

Supply Base Report: WWW Rainbow Sdn Bhd

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Completed in accordance with the Supply Base Report Template Version 1.3

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Producer name: WWW Rainbow Sdn Bhd

Producer location: Jalan Industri 3, Kawasan Perindustrian Temerloh, 28400 Mentakab, Pahang

Geographic position: 3°26'43.1"N 102°21'14.8"E

Primary contact: David Wong / L8-22 Brem Mall, Jalan Kepong, 52000, Kuala Lumpur, Malaysia

Company website: www.pio.com.my

Date report finalised: 30/Jan/2020

Close of last CB audit: 17/Dec/2019

Name of CB: Control Union

Translations from English: [No]

SBP Standard(s) used: [Standard 1 Version 1, Standard 2 Version 1, Standard 4 Version 1, Standard 5 Version 1]

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBE on Company website: [N/A]

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
X	☐	☐	☐	☐

2 Description of the Supply Base

2.1 General description

The supply base of the WWW Rainbow is represented mainly by mixed forests. The factory doesn't have its own harvesting of wood. The work of the enterprise is conducted with the use of purchased raw materials. At the this moment, the region of origin of raw materials is Peninsular Malaysia, and WWW Rainbow doesn't have deliveries from other regions. Current certified areas are Negeri Sembilan , Pahang , Perak , Selangor and Terengganu. The main areas of origin raw materials are Pahang , Perak, Terengganu, and other areas in Peninsular Malaysia.

FOREST RESOURCES

As per government statistics of 2018, forested area in Peninsular Malaysia was 5.76 million hectares or 43.6% of the total land area of 13.21 million hectares. Out of this total, 4.80 million hectares have been gazetted as Permanent Reserved Forests (PRFs) under the National Forestry Act 1984. These PRFs are managed under the Sustainable Forest Management practices for economic, social and environmental benefits. By function 1.83 million ha is managed under Protection forest while 2.98 million ha is managed as Production forest.

At the end of 2018, forested area in Peninsular Malaysia was 5.76 million hectares or 43.6% of the total land area of 13.21 million hectares. Out of this total, 4.80 million hectares have been gazetted as Permanent Reserved Forests (PRFs) under the National Forestry Act 1984. These PRFs are managed under the Sustainable Forest Management practices for economic, social and environmental benefits. By function 1.83 million ha is managed under Protection forest while 2.98 million ha is managed as Production forest

FOREST RESOURCE MANAGEMENT Types of natural forest habitat can be found at the Permanent Reserved Forests (PRFs) areas are the Inland Forest, Peat Swamp Forest and Mangrove Forest, which have been managed systematically for the last 116 years since 1901.

Forest management certification is an important activity at the international level, especially in the trade of timber products. It is a recognition of the full adherence to the Sustainable Forest Management (SFM) practices in PRFs in the states of Peninsular Malaysia being managed for timber production. The standards of Malaysian Criteria and Indicators [MC&I (2002)] have been updated in line with the feedbacks and field implementation experiences, and thus was replaced with newly revised [MC&I (Natural Forest)] under the Programme for The Endorsement of Forest Certification Schemes (PEFC) through the Malaysian Timber Certification Scheme (MTCS) and is applicable since January 2013. Currently four (5) FMUs namely , Negeri Sembilan, Pahang , Perak, Selangor and Terengganu have successfully maintained the Certificate for Forest Management under MTCS scheme. However for Selangor State Forestry no commercial felling as Selangor Government has imposed a moratorium prohibiting logging until 2035.

SOCIOECONOMIC CONTRIBUTIONS

The forestry sector contributed RM7.8 billion or 0.6% of Malaysia's Gross Domestic Product of RM1,353.4 trillion in 2017.

Forest Data for some States in Malaysia: 2018 Statistics

No.	Item	Pahang	Perak	Negeri Sembilan	Terengganu	
1	Land Area (ha)	3,596,500	2,103,800	665,709	1,297,400	
2	Forested Land (ha)	2,056,695 (57.19 %)	1,013,479 (48.17%)	157,964 (23.73%)	651,248 (50.20%)	
3	Non-forested Land (ha)	1,539,805 (42.81%)	1,090,321 (51.83%)	507,745 (76.27%)	646,152 (49.80%)	
	Forest Resources					
4	Permanent Reserved Forest (ha)[<i>Gazetted+Proposed</i>]	1,559,385 + 10,652	988,914 + 2,258	155,549	540,309	
5	Forest Plantations (ha)	24,378	5,361	1,281	2,908	
6	State Land Forest (ha)	86,918	19,146	2,415	33,000	
7	Annual Allowable Cut (for Permanent Reserved Forest)	26,488	14,367	875	6,579	
8	Area opened for logging	32,545	33,513	2,643	8,299	

Malaysia is one of 180 party that are joined CITES since 20th July 1977, however entry into force on 18th January 1978. By joining this CITES Convention, Malaysia are agreed to follow and implement all the regulations enacted by CITES regarding to international trade of flora and fauna species covered by the Convention listed in Appendix I, II and III.

According to information obtained from Species+, there are 40 species from *Gonystylus* genus that are listed in CITES where all these species are listed in Appendix II. From listed species, 28 species including *Gonystylus bancanus* can be found in Malaysia.

WWW Rainbow purchases waste wood from mix wood PEFC certified supply sources. It does not purchase tree species under the CITES and IUCN list.

2.2 Actions taken to promote certification amongst feedstock supplier

Supply base are of certified sources (PEFC certified).

As the volume of pellets needed increases , WWW Rainbow will encourage more suppliers to be certified to meet the SBP standards requirement so as to increase the availability of sustainable biomass

2.3 Final harvest sampling programme

Feed stock is from PEFC certified sources.

2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

2.5 Quantification of the Supply Base

Feed stock is from PEFC certified Supply Base sources. The supply base purchases information and volumes purchased are available in the organizations inventory and mass balance records.

Information on timber species:

Timber Species

POPULAR MALAYSIAN TIMBER SPECIES AND SCIENTIFIC NAME

All timber species list approved by PEFC that are found in Pahang can go into processing of wood pellets. They are waste generated from downstream operations.

The table below provides the current timber species found in Pahang and in other supply base states. Materials received are from the approved range for supplies to site.

No	Local Name	Family	Scientific name
1	Balau	Dipterocarpaceae	<i>Shorea Spp.</i>
2	Balau Merah	Dipterocarpaceae	<i>Shorea Collina</i>
3	Cengal	Dipterocarpaceae	<i>Neobalanocarpus heimii</i>
4	Giam	Dipterocarpaceae	<i>Hopea nutans</i>
5	Keranji	Fabaceae	<i>Dialium spp.</i>
6	Merbau	Fabaceae	<i>Intsia palembanica</i>
7	Resak	Dipterocarpaceae	<i>Vatica spp.</i>
8	Jati	Lamiaceae	<i>Tectona grandis</i>
9	Kapur	Dipterocarpaceae	<i>Dryobalanops spp.</i>
10	Kasai Daun Besar	Sapindaceae	<i>Pometia pinnata</i>
11	Kelat	Myrtaceae	<i>Syzygium spp.</i>
12	Keledang	Moraceae	<i>Artocarpus spp.</i>
13	Kempas	Fabaceae	<i>Koompassia malaccensis</i>
14	Keruing	Dipterocarpaceae	<i>Dipterocarpus spp.</i>
15	Mata Ulat	Celastraceae	<i>Kokoona spp.</i>
16	Simpoh	Dilleniaceae	<i>Dillenia spp.</i>
17	Tualang	Fabaceae	<i>Koompassia excelsa</i>
18	Meranti Merah	Dipterocarpaceae	<i>Shorea spp.</i>
19	Mohagany	Meliaceae	<i>Swietenia macrophylla</i>
20	Bintangor	Calophyllaceae	<i>Calophyllum spp.</i>
21	Durian Hutan	Malvaceae	<i>Durio spp.</i>
22	Geronggang	Hypericaceae	<i>Cratoxylum spp.</i>
23	Jelutong	Apocynaceae	<i>Dyera spp.</i>
24	Kedondong	Burseraceae	<i>Canarium spp.</i>
25	Kungkur	Fabaceae	<i>Pithecellobium spp.</i>
26	Medang	Lauraceae	<i>Cinnamomum spp.</i>
27	Melunak	Tiliaceae	<i>Pentace spp.</i>
28	Meranti Bakau	Dipterocarpaceae	<i>Shorea uliginosa</i>
29	Meranti Merah	Dipterocarpaceae	<i>Shorea spp.</i>
30	Meranti Kuning	Dipterocarpaceae	<i>Shorea faguetioides</i>
31	Meranti Putih	Dipterocarpaceae	<i>Parashorea lucida</i>
32	Mengkulang	Malvaceae	<i>Heritiera spp.</i>
33	Merawan	Dipterocarpaceae	<i>Hopea spp.</i>
34	Mersawa	Dipterocarpaceae	<i>Anisoptera spp.</i>
35	Nyatoh	Sapotaceae	<i>Madhuca spp.</i>
36	Ramin (Melawin)	Thymelaeaceae	<i>Gonystylus bancanus</i>
37	Sepetir	Fabaceae	<i>Sindora spp.</i>
38	Sesendok	Euphorbiaceae	<i>Endospermum diadenum</i>
39	Terentang	Anacardiaceae	<i>Camponosperma spp.</i>

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
	X

The company only uses material with sustainability claims (PEFC) from their production of wood pellets. As PEFC is acceptable as approved source of material, the SBE was not required.

4 Supply Base Evaluation

4.1 Scope

Feed stock is from PEFC certified and controlled sources. No supply base evaluation is required

4.2 Justification

Feed stock is from PEFC certified and controlled sources.

4.3 Results of Risk Assessment

Feed stock is from PEFC certified and controlled sources.

4.4 Results of Supplier Verification Programme

Feed stock is from PEFC certified and controlled sources

4.5 Conclusion

SBE is not required as the feedstock is from PEFC certified and controlled sources. All supply base providing the raw materials for SBP production

5 Supply Base Evaluation Process

Feed stock is from PEFC certified and controlled sources. No supply base evaluation is required

6 Stakeholder Consultation

The supply base is from PEFC certified and controlled sources. No supply base stakeholders consultation was done independently

6.1 Response to stakeholder comments

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

7 Overview of Initial Assessment of Risk

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

7.1 Description of the Supplier Verification Programme

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

7.2 Site visits

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

7.3 Conclusions from the Supplier Verification Programme

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

8 Supplier Verification Programme

Not applicable.

9 Mitigation Measures

9.1 Mitigation measures

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

9.2 Monitoring and outcomes

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

10 Detailed Findings for Indicators

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification

11 Review of Report

11.1 Peer review

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification. No peer review was conducted

11.2 Public or additional reviews

The supply base is from PEFC certified and controlled sources. Aspect covered in PEFC certification, no public or additional review was carried out.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	1. <i>Victor Soosai</i> 2. <i>Paul Wong</i>	<i>Project Managers</i>	<i>30 / Jan / 2020</i>
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	<i>Richard Wong</i>	<i>Managing Director</i>	<i>30 / Jan / 2020</i>
	Name	Title	Date
Report approved by:	<i>David Wong</i>	<i>Director</i>	<i>30 / Jan / 2020</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

Not applicable.

13.2 Effectiveness of previous mitigation measures

Not applicable.

13.3 New risk ratings and mitigation measures

Not applicable.

13.4 Actual figures for feedstock over the previous 12 months

Not applicable.

13.5 Projected figures for feedstock over the next 12 months

Not applicable.