



STA dan Rakan2

April 2016

For Private Circulation Only

Issue 214

This monthly news bulletin is produced by Sarawak Timber Association (STA) to disseminate information to our counterparts on training, research and other relevant areas.

While every effort has been made to ensure that the information printed in this news bulletin is accurate and correct, neither STA nor its Officers, Members or Employees shall assume any responsibilities or be made liable for any inaccuracies and errors printed; nor is such publication unless otherwise stated necessarily the views of STA, its Officers, Members or Employees.

The news bulletin is circulated to designated readers free of charge.

Editorial Board

Chief Editor:
Dr Peter C.S. Kho

Editor/Secretary:
Jaime Chan

Members:
Law Hui Chau
Salfa Kamazura

Consultation Workshop with the Timber Industry on the Revised Sarawak Timber Legality Verification System

Representatives from the relevant State Government Agencies; Ministry of Resource Planning and Environment (MRPE); Forest Department Sarawak (FDS), Sarawak Forestry Corporation Sdn Bhd (SFC); Sarawak Timber Industry Development Corporation (STIDC); Harwood Timber Sdn Bhd (HTSB); and Natural Resources and Environment Board (NREB) as well as staff from Sarawak Timber Association (STA) deliberated on the 2nd Draft of the revised Sarawak Timber Legality Verification System (STLVS) Standard Principles 1-6 on 29 March 2016 at the Grand Margherita Hotel in Kuching. It was resolved in the Workshop that STA is to organise a Consultation Workshop on the revised STLVS for representatives from the timber industry in Sibu on 12 April 2016.

This Workshop, held on 12 April 2016 at Kingwood Hotel, Sibu was attended by 152 participants from the relevant state Government Agencies and the timber industry.

In her welcoming remarks, Puan Dayang Nena Abang Bruce, Senior Assistant General Manager - Trade and Industry, STIDC welcomed all participants to the Workshop. According to her, the main objective of the Workshop on the revised STLVS Standard is to seek comments and inputs from members of the timber industry regarding the 2nd Draft. She further informed the participants of the Workshop that the revised STLVS allows third party verification to be carried

out to provide assurance as well as confidence to the buyers on the legal compliance of the timber and timber products from Sarawak. She also shared with the participants of the Workshop on the various laws and regulations imposed by various major timber consumer countries such as the United States of America, the European Union and Australia.

An overview of the revised STLVS Standard was presented by the consultant to the participants of the Workshop. The revised STLVS Standard consists of six (6) Principles i.e. right to harvest, forest operations, statutory charges, other users' rights, mill operation as well as trade and customs. The Criteria and Indicators for each of the Principles have been developed and they are unique to Sarawak.

Participants of the Workshop were invited to give their views and comments on the revised STLVS Standard, particularly on the Criteria and Indicators. Based on these views and comments, some amendments were made to the Criteria and Indicators to better reflect the timber legality system in Sarawak.

Sarawak Delegation to Japan

Datu Sudarsono Osman, the Permanent Secretary of the Ministry of Resource Planning and Environment (MRPE) led a delegation to meet with senior officers of Japan Forestry Agency, Ministry of Agriculture, Forestry and Fisheries (MAFF) and members of Japan Lumber Importers' Association (JLIA) in two (2) separate meetings on 26 April 2016 in Tokyo, Japan. The delegation comprised Datuk Fong Joo Chung, the Legal Advisor to the State Government and senior officers from forestry agencies under the MRPE as well as major timber companies which are exporting timber products to the Japanese market.

Datu Sudarsono Osman in his opening remarks reiterated the commitment of Sarawak Government towards ensuring that its forest resources are sustainably managed. As sustainable development is a delicate balance between the need for economic growth, social, political and the environment, he then highlighted that for this reason, the Sarawak Government, through the Sarawak Land Use Policy, apportions the hectareage of land that would be used for forestry, agriculture and other miscellaneous uses. Through this Land Use Policy, 7.0 million hectares (56% of our land mass) is allocated for forestry, 4 million hectares (32%) for agriculture and 1.4 million hectares (11%) for settlement and other miscellaneous use. Out of the 7 million hectares allocated for forestry, 1 million hectares shall be constituted as Totally Protected Areas (TPAs) and 6 million hectares as Permanent Forest Estates (PFEs). He emphasised that Sarawak Government always recognises the native customary rights (NCR) land that belongs to the indigenous people. However, the rights must be legally and properly created in accordance with the laws. He further informed the participants of the meetings that the Sarawak Government now carries out perimeter survey to demarcate all NCR land to eliminate unnecessary disputes in the future. He highlighted that all gazetted NCR lands are automatically excluded from timber licenced areas. He informed the Japanese that the clearing of land with regard to the conversion of land for the purpose of agriculture is in line the Land Use Policy of Sarawak which is often misunderstood and/or manipulated by some parties to make others believe

that indiscriminate logging took place. Under the law, as long as there is an approved Environmental Impact Assessment on the designated land for conversion, the timber harvested from these areas will be considered as legal timber.

Datu Sudarsono acknowledged the presence of the main timber players in the delegation and their significant contributions towards the socio-economic development of Sarawak as well as their support towards the Government's effort to ensure sustainable and well-managed forests in Sarawak.

The following three (3) presentations were delivered at the Meeting with members of JLIA:

- (1) *Legality Requirements on Timber Produced in Sarawak and Enhancements to the Legality System* by Mr Jack Liam, Acting Deputy Director of Forests I, Forest Department Sarawak
- (2) *One-Stop Compliance Centres (OSCC)* by Mr Wong Ting Chung, Chief Executive Officer, SARAWAK FORESTRY Corporation Sdn Bhd
- (3) *Heart of Borneo (HoB), the Sarawak Chapter* by Tuan Haji Sapuan Ahmad, Director of Forests, Forest Department Sarawak

The Japanese participants were given full assurance that timber produced and exported to Japan are from legal licence areas. More than 80% of the timber exported to Japan is produced by the main timber companies, which are legally registered in Sarawak. It was also highlighted that Sarawak Government is encouraging its industry to go for certification. The State Government will also ensure that the local population will not be adversely affected, based on the local laws and regulations in place with regard to the rights to land and so on. Hence, all lands held by the natives are excluded in the definition of the licenced areas in Sarawak.

The delegation also paid a courtesy call to Dr Steven Johnson, Officer-In-Charge of International Tropical Timber Organization (ITTO) on 27 April 2016 at ITTO Office in Yokohama, Japan.



Did you know that.....

The Forest Research Institute of Malaysia (FRIM) was provided with a budget of RM13.34 million (approx. US\$3.41 million) this year to spur research and development in support of the timber industry. A new Bill is expected to be tabled during the next sitting of Parliament to expand the functions of FRIM allowing it to become more involved in timber industry research, development and commercialisation.

Source: ITTO TTM Report: 20:7, 1 – 15 April 2016

Did you also know that....

In Perak, a ban on the use plastic bags and polystyrene containers will be implemented in stages – four in all – until a total ban on them comes into effect next June. Johor will do likewise by phasing out the use of plastic and polystyrene across the state within the next year in order to protect the environment. Polystyrene is a non-biodegradable material created from petroleum-based compounds, and products made from it play a significant role in clogging up drains and waterways. A lot of them end up in the sea where they can cause considerable harm to marine ecosystems

Source:<http://cleanmalaysia.com/2016/04/24/perak-and-johor-will-ban-plastic-and-polystyrene/>



First Meeting of the SRC for the Review of MC&I (Natural Forest)

The first meeting of the Standards Review Committee (SRC) for the Review of MC&I (Natural Forest) was convened in a hotel in Kuala Lumpur from 12 to 14 April 2016. A total of twenty one (21) members, alternate members and observers from the environment, industry, indigenous people, worker and relevant government agencies from the three (3) forestry regions of Malaysia participated in the Review. The Industry Stakeholder group from Sarawak is represented by Mr Ling Kiang Cheng from Sarawak Timber Association (STA).

This Review is carried out in accordance with the Rules on Standard Setting Process for the Development of Timber Certification Standards (SSP 3/2014) under the Malaysian Timber Certification Scheme (MTCS), which requires a forest management standard used, be reviewed at intervals that do not exceed a five-year period, and to be undertaken by a SRC comprising balanced and equal representation of stakeholder groups from the 3 forestry regions of Malaysia. The whole review process is expected to take twenty three (23) months, culminating in the adoption of the revised standard by the Malaysian Timber Certification Council (MTCC) Board of Trustees in July - August 2017.

In his opening remarks, Mr Yong Teng Khoon, Chief Executive Officer of the MTCC informed that the 15-member Committee has five (5) members each from

the various stakeholder groups from the 3 forestry regions of Malaysia, and the review process is expected to be completed in the last quarter of 2017. He further informed the Committee that currently, only 10% of the world's forests are certified, of which only 1% are tropical forests. While he acknowledged there are many challenges, there is a need to adopt a stepwise approach as the review will be a "continuous" process. He also alerted the Committee on a proposal to streamline the MC&I (Natural Forest) with that of MC&I (Forest Planation) into a single Standard, from the view point of time constraint and limited availability of resources.

After the adoption of the agenda for the meeting by the Committee, members were briefed on the scope of the review, timeline and processes as well as the terms and reference for the SRC. Mr Yong Teng Khoon was then elected to chair the Meeting.

Over the 3 days, the Committee considered point-by-point, Principle by Principle, the comments and proposals for amendment, deletion and addition submitted by 12 organisations for the first public comment period from 16 November 2015 to 15 January 2016. Four (4) organisations responded that they had no comments to make on the standard for the review process.

* * * * *

Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management/Sustainable Tropical Plantation Management) - Forest Engineering

"Forest Engineering", the eighth subject of the Fourth Cohort of the Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management/Sustainable Tropical Plantation Management) Course (Course) was conducted from 16 to 22 April 2016 at Kemena Plaza Hotel in Bintulu, Sarawak. This subject was jointly taught by Dr Mark Bloomberg and Associate Professor Rien Visser from Christchurch, New Zealand.

The subject provided an overview of the planning of harvesting systems and machines, logging coupe layout, analysis of harvesting costs, logging road construction requirements and techniques as well as environmental, health and safety issues.

The next subject, "Communities and the Forest Industry" will be held from 16 to 22 July 2016 in Wisma STA, Kuching.



Persatuan Kayu Kayan Sarawak Sarawak Timber Association

11 Floor, Wisma STA, 26, Jalan Datuk Abang Abdul Rahim, 93450 Kuching, Sarawak, Malaysia.
Telephone: ++(60 82) 332 222 Facsimile: ++(60 82) 487 888, 487 999
E-mail: sta@sta.org.my Website: www.sta.org.my

Meeting with Licence for Planted Forests Holders

A meeting with the Licence for Planted Forests (LPF) holders on the progress of the first quarterly key performance indicator (KPI) report 2016 was called by Forest Department Sarawak (FDS) on 11 April 2016 at the Regional Forest Office, Wisma Sanyan, Sibul. The Meeting was attended by representatives from the Ministry of Resource Planning and Environment (MRPE), FDS, Licence for Planted Forests (LPF) holders and Sarawak Timber Association (STA).

The Meeting was chaired by Mr Jack Liam, Acting Deputy Director of Forests I, who welcomed and thanked all present at the Meeting. He reiterated the State Government's initiative to achieve the targeted one million hectares of totally protected areas (TPAs) in the State. He also stressed the importance of planted forests in the near future as the State Government intended to shift the timber production from natural forests to planted forests. He then urged the LPF holders to accomplish their respective tree planting commitments made and to assist FDS in achieving the KPI for the tree planting target. He added that FDS is encouraging LPF holders to implement and promote sustainable forest plantation management (SFFPM) practises in their plantation areas.

The Meeting was informed that as at 31

December 2015, the total planted areas in Sarawak is about 365,000 hectares and these areas are planted with *Acacia* (67%), *Batai* (14%), *Eucalyptus* (9%), *Kelampayan* (6%) and others (3%). The Meeting then discussed the issues related to planted forest development in Sarawak such as perimeter survey of Native Customary Right (NCR) land in the LPFs, Permission to Enter Coupe (PEC), revised Tree Planting Plan (TPP) and Enrichment Planting (EP).

LPF holders at the Meeting also raised the challenges that they faced at the local and international level for developing planted forests i.e. the proposed inclusions in Malaysian Criteria & Indicators (MC&I) Forest Plantation.v2 that areas converted from natural forest to planted forest after 31 December 2010 are not eligible for certification when the standard is endorsed by the Programme for the Endorsement of Forest Certification (PEFC), allegations of illegal logging from Non-Governmental Organizations (NGOs) and others.