A dialogue session between the FSC SDG, Sabah Forestry Department (SFD) and Forest Management Unit (FMU) license holders was held in Kota Kinabalu on 21st April. The meeting was hosted by SFD.

Mr. Kugan, on behalf of the SFD, welcomed all participants to the meeting. SFD clarified that they will participate in this dialogue session as observers, as the key purpose of this meeting was for FSM to introduce the SDG process to economic stakeholders in Sabah.

The FSM Chair proceeded to present the roles of FSM, its primary objective and the current members of the Board. He introduced the Standard Development Group (SDG) initiative, its members and the roles and responsibilities of the Group. The Chair highlighted that this dialogue session is meant to provide an opportunity for both the SDG members and license holders in Sabah to gather and exchange views on issues and challenges faced on the ground, including those relevant to plantations. The Chair clarified that feedback received would contribute towards strengthening the drafting of the FSC National Standards.
An overview of the differences between the new FSC Principles and Criteria (FSC P&C) version 5 against FSC P&C version 4 was presented. The discussions began with the deliberation on Criterion 1.8 and FSC’s Policy for Association with regards to ‘demonstrable long-term commitments to FSC and its related policies’. The drafters explained that the intent of this session was to deliberate upon issues most pertinent to the current practise vs requirements within FSC, and to further explore options to harmonise the two.

Discussions were held at length particularly on Criterion 6.9 on forest conversion that only affects a very limited portion (no more than 5% in any one year) of the natural forest within the area of the FMU. The meeting acknowledged that this principle poses one of the biggest challenges to Sabah in light of the issuance of licence for the sole purpose of establishing plantations. The economic stakeholders stated that conversion (for most? plantation license holders in Sabah) has a specific provision within the licenses granted by the state government, where each FMU has its own set-up prescriptions, including on percentages of conversion.

The discussion concluded, in having an agreed percentage of conversion for the whole state as one possible option to enable FSC certification. This option was recommended to derive as a policy for forest plantation. The economic stakeholders added that relevant conditions should be placed for such a mechanism to be implemented and monitored.

The group was also briefed on the inclusion of a new criterion on anti-corruption measures (per Criterion 1.7). An SDG member suggested the inclusion of a corporate integrity pledge with the Malaysian Anti-Corruption Commission (MACC) as a verifier under criterion 1.7, which was welcomed by the group.

Issues relevant to boundaries were discussed. Economic stakeholders highlighted that a significant portion of outstanding issues were those relevant to boundaries overlapping with native customary rights (NCR) claims. They further explained that NCR matters are resolved through the involvement of the Company, SFD, Police and other relevant agencies to verify such claims. The SDG members were informed that if a contested area was awarded a title prior to 1st January 1996, it has to be returned to the relevant resident/owner.

The Chair then provided a brief introduction to FSC’s Modular Approach Program (MAP) - MAP provides intermediate benefits to forest management enterprises that face significant challenges in the implementation of FSC certification. He further indicated that the participation in the FSC’s MAP is restricted to forest management operations operating in the Global South, i.e current FMU holders in Sabah are qualified to participate in the programme.

In conclusion, the Chair and SDG members recognised the various challenges, including: Policy for Association, mapping boundaries, and issues of conversion. The Chair reiterated that matters brought forward during the meeting will be deliberated in more detail by the Group and that feedback from all during the drafting process will be welcomed.

The FSM Chair expressed thanks to the SFD for making this dialogue possible and to all for their active participation.

Meeting adjourned at 12.45 p.m.