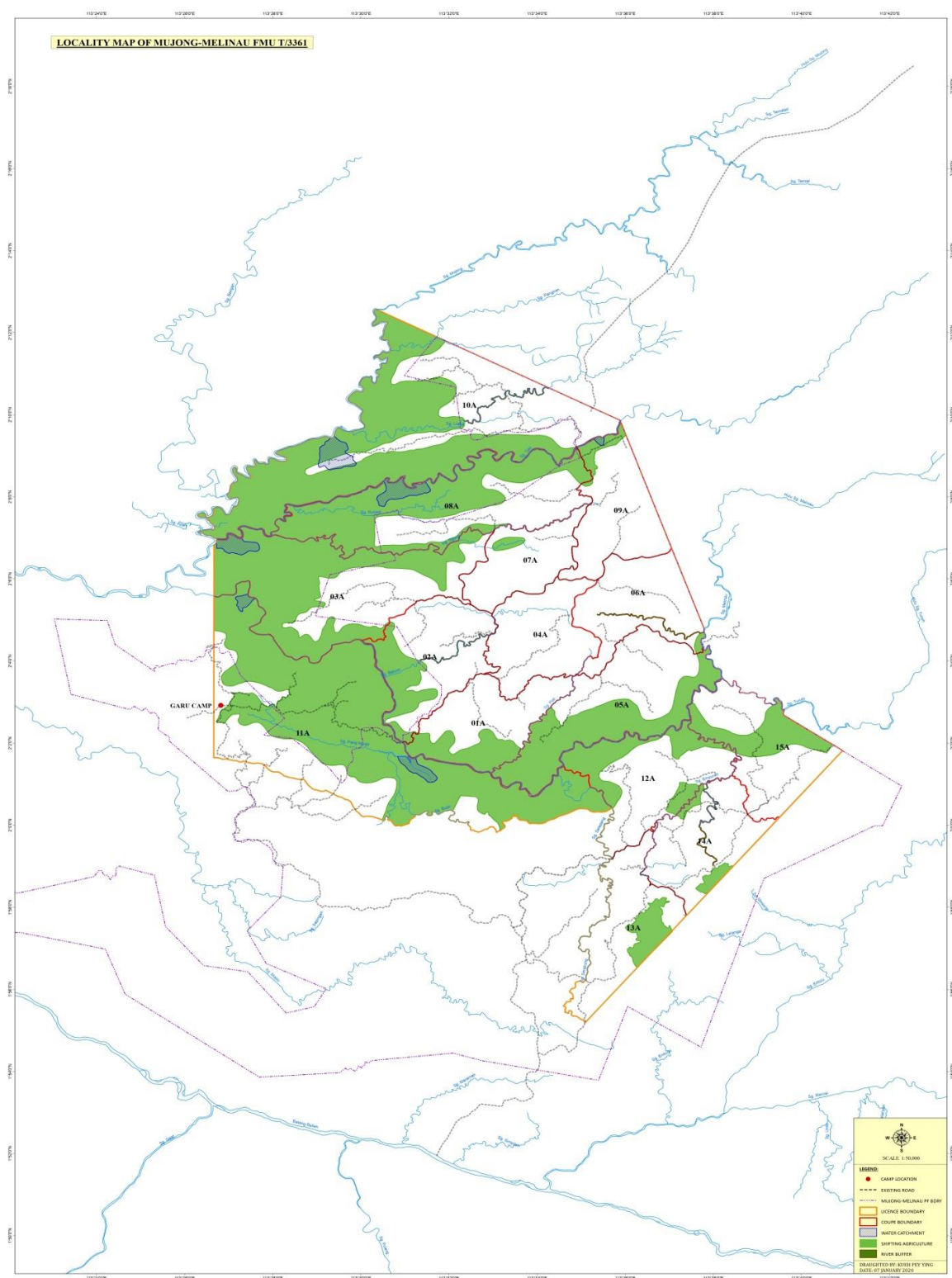
Principle	Strengths	Weaknesses
	<p>Harvesting activities were currently being temporarily suspended in Coupe 1A. The temporarily suspension has been approved by the Forest Department Sarawak (FDS).</p> <p>Log is the main product, thus there would be no non-timber forest product to be harvested from this FMU with the operable area of 23,155 ha.</p> <p>Regular training was conducted for the staff on techniques of reduced-impact logging. Training on Reduced Impact Logging (RIL) Guidelines for Ground-based Timber Harvesting in the State of Sarawak version 2021 was conducted on 10<sup>th</sup> -11<sup>th</sup> August 2022.</p> <p>The FMU allowed, local community to collect and utilised non-timber forest products.</p> <p>Protection Areas for watershed, shifting cultivation area were excluded from harvesting and were demarcated on the map and the map was verified during the audit. The map showing the sensitive areas such as riparian reserved were available at camp office.</p> <p>The rate of harvest was calculated to not be greater than estimated regrowth of the residual stand based on permanent sample plots within a pre-defined 25 years of cutting cycle. Annual Coupe of Mujong – Melinau FMU was set to not more than 64000m<sup>3</sup> /year.</p>	<p>carried out after first and then on third year of planting. All planted tree will be assessed and maintain every survival assessment.</p> <p>However, it was found that only trees planted in Block 16 and 17 in coupe 01 have been undergone assessment on 28<sup>th</sup> July 2022 (date of planting 4<sup>th</sup> May 2022) and on 28<sup>th</sup> June 2022 (date of planting 29<sup>th</sup> March 2022) respectively. Trees planted in Block 2,4,5,6,7,10,11, 12,13,14,15,18 and 19 has not been assessed as required by the SOP.</p> <p>Therefore, <b>Minor NCR RJ 01/2022</b> for <b>Indicator 5.1.2</b> was raised.</p>
<p><b>Principle 6 Environmental Impact</b></p>	<p>‘Environmental Impact Assessment (EIA) for the Re-Entry Timber Harvesting under Forest Timber Licence No. T/3361, at Sg. Mujong - Sg. Melinau Area [Ref. No.: (14) NREB/6-3/2F/82]’ was presented during the audit.</p> <p>Environmental Monitoring Report’ (EMR) was conducted periodically by FMU, and the latest report submitted to NREB [Ref.: CK/MO211-0020(A)/September/22] dated on 26<sup>th</sup> Oct. 2022. FMU has also committed to voluntary participation in the newly introduced ‘Environmental Audit’ by NREB(Internal Environmental Compliance Audit (IECA) and “External Environmental Compliance Audit” (EECA).</p> <p>The Forest Management Plan also incorporated protection of endangered, rare, and threatened species under Chapter</p>	<p>A total of 2 deliveries for SW305 (used lubricant oil) were sent to local community, Rh. Anding (dated on 24/8/22 – 3 drums) and Rh. Jala (dated on 18/8/22 – 3 drum). The disposal of schedule waste was not disposed in environmentally appropriate and legal manner as there was no evidence of any approval from DOE to be disposed in that manner.</p> <p>Therefore, a <b>Minor NCR MNS 01/2022</b> for <b>Indicator 6.7.1</b> was raised.</p>

Principle	Strengths	Weaknesses
	<p>10.6 – Implementation of Wildlife Protection and Conservation Programme.</p> <p>The activities of hunting, fishing, and collecting in the FMU were controlled through monthly inspection such as block inspection, coupe patrol, licensed area.</p> <p>The latest awareness training/briefing on ERT's for local communities was conducted on 24<sup>th</sup> -26<sup>th</sup> May 2022 and the HCV for the staff on 25<sup>th</sup> May 2022.</p> <p>A 1 ha plot was established as representative area of natural ecosystem in Coupe 11A with adequate signboard and was inspected by auditor during this audit. Field data on Tree Species in the plot was also available and presented.</p> <p>Harvesting was designed in the FMU taking into consideration the need for the conservation of biological corridors and buffer zones for features of special biological interest for wildlife.</p> <p>Based on the Internal Environmental Compliance Audit Report (IECA audit date 26-28 September 2022) and the External Environmental Compliance Audit Report (EECA audit date on 21-24 Feb 2022), the FMU has clearly followed the mitigation measure and available guidelines to protect natural hydrology of wetlands, including buffer strips along streams and rivers.</p> <p>Fire prevention and control plan, a separate report prepared by FMU management entitled 'Forest Fire Management Plan (FFMP) - Climate Change and Mitigation Measure' dated December 2021 was verified during the audit.</p> <p>The FMU did not use any chemical pesticides listed in the World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides in its forest operation.</p> <p>The FMU does not use any biological control agents.</p> <p>No exotic species are used for enrichment planting in the FMU.</p> <p>There was no plan for converting the forest area to plantations. Conversion of natural forest into non-forest land use had not occurred within the FMU.</p>	

Principle	Strengths	Weaknesses
<b>Principle 7 Management Plan</b>	<p>A Forest Management Plan (FMP) (Mujong-Melinau FMP) for Forest Timber Licence No. T/3361 covering stateland under Mujong- Melinau for the period 2018-2033 was presented, and was approved by Forest Department Sarawak on 9 Nov. 2019. The FMP had included all the items listed from (a) to (j) in Criterion 7.1.</p> <p>The FMU will periodically revise the forest management plan every 5 years as stated in Chapter 3, para 3.7. Revision of FMP includes monitoring results.</p> <p>Forest manager was aware of new scientific and technical information pertinent to the management of the area to be certified.</p> <p>The FMU has requested to collaborate with Expert and Specialist from Sarawak Forest Department on research and data collection to monitor the composition and changes of flora and fauna within the FMU area.</p> <p>Training programs for the FMU for the year 2022 was made available to the audit team. A total of 13 training and briefing has been conducted in 2022. The training includes, forest operation, RIL, Safety and Chemical Handling.</p> <p>Summary of Forest Management Plan has been prepared, implemented, and made available to the public through website link as follows <a href="http://www.suburtiasa.com.my">www.suburtiasa.com.my</a></p>	<ol style="list-style-type: none"> <li>1. Based on interview with 11 workers on 13<sup>th</sup> Dec. 2022, regarding the subject of MC&amp;I SFM, half of the workers did not have clear understanding of the MC&amp;I SFM.</li> <li>2. Mitigation measure for Forest Fire Management clearly stated to conduct fire drill and fire extinguisher training on quarterly basis. However, the last fire drill and fire extinguisher trainings were done on 30 Sept. 2021, and there was no training done in 2022.</li> </ol> <p>Therefore, a <b>Minor NCR MNS 02/2022</b> for <b>Indicator 7.3.2</b> was raised.</p>
<b>Principle 8 Monitoring and Assessment</b>	<p>Several monitoring procedures and reports were conducted by Mujong-Melinau FMU to comply with the Forestry Department Sarawak (FDS) and NREB as verified during this audit.</p> <p>The Internal Audit Report for the audit exercise that was conducted on September 26 and 28th 2022 was verified.</p> <p>Management Review Meeting was conducted on 28<sup>th</sup> October 2022, and had discussed performance of the FMU in all major aspects of SFM was verified.</p> <p>During this audit, all harvesting activities in Coupe 01A were suspended for Mujong Melinau FMU. However, tracing the forest product (logs) from its origin, a process known as the “chain of custody”, leaving the certified area can be verified in the future, as all logs from the harvesting</p>	<p>There were no negative findings</p>

Principle	Strengths	Weaknesses
	<p>blocks shall be affixed with tags (Enumeration (Felling) and (LPI) and accompanied with 'Daily Logs Production Issue Note' be transported from the landing area (temporary logyard) in the harvesting block to Sg. Stapang stumping (PoRM).</p> <p>Results and findings of the monitoring activities will be included in the next review of the forest management plan in 2023 for continuous improvement.</p> <p>A public summary of the the results of monitoring indicators, including those listed in Criteria 8.2, is available in the website <a href="http://www.suburtiasa.com">http://www.suburtiasa.com</a>.</p>	
<b>Principle 9 Maintenance of High Conservation Values</b>	<p>The HCVF report "High Conservation Value Forest (HCV1-HCV6) Assessment Report", dated March 2017 had identified various potential sites in the FMU was made available during the audit.</p> <p>The FMU continues to conduct consultation on HCVF assessment with local communities that had been conducted since 2017. The latest briefing to local communities on HCV awareness was conducted during the CRC meeting on 13 September 2022.</p> <p>Site inspection to HCV areas by the auditor, the nesting tree in Coupe 1A (Simpang Setekup) confirmed that this area was protected and properly demarcated with blue paint with no sign of disturbance.</p> <p>Demarcation of HCV area is clearly seen in the new updated map entitled 'Locality Map of HCVA Attributes for Mujong-Melinau FMU T/3361' dated 24<sup>th</sup> January 2022 that was presented during the audit.</p> <p>Evidence of HCV sites monitoring were verified through the records of monitoring/patrolling done in September-November 2022.</p>	<p>There were no negative findings</p>

# Map of Mujong-Melinau FMU



## Experiences and Qualifications of Audit Team Members

Assessment Team	Role/Area of MC&I Requirement	Qualification and Experience
Hj. Roslee Bin Jamaludin	Audit Team Leader / Forester	<p><b>Academic Qualification:</b> B.Sc. of Forestry (Forest Management), University Putra Malaysia. Diploma of Forestry, Mara Institute of Technology, Malaysia.</p> <p><b>Work Experience:</b> 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&amp;I for forest certification. A member of MAJURUS, was appointed as an Internal Auditor for the MC&amp;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><b>Attended training programmes:</b></p> <ul style="list-style-type: none"> <li>• Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&amp;I (Natural Forest)] &amp; [MC&amp;I (Plantations)] organised by MTCC, 9 – 10 July 2015</li> <li>• EMS 14001: 2004 Lead Assessor Training Course organised by SIRIM Training Services Sdn Bhd, 23 Nov. – 27 Nov. 2015.</li> <li>• Briefing on RSPO Principle &amp; Criteria (HCV) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 21 August 2015.</li> <li>• Workshop on Auditing Technique for FMC (2) organised by SIRIM QAS (Food, Agri &amp; Forestry Section) 26 Jan 2016.</li> <li>• Forest Management Certification (FMC) Workshop' organised by SIRIM (Food,Agr.&amp; Forestry Section )06 &amp; 07 December 2016</li> <li>• Forest Management Certification (FMC) Workshop 2017 organised by SIRIM (Food,Agr. &amp; Forestry Section)08 – 09 May 2017</li> <li>• 'Forest Management Certification (FMC) Workshop' for 2017 organised by SIRIM (Food,Agr. &amp;Forestry Section)28 &amp; 29 November 2017.</li> <li>• FMC Workshop for 2018 organised by SIRIM (Food,Agr. &amp;Forestry) 22 November 2018</li> <li>• COC Workshop 2018 organised by SIRIM 26 November 2018</li> </ul> <p>Auditor Training Course on PEFC Chain of Custody Certification organized by MTCC on 19<sup>th</sup> -20<sup>th</sup> December 2018.</p>
Dr.Nazre Saleh	Auditor	<p><b>Academic Qualification:</b> <i>Diploma in Forestry, UPM</i> <i>B. Sc. Conservation Biology &amp; Ecology (UKM)</i> <i>MSc. Botany (UKM)</i> <i>PhD. Botany (Edinburgh)</i></p> <p><b>Work Experience:</b> One year as Research Assistant in WWF-Malaysia in the year from 1999-</p>

		<p>2000. Become an academic staff in Faculty of Forestry, Universiti Putra Malaysia (UPM), Serdang Selangor from 2000 to present (16 years), starting as a tutor promoted as Senior Lecturer in 2009, and currently as an Associate Professor since 2013. Main responsibility is teaching the undergraduates in the subject of Dendrology, Forest Ecology and Ethnobotany, and Forest Dynamics for postgraduate students. Main research subjects are botany, forest ecology and, forest conservation and management done by supervising both undergraduate and postgraduate (Master/PhD) students funded by local and international grants. Appointed as Head of Department since 2010 for Department of Forest Production (2010-2012) and Department of Forest Management (2013-present). Has sat in many committees for university and ministry (national) related to forestry subjects such as Mangrove Conservation, Forest Management, Forest Protection and Forest Plantation. Published more than 50 articles in local and international book, journals, chapters in books, conference proceeding and technical reports. Attended and presented in many workshops, conferences, seminars held at both local and international levels.</p> <p><b>Attended and pass the following training programmes:</b></p> <ul style="list-style-type: none"> <li>• Auditor Training Course on MC&amp; I (Natural Forest) and MC&amp;I (Forest Plantation V2) (SIRIM QAS Sdn. Bhd), 9<sup>th</sup>-10<sup>th</sup> July 2015.</li> <li>• EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18<sup>th</sup> – 22<sup>nd</sup> July 2016.</li> <li>• Forest Management Certification (FMC) Workshop, SIRIM Bhd, 6<sup>th</sup> –7<sup>th</sup> December 2016</li> <li>• Training on Auditing Techniques (SIRIM QAS Int. Sdn. Bhd), 26<sup>th</sup> January 2016.</li> </ul>
Angelica Suimin Sinimis	Auditor	<p>Currently, as independent consultant on Social Forestry, Corporate Social Responsibility, land use conflict mediation and Social Impact Assessment. She has a Bachelor of Arts in Social Science and MSc in Environmental Management and Social Development. Has a certificate in Paralegal Studies and Diploma in Emergency Medical Technician (UK) and Human Resource Management (UM), a competent One to One Competency Based and Education Trainer from De Taffe University, Australia. Independent Auditor under SIRIM QAS Malaysia and Technical Expert for FSC audit under SCS Global Services. Has worked as Rural Sociologist under the World Bank project under the Japanese Trust Fund for Community Forestry Project in Sabah for 3 years. She has over 30 years of working experience and was working in the forestry related industries both in Sabah and Sarawak (10 years) for 28 years in different capacities (e.g independent researcher, Rural Sociologist, Sr. Training and Administrator, Human Resources Executive, Emergency Medical Technician, Training Officer, CSR Manager, Chief Operation Officer for Avantha Foundation Malaysia. Has done consultancy work in Malaysia and Papua New Guinea both for Forest and palm oil plantation since 2012.</p> <p>Has attended the following course:</p> <ol style="list-style-type: none"> <li>1. MTCC Forest certification standards for Forest Management and Plantation, 2013, SIRIM QAS</li> <li>2. FSC Forest certification standards for Forest Management and Control Wood, 2015, Nepcon</li> <li>3. Lead Assessor Course ISO 140001 (Exemplar Global Certified LEMS01), 2016, SIRIM QAS</li> <li>4. Diplomacy Training (Human Rights, Indigenous People, the Private Sector and Development), 2017; Faculty of Law, Uni New South Wales</li> <li>5. MC&amp;I Natural Forest and Plantation.v2 standars, 2017 – MTCC</li> </ol> <p>FSC Training – Forest Management and controlled wood in Bogor Indonesia by SCS Global, USA on Sept 2018.</p>



**Comments Received from Stakeholders and Responses by Audit Team Leader**

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

## Surveillance 2 Audit Plan

DAY	TIME	PROGRAM		
		Hj.Roslee (Auditor 1)	Dr.Nazre (Auditor 2)	Angelica (Auditor 3)
<b>Day 0</b> <b>11/12/22</b> <b>(Sunday)</b>	2pm- 4pm	<b>Angelica</b> Travel from Kota Kinabalu to Sibul. Flight AK 6090- ETD: 14.35, ETA: 15.50 (Travel <b>11/11/22</b> ) (Overnight in Sibul). (Travel one day earlier)		
<b>12.12.22</b>	08.00am-11.00pm	<b>Hj. Roslee &amp; Dr. Nazre</b> , travel from Kuala Lumpur to Sibul, MH 2716 ETD: 08.25 – ETA 10.30 ( <b>12/12/22</b> )		
<b>Monday</b>		<ul style="list-style-type: none"> <li>All auditors travel from Sibul to Garu Camp</li> <li>Briefing by Audit Team Leader on the surveillance audit plan</li> </ul>		
<b>Day 1</b> <b>13.12.22</b> <b>Tuesday</b>	8.00 am – 11.00 pm	<ul style="list-style-type: none"> <li>Opening Meeting with representatives of FMU</li> <li>Briefing session by Forest Manager of the FMU</li> <li>Q&amp;A Session</li> <li>Follow up on findings from Surveillance 2 Audit</li> <li>Check on complaints, stakeholder comments and follow-up actions (if any)               <ul style="list-style-type: none"> <li>Local Communities</li> <li>Government agencies</li> <li>NGOs</li> </ul> </li> <li>Evaluate on internal audit and management review</li> </ul>		
	12.00 pm – 5.00 pm	Documentation and records review		
		Principle 1 – Compliance with Laws and Principles	Principle 6 – Environmental Impact	Principle 2 – Tenure and Use Rights and Responsibilities
		Principle 4 – (Indicator 4.2.5)	Principle 8 – Monitoring and Assessment	Principle 3 – Indigenous Peoples' Right
		Principle 5 – Benefits from the forest	Principle 9 – Maintenance of High Conservation Value (HCV)	Principle 4 – Community Relations and Worker's Right
		Principle 7 – Management Plan		<ul style="list-style-type: none"> <li>Interview with workers</li> </ul>
		Review of Day 1 Findings by Audit Team Leader		

<b>Day 2</b>  <b>14.12.22</b>  <b>Wednesday</b>	7.30 am – 5.30 pm	<b>Site visit</b> <ul style="list-style-type: none"> <li>• Inspection of Pre-harvest area – Block 1, Coupe 2A</li> <li>• Inspection of Post-Harvest area: Block 6, Coupe 1A</li> <li>• Consultation with contractors and workers operating in active logging area, bulldozer, hook-man, chainsaw and supervisor.</li> <li>• FMU licence boundary: Coupe 11A- LPF 0030/ T/3361</li> <li>• Riparian Buffer zone : Sungai Melinau, Sungai Bakum, Sungai Wa, Sungai Ok.</li> <li>• HCV – 1.4 Bird Nesting Tree.</li> <li>• Workshop, store and nursery</li> </ul>	<b>Site visit</b> <ul style="list-style-type: none"> <li>• Inspection of Pre-harvest area.: Block 7, Coupe 2A</li> <li>• Inspection of Post-Harvest area: Block 16 Coupe 1A</li> <li>• Consultation with contractors and workers operating in active logging area, bulldozer, hook-man, chainsaw and supervisor</li> <li>• Inspection of Coupe and Block Boundary: Coupe 1A/2A and Block 0, Coupe 2A</li> <li>• PSP: PSP 12, Coupe 2A</li> <li>• PoRM</li> </ul>	<b>Site visit</b> <ul style="list-style-type: none"> <li>• Consultation with Local Communities:</li> <li>Rh. Mansai</li> <li>Rh Jala</li> <li>Rh Barang</li> <li>Rh. Anding</li> <li>Rh Tangai</li> <li>Rh Ejon</li> <li>Rh Segiang</li> <li>Rh Jos</li> <li>Rh Jantang</li> <li>Rh Seman</li> <li>• Conservation areas;</li> <li>• FMU Licence Boundary</li> </ul>
		<ul style="list-style-type: none"> <li>• Review of Day 2 Findings by Audit Team Leader</li> </ul>		
<b>Day 3</b>  <b>15.12.22</b>  <b>Thursday</b>	7.30 am – 1.00 pm  2.00 pm – 5.00pm	<ul style="list-style-type: none"> <li>• Documentation and records review</li> <li>• Preparation of audit report and finding</li> <li>• Briefing to representatives of FMU on the findings of audit</li> <li>• Closing Meeting and presentation of findings of audit and discussion on follow-up activities</li> <li>• Adjourn Closing Meeting</li> <li>• Travel to Sibul, overnight in Sibul. Tanah Mas Hotel</li> </ul>		
<b>16.12.22</b>  <b>Friday</b>		<p><b>Hj. Roslee and Dr. Nazre</b> travel back to Kuala Lumpur MH 2715 ETD: 11.25, ETA 13.20</p> <p><b>Angelica</b> travel back to Kota Kinabalu AK 6091 ETD: 16.15, ETA: 17.30</p>		

## Details on NCRs and OFIs Raised During this Surveillance 2 Audit (December 2022) and Corrective Actions Taken

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<b>Major</b>  <b>NCR:</b> AS 02/2022	<p><b>Requirement: Indicator 4.4.1</b> – Forest managers shall evaluate, through consultations, social impact of forest operations directly affecting communities, and the people and groups directly affected by the forest operations shall have access to information on the results of the social impact evaluations.</p> <p><b>Finding:</b> SIA results cannot be access by the local communities.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>3. The SIA results and monitoring report was yet to be shared with local communities.</li> <li>4. Consultations with long house communities Rh. Ejon/Rh. James Saka, Rh. Barang, Rh. Mansai, RH. Anding,RhTanggai and Rh. Jala confirmed that the SIA and social monitoring results are yet to be shared to the communities.</li> </ol> <p>Therefore, the previous <b>Minor NCR LYD03/2022</b> was upgraded to <b>Major NCR AS02/2022</b>.</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>SIA results and monitoring report had been shared verbally to local community during CRC &amp; FMCLC Meeting and during social visit to longhouse. Unfortunately, when auditor interview with the local community, they forgot about the information that had been shared with them because there is no hardcopy of SIA finding distribute to them.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Hardcopy of SIA finding, and Social Monitoring Result will be distributed to local community and will be display in FMU Notice Board. Local community's acknowledgement receipt on the document will be recorded.</p>	<p>Mujong-Melinau FMU has submitted Corrective Action Plan on 5<sup>th</sup> January 2023 and has been accepted by the Audit Team. The evidence of Implementation for Major NCR has been submitted on 10<sup>th</sup> February 2023, and accepted and closed on 22<sup>nd</sup> February 2023.</p> <p>Mujong -Melinau FMU has submitted the following document as the evidence to close Major NCR for Indicator 4.4.1:</p> <p>The document of "Acknowledgement " as an acceptance of the Findings and Annual Social Monitoring and Evaluation Report for Mujong-Melinau FMU. FTL No.T/3361 (<i>Pengakuan &amp; Penerimaan Ringkasan Laporan SIA dan Laporan Tahunan Pemantauan dan Penilaian Sosial</i>). 7 longhouse representatives have signed the acknowledgement dated 1<sup>st</sup> Feb. 2023, and 2<sup>nd</sup> Feb 2023.</p> <p>An "Annual Social Monitoring and Evaluation Report for 2022. Mujong-Melinau FMU FTL No. T/3361 dated December 2022. The report include, information on Demogarphy, Utilities and Services, Health Services, Village Social Organisation,Development Project by the Government, Migration, Community use area and sensitive site, Main source of Income of the community, and Summary of Monitoring of Social issue Management .</p> <p>iii. A Social Impact Assessment/ <i>Ringkasan Dapatan Penilaian Impak Sosial</i>.</p> <p>iv. A report with photographs on Social Visit to Longhouses in Mujong-Melinau FMU FTL No. T/3361. The visit was conducted on 1<sup>st</sup> -2<sup>nd</sup></p>

			<p>February 2023 to Rh. Mansai, Rh. Anding, Rh Killau, Rh. Seman, Rh. Jantang, Rh. Agam, and Rh. Tani. The objective of the visit were, To Brief local community on SIA Findings, to distribute and brief on Annual Social Monitoring and Evaluation Report Year 2022, and to update on village Profile for 2023. The FMU has provided a Notice Board in all Longhouses.</p> <p>Status: <b>Closed</b></p>
<p><b>Minor</b></p> <p><b>NCR:</b> AS 01/2022</p>	<p><b>Requirement: Indicator 3.1.3</b> Availability and use of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p><b>Finding:</b> SOP Public Conflict Resolution Mechanism STH/FOD/LPR/01 Rev 0 dated 1/03/2019 was not followed.</p> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>4. Interview with Forest Manager indicate that Community grievances/complaints/suggestion s were sent through whatsapp/call but not recorded in the <i>Borang Cadangan/Aduan/Borang Rungutan</i> as per Public Conflict Resolution Mechanism STH/FOD/LPR/01</li> <li>5. Time frame for conflict resolution as verified in the SOP Public Conflict Resolution Mechanism STH/FOD/LPR/01 Rev 0 dated 1/03/2019 was not specified.</li> <li>6. Name and contact person was not included in the '<i>Borang Cadangan/Aduan/Borang Rungutan</i></li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <p>Local communities prefer to use whatsapp and direct call with Camp Manager/Forest Manager to communicate their grievances/complaints/suggestion/request .</p> <p><b>Correction and corrective action plan including completion date:</b></p> <ol style="list-style-type: none"> <li>1. All community grievances/complaints/suggestion /requisition that send through whatsapp/call will be recorded using Suggestion/Grievances Form "<i>Borang Cadangan/Keluhan</i>".</li> <li>2. SOP Public Conflict Resolution Mechanism STH/FOD/LPR/01 will be revised by add in the time frame for conflict resolution.</li> <li>3. Suggestion/Grievances Form "<i>Borang Cadangan/Keluhan</i>" will be revised by add on the name and contact person's information.</li> </ol>	<p>Mujong-Melinau FMU has submitted Corrective Action Plan on 5<sup>th</sup> January 2023 and has been accepted by the Audit Team.</p> <p>Status: will be verified in the next audit</p>

<p><b>Minor</b></p> <p><b>NCR:</b> <b>RJ01/2022</b></p>	<p><b>Requirement: Indicator 5.1.2</b> - Provisions and management prescriptions are made to maintain, restore or enhance the productive capacity and ecological integrity of the FMU to ensure its economic viability.</p> <p><b>Finding:</b> The enrichment Planting Procedure for trees planted in Skid trail has not been fully adhered to.</p> <p><b>Objective evidence:</b> Based on the Standard Operating Procedure (SOP) of “ Enrichment Planting Procedure (Procedure No. STH/FOD/RIL/09) dated 1<sup>st</sup> March 2022, para iv, Post Planting Maintenance , required,</p> <ul style="list-style-type: none"> <li>c. The assessment must be carried out in 2 weeks after planting, and perform seedlings supply immediately.</li> <li>d. A second and third survival assessment should be carried out after first and then on third year of planting. All planted tree will be assessed and maintain every survival assessment.</li> </ul> <p>However, it was found that only trees planted in Block 16 and 17 in coupe 01 have been undergone assessment on 28<sup>th</sup> July 2022 (date of planting 4<sup>th</sup> May 2022) and on 28<sup>th</sup> June 2022 (date of planting 29<sup>th</sup> March 2022) respectively. Trees planted in Block 2,4,5,6,7,10,11, 12,13,14,15,18 and 19 has not been assessed as required by the SOP.</p>	<p><b>Result of investigation and determination of root cause.</b></p> <p>The SOP of Enrichment Planting Procedure pertaining to Post Planting Maintenance requirement was not communicated properly to the workers.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>The FMU will brief the worker on the SOP of Enrichment Planting.</p>	<p>Mujong-Melinau FMU has submitted Corrective Action Plan on 5<sup>th</sup> January 2023 and has been accepted by the Audit Team.</p> <p>Status: Will be verified in the next audit</p>
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<p><b>Minor</b></p> <p><b>NCR:</b> MNS 01/2022</p>	<p><b>Requirement: Indicator 6.7.1</b> – Oil, fuel, tyres, containers, liquid and solid non-organic wastes, shall be disposed of in an environmentally appropriate and legal manner. Emergency or remedial procedures for the minimisation of risk of environmental harm arising from the accidental spillage shall be in place.</p> <p><b>Finding:</b> Disposal of schedule waste did not follow the legal requirement of DOE (Environmental Quality (Prescribed Premises) (Scheduled Waste Treatment and Disposal Facilities) (Amendment) Regulation 2006.</p> <p><b>Objective evidence:</b></p> <p>A total of 2 deliveries for SW305 (used lubricant oil) were sent to local community, Rh. Anding (dated on 24/8/22 – 3 drums) and Rh. Jala (dated on 18/8/22 – 3 drum). The disposal of schedule waste was not disposed in environmentally appropriate and legal manner as there was no evidence of any approval from DOE to be disposed in that manner.</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The responsible person has no specific knowledge on scheduled waste management/handling due to no briefing/training provided.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Conduct the briefing or training pertaining to scheduled waste handling. FMU will approach the authority body (DOE) on scheduled waste management, handling transportation and disposal matter.</p>	<p>Mujong-Melinau FMU has submitted Corrective Action Plan on 5<sup>th</sup> January 2023 and has been accepted by the Audit Team.</p> <p>Status: will be verified in the next audit</p>
<p><b>Minor</b></p> <p><b>NCR:</b> MNS 02/2022</p>	<p><b>Requirement: Indicator 7.3.2</b> – Availability of programs to train forest workers to their respective roles for proper implementation of the forest management plan.</p> <p><b>Finding:</b> Training programs were not adequate</p> <p><b>Objective evidence:</b></p> <p>3. Based on interview with 11 workers on 13<sup>th</sup> Dec. 2022, regarding the subject of MC&amp;I</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>Some workers are new employed in the FMU and the briefing of new MC&amp;I SFM standard were not given.</p> <p>2. There is no fire drill and fire extinguisher training given to the workers in 2022 as the training shall be conducted once in two years according to SOP.</p> <p><b>Correction and corrective action plan including completion date:</b></p>	<p>Mujong-Melinau FMU has submitted Corrective Action Plan on 5<sup>th</sup> January 2023 and has been accepted by the Audit Team.</p>

	<p>SFM, half of the workers did not have clear understanding of the MC&amp;I SFM.</p> <p>4. Mitigation measure for Forest Fire Management clearly stated to conduct fire drill and fire extinguisher training on quarterly basis. However, the last fire drill and fire extinguisher trainings were done on 30 Sept. 2021, and there was no training done in 2022.</p>	<p>1. Conduct the briefing on MC&amp;I SFM new standard in the FMU.</p> <p>2. The frequency of fire drill and extinguisher training will be conducted as per SOP and amend the Mitigation measure for Forest Fire Management accordingly.</p>	<p>Status: will be verified in the next audit</p>
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## Corrective Actions Taken and Final Status on NCRs and OFIs Raised During Previous Audit (SA1 Feb. 2022)

Indicator	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<b>Minor</b>  <b>NCR:</b> <b>RJ01/2022</b>	<p><b>Requirement: Indicator 1.1.1</b> - Records and availability of up-to-date applicable federal, state, and local laws, and regulations and policies, in particular those related to forest management.</p> <p><b>Finding:</b> There was no permit issued for storage of diesel</p> <p><b>Objective evidence:</b> The storage of diesel in Garu camp was without the “<i>Permit Barang Kawalan Berjadual</i>” issued by KPDNHEP.</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The delay of getting “Permit Barang Kawalan Berjadual” for storage of Diesel in garu camp was due to the Pandemic Covid 19 outbreak and Movement Control Order (MCO) imposed by the Government. The Authorized agency (Balai Bomba) haven’t carry out the inspection in Year 2021.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Already writing to Balai Bomba Sibu to request for inspection of Diesel Storage area in Garu Camp. Will apply permit once the inspection is carried out. Expecting completion date is 3 months.</p>	<p>The FMU has presented the chronology of the new application for Diesel Permit. The application for diesel tank to Sibu Fire Department on 02<sup>nd</sup> August 2022. The Sibu Fire Department has carried out site inspection on 8<sup>th</sup> August 2022. The Fire Department’s Inspection report was ready by 12<sup>th</sup> August 2022. The FMU has applied storage Permit at Kapit District Office on 24<sup>th</sup> August 2022. The Storage Permit from Kapit District Office was approved on 4<sup>th</sup> October 2022. 1<sup>st</sup> application to KPDNKK was rejected on 5<sup>th</sup> October 2022. The FMU has tried to send in 2<sup>nd</sup> application to KPDNKK on 5<sup>th</sup> December 2022, and the still pending for inspection and approval. Therefore, a Minor NCR RJ01/2022 for Indicator 1.1.1 was satisfactorily closed.</p> <p>Status: <b>Closed</b></p>
<b>Minor</b>  <b>NCR:</b> <b>LYD-01/2022</b>	<p><b>Requirement: Indicator 3.1.3</b> Availability and use of appropriate mechanisms to resolve any conflicts and grievances between parties involved.</p> <p><b>Finding:</b> Mechanisms to resolve disputes were not made publicly accessible</p> <p><b>Objective evidence:</b> FMU has briefly present the conflict resolution process during meeting with</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The briefing of Conflict Resolution Process has been carried out to the Tuai Rumah and local communities during the social visit. And it is also briefed during the CRC meeting. However, it is still not covey to all the local communities as most of the local communities are not staying in the longhouses. The FMU need to look for solution to ensure all the stakeholders are assessable to the mechanism.</p>	<p>During this audit, verification of ‘Outstation reports to Mujong-Melinau FMU, T/3361,2022’ was carried out. The reports describe the social visits to the longhouses and HCVA monitoring on Community basic needs. During this visit the FMU has taken the initiative to install a community notice board in every longhouses (Grievance Form/ HCVA and RTE poster) and made the grievance form accessible through the FMU’s Website: <a href="http://www.suburtiasa.com">www.suburtiasa.com</a>. The FMU team on 21<sup>st</sup> September, 2022 5 made a site visit at longhouses - Rh. Kilau, Rh. Janteng, Rh. Seman, Rh. Agam and Rh. Tani, 2<sup>nd</sup>-5<sup>th</sup> August, 2022 Rh.</p>

	<p>CRC on 4/03/2020 at Mahligai Hotel, Kapit with attendance of Tuai Rumah and 2 representatives each village.</p> <ol style="list-style-type: none"> <li>1. However, during stakeholder consultation, villages were not aware with the process and access to the complaint form.</li> <li>2. Interview with FMU person in charge has confirmed that the mechanism and the complaint form also were neither in the website for public access, nor that villagers has been informed they may have access to the form at Garu base camp</li> </ol>	<p><b>Correction and corrective action plan including completion date:</b></p> <p>Complain and Grievance form will be uploaded to the company website under the Mujung-Melinau FMU to ensure it is accessible to all the stakeholders. The Briefing will also be conducted during the next CRC meeting and social visit to the longhouses. Expected to complete in 6 months.</p>	<p>Tinggom, Rh. Umbar, Rh. Ambu, Rh. Ejon/James Saka, Rh. Tangai and Rh. Jala. 5<sup>th</sup> July- 8<sup>th</sup> July, 2022 to Rh. Segiang, Rh. Jos, Rh. Barang, Rh. Anding and Rh. Mansai. This was sighted during the Site visit to Rh. Tinggai, Rh. Ejon/Rh. James Saka, Rh. Jala, Rh. Anding, Rh. Mansai and Rh. Barang on the 14<sup>th</sup> December, 2022 at the Longhouse community notice board at the longhouses. With this evidence the Minor NCR LYD01/2022 for Indicator 3.1.3 is satisfactory closed.</p> <p>Status: Previous Minor NCR LYD01/2022 was satisfactorily closed. <b>Reissue Minor NCR AS01/2022</b> for difference noncompliance.</p>
<p><b>Minor</b></p> <p><b>NCR: LYD-01/2022</b></p>	<p><b>Requirement: Indicator 4.2.2</b> Availability of management policies addressing the occupational safety and health of forest workers including work-related risks, in accordance with current legislation and/or regulations.</p> <p><b>Finding:</b> Employment of Safety and Health Officer not in accordance with Occupational Safety and Health Act 1994 under subsection 29 (1) and (2).</p> <p><b>Objective evidence:</b> Letter of appointment for Ms Jude Conai anak Dickson as Safety and Health Officer, together with her description of responsibilities and authorities were not found during this audit</p>	<p><b>Result of investigation and determination of root cause.</b></p> <p>Due to restructuring of FMU Organization Chart and the transfer movement of the employee, the letter of appointment and job description for the newly appointed Safety Office has not been issued.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Human Resource Department (HR) will re-look into the employee of the FMU and ensure all the Letter of Appointment and Job Description is issued. Expected to complete within a month.</p>	<p>A Letter of appointment for Ms Jude Conai anak Dickson as Safety and Health Officer, together with her description of responsibilities and authorities was made verified during this audit. Appointment of Ms. Jude Conai Ak Dickson was effective 1<sup>st</sup> March, 2022 as Acting Safety and Health Officer by Subur Tiasa Holdings Berhad on 28<sup>th</sup> February, 2022. Registered under sect.7 of Safety officer 1997 (P.U. (A)315). Therefore, the Minor NCR LYD 02/2022 for Indicator 4.2.2 was satisfactory closed.</p> <p>Status: Closed</p>

<p><b>Minor</b></p> <p><b>NCR:</b> <b>RJ 02/2022</b></p>	<p><b>Requirement: Indicator 4.2.5</b> - Demarcation of hazardous areas and provision of guidelines for storage and handling of hazardous materials.</p> <p><b>Finding:</b> Storage and handling of hazardous material not comply to the Guidelines on Storage and Handling of hazardous materials.</p> <p><b>Objective evidence:</b> Site inspection at Garu Camp workshop , found the following;</p> <ol style="list-style-type: none"> <li>1. <u>The Temporary Schedule waste site</u> <ol style="list-style-type: none"> <li>a. 2 Drums of SW305 (used oil) and SW 410 (used oil filter) respectively were stored without the date of first generated.</li> </ol> </li> <li>2. <u>The workshop store/Workshop</u> <ol style="list-style-type: none"> <li>a. 6 plastic containers containing lubricant oil were stored in this store, not at the designated area for storage of Fuel, Oil and Lubricant (FOL).</li> <li>b. 2 Plastic Containers of Acid Battery (Sulphuric Acid) were stored in this store, not at the chemical store or at FOL .</li> <li>c. 2 drums of SW 305 and SW 410 respectively were stored at the workshop, not at the Schedule Waste Store and without date of first generated.</li> </ol> </li> </ol>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The hazardous items include the schedule waste stored at the Temporary Schedule Waste Storage and scheduled waste found at the workshop area was due to the repairing of the Schedule Waste Store and the storage was not done properly by the workshop in charge and store in charge.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>The repairing of Scheduled Waste Store is in progress. The Store is expected to complete within 3 months.</p>	<p>During this surveillance 2 audit to the workshop and stores in Garu Camp, the schedule waste generated SW 305 was stored at the schedule waste store with the label of date of first generated (29/11/2022). The plastic containers of lubricant oil, and sulphuric acid were stored in the designated area for storage of Fuel, Oil and Lubricant. Therefore, a Minor NCR RJ02/2022 for Indicator 4.2.5 was satisfactorily closed.</p> <p>Status: <b>Closed</b></p>
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<p><b>Minor</b></p> <p><b>NCR:</b> <b>LYD-01/2022</b></p>	<p><b>Requirement: Indicator 4.4.1</b> Forest managers shall evaluate, through consultations, social impact of forest operations directly affecting communities, and the people and groups directly affected by the forest operations shall have access to information on the results of the social impact evaluations.</p> <p><b>Finding:</b> Access to information on the results of the social impact evaluations for people and groups directly affected by the forest operations were not made available.</p> <p><b>Objective evidence:</b> FMU has briefly present the social impact evaluations during meeting with CRC on 4/03/2020 at Mahligai Hotel, Kapit with attendance of Tuai Rumah and 2 representatives each village.</p> <p>1. However, during stakeholder consultation, villagers were not aware with the access to the SIA result.</p> <p>2. Interview with FMU person in charge has confirmed that SIA result also was neither in the website for public access, nor that villagers has been informed they may have access at Garu base camp</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The SIA result and findings only shared at the the CRC and FMCLC meeting and it is not conveyed to all the local communities.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>During the next social visit to the longhouses, the SIA result and findings will be briefed to all the local communities. A copy of SIA report will be made available at the FMU site for the locals to access if needed. Expected to complete within 6 months.</p>	<p>Consultations with long house communities of Rh. Ejon/Rh. James Saka, Rh. Barang, Rh. Mansai, Rh .Tangai and Rh. Jala on 14<sup>th</sup> December, 2022 confirmed that, the SIA and social monitoring results are yet to be shared with the communities. They acknowledged that the FMU had included information on RTE species, CRC information and Grievance on the newly installed Community Notice Board at all the longhouses. Inspection of the notice board indicated that there's no information regarding the results of the SIA 2018. Verification with the FMU's social relations' field staff had confirmed that the SIA and Social monitoring results were yet to be shared with the local communities. Therefore, previous <b>Minor NCR LYD03/2022</b> for <b>indicator 4.4.1</b> was upgraded to <b>Major NCR AS02/2022</b> under indicator <b>4.4.1</b>.</p> <p>Status: <b>Minor NCR LYD03/2022</b> for <b>indicator 4.4.1</b> was upgraded to <b>Major NCR AS02/2022</b> under indicator <b>4.4.1</b>.</p>
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<p><b>Minor</b></p> <p><b>NCR:</b> <b>ISMA02/2022</b></p>	<p><b>Requirement: Indicator 6.3.1</b> - Availability and implementation of management guidelines to assess post-harvest natural regeneration, and measures to supplement natural regeneration and rehabilitate degraded areas, where necessary, in the FMU.</p> <p><b>Finding:</b> Management guidelines to assess post-harvest natural regeneration was not implemented</p> <p><b>Objective evidence:</b> Result of analysis of change of forest stand/species to the pre-felling inventories was not available.</p>	<p><b>Result of investigation and determination of root cause:</b> Post harvesting activities just been commenced at the FMU block so the mechanism was not developed yet.</p> <p><b>Correction and corrective action plan including completion date:</b>  Prepare SOP on carryout the analysis of change of forest change/species to the pre-felling inventories. The ground activities will be carried out based on the mechanism established. Expect to complete within 6 months.</p>	<p>Detailed method and latest results for the year 2022 are available in the report entitled 'Annual Analysis of Change of Forest Flora &amp; Fauna Species Composition' for Coupe 01A that was previously harvested is seen and verified during the audit..The site visit to the PSP plot in Coupe 01A confirms that the assessment is carried out properly by the FMU management. Therefore, Minor NCR ISMA 02/2022 for Indicator 6.3.1 was satisfactorily closed.</p> <p>Status: <b>Closed</b></p>
<p><b>Minor</b></p> <p><b>NCR:</b> <b>ISMA01/2022</b></p>	<p><b>Requirement: Indicator 8.1.3</b> - Forest managers shall undertake annual internal audit and management review of forest management for continual improvement. The conduct of internal audit, management review and continual improvement is stipulated in <b>APPENDIX A</b>.</p> <p><b>Finding:</b> Determining of the cause of the non - conformity not evidence.</p> <p><b>Objective evidence:</b>  Report of the internal audit that was conducted on 13<sup>th</sup> – 15<sup>th</sup> September did not include the result of the investigation and determination of root cause for the non-conformity raised.</p>	<p><b>Result of investigation and determination of root cause:</b> The section of determination of root cause was not in the NCR form designed as the old form was used and not complying with the new MC&amp;I SFM standard requirement.</p> <p><b>Correction and corrective action plan including completion date:</b>  Improve the NCR form used in the Internal Audit to include the section of "Determination of Root Caus". The New Form will be implemented within a month.</p>	<p>The Internal Audit Report for the audit exercise that was carried out between September 26 and 28th 2022 was seen and verified. In this report, the minor NCR raised during the last audit was acted upon with the root cause that has been included in the 'Result of Investigation &amp; Determination of The Root Cause'. Therefore, a Minor NCR ISMA 01/2022 for Indicator 8.1.3 was satisfactorily closed.</p> <p>Status: <b>Closed</b></p>

<p><b>Minor</b></p> <p><b>NCR:</b> <b>LYD-01/2022</b></p>	<p><b>Requirement: Indicator 8.2.1</b> Forest managers shall gather the relevant information, appropriate to the scale and intensity of the forest management operations, needed to monitor the items (a) to (e) listed in Criterion 8.2.</p> <p><b>Finding:</b> Reports on social impacts evaluation on annual monitoring were inadequate</p> <p><b>Objective evidence:</b></p> <p>1. For 2021, due to Covid 19 – MCO restriction, only 2 villages have been visited on 2020 (Rh. Barang and Rh Mansai on 11/07/2020) and 3 villages on 2021 (Rh. Jantang, Rh. Tani, Rh. Killau on 29/09/2021 – 1/10/2021). The social monitoring has yet to be conducted to cover all local communities (16 villages) for 2022.</p> <p>2. The recording of social monitoring was not consistent as there was no specific form for this purpose (Form D HCV 5 monitoring were used for Rh. Barang &amp; Rh. Mansai and Field Trip report were used for Rh. Rh. Jantang, Rh. Tani, Rh. Killau)</p> <p>3. The content of the form used has yet to cover the social impact on economy, employment opportunities, road safety, and protection of significant area (cultural, religious and burial sites, water intake point)</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>Social visit to all longhouses has been carried out in Year 2020. However, due to Covid pandemic and Movement Control Order (MCO) so in Year 2021 the social team can only visited few longhouses. Also, some longhouses have restricted the visitors during Covid pandemic period. The missing data in updating social profile was because of the different forms been used during the social survey.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Social team will make the planning and ensure they visit all the longhouses in Year 2022 to carry out the social monitoring activities. New Social Form will be developed and used to ensure all the social related information is updated. Expected to complete within 6 months.</p>	<p>During the previous Audit, the Social Monitoring was not carried out in all the (16) villages within and at the fringes of the FMU. However, during this surveillance 2 audit, a “Report of Annual Social Monitoring and Evaluation Report year 2022 Mujong-Melinau FM FTL T/3361”, December 2022 was made available during this audit. The report showed that:</p> <p>i. FMU team had visited 5 longhouses on 21st September 2022 to Rh.Kilau, Rh.Janteng, Rh. Seman, Rh. Agam, and Rh. Tani, on 2nd-5th August 2022 at Rh. Tinggom, Rh. Umbar, Rh. Ambu, Rh. Ejon/James Saka, Rh. Tangai and Rh. Jala, and on 5th July- 8th July 2022 to Rh. Segiang, Rh. Jos, Rh.Barang, Rh.Anding and Rh.Mansai.</p> <p>ii. The FMU had used Form D HCV 5 Monitoring Form STH/FRU/HCV/02 for HCV only and Social Questionnaire was used to carry out Social Monitoring.</p> <p>Therefore, a Minor NCR LYD-04/2022 for Indicator 8.2.1 was satisfactorily closed.</p> <p>status: <b>Closed</b></p>
<p>Minor</p> <p>NCR: ISMA03/202</p>	<p><b>Requirement: Indicator 9.3.1</b> - Measures to demarcate, maintain and/or enhance the HCV attributes are documented in the forest management</p>	<p><b>Result of investigation and determination of root cause:</b></p> <p>The monitoring activities mentioned in the HCV</p>	<p>A site visit to HCV 1.4 in the Nesting Area of Simpang Setekup of Block 6 Coupe 01A found that the area is properly preserved, monitored, and demarcated with blue paint. Therefore, a</p>

2	<p>plan and effectively implemented.</p> <p><b>Finding:</b> Demarcation of HCV on the ground was not implemented.</p> <p><b>Objective evidence:</b> Site inspection at HCV 1.4 (Bird Nest) at Block 6, Coupe 1A and HCV 6 (Burial Ground) at coupe 13A found that the buffer zone was not demarcated on the ground base on a requirement in SOP "HCV Management and Monitoring."</p>	<p>Management and Monitoring SOP need to be improved to be more specific in monitoring the different HCV attributes.</p> <p><b>Correction and corrective action plan including completion date:</b></p> <p>Carry out inspection on the current HCV monitoring mechanism and also improve the SOP on "HCV Management and Monitoring" to cover the different HCV attributes. Expected to complete in 3 months.</p>	<p>Minor NCR ISMA03/2022 for Indicator 9.3.1 is satisfactorily closed.</p> <p>Status: <b>Closed</b></p>
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**End Of Report**