

**PUBLIC SUMMARY OF ASSESSMENT OF PAHANG FMU FOR FOREST
MANAGEMENT CERTIFICATION AGAINST THE REQUIREMENTS OF *MC&I*(2002)**

Date of Public Summary: December 2007

Certification Body

Malaysian Timber Certification Council (MTCC)
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Assessor

The assessment and verification of Pahang FMU for forest management certification against the requirements of the *MC&I*(2002) was conducted by an independent accredited certification body:

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Assessment Team

Assessment:

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Date of Assessment

Assessment: 17-20 & 24-27 April 2006
Verification: 3-7 September 2007

1. INTRODUCTION

To qualify for the award of the *Certificate for Forest Management* under the MTCC timber certification scheme, a forest management unit (FMU) must comply with the requirements of the *Malaysian Criteria and Indicators for Forest Management Certification [MC&I(2002)]* based on an assessment conducted by an independent assessor accredited with the Department of Standards Malaysia, the National accreditation body (AB).

This Public Summary contains general information on the FMU, the assessment process involved, information on the Corrective Action Request (CAR) raised during the assessment and subsequent verification as well as the decision on certification under the MTCC scheme. Maintenance of the Certificate will be dependent upon the ability of the FMU to continue comply with the requirements of the *MC&I(2002)* to be verified through surveillance visits conducted annually.

2. GENERAL INFORMATION

2.1 Name of the Forest Management Unit (FMU)

Pahang FMU

2.2 Manager of the FMU

Dato' Che Hashim bin Hassan
State Director of Forestry,
Pahang State Forestry Department

2.3 Contact Address

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2.4. Size of the FMU (Gazetted and Proposed Permanent Reserved Forest)

1,519,107 ha

2.5 Forest Resource

As of 2006, the total natural forest area in the Pahang FMU amounts to 2,024,810 ha or 55% of the total land area of the State. Of this total, 1,418,854 ha were gazetted as Permanent Reserved Forest (PRF), 100,253 ha as proposed PRF, 399,740 ha designated as National Parks and Wildlife Reserves, and the remaining 105,963 ha

categorized as Stateland and Alienated Forest. The PRF and proposed PRF comprises three main natural forest types, i.e. 1,395,207 ha of Dry Inland Forest, 97,440 ha of Peat Swamp Forest, 2,416 ha of Mangrove Forest and 24,043 ha of forest plantations.

3. ASSESSMENT PROCESS AND CERTIFICATION DECISION

The assessment of the Pahang FMU for forest management certification against the requirements of *MC&I(2002)* was conducted on 17-20 and 24-27 April 2006 by an assessment team comprising of three auditors from SGS (Malaysia) Sdn. Bhd. (“SGS”). The scope of the assessment was confined to the overall forest management system and practices within the PRFs of the Pahang FMU.

Based on the assessment, the auditors had identified several aspects of the forest management practices which were deemed not in compliance with the *MC&I(2002)*, resulting in the issuance of three (3) Major CARs and ten (10) Minor CARs.

The draft *Report on Assessment of Pahang Forest Management Unit for Forest Management Certification* prepared by SGS was subjected to the Client’s comment as well as a review process by two Peer Reviewers. After taking into consideration the comments made by the Client and the Peer Reviewers, the assessor has agreed to downgrade two Major CARs to Minor CARs. The finalized Assessment Report [Ref: F122-278 dated 11 December 2006] prepared by SGS incorporating the comments of the Client and two Peer Reviewers, were tabled for the consideration and decision of MTCC’s Certification Committee during its Twenty-Eighth Meeting on 15 February 2007. As there was a remaining Major CAR, the Committee concurred with the recommendation made by SGS and agreed that Pahang FMU was not eligible to be awarded a new *Certificate for Forest Management* against the requirements of the *MC&I(2002)*.

The Pahang State Forestry Department was therefore requested to take the appropriate actions to address the Major and Minor CARs raised and inform MTCC once actions have been taken so that a Verification Assessment by the independent assessor to close-out the Major CAR could be undertaken.

The Verification Assessment of Pahang FMU to address the Major and Minor CARs was conducted by SGS on 3-7 September 2007.

Based on the Verification Report [Ref: F122-302 dated 23 October 2007], a total of one Major and nine Minor CARs were closed-out, three Minor CARs remained outstanding and two new Minor CARs were issued. Though there were still five Minor CARs outstanding, these Minor CARs do not preclude the FMU from being recommended for certification.

There being no Major CARs, SGS has recommended that the Pahang FMU be eligible to be awarded a new *Certificate for Forest Management* under the requirements of the *MC&I(2002)*.

Based on the Verification Assessment carried out by SGS and SGS’s recommendation to issue a new *Certificate for Forest Management* under the requirements of the *MC&I(2002)* to the Pahang FMU, the MTCC Certification Committee during its Forty-

First Meeting held on 13 November 2007 agreed to issue a new *Certificate for Forest Management* to the Pahang FMU which will supersede the existing *Certificate* issued against the requirements of the *MC&I(2001)*.

The Committee also agreed that the new *Certificate for Forest Management* issued to the Pahang FMU will be valid for five years with surveillance visits carried out every twelve months to ensure continued compliance to the requirements of the *MC&I(2002)*.

A summary of the CARs raised and their closed-out details is as shown in **Table 1**.

Table 1: Summary of Corrective Action Requests (CARs) and Closed-out Details

CAR No.	Principle	Indicator	Status of CAR	Nature of CAR	Close-Out Details
PAH-001	1: Compliance with laws and FSC Principles	1.5.2: Control of encroachment, illegal harvesting, hunting, and settlement, and other unauthorised activities in managed areas of the PRFs for Peninsular Malaysia and forest management areas for Sabah and Sarawak by forest managers, and forested areas outside the PRFs for Peninsular Malaysia by other regulatory agencies.	Minor	Inadequate identification and documentation of areas encroached throughout the FMU and control over its expansion.	<p>Through documentation review, it was found that encroached forest areas have been identified, mapped and listed in the FMP document. Data are now available by forest administrative district and forest reserve. The areas affected by encroachment were also given due consideration in the calculation of Annual Allowable Cut (AAC). The FMU has made considerable effort to properly document and map all encroached areas and incorporate them into its planning process.</p> <p>Minor CAR PAH-001 was closed-out on 7 September 2007.</p>
PAH-002	4: Community relations and worker's rights	4.1.1: Forest managers provide, where appropriate, support for training, retraining, local infrastructure, facilities and social programs commensurate with the scale and intensity of forest management operations.	Minor	Inadequate training programme for local communities and contractors' workers to assist them to get more involved in forestry activities.	<p>Training has been organised at both the district and licence levels involving workers and local communities. A series of training on nursery management, development programme related to peat swamp forest have been conducted by the FMU in 2007. More trainings are scheduled to be conducted at the end of the year.</p> <p>Minor CAR PAH-002 was closed-out on 7 September 2007.</p>
PAH-003	4: Community relations and worker's rights	4.2.2: Availability of management policies addressing the health and safety of forest	Minor	Inadequate awareness on the part of contractors on the need for compliance to OSHA and other health and safety requirements.	<p>Briefing/discussions were organized with involvement of DOSH officers at logging camps. Generally, a greater awareness among forest workers and compliance to</p>

		workers and their families in accordance with current legislation and/or regulations.			OSHA requirements observed at logging camps. Minor CAR PAH-003 was closed-out on 7 September 2007.
PAH-004	5: Benefits from the forest	5.3.1: Availability and implementation of guidelines for reduced/low impact logging to minimize damage to residual stand.	Minor	Inconsistencies in implementation of RIL guidelines particularly for soil erosion control in areas being harvested.	Improvement in erosion control measures were observed in many areas but still not consistently implemented throughout the FMU. Minor CAR PAH-004 remains outstanding.
PAH-005	5: Benefits from the forest	5.6.1: Rate of harvest shall not be greater than estimated regrowth of the residual stand based on permanent sample plots within a pre-defined cutting cycle.	Minor	Lack of record of measurement of growth based on PSP sampling at FMU level.	The FMU has provided the records of the 18 Growth Plots established within the FMU as well as the results of data analysis providing the necessary growth increments. Minor CAR PAH-005 was closed-out on 7 September 2007.
PAH-006	6: Environmental Impact	6.1.1: Assessment of environmental impacts are carried out, including landscape level considerations, as well as the impacts of on-site processing facilities, appropriate to the scale and intensity of forest management, prior to commencement of forest operations in the PRFs for Peninsular Malaysia	Major <i>(downgraded to Minor)</i>	Lack of environmental evaluation/assessment at the FMU level that identify the potential impacts and measures to be taken to mitigate the impact. <i>[Based on the comments by the client and the two peer reviewers and the progress made by the FMU management where a contract has been issued to a consultant for the conduct of a macro EIA at the FMU level, Major CAR PAH-006 was downgraded to a Minor CAR.]</i>	A contract to conduct the EIA at the FMU level has been issued and now being carried out. The Inception Report is available. Baseline information has been gathered and the assessment is ongoing and is scheduled to be completed by November 2007. Minor CAR PAH-006 remains outstanding.

		<p>and forest management areas for Sabah and Sarawak.</p> <p>6.1.2: Assessment of environmental impacts are carried out, including the potential impacts on endangered, rare and threatened species of flora and fauna, and the need for biological corridors in the PRFs for Peninsular Malaysia and forest management areas for Sabah and Sarawak, appropriate to the scale and intensity of forest management.</p> <p>6.1.3: Forest management plans should incorporate measures to mitigate the environmental impacts identified in the assessments.</p>			
PAH-007	6: Environmental Impact	6.2.4: Hunting, fishing and collecting activities should be controlled and inappropriate activities prevented in the PRFs for Peninsular Malaysia and forest management areas for	Minor	Insufficient control on harvest of specific high value non-timber forest products (NTFPs).	Control of harvest of NTFPs is done through issuance of licence to the harvesters (e.g rattan and bamboo). Records of harvest of NTFPs are compiled at district level. Harvest of NTFPs was normally done by Orang Asli for their subsistence. Inspection done at Lipis Forest District indicated that control of harvest of NTFPs (rattan & bamboo) was

		Sabah and Sarawak.			properly documented. The Pahang Forestry Department is in the process of licensing gaharu traders where only one licence will be issued per district. Minor CAR PAH-007 was closed-out on 7 September 2007.
PAH-008	6: Environmental Impact	6.6.1: Availability and implementation of guidelines and/or procedures on the use of chemicals in the forest approved by relevant regulatory authorities. 6.6.2: Forest workers should be aware of the procedures on the use of approved chemicals in the forest.	Minor	Lack of proper record of chemical use within the management that provide evidence of approval by the relevant authorities as well as improper storage of the chemical.	Guidelines on the handling and storage of hazardous materials entitled ' <i>Garis Panduan Penyimpanan dan Pengendalian Racun Serangga, Racun Rumpai dan Bahan Kimia di dalam aktiviti Perhutanan</i> ' has been developed. A summary of the guidelines was displayed in the logging camps. List of chemicals used was available at the Lentang Nursery. Proper storage of hazardous materials was observed to be implemented at the logging camps. Minor CAR PAH-008 was closed-out on 7 September 2007.
PAH-009	6: Environmental Impact	6.7.2: Containers, liquid and solid non-organic wastes including fuel and oil should be disposed of in an environmentally appropriate and legal manner.	Minor	Inadequate management prescription and implementation of waste management and handling of diesel and other liquid materials inside the FMU.	Guidelines for waste management entitled ' <i>Panduan pelupusan sisa pepejal dan cecair bukan organik</i> ' has been developed and circulated to all logging contractors. Implementation of the guidelines observed where wastes were collected and recycled/disposed outside of forest reserve. Areas surrounding the logging camps were observed to be free from inorganic waste such as plastic, bottles etc. Minor CAR PAH-009 was closed-out on 7 September 2007.

PAH-010	7: Management Plan	7.1.1: Implementation of forest management plan prepared in accordance with existing regional guidelines and relevant provisions listed in Principle #1 covering items (a) to (i) in Criterion 7.1.	Major	Lack of current Forest Management Planning document at FMU level to guide and justify the ongoing and future forest management operation.	A Final Draft FMP for the period of 2006 – 2015 is now available. The document contains adequate planning details as required under <i>MC&I</i> 2002. Major CAR PAH-010 was closed-out on 7 September 2007.
PAH-011	8: Monitoring and Assessment	8.2.1: Forest managers should gather the relevant information, appropriate to the scale and intensity of the forest management operations, needed to monitor the items (a) to (e) listed in Criterion 8.2.	Minor	Inadequate monitoring programme for social, ecological and economic impacts of forest operation.	Some elements of monitoring at the licence level are carried out using Form A, B, C and D under the ISO 9000 system. The EIA that is being carried out would need to include description on the monitoring for social, ecological and economic impacts of harvesting. Minor CAR PAH-011 remains outstanding.
PAH-012	7: Management Plan 8: Monitoring and Assessment	7.4.1: A summary of the primary elements of the forest management plan as prepared and implemented under Indicator 7.1.1 should be made available to the public. 8.5.1: A summary of the results of monitoring indicators, including those listed in Criterion 8.2, should be made available to the public.	Minor	Lack of public summary of the FMP and monitoring results availability.	The summary of the FMP is now documented and made available in the FMU website for public access. Minor CAR PAH-012 was closed-out on 7 September 2007.

PAH-013	9: Maintenance of High Conservation Value Forests	<p>9.1.1: Forest managers should conduct an assessment of HCVFs in accordance with relevant national and regional legal and regulatory frameworks, appropriate to scale and intensity of forest management operations in the PRFs for Peninsular Malaysia and forest management areas for Sabah and Sarawak, and in consultation with relevant stakeholders and experts.</p> <p>9.2.1: Forest managers should provide the assessors with a list of relevant stakeholders who have been consulted regarding the HCVFs.</p> <p>9.3.1: Measures to demarcate, maintain and/or enhance the HCVF attributes are documented in the forest management plan and effectively implemented.</p>	<p>Major <i>(downgraded to Minor)</i></p>	<p>Lack of assessment, identification and documentation of HCVF within the Pahang FMU carried out in consultation with relevant stakeholders and expert.</p> <p><i>[Taking into consideration the comments by the client and review by one Peer Reviewer, and the fact that more than 50 % of the total forest area in the state is under conservation status Major CAR PAH-013 is now reduced to a Minor CAR.]</i></p>	<p>Comprehensive HCVF descriptions have been incorporated into the final draft FMP. The HCVFs are identified and mapped at the FMU level. The identification of HCVFs in Pekan FR was done through consultation with stakeholders.</p> <p>Minor CAR PAH-013 was closed-out on 7 September 2007.</p>
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PAH-014	6: Environmental Impact	<p>6.5.1: Availability and implementation of harvesting procedures to protect the soil from compaction by harvesting machinery and erosion during harvesting operations.</p> <p>6.5.3: Availability and implementation of guidelines for forest road lay-out and construction, including log landings and drainage requirements.</p>	Minor	Implementation of harvesting operations in some areas does not consistently follow road specification particularly for the construction of bridge, culverts and water crossing.	New Minor CAR raised during Verification Assessment.
PAH-015	7: Management Plan	7.1.1: Implementation of forest management plan prepared in accordance with existing regional guidelines and relevant provisions listed in Principle #1 covering items (a) to (i) in Criterion 7.1.	Minor	Areas open for licensing and harvesting in 2006 and 2007 did not follow the sequence as specified within the plan period recommended in the draft FMP.	New Minor CAR raised during Verification Assessment.