



GLOBAL FORESTRY SERVICES

Registered Office: 2446 N. San Gabriel Blvd., Suite #C, Rosemead, CA 91770, USA.
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LEGAL VERIFICATION SERVICES

Sarawak Audit Checklist / Report STLVS Principles 1 - 4

Licensee	Samling Plywood (Lawas) Sdn. Bhd. (153126-X)	Reference #	GFSS 018-016
Contact Person	Mr. James Ho Yam Kuan (Chief Operating Officer) Mr. Tsen Teck Fen (Head of Planning & Development Department)	Report Date	15 August 2020
Office Address	Wisma Samling, Lot 296, Jalan Temenggong Datuk Oyong Lawai Jau, 98007 Miri, Sarawak, Malaysia.	Date of close out	-
Site Address	T/0405 Telang Usan, Ulu Baram	Telephone	+6085 413 099
Email	hoyk@samling.com.my tsentf@samling.com.my	Fax	-
		Telephone Fax	+6085 412 751 +6085 413 713
		Approved By	Dr Kevin T. Grace

Statements

GFS Statement of Compliance #	GFS 086 LVS		
Issuance Date	01 September 2020	Expiration Date	31 August 2021

Assessment Details

Assessment dates	10 – 14 August 2020
Scope of Assessment	Forest Timber License No. T/0405
Species	<i>Shorea</i> spp. (Meranti), <i>Shorea</i> spp. (Selangan batu), <i>Sapotaceae</i> spp. (Nyatoh), <i>Mangifera</i> spp. (Asam), <i>Dipterocarp</i> spp. (Keruing), <i>Dryobalanops</i> spp. (Kapur), <i>Shorea</i> spp. / <i>Lithocarpus</i> spp. (Empenit), <i>Eugenia</i> spp. (Ubah), <i>Dialium indum</i> (KerANJI), <i>Gluta</i> spp. (Rengas hutan), <i>Durio</i> spp. (Durian), <i>Octomeles sumatrana</i> (Binuang), <i>Myristica</i> spp. (Kumpang), <i>Mezzettia</i> spp. (Kepayang Babi), <i>Cephalomappa</i> spp. (Arau), <i>Vatica</i> spp. / <i>Cotylelobium</i> spp. (Resak), <i>Sindora</i> spp. (Tampar hantu), <i>Heritiera</i> spp. (Mengkulang), <i>Parastemon</i> spp. (Ngilas), <i>Cratoxylum</i> spp. (Geronggang), <i>Beilschmiedia</i> spp. / <i>Litsea</i> spp. / <i>Dehaasia</i> spp. / <i>Phoebe</i> spp. / <i>Magnolia</i> spp. / <i>Nothaphoebe</i> spp. / <i>Ternstroemia</i> spp. / <i>Actinodaphne</i> spp. / <i>Cinnamomum</i> spp. (Medang)
GFS Lead Assessor	Franklin Emang
GFS Assessor(s)	Priera Bagang
Others	Mr. Tsen Teck Fen, Mr. Zion Kong Yik Seng, Mr. Ho Kheng Ee, Mdm. Wong Kiu Ching, Mr. Jack Kong Wei Chek, Mr. Basar Laya, Mr. Arnold Danney, Mr. Hardy, Mr. Timothy, Mr. Stewart Paran, Mr. Raphael Ong

Document Control

GFS-FORM-006-STLVS-3.1	Title: STLVS P1-4 Checklist & Report	Issue: v04	Date: 01 Mar 2020
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Intellectual property of **Global Forestry Services (USA) Inc. - GFS**
 Samling Plywood (Lawas) Sdn. Bhd. / FTL No. T/0405

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- OBJECTIVES:**
- The objective of this checklist is to verify compliance to the Criteria listed in the Sarawak Timber Legality Verification System as defined by **STLVS Principles 1-4 (v02)** dated **29 January 2019**.
 - Compliance is defined when all applicable criteria are observed to be compliant. A *Minor Gap* to any indicator *does not* constitute non-compliance to a criterion. A *Major Gap* to any applicable indicator does reflect non-compliance to a criterion. Compliance for a criterion where multiple minor gaps are identified in indicators under the criterion may reflect non-compliance to the criterion.
 - All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the company in accordance to the standard.

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Summary Information

Overview of Licensee

Organization Information:

The Samling Group of Companies has a number of associated companies that include **Samling Plywood (Lawas) Sdn. Bhd. [Samling Plywood (Lawas)]**. Samling Group of Companies has multiple Forest Timber Licenses (FTL) as well as License for Planted Forests (LPF) within Sarawak, Malaysia. Current Licenses includes 14 FTLs and 9 LPFs of which 3 overlapped with the existing timber licenses. The total licensed area under Samling management covers nearly 1.5 million ha.

Key regulations:

The legal framework is provided in the following laws (ordinances), rules and regulations:

- Statement of Forest Policy (1954)
- Forest Ordinance (2015)
- Forest Rules (1954)
- National Parks Ordinance (1956)
- National Parks and Nature Reserves Ordinance (1998)
- Wildlife Protection Ordinance (1958)
- Sarawak Timber Industry Development Corporation Ordinance (1973)
- Sarawak Timber Industry (Registration) Regulations (2008)
- Sarawak Forestry Cooperation Ordinance (1995)
- State of Sarawak Forest Timber License (FTL)
- Inter-agency Standard Operating Procedures (SOPs) for Performance of Forestry Functions in Sarawak (Ministry of Resource Planning and Environment, 2012)
- Minimum Wages (Amendment) (No.3) Order 2013
- Sarawak Labour Ordinance (Cap.76)
- Employment Act 1955

Description & License:

Samling Plywood (Lawas) holds the Forest Timber License No. T/0405 (Apoth Palutan Magoh Forest) granted by the Forest Department Sarawak (FDS) for timber harvesting operations within a licensed area of 158,692 ha of natural forest. The area was revised to exclude NCR areas reducing the total area to 158,661 ha as depicted on the map issued by FDS (Ref. #: WPO.627.536.2 (VI)-91).

The revised General Harvesting Plan (GP) has been approved by the FDS on 24th June 2016 (Ref. #: WPO.627.536.2 (VII)-54) that covers 158,661 ha of the licensed concession.

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Management / Land Tenure:

The license tenure based on the Forest Timber Licence T/0405 was issued and approved to Samling Plywood (Lawas) on 15th May 1993 for a period of 20 years; which expired on the 14th of May 2013. FTL No. T/0405 was renewed on 9th January 2013 for a period of 20 years to 14th May 2033 (Ref.#: WPO.627.536.2(VI) – 96).

Management Planning (FMP / GP):

Forest Timber License No. T/0405 is under Management Plan area and the license issued by the Director of the Forest Department Sarawak. Management Plan period and expiry date are identical with the Forest Timber License No. T/0405, i.e. from 15th May 1993 and extended to 14th May 2033 (Ref. No.: WPO.627.536.2(VI) – 96 dated 09.01.2013). The revised General Harvesting Plan (GP) was approved by the FDS on 24th June 2016 (Ref. #: WPO.627.536.2(VII)-54) consists of 26 annual working Coupes which covers 158,661 ha of the licensed concession with a net operable area of 93,276 ha.

Operational activities:

Syarikat Samling Timber Sdn. Bhd. (Syarikat Samling Timber) is the registered logging contractor for FTL No. T/0405. Syarikat Samling Timber is engaged by the licensee as the contractor to fell, extract, harvest and sell all merchantable timber from the T/0405 licensed area.

Syarikat Samling Timber is currently conducting timber harvesting operation in Coupe 14A (Blocks 16 and 17) of FTL No. T/0405 area. Blocks 16 and 17 of Coupe 14A have a valid PEC approved by SFC (Block No.: 002 – 003, 005, 008, 010 – 019 & 025 approved on 14th January 2020).

Land use classification:

Land classification	General Harvesting Plan (ha) (24.06.2016)
Total Licensed Area FTL No. T/0405*	158,661
Total Coupe Area	122,106
Production Area (Natural Forest Management - NFM)	93,276
Licence For Planted Forests (LPF No. 0020) – overlapping with FTL No. T/0405	30,102
LPF No. 0011 and LPF No. 0017 - overlapping within FTL No. T/0405	13,423
Protected & Inoperable Areas** (K, IV, MDI, MDR, WSC)	5,950
Tenyok Nature & Wildlife Reserve *	3,081
Shifting Agriculture (SA) & Community Land Use (CLU)	9,457
Penan Conservation *	2,756
Major Rivers	616

Note*: The FTL No. T/0405 area has been revised to 158,661 ha which excludes NCR lands (Ref. #: WPO.627.536.2(VII)-91) dated 16th November 2012). Note**: (K= Kerangas; IV= steep slopes 35⁰⁺; MDI= Mixed Dipterocarp Remnant Forest; MDR= Mixed Dipterocarp Forest; WSC= Water Catchment Area)

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Environmental context:

The current vegetation is predominantly Mixed Dipterocarp Forest (MDF), followed by some occurrences of Kerangas Forest and secondary forest in the ex-shifting agriculture sites. The existing MDF had been logged at least once and most of the forests have lost their original form and structure with sparse, scattered big trees attaining 35m heights and 60cm diameter. Samling Plywood (Lawas) conducts a 10% enumeration sampling of harvestable commercial timber at Block level (ranging from 50-100 ha in size), based on regulatory requirements, no overall forest management inventory has been carried out. Minimum cutting limits are 60 cm dbh for Dipterocarp species and 45 cm for Non-Dipterocarp species.

Members of the dipterocarp dominated as the most important timber stocks, occupying the top canopy at estimated heights of 30 m to 40 m. The main groups are Meranti (*Shorea spp.*), in particular Red Meranti, Meranti Serang Punai, Meranti Melantai, Meranti Langgai, Engkabang Pinang Licin, and Meranti Tembaga. Selangan batu was another Shorea group, with species like Selangan Batu Biawak, Selangan Batu Bukit, and Kumus. Other commercial species include *Sapotaceae spp.* (Nyatoh), *Mangifera spp.* (Assam), *Tristanopsis spp.* (Selunsor), *Dyera spp.* (Jelutong), *Agathis spp.* (Bindang), *Neolamarckia cadamba* (Kelampayan), *Dacryodes* and *Santiria spp.* (Seladah), *Lithocarpus spp.* (Empenit), *Dipterocarpus spp.* (Keruing), *Dryobalanops spp.* (Kapur), Kumpang (Myristicaceae), Lauraceae (Medang), *Eugenia spp.* (Ubah), and *Cratoxylum arborescens* (Geronggang).

Mammals reported from the licensed area include squirrels (*Callosciurus notatus*), tree shrews (*Tupaia glis* and *T. tana*), bearded pigs (*Sus barbatus*), barking deer (*Muntiacus spp.*), sambar deer (*Cervus unicolor*), common civet cat (*Paradoxurus hermaphroditus*), Malay civet (*Viverra zangalunga*), mousedeers (*Tragulus javanicus* and *T. napu*), giant squirrels (*Ratufa affinis*) and leaf monkeys.

Common birds found in the licensed area are eagles, owls, babblers, barbets, drongos, flycatchers, broadbills, falconets, pigeons, doves, cuckoos, common coucals, ioras, kingfishers, bee-eaters, swiftlets, pied fantails, bulbuls, leafbirds, magpie robins, white-rump shamas, common mynas, sunbirds, spiderhunters, and flowerpeckers.

Some of the reptiles reported in the licensed area are hill terrapins, soft-shelled turtles, hard-shelled tortoises, geckos, skinks, and snakes such as vipers, elapids, pythons, racers, and the paradise tree snake.

Environmental Impact Assessment:

EIA report was conducted by Ecosol Consultancy Sdn. Bhd. as the registered EIA consultant. The Natural Resources and Environment Board (NREB) has approved two EIA reports for previously harvested areas within Forest Timber License No. T/0405:

#	Project name	NREB reference #	Date of Approval
1	Re-entry Hill Logging Under Timber Licence No. T/0405 at Batang Baram – Sungai Tutoh Area, Miri Division, Sarawak.	(11) NREB/6-3/2H/20	3 rd May 2010

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Social context

Social Assessment:

Samling Plywood (Lawas) has not conducted a Social Impact Assessment, as the license provisions do not require for such assessment. The Company, however, maintains a detailed database of most of the longhouses and settlements within and adjacent to the licensed area. The company has also successfully negotiated agreements with many of the communities affected by its operations (further details about the agreements between Samling Plywood (Lawas) and FTL No. T/0405 community are described in Checklist 4.1.3).

Key findings of social assessment:

The region is mostly settled by Penan communities, followed by few Kayan communities and Kenyah communities. The Penan are predominantly farming communities, however, hunting and gathering lifestyle/village culture are still practiced.

List of villages and locations with GPS Coordinates that are associated with FTL No. T/0405.

File #	Race	Village Name	GPS Coordinate (Timbalai)	Claimed Coupe	Area Claimed (Ha)
1	Kayan	Lg. Anyat	N 3° 34' 47.40" E 114° 45' 17.13"	04A(II)	2898 Ha
2	Penan	Lg. Lilim	N 3° 34' 54.40" E 114° 48' 57.05"	04A(I), 04A(II), 04A(III) Excluded	9841 Ha
3	Penan	Lg. Lutin (Luteng)	N 3° 32' 14.91" E 114° 44' 47.65"	04A – 12A 04A(III) Excluded	44,597
4	Penan	Lg. Daloh	N 3° 34' 46.78" E 114° 45' 12.84"	05A	2659 Ha
5	Penan	Lg. Daloh Bestari	N 3° 34' 29.26" E 114° 45' 12.71"	05A	2659 Ha
6	Penan	Lg. Belok	N 3° 42' 42.44" E 114° 41' 34.82"	No Claims	NA
7	Penan	Lg. Kawi	N 3° 27' 9.45" E 114° 44' 51.69"	11A	3821 Ha
8	Penan	Lg. Sayan	N 3° 39' 38.99" E 114° 42' 51.88"	05A	2659 Ha
9	Penan	Lg. Lunyim	N 3° 32' 27.71" E 114° 30' 15.05"	08A & 09A (Part)	08A: 7 Blocks 09A: 1 Block
10	Penan	Lg. Tepen	N 3° 33' 0.22" E 114° 29' 0.22"	08A; 09A Part 07A & 05A	7042 Ha

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11	Penan	Lg. Item	N 3° 27' 53.82" E 114° 45' 44.32"	04A(III)	3376 Ha
12	Kayan	Lg. Keliman	N 3° 19' 56.75" E 115° 45' 25.80"	12 (Part)	Blocks (5-18; 24; 26-30; 33; 34; 36-39; 41-43
13	Penan	Lg. Sengayan	N 3° 20' 45.54" E 114° 35' 56.60"	06A Not clearly defined	3462 Ha
14	Kayan	Lg. Naah	N 3° 34' 46.78" E 114° 36' 18.16"	12A & 13A	C13A = 7,373 ha C12A = 4,108 ha
15	Kayan	Lg. Liam	N 3° 19' 41.17" E 114° 45' 26.89"	12 (Part)	Blocks (5-18; 24; 26-30; 33; 34; 36-39; 41-43
16	Penan	Lg. Kahoh (Lutin C)	N 3° 31' 07.22" E 114° 43' 59.31"	05A & 07A	05A: 2659 ha 07A: 3708 ha
17	Kayan	Lg. Bedian	N 3° 47' 36.23" E 114° 43' 57.49"	02A(i)	2744
18	Kayan	Lg. Bemang	N 3° 50' 57.78" E 114° 35' 37.04"	01A	11,697
19	Penan	Lg. Latik	N 3° 47' 43.58" E 114° 48' 44.93"	02A(ii)	7,790
20	Penan	Lg. Kerangan	N 3° 46' 29.84" E 114° 50' 15.52"	2A(i)	2744
21	Penan	Lg. Kevok	N 3° 48' 02.06" E 114° 54' 19.09"	02A(ii)	7,790
22	Penan	Lg. Nen	N 3° 40' 24.91" E 114° 53' 46.70"	14A	NA
23	Penan	Lg. Leng	N 3° 44' 16.42" E 114° 53' 05.23"	10A	5,117

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24	Penan	Lg. Puak	N 3° 49' 46.10" E 115° 02' 32.97"	16A Not clearly defined	Patah Area
25	Penan	Lg. Siang	N 3° 47' 45.53" E 115° 01' 21.95"	16A Not clearly defined	Patah Area
26	Penan	Lg. Kawa	N 3° 48' 14.56" E 114° 56' 32.38"	Part 15A; 16A; 17A; 19A	Patah Area (map)
27	Penan	Lg. Bareh	N 3° 53' 57.98" E 115° 00' 21.53"	17A Not clearly defined	4,348 Missing map
28	Penan	Lg. Jenalong	N 3° 47' 48.55" E 114° 48' 01.55"	02A(i)	2744
29	Penan	Lg. Urang	N 3° 46' 14.30" E 114° 55' 25.85"	10A	5,117
30	Penan	Lg. Liwok	N 3° 51' 02.08" E 114° 55' 09.62"	17A	4,348

According to the EIA report, certain areas within the licensed area are subject to NCR claims by the local people based on their shifting cultivation areas or native farmlands along with resource use such as hunting or fishing. However, FTL No. T/0405 has been revised to exclude the NCR lands accordingly by FDS (Ref. #: WPO.627.536.2(VI)-91) dated 16th November 2012. On top of that, Samling Plywood (Lawas) has set aside of about 2,756 ha as Penan Conservation Area. In addition, the company also excluded the shifting cultivation area (about 9,457 ha), protected forest areas (about 5,950 ha), and Tenyok Nature and Wildlife Reserve (about 3,081 ha) within the licensed area from logging activities and these areas were reflected in the GP. In addition, the Company observes the tribal customs and provides support to foster amicable relationships with local communities.

Social Monitoring:

Samling Plywood (Lawas) has not conducted a formal Social Monitoring Program under a scheduled system of communication with longhouses. However, regular communication and mutual consultation between Samling Plywood (Lawas) and local communities has been demonstrated over the years since the commencement of the logging operations. Any community claims or issues are recorded, monitored and dealt with according to the Company's Standard Operating Procedures. The company compensates the local communities for any damage or losses to claimed forest resources through signing written agreements on the type and amount of compensation given. Meetings between the Company and the local communities are recorded and issues or questions raised in the meetings have been documented.

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Scope of Assessment

- The scope of the evaluation is to verify compliance of FTL No. **T/0405 (Samling Plywood (Lawas) Sdn. Bhd.)** with the Principles 1-4 of the STLVs Standard (v02) 29 January 2019.
- Site evaluation to verify and report the level of compliance by the **Company**; Samling Plywood (Lawas) Sdn. Bhd. and its **Contractor**; Syarikat Samling Timber Sdn. Bhd. to the standard in respect to each of the criteria within this report.
- Compliance is defined when the auditee demonstrates that the indicators consist of only minor gaps or no gaps against any applicable criteria of the standard. Non-compliance to the Sarawak Legality Standard occurs when a Major Gap is issued against an indicator and associated criterion.

Itinerary of Assessment

Date	Activities	GFS Staff	Mandays
10 August 2020 Monday	Morning: Opening Meeting followed by a document review at Wisma Samling (head office), Miri. Afternoon: Travel to Luteng Camp in FTL No. T/0405. Overnight at Luteng Camp.	Franklin Emang Priera Bagang	2
11 August 2020 Tuesday	Field visit to Coupe 14A at Blocks 16 & 17, sampling of stumps, sampling of logs at PoRM, check licensed boundary, check coupe boundary, check blocks boundary, check buffer zones and check Luteng campsite. Document review.	Franklin Emang Priera Bagang	2
12 August 2020 Wednesday	Community visit to Long Kawa (morning) and Long Puak (afternoon). Document review.	Franklin Emang Priera Bagang	2
13 August 2020 Thursday	Document review at Luteng Camp office. Travel to CDC Long Banyok, sampling of logs and document review at office. Travel to Miri.	Franklin Emang Priera Bagang	2
14 August 2020 Friday	Document review and closing meeting at Wisma Samling (head office), Miri.	Franklin Emang Priera Bagang	2
15 August 2020	Reporting: GFSS 000-016	Dr Kevin Grace Franklin Emang	2
Total			12

Highlights of Assessment

(Major Gap = 0 / Minor Gap = 2 / Observation = 1)

Samling Plywood (Lawas) Sdn. Bhd. has complied with the Sarawak Legality Standard (Principles 1-4) as no non-compliance was identified during the assessment on 10th – 14th August 2020.

Summary of current status of operations against each principle.

Principle 1:

Samling Plywood (Lawas) has demonstrated compliance to the license requirements; EIA requirements and environmental mitigation measures were adequately implemented. Management planning GP; DP and PEC were all approved by FDS that include identification of areas for production and protection.

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Highlights of Assessment

The company had submitted the Second draft of planned DP for new coupe area (Coupe 15A) to FDS on 04/08/2020 (Ref#: MKD/C15A/20-03)

Samling Plywood (Lawas) had engaged Syarikat Samling Timber as the logging contractor to fell, extract, harvest and sell all merchantable timber from the FTL No. T/0405 licensed area.

August 2020: Gap 005/2020 (Minor) - Checklist 1.2.4

The sanitation and hygiene observed at the workers' quarters were observed to be fair. Household rubbish (i.e. plastic bottles, cigarette butt) were underneath the quarters and scattered around the collecting bin area. There was also a spot of stagnant water (small pool) observed near to the housing that has potential for mosquito breeding.

Principle 2:

Samling Plywood (Lawas) has demonstrated compliance with forestry operation standards, specifically standards pertaining to demarcation of boundaries and areas for protection, tree enumeration, control of timber production, log transportation, worker safety and health.

August 2020: Gap 006/2020 (Minor) - Checklist 2.3.2

2 of 4 buffer zones sampled were disturbed based on field observations at Coupe 14A. Samling Plywood (Lawas) did not consistently protect buffer zones from disturbance:

- Measures to control excess soil (due to road construction) from entering the buffer zones were not adequate.

Samling Plywood (Lawas) has a system to protect the area from illegal activities that includes security gates and forest surveyor teams that are responsible for patrolling within the licensed area while conducting forest surveys. An aerial survey is conducted annually. Reports were documented and maintained.

The licensee adhered to cutting limits as stipulated in the license conditions and monthly production limit as approved by FDS. The allowable cutting limits for FTL No. T/0405 are DBH 45 cm and above for Non-Dipterocarp species and DBH 60 cm and above for Dipterocarp species. The current code of practice of harvesting for Coupe 14A is based on conventional harvesting.

Permit to Enter Coupe (PEC Heading 5) was endorsed by FDS for active Blocks 16 & 17 of Coupe 14A.

Field workers sampled had valid documents and were covered by SOCSO and insurance.

All field workers were equipped with PPE. Training was provided to workers and the workers were fully aware of the safety and health procedures. Trainings for logging operations were conducted by STA and records were maintained.

August 2020: Observation 001-2020 - Checklist 2.5.2

The JTK license renewal was submitted on 21/06/2019, but it is still pending for approval from Jabatan Tenaga Kerja Sarawak.

Principle 3:

Samling Plywood (Lawas) demonstrated compliance with payment of Royalty Fees and other charges as required.

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Samling Plywood (Lawas) Sdn. Bhd. / FTL No. T/0405



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Highlights of Assessment

Logs in Patah Stumping (PoRM) and CDC Long Banyok log pond were royalty assessed. Related documents on production, royalty payment and transportation were adequately maintained for cross checking and inspection.

Principle 4:

No areas within FTL No. T/0405 have been gazetted as Native Customary Right (NCR) under the Land Code.

Previously, there was a portion of the license area that was subject to NCR claim, which was verified by the Department of Land and Survey. However, the FTL No. T/0405 area has been revised accordingly to 158,661 ha which now excludes the NCR lands (Ref. #: WPO.627.536.2(VII)-54) dated 16th November 2012.

Samling Plywood (Lawas) has mapped all longhouses that are associated with FTL No. T/0405 in their map 'Locality Map Showing T/0405 Licensed Areas and Kampong Locations' dated 3rd July 2018/ Aug 2017. Document on list of 'Communities Within T/0405, Layun' that identified all the longhouses associated with the licensed area was also available and maintained.

July 2019: Observation 001-2019 - Checklist 4.1.3a

Samling Plywood (Lawas) incorrectly made payments to Lg Kawi for Coupe 12A without an agreement as Lg Kawi only has an agreement for Coupe 11A.

August 2020: Observation 001-2019 (Addressed) - Checklist 4.1.3a

The company had issued an acknowledgement letter to the Lg Kawi Ketua Kampung on 10/08/2020 informing that the log commission payment made for Coupe 12A was an error and it is considered as one-off gift from Syarikat Samling Timber.

Summary results:

(Major Gap = 0 / Minor Gap = 2 / Observations = 1)

GAPs :

GAP #	Type	Checklist	Status	Description
005/2020	Minor	1.2.4	New	The sanitation and hygiene observed at the workers' quarters were observed to be fair. Household rubbish (i.e. plastic bottles, cigarette butt) were underneath the quarters and scattered around the collecting bin area. There was also a spot of stagnant water (small pool) observed near to the housing that has potential for mosquito breeding.
006/2020	Minor	2.3.2	New	2 of 4 buffer zones sampled were disturbed based on field observations at Coupe 14A. Samling Plywood (Lawas) did not consistently protect buffer zones from disturbance: <ul style="list-style-type: none"> Measures to control excess soil (due to road construction) from entering the buffer zones were not adequate.

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**Note: Major Gap = Non-Compliance / Minor Gap still compliant to criterion. Minor Gap may be upgraded to a Major Gap if not adequately addressed by the date of the next surveillance visit.*

Observations		
Obs #	Checklist	Description
001-2019 (Addressed)	4.1.3a	<p>July 2019: Samling Plywood (Lawas) incorrectly made payments to Lg Kawi for Coupe 12A without an agreement as Lg Kawi only has an agreement for Coupe 11A.</p> <p>August 2020: The company had issued an acknowledgement letter to the Lg Kawi Ketua Kampung on 10/08/2020 informing that the log commission payment made for Coupe 12A was an error and it is considered as one-off gift from Syarikat Samling Timber.</p>
001-2020	2.5.2	The JTK license renewal was submitted on 21/06/2019, but it is still pending for approval from Jabatan Tenaga Kerja Sarawak.

**Note: Observations can be upgraded to a Minor Gap if not adequately addressed by the date of the next surveillance visit.*

Highlights of Close out visit (if applicable)	Dates
Not applicable	-

Recommendations
<p>Samling Plywood (Lawas) Sdn. Bhd. has demonstrated compliance with the Sarawak Legality Standard (Principles 1-4) for Forest Timber License No. T/0405 and is recommended to receive a GFS Statement of Compliance and STLVS Certificate of Compliance from FDS.</p> <p>Gaps/observations should be addressed by the next surveillance. Actions required to address the Gaps/Observations identified include:</p> <p>Gap 005/2020 (Minor) – Checklist 1.2.4: The workers' quarters sanitation and hygiene should be maintained to prevent any potential diseases (e.g. Leptospirosis, Malaria, Dengue, etc)</p> <p>Gap 006/2020 (Minor) – Checklist 2.3.2: Remove soil and/or logging debris from natural streams to ensure water flow. Ensure the machinery does not disturb the soil near the waterways. In cases where buffer zones disturbance is unavoidable, immediately re-vegetate disturbed areas using cover crops and/or fast growing tree species.</p> <p>Actions to address Observations includes: Observation 001-2020 – Checklist 2.5.2: The company should follow up with the Jabatan Tenaga Kerja Sarawak pertaining to the approval of license to hire foreign workers.</p> <p>The next annual monitoring visit will be scheduled in August 2021.</p>

End of Summary Report

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