

STA Review

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January 2007

MTC/ VVNH/ TTF Timber Trade Forum

■ STA hosted a Timber Trade Forum on 17 January 2007 at Wisma STA, Kuching for a group of timber traders from the UK and the Netherlands to meet with the timber industry leaders from Sarawak. The forum was jointly organised by the Malaysian Timber Council (MTC), Dutch Timber Trade Association (VVNH) and the UK Timber Trade Federation (TTF). This was one of the three fora that were organised throughout Malaysia with one in Peninsular Malaysia on 15 January 2007 and another in Sabah on 19 January 2007.

This trade forum aimed to

communicate changes in requirements for legal and sustainable timber to manufacturers of timber products in Malaysia and to facilitate the exchange of information and sharing of lessons between producers in Asia and consumers within the European Union. Asian exporters face new challenges in meeting international market requirements; EU legislation and public and private sector purchasing policies now require timber to be legally and sustainably produced.

The programme included a series of briefings as follows;

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Picture: (Left to right) Mr. S. K Tham, Director MTC London, Datuk Leo Chai, STA Chairman, Mr. André de Boer, Chief Executive of the Dutch Timber Trade Association (VVNH), Mr. Andy Roby, Head of Environment and Corporate Social Responsibility, UK Timber Trade Federation

(Continued from Page 1)

- Overview of changes in International Market
- EU Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreements (VPAs) - What are they, what do they mean for Malaysia?
- EU consumer markets - what buyers need now and in the future; why should producers care?
- Netherland's TTA's View on Tropical Timber Trade
- An EU Importer Case Study
- The changing market for legal and sustainable timber
- Asia/ Malaysia/ Sarawak

Overview

- Good Wood is Good Business - Working with industry to get verified timber - Log tracking, verification & auditing
- TRAFFIC's thoughts on Legality Definition & Independent Monitoring
- Working with buyers and producers - the GFTN groups and programmes in Malaysia

The forum ended with a discussion on the existing constraints and incentives required to increase trade with the European market.

Note: Papers presented at the Trade Forum are available for reference at MARIA at the STA Exhibition Centre or from the STA Secretariat at nominal printing cost.



*Left:
The press
conference in
progress*



*Right:
Q&A Session
with the panel
of speakers*



*Left:
A participant seeking
clarification during the
Q&A Session*

Regional Conference: Biodiversity Conservation in Tropical Planted Forests in Southeast Asia 2007

■ Forest plantations of *Acacia* and other species have become a common feature in the landscape of ASEAN countries over the last several decades having been developed primarily to produce industrial wood. Historically, these plantations were preceded by plantation crops including rubber (*Hevea brasiliensis*) and oil palm (*Elaeis guineenses*).

As the areas being developed for planted forests increase, there is growing concern about the disappearance of the many reservoirs of biodiversity in the region.

The Regional Conference: Biodiversity Conservation in Tropical Planted Forests in Southeast Asia 2007 (BCTPF 2007) was held from 15 to 18 January 2007 in Bintulu to address this concern. The Conference was jointly organized by Grand Perfect Sdn Bhd, Sarawak Forestry Corporation Sdn Bhd and the Forest Department of Sarawak.

This four-day conference aiming to improve the conservation of biodiversity in the planted forest habitats of Southeast Asia was attended by more than 200 participants, comprising scientists, researchers and experts in the field, planters from many countries, NGOs and students.

The Chief Minister of Sarawak, YAB Pehin Sri Haji Abdul Taib Mahmud officiated the opening of the Conference. Among the dignitaries at the function were the Deputy Chief Ministers, YB Datuk Patinggi Tan Sri Dr. George Chan, YB Datuk Patinggi Tan Sri Alfred Jabu, the Federal Minister of Plantation and Industries and Commodities, YB Datuk Peter Chin and the Director of Forests Sarawak, Datu Cheong Ek Choon.

In his speech, the Chief Minister said that Sarawak is the only state in Malaysia which has its own laws on planted forests and has a target of one million hectares of planted

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Left:
Launching of
the book,
"People of
the Planted
Forest"

(Photo
courtesy of
Sarawak
Forestry
Corporation
Sdn Bhd)

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forests over the next 15 years. By having more timber produced in planted forests, the pressure on timber production from the natural forests will be reduced. Planted forests development in Sarawak will also help to further expand the timber industry, including the pulp and paper industry and thus, the indigenous forest can be more effectively conserved.

In conjunction with the Conference, there were two other events, the launching of a book entitled "People of the Planted Forest" and the planting of the 88 millionth tree.

The book on "People of the Planted Forest" presents pertinent information about the Planted Forest Zone (PFZ), and offers readers a look at the people living therein. The book also presents information on plantation of *Acacia mangium* in the PFZ, Community Development Programmes (CDP) within the PFZ



Picture: The Honorable Chief Minister of Sarawak planting the 88 millionth tree

(Photo courtesy of Sarawak Forestry Corporation Sdn Bhd)

and the implementation of the bee-keeping and other agricultural projects in the PFZ under the CDP.

The planting of the 88 millionth tree gave an indication the progress of tree planting in Sarawak since the first seedling of *Acacia* was planted in 1997.

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Picture: Dignitaries, participants and invited guests at the official launching ceremony (Photo courtesy of Sarawak Forestry Corporation Sdn Bhd)

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During the Conference, a Special Merit Award was bestowed on Dr. Robert Frederick Inger, a researcher and authority on herpetofauna (frogs, lizards and snakes) in Sarawak and Sabah rainforests, by the State. Dr. Inger has worked for 65 years in Borneo, 50 of those in Sarawak where he had on his own or in collaboration with fellow scientists, described more than 50 new species of frogs, lizards and snakes. At least five species were named after him.

A total of 39 papers were presented over the six sessions at the Conference. There was also a small exhibition of videos and photographs of plantations.

Three Post Conference Tours were offered to for participants to visit the Bukit Sarang Conservation area, the Binyo Penyilam Conservation area and the GP Nursery and Planted Forest Zone in Samarakan. ❁

ANNOUNCEMENT

Enforcement of ISPM 15 in Japan

The International Standards for Phytosanitary Measures, publication 15. (ISPM 15) adopted in 2002 by the International Plant Protection Convention (IPPC) as part of the United Nations Food and Agriculture Organization, requires all wood packaging material (species of coniferous (softwood) and non-coniferous (hardwood)) to be heat-treated at a core temperature of 56 degrees Celsius for a minimum of 30 minutes. This regulation eliminates the presence of pests found in wood, particularly the Pinewood Nematode and the Asian Long-Horned Beetle.

Based on the information from the World Trade Organisation, Japan will be enforcing ISPM 15 on 1 April 2007. Therefore, it is recommended that Member Companies to have the heat treatment facilities certified by Department of Agriculture, Sarawak (DoA) as soon as possible to ensure all shipments will be internationally accepted and received on time. If you have any queries on the set up and registration of heat treatment facilities, please contact Secretariat at 082-332222.

As one of the conditions set by DoA for registration of heat treatment facilities, all operators of the heat treatment facility must be **trained**. Members are advised to send their operators for training which will be organised by Sarawak Forestry Corporation soon.

Note: The above STA Memo has been sent to all STA Members, except those in the Plantation Category, on 14 February 2007.

New Technical Requirement for Export of Plywood to Taiwan

■ The STA received a letter from the Sarawak Timber Industry Development Corporation (STIDC) Ref.: STIDC.12.PI(UPI).40(12) dated 13 December 2006, regarding to the new technical requirements for the export of plywood to Taiwan. The following is an excerpt from the letter:

"Kindly be informed that Taiwan has notified the World Trade Organization (WTO) of their proposal to introduce new regulations requiring all plywood products which are

exported to Taiwan to be tested and certified for formaldehyde emission control. The proposed date of adoption and entry into force of this regulation is 1 December 2006 and 1 July 2007 respectively."

Further information concerning the proposal can be obtained from S T I D C ' s w e b s i t e www.pusaka.gov.my ☛

Note: The above information was also sent out to STA Members via the STA Grapevine on 15 December 2006.

STA Labour (Industrial Court) Committee Communication

■ The STA Council had set up the STA Labour (Industrial Court) Committee with the task of examining the views of members regarding resolution process of labour and workmen disputes under the Industrial Relations Act 1967 (Act 177)(Revised 1976) and the Labour Ordinance (Sarawak Cap. 76).

This Committee was set up primarily because of complaints by various members concerning the problems they face when they terminate the contracts of employment with their workers and the workers subsequently lodge complaints to the industrial relations department. They claim:

- (a) That the conciliation process handled by the industrial relations officers is generally biased in favour of the workers and therefore not conducive to fair settlement;
- (b) That the legal provisions for unfair dismissal are too wide reaching and are generally not viewed from

the perspective of the employers;

- (c) That there is considerable delay in the hearing of the cases;
- (d) That the awards against the companies (the employers) are usually excessive; and
- (e) That the current process being conducted does not promote good industrial relations.

As such, the Committee hopes to collate the problems faced and to recommend ways to address the present shortcomings for the improvement of labour and workmen dispute resolution.

As part of the fact finding mission, the Committee had commissioned a third party to prepare a questionnaire for all members of STA. This questionnaire sent out as the STA Circular ref: STA/04/14-F19 dated 11 January 2007, aims to obtain feedback on the effectiveness and efficiency of the present process of labour and workman dispute resolutions and other issues that

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members may have encountered or may be currently facing, for STA to take it up on their behalf.

Thus, it is hoped that all members will give their support to this exercise and give their comments frankly and freely. These comments will be

treated in strict confidence to enable a fair and comprehensive study of the matter to be made. Feedbacks will form the platform for the Committee to make recommendations to improve industrial relations and labour and workmen dispute resolutions within the forest and timber industry. ❁

Inception Workshop: Joint Project between MTCC & the Free and Hanseatic City of Hamburg (FHH)

■ The Inception Workshop: Joint Project between the Malaysian Timber Certification Council (MTCC) and the Free and Hanseatic City of Hamburg (FHH) was held on 9 January 2007 in Kuala Lumpur. The workshop was attended by over forty participants from various backgrounds: NGOs, trade associations and government agencies.

The project was one of the outcomes of the Malaysian Timber Certification Mission to Europe in 2002 when the then Honourable Minister of Primary Industries, YB Dato' Seri Dr. Lim Keng Yaik held a discussion with Mr. Gunnar Uldall, Senator for Economy and Employment in the Hamburg State Legislative Assembly. The Minister urged the Hamburg authority to review the policy regarding public procurement of tropical timber, which was confined to the Forest Stewardship Council scheme, to include timber products certified under the MTCC scheme. As such, the main objective of the Joint Project was to provide scientific support to refine the MC&I (2002), to fulfill the requirements of FHH for the use of tropical timber, as well as to ensure its practical application in the field.

The purpose of this workshop was to inform all stakeholders of the scope, timeline and expected

outcome of this two-year project. The project, financed by GTZ, the German Timber Trade Federation (GTTF), FHH and MTCC, was implemented in June 2006 and is expected to be completed by May 2008. Four consultants will be engaged to conduct a gap analysis and look at the specific aspects of MC&I (2002) against the requirements of the FHH.

The expected input and outcomes are:

- MTCC to ensure that the MC&I (2002) are used in its certification scheme in accordance with the agreed schedule, so that FHH will have access to MTCC-certified timber products which comply with the policy of FHH;
- FHH will accept on a preliminary basis the MTCC timber certification scheme using MC&I (2001) and will permit the use of timber products from FMUs certified under the MTCC scheme;
- Preliminary acceptance of MTCC scheme by FHH from 1 June 2006 to 31 May 2008 and
- Full acceptance of MTCC scheme by FHH shall be granted when MC&I (2002) are fully used in the scheme. FHH will then accept certificates issued by certifiers registered with MTCC. ❁

Timber Industry Training Course 2007

■ The Sarawak Timber Industry Development Corporation (STIDC) will be offering the following courses for the year 2007. These courses will be held at Pusat Latihan Perakayuan PUSAKA, Tanjung Manis (PLPPTM) and Kompleks Industri Perabot PUSAKA Kota Samarahan (KIPPKS). For further information, please contact STIDC at:

Wisma Sumber Alam, Jalan Stadium
Petra Jaya, 93050 Kuching, Sarawak
P.O. Box 194, 93702 Kuching,
Sarawak
(Attn: Industrial Training Section)

Tel: 082-443477
Fax: 082-449184
Email: hamzahm@pusaka.gov.my
Website: www.pusaka.gov.my

No.	Code	Course Title	Duration	Fee (RM)	Date
A. Competency Based Training					
1.	FUR II	Introduction to Furniture Making Techniques	12 weeks	2,600	19 March - 25 May
2.	FUR III	Furniture Design & Manufacturing	20 weeks	3,700	11 June - 5 October
3.	SUK II	Introduction to Wood Carving Techniques	12 weeks	2,600	19 April - 25 May
4.	SUK III	Wood Carving Design & Manufacturing	20 weeks	3,700	11 July - 5 October
5.	GRA I	Wood Anatomy & Identification	3 weeks	500	12 - 20 March
6.	GRA II	The Sarawak Log Grading Rules	3 weeks	500	7 - 25 March
7.	GRA III	The Malaysian Grading Rules	7 weeks	1,200	9 April - 25 May / 2 July - 17 August

Note: The above courses will be held at Pusat Latihan Perakayuan PUSAKA, Tanjung Manis

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No.	Code	Course Title	Duration	Fee (RM)	Date
B. Technical Short Courses					
1.	GRA a	Introduction to Wood Identification	3 days	300	6 - 8 March
2.	GRA b	Introduction to Sarawak Log Grading Rules	3 days	300	24 - 26 March
3.	GRA c	Introduction to The Malaysian Grading Rules	3 days	300	19 - 21 June

Note: The above courses will be held at Kompleks Industri Perabot PUSAKA Kota Samarahan

IUFRO All Division 5 (Forest Products) Conference 2007

■ IUFRO Division 5 (Forest Products) will be organising a conference entitled of "Forest Products and Environment - A Productive Symbiosis" from 29 October to 2 November 2007 at the Grand Hotel, Taipei, Taiwan.

IUFRO - the International Union of Forest Research Organizations - is a global network providing a platform for international forest science cooperation. This conference will serve as a forum for the exchange of knowledge and experience in forest products research at the national and international levels. Participants will discuss recent research progress, exchange information, and collaborate on research related to the forest products and environment.

D5, the IUFRO division focusing on forest products and the related areas, includes the following major topics:

* 5.01.00 Wood quality * 5.02.00 Physiomechanical properties of wood and wood-based material and their applications * 5.03.00 Wood protection * 5.04.00 Wood processing

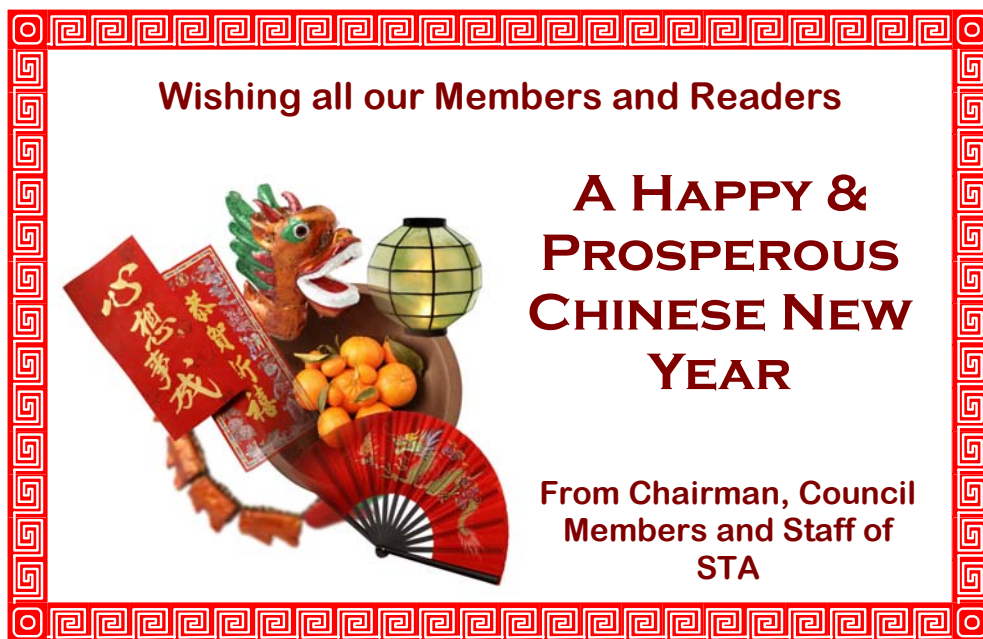
* 5.05.00 Composites and reconstituted products * 5.06.00 Properties and utilization of plantation wood * 5.07.00 Energy and chemicals from forest biomass * 5.10.00 Forest products marketing and business management * 5.11.00 Non-wood forest products * 5.12.00 Sustainable utilization of forest products * 5.14.00 Forest products education * Pulp and paper

For further information, please contact:

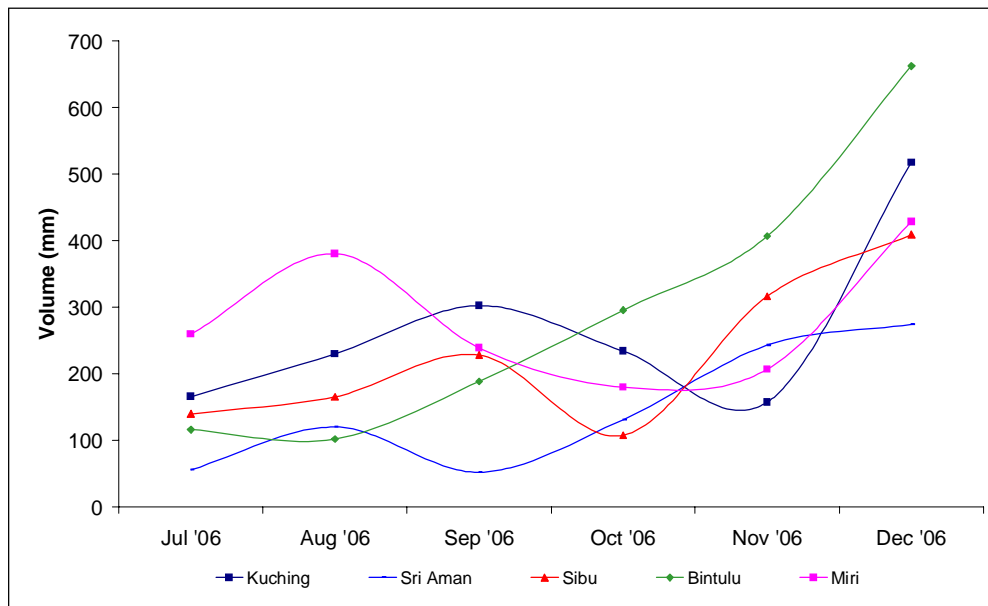
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Rainfall : July - December '06 Kadar Hujan Bulanan



Source : Malaysian Meteorological Services.

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