

STA Review

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March 2009

STA常年会员大会于2009年3月31日假古晋，STA大厦召开。共有149间会员公司代表出席今年的大会。

本会主席，拿督黄启擘呈报本会2008年活动事项。随后由本会荣誉财政，朱光輝先生汇报2008年财务报告。

大会也商讨本会旗下4间全资拥有公司，STA Enterprises Sdn Bhd, STA Training Sdn Bhd, STA Mutual Sdn Bhd及STA Ventures Sdn Bhd各别公司的事务。

常年会员大会后接着召开STA特别会员大会。这旨于审议修正本会备忘录和章程建议(M&A Part A 和Part B)。大会通过M&A Part B修正建议。大会一致通过由理事会自决定接收M&A Part A邮寄选票的截止日期及暂缓计算所有选票。

Mesyuarat Agung Tahunan STA telah diadakan pada 31 Mac 2009 di Wisma STA, Kuching yang dihadiri oleh wakil dari 149 syarikat ahli.

Datuk Wong Kie Yik, Pengerusi, membentangkan laporan tentang aktiviti-aktiviti Persatuan bagi tahun 2008 diikuti dengan laporan penyata kewangan persatuan oleh Bendahari Kehormat, Encik Philip Choo Kwong Hui.

Mesyuarat juga berbincang tentang hal-hal berkaitan dengan empat anak syarikat Persatuan iaitu STA Enterprises Sdn Bhd, STA Training Sdn Bhd, STA Mutual Sdn Bhd dan STA Ventures Sdn Bhd.

Mesyuarat Tahunan disusuli

STA Annual General Meeting & Extraordinary General Meeting

■ The Annual General Meeting (AGM) of the Sarawak Timber Association was held at Wisma STA, Kuching on 31 March 2009. The meeting was attended by representatives from 149 Member Companies.

The Chairman, Datuk Wong Kie Yik, presented his report on the activities of the Association for the year 2008. This was followed by a

detailed report on the Association's audited accounts for the year 2008 by the Honorary Treasurer, Mr. Philip Choo Kwong Hui.

The meeting also dealt with matters related to the Association's four wholly-owned companies, STA Enterprises Sdn Bhd, STA Training Sdn Bhd, STA Mutual Sdn Bhd and STA Ventures Sdn Bhd.

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Datuk Wong Kie Yik, Chairman of STA (3rd from left) presenting his report during the AGM. From left to right: Mr. Yek Siew Liang, Chairman of Furniture & Other Woodworking Committee, Mr. Philip Choo Kwong Hui, Honorary Treasurer of STA and Chairman of Swamp Logging Committee, Dato Henry Lau Lee Kong, Honorary Secretary of STA, Mr. Stephen Lau Lee Kiong, Chairman of Panel Products Committee, Mr. Wong Hee Sing, Chairman of Timber Products Marketing Committee and Mr. Lau Swee Nguong, Vice-Chairman of Sawmilling Committee

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Following this was the Extraordinary General Meeting (EGM) of the Association where the proposed amendments to the Memorandum and Articles of the Association were considered and Part B was approved (Part A and Part B). The EGM resolved for the Council to decide the final date of closing the Postal Ballot for Part A and thereafter counting of all the votes.

The following is extracted from the Chairman's Report for the year ending 31 December 2008:

"1. INTRODUCTION

Thank you for your support and attendance at our AGM especially those members from outstation. 2008 has been a challenging since I took office as Chairman from Yang Berbahagia Datuk Leo Chai following the Council election on 31 March 2008. During the year, many new regulations were introduced including the revision of the timber royalty rates, log tagging and the extension of the Log Tracking System throughout the State. In the third quarter of the year, the world experienced a severe economic downturn caused by the sub-prime crisis in America. The timber trade is consequently adversely affected and continues to face many challenging issues.

2. MEETINGS HELD IN 2008

As usual, there were several meetings called throughout the year by the Council, Category Committees and Special Committees to discuss matters relevant to each of the Committees.

3. ACTIVITIES OF WHOLLY-OWNED COMPANIES

3.1 STA Enterprises Sdn. Bhd

Established in 1996, this is the property holding company of STA. Wisma STA is currently more than 90% occupied.

3.2 STA Training Sdn. Bhd.

STAT a wholly owned company of STA was incorporated on 26 March 2002 with the primary objective of setting up a training structure and programme to produce 'skilled forest workers' in accordance with Section 54B of the Forests Ordinance (Sarawak Cap 126).

3.2.1 Forests (Trained Workmen) Rules

Currently, there are on-going discussions with Forest Department Sarawak, on the best way to implement these Rules.

3.2.2 STA's Training programme

In year 2004, STAT worked with the Forest Industries Training and Education Council (FITEC), New Zealand to develop the Sarawak Modular Training Framework for the timber and forest industries..

There are 7 certificates offered by STAT.

- 1. Certificate in Tree Felling*
- 2. Certificate in Log Extraction (Tractor)*
- 3. Certificate in Log Loading*
- 4. Certificate in Clear-fell Site Preparation*
- 5. Certificate in Mechanical Site Preparation (Excavator)*
- 6. Certificate in Tree and Log Identification*
- 7. Certificate in Log and Timber Identification*

As at 31 December 2008, the Trainer Development Programme has produced qualified 144 Trainers (51 Tree-felling, 70 Log Extraction, 22 Log Loading and 1 Clear-fell Site preparation), 393 trained operators (144 Tree-felling, 199 Log Extraction and 50 Log Loading) and 8 Assessors (4 Tree-felling, 2 Log Extraction and 2 Log Loading). Most of the trainers are now training operators in their own logging camps

Under training to be trainers are 66 candidates (3 candidates in Tree-felling, 32 in Log Loading, 12 in Clear-fell Site preparation and 19 in Mechanical site preparation). 192 operators are registered with STA to be assessed as well as 14 Assessors from Member Companies of STA are under training.

3.2.3 Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management)

In October 2006, STAT and Lincoln University New Zealand, signed a Memorandum of Understanding to deliver a Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management) course in Kuching. This course aims to train managers and senior management staff in the relevant skills to manage forest sustainably in the tropics. This training would complement the skills training that STA had started in 1996.

I am proud to announce that the first cohort of 22 students (17 in person and 5 in absentia) will be conferred the Postgraduate Diploma at the graduation ceremony in Christchurch on 24 April 2009.

This represents a significant step forward for our industry and it is hoped that these graduates are able to help the industry towards managing our forests sustainably.

3.2.4 Financial Contribution to Educational Institutions

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In 2008 the STA Council approved a financial contribution of RM200,000.00 to the Riam Institute of Technology. This Institute has been training technicians who have been employed by many of our Member Companies. Following the financial contribution this Institute had, at our request launched a Certificate Course in Forest Plantation Practices for Field Supervisors with the course syllabus drawn up jointly with the Forest Department Sarawak, the Sarawak Forestry Corporation and our Association.



STA Members, observers and invited guests at the Meeting

3.2.5 Research & Development Financial Contributions

In addition to training, STAT is also providing financial contributions for R&D into development of improved planting materials for Member Companies involved in the establishment of planted forests. So far STAT had signed MoUs with four organisations. Financial contributions for R&D had been provided to the following organisations:

Borneo Tree Seeds & Seedlings Supplies Sdn. Bhd
Grand Perfect Sdn. Bhd.
Zedtee Sdn. Bhd.
Sarawak Forestry Corporation (Micro-propagation work)

3.3 STA Mutual Sdn. Bhd.

The primary objective is to provide social and financial assistance to communities residing in the vicinity of timber concessions. STAM also provides financial contributions to educational institutions. In addition STAM also provides scholarships to needy student pursuing courses related to forestry and the timber industry. All requests for donations are being channeled to this company for consideration. However it is not possible to consider all requests for donation and other assistance.

4. REPORT ON GLOBAL ISSUES

4.1 Certification

4.1.1 Malaysian Timber Certification Scheme (MTCS)

To further enhance the acceptance of its scheme in the international market, the Malaysian Timber Certification Council (MTCC) has been making preparations towards implementing a new institutional arrangement for its certification scheme, the Malaysian Timber Certification

Scheme (MTCS) for the endorsement of the MTCS by the Programme for the Endorsement of Forest Certification (PEFC) Council. Following these preparations, the new institutional arrangement was implemented with effect from 1 July 2008, where MTCC continues to play the role of the National Governing Body (NGB) for the scheme, while independent assessors become the Certification Bodies (CBs) which have to be accredited to the Department of Standards Malaysia (Standards Malaysia), the national Accreditation Body.

The Malaysian Criteria and Indicators for Forest Management Certification [MC&I(2002)] which is the standard used for forest management certification under the Malaysian Timber Certification Scheme (MTCS), operated by MTCC since October 2005, is due for its first review in 2009. This review is in line with international practices that the certification standard used is to be reviewed at least every five years to ensure continuous improvement. It is anticipated that the whole review process of the MC&I(2002) would take 16 months (from April 2009 to July 2010).

4.1.2 Forest Plantation Certification

The Eleventh National Steering Committee (NSC) Meeting held on 25 November 2008 adopted the Malaysian Criteria and Indicators for Forest Management Certification (Forest Plantations) or in short the MC&I(Forest Plantations) as a standard for certification of forest plantations in Malaysia. The adoption of the MC&I(Forest Plantation) marks another milestone in the work of the NSC which in 2004 had adopted the Malaysian Criteria and Indicators for Forest Management certification or in short the MC&I(2002) as the standard for certification of natural forests in Malaysia. The development of the MC&I(Forest Plantations) has been subjected to rigorous scrutiny in

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the form of deliberations through five Technical Working Group (TWG) meetings, three regional consultations, one public consultations as well as three field tests, over the period from February 2006 to November 2008. The Association is a member of the Technical Working Group.

4.1.3 Conflict Management

For a forest certification scheme to be credible, there is a need for a framework for conflict resolution mechanisms which will be used to resolve disputes arising from the convergence of different resource utilization systems and to ensure the interests and concerns of the people are looked into. To address the social issue, a Workshop-Dialogue was organised by Sarawak Forestry Corporation and Forest Department Sarawak in August 2008 with participation from the Association where a set of guidelines was developed.

4.1.4 Forest Stewardship (Malaysia) Sdn Bhd

Forest Stewardship (Malaysia) Sdn Bhd, a company limited by shares, was incorporated on 5 January 2007. The objective of Forest Stewardship (Malaysia) Sdn Bhd is to provide a legal entity to support and monitor the development and implementation of forest certification and responsible forestry in Malaysia. The main task of this company is to come up with a standard compatible with Forest Stewardship Council (FSC). In the year 2008, a few meetings were held to discuss fundraising for Forest Stewardship (Malaysia) Sdn Bhd and to develop FSC Standards for Natural Forest as well as work plans for accreditation process. The Association has been appointed as a Member in the National Working Committee (NWC) as well as is holding the Directorship in the Company.

4.1.5 High Conservation Value Forest

WWF-Malaysia has taken the initiative to come up with the draft for the National High Conservation Value Forest (HCVF) Toolkit for Malaysia in 2008. The Association, as one of the stakeholders, was consulted on the matter. This draft Toolkit is scheduled to be finalised in the first quarter of 2009 and will be presented to all the stakeholders. The Association is one of the stakeholders. This Toolkit once finalised will be used as a practical guidance for forest managers and stakeholders to comply with the requirements of forest certification.

4.2 Timber Standards

4.2.1 EN636 (Plywood Specifications)

The Association has been informed that in the revision of EN636 (Plywood Specifications) there is a proposal to include natural durability rating for plywood. For

plywood manufactured from mixed species with unknown durability, this plywood will be downgraded to Durability Class 5, which is the lowest class even when used in combination with meranti. The Malaysian Panel-Products Association (MPMA) has been working with Forest Research Institute Malaysia (FRIM), to come up with a database of the natural durability of 99 commonly-used timber species in the manufacture of plywood in Malaysia, which will be tested using methods specified in EN350.

5. TIMBER LEGALITY ISSUES

5.1 Malaysia - European Union FLEGT VPA

Responding to the pressure from NGOs, the European Commission adopted a European Union (EU) Action Plan for Forest Law Enforcement Governance and Trade (FLEGT) in 2003 to combat illegal logging and its associated trade.

The key component of FLEGT Action Plan is the bilateral Voluntary Partnership Agreements (VPAs) between EU with timber producing countries. Malaysia, represented by the Ministry of Plantation Industries and Commodities expressed her intention with EU to enter into a FLEGT VPA in 2006 and the formal negotiation started in January 2007.

The VPA requires a series of key factors in the development and implementation of the licensing system which comprised three key components, they are:

1. Legal Text
2. Timber Legality Assurance System (TLAS)
3. Market Benefits and Capacity Building

In 2008, Malaysian agencies from the regions, Peninsula Malaysia, Sabah and Sarawak led by the Malaysian Timber Industry Board had developed the TLAS. Ongoing discussion on legal text and market benefits and capacity building.

The Association had conducted consultation sessions with Members in all four regions, Bintulu, Miri, Sibul and Kuching at the last quarter of 2008. Members had expressed great concerns on the negotiation process and subsequently the Association submitted Members' concerns to the relevant authorities.

5.2 The Lacey Act

Lacey Act is the United State's oldest wildlife protection statute, enacted in 1900. In 28 May 2008, an amendment to the Act was passed to primarily combat the illegal logging issue. The Lacey Act now makes it unlawful to participate in interstate or foreign commerce of any plant that was traded in violation of the US law or most foreign laws. It is also against the law to submit

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false declaration of any plant and as of 15 December 2008, unlawful to import any plant or its product without a declaration. This declaration form must be made in time of import and contain information of scientific name of plant (including genus and species), value of import, quantity of plant and name of country in which the plant was harvested. Implementation of this new amendment will be in phases, with declaration for wood and articles of wood enforced on 1 April 2009 and for furniture on 1 July 2009. On 9 December 2008, the Association had arranged Mr. Brent McClendon, Executive Vice President of International Wood Products Association (IWPA), to brief Members pertaining to the implementation of Lacey Act which was held in Wisma STA.

6. LOCAL ISSUES

6.1 Revision of Timber Royalty rates

In November 2008, the Association received a circular DF Circular No. 5/2008 advising us of the revision of First Schedule of the Forests Ordinance [Section 52(2)] on rates of royalty for produce taken under licence whereby there would be a flat rate of royalty of RM65.00 for all timber 30 cm. diameter and above. Our Association felt that it was inequitable and appealed to the Government represented by the Forest Department for a reduction of the royalty rates. The Government favourably considered our appeal and subsequently revised the rate of royalty to RM50.00 with effect from 1 January 2009; RM55.00 with effect from 1 January 2010 and RM65.00 with effect from 1 January 2011. Our Association also appealed for a 50% discount on royalty for timber extracted from agri-conversion areas and also for timber in the diameter class 30-40cm. However this was not approved.

6.2 Log Tracking System (LOTS)

The Association was advised by the Sarawak Forestry Corporation that LOTS which had been operational in the Rejang basin for quite sometime would be extended throughout the state in 2009. Subsequently members and secretariat staff attended briefings organised by the Corporation in the first week of December 2008.

6.3 Forest Management Certification

6.3.1 Financial Contribution to Members Achieving Certification

The STA Council had in 2007 set aside a sum of RM 1 million as financial contribution to member companies achieving timber certification based on a quantum proposed by the Timber Certification Committee and endorsed by the Council. Applications and disbursement of this contribution will be made on a first come first served basis. During the year one of our members,

Zedtee Sdn. Bhd. achieved certification under the MC&I (2002) for its Anap-Muput Forest Management Unit covering an area of 106,820 hectares. A financial contribution of RM200,000 was subsequently made to this member company.

6.4 Standard Guidelines in lieu of EIA Reports

The Association is in the process of coming up with a set of proposed Standard Guidelines on environmental management for submission to the Government for consideration. These proposed Standard Guidelines are not aimed at changing the current laws and regulations, but rather to allow the operators to carry out environment protection and management more efficiently as well as cost effectively.

6.5 Sarawak Labour Ordinance (SLO)

The amendments to the Sarawak Labour Ordinance have serious implications to our timber industry.

The Ministry of Human Resources had responded positively to our application in February 2008 by granting exemption from the seven (7) provisions of the Labour Ordinance (Sarawak Cap. 76) for timber industry companies carrying out its operations in the interior areas (upstream) or land not in the category of town or suburban land in Sarawak, which has not been gazetted. The seven (7) provisions are:

- Section 11 - Guaranteed Week;
- Section 104 - Holidays;
- Section 105 - Hours of Work;
- Section 105A - Shift Work;
- Section 105B - Rest Day;
- Section 105C - Work on Rest Day; and
- Section 105D - Annual Leave.

Consequently, on 18 June 2008, the Association signed a Memorandum of Understanding on the Forestry Labour Remuneration Package (FLRP) with the six (6) groups of timber companies; namely, KTS Group of Companies, Rimbunan Hijau Group of Companies, Samling Group of Companies, Shin Yang Group of Companies, Ta Ann Group of Companies and WTK Group of Companies. They shall be adopting the FLRP in place of the seven (7) provisions exempted by the Ministry of Human Resources.

The Ministry of Human Resources had also gazetted the following five rules under the Labour Ordinance (Sarawak Cap. 76) this year:

- Labour (Limitation of Powers of Officers) (Sarawak) Rules 2008;
- Labour (Limitation of Overtime Work) (Sarawak)

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Rules 2008;

- Labour (Termination And Lay-Off Benefits) (Sarawak) Rules 2008;
- Labour (Payment Due To Deceased Employee) (Sarawak) Rules 2008; and
- Labour (Contents of Contract) (Sarawak) Rules 2008.

In considering the current economic downturn and the likelihood of retrenchment, the Ministry of Human Resources has put in place several measures to mitigate the effects of possible retrenchment and set up a committee at State level to monitor the situation. The Association is a member of the committee set up by the Department of Labour Sarawak and attended the first meeting on 22 December 2008.

6.6 Foreign Labour in the Timber Industry

The Association notes with concern the ruling made on foreign labour during the announcement of the Second Economic Stimulus package or the Mini Budget whereby there is a proposal to reduce the employment of foreign workers by the doubling of the levy on foreign workers, refund employers if foreign workers are prematurely terminated and the freezing of licences to labour recruitment agencies. The timber industry has been described as a 3D (Dirty, Dusty and Dangerous) industry which does not appeal to local labour. So foreign workers are still badly needed in our industry. So it is the Association's hope that the Government will review this ruling and exempt the timber industry from the application of doubling of the levy which has to be paid by the employers. If this is not done, the timber industry will be seriously disadvantaged and will not be able to achieve the target of RM53 billion in export earnings by the year 2020 set by the recently launched National Timber Policy or NATIP.

6.7 Sarawak Labour Ordinance (Industrial Relations)

The Association through its Industrial Relations and Labour Committee has paid great attention to matters related to Industrial Relations and is working closely with the relevant authorities as well as participating actively in the events organised by the Malaysian Employers Federation (MEF). The Association joined MEF as a Member in 2007. Currently, the Association is taking two appointments in MEF, Council Member and Member to the MEF Industrial Relations Panel.

6.8 Goods & Services Tax

The introduction of Goods and Services Tax by the Government is an ongoing issue that is undertaken by the Association since 2005. On 1 December 2008, the Royal Customs Malaysia organised the "Goods and Service Tax (GST) Public Consultation on Forestry

Industry" at Holiday Inn Kuching. During the Public Consultation, the Tax Review Panel presented the proposed GST treatment for the forestry and timber industry. The Association is currently studying the proposal and would be responding in writing to the Tax Review Panel.

6.9 Planted forest cess

The Forests (Planted Forests) Rules 1997 stipulate that cess is payable for timber harvesting from Licence for Planted Forests. Our Association has applied to the Director of Forests to consider granting Planted Forest Licensees from a period of 5 years effective from the date of first harvest. Our application is still being considered by the Director.

6.10 Other issues

Our Association had participated in the following two issues by contributing our comments:

- The Special Purpose Vehicle for forest plantation development
- The National Timber Policy (NATIP)

7. INTERNATIONAL MEETINGS

7.1 ITTO Meetings

The Association takes part in international meetings to keep abreast of issues affecting trade in tropical timber. During the year Council Member Mr Wong Ing Yung and CEO Dr. Lee Hua Seng represent the Association at two international meetings, the first held in Accra Ghana from 9-12 June 2008 to discuss the modality of operations of the new International Tropical Timber Agreement 2007 and future work of the International Tropical Timber Council and the second in Yokohama at the Forty-Fourth Session of the International Tropical Timber Council from 3-8 November 2008.

7.2 Joint Meetings JLIA/JPMA/APKINDO/MPMA/STA

These meetings among members of the Japan Lumber Importers' Association, Japan Plywood Manufacturers' Association, APKINDO, Malaysian Panel-Products Manufacturers' Association and Sarawak Timber Association are conducted regularly to exchange information and discuss issues affecting the plywood trade among the three countries. In 2008, two meetings were held one in Bangkok on 21 April 2008 and the second in Jakarta on 11 November 2008.

8. CONCLUSION

In conclusion, I have to thank Vice-Chairman Y. Bhg. Tan Sri Datuk Tiong Hiew King; Vice-Chairman Y. Bhg. Datuk Ling Chiong Ho, Honorary Secretary Y. Bhg. Dato

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dengan Mesyuarat Luarbiasa Persatuan di mana pindaan terhadap Memorandum dan Artikel Persatuan (Bahagian A dan B) telah dipertimbangkan dan Bahagian B diluluskan. Untuk Bahagian A, Majlis akan menetapkan tarik tutup untuk Undi Pos dan sejurus selepas itu undian akan dikira.

STA理事会于2009年3月10日召开第七十届会议。

会议讨论马来西亚—欧洲联盟森林法规执法，监管与贸易 (FLEGT) 之自愿合作伙伴协议 (VPA) 相关课题。

理事会指出本会现当正与有关当局密切配合商讨关于环保审查 (EIA) 标准指南研究。

此外，会议讨论本会以及旗下3间全资拥有公司的行政事项。

理事会也批准4间附属会员申请。

Majlis STA telah mengadakan mesyuarat yang ke-70nya pada 10 Mac 2009 di Wisma STA, Kuching. Mesyuarat membincangkan isu-isu berkaitan *Malaysia-EU Forest Law Enforcement, Governance and Trade (FLEGT) - Voluntary Partnership Agreement (VPA)*. Majlis mengambil maklum bahawa Persatuan, diwakili oleh Jawatankuasa Pensijilan pada masa ini sedang bekerjasama dengan pihak berkuasa berkaitan dengan persediaan Garis Panduan Piawai untuk menggantikan Penilaian Kesan Alam Sekitar.

Majlis juga mempertimbangkan hal-hal pentadbiran Persatuan dan juga tiga anak syarikatnya. Empat permohonan keahlian

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Henry Lau Lee Kong, Honorary Treasurer Mr Philip Choo and all the Committee Chairmen and Council Members for their support and cooperation. I have similarly to thank the Forest Department, Sarawak Forestry Corporation, STIDC, NREB, and Department of Environment for their support.

I have also to thank CEO Dr Lee Hua

Seng, General Manager Dr Peter Kho, Senior Manager Annie Ting and Finance & Administration Manager Brian Yeo and all members of the Secretariat for their tolerance and cooperation without which it would be impossible to manage the Association.

Once again thank you for your attendance."❁

70th STA Council Meeting

■ The STA Council held its seventieth meeting on 10 March 2009. The Chairman, Datuk Wong Kie Yik, presided the meeting which was attended by twenty-three Council members.

The Meeting spent a significant amount of time deliberating on issues in connection to the Malaysia - European Union Forest Law Enforcement, Governance and Trade (FLEGT) - Voluntary Partnership Agreement (VPA) and further endorsed the recommendations tabled by the STA Certification Committee to strengthen the Association's position to deal with this matter.

The Council noted that the Association, represented by its

Certification Committee is currently working closely with the relevant authorities on Standard Guidelines for Environmental Impact Assessment (EIA) Studies, which does not preclude the involvement of a third party from carrying out auditing activities. These Guidelines would not only be practical but also more cost-effective.

The Meeting also addressed administrative matters of the Association as well as its three wholly-owned companies, namely STA Trading Sdn. Bhd., STA Mutual Sdn. Bhd. and STA Enterprises Sdn. Bhd.

Four new membership applications were approved by the Council. ❁



Meeting in progress

STA Panel Products Committee Meeting

■ The STA Panel Products Committee had a meeting on 31 March 2009 at Wisma STA, Kuching presided by Mr. Stephen Lau, the Committee Chairman. At the meeting, Members exchanged market information and deliberated on the current log supply situation in the

State. Other matters that were deliberated included appointment of a committee to look into matters related to the Japan market and development on the Malaysia-EU Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA). ❁



Meeting in progress

STA合板/人造板小组于2009年3月31日假古晋，STA大厦召开会议。小组会员彼此交换市场资讯和讨论砂州当今原木供应局势。其他讨论的事项包括委任委员会于监视日本市场及马来西亚—欧洲联盟森林法规执法，监管与贸易之自愿合作伙伴协议 (FLEGT-VPA) 相关课题。

Jawatankuasa Produk Panel STA bermesyuarat pada 31 Mac 2009 di Wisma STA, Kuching. Mesyuarat bertukar-tukar maklumat pasaran dan membincangkan keadaan semasa bekalan kayu balak. Perkara-perkara lain yang dibincangkan termasuklah perlantikan satu jawatankuasa untuk mengendalikan hal-hal berkaitan dengan pasaran Jepun dan perkembangan dalam *Malaysia-EU Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA)*.

STA傢俬与其它木工小组会员于2009年3月31日召开会议。推选小组委员是其中一项会议议程。小组会员交换市场资讯并被告知有关森林法规执法，监管与贸易自愿合作伙伴协议相关课题。委员也深入讨论美国最新打击非法采伐方案即莱西法案。

Ahli-ahli dari Kategori Perabot & Pertukangan Kayu Lain bermesyuarat pada 31 Mac 2009. Salah satu agenda mesyuarat adalah pemilihan ahli jawatankuasa. Hadirin bertukar maklumat pasaran dan ahli-ahli diberi taklimat tentang *Malaysia-EU Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA)*. Mereka juga berbincang hal Akta Lacey, satu alat yang digunakan oleh Amerika Syarikat untuk menangani

STA Furniture & Other Woodworkings Category Meeting

■ Members of the STA Furniture & Other Woodworking Category met on 31 March 2009. The meeting was presided by Mr. Yek Siew Liong, the Category Chairman of STA Furniture & Other Woodworking Category. One of the agenda of the meeting was the election of Committee Members. The meeting also exchanged market information and Members were updated on matters pertaining the Malaysia-European Union Forest Law Enforcement Governance & Trade Voluntary Partnership

Agreement. They discussed extensively on the Lacey Act, a new tool used by the US to help combat illegal logging. ❁



Members having a discussion

STA 认证委员会于2009年3月30日在古晋，STA大厦商谈有关呈交环保审查(EIA)报告的环境管理标准指南，森林法规执法，监管与贸易自愿合作伙伴协议(FLEGT-VPA)最新谈判近展，木材认证及莱西法案相关课题。

Jawatankuasa Pensijilan STA telah bermesyuarat pada 30 Mac 2009 di Kuching. Jawatankuasa berbincang tentang pelbagai isu. Antaranya adalah garis panduan piawaian untuk pengurusan alam sekitar untuk mengganti penyerahan laporan Penilaian Kesan Alam Sekitar, perkembangan terbaru tentang perundingan Malaysia-EU Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA), pensijilan hutan dan Akta Lacey (Amerika Syarikat).

本会主席，拿督黄啓暉和荣誉秘书，拿督劉利康在2009年3月13日接待拜访本会的欧盟大使，文森特比克先生(译音)及欧洲森林法规执法，监管与贸易委员顾问，文森特范登伯先生(译音)。双方借此机会讨论多项课题当中包括FLEGT。

Pada 13 Mac 2009, Tuan Yang Terutama Encik Vincent Piket, Duta Kesatuan Eropah, diiringi oleh Encik Vincent van den Berk, Penasihat Suruhanjaya Eropah Forest Law Enforcement, Governance and Trade (FLEGT), membuat lawatan kehormat ke STA. Mereka disambut oleh Pengerusi STA, Datuk Wong Kie Yik dan Setiausaha Kehormat, Dato Henry Lau Lee Kong. Mereka berbincang pelbagai isu berkaitan dengan FLEGT.

STA Certification Committee Meeting

■ The STA Certification Committee met on 30 March 2009 at Wisma STA, Kuching. Dato Henry Lau, the Committee Chairman, presided over the meeting which deliberated on various issues. Amongst them, the standard guidelines on environment management in lieu of submission of Environment Impact Assessment (EIA) reports, latest updates on the

negotiations of the Malaysia-European Union Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA), timber certification, i.e. the upcoming review of the Malaysian Criteria and Indicators 2002 (MC&I 2002), the Forest Stewardship Council National Initiative and Malaysian Criteria and Indicator for Forest Plantation, and the Lacey Act. ❁



Datuk J C Fong (right) updating members of the Committee on FLEGT-VPA

Visit by European Union Ambassador

■ On 13 March 2009, HE Mr. Vincent Piket, the European Union Ambassador, accompanied by Mr. Vincent van den Berk, the European Commission Forest Law Enforcement, Governance and Trade (FLEGT) Advisor, paid a courtesy call to STA.

They were received by the Chairman of STA, Datuk Wong Kie Yik and the Honorary Secretary, Dato Henry Lau Lee Kong. They had the opportunity to discuss various issues on FLEGT. ❁



From left: Mr. Vincent van den Berk, European Commission FLEGT Advisor, HE Mr. Vincent Piket, EU Ambassador, Datuk Wong Kie Yik, Chairman of STA and Dato Henry Lau Lee Kong, Honorary Secretary of STA

STIDC Visit to Guangzhou, China

■ Sarawak Timber Industry Development Corporation (STIDC) organised a visit to Guangzhou, China from 20 - 25 March 2009. A 50-member delegation was led by Datuk Amar Haji Awang Tengah bin Ali Hasan, the Second Minister of Planning and Resource Management (MPRM) and Minister of Public Utilities cum Chairman of STIDC Board of Management. Datu Haji Len Talif Salleh, Deputy Permanent Secretary of MPRM cum General Manager of STIDC and Datuk Wong Kie Yik, Chairman of STA were among the 50-member delegation.

On 21 March 2009, the delegation led by the Assistant Minister of Industrial Development cum Assistant Minister in the Chief Minister's Office (Islamic Affairs), Datuk Haji Daud bin Abdul Rahman, visited the 23rd China International Furniture Fair (Guangzhou) - the "Whole-Home-Decor" themes of Home Furniture comprised mainly modern and classical styles, Homedecor & Housewares, Outdoor Living & Leisure, Kitchen Furniture, Hometextile, Ceramics and others. About 1,500 exhibitors participated in this fair. It was held at the China

Import & Export Fair Pazhou Complex, Guangzhou from 18 - 21 March 2009 by joint organisers, namely China National Furniture Association, China Foreign Trade Centre (Group), Guangdong Furniture Association and Hong Kong Furniture & Decoration Trade Association.

During the visit, the Honorable Minister Datuk Amar Haji Awang Tengah led the delegate members to have dialogues with the senior officials of Guangdong Forestry Bureau (GFB), the senior officials of the Consulate-General of Malaysia based in Guangzhou led by its Consul-General Mr. Roslan Abdul Rahman, as well as the senior management team of Sunlink Group Co. Ltd. led by its Chief Executive Officer, Ms Chen Shuyao. The Honorable Minister highlighted that Sarawak has the potential to supply garden furniture to China market. He also mentioned that the main aim of this visit was to explore the opportunity and possibility to expand our export of furniture as well as to increase other timber products export into China market.

The delegate members also
(Continue on Page 11)



Datuk Amar Haji Awang Tengah bin Ali Hasan, the Second Minister of Planning and Resource Management (MPRM) and Minister of Public Utilities cum Chairman of STIDC Board of Management presenting a memento to Ms Chen Shuyao, CEO of Sunlink Group Co., Ltd.

砂拉越木材工业发展机构 (STIDC) 于2009年3月20日至25日组团到中国广州。第二策划与资源管理部长 (MPRM) 兼公用事业部部长兼STIDC董事会主席，拿督阿玛阿旺登亚 (译音) 率领这组为数50位代表的访团，团员包括MPRM常务秘书兼砂森林局局长拿督达立沙里 (译音) 及本会主席，拿督黄 啓暉。

该团参观第23届中国国际家具展并与多方展开对话当中包括广东森林局高级官员，大马驻广州领事馆高级官员，Sunlink 集团高级管理层及广州家具协会会员。

Perbadanan Kemajuan Perusahaan Kayu Sarawak (PUSAKA) menganjurkan lawatan ke Guangzhou, China dari 20-25 Mac 2009. Delegasi 50 orang tersebut diketuai oleh Datuk Amar Haji Awang Tengah bin Ali Hasan, Menteri Kedua Perancangan & Pembangunan Sumber dan Menteri Kemudahan Awam (MPRM) serta Pengerusi Lembaga Pengurusan PUSAKA. Delegasi ini turut disertai oleh Datu Haji Len Talif Salleh, Timbalan Setiausaha Tetap MPRM merangkap Pengurus Besar PUSAKA dan Datuk Wong Kie Yik, Pengerusi STA.

Delegasi ini melawat Pameran Perabot Antarabangsa China ke-23, mengadakan sesi dialog dengan pegawai kanan Biro Perhutanan Guangzhou, pegawai kanan Pejabat Konsul Malaysia di Guangzhou, kumpulan pengurusan kanan Sunlink Group Co. Ltd dan ahli-ahli Persatuan Perabot Guangzhou.

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included twelve furniture vendors and subsidiary companies of STIDC. A dialogue with members of Guangzhou Furniture Association led by its Chairman Mr. Wang Ye was held on 24 March 2009 where business

matching sessions were arranged for the interested parties to meet after the briefings.

A dinner was hosted by STA for the delegation of the trip on 21 March 2009. ❁



Meeting with the Guangzhou Furniture Association representatives



One of the Malaysian booths, HINLIM, at the fair



The Sarawak delegation's visit to Sunlink Furniture City, Shunde District

STAT Presentation of Letters of Achievement and Financial Contributions

■ The ceremony for the presentation of Letters of Achievement and Financial Contributions to successful candidates of *STA Training (STAT) Trainer Development and Operator Training Programmes* was held at Tanahmas Hotel, Sibul on 5 March 2009.

A total of 42 people attended the ceremony. Those present included Datuk Wong Kie Yik, Chairman of STA, Council Members comprising Mr. Lau Swee Nguong, Ms. Annie Wong and Mr. Peter Ling Kwong Hung; Dr. Peter CS Kho, Manager of STA Training Sdn. Bhd. and the Company representatives, STAT's trainers, trainers from Member's companies and members of the media.

In his address, Chairman Datuk Wong emphasised that the training programmes carried out by STAT are in response to Section 54B of the Forests Ordinance (Sarawak Cap. 126) which requires all logging

companies to employ only "trained forest workers". He further took the opportunity to advise trainers who had successfully completed the programme not to ask for increment immediately from their employers but to prove their capabilities first. He also advised the successful trainers to remain loyal to their companies.

These candidates, who had successfully completed the *Trainer Development Programme in Log Loading Skills Set or Tree Felling Skills Set*, will return to their respective company to start training their own workers. It is hoped that these candidates will transfer their skills to improve the efficiency and safety at the work place as well as complement other efforts to achieve sustainable forest management in the State.

In the ceremony, each trainer received a Letter of Achievement as well as Financial Contribution. As token of recognition to the successful trainers and to instil the pride of being

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Group photo of successful participants with Chairman of STA, STA Council Members, Manager of STAT and Company representatives

STA Training Sdn Bhd (STAT) 于2009年3月5日假诗巫，金地酒店举办一项证书和拨款赠与典礼。此典礼赠与证书和拨款给已成功完成教练发展和操作员培训课程参与者。

本会主席，拿督黄啓擘在典礼上致词时强调，STAT执行这些培训课程以响应森林法立第54B条文。此条文要求所有伐木公司必须聘请“已受培训森林员工”。

这些已经成功地完成了教练发展课程下的原木装载技能训练或树木砍伐技能训练的参与者将返回各自的工作岗位开始培训自己公司的职员。希望受过训练的参与者能传授他们的技术并从中提升工作效率和工作岗位安全从而达到州内持续性森林管理。

本会目前正执行相似的课程—“操作员培训课程”于提供援助给本会会员公司的教练在培训他们公司的森林操作员或职员。

Majlis Penyampaian Sijil Pencapaian dan Sumbangan Kewangan kepada peserta yang berjaya dalam Program Pembangunan Pelatih dan Latihan Operator telah diadakan di Sibul pada 5 Mac 2009. Dalam majlis ini, Datuk Wong Kie Yik, Pengerusi STA, menegaskan kepentingan program latihan STAT dalam mematuhi Seksyen 54B Ordinan Hutan yang memerlukan semua majikan mengupah pekerja hutan terlatih sahaja.

Peserta yang berjaya dalam Program Pembangunan Pelatih ini akan menjadi pelatih di syarikat masing-masing untuk melatih pekerja-pekerja mereka sendiri. Para peserta diharap dapat menggunakan pengetahuan mereka untuk memperbaiki kecekapan dan keselamatan

di tempat kerja sejajar dengan usaha untuk mencapai pengurusan hutan secara mampan.

Satu program yang selari iaitu Program Latihan Operator juga dilaksanakan bagi membantu melatih dari syarikat Ahli untuk melatih pekerja hutan atau operator.

第39届MTCC受托理事会会议于2009年2月17日召开并接纳MC&I(森林种植)为马来西亚木材认证计划(MTCS)旗下森林种植认证标准指南。

因此, 敬请目前正在管理和计划使用MTCS旗下森林管理认证于开设新森林种植的森林种植经理学习掌握MC&I(森林种植)的要求。

Mesyuarat ke-39 Lembaga Pemegang Amanah MTCC yang diadakan pada 17 Februari 2009 mengesahkan Kriteria dan Indikator Malaysia(MC&I) (Perladangan Hutan) sebagai piawaian untuk pensijilan perladangan hutan di bawah Skim Pensijilan Kayu Malaysia (MTCS).

Sejajar dengan ini, semua pengurus peladang hutan yang sedang mengurus atau dalam proses membangunkan ladang hutan baru yang akan menjalani pensijilan pengurusan hutan di bawah MTCS dinasihatkan supaya membiasakan diri mereka dengan syarat MC&I (Ladang Hutan).

(Continued from Page 12)

trained workers, STAT presented to each trainer two wedges and a safety helmet with attached earmuff. Each company also received financial contribution for every candidate successfully trained.

A parallel programme, the "Operator Training Programme" is also being implemented to provide assistance to trainers from our Member Companies to train their forest workers or operators. In this programme, the company and the

company's trainers as well as the operators also received financial contribution for every operator successfully trained.

As at 31 December 2008, the number of Trainers and Assessors trained are: Trainers, 144 (including 8 from STAT), Operators, 393, Trainee Trainers, 66 (including 2 from STAT), Assessors, 8 (all from STAT), Trainee Assessors, 14 and Operators under training in all skill sets, 192. ❁

MC&I (Forest Plantations) adopted as the Standard for Certification of Forest Plantations under the MTCS

■ The 39th Meeting of the MTCC Board of Trustees held on 17 February 2009 adopted the MC&I (Forest Plantations) as the standard for the certification of forest plantations under the Malaysian Timber Certification Scheme (MTCS). The adoption of the MC&I (Forest Plantations) marks another milestone in the operation of the MTCS which has been focusing on the certification of natural forests since October 2001.

The MC&I (Forest Plantations) has been subjected to rigorous scrutiny in the form of deliberations through five Technical Working Group (TWG) meetings, two meetings of the National Steering Committee (NSC), three regional consultations, one national public consultation, as well as three field tests, over the period from February 2006 to November 2008.

Some salient points of the MC&I (Forest Plantations) are as follows:

- it is a standard adopted for the certification of industrial tree plantations (including rubber plantation); and hence would not be applicable for certification of non-wood plantations such as oil

palm plantations;

- among others, the standard emphasizes the need to balance the economic, environmental and social aspect in the establishment and management of forest plantations; and
- forest plantations submitted for assessment under this standard after 1 January 2010 must not be established on high conservation value forest areas (please refer to Indicator 6.10.1).

In this connection, all forest plantation managers who currently manage and are in the process of establishing new forest plantations with the view of going for forest management certification under the MTCS are therefore advised to familiarize themselves with the requirements of the MC&I (Forest Plantations).

For any further clarification with regard to the standard, please contact Mr. Yong Teng Koon at 03-92005008 or e-mail at yongtk@mtcc.com.my. A softcopy of the document is available from MTCC's website at www.mtcc.com.my ❁

New Members

■ STA extends a warm welcome to the following new Associate Members. ☀

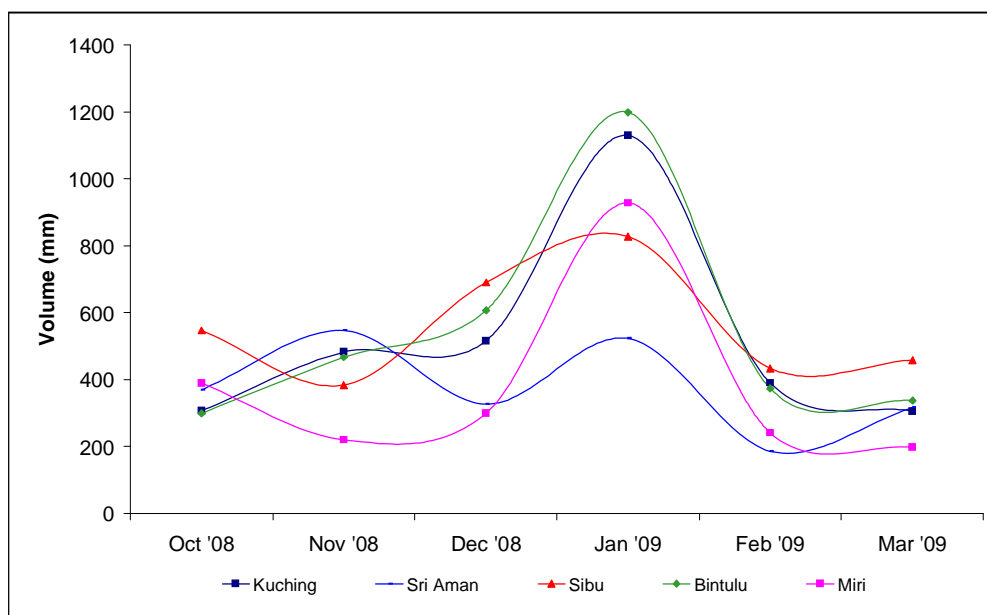
Company Name	Official Category	Representative
Tanjong Manis Holdings Sdn Bhd (219965-X)	Log Marketing	Y. Bhg. Dato Wong Kuo Hea
Billion Hub Sdn Bhd (809891-X)	Log Marketing	Y. Bhg. Datuk Lau Heing Wui, Jimmy
Goodmatch Sdn Bhd (189970-U)	Forest Plantation	Y. Bhg. Datuk Haji Mohd Tufail bin Mahmud
Grace Million Sdn Bhd (624862-D)	Sawmilling	Y. Bhg. Dato' Tiong Ing

STA在此欢迎新加入本会的新附属会员公司。

STA mengalu-alukan penyertaan 4 Ahli Persekutuan baru seperti dijumlah.

Rainfall : October '08 - March '09

雨量/Kadar Hujan Bulanan



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 11 Floor, Wisma STA, 26, Jalan Datuk Abang Abdul Rahim, 93450 Kuching, Sarawak, Malaysia.
 Tel: ++ (60 82) 332 222 ■ Fax: ++ (60 82) 487 888, 487 999 ■ Email: sta@sta.org.my ■ Website: www.sta.org.my
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