

SOCIAL IMPACTS OF FORESTRY OPERATIONS AT CERUL FOREST CONCESSION (CFC) (2013)

EXECUTIVE SUMMARY

PESAMA is committed in ensuring that its forestry operations do not adversely affect the socio-economic well-being of relevant stakeholders, particularly the local communities. Towards that end, the company desires to identify the major social impacts arising from its harvesting operations and determine mitigation measures to manage those impacts. This Social Impacts Assessment Report has been prepared as an expression of that commitment while at the same time as an attempt to fulfill the requirements of forest management certification standards of the Forest Stewardship Council.

The Cerul Forest Concession of PESAMA covers a total area of approximately 20,243ha. located in the District of Kemaman, Terengganu. It comprises 59 compartments ranging in size from about 200 ha to 500 ha. It is currently managed in its second cycle under the Selective Management System (SMS). The first round of timber harvesting under the system's first 25-year cycle was completed in 2001 involving virtually all the productive virgin forest stands within the production forest category. For the second cycle, a period of 30 years will be implemented within this FMU.

This report was prepared by surveying samples of household heads in three local communities surrounding CFC, namely, Felda Cerul I, Felda Cerul II and Kg. Ban Ho. Other supporting data and information were obtained from various reports of relevant government agencies, notably Majlis Perbandaran Kemaman. Informal consultations were held with officers of PESAMA and representatives of local communities to gather pertinent socio-economic information and issues.

The survey identified several social issues broadly defined as those issues which impinge on the society be at the individual, family or community levels. These issues affect the social and economic livelihoods of the local communities.

The various issues together with their mitigation measures are shown in the following table.

NO	ECONOMIC AND SOCIAL IMPACTS	MITIGATION MEASURES
1.	<p><u>Wildlife and Damage to Crops</u></p> <p>KPKKT logging operations are partly responsible for the destruction of wildlife habitat, including elephants, and this has driven them to the oil palm plantations belonging to the local communities in search for food.</p>	<p>i. PESAMA will ensure that timber felling and site preparation will proceed from the sides of the logging blocks and move inwards to allow ample time for animals to react and adjust and accordingly migrate to safer areas</p> <p>ii. PESAMA will also consult PERHILITAN or other experts to get other advice to manage the problem</p>
2.	<p><u>Road Safety and Road Damage</u></p> <p>There have been a number of accidents involving logging trucks. In addition, logging trucks also damage public roads which are used by the local communities.</p>	<p>i. PESAMA will regularly inspect the conditions of their logging trucks to ensure that the vehicles are safe to use.</p> <p>ii. PESAMA will make spot checks on the volumes of logs carried by the logging trucks to ensure that the allowable limit is not exceeded.</p> <p>iii. PESAMA will brief their truck drivers, at convenient times, on the importance of road safety.</p> <p>iv. PESAMA will contribute towards the maintenance of relevant public roads, whenever feasible.</p>
3.	<p><u>River Fisheries</u></p> <p>It is almost unavoidable that harvesting operations cause sedimentation and affect fish habitat</p>	<p>i. PESAMA will ensure that logging operations adhere closely to the guidelines of the Forestry Department on reduced impact logging and road constructions and maintenance</p>
4.	<p><u>Water for Domestic Use</u></p> <p>The local communities use untreated water from Sg Cerul when the pipe water supply is disrupted</p>	<p>i. PESAMA will ensure that logging operations adhere closely to the guidelines of the Forestry Department on reduced impact logging and road constructions and maintenance.</p>
5.	<p><u>Water for Agricultural Use</u></p>	<p>i. PESAMA will ensure that logging</p>

		operations adhere closely to the guidelines of the Forestry Department on reduced impact logging and road constructions and maintenance
6.	<u>Water for Recreation</u>	i. PESAMA will ensure that logging operations adhere closely to the guidelines of the Forestry Department on reduced impact logging and road constructions and maintenance
7.	<u>Timber and Non-timber Forest Products For Own Use</u>	i. PESAMA will instruct its workers and logging contractors on to report on the taking of timber by local communities
8.	<u>Timber and Non-timber Forest Products For Commercial Use</u>	i. PESAMA will instruct its workers and logging contractors on to report on the taking of timber by local communities
9.	<u>Hunting and Poaching</u>	i. PESAMA will notify PERHILITAN on the incidence of poaching should it receive complaints from their workers or the local communities.
10.	<u>Job Opportunities</u>	i. PESAMA and its contractors should notify the local communities on job opportunities. Local communities should be given due consideration to fill up the job opportunities.
11.	<u>Health and Social Issues</u>	No mitigation measures are recommended

A small committee, comprising two members, will be set up by PESAMA to coordinate the implementation of the mitigation and monitoring measures. This committee will be part of a bigger committee charged with the implementation of forest certification and chain-of-custody programmes and activities. Some of the functions of this committee include:

- i. To draw up an action plan with timing and responsibilities for the implementation of the mitigation and monitoring programmes.

- ii. To liaise with the local communities and any stakeholders on any issues arising the implementation of the plan.
- iii. To keep records of various activities taken to implement the plan.
- iv. To report to the higher authority in PESAMA on its programmes and activities.
- v. To make proposals to review this SIA report when necessary.

Determining social impacts and finding mitigation measures is a continuing process. Issues and problems may change with changes either in how the forestry operations are carried out or in the conditions of the forest ecosystem. PESAMA will make sure that whatever changes to the society are monitored and appropriate measures are taken to address them. It is hoped that there will be continuous improvements in the manner social impacts are determined and managed