4th FSC National Standards Development Group Meeting

Date : 1st – 3rd August 2012
Venue : Crystal Crown Hotel, Petaling Jaya

Present

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
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<tbody>
<tr>
<td>Mr. Anthony SEBASTIAN</td>
<td>aonyx Consultancy (Chair)</td>
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<tr>
<td>Mr. CHANG Yii Tan</td>
<td>Independent Expert (Environmental Chamber)</td>
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<td>Ms. Kanitha KRISHNASAMY</td>
<td>TRAFFIC Southeast Asia (Environmental Chamber)</td>
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<td>Mr. LIM Si Siew</td>
<td>Grassroots Consulting (Social Chamber)</td>
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<td>Mr. Thomas JALONG</td>
<td>Jaringan Orang Asal SeMalaysia (Social Chamber)</td>
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<td>Mr. TAN Chin Tong</td>
<td>Independent Expert (Economic Chamber)</td>
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<tr>
<td>Mr. Edmund GAN</td>
<td>Sabah Forest Industries Sdn Bhd (Economic Chamber)</td>
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<tr>
<td>Ms. Jayashree KANNIAH</td>
<td>SDG Secretariat, Forest Sustainability Malaysia Sdn. Bhd. (FSM)</td>
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1.0 Call to Order
The 4th meeting of the FSC National Standards Development Group (SDG) commenced on 1st August 2012 at 9:30 am and was called to order by the Chair.

2.0 Welcome Remarks
The Chair welcomed SDG members to the meeting. He further welcomed Mr. Chang who replaced Dr. Sanath as the representative for the environmental chamber of the SDG. Mr. Chang provided a brief background on himself.

3.0 Adoption of Agenda
Upon amendments, the Agenda was adopted.

4.0 Language Edit: Minutes of the 1st and 2nd SDG Meeting
Minutes of the 1st and 2nd SDG meeting was reviewed for language edit and formatting style. The SDG members approved the revisions.

5.0 Follow up: Minutes of the 3rd SDG Meeting
Matters arising from the 3rd SDG minutes were reported as following:

5.1 Field Testing at SFI
The SDG members were informed that the budget for field testing depends on the distance to the field testing site, size of the area (hectares) and costs for auditor. Mr. Gan added that any organization that offered its site for field-testing site would incur cost (such as logistical arrangements, transportation, lodging etc.), that must be considered as well.

Action: Secretariat

5.2 Replacement of a SDG Member
In December 2011, Dr. Sanath withdrew from the SDG, and was accepted by fellow SDG members. Mr. Chang was sourced to fill in the vacant seat for the environmental chamber on the SDG. These changes were adequately notified to FSC.
5.3 **Draft Standards, Minutes and Related Articles in the National Language**

The translation of the draft Standards to the National language needs to be solicited.

*Action: Secretariat*

The minutes of the previous meetings have been translated to the National language and will be uploaded on the FSM website. Mr. Thomas was requested to circulate the translated minutes to the social stakeholders. Funds will be provided to ensure that hard copies of the minutes will be sent to those who are unable to access soft copies, as required.

*Action: Secretariat*

5.4 **Engagement with Transparency International (TI) on Anti-Corruption Scope**

Mr. Tan will engage with TI to gain better insight into the anti-corruption scope, in accordance to Criteria 1.7. He also proposed that the Malaysian Anti-Corruption Commission (MACC)’s Corporate Integrity Pledge be further looked into as a verifier for criterion 1.7.

*Action: Mr. Tan*

5.5 **Status of Previous Clarifications**

Clarifications on the following were circulated to the SDG members. These were on:

- the intent of criteria 1.8 with regards to the Policy of Association (FSC-POL-01-004) and the percentage of conversion to a particular FMU/region/state in the country, for which input was solicited from FSC;
- the indicators of a healthy balance sheet and cash flow in accordance to Criteria 5.5, for which input was solicited from Price Waterhouse Coopers;
- references with regards to annual allowable cut (AAC), which input was solicited from the Forest Research Institute of Malaysia (FRIM);
- the practises of AAC and Dipterocarp Forest Growth Simulation Model (DIPSIM) in Sabah, for which input was solicited from Dr Robert Ong and Mr Herman Anjin (retired staff), Sabah Forest Department;

6.0 **Approval of the Minutes**

Mr. Tan proposed for the adoption of the 3rd meeting minutes and seconded by Ms. Kanitha.

7.0 **Reviewing the Indicators and Verifiers**

Mr. Lim briefed the details of ILO Core Convention and Occupational Safety and Health Act 1994, in accordance to Criteria 2.1 and 2.3 respectively during the review of the criteria.

Mr. Tan was requested to seek further clarifications from Gordian of FSC on criterion 7.2.

*Action: Mr. Tan*

The Secretariat was requested to obtain references on the Malaysian Pesticides Act.

*Action: Secretariat*

The Secretariat was requested to obtain references on Reduced Impact Logging (RIL).

*Action: Secretariat*

The group identified the need for guidance notes (within the national context) to be used as Annexes in the Standards.

Within the next three days, the drafters completed Principles 7 to 10. The next meeting was proposed to be held between 3 – 7 December 2012.
8.0 FSC International Generic Indicators (IGI)
The SDG members were informed that FSC has formed a team to draft the IGI. The first draft of the IGI is scheduled to be circulated in October 2012. SDG members were requested to perform a gap analysis of the IGI against the National Standards before the national stakeholder’s consultation to ensure that the development of the IGI is consistent within the National Standards.

9.0 Timeline and Work Plan
The request to incorporate meeting(s) at several stages within the development of the National Standards against the IGI as a new activity was accepted by the SDG members. This new activity will be reflected in the timeline and work plan accordingly, and be communicated to FSC.

Action: Secretariat

10.0 Any Other Business
The Chair provided a briefing on the meetings that were held in Sabah in April 2012, with the higher management of the Sabah Forestry Department and Forest Management Unit (FMU) licence holders. A summary of this meeting has been made available on the FSM website.

He also informed the meeting that WWF-Malaysia (Sarawak Office) offered to schedule a meeting to propose collaboration and assistance to the SDG.

11.0 Adjournment
The Chairman thanked all the members for their active participation and adjourned the 4th SDG meeting on 3rd August at 6.00 p.m.