



Holding Statement

Statement of Commitment to ITP Certification and Forest Carbon Activity in Sarawak

25 November 2024, Miri, Sarawak - At Samling, our unwavering commitment to Sustainable Forest Management (SFM) and Forest Carbon Activity (FCA) in Sarawak is a cornerstone of our operations. We recognise the paramount importance of protecting our forests and mitigating the effects of climate change in every activity, action, project, or group activity we undertake. (Source: Forest Ordinance, 2015 [*Cap. 71*] & Forests (Amendment) Ordinance, 2022 [*Cap. A201*].

The natural forest also has rich biodiversity and is regenerating, ensuring the well-being of our communities. Sarawak has been implementing sustainable resource management initiatives to balance economic development with preserving its forests, this is embedded in current operating regulations of the forestry department.

These include Sustainable Forest Management (SFM), Forest Landscape Restoration (FLR), and Reduced-Impact Logging (RIL). As of September 2024, Sarawak has recognized a total of twenty-five (25) Certified Forest Management Units (FMUs) and a total of eight (8) Forest Plantation Management Units (FPMUs).

Source: 20th Malaysian Forestry Conference (MFC)—paper presented SUSTAINABLE FOREST MANAGEMENT: SARAWAK'S PERSPECTIVE, Haji Hamden bin Haji Mohammad, Semilan Ripot, Ricky Jonathan Alek, Wilhelmina Cluny & Ir. Wira Azizi Kader)

We practiced reducing the impact on our forest. The Forest Certifications, including those under the Malaysian Timber Certification Scheme (MTCS), endorsed by the Programme for the Endorsement of Forest Certification (PEFC) and any other internationally recognized standards, are acknowledged in compliance with Sarawak Forest Policy, December 2019. (Source: Sarawak Forest Policy, December 2019)

Sustainable Forest Management (SFM): During the peak of forest harvesting in Sarawak in the early 1990s, the ITTO conducted an independent assessment of SFM in the region, following concerns about deforestation. This methodology amalgamated environmental conservation, economic sustainability, and social accountability.

As of August 2024, Sarawak

- Total for Certified Planted Forest Plantations (ITP) **148,337.06 ha** of which **ours is 67,500ha (55.0%)**
- Total Certified Natural Forest for **Sarawak 2,130,173 ha**

Source [MTCC](#)



Forest Landscape Restoration: Sarawak initiated extensive Forest Landscape Restoration (FLR) in 2019, which is aligned with the National's Greening Malaysia Campaign to maintain the vitality of the forests and support their intricate ecosystems in fulfilling their natural ecosystems.

Reduced Impact Logging (RIL): Implement techniques to minimise environmental damage during timber harvesting operations specific to mitigate adverse impacts on the forest environment, including soil, water resources, and biodiversity, allows or compliment the regeneration of the forest.

Our Sustainable Forest Management and Certifications: Samling's ITP area represents 55.0% of all Sarawak's certified ITP.

Our commitment lies in maintaining sustainable forest management for our industrial tree plantation (ITP). These certifications demonstrate our commitment to responsible forest management practices that protect the environment and promote the long-term health of our forests, with annual certification and administration expenditures of approximately more than RM 1 million.

· **On Natural Forest Certifications - All under the PEFC endorsed MTCS**

- Sekiwa although the FTL is has not expired, we did not proceed with certification because we stopped operations in order to enhance forest regeneration in anticipation of developing a carbon project.
- For Bah Sama Forest Management Unit (FMU) **We applied for renewal of the FTL on 23 Jan 2024.** It has not been renewed.
- Additionally, in all NF and ITP areas that had undergone certification, we have done HCV-(High Conservation Value). We also engage with SFC (Sarawak Forestry Corporation) to do the studies and also engage with UPMKB (University Pertanian Malaysia, Kampüs Bintulu) for SIA (social impact assessment).

Supporting the state government's Green Aspirations in Forest Carbon Activity (FCA) through Projects

- One of our ways to continuously ensure our Sustainable Forest Management (SFM) and Climate Mitigation is to look into a forest carbon initiative for our natural forest as supported by the Sarawak State Government.
- In his latest budget for 2025, Sarawak State Premier Datuk Patinggi Tan Sri (Dr) Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg announced the allocation of RM1.5 million to forest carbon projects aimed at reducing GHG emissions in Sarawak next year.
- As of November 2024, Sarawak has issued six (6) Forest Carbon Study Permits (CSP), and SaraCarbon Sdn. Bhd., a subsidiary of Samling Group, we were the first to obtain the permit **(Source: 20th Malaysian Forestry Conference (MFC))**

SaraCarbon, a subsidiary of Samling, has launched a nature-based solution (Nbs) of the Marudi Forest Conservation & Restoration Project (MFCRP) in Marudi, Miri, Sarawak. The project received its forest carbon study permit at the Asia Carbon Conference 2023, Kuching, Sarawak, Malaysia.



SaraCarbon aims to become a leading producer of high-quality nature-based carbon credits with Verra standards and internationally accredited methodologies. Its goal is to drive positive change in the transition to a sustainable economy, protect natural habitats, manage resources sustainably, improve livelihoods, and enhance resilience to climate change.

Our Commitment to the Future

Our commitment to Sustainable Forest Management (SFM) and Forest Carbon Projects is essential for ensuring the long-term health of our tropical forests in Sarawak. Our responsible stewardship involves working with our stakeholders to execute these initiatives, generating positive environmental and community benefits

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