



# STA dan Rakan2

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

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## Briefing on Sarawak Timber Legality Verification System Standard - Principles 5 and 6



Photo (top): Briefing session held at Bintulu; (bottom) Participants at the Briefing session held in Kuching

The Sarawak Timber Industry Assistant General Manager of Development Corporation (STIDC) conducted a series of Briefings on Sarawak Timber Legality Verification System (STLVS) Standard - Principles 5 and 6 for representatives from the downstream timber industry and timber traders in RH Hotel Sibul on 2 August 2017, ParkCity Hotel Bintulu on 3 August 2017, Pullman Hotel Miri on 4 August 2017 and finally in Riverside Majestic Hotel Kuching on 15 August 2017.

The objectives of these Briefings were to provide an overview on the requirements stipulated in the STLVS Standard particularly Principle 5 - Mill Operations and Principle 6 - Trade and Customs, as well as on the procedures in relation to the issuance of a Certificate of Compliance by STIDC.

In the welcoming remarks by Puan Dayang Nena Abang Bruce, Senior

STIDC, she informed participants of the Briefings that the State forestry agencies led by the Ministry of Urban Development and Natural Resources (MUDNR) had enhanced and further developed the STLVS Standard which allows for a third party verification. She emphasised that the STLVS Standard was developed based on the existing State's forestry Laws and Regulations and the verification by a third party on a voluntary basis depending on market requirements. She also said that STIDC will issue a Certificate of Compliance to companies that have successfully gone through a third party audit for Principles 5 and 6 of the STLVS Standard.

Mr Nicholas Andrew Lissem, Manager of STIDC (Industry Planning Section) gave a presentation on the criteria and indicators under

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STLVS Standard - Principles 5 and 6 as well as the risk assessment involved when purchasing timber and timber products within the supply chain.

Mr Jaddil @ Zaidel Ibrahim, Manager of STIDC (Domestic

Trade Section) presented the procedures for the issuance of STLVS Certificate of Compliance for Export. The companies that had successfully gone through a third party audit can apply for a STLVS Certificate of Compliance for Export from STIDC for the consignment of timber products to be exported, as proof of legality.

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## Twelve Asia-Pacific Economic Cooperation Experts Group on Illegal Logging and Associated Trade

In conjunction with the Asia-Pacific Economic Cooperation (APEC) Senior Officials' Meeting (SOM 3) and Related Meetings which were held from 15 August 2017 to 30 August 2017 at Ho Chi Minh, Vietnam, the APEC Experts Group on Illegal Logging and Associated Trade (EGILAT) met and conducted the following activities from 18 to 22 August 2017:

- (i) Workshop on Customs Best Practices to Identify Illegal Timber and Wood Products
- (ii) Anti-Corruption and Transparency Working Group (ACTWG) Pathfinder Dialogue IV
- (iii) 12th Experts Group on Illegal Logging and Associated Trade (EGILAT) Meeting

The Malaysian delegation comprised seven (7) representatives and was led by Mr Mad Zaidi Mohd Karli, Senior Undersecretary from Ministry of Plantation Industry and Commodities (MPIC).

Mr Nguyen Van Ha, Deputy Director General of Vietnam Administration of Forestry, Ministry of Agriculture and Rural Development of the Socialist Republic of Vietnam, in his Welcoming Remarks at the *Workshop on Customs Best Practices to Identify Illegal Timber and Wood Products*, shared that Vietnam has stepped up on the customs force's anti-smuggling activities to prevent illegal wood trade. This effective measure is a result of its customs agencies' increased efforts in managing imported wood, collecting information on businesses with violations in wood business and classifying these firms as high risks of illegal wood trade.

Ms Jennifer Prescott, Assistant US trade representative for environment and natural resources mentioned that the trading of illegal wood products had negatively impacted

the price of legal wood products as well as the legal and sustainable management of forests. Therefore, APEC economies which account for around 53 per cent of the world's forests, 60 per cent of global production of timber products and 80 per cent of global trade in timber products need to work together to create stricter control tools to solve the problem.

Meanwhile, presenters at the 2-days *APEC Pathfinder Dialogue IV on Fighting Corruption and Illicit Trade* across the Asia-Pacific Region which is initiated to meet the call by APEC Ministers and Leaders to fight the corruption that fuels and facilitates illicit trafficking harmful to APEC economies, markets, and communities shared with participants of the Dialogue on corruption as a driver of illegal logging as well as ways to combat corruption in the forest products trade in customs' environment.

The Dialogue also served as a platform for discussions on new momentums for combating corruption in wildlife trafficking, on ways to work with civil society to combat corruption as a facilitator of wildlife trafficking and sharing of success stories in addressing law enforcement integrity.

The *12th APEC Expert Group on Illegal Logging and Associated Trade (EGILAT) Meeting*, attended by a total of sixteen (16) economies; namely Australia, Canada, Chile, China, Indonesia, Japan, Korea, Malaysia, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Chinese Taipei, United States and Viet Nam was chaired by Dr Ruth Turia.

Representatives from Australia, Japan, Korea, Indonesia,

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### Did you know that.....

A study conducted by the U.S Environmental Protection Agency concluded that biodiesel produced from palm oil does not meet the minimum 20% lifecycle greenhouse gas (GHG) reduction threshold needed to qualify as a renewable fuel.

Therefore, biodiesel produced from palm oil will not significantly reduce carbon imprints.

Source: <https://www.epa.gov/sites/production/files/2015-08/documents/420f11046.pdf>

## Did you also know that...

With just three years left to 2020, most countries that have committed to reducing the loss of globally threatened species and protecting their habitats under the Convention on Biological Diversity's (CBD) 2020 biodiversity targets, have made inadequate progress in achieving the targets.

A 2016 report by CBD also state that funding for conservation is becoming increasingly scarce, thus making the need to prioritize on areas to protect and actions to undertake to halt loss of species, even more crucial.

Source: <https://www.cbd.int/financial/doc/global-2016-targetsreport.pdf>



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the Philippines and Peru made presentations relating to combating illegal logging and promoting trade in legal forest products.

The Meeting received and shared several updates, namely (i) Korea's revised Act on Sustainable Use of Timbers which will come into force on 21 March 2018, (ii) the 4th APEC Meeting of Ministers Responsible for Forestry will be held in Seoul, South Korea from 30 October to 1 November 2017, (iii) the Meeting had achieved most of the planned activities under its 2017 Work Plan and

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the remaining activities will be captured in the 2018 Work Plan, (iii) a few economies are still developing their Timber Legality Guidance Template (TLGT) while others have not yet worked on theirs but agreed to complete the TLGTs by SOM 1 2018.

The Meeting also discussed at length on the Draft EGILAT Multi-Year Strategic Plan 2018 – 2022 and agreed for the economies to send in their comments and inputs for the consideration of EGILAT 13 at the Senior Official Meeting 1 in 2018.

## Financial Assistance to Sekolah Kebangsaan Kampung Buda, Spaoh, Betong



Photo: Thumbs-up signs from all present at the presentation ceremony

Sarawak Timber Association (STA) through its subsidiary company, STA Mutual Sdn Bhd (STAM) has been working together with Sarawak Timber Industry Development Corporation (STIDC) since year 2012 to improve the facilities and amenities of rural primary and secondary schools in Sarawak. Sekolah Kebangsaan (SK) Kampung Buda, Spaoh, a primary school located by the riverbank of Sungai Batang Saribas, Betong with seventytwo (72) students and fourteen (14) teachers, chosen by STIDC, suffered extensive damage during a landslide which happened in June 2016. Since then, the students have no proper classrooms to study and have restricted extracurricular activities.

The initial financial assistance of RM73,000.00 was presented by Datu Sarudu Bin Haji Hoklai, General Manager of STIDC to Mr Kon Sepawi, Headmaster of SK Kampung Buda in May 2017. However, the fund was insufficient to re-build the school's infrastructure. In view of this, STA provided an additional sum of RM100,000.00. This was presented in the form of a mock cheque by Datu Sarudu Bin Haji Hoklai to Mr Kon Sepawi, witnessed by Mr Mohammad Razi Bin Sitam, State Assemblyman (ADUN) Saribas in a Presentation Ceremony on 21 August 2017 at the mosque in Kampung Buda. Also present at the Ceremony were Mr Philip Choo Kwong Hui,

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Honorary Treasurer of the STA cum Company Secretary of STAM, Mr Stephen Hii Hium Ung, Council Member of STA and Mr Paul Lau Ngie Hung, Assistant General Manager, Resource Development Division of STIDC.

In his speech, Mr Mohammad Razi Bin Sitam thanked

both STA and STIDC for their financial assistance of RM173,000.00 provided to SK Kampung Buda. He also informed the attendees at the Ceremony that he anticipates the new infrastructure to be completed by September 2017.

With the new infrastructure in place, parents will no longer have to worry about sending their children to the school.

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## Weight to Volume Conversion Factor Study for Kelampayan and *Eucalyptus pellita*

SARAWAK FORESTRY Corporation (SFC) and Sarawak Timber Association (STA) have jointly conducted the Weight to Volume Conversion Factor Study for both Kelampayan and *Eucalyptus pellita* with the aim to derive the conversion factor which will be used in royalty and cess assessments of these two planted species.

The first series of the Study was conducted from 21 to 24 August 2017 in Sibu with the participation of staff from SFC, Forest Department Sarawak (FDS), Members Companies of STA and STA Secretariat. This Study was conducted in two (2) locations i.e. Sungai Menari Logpond, Song and Subur Tiasa Particleboard Sdn Bhd, Upper Lanang, Sibu. The samples of Kelampayan were provided by Ta

Ann Plywood Sdn Bhd while the samples of *Eucalyptus pellita* were provided by Rejang Height Sdn Bhd. The weight, length as well as the overbark and underbark diameters at small end, mid length and big end of the planted logs were measured and recorded for thirty (30) Kelampayan and 30 *Eucalyptus pellita* trees.

Either logs or wood disc samples were also collected for each species and transported to Timber Technology Centre (TTC), Kuching for laboratory testing to determine the basic density, moisture content and bark percentage of the respective species.

The second series of the Study will be conducted in Bintulu.