



**PUBLIC SUMMARY
STAGE 2 AUDIT ON
MENGIONG-ENTULU FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC-NF 00141
Date of First Certification: 1 December 2023
Audit Date: 27 - 31 March 2023
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EXECUTIVE SUMMARY

This Stage-2 audit on the Mengiong-Entulu Forest Management Unit (hereafter referred as the Mengiong-Entulu FMU) was conducted on 27 to 31 March 2023 to assess the compliance of the overall forest management system of FMU against the requirements MTCS ST 1002:2021 Malaysian Criteria and Indicators for Sustainable Forest Management (MC&I SFM) using the verifiers stipulated for Sarawak. The scope of this Stage-2 audit was limited to the forest management system and practices within the Mengiong-Entulu FMU.

This Stage-2 audit was conducted by a 3-member team comprising Khairul Najwan bin Ahmad Jahari (Lead Auditor), Mohd Razman bin Salim (Auditor), and Mohd Annas Amin bin Hj Omar (Auditor),

Based on the findings of this Stage-2 audit, it was found that Mengiong-Entulu FMU had complied with the requirements of the MC&I SFM. This Stage-2 audit had resulted in the issuance of one (1) Major and (2) Minor Non-Conformance Report (NCRs) against the requirements of the MC&I SFM. Additionally, two (2) Observation for Improvements (OFIs) were also raised.

This public summary contains the general information on the Mengiong-Entulu FMU, the findings of the Stage-2 audit, NCRs raised as well as the decision on the certification of the FMU.

1 INTRODUCTION

1.1 Name of FMU

Mengiong-Entulu Forest Management Unit

1.2 Contact Person and Address

Jaya Tiasa Holdings Berhad

(Mr Ling Kuok Phiew, Senior Manager)
No. 1-9, Pusat Suria Permata,
Lorong Upper Lanang 10A,
96000 Sibul, Sarawak.

1.3 General Background on the Mengiong-Entulu FMU

Mengiong-Entulu FMU is managed by Jaya-Tiasa Holdings Berhad. The company is committed to the management of the FMU on a sustainable basis. The scope of certification of Mengiong-Entulu FMU covers an area of 64,974 ha and is located entirely inside the Baleh Protected Forest.

The FMU is situated approximately between Latitudes 010 17.0' N to 010 36.5' N and Longitudes 1120 58.3' E to 1130 26.5' E in the Kapit District, Kapit Division, Sarawak. It is bounded to the North by LPF/0028, Sg. Gaat and Sg. Mengiong, to the east by Sg. Entulu, to the West and South by Malaysian-Indonesian International Boundary and is about a 2-hour (90km) travel from Kapit Town.

The FMU is managed based on the principles of sustainable forest management (SFM) over a 25-year rotation period. Under the Forest Management Plan (FMP) (2020-2045), the Annual Allowable Cut (AAC) for Mengiong-Entulu FMU is set up to 15m³/ha or 31,820m³/year with operable area of 53,034ha.

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

1.4 Date First Certified

1 December 2023

1.5 Location of the FMU

The FMU is located Latitudes 010 17.0' N to 010 36.5' N and Longitudes 1120 58.3' E to 1130 26.5' 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) 2021 to 2045 was presented during this audit.

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

Under the Forest Management Plan (FMP) (2020-2045), the Annual Allowable Cut (AAC) for Mengiong-Entulu FMU is set up to 15m³/ha or 31,820m³/year with operable area of 53,034ha. During this Stage-2 audit, the size of the FMU is 64,974 ha.

1.8 Environmental and Socioeconomic Context

There is only one (1) Iban indigenous local community known as Rh. Lawan, Sg. Ramong, with 23 doors adjacent to Mengiong-Entulu FMU. The economic activities of this community range from hunting, fishing, and jungle produce collection. There are also small farms established for own consumption and operating canteen village shops. There was no cultivation of paddy nor shifting of agricultural areas. Their "Temuda," water catchment, and the burial site are located outside of the FMU.

2 AUDIT PROCESS

2.1 Audit Dates

27 - 31 March 2023 (15 man-days)

2.2 Audit Team

Khairul Najwan bin Ahmad Jahari (Lead Auditor)
Mohd Razman bin Salim (Auditor/Forester)
Mohd Annas Amin bin Hj Omar (Auditor/Forester)

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

2.3 Standard Used

MTCS ST 1002:2021 Malaysian Criteria and Indicators for Sustainable Forest Management (MC&I SFM) using the verifiers stipulated for Sarawak.

2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted on 20 January 2023 to solicit feedback from stakeholders on the compliance of the Mengiong-Entulu FMU against the requirements of the MTCS ST 1002:2021 Malaysian Criteria and Indicators for Sustainable Forest Management (MC&I SFM). However, no comments were received during this period.

2.5 Audit Process

The audit was primarily conducted to evaluate the level of continued compliance of the Mengiong-Entulu FMU's current documentation and field practices in forest management with the detailed standard of performances (SOPs) listed in the MC&I SFM, using the verifiers stipulated for Sarawak.

For each indicator, the auditors conducted either a documentation review, consultation with the relevant personnel of the FMU, local community, or stakeholders, or a field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors then decided on the degree of the FMU's overall compliance with the indicator and decided whether to issue a major or minor NCR or an OFI, which is defined as follows:

- (i) a major NCR is 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.

The audit involved the verification of documentations and field visits and inspections. There were also consultations being held with the Forestry Department, and the indigenous community of Rh. Lawan.

The coverage of this surveillance audit is shown in the surveillance 04 Audit Plan in **Attachment 4**.

3 SUMMARY OF AUDIT FINDINGS

A total of one (1) Major, two (2) Minor Non-Conformance Reports (NCRs) and two (2) Opportunities for Improvements (OFIs) were raised on Mengiong-Entulu FMU against the requirements of the MC&I SFM. The audit team had examined all the proposed corrective action plans to address the NCRs raised during the Stage-2 audit on 14 April and 18 July 2023 which has been accepted by the audit team leader. The evidence of corrective action taken for Major NCR was received on 18 July 2023 and has been accepted and closed on 28 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.

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through establishment of Standard Operating Procedures (SOPs), as well through the formation of Forest Management Community Liaison Committee (FMCLC) and Committee Relation Committee (CRC). It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the FMU.

Regarding Criterion 6.10, 6.11 and 6.12, there has been no conversion of natural forest into non-forest land use within the Mengiong-Entulu FMU. Furthermore, there was no conversion of severely degraded forests to forest plantations or afforestation of ecologically important non-forest ecosystems in the FMU.

As the major NCR raised during this Stage-2 audit had been closed out, the audit team had therefore, recommended that the Certificate for Forest Management be awarded to Mengiong-Entulu FMU for 5 years from 1 December 2023 to 30 November 2028.

The summary on the findings of the Stage 2 audit on Mengiong-Entulu FMU against the requirements of the MC&I SFM are as follows:

Principle	Strengths	Weaknesses
Principle 1 Compliance with Laws and Principles	<p>The Mengiong-Entulu Forest Management Unit (FMU) maintains updated copies of federal, state, and local laws pertinent to forest management in Amang Camp. Verified documents include the Sarawak Government Gazette, Minimum Wages Order 2022, Land Code 1958, Workmen's Compensation Act 1952, and Environmental Quality Act 1974. Interviews with forest managers revealed their awareness of applicable laws and regulations, and field observations substantiated their knowledge. Verification on the records and interviews with representatives from the Forest Department Sarawak (FDS) confirmed the absence of any violations by the FMU.</p> <p>Amang Camp was confirmed to possess the current list of legally prescribed fees, royalties, taxes, and charges. Payment records for the period of 1 January to 31 December 2023 were duly verified.</p> <p>Forest managers interviewed demonstrated their awareness of binding international agreements relevant to forest management. Copies of these international agreements were verified during the audit.</p> <p>A thorough evaluation of conflicts between laws, regulations, and Principles and Criteria was confirmed to have been conducted by the FMU. Interviews with managers further confirmed their awareness and willingness to participate in any process to resolve such conflicts that may arise with affected parties.</p> <p>The Mengiong-Entulu FMU is managed by Jaya Tiasa Holdings Berhad under Forest Timber Licence (FTL) No. T/3372. The FMU is entirely located within the Baleh Protected Forest, and the FTL has been issued by FDS</p>	

Principle	Strengths	Weaknesses
	<p>since 22 June 1999. Specific control measures for the protection of the FMU, such as boundary licence demarcation and patrolling, were duly verified.</p> <p>The FMU's commitment to sustainable forest management, as outlined in the 'Sustainable Forest Management Policy' and its Malay version, 'Dasar Pengurusan Hutan Lestari', was confirmed and verified. The policy has been adequately disseminated throughout the organisation and is publicly available. This confirmation was verified through meeting minutes, stakeholder consultation records, and interviews with workers and other stakeholders.</p>	
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>Legal provisions governing the establishment and protection of the Mengiong-Entulu FMU were confirmed to be in place. The FMU operates under FTL No. T/3372, issued to Jaya Tiasa Holdings Berhad since 22 June 1999. Relevant documents, including the Locality Map and Baleh Protected Forest Gazette Notifications, were verified. The certification scope is confirmed to cover only 64,974 hectares of the total FTL No. T/3372 licence area of 82,223 hectares, reduced due to the Baleh Hydro Electric Project.</p> <p>Forest Managers actively support legally recognised mechanisms for resolving land claims, as affirmed by the establishment of SOP 2.3.9.2 Land Claim (Mengiong-Entulu T/3372) to address disputes over tenure claims and land use rights.</p> <p>Rh. Lawan was confirmed during the audit to be the sole settlement adjacent to the Mengiong-Entulu FMU, situated approximately 17.30 km northwest of the FMU boundary and 8 km from Amang Camp via logging road. Rh. Lawan was found to have no Native Customary Rights (NCR) in the FMU, as evidenced by the Sarawak Gazette Schedule 11. No Shifting Agriculture areas were identified by FDS and the Land & Survey Department map. Nevertheless, the FMU was confirmed to maintain ongoing consultations with Rh. Lawan communities, as evident through consultation records, briefing records and HCV consultation records.</p> <p>The SOP 2.3.9.2 Land Claims (Mengiong-Entulu T/3372) was verified during the audit as the mechanism for addressing disputes related to tenure claims and land use rights. The FMU was also confirmed to utilise the Greenbook-Conflict Resolution Procedures by establishing the Community Representative Committee</p>	

Principle	Strengths	Weaknesses
	<p>(CRC) and Forest Management Certification Liaison Committee (FMCLC) as platforms for resolving conflicts. Interviews with Rh. Lawan communities confirmed their awareness of the dispute resolution mechanism.</p>	
<p>Principle 3 Indigenous People's Rights</p>	<p>Through the Sarawak Gazette Schedule 11, it was confirmed that Rh. Lawan has no legal NCR rights in the FMU. Additionally, no Shifting Agriculture area was established in the FMU, as verified during this audit. Any potential conflicts between the community and FMU management are addressed using SOP 2.3.5.3 - Conflict Resolution for Local Community, involving the CRC. Unresolved issues will be escalated to the FMCLC, involving other relevant local authorities. The FMU's operations requiring community engagement were confirmed, as evidenced by Rh. Lawan communities' participation in marking the FMU's licence boundaries. Consultations with Rh. Lawan communities by the auditors confirmed their awareness of the FMU's dispute resolution mechanisms.</p> <p>The FMU's forest operation was confirmed not to adversely impact any communities, verified through the establishment of in-house procedures such as SOP 2.3.3.2 'Monitoring Impact on Social, Ecological, Environment and Economic due to timber harvesting and management operation' and SOP 2.3.6.1 'Monitoring High Conservation Values attributes'. The FMU's General Harvesting Plan (GP) maps confirmed that forest operation does not threaten or diminish the resources or user rights of indigenous communities.</p> <p>During this audit, no sites of special cultural, ecological, or religious significance to indigenous peoples were identified within and around the FMU. Identification of such sites is guided by SOP BB:2.3.4.1 'Identifying and protecting sites of Special Cultural, Ecological, Economic and/or Religious Significance to Natives Areas Procedures'. Consultation with Rh. Lawan communities by the auditors confirmed the FMU's engagement in the identification of such sites, but no sites were identified.</p> <p>It was confirmed that the FMU does not incorporate traditional forest-related knowledge into its operations. As there was no commercial utilization of traditional forest-related knowledge and practices within the FMU, no legislation has been enacted to ensure compensation for their commercial utilization. Disputes regarding fair compensation will be</p>	

Principle	Strengths	Weaknesses
	addressed through SOP 2.3.5.3 - Conflict Resolution for Local Community, the CRC and the FMCLC.	
Principle 4 Community Relations and Workers' Rights	<p>The Mengiong-Entulu FMU has been confirmed have provided appropriate support for training, infrastructure, facilities, and socio-economic programs for its workers. This is evident through their structured annual training program, 'Briefing and Training Programme for Mengiong Entulu FMU,' covering the years 2022 and 2023. Job opportunities have been confirmed to be advertised to local communities, and employment record verification indicates that the FMU employs local Sarawakians from Sibu, Kapit, Miri, Song, and Dalat. Interviews with the workers have confirmed the absence of child labour and forced labour at Mengiong Entulu FMU.</p> <p>To address the Major NCR raised on Indicator 4.1.3, auditors have reviewed the evidence submitted by the FMU. It was revealed that the undocumented worker exceeded the maximum age of 45, rendering the FMU ineligible to apply for a new licence as per the Department of Labour Sarawak requirement. Consequently, the FMU terminated the service of the undocumented worker and replaced him with other security personnel. The auditor accepted the evidence submitted by the FMU and closed the Major NCR raised on Indicator 4.1.3 on 28 July 2023.</p> <p>Up-to-date information on all applicable laws and regulations covering occupational safety and health has been confirmed to be available at the FMU and has been disseminated to workers in Bahasa Malaysia and/or English. The Occupational Safety and Health Policy is visible throughout the FMU. A 'Health, Safety, and Environment' committee has been established, and safety equipment, maintenance records, and personal protective equipment (PPE) issuance were verified. Safety and health meeting minutes were reviewed and confirmed to have been implemented according to the Occupational Safety and Health Act 1994. HIRARC assessment was verified, and demarcation of hazardous areas, guidelines for hazardous material handling, and worker awareness about health and safety requirements were found to be adequate.</p> <p>The establishment of a Management Worker Committee (MWC) and adherence to the Good Social Practices Policy, as a platform for workers to raise concerns about their social</p>	<p>Site inspection on the Security Post Guard at the Amang Camp entrance found that there is one (1) undocumented worker working as a Security. Therefore, a Major NCR on Indicator 4.1.3 was raised.</p>

Principle	Strengths	Weaknesses
	<p>welfare benefits and well-being, were confirmed and verified. Employment records verified show the FMU's compliance with statutory deductions (EPF, SOCSO, and EIS) and the Minimum Wage Order 2022. SOPs for addressing complaints and grievances were verified and confirmed to have been presented to the worker's representative during the MWC Committee meeting on 20 October 2022.</p> <p>The Social Impact Assessment (SIA) report for Mengiong-Entulu, dated October 2022, was confirmed, and verified. The SIA outlines the socio-economic environment, social impacts, and mitigation measures for the Rh Lawan settlement. The FMU's consultation with Rh Lawan communities was held on 1 March 2023. Verification of the FMP confirms that the results of the SIA have been incorporated into forest planning and management.</p> <p>The Mengiong-Entulu FMU maintains comprehensive provisions within relevant federal, state, and local laws to prevent loss or damage to the legal or customary rights, property, resources, or livelihoods of local communities. Documentation of these laws was confirmed at Amang Camp. Mechanisms to resolve grievances and provide fair compensation for any loss or damage affecting local communities' rights were confirmed.</p>	
<p>Principle 5 Benefits From the Forest</p>	<p>Investments and reinvestments in the Mengiong-Entulu FMU were confirmed have encompassed various aspects of forest management. The FMP outlines provisions and management prescriptions to sustain, restore, or enhance the FMU's productivity and ecological integrity, detailed in Chapters 3, 9, and 10 of the FMP.</p> <p>Forest resource management, focusing on yield optimization, has been confirmed and outlined in Chapter 2 of the FMP. Four Permanent Sample Plots (PSP) have been established, out of a planned 39 plots in the FMU. Future growth and yield assessments will utilise data from these PSPs. The FMU exclusively focuses on timber harvesting and silviculture treatment, adhering to its license terms. The estimated Annual Allowable Cut (AAC) is 31,820 m³/year, with an annual production area of 2,121 ha/year for a 25-year cutting cycle across 25 coupes, detailed in Chapter 3 of the FMP.</p> <p>Guidelines for reduced/low impact logging (RIL) to optimise yield extraction and minimise surrounding damages were confirmed. The FMU follows the 'Guidelines for Reduced and</p>	

Principle	Strengths	Weaknesses
	<p>Low Impact Logging Systems in Forest Management Certification (Natural Forest)' set by FDS. The General Harvesting Plan (GP), the Detailed Harvesting Plan (DP), and the Road Plan for Coupe 01A were confirmed to have been approved by FDS and have incorporated RIL aspects. The FMU has established multiple SOPs for RIL, covering various aspects such as forest road planning, pre-felling operations, tree inventory, road construction and maintenance, tree felling, and log extraction. Interviews with workers at Amang Camp confirmed their awareness of these SOPs. Verification on the implementation of these guidelines and SOPs will be conducted in the next audit as there was no harvesting operation observed during this audit.</p> <p>During the audit, it was confirmed that Mengiong-Entulu FMU currently has no plans to produce mixed commercial forest products, apart from logs. Harvesting of non-timber forest products is solely done by the Rh Lawan community for daily subsistence and personal use, as confirmed during interviews with the communities.</p> <p>SOPs to protect sensitive areas have been confirmed to be established by the FMU. Documentation review and site inspection confirm the implementation of these SOPs, where sensitive areas, including riparian buffers, Terrain IV, and salt lick, have been properly demarcated and protected. Initiatives to estimate carbon dioxide emissions from non-renewable energy consumption have been taken, with records of emission calculations for the year 2022 verified.</p> <p>The FMU's rate of harvest has been confirmed to align with the estimated regrowth of the residual stand over a 25-year cutting cycle, covering a total productive area of 53,034 ha. The Mean Commercial Annual Increment (MAI) of 1 m³/ha/year is used for AAC estimation, resulting in an approximate annual production of 31,820 m³ (averaging 2,121 ha/year). The estimated AAC was confirmed to have been approved by FDS on 14 April 2022. Future AAC calculations will be based on the establishment of PSPs in the FMU. Adherence to the AAC will be verified during the next audit, as no harvesting operation can be observed during this audit.</p>	
Principle 6 Environmental Impact	<p>The Environmental Impact Assessment (EIA) for Timber Harvesting in Mengiong-Entulu FMU was made available and verified. The EIA</p>	<p>The inspection checklist record for forest fire equipment should be kept at Amang Camp.</p>

Principle	Strengths	Weaknesses
	<p>report was approved by the Natural Resources and Environment Board Sarawak (NREB) in September 2020. The report extensively covers potential impacts on flora, fauna, water quality, and socio-economic aspects, suggesting wildlife corridors and protection of ecological resources to mitigate impacts. The Environmental Management Plan (EMP), derived from the EIA report was confirmed and verified.</p> <p>The FMP was reviewed and confirmed the incorporation of EIA mitigation measures, conservation status tables, and lists of endangered flora and fauna species. It addresses risks of fire, water pollution, and impacts on forest carbon stocks in the FMU. Guidelines and SOPs for the protection of Endangered, Rare, and Threatened (ERT) species and their habitats are well-documented in Chapter 10 of the FMP. The FMP emphasizes the protection of seed trees, salt licks, nesting, and feeding areas, with the establishment of SOPs for monitoring ERT species and High Conservation Value (HCV) attributes.</p> <p>Verification on the records confirms the FMU's collaboration with various organizations and regulatory authorities for conservation efforts, including wildlife studies and carbon assessments. Measures to control hunting, fishing, and collecting activities have been enforced through signage, posters, and patrolling by appointed Honorary Wildlife Rangers. Awareness programs briefings on wildlife conservation, sustainable forest management (SFM), and the prohibition of illegal activities on 20 October 2022 and 26 February 2023 were confirmed. The FMP demonstrates comprehensive approaches to post-harvest natural regeneration and rehabilitation of degraded areas through the establishment of multiple SOPs.</p> <p>The General Plan (GP) approved on 13 October 2021 shows demarcation of representative areas of existing forest ecosystems, including Terrain IV Forest, river buffer, International Buffer, International Boundary, Permanent Sample Plot, and High Conservation Value (HCV) areas.</p> <p>Multiple SOPs to protect soil from compaction and erosion during harvesting operation were verified. Guidelines for managing natural hydrology and conserving buffer strips along water bodies were also confirmed to be in place. Since there is no harvesting observed during the audit, verification on the</p>	<p>Therefore, an OFI was raised on Indicator 6.5.5.</p> <p>The notification and inventory of the generated scheduled waste for year 2022 were updated using hardcopy template form. The practice could be enhanced by using the online system of the Department of Environment called 'e-Swis'. Therefore, an OFI on Indicator 6.7.1 was issued.</p>

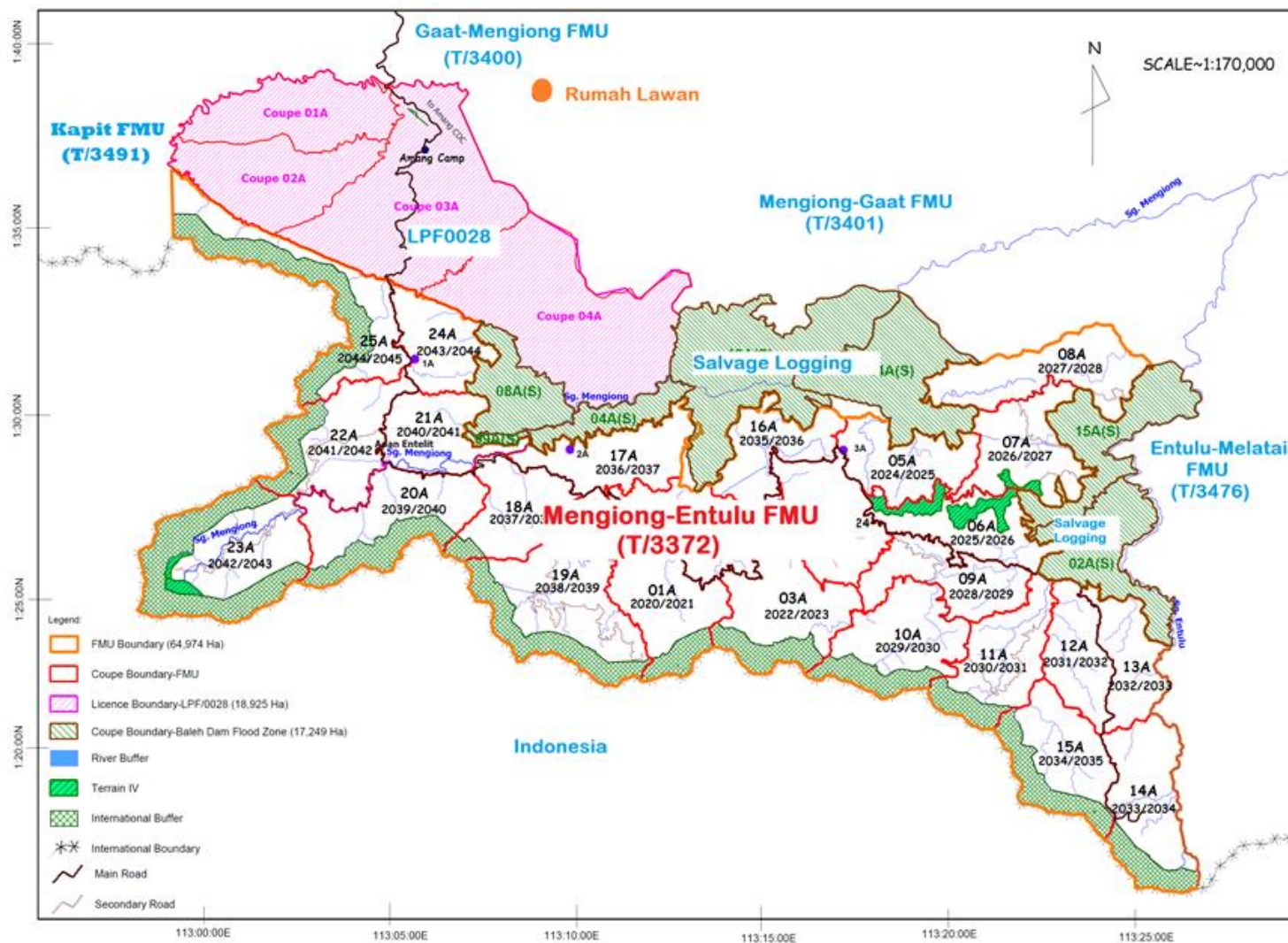
Principle	Strengths	Weaknesses
	<p>implementation of these SOPs and guidelines will be assessed during the next audit.</p> <p>A fire prevention and control plan were confirmed has been outlined in Chapter 13 of the FMP. Emergency Response Team (ERT) equipment, including chainsaw, pump, hose set, and water tank, was confirmed to have undergone an inspection and found to be in good condition. Site verification confirms the equipment is indeed in good condition.</p> <p>Management policies on using environmentally friendly non-chemical pest management and prohibition on the use of banned pesticides were confirmed are in place which can be seen in the FMU premises. Interviews with the managers and workers show their awareness on these policies.</p> <p>SOP for chemical use is outlined in 'Safety Operating Procedure 3(viii) Safe Chemical Handling and Storage' (Issue 2 – Rev 1, December 2020). However, no trace of pesticide usage or storage was observed during the audit. There were also no purchasing records or containers found. A chemical management training session was confirmed to have been conducted on 10 March 2023, involving 16 forest workers. As the FMU does not use pesticides, no reduction plan is required.</p> <p>Management on handling of Scheduled Waste in the FMU was confirmed to be appropriate and in a legal manner. SOP for scheduled waste management and oil spill management were made available and verified. Inventory records of generated schedule waste from November 2022 to March 2023 were verified and confirmed during site inspection at the Scheduled Waste Store. An application for self-transportation and temporary storage of scheduled wastes has been submitted to the Department of Environment, and transportation and disposal will be conducted by a licensed contractor at Jaya Tiasa Plywood Sdn. Bhd in Sibul. Scheduled waste management training was confirmed has been conducted on 10 March 2023.</p> <p>There was no application of biological control agents in the FMU.</p> <p>Mengiong-Entulu FMU was confirmed to only employ indigenous forest species for restorative planting. Document verification, as well as site visits to Coupe 24A and 25A shows that the FMU only uses Kelempayan trees</p>	

Principle	Strengths	Weaknesses
	<p>(<i>Neolamarckia cadamba</i>) for their restorative plantings.</p> <p>There has been no conversion of natural forest into non-forest land use within Mengiong-Entulu FMU. Furthermore, there was no conversion of severely degraded forests to forest plantations or afforestation of ecologically important non-forest ecosystems in the FMU.</p>	
Principle 7 Management Plan	<p>The FMP for Mengiong-Entulu FMU, tailored to the scale and intensity of its operation, has been confirmed to be prepared, written, implemented, and kept up to date. Approved by the FDS on 14 April 2022, the FMP covering a 25-year cycle was verified and confirmed to have adequately addressed the requirements of Criterion 7.1 items (a) to (i).</p> <p>The FMP is scheduled for revision every 5 years, in accordance with Clause 3.7 of the FMP. The next revision is set for the year 2025, aiming to incorporate new scientific, technical, and indigenous knowledge relevant to FMU management. Forest manager interviews have demonstrated awareness of the impending revision and the importance of integrating updated information.</p> <p>Forest worker trainings were well-planned and implemented, evident from the 'Annual Training/Programme FY 2023' document, along with other training records and certificates. The organizational chart illustrates the roles of workers employed by Mengiong-Entulu FMU.</p> <p>A summary of FMP's key components, encompassing elements outlined in Criterion 7.1, is confirmed to be publicly accessible through the website: https://www.jayatiasa.net/sustainable-forest-management-public-summaries/</p>	<p>Several supporting documents regarding the description of organizational administration, rationale for the rate of annual harvest, description and justification of harvesting techniques, stakeholder consultation details, silviculture prescription, and considerations of risks and opportunities related to compliance with the requirements of the standard were not clearly stated in the FMP. Therefore, a Minor NCR on Indicator 7.1.1 was issued.</p> <p>Specific roles and responsibilities of the forest worker to ensure effective implementation of the FMP were not clearly defined. Therefore, a Minor NCR on Indicator 7.3.1 was issued.</p>
Principle 8 Monitoring and Assessment	<p>Regulatory monitoring procedures, aligned with relevant federal and state guidelines from the Forest Department and other pertinent agencies, have been confirmed to be prepared by the forest managers. Appropriate monitoring procedures have been identified and implemented, as verified through the 'Monitoring Impact on Social, Ecological, Environmental, and Economic due to Timber Harvesting and Management Operations' dated 13 November 2020.</p>	

Principle	Strengths	Weaknesses
	<p>An internal audit was confirmed to have been conducted in January 2023. The management review meeting, also held in January 2023, addressed issues related to forest management certification, monitoring, harvesting techniques, job descriptions, budget, and other collaborative projects. The meeting minutes were verified and approved by the CEO and COO.</p> <p>Relevant information for monitoring forest management operations is detailed in the 'Summary of Monitoring Results on Timber Yield and Forest Condition' in Clause 10.3.7 of the FMP. Site inspection confirmed the accuracy of PSP establishment, enumeration, and measurement procedures. Wildlife monitoring using camera traps revealed the presence of various species, including the Bornean Sun bear, Pig-tailed Macaque, Sambar Deer, and Red Langur/Red Leaf Monkey in the High Conservation Value (HCV) Area at Coupe 22A.</p> <p>Forest managers must ensure the traceability of all certified forest products leaving the area. Verification of DF Circular No. 1/2019 addressing the segregation of logs from Forest Management Certified Areas confirms adherence to this requirement. However, since no harvesting was observed during this audit, verification of the implementation of this requirement will be conducted in the next audit.</p> <p>Results of monitoring activities were not yet incorporated in the implementation and revision of the FMP, as the revision will only commence in the year 2025.</p> <p>A summary of the results of monitoring indicators, including those listed in Criterion 8.2, has been confirmed to be publicly available through: https://www.jayatiasa.net/sustainable-forest-management-public-summaries/</p>	
Principle 9 Maintenance of High Conservation Values	<p>The assessment to identify High Conservation Value (HCV) areas, in alignment with relevant guidelines for forest management operations, was verified during the audit. The HCV Report has identified multiple HCV areas, and consultation between FMU representatives and other stakeholders on the identification of these HCVs was confirmed to have already taken place on 1 March 2023. The status and information of the HCVs, including measures to demarcate, maintain, and/or enhance the HCVs, have been incorporated in Chapter 10 of the FMP.</p>	

Principle	Strengths	Weaknesses
	<p>Site inspection on a saltlick HCV confirmed that the planned measures have been properly implemented. The HCV was clearly observed demarcated with a signboard 'HCVA' and a 100m buffer zone marked with blue paint.</p> <p>A summary of the HCV measures has been confirmed to be publicly accessible through: https://www.jayatiasa.net/sustainable-forest-management-public-summaries/</p> <p>Annual monitoring on the effectiveness of the measures implemented was confirmed to have been conducted by the FMU. The results of the monitoring will be integrated into the FMP during the review in the year 2025.</p>	

Map of Mengiong-Entulu FMU



Experiences and Qualifications of Audit Team Members

Names of Audit Team	Role	Qualification and Experience
Khairul Najwan Ahmad Jahari	Audit Team Leader / Forester	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience:</p> <p>Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001. Conduct and coordinate research on 8th Malaysian Plan Project. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field work, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Senior Lead Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International, since 2009. Involved in conducting assessments on forest management certification MC&I (Natural Forest) and MC&I (Forest Plantation), MYNI of RSPO P&C, MSPO, MyTLAS, STLVS and other management system on ISO 9001, 14001 and OHSAS 18000</p> <p>Training / Research Areas:</p> <p>Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)] organized by MTCC, 30 March - 2 April 2009.</p> <p>EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009.</p> <p>OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009.</p> <p>QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>

<p>Mohd Razman Salim</p>	<p>Auditor/ Forester</p>	<p>Academic Qualification: B. Sc. of Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experience: Five years experienced as Research Officer at the Forest Research Institute Malaysia (FRIM) since 2007 in a various area such as ecological research for lowland and hill dipterocarp forest, Geographic Information Systems, forest inventories, forest harvesting and forest management system (SMS). Participate in organizing committee member, division level activities and projects. Coordinate and collaborate a long term ecological plot and inventory data about 25 years at the Pasoh, Negeri Sembilan with Negeri Sembilan Forestry Department, universities (local & international) and NGOs. Published and presented research findings at the seminars and conferences. Currently as Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International Sdn Bhd, since 2013. Involved in conducting assessments on forest management certification [MC&I (Natural Forest)] & [MC&I (Plantations)], MYNI of RSPO P&C and other management systems on ISO 9001, 14001 and OHSAS 18001</p> <p>Training / Research Areas:</p> <ul style="list-style-type: none"> • Auditor Training Course on Malaysian Criteria and Indicators for Forest Management Certification [MC&I (Natural Forest)] & [MC&I (Plantations)] organized by MTCC, 1-4 December 2013. • EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 18-22 March 2013. • OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 11-15 March 2013. • QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 4-8 March 2013. • Auditor Training Course on MC&I Sustainable Forest Management organized by MTCC, 18 August 2020.
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<p>Mohd Annas Amin Bin Haji Omar</p>	<p>Auditor/ Forester</p>	<p>Academic Qualification:</p> <p>Diploma in Forestry, UPM</p> <p>B. Sc. In Forestry, UPM</p> <p>Work Experience:</p> <p>Six years as Assistant Forest Officer at Perak Forestry State Department in the year from 2013-2018. Main responsibility is Assisting District Forest Officers in administrative work, forest development and forest operations. Conduct forest Enforcement Team Activities such as The Prevention of illegal logging. Also appointed to be Investigative Officer</p> <p>Attended and pass the following training programmes:</p> <ul style="list-style-type: none"> • Program of MTCS Training Course (MC&I) in Kuantan (9-12 July 2018) • Lead Auditor ISO 9001, ISO 14001 & ISO 45001 Exemplar Global Certified (13-18 August 2018) • Auditor Training Course on MC&I Sustainable Forest Management: 18/08/2020 - 18/08/2020 • SMETA- Sedex Members Ethical Trade Audit (Awareness & Auditor Course) - 20/10/2021 - 21/10/2021 • MTCS Auditor Training Course: 09/07/2018 - 12/07/2018 • Lead Auditor Integrated Management Systems: (IMS) ISO 9001, ISO 14001 & OHSAS 18001/Iso 45001 13/08/2018 - 18/08/2018 • Coc Auditor Training: 19/12/2018 - 20/12/2018 • RSPO P&C 5-Day Lead Auditor Course: 09/03/2020 - 13/03/2020 • Training On Indigenous People:04/10/2021 - 04/10/2021 • FMC Workshop:23/11/2021 - 24/11/2021 • Audit Report Writing & NCR: 25/06/2018 - 25/06/2018. • MTCS Auditor Training Course: 09/07/2018 - 12/07/2018 • Culture Transformation Program: 04/04/2019 - 04/04/2019 • Workshop For MSPO SC: 22/08/2019 - 22/08/2019 • Calibration Workshop for RSPO Workshop P&C (Session 2): 28/01/2020 - 28/01/2020 • SIA Workshop:30/01/2020 - 30/01/2020
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Comments Received from Stakeholders and Responses by Audit Team Leader

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

Stage 2 Audit Plan

DAY	TIME	PROGRAM		
Travel Day 1 26.3.23 Sunday		All Auditors travelling from KLIA to Sibu on 26 March 2023		
	02.00 pm- 6.30 pm	Flight from Kuala Lumpur (KUL) to Sibu (SBW) MH2718 ETD – 16:20, ETA-18:25		
	8.00 pm	Stay at Tanahmas Hotel, Sibu		
Audit Day 1 27.3.23 Monday	7.00 am 1.00 pm.	<ul style="list-style-type: none"> • Travelling to Mengiong-Entulu FMU Camp • Opening Meeting with representatives of FMU • Briefing session by Forest Manager of the FMU • Q&A Session • Follow up on issues of concern from Stage 1 • Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> ○ Local Communities ○ Government agencies ○ NGOs • Documentation and records review 		
		Najwan	Razman	Annas
	2.00 pm – 5.00 pm	Documentation and records review <ul style="list-style-type: none"> • Principle 7 – Management Plan • Principle 8 – Monitoring and Assessment 	Documentation and records review <ul style="list-style-type: none"> • Principle 5 – Benefits from the forest • Principle 6 – Environmental Impact 	Documentation and records review <ul style="list-style-type: none"> • Principle 2 – Tenure and Use Rights and Responsibilities

Audit Day 2 28.3.23 Tuesday	7.00 am – 9.00 am 9.00 am – 2.00 pm 2.00 pm – 5.00pm	Site visit <ul style="list-style-type: none"> • Inspection of active harvesting (if any) • Inspection of Coupe Boundary / bufferzone • Consultation with contractors and workers operating in active logging areas, bulldozer, hook-man, chainsaw and supervisor. 	Site visit <ul style="list-style-type: none"> • Inspection of Pre-harvesting area or Tree tagging area Block (if any) • PSP No. 01 at Coupe 25A • HCVF Salt Lick at Coupe 22A • Inspection of FMU Licenses Boundaries & control measures of Coupe 24A & 25A • Inspection of International Buffer Zone of Coupe 22A 	Site visit <ul style="list-style-type: none"> • Consultation with stakeholders • Consultation with Local Communities of Rh. Lawan Sg Ramong, adjacent to FMU (18km)
		Review of Day 2 Findings by Audit Team Leader		
Audit Day 3 29.3.23 Wednesday	7.30 am – 1.00 pm 2.00 pm – 5.00pm	Site visit <ul style="list-style-type: none"> • Inspection of Post-harvesting area (if any) • Silviculture treatment activities • PSP No. 0801 at Coupe 08A • Inspection of FMU Licenses Boundaries & control measures at Coupe 08A adjacent with Salvage Logging T/3372(S) and • Conservation area of Terrain IV of Coupe 07A 	Site visit <ul style="list-style-type: none"> • Check on a workshop, machinery maintenance and equipment. • Nursery and chemical store 	Site visit <ul style="list-style-type: none"> • Principle 3 – Indigenous Peoples’ Right • Consultation with workers and worker’s representative
		Review of Day 3 Findings by Audit Team Leader		
Audit Day 4 30.3.23 Thursday	7.30 am – 1.00 pm 2.00 pm – 3.00 pm	Site visit Documentation and records review <ul style="list-style-type: none"> • Principle 1 – Compliance with Laws and Principles • Inspection of FMU Licenses Boundaries & control measures • Inspection of Central Stumping Site at Coupe 	Site visit Documentation and records review <ul style="list-style-type: none"> • Principle 9 – Maintenance of High Conservation Value (HCV) 	Site visit Documentation and records review <ul style="list-style-type: none"> • Principle 4 - Community Relations and Worker’s Rights • Inspection of FMU Licenses Boundaries & control measures

Audit Day 5 31.3.23 Friday	8.00am	<ul style="list-style-type: none"> • Documentation and records review • Preparation of audit report and finding • Briefing representatives of FMU on the findings of the audit
	9.00am-10.00am	<ul style="list-style-type: none"> • Closing Meeting and presentation of findings of audit and discussion on follow-up activities • Adjourn Closing Meeting
	5.00pm	<p>All Auditors travelling from Sibü to KLIA</p> <p>MAS Flight from Sibü (SBW) to Kuala Lumpur (KUL)</p> <p>MH2717 ETD-19:10, ETA-21:10</p>