



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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Australia Illegal Logging Prohibition Act 2012

The Australian Illegal Logging Prohibition (AILP) Bill 2012 was passed by the Australian Parliament on 19 November 2012 and has subsequently received the Royal Assent on 28 November 2012. From 29 November 2012 onwards, the importation of illegally logged timber into Australia and the domestic processing of illegally logged Australian raw logs are prohibited.

The AILP Act 2012 allows for due diligence, compliance requirements and regulated timber products to be prescribed in regulations. The Australian Government, represented by the Department of Agriculture Fisheries and Forestry (DAFF), is currently drafting and developing regulations that will detail the operational aspects of AILP Act 2012 which will come into effect on 30 November 2014. The following are mandatory requirements in Australia from 30 November 2014 onwards:

- Importers of regulated timber products and domestic processors of domestically grown raw logs will be required to conduct due diligence in order to reduce the risk that illegally logged timber is imported and processed
- Importers of regulated timber products must provide declarations, at that time of import, to the Ministry for Home Affairs about the due diligence that they have undertaken

The Australian Government has made its commitment to consult with stakeholders throughout the development of the legislation and regulations through the formation of Working Group comprising representatives from the industry, civil society and interested economies. Regulations setting out the list of regulated timber products and due diligence requirements are scheduled to be tabled in the Australian Parliament before the end of May 2013. The due diligence requirements will only apply to the list of regulated timber products. The following are the scheduled workshops and Working Group meetings for the period of December 2012 to April 2013:

Workshop	Date	Venue
Workshop on Regulated Products	19 Dec 2012	Sydney
Workshop on Due Diligence	30 Jan 2013	Melbourne
Working Group Meeting (teleconference)	13 Feb 2013	Canberra
Workshop on Monitoring, Compliance and Reporting	27 Feb 2013	Sydney
Workshop on Regulations Package	27 March 2013	Canberra
Working Group Meeting (teleconference)	10 April 2013	Canberra

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Malaysia, under the lead Ministry of the Ministry Plantation Industries and Commodities (MPIC), has formed its working group to participate in coordinating Malaysia's input in the drafting of the regulations. The Malaysian Working Group (MWG) comprises representatives from the government agencies/departments and timber trade associations from the three regions, including the Sarawak Timber Association (STA). The MWG will meet to discuss the draft workshop discussion paper on the regulation, which will be circulated before each respective workshops, and to come out with Malaysia's input prior to attending the workshop.

The MWG, represented by representatives from the Malaysian Timber Council (MTC) and STA, attended the Second Workshop on Due Diligence held on 30 January 2013 in Melbourne, Australia. About 50 participants attended the workshop, where an Officer from the DAFF informed participants on the parameters for developing due diligence requirements under the AILPA 2012. This workshop deliberated on the elements of the due diligence requirements with the objective of minimising the risks of illegally logged timber and timber products entering the Australian market, including:

- Risk analysis and evaluation requirements under the AILPA 2012;
- Risk mitigation requirements under the AILPA 2012; and
- The guidance needs of industry to facilitate compliance

The workshop also identified action items required to finalise the due diligence requirements. This workshop deliberated on the revised model presented in the discussion paper which involves four steps and adopts a risk-based approach. The four steps are (1) information gathering and retention; (2) information analysis and initial assessment; (3) risk assessment; and (4) risk mitigation. Participants from industry at this Workshop applauded the Australian Government for their practical-approach by coming out with Step 2. This step will enable "low risk" products to be identified and imported without carrying out further steps of the due diligence process. The objective criteria for the assessment of Legality Assurance System is being developed and will be ready for discussion in the Fourth Workshop which is scheduled to be held on 27 March 2013 in Canberra.

DAFF will consider the requests by participants at the workshop which included the information requirements under Step 1 not to use common name for tree species and to allow grouping of timbers under a trade name as well as to simplify the due diligence requirements to avoid unnecessary increase in costs and yet in compliance with the AILPA 2012.

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Basic Log and Timber Identification Skills Training Course

The Sarawak Timber Association (STA) through its subsidiary company, STA Training Sdn Bhd (STAT) organised a training course on basic log and timber identification on 4 January 2013 at Wisma STA. The Course was conducted by Mr Johnny Kon, STAT trainer and was attended by fourteen (14) participants from the Sarawak Forestry Corporation (SFC), University Malaysia Sarawak (UNIMAS) and staff members of STA.

- (i) to provide knowledge, skills of identifying logs and timber species based on wood anatomy; and
- (ii) to identify tree species which are protected

The aim of the training is to help prevent the felling of protected tree species listed under the CITES (Conventional on International Trade in Endangered Species), Forest Ordinance (Cap 126) 1958 and Wildlife

The objectives of the training are:

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Did you know that.....

The global forest area certified to FSC Principles and Criteria is growing worldwide, accompanied by strong growth in the certified supply chain. As of 30 November 2012, 168.364 million hectares are certified, 24,518 Chain-of-Custody (CoC) certificates and 1,171 FM/CoC certificates were issued.

Source: Forest Stewardship Council website

Did you also know that....

Nearly a fifth the planet's reptiles are threatened with extinction. The analysis, carried out by experts with the Zoological Society of London (ZSL) and the IUCN Species Survival Commission (SSC), is based on the extinction risk of 1,500 randomly selected reptiles. The researchers concluded that 19 percent of reptiles are threatened with extinction according to criteria under the IUCN Red List of Threatened Species. Of that 19 percent, one in eight are rated as Critically Endangered, the highest level of risk under the Red List system. 41 percent are listed as Endangered and 47 percent are Vulnerable.

Source: <http://news.mongabay.com>



Sarawak Timber Industry Development Corporation Industry Update 2013

The Sarawak Timber Industry Development Corporation (STIDC) organised an Industry Update briefing at Wisma Sumber Alam in Kuching on 14 January 2013. Similar briefings were also held in Sibu, Bintulu and Miri. Approximately fifty (50) participants from the timber industry, forwarding agents and forestry agencies attended the Briefing. The objective of the Briefing is to update the timber industry on the current issues affecting the timber industry.

There were three (3) papers presented during the briefing:-

Paper 1: ePermit System: Operation and Efficiency of Implementation by Encik Ahmad Zaki, DagangNet Technologies Sdn Bhd

Encik Ahmad Zaki briefed on the e-Permit Process Flow and its three modules, i.e. Trade Module, Forwarding Agent Module and Permit Issuance Agency Module. Encik Ahmad also informed the participants that a new e-Permit system will be introduced in the third quarter of 2013. The new ePermit system has been enhanced to make the system more accurate, efficient, faster, reduce cost and meeting customer satisfaction. Currently, the ePermit system is used by twenty five (25) Permit Issuing Agencies (PIA) across nine (9) Ministries nationwide.

Paper 2: Customs Duties Order 2012 – Implementation and Application Process by Encik Abdul Aziz Hj Sahari, Royal Malaysian Customs Department

Encik Abdul Aziz gave an update on the recent amended Customs Duties Order 2012, which amended every five (5) years. The changes were necessary due to environmental and social issue (food), chemical and insect pesticide, new products simplification as well as editorial clarification. The affected Harmonised Code for timber and timber related products amended under Customs Duties Order 2012 are 4403.99101 – Pulpwood - Acacia mangium, 4403.99199 – Pulpwood - Other Pulpwood and 4412.99 subheading have been simplified

from 30 tariff lines to 8 tariff lines. Furthermore, under 48.04, 48.10 and 48.11 the term “cut to size” have been amended to specific measurement and the description “not further worked or processed than as specified in note 3 to this chapter” has been deleted.

Paper 3: Transformation in Issuance of Export and Import Licence by Encik Hamzah Morshidi, STIDC

Encik Hamzah informed that STIDC has made enhancement to the following five (5) major modules of the ePermit system since 2010:-

- (1) Online Customer Survey Form;
- (2) Online Attachment Module;
- (3) Online Dynamic Report Module;
- (4) Online Physical Inspection Module; and
- (5) Online Distributor Module.

Encik Hamzah also urged e-Permit system users, i.e. traders or forwarding agents to adhere to the following roles in order to enhance the efficiency of the system:-

- (1) To submit the application in advance (at least 4 days prior to the submission)
- (2) To register with STIDC, Royal Malaysian Customs Department and DagangNet Technologies Sdn Bhd
- (3) To utilise the correct tariff code according to the type of products
- (4) To submit relevant and accurate supporting documents as stated in the Trade Module



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PG Dip in Applied Science (Sustainable Tropical Forest Management)

The fifth subject of the Postgraduate Diploma (PG Dip) in Applied Science Course, Communities and Forests, was delivered from 15 to 19 October 2012. In this subject, students were taught the main ethnic groups in Sarawak, forest tenure and land use management by local communities, non-timber forest products (NTFP) used by local communities and social survey techniques. They also went to Kampung Siburan to learn about the types of forest products, and as well as land use management practised by the local community.

Harvesting and Roding, the sixth subject was delivered from 19 to 23 November 2012. The objective of this subject is to provide an overview of the role of planning and harvesting in sustainable forestry in Sarawak. Students were taught about the key components of planning and carrying out sustainable logging; inventory and mapping; log coupe and skid trail layout; reduced impact logging (RIL) systems; and forest roading. The students also went on a field trip to the Semenggoh research site to gather data for a project and had a practical session on planning road and skid trail layout for the entire "harvest area".

The next subject "Log Grades and Wood Processing" will be delivered in March 2013 at Level

12 Wisma STA, Kuching. In line with this, members of STA who wish to further their knowledge in this subject can attend it on a Continuing Education basis (i.e. single subject only). No fees will be charged for attending this subject but participants shall be responsible for travel to the venue of the course, accommodation and other travel-related expenses. Those interested to attend this subject are to contact Dr Peter Kho or Ms Suzie Adee at 082-332222.

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Protection Ordinance (Cap 26) 1998.

During the training, the participants were trained to use tools such as knife/NT cutter and hand lens as well as to identify logs and timber species based on the wood anatomical features. Mr Kon also briefed the participants on the procedure to document the species in a proper manner.

The knowledge and skills gained from this training will also be useful in helping in species declaration requirements in compliance to the United States' Lacey Act where the exporter of timber products is required to provide information such as the names of the timber species used in the manufacturing of those timber products.