

**KUMPULAN PENGURUSAN KAYU KAYAN TERENGGANU SDN BHD
(KPKKT)**

**EXECUTIVE SUMMARY
OF THE MANAGEMENT PLAN FOR DUNGUN TIMBER COMPLEX (DTC)
& CHERUL FOREST CONCESSION (CFC),
TERENGGANU, MALAYSIA**

This document outlines the rationales, objectives, policies, strategies and general plans of actions that will be taken by the Kumpulan Pengurusan Kayu Kayan Terengganu Sdn Bhd (KPKKT) as the managers of the recently-merged two forest concessions of Dungun Timber Complex (DTC) and Cherul Forest Concession (CFC), during the years to come, till the completion of the currently on-going second rotation of the sustainable management and conservation of the forest areas concerned under the Malaysian Selective Management System (SMS) towards the end of 2030's.

Located in the south of the northeastern State of Terengganu, Peninsular Malaysia, the two forest concessions were hitherto controlled and managed separately over the past 30-plus years as follows: DTC by KPKKT whereas CFC by Pesama Timber Corporation Sdn Bhd (Pesama) which is KPKKT's sister company under the state government-linked company (GLC) Golden Pharos Berhad (GPB). The management of GPB had decided in 2018 that, for practicality and strategic reasons the two forest concessions must be placed under one single management (i.e. KPKKT) in an effort to achieve cost-efficiency and optimize limited resources particularly when the organizations concerned were so short of qualified personnel and other inputs. The *raison d' etre* for the unification was made stronger by virtue of the fact that both areas had earlier been successfully certified as "well-managed forests" under the stringent standard of the world-renown Forest Stewardship Council (FSC). And by putting them under one single management, any future auditing exercises for the purpose of FSC or other certifications would be made less cumbersome whereby unnecessary duplication of efforts and waste of resources would be avoided. In this way it would not only save energy and resources but also motivate the management, staff and contractors concerned. It was, in a way, a recognition of KPKKT as a reputable, world-class managers of the invaluable tropical forest resources.

Under the circumstance, this Forest Management Plan (FMP) looks forward towards combining the original disparate FMPs for the two forest concession areas with the view of consolidating and streamlining the various instructions and plans of actions contained in the two documents, and implement them on the ground with the help of the relevant agencies and stakeholders concerned. This is particularly more so in regard of the management, development and conservation of the High Conservation Value Forests (HCVFs), as well as social impacts and environmental impacts now that their scopes of coverage have increased necessitating more rigorous and focused professional attention by KPKKT. KPKKT's corporate social responsibility (CSR) and accountability have also now expanded, and so would wildlife monitoring and management and the handling and resolution of human-wildlife conflicts. Other aspects such as forest inventory, forest rehabilitation (silviculture), forest nursery, research and development (R&D), training, forest engineering, logistic, enforcement, as well

