



**PUBLIC SUMMARY
RECERTIFICATION AUDIT (1st CYCLE) ON
MARUDI FOREST PLANTATION MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC-FP 00117
Date of First Certification: 15 January 2019
Audit Date: 19 – 22 September 2023
Date of Public Summary: 2 February 2024**

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TABLE OF CONTENTS

	Page No.
EXECUTIVE SUMMARY	3
1 INTRODUCTION	4
1.1 Name of FPMU.....	4
1.2 Contact Person and Address	4
1.3 General Background on the Marudi FPMU	4
1.4 Date First Certified	4
1.5 Location of the FPMU.....	4
1.6 Forest Management System	5
1.7 Annual Allowable Cut/Annual Harvest under the Forest Plantation Management Plan	5
1.8 Environmental and Socioeconomic Context	5
2 AUDIT PROCESS	5
2.1 Audit Dates	5
2.2 Audit Team	5
2.3 Standard Used.....	5
2.4 Stakeholder Consultations	5
2.5 Audit Process	6
3 SUMMARY OF AUDIT FINDINGS	6
Map of Marudi Forest Plantation Management Unit.....	19
Experiences and Qualifications of Audit Team Members	20
Comments Received from Stakeholders and Responses by Audit Team Leader	23
Recertification Audit Plan	24

EXECUTIVE SUMMARY

This Recertification audit on the Marudi Forest Plantation Management Unit (hereafter referred as the Marudi FPMU) was conducted on 19 to 22 September 2023 to assess the compliance of the overall forest plantation management system of FPMU 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 Recertification audit was limited to the forest plantation management system and practices within the Marudi FPMU.

This Recertification audit was conducted by a 3-member team comprising comprising Hj. Roslee Jamaludin (Lead Auditor) and Angelica Sinimis Suimin (Auditor), and (Khairul Najwan Ahmad Jahari (Auditor).

Based on the findings of this Recertification audit, it was found that Marudi FPMU had complied with the requirements of the MC&I SFM. This Recertification audit had resulted in the issuance of six (6) Minor Non-Conformance Report (NCRs) against the requirements of the MC&I SFM. Additionally, one (1) Observation for Improvements (OFIs) was also raised.

This public summary contains the general information on the Marudi FPMU, the findings of the Recertification audit, NCRs raised as well as the decision on the certification of the FPMU.

1 INTRODUCTION

1.1 Name of FPMU

Marudi Forest Plantation Management Unit

1.2 Contact Person and Address

Mr. Philip Visser
Silviculture Manager
Wisma Samling, Lot 296
Jalan Temenggong Datuk Oyong Lawai Jau
98000 Miri, Sarawak

1.3 General Background on the Marudi FPMU

Marudi FPMU is under the License for Planted Forests No. LPF/0008 of Samling Reforestation (Bintulu) Sdn Bhd (SRB) for industrial tree plantation (ITP). This FPMU has been licensed for ITP from 8th December 1998 to 7th December 2058 for a period of 60 years.

The FPMU is located at latitudes approximately 040 0' 0" and 040 15' 0" N, and longitudes 1140 25' 0" and 1140 35' 0" E in the Marudi District, Miri Division, Sarawak. The eastern of FPMU boundary is bordered with Malaysia-Brunei International boundary. The FPMU area is bordering with a private oil palm estate named Formasi Abadi (Rimbunan Hijau) which located at the east of Coupe 4A. The topography of this plantation area is dominated by rolling low hills varying between 30 m and 300 m asl.

The Marudi LPF/0008 FPMU managed by Samling Reforestation (Bintulu) Sdn Bhd covers an area of 19,941 hectares (Coupe 1A, part of Coupe 2A, part of Coupe 3A and Coupe 4A) from total area of LPF0008 of 55,822 ha. The uncertified area of 35,881 ha was excluded from the audit scope because there were no other areas eligible for the MTCS by virtue of the cut-off date of 31st December 2010. Parts of Coupe 2A and 3A were also established after 31 December 2010.

The FPMU covers 19,941 ha of which under 12,707 ha (64%) are ITP production areas and 7,234 ha (36%) are non-productive areas set aside for conservation areas, road line, steep area, etc. Conservation areas also called as Special Management Zones (SMZs) were identified and protected and these were confined mostly on areas with water catchment, river buffer (RBZ), steep area (≥ 350), and international boundary Malaysia-Brunei.

The forest plantation management plan, (Edition 1) was prepared for period 1 January 2018 to 31 January 2028. A publicly available summary of the forest plantation management plan was presented in the web page:

<http://www.samling.com/doc/Marudi%20FPMP%20Public%20Summary.pdf>.

The plantation started in 2009, planted with fast growing quality timber species with five (5) major exotic species which are *Acacia crassicarpa*, *Acacia hybrid*, *Acacia mangium*, *Eucalyptus pellita* and *Falcataria moluccana*. Harvesting rotation of 8 to 12 years is planned to ensure efficient timber production as compared to natural forest harvesting. The forest plantation operations involved activities such as slashing, pruning, herbicide spraying and tree planting.

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

1.4 Date First Certified

15 January 2019

1.5 Location of the FPMU

The FPMU is located between 040 0' 0" and 040 15' 0" N, and longitudes 1140 25' 0" and 1140 35' 0" E in the Marudi District, Miri Division, Sarawak.

1.6 Forest Management System

The Marudi FPMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement of the State government. A Forest Plantation Management Plan (FPMP) for the period 1 January 2018 to 31 January 2028, was presented during this audit.

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

For the Twelfth-Thirteenth Malaysia Plan (2021-2030), the rate of harvest (SAAC) for Marudi LPF/000 had been determine at 41,312m³/year for the 1st year and this will increase to 80,000m³/year for the next 8 years (8-year rotation)

1.8 Environmental and Socioeconomic Context

The LPF/0008 has been repeatedly heavy harvested for forty, and possibly fifty years or more under various forest timber licences and had been completely harvested before planting started in 2009 and certain area was completed its harvesting sometime in 2013. There was no undisturbed primary forest was known to remain at the time the LPF licence was issued in December 1998. There was also no peat swamp area in the audit scope.

The FPMU is neighbouring with 21(include Rh.Sumping new), long houses which 7 (Rh. Rok, Rh Anthony, Rh Sumping and Rh.Lajang, Long Patan, Long Pahlo, Long Panai) villages located outside of the audit scope area but within the LPF/0008 area. While for the rest 14 villages are located adjacent to the LPF/0008 boundary. Ethnically, most of the communities are Iban, Berawan, Kayan and Bisaya. There are subsistence farmers in the shifting agriculture area within the LPF/0008 but outside of audit scope area. The local communities depend on hunting, construction materials, food sources, medicinal plants and water sources in the shifting agriculture area.

The audit is solely focused on the Marudi FPMU, a designated entity managed by Samling Reforestation (Bintulu) Sdn Bhd - LPF/0008 and clearly demarcated on the ground with defined boundaries. The total area of 19,941 ha underwent the certification process. All aspects related to the physical environment, forest-based operations, community areas, and associated documentation mentioned in the audit are contained within the borders of the FPMU. Similarly, the socioeconomic aspects mentioned in the audit are also limited to the FPMU boundaries. Matters outside the designated FPMU boundaries are not addressed in the audit report.

2 AUDIT PROCESS

2.1 Audit Dates

19 – 22 September 2023 (12 man-days)

2.2 Audit Team

Hj.Roslee Jamaludin	(Lead Auditor)
Khairul Najwan Ahmad Jahari	(Auditor)
Angelica Sinimis Suimin	(Auditor)

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 in August 2023 to solicit feedback from stakeholders on the compliance of the Marudi FPMU 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 Marudi FPMU'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 FPMU, 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 FPMU's overall compliance with the indicator and decided whether to issue a major or minor NCR or an OFI, which is defined as follows:

- (i) a major NCR is 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. There were also consultations being held with the relevant indigenous settlements within FPMU.

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

3 SUMMARY OF AUDIT FINDINGS

A total of six (6) Minor Non-Conformance Report (NCRs) (1.5.2, 4.3.3, 4.4.1, 4.4.2, 6.5.4, and 8.2.1), and one (1) OFI (6.5.5) were raised during this recertification audit on the Marudi FPMU against the requirements of the MC&I SFM (MTCS ST 1002:2021). The audit team had examined all the proposed corrective action plans to address the NCRs and OFI raised during this recertification audit on 13th October 2023, which has not been accepted by the audit team. The FPMU has re submitted the corrective action on 19th November 2023 and was accepted by the audit team on 30th November 2023. The effectiveness of the corrective actions taken by the FPMU to address the Minor NCRs and OFI shall be verified by the audit team during the next surveillance.

The effectiveness of the corrective actions taken by the FPMU to address the Minor NCRs and OFIs 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 FPMU.

Regarding Criterion 6.10, 6.11 and 6.12, the audited area of Marudi FPMU comprises plantation areas converted after the 31 December 2010 cut-off date. There has been no conversion of natural forest into non-forest land use within FPMU's certified area. Furthermore, there was no conversion of severely degraded forests to forest plantations or afforestation of ecologically important non-forest ecosystems in the FPMU.

The summary on the findings of the Recertification audit on Marudi FPMU against the requirements of the MC&I SFM are as follows:

Principle	Strengths	Weaknesses
<p>Principle 1 Compliance with Laws and Principles</p>	<p>The Marudi Forest Plantation Management Unit (FPMU) maintains a comprehensive legal register containing records of pertinent national and local laws, regulations, and policies related to forest management, readily accessible at the base camp meeting room. Additionally, the Forest Manager interviewed demonstrated awareness of both federal and state laws, administrative requirements, and regulatory frameworks pertinent to forest plantation management. There were no records of offences or fines conducted by the FPMU during this audit.</p> <p>A comprehensive record of legally prescribed fees, royalties, taxes, and other charges in 2023 for Marudi FPMU was confirmed and verified. Payment records such as receipts, payment vouchers, and invoices are meticulously kept.</p> <p>An evaluation report on conflicts between laws, regulations and these Principles and Criteria was confirmed available at the Marudi FPMU Base Camp Office. The managers interviewed confirmed their willingness to participate in the resolution of any conflicts raised.</p> <p>All necessary and relevant documents governing the legal establishment and protection of Marudi FPMU are confirmed available and maintained in the Base Camp Office. Monitoring and controlling of unauthorised activities are adequately conducted by Marudi FPMU, as evidenced through their 2023 Patrol Sheet. All encroachment and other unauthorised activities have been reported to the relevant authorities.</p> <p>Written policies and statements on the commitment of Marudi FPMU to sustainable forest plantation management practices are confirmed to be adequately displayed at key locations in the FPMU. Interviews with the staff show that they are aware of and understand these policies and statements. The policies and statements have also been made publicly accessible via Samling's website.</p>	<p>Encroached areas in Coupe 01A were not updated on the map, even though the incident has been reported to the relevant authorities. Therefore, a Minor NCR on 1.5.2 was raised.</p>
<p>Principle 2 Tenure and Use Rights and Responsibilities</p>	<p>Legal documents concerning Marudi FPMU's long-term forest use rights are confirmed to be available and maintained at the Base Camp Office. Marudi FPMU operates under License LPF0008 of Samling Reforestation (Bintulu) Sdn Bhd,</p>	

Principle	Strengths	Weaknesses
	<p>spanning 60 years from December 8, 1998, to December 7, 2058, covering a total area of 55,822 hectares. Several land claim disputes in Marudi FPMU are being resolved using the in-house dispute resolution mechanism PR(SST) 04A and LPF GL(SST) 04. Interviews with the local communities confirm the support of Marudi FPMU and forest managers in resolving any land claims in the FPMU. There are no pending court cases concerning land claims involving Marudi FPMU.</p> <p>Documents regarding the legal and customary tenure or use rights of local communities within the relevant federal and state legal frameworks are confirmed to be available and adequately maintained at the Base Camp Office. Collaboration and recognition of tenure and use rights of the local communities are also confirmed and verified, as evidenced through document verification and sight inspection of the water catchment area for the villagers in Coupe 04A.</p> <p>Several dispute resolution SOPs have been established by Marudi FPMU to resolve any disputes concerning tenure claims and use rights. Currently, the main dispute mechanism platform for resolving tenure claims and use rights is through the establishment of the Community Relation Committee (CRC). Two CRCs have been established in Marudi FPMU; CRC Tutoh since August 2018 and CRC Marudi since November 2019. Through stakeholder consultation with the local communities, it was confirmed that several awareness programs on dispute resolution mechanisms have been conducted by Marudi FPMU in 2023. The consultation has also revealed that some communities do not prefer using the CRC as their dispute mechanism platform and instead prefer using the grievance form to complain to the FPMU, which is still being maintained as one of the SOPs for dispute resolution mechanisms for Marudi FPMU.</p>	
<p>Principle 3 Indigenous People's Rights</p>	<p>Documentation concerning the customary rights of indigenous peoples' lands in Marudi FPMU has been confirmed as available. All Shifting Agriculture (SA) lands used by the local communities are located outside the MTCS certified area, verified through maps and stakeholder consultations. It has also been confirmed through consultations that forest operations do not occur within the SA</p>	

Principle	Strengths	Weaknesses
	<p>areas in the certified area. Conflict resolution and grievance resolution are facilitated by various established mechanisms, including the formation of CRC and submission through grievances/complaints forms. As Marudi FPMU has clarified with the local communities that they can choose their preferred dispute mechanism platform, the Minor NCR on Indicator 3.1.3 issued during the last audit was satisfactorily closed.</p> <p>Consultation and discussion have been conducted between Marudi FPMU and the local communities regarding any activities that may threaten or diminish the local communities' resources or tenure rights. This has been confirmed through verification of agreements between Marudi FPMU and local communities and through stakeholder consultations.</p> <p>Procedures for the identification and protection of sites of special interest are being implemented through the SOP "Prosedur Identifikasi dan Perlindungan Tapak Kebudayaan, Keagamaan dan Kepercayaan Orang Asal". However, no significant sites were found within the certified areas. Burial grounds were located along riverbanks outside the certified areas and have been marked on maps dated 18 January 2022. Water catchment areas supplying the local communities have been adequately identified with community cooperation, as well as marked and monitored on a monthly basis. Stakeholder consultations with the local communities confirm that the communities can access the protected sites and their 'temuda' areas. Conflict resolution to access these sites is facilitated by the SOP "Guidelines for Conflict Resolution License for Planted Forest (LPF) GL(SST) 06", utilizing the "Community Form" to document grievances or claims.</p> <p>The FPMU manager did not incorporate indigenous traditional forest-related knowledge and practices into forest plantation operations. However, they commit to adhering to the Sarawak Biodiversity Centre Ordinance, 1997 (Cap. 24) for fair compensation regarding the commercial use of indigenous knowledge.</p>	
<p>Principle 4 Community Relations and Workers' Rights</p>	<p>Verification of the 2023-2024 Training Plan for staff and workers confirmed inclusion of various programmes covering safety, environmental awareness, wildlife</p>	<p>Several employment contracts that were verified do not have a specified salary rate. Therefore, a Minor NCR on Indicator 4.3.3 was raised.</p>

Principle	Strengths	Weaknesses
	<p>protection, and operational skills, with past sessions well-documented and future ones scheduled. Local hiring efforts are evident, with 24.62% of employees comprising indigenous villagers. Stakeholder consultations with local communities confirm Marudi FPMU's preference for local employment despite challenges with younger generations seeking opportunities in urban areas. No illegal immigrants, child labour, or forced labour were found among the workforces.</p> <p>Up-to-date information on all relevant occupational safety and health regulations has been adequately disseminated and understood by the workers in both Bahasa Malaysia and English, as evidenced through interviews. A Health, Safety, and Environmental Policy has been established. SOPs on equipment and machinery maintenance have been established, with site inspection at the workshop confirming adequate implementation, leading to the satisfactory closure of the Minor NCR raised on Indicator 4.2.3 during the previous audit. Site inspections at various locations confirm adequate provision of relevant PPEs for the workers. Hazardous areas have been appropriately demarcated and labelled. The appointment of a safety officer, establishment of a safety committee, conduct of safety meetings, and submission of accident summary records have been adequately performed as required under the OSHA Act 1994.</p> <p>Marudi FPMU allows the establishment of trade unions for their workers, as evidenced through a memo dated 1 March 2022. Verification of the memo confirms adherence to the ILO conventions related to workers' freedom of association and collective bargaining. Although no unions exist, workers' representatives engage in the Joint Consultative Committee (JCC), addressing issues like safety, transportation, and general welfare. The JCC members have been elected by the workers themselves, prompting the closure of an OFI raised on Indicator 4.3.2 during the previous audit. A new revised SOP on worker's grievances resolution has been established and appropriately briefed to the workers.</p> <p>Provisions and measures within relevant federal, state, and local laws to safeguard the legal and customary rights, property, and livelihoods of local communities affected by</p>	<p>The Social Impact Assessment (SIA) Report was not updated to include the additional villages identified through the 2023 Social Impact Monitoring Assessment. Therefore, a Minor NCR on Indicator 4.4.1 was raised.</p> <p>Results of the 2023 Social Impact Monitoring Report were not incorporated into the FPMP. Therefore, a Minor NCR on Indicator 4.4.2 was raised.</p>

Principle	Strengths	Weaknesses
	<p>forest operation were confirmed available and adequately maintained at the Base Camp Office. Several SOPs on grievance resolution were confirmed available and implemented in Marudi FPMU. The main platform for grievance resolution is through the establishment of the CRCs. However, during stakeholder consultation with the local communities, several communities are transitioning to using the "community form" as detailed in the SOP "Guidelines for Conflict Resolution License for Planted Forest (LPF) GL(SST) 06".</p>	
<p>Principle 5 Benefits From the Forest</p>	<p>Adequate investment and reinvestment in Marudi FPMU were confirmed through verification of the Camp Administrative Budget. This outlines investments in forest plantation management covering administration, R&D, human resources, environmental operations, and social aspects. Sustainable ecological productivity in Marudi FPMU is ensured through the planting of Acacia spp., harvested in an 8-year rotational cycle. Harvesting operations at Coupe 2A yielded 36,922m³ of timber, slightly below the initial target of 41,001m³ as per the Harvesting Progress Report for June 2023. Timber extracted included species like Acacia mangium, Acacia crassicarpa, and Acacia hybrid. No non-timber forest products were planted, and all harvested products are fully utilised by local mills.</p> <p>Guidelines and SOPs for log harvesting, the "Detailed Harvesting Plan" and "PEC Endorsement Procedure Guidelines for forest road layout and construction" were confirmed as available and established. Site visit in active harvesting site in Coupe 02A confirmed adherence to these procedures. Review of the Annual Training Plan 2022-2023 shows that adequate training has been conducted for workers involved in the harvesting operation.</p> <p>Information on the list of various planting species, planting stock, age class, and planting composition were confirmed available. Marudi FPMU utilises fast-growing quality timber species including Acacia crassicarpa, Acacia hybrid, Acacia mangium, Eucalyptus pellita, Falcataria moluccana, and Gmelina. Planting stock, age class, and planting composition were confirmed through verification of the "Map Showing Species Group Planted of LPF/0008" and "Map Showing Year of</p>	

Principle	Strengths	Weaknesses
	<p>Planting (YOP) of LPF/0008".</p> <p>Special Management Zones (SMZ) with protected residual forest, designated to safeguard soil and water, have been established within the forest plantation areas. Establishment of the SMZs was conducted using the SOP SFC (PR003). SMZs cover 31% of the total forested area in Marudi FPMU. These zones have been adequately demarcated and marked in the "MTCS Area Within LPF/0008 Marudi Reforestation" map. Site inspection of an SMZ area in Coupe 01A confirmed adequate protection where riparian buffers along rivers have been appropriately demarcated and marked with signage. No planting activities were observed in the area.</p> <p>Verification of the Harvesting Progress Report for Marudi FPMU shows that timber extraction has reached 36,922 m³, slightly below the targeted rate of 41,001m³ for the year 2022/2023. The rate of harvest follows an 8-year rotation cycle. The harvested timber species for 2022/2023 include Acacia mangium, Acacia crassicarpa, and Acacia hybrid.</p>	
<p>Principle 6 Environmental Impact</p>	<p>The Environmental Impact Assessment (EIA) for Marudi FPMU was conducted in August 2007, providing an overview of potential impacts and mitigation strategies, including impacts on flora and fauna. Identified mitigation measures have been integrated into Chapter 6 of the FPMP.</p> <p>Several guidelines established by Sarawak Forestry Corporation (SFC) on ecosystem management, focusing on identifying and protecting rare, threatened, and endangered species of forest flora and fauna, as well as special biological areas, have been incorporated into the management of Marudi FPMU. Conservation efforts and protection areas are facilitated by the SOP "Identification and Demarcating Sensitive Areas for the Protection of Soil and Water". Site inspections in Sg Selambau and in the SMZ zone in Coupe 02, 02A, and 04 confirmed the proper implementation of these guidelines and SOPs, with adequate demarcation and marking observed. Measures to prevent human-wildlife conflict, such as prohibiting hunting and fishing within the FPMU, are enforced, with regular monitoring activities conducted for compliance. Interviews with workers</p>	<p>Site inspection in Coupe 02A revealed that some trees were felled towards the buffer zone, with several trees damaged during the harvesting activities. Several silt traps were also constructed in the buffer zones. Therefore, a Minor NCR on Indicator 6.5.4 was raised.</p> <p>The Forest Fire Plan Revision 2 dated 16 August 2023 could be further improved to include the frequency of equipment inspections for fires. Therefore, an OFI on Indicator 6.5.5 was raised.</p>

Principle	Strengths	Weaknesses
	<p>confirmed they have been properly briefed on threatened and endangered species and wildlife protection, with posters on protected species prominently displayed throughout the FPMU premises.</p> <p>Procedures for identifying and protecting sensitive areas, including water catchments, greenbelts, kerangas, SMZs, and riparian buffer zones (RBZs), are available. Guidelines for identifying and protecting ERT species of flora and fauna, as well as ecosystem management, have been followed, with measures in place to conserve genetic diversity and establish biological corridors and buffer zones for wildlife. Harvesting is prohibited in these designated protection areas. Site visits in Coupe 1A, 2A, and 4A confirmed the protection of all sensitive areas, with clear demarcations on the ground and appropriate mapping.</p> <p>Representative areas of the existing ecosystem, including Kerangas areas, riparian buffer zones (RBZ), Special Management Zones (SMZ), residual forest areas, and Sg. Buaya water catchment, have been mapped, demarcated, and protected in Marudi FPMU. Site inspections confirmed adequate demarcation of the areas, both on the map and on the ground, leading to the satisfactory closure of a Minor NCR raised on Indicator 6.4.1 during the previous audit. The forest plantation design prioritises the protection, restoration, and conservation of natural forests, incorporating wildlife corridors, buffer strips for water bodies, and stands of different age classes, as indicated in operational maps and planting records.</p> <p>Implementation of SOPs for the protection of soil from compaction and erosion during harvesting operations has been adequately executed, as verified during site inspection in active harvesting sites in Coupe 02A. Conservation guidelines, including those for biological corridors and buffer zones, were followed, with harvesting prohibited in designated protection areas. Mitigation measures are being followed to avoid any environmental degradation during harvesting operations. Inspection of riparian buffer strips along Coupe 02 & 04 and in water catchment areas near Marudi Camp showed adequate demarcation and intact buffer strips without damage. Marudi FPMU has also prepared a comprehensive forest fire protection plan, and the</p>	

Principle	Strengths	Weaknesses
	<p>fertilisation schedule is properly implemented.</p> <p>Marudi FPMU has established comprehensive procedures for handling hazardous materials, including guidelines for oil spill control, scheduled waste disposal, and employee occupational safety and health (OSH). A chemical register detailing substances used, such as herbicides, fungicides, insecticides, and fertilisers, is available at the nursery. Work instructions for chemical use are posted in relevant areas, with supervisors responsible for worker training and ensuring proper personal protective equipment usage. Records of chemical usage are diligently maintained, with a chemical register documenting quantities purchased and used. Training on managing scheduled waste was conducted for personnel in charge, in compliance with environmental regulations. The FPMP outlines a reduction strategy for chemical pesticide usage, aiming for more efficient and environmentally friendly practices.</p> <p>Procedures for the disposal and storage of hazardous materials and scheduled wastes are outlined in the 'Guidelines on Disposal and Storage of Scheduled Wastes' and 'Guidelines on Storage and Handling of Hazardous Material'. During a site inspection at the Marudi FPMU nursery in Block 16 Coupe 1, records of chemical usage and disposal of used containers were observed, with proper triple rinsing recorded in the Herbicide Containers (Triple Rinsing) Stock Record. Inspection of the scheduled waste store revealed adherence to environmental and legal disposal practices, with all wastes appropriately labelled with Scheduled Waste Codes (SW). The latest Inventory of Scheduled Waste (ESwiss) for August 2023 was presented and verified, listing various wastes such as used batteries, spent lubricating oil, and contaminated paint cans. Consignment notes for disposal, issued to the registered contractor, were validated, including those for oil residues, used oil filters, and contaminated materials.</p> <p>There is no application of biological control by the FPMU.</p> <p>Documentation regarding the selection of species matching site conditions and management objectives for the forest plantation areas is available, with soil and</p>	

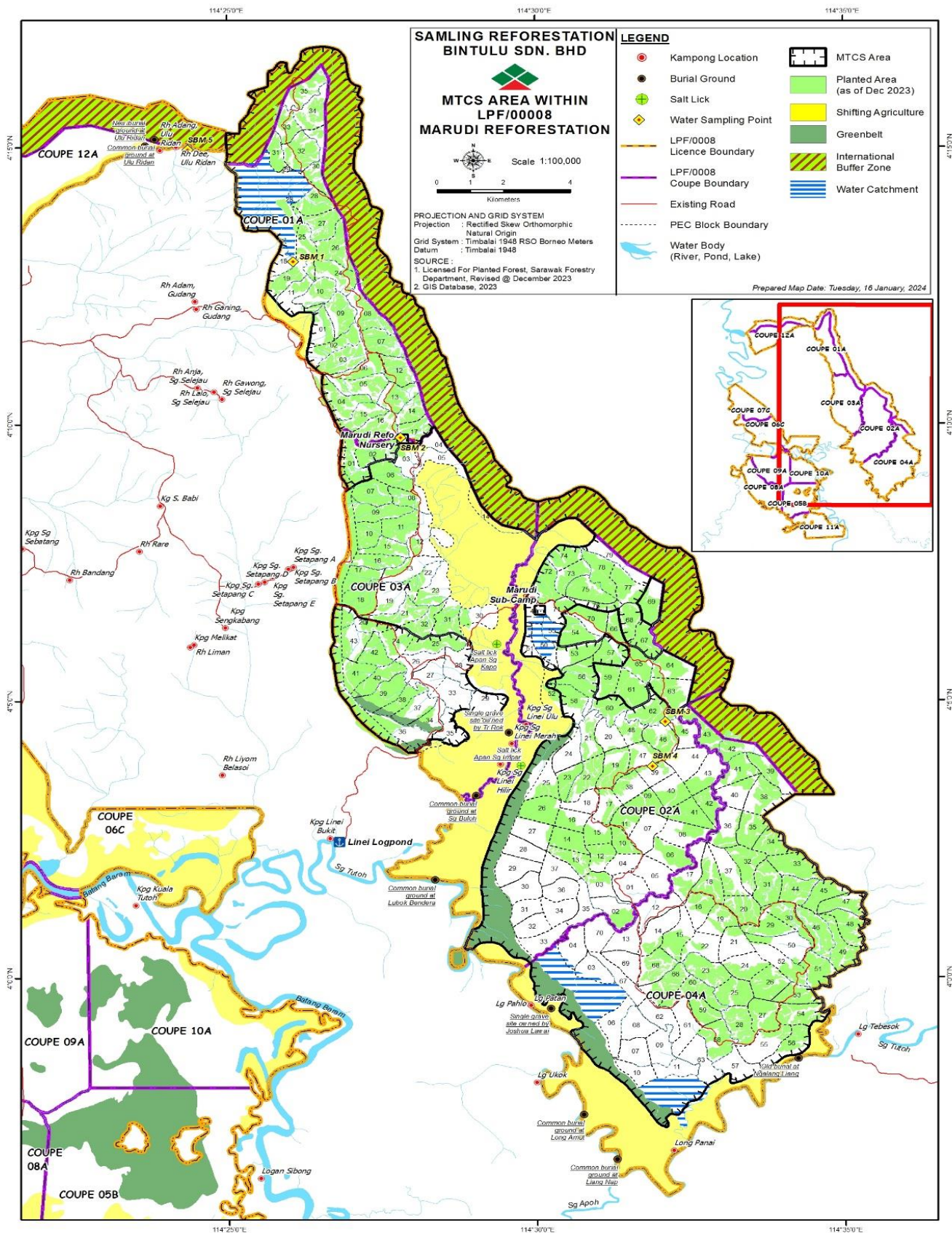
Principle	Strengths	Weaknesses
	<p>site survey records outlined in the EIA Report (August 2007). Permanent sample plots (PSPs) were established for monitoring forest growth and dynamics, with 125 new plots established in 2023. Growth characteristics, performance, and management of selected species were monitored, including <i>Acacia crassicarpa</i>, <i>Acacia</i> hybrid, <i>Acacia mangium</i>, <i>Eucalyptus pellita</i>, and <i>Falcataria moluccana</i>, with comparative analysis provided in the EIA report. Exotic species were planted within the FPMU, with careful monitoring to prevent adverse ecological impacts, as detailed in the FPMP. Monitoring of exotic species invasion was conducted weekly, with no occurrences reported in protected areas or outside the plantation. Phytosanitary certificates and permits for the importation of exotic species were confirmed and verified. The FPMU's commitment to controlling exotic species is outlined in a policy "Invasive exotic species" dated 1 August 2022.</p> <p>The audited area of Marudi FPMU comprises plantation areas converted after the 31 December 2010 cut-off date. There has been no conversion of natural forest into non-forest land use within FPMU's certified area. Furthermore, there was no conversion of severely degraded forests to forest plantations or afforestation of ecologically important non-forest ecosystems in the FPMU.</p>	
<p>Principle 7 Management Plan</p>	<p>The FPMP for the MTCS Area within Marudi LPF/0008, revised on 7 September 2023, was confirmed have adequately addresses the requirements outlined in Criterion 7.1. These include management objectives, forest resource description, environmental considerations, silvicultural management systems, annual harvest rate rationale, forest growth monitoring, environmental safeguards, rare species protection, mapping of forest resources, harvesting techniques, and stakeholder consultation. Detailed maps depicting planned management activities and various supporting documents such as tables, figures, charts, schedules, budgets, SOPs, and operational guidelines are included as annexes or appendices.</p> <p>Periodic reviews of Marudi FPMU's FPMP will be conducted every five years, as stipulated in their management plan. New scientific and technical information</p>	

Principle	Strengths	Weaknesses
	<p>pertinent to the management of the plantation has been adequately recorded and incorporated into the FPMP.</p> <p>The Forest Manager has clearly delineated and assigned specific roles and responsibilities to forest workers, with detailed job descriptions provided for each position. These job descriptions outline essential duties and responsibilities and are acknowledged by workers through their signatures. Training sessions for forest plantation workers, for the proper implementation of the management plan, were conducted during toolbox briefings and regular on-the-job training sessions. Records of training conducted in 2023 include sessions covering PSP and GPS Training, Safety and Health Briefings, Nursery and Diseases Training, Chainsaw and Tree Felling Training, Wildlife Protection Awareness, Fire Training, Labour Legislation, Chemical Training, Enumeration Refresher Training, and MTCS Refresher Awareness.</p> <p>The summary of the FPMP is publicly available through: http://www.samling.com/doc/Marudi%20FPM%20Public%20Summary.pdf</p>	
<p>Principle 8 Monitoring and Assessment</p>	<p>A comprehensive network of 1175 PSPs has been established in Marudi FPMU to monitor forest growth and dynamics. In 2023, 125 new plots were established in Coupes 01, 02, 03, and 04, comprised of various species including Acacia mangium, Eucalyptus pellita, and Acacia crassicarpa. The PSPs are meticulously measured annually according to a strict internal protocol, and their establishment and monitoring are well executed, with properly laid out and recorded plots and well-maintained inventory equipment. Monitoring of Marudi FPMU is implemented through the submission of Environmental Compliance Reports (ECR) every 3 months to NREB and through the Environmental Monitoring Report (EMR) conducted on a yearly basis. The latest ECR report indicated no major pollution effect from Marudi FPMU. Internal audits and management reviews have been adequately conducted and meet all the requirements as stipulated in Appendix A of the MC&I SFM.</p> <p>All relevant information for monitoring the health and vitality of the forest plantation</p>	<p>The 2023 Annual Social Impact Monitoring does not include 8 longhouses and has not updated the demographic profile for all stakeholders. Therefore, a Minor NCR on Indicator 8.2.1 was raised.</p>

Principle	Strengths	Weaknesses
	<p>has been adequately conducted by Marudi FPMU's management. Information on yield is monitored through the extensive network of PSPs, while the monitoring of environmental changes is implemented through ECM and EMR reports.</p> <p>Assurances for the movement of logs leaving the certified area of Marudi FPMU are outlined in the "Log Flow Chart". Verification of the records and documents outlined in the flow chart, as well as site inspection in the log yard, confirmed that Marudi FPMU has the necessary procedures to ensure that all logs leaving the certified areas can be adequately tracked.</p> <p>Monitoring results have been incorporated in the latest revision of Marudi FPMU's FPMP.</p> <p>A summary of the monitoring results is publicly accessible through: https://www.samling.com/sites/default/files/inline-files/Marudi%20LPF0008%20Public%20Summary.pdf</p>	
<p>Principle 9 Maintenance of High Conservation Values</p>	<p>An assessment on the identification of HCV areas in Marudi FPMU was conducted in July 2018. Verification of the report confirmed that the assessment has identified residual forest areas, special management zones (SMZ), International buffer zone (IBZ), water catchment areas, and riparian buffer zones (RBZ). The FPMU extensively engaged with relevant local communities in the Marudi FPMU areas, along with government agencies including the Marudi District Office, FDS, SFC, as well as several NGOs such as MNS, WWF, and Sahabat Alam, regarding the identification and subsequent management of the HCV areas. Management and control measures of these areas were also confirmed has been incorporated in Chapter 12 of the FPMP, with the summary of the control measures publicly accessible through:</p> <p>https://www.samling.com/sites/default/files/inline-files/Marudi%20LPF0008%20Public%20Summary.pdf.</p> <p>Monitoring of these sites is facilitated by SOP "Procedures for Monitoring the High Conservation Value Management</p>	

Principle	Strengths	Weaknesses
	<p>Measures” (SFM/PR007)”. Verification of the monitoring report as well as site inspection of the HCV areas shows that the areas remain undisturbed. The areas have been adequately demarcated with signage strategically placed. Results and findings of the monitoring activities of these HCV areas will be incorporated into the next periodic review of the FPMP.</p>	

Map of Marudi Forest Plantation Management Unit



Experiences and Qualifications of Audit Team Members

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

		<ul style="list-style-type: none"> • Auditor Training Course on PEFC Chain of Custody Certification organized by MTCC on 19th -20th December 2018. • MSPO Training Course 16-17 Feb 2019 organised by SIRIM • Forest Management Certification (FMC) Workshop' for 2019 on 25 & 26 June 2019 organised by SIRIM QAS (Food,Agri &Forestry Section). • CoC Workshop for 2019 on 27/6/2019 organised by SIRIM QAS (Food, Agriculture & Forestry Section).
Khairul Najwan Ahmad Jahari	Auditor	<p>Academic Qualification: B.Sc. of Forestry (Forest Management), Universiti Putra Malaysia.</p> <p>Work Experience: Appointed as contract Research Officer in the Natural Forest Division, Forest Research Institute of Malaysia (FRIM), since 2001. Conduct and coordinate research on 8th Malaysian Plan Project. Produce technical reports, meeting, seminar and conferences reports as well as quarterly physical and financial reports. Coordinate and participate field works, multi-level meetings, seminars, conferences and workshops. Spent some time in other existing FRIM projects (inter divisional) as an organizing committee member, division level activities and projects. Currently as Lead Auditor at the Food, Agriculture and Forestry Section (FAF), SIRIM QAS International, since 2009. Involved in conducting assessments on forest management certification (MC&I and FSC P&C), MYNI of RSPO P&C and other management system on ISO 9001, 14001 and OHSAS 1800</p> <p>Training / Research Areas:</p> <p>Was attending and pass in the following training programmes:</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. EMS 14001: 2004 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 2-6 March 2009. OHSAS 18001: 2007 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 23-27 Feb 2009. QMS 9001: 2008 Lead Auditor Course organized by SIRIM Training Services Sdn Bhd, 16 – 21 Feb 2009.</p>
Angelica Sinimis Suimin	Auditor/Sociology	<p>Academic Qualification: 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 Resources Management (UM).</p>

		<p>Work Experience:</p> <p>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 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).</p> <p>Attended training programmes:</p> <p>Has attended the following courses:</p> <ol style="list-style-type: none"> 1. MTCC Forest certification Standards for Forest Management and Plantations, 2013, Sirim QAS 2. FSC Forest Certification standards for Forest Management and Control Wood, 2015; Nepcon 3. LEAD ASSESSOR COURSE ISO 14001 (EXEMPLAR GLOBAL CERTIFIED LEMS01), 2016; Sirim QAS 4. DIPLOMACY TRAINING (Human Rights, Indigenous People, the Private Sector and Development), 2017; Faculty of law, Uni New South Wales 5. MC&I *Natural Forests and Plantation v.2 standards, 2017 – MTCC
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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	

Recertification Audit Plan

DAY	TIME	PROGRAM		
		AUDITOR 1 (Hj.Roslee)	AUDITOR 2 (Khairul Najwan)	AUDITOR 3 (Angelica)
Day 0 18/09/23 (Mon)	5 am	<ul style="list-style-type: none"> Hj.Roslee and Khairul Najwan travelling from KLIA to Miri Flight: MAS - MH2574 (ETD: 08.55 – ETA: 11.15). Angelica Travelled from Kota Kinabalu ETD: 10.10 – ETA: 11.55 (MH 3043- BKI(10.10)-Labuan(10.45)), MH 3223(Labuan(11.10) – Miri (11.55)). All auditors travelled to Marudi Base camp 		
Day 1 19/09/23 (Tue)	8.30 – 9.30 am	<ul style="list-style-type: none"> Opening Meeting with representatives of FPMU Briefing session by Forest Manager of the FPMU Q&A Session Documentation Review Evaluation of changes to the management of the FPMU Check on progress of planned activities aimed at enhancing the operation system to achieve improvement in overall performance Check on complaints and follow-up actions Evaluate on procedures for internal audit Evaluate on management review system 		
		Documentation and records review: <ul style="list-style-type: none"> Principle 1 – Compliance with Laws and Principles Principle 4 - Community Relations and Worker's Right (Ind. 4.2.5) Principle 6 – Environmental Impact Principle 7 – Management Plan 	Documentation and records review: <ul style="list-style-type: none"> Principle 5 – Benefits from the forest Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value (HCV) 	Documentation and records review: <ul style="list-style-type: none"> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right
	9.30 am – 5.00 pm	<ul style="list-style-type: none"> Review of Day 1 Findings by Audit Team Leader 		

Day 2 20/09/23 (Wed)	8.00 am – 5.00 pm	<p>Site visit</p> <ul style="list-style-type: none"> • Inspection of active harvesting area - Coupe 2A, Block 15C • Inspection of replanting area and silviculture operations (planting, weeding, slashing, pruning, chemical spraying, etc.) Coupe 2A, Block 19B&19C • Consultation with contractors and workers • Interview with workers – union, insurance, payslip, medical & accident, training etc. • PSP Plot (Acacia and Eu.pellita) – Coupe 3A, Block 12A, Coupe 1A,Block 17A • Management of Forest fire (Fire equipment) 	<p>Site visit:</p> <ul style="list-style-type: none"> • Inspection of LPF boundary and international boundary Malaysia - Coupe 1A, Block 25B. • Kerangas buffer zone – Coupe 2A &4A • Riparian buffer zone (RBZ)- Along the way to Coupe 2A and 4A • Special Management Zone (SMZ).- Along the way to Coupe 2a and 4A • Sample plots(R&D)- Coupe 1A,Block 3D(Eu.pellita) 	<p>Site visit:</p> <ul style="list-style-type: none"> • Consultation with local communities located within and adjacent to FPMU. <ul style="list-style-type: none"> - Long Panai - Long Patan - Long Ukok - Rh.Anthony - Rh.Layang - Rh.Sumping - Rh. Sunan - Rh. Belayong - Rh. Rok - Rh Jawe • Water catchment area of local community <ul style="list-style-type: none"> - Long Pahlo - Long Panai
		<ul style="list-style-type: none"> • Review of Day 2 Findings by Audit Team Leader 		
Day 3 21/09/23 (Thu)	8.00 am – 5.00 pm	<ul style="list-style-type: none"> • Sample Plots (R&D)- Coupe 2A, Block 62B (Ep) • Workshop • Fuel oil Lubrican Store • Staff and workers quarters • Workshop • Scheduled waste store • Genset house 	<ul style="list-style-type: none"> • Inspection of replanting area and silviculture operations (planting, weeding, slashing, pruning, chemical spraying, etc.) – Coupe 2A, Block 38B and Block 22B. • Inspection of active harvesting area - Coupe 2A, Block 7B • Inspection of Post-Harvest area - Coupe 2A, Block 21B • Consultation with contractors and workers • PSP Plots (Acacia and pellita)- cannot access due to rain. • Verification on CoC process for certified and uncertified logs.-logpond. • Nursery 	<ul style="list-style-type: none"> • Consultation with Community Representative Committee (CRC). <ul style="list-style-type: none"> - Setapang - Rh.Jamet - Rh.Ganing - Rh Bawan Ak Sureng - Rh.Berandai - Long Ukok • Interview with worker's representative- union, insurance, payslip, medical & accident, training, safety etc.- Workshop and Base camp • Consultation with workers.
		<ul style="list-style-type: none"> • Review of Day 3 Findings by Audit Team Leader 		
Day 4	8.00 am	Documentation and records review		

22/09/23 (Fri)	2.00 pm 4.00 pm 5.00 pm	Preparation of audit report and finding Closing Meeting Travel from Marudi to Miri Check-in at Pullman Miri Waterfront.
23/09/23 (Sat)	10.00 am	Hj.Roslee and Khairul Najwan travelled back to Kuala Lumpur by MH 2575 ETD: 12.15 ETA: 14.30 and Angelica travelled to Kota Kinabalu ETD: 12.20, ETA 14.05 (MH 3226 - Miri- Labuan (12.20-13.05) and (MH 3044- Labuan- Kota Kinabalu – 13.30- 14.05)