



Media Release

For immediate release

Samling Group addresses Al Jazeera news reports

9 November 2020, Miri, Sarawak - We refer to the recent posting by Al Jazeera Report, 'Malaysia's Indigenous people question timber sustainability', which contains serious misalignment and incorrect information that has an adverse and serious impact on the Group's reputation internationally and on the indigenous and native communities that the Group supports.

The Group has been operating in Malaysia for more than 50 years and has always complied with all national and state level laws, regulations and standards. We wish to re-iterate our position to the following misinformation:

First, the allegation that the certification was awarded without the knowledge of local communities in the area is misleading. The Group had complied with all the due processes as required by the Malaysian Timber Certification Scheme (MTCS) to obtain certification, which is naturally part and parcel of our operational plans towards ensuring the responsible management and sustainability of our forest resources. At the outset of operations, Samling had engaged with the local community leaders who had been duly appointed by the Sarawak state government and registered with the District Office. These local community leaders had full authority to represent and act for the communities. Hence, to accuse Samling of undertaking the MTCS process without the knowledge of the local communities is incorrect.

As a matter of policy and record, the Group engages with local communities through the Group's community liaison officers, to ensure that they fully understand and agree with proposed harvesting activity within a concession area that may be proximate to or overlapping their community lands that are recognised in law. This policy is embedded within Samling's own internal standard operating procedures (SOPs), which require comprehensive engagement processes to be undertaken with local community leaders, before the start of any harvesting operations.

Second, Al Jazeera alleges that the village leaders were not adequately consulted by Samling is untrue. Both the communities identified in the Al Jazeera Report, Long Tungan and Long Semiyang, have agreed with the Group on the operation and plans on the area since 1995 and the Group has since spent millions in developing and improving the quality of life and living standard of the local communities. Furthermore, the certification body's Audit Report states (3.3.2) that they conducted satisfactory interviews with representatives of Long Julan, Long Tungan and Long Semiyang. Aware of the plight of these rural communities, the Group has made a concerted effort to employ locals where possible, as evidenced by the fact that in its main upriver Baram operational area, 84% of employees are from local communities, either from within the actual forest timber licence areas (FTLs) or neighbouring the FTLs.



Third, AlJazeera's statement that 'The environmental watchdog, Global Witness, has condemned Samling for its "egregious track record of illegal logging, primary rainforest destruction and violation of indigenous rights" in countries including Malaysia, Cambodia and

Papua New Guinea' remain baseless. We wish to correct the information by stating the actual facts below:

- **Cambodia** - The Samling Group has not managed concessions in Cambodia for more than 10 years.
- **Papua New Guinea** - The Samling Group does not and has never owned or operated timber concessions in Papua New Guinea.
- **Sarawak, Malaysia** - All concessions owned by the Samling Group in Sarawak were acquired in accordance with and compliance to existing national legal procedures and processes.
- **The Samling Group does NOT destroy rainforests.** As a matter of policy, all Industrial Tree Plantations (ITPs) areas are established on degraded lands. The ITP areas are managed under the License for Planted Forest (LPFs) awarded by the Sarawak Government. Each LPF is awarded for a period of 60 years. The MTCS has been endorsed by the PEFC. In fact, it was the first certification scheme in the Southeast Asian region to be endorsed by the PEFC which to date has certified 325 million hectares worldwide.

Fourth, the allegation that Penan communities within or near the Ravenscourt FMU were unaware of the MTCS is not correct. As a matter of record only two of these communities are within the Ravenscourt FMU, the other five are all inside an adjoining FMU that belongs to an unrelated company. However, an Environmental Impact Assessment (EIA) undertaken for Samling by a third party in 2017 to support the Ravenscourt MTCS had included all seven communities. Samling had in fact, constructed and continues to maintain the road access to the Penan communities and also provides assistance with transport to the Lawas Town. A Rest house had also been provided for the Penan communities for use when traveling to Lawas.

Fifth, the Al Jazeera statement that Ravenscourt FMU borders the Gunong Mulu National Park - a World Heritage site renowned in particular for its gigantic limestone caves – is not correct. The nearest point from the national park to the FMU is some 20km straight line distance away. It seems that Al Jazeera is confused by an earlier press statement shared with them. In this press release, (https://www.cspo-watch.com/sarawak_natives_palm_oil_controversy.html), the 'Native tribes from the said Gunong Mulu National Park area in Sarawak accuse the Swiss NGO, Bruno Manser Fund (BMF), of exploiting some of their fellow villagers for the NGO's financial gain and clearly mentioned BMF and other foreigners to "stop interfering in our local affairs."

Sixth, the statement that Peter Kallang, Chair of SAVE Rivers had accused Samling's MTCS Seminar as a façade to fulfil its corporate obligations is totally baseless and seen as an attempt to disparage Samling's good efforts. The Seminar was in fact organised in order to meet a request made to Samling by the upriver communities. The sole purpose of the Seminar was to give emphasis and clarity to certain important facts and requirements, e.g.



that forest management certification is a mandatory requirement of Sarawak's Forestry Department; what is the purpose of the national standard - the Malaysian Timber Certification Scheme and the way in which a certifying body is required to conduct the audit process.

Contrary to the allegations in the statement, the Seminar was well-received and many participants found it helpful as they were able to understand not only the processes involved to first obtain certification and then to renew it annually, but also the available mechanisms to raise any concerns and issues with the company. In fact, it was clear to many participants that numerous engagements are undertaken to reach out to communities as part of the certification process, and in line with the Samling Group's own internal policies, as a way to help them understand the certification process better.

The Group had invited independent experts with in-depth knowledge of various aspects of the MTCS and of the certification process to participate in the Seminar and arranged for an open platform to facilitate knowledge sharing with these guest Speakers. These experts were from the Forest Department Sarawak, the Malaysian Timber Certification Council (MTCC), SIRIM QAS International SdnBhd (a certification body), the World-Wide Fund (WWF) for Nature Malaysia and the Universiti Putra Malaysia, Bintulu Sarawak Campus. The Seminar was attended by 90 people of whom 44 were representatives from local communities and NGOs.

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