

Monthly Magazine of the Sarawak Timber Association VOLUME 270 PPK 174/05/2013 (032756)





STA Annual General Meeting

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STA COUNCIL Meeting No 2/2016



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COVER IMAGE:

Kapur waterfall, Kakus, Bintulu Photo credit Mr Joanes Unggang, GP Pusaka Sdn Bhd

STA REVIEW

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STA Annual General Meeting



The Annual General Meeting (AGM) of Sarawak Timber Association was held on 28 March 2016 at Wisma STA, Kuching. The AGM was attended by representatives from 181 Member Companies.

During the Meeting STA Chairman, Pemanca Datuk Wong Kie Yik presented the Report of the Council on the activities of the Association for year 2015.

The Meeting also dealt with matters related to subsidiary companies of the Association, namely STA Enterprises Sdn Bhd, STA Training Sdn Bhd, STA Mutual Sdn Bhd and STA Ventures Sdn Bhd.

The following is the Chairman's Message.

砂拉越木材公会于2016年3月28日假古晋STA大厦举办年 度会员大会(AGM),共有181位会员公司的代表出席。

本会主席邦曼查拿督黄啓晔在大会中发表2015年度本会全 年活动报告。

Mesyuarat Agung Tahunan (AGM) Persatuan Kayu Kayan Sarawak telah diadakan pada 28 Mac 2016 di Wisma STA, Kuching. Mesyuarat tersebut dihadiri oleh wakil-wakil dari 181 Syarikat Ahli .

Semasa mesyuarat Pengerusi STA, Pemanca Datuk Wong Kie Yik menyampaikan Laporan Majlis mengenai aktiviti-aktiviti Persatuan bagi tahun 2015.

Chairman's Message

Annual Report on the Workings of STA for Year 2015

I would like to welcome and thank everyone for the support and attendance at our AGM especially those members from outstation, our Advisors Y. Berusaha Tuan Haji Sapuan Ahmad, Director of Forests and Y.Bhg. Datu Sarudu bin Haji Hoklai, General Manager of STIDC as well as the members of the media.

The year 2015 was indeed a very challenging year for the forestry and timber industry in Sarawak. STA is fully supportive of the government's efforts to clamp down on illegal logging and corruption. However, STA does not agree with the en mass freezing of a large number of bank accounts by Malaysian Anti Corruption Commission (MACC) without diligent verification in the name of facilitating investigations as this action had adversely disrupted our members' operations, particularly delaying prompt payment of wages to their employees. Needless to say, such hasty action had also tarnished the image of the industry to a certain extent given that reports on MACC's actions had been widely publicised nationally and internationally earlier this year. However, it is worth noting that frozen accounts of STA and its members had since been uplifted without any charges instituted.

STA does not condone illegal logging and applauds the State's efforts, led by our Chief Minister, YAB Datuk Patinggi Tan Sri (Dr) Haji Adenan bin Haji Satem, to eradicate illegal logging through implementing changes to the State's forestry legislation and policy administration. These include the passing of the Forests Ordinance 2015 by the State Legislative Assembly which came into force on 1 June 2015 and the issuance of several circulars by the Director of Forests. These changes are also to ensure a more effective environmental conservation as well as to enhance forest management throughout the State.

Our Chief Minister is also fully committed towards ensuring that our forests resources are sustainably manage and that all timber and timber products produced by Sarawak are legal. His commitment is backed by the forestry agencies through stringent enforcements. These efforts have shown that less than 1% of the total log production was illegal. Our buyers can be assured of the high standards we practise in Sarawak.

(... continue on Page 4)

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Our Chief Minister has also acknowledged in his press release published on 3 March 2016 that the major industry players who are our members have always demonstrated their commitment towards sustainable forest practices and have complied with the requirements of the State's laws and policies. These industry players, many of whom are pioneers of the Sarawak timber industry, were issued long term forest timber licences as they have means and abilities to carry out sustainable forest management.

The Ministry of Resource Planning and Environment is also streamlining the operating processes of the four (4) forestry agencies in line with the Sarawak Timber Legality Verification System (STLVS). STA hopes that this will eliminate the overlapping functions and unnecessary red tapes which will enable the four (4) forestry agencies to work better together, and thus improve the overall efficiency of the industry. STA has endeavoured to keep its members abreast of these changes by various means such as several regional briefings organised during the year.

STA is pleased to be entrusted to address the problem of destruction of height barriers installed along the Bakun and Murum public roads by "phantom lorries". Timber companies have been alleged to be responsible for the destruction of a few of these height barriers. STA felt that such allegations must be investigated thoroughly as it has severely tarnished the reputation of the forest industry. STA had approached all timber licensees and contractors who used these roads, and they are very keen to clear the allegations that the timber companies were responsible for the destruction of these height barriers. These affected licensees and contractors/operators have voluntarily undertaken, amongst other actions/pledges, to fully restore the height barrier if any damage caused by them or their employees, through the signing of "Commitment Statement" spearheaded by STA. In addition, STA puts forward to the State Government a number of proposals to better safeguard the height barriers as well as maintaining the condition of the Bakun and Murum public roads. The State Government has adopted one (1) of the proposals by STA with some modifications to address this matter. Discussions to implement this proposal are still on-going.

STA has always supported the call for forest management certification for natural forest and forest plantation by the State Government. Through several dialogues with STA over the years, the Government is also aware that our members faced adversities in trying to achieve certification. Some of these adversities arise due to the unique circumstances of the forestry and timber industry in Sarawak. For example, forest plantations established after 31 December 2010 would not be awarded plantation management certification under the MC&I Forest Plantation. v2 once it has been endorsed by the Programme for the Endorsement of Forest Certification (PEFC). This will disqualify many plantation areas in Sarawak from certification, as many areas are still being established even now since the award of the first License for Planted Forest in 1997. STA would like to call upon the Government, through its forestry agencies, to assist in resolving some of the unique issues which have hindered STA members from achieving this objective. Perhaps, it is time for us to explore Sarawak's very own feasible certification scheme, which can realistically be achieved by the licensees in Sarawak.

The forest plantations in Sarawak, which only started less than twenty (20) years ago, are still at the infancy stage when compared to other developed forest plantations in the world. STA members embarking in this new venture have yet to see returns to the heavy investments made in establishing forest plantations. On top of that, STA members also faced many challenges such as land claims, choice of species and information on propagation maintenance/ management, utilisation of these species as well as lack of skilled and general workers.

The threat of diseases to their planted trees faced by members cannot be underestimated, as the whole forest plantation can be wiped by these diseases under certain conditions. More research also needs to be carried out to contain the spread of these diseases in existing plantations as well as tree improvement research which produce trees that are resistant to these diseases. At the same time, it is also timely that research on the utilisation of planted timbers need to be done as most of the planted trees are nearing maturity for harvesting.

We would like to appeal to the State Government to give strong and continuous support to the forest plantation industry, as the forest plantation shall generate revenue for the State Government's coffer and lighten the demand for timber from the natural forests in the near future. The industry needs more incentives from both the State and Federal Governments during the establishment or planting periods. In addition, there are some administrative and technical issues which STA would like to iron out with the State forestry agencies to reduce some of the red tapes which only add to the already high establishment costs of forest plantations for STA members.

Malaysia has joined eleven (11) other nations in signing the Trans-Pacific Partnership Agreement (TPPA) in Auckland, New Zealand on 4 February 2016. Prior to the signing, the negotiations of the TPPA were conducted under a shroud of secrecy by the Malaysian Government. Details of the TPPA were only released after negotiation have concluded, leaving the industries in Malaysia with little time to study the implications of the TPPA and provide constructive inputs

(... continued from Page 4)

to the Government. Despite the secrecy in the TPPA negotiations, STA would like to urge the Government to be more transparent in policies formulation and amendments to the laws, as well as subsequent implementation of the TPPA. STA is particularly concerned over the costs required of the industry to comply with the implementation of some changes to the laws arising from the signing of the TPPA.

The industry employs many foreign workers who are willing to work in the deep, remote forest areas and mills, as the small population in Sarawak is unable to cater to the manpower requirements of the forestry and timber industry. Currently, the State Government only allows the employment of Indonesian workers. If the employment of foreign workers is allowed from only one source country, the industry is often compelled to comply with the terms of employment determined by the sole source country, some of which do not commensurate with our labour laws. This has unnecessarily caused the delay in recruitment affecting production as well as increase to the costs of employment. Therefore, STA would like to urge the State Government to allow the industry to employ workers from other source countries based on the merit of the situation.

Of late, the Federal Government has made several sudden decisions relating to the changes in policies on the employment of foreign workers, particularly on the increase in levies and freezing of foreign workers recruitment. These sudden decisions, often made without proper consultations with the industries, have caught many industries off guard, as these changes by the Federal Government have huge implications on the industries. Although we are given to understand that these policies are not applicable to Sarawak yet, the industry may find it hard to cope should these policies be implemented. Hence, STA would like to call upon the Government to conduct proper consultations with the industries before making any decisions. STA strongly believes that any changes in employment policies should be introduced gradually, taking into consideration all the needs of all stakeholders.

The nation was caught by surprised when the Prime Minister announced the increase in the minimum wage rates when he tabled the Federal Budget 2016 last year. The increase of minimum wage rate from RM800 to RM920 per month for Sarawak shall only further increase the costs for the industry that is still grappling with the full implementation of minimum wage in 2014. In light of the gloomy global economy, STA would like to urge the Government to defer implementing the new minimum wage rates.

STA, through its subsidiary company STA Training Sdn Bhd (STAT) has spearheaded the training of forest workmen since 2002 to prepare its members in meeting the requirements of Section 51 of the Forests Ordinance, 2015 (formerly Section 54B of the Forests Ordinance, 1958). The Forests (Trained Workmen) Rules, 2015, which was passed during the year and will be enforced on 1 April 2016, requires the industry to employ only trained workmen in the forests. The Sarawak Forestry Corporation Sdn Bhd has been appointed as the sole training provider under the Rules, and STAT looks forward to work closely with them as their sole training supplier in providing training and assessment services for forestry activities prescribed by the Director of Forests in accordance with the Rules.

STAT also offers the Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management / Plantation Management) in collaboration with the Lincoln University of New Zealand. This programme is targeted at forest and plantation managers, the key personnel in ensuring that our forests are being managed sustainably. The programme has successfully produced 51 graduates since the inception of this programme in 2006. The fourth cohort of the Postgraduate Diploma had commenced this year, and twenty (20) students are on track to graduate in 2017.

Another important objective of STA is to contribute to the society through the giving of scholarships through its subsidiary company, STA Mutual Sdn Bhd (STAM), to deserving students who are in need. To date, STAM has awarded 23 scholarships to students in various fields, including three (3) scholarships in 2015, with more scholarships in the pipeline to be given to students from vocational/technical institutions. STAM, with the assistance of STA members, is also exploring other avenues to improve education, particular for the students and schools located in the concession areas of STA members. Several projects are expected to take off in year 2016, such as providing assistance in kind as well as repairing and improving the facilities of these schools.

STA foresees a challenging year for the timber industry in 2016. As a land-based industry, the operations of the forestry and timber industry in Sarawak is labour intensive and carried out in the interior of Sarawak under difficult terrain with poor infrastructure. These factors contribute to a significant portion of the costs to the industry, which in recent years have increased significantly due to the changes in the policies and procedures by the Government, thus rendering our timber products uncompetitive. STA is concern that any changes to the policies and procedures, if implemented without consulting the industry and giving ample grace period for the industry to prepare, will put the industry at a disadvantage.

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In conclusion, I would like to put on record my gratitude to the outgoing Council for their efforts and support over the past two (2) years and I wish the incoming Council a successful term. I have similarly to thank the following for their continuous support to STA:

- 1. The Chief Minister of Sarawak Y.A.B. Datuk Patinggi Tan Sri (Dr) Haji Adenan Satem;
- 2. The Second Minister of Resource Planning and Environment, Y.B. Datuk Amar Awang Tengah Haji Ali Hasan;
- 3. STA Advisor, Y. Berusaha Tuan Haji Sapuan Ahmad, Director of Forests;
- 4. STA Advisor, Y.Bhg. Datu Sarudu bin Haji Hoklai, General Manager, STIDC;
- 5. The officers and staff from the State Secretary's office, State Financial Secretary's office, State Attorney General's office, Ministry of Resource Planning and Environment, Ministry of Industrial Development, Forest Department Sarawak, Sarawak Forestry Corporation, Sarawak Timber Industry Development Corporation, Harwood Timber Sdn Bhd, Natural Resources and Environmental Board, the Department of Labour Sarawak and the Immigration Department; and
- 6. Members of the media.

I have also to thank all staff of the STA Secretariat and its subsidiary companies for their support without which it would be impossible to manage the Association.

Once again thank you for your support and attendance.

Pemanca Datuk Wong Kie Yik Chairman

STA Council Meeting No 2/2016

The STA Council Meeting No 2/2016 was held immediately after the STA Annual General Meeting (AGM) on 28 March 2016 at Wisma STA, Kuching.

The 36 elected Council members and the 12 Permanent Council members shall constitute the Council for the years 2016 and 2017.

The following table are the thirty six (36) newly-elected Council members.

本会本年度第二次理事会会议于 2016年3月28日,即本会会员大 会(AGM)后假古晋STA大厦立 即召开。

上述36位当选委员和12位常务 委员将组成2016年和2017年理 事会。



Photo: STA Council for 2016 and 2017 (with absentees) taken immediately after the AGM

Mesyuarat Majlis STA No 2/2016 telah diadakan sejurus selepas Mesyuarat Agung Tahunan STA (AGM) pada 28 Mac 2016 di Wisma STA, Kuching.

36 ahli Majlis yang dipilih dan 12 ahli Majlis Tetap (seperti jadual) membentuk Majlis bagi tahun 2016 dan 2017.



Photo: Meeting in progress

COUNCIL MEMBERS FOR THE YEARS 2016 AND 2017					
	OFFICE BEARERS				
POSITION	NAME				
STA CHAIRMAN	Pemanca Datuk Wong Kie Yik				
STA VICE CHAIRMAN	Tan Sri Datuk Sir Tiong Hiew King				
STA VICE CHAIRMAN	Tan Sri Datuk Ling Chiong Ho				
HONORARY SECRETARY	Dato Lau Lee Kong, Henry				
HONORARY TREASURER	Mr Choo Kwong Hui, Philip				
	IBERS AND CATEGORY CHAIRMAN				
FOREST PLANTATION	<i>Mr Ling Kwong Hung, Peter (Category Chairman)</i> Datuk Haji Abdul Hamed Bin Haji Sepawi* Mr Ling Chii Huo Mr Tiong Chiong Ong*				
FURNITURE & OTHER WOODWORKING	<i>Mr Yek Siew Liong (Category Chairman)</i> Mr Yap Fui Fook				
HILL LOGGING	Dato' Sri Law Kiu Kiong (Category Chairman) Tan Sri Datuk Ling Chiong Ho* Dato Lau Lee Kong, Henry* Mr Cheng Hwa Tang, Desmond Mr Lau Ching Hoo, Joseph Mr Lau Puong Ying Mr Law Hui Kong, Kenny Mr Ling Ting Sie Mr Ling Uong Chong Mr Ting Jack Hui Mr Tsen Teck Fen				
LOG MARKETING	Ms Wong Haw Ing, Audrey (Category Chairperson) Tan Sri Datuk Sir Tiong Hiew King* Tan Sri Datuk Lau Hieng Wui, Jimmy Pemanca Datuk Wong Kie Yik* Temenggong Dato Lau Lee Ming, Vincent* Dato' Tiong Ing Mr Ho Yam Kuan* Ms Lau Kor Ping Ms Lau Kor See, Adeline Mr Ling Chai Hoe Mr Ling Lu Kuang Mr Yaw Chee Chik*				
MOULDING	Penghulu Law Buong Hoo, Philip (Category Chairman) Mr Tiong Chiong Chung				
PANEL PRODUCTS	Mr Lau Lee Kiong, Stephen (Category Chairman) Dato Wong Kuo Hea* Mr Lau Hui Siew, John Mr Ling Chiong Sing* Mr Ling Lu Kiong Mr Wong Haw Yeong, Patrick*				
SAWMILLING	<i>Ms Wong Haw Bing, Annie (Category Chairperson)</i> Dato' Tai Cheong, James Mr Lau Ngi Chong Mr Lau Swee Nguong Ms Lau Mei Nah, Loretta				
SWAMP LOGGING	<i>Mr Choo Kwong Hui, Philip (Category Chairman)</i> Mr Ting Kai Hoon				
TIMBER PRODUCTS MARKETING	<i>Mr Hii Hium Ung (Category Chairman)</i> Mr Lau Tee Mei Mr Teng Kheng Hong, Augustine Mr Teng Kheng Huh, Patrick				

* STA Permanent Council Member

STA Council Meeting No 1/2016



Photo: Meeting is in Progress

The STA Council held its Meeting No 1/2016 on 1 March 2016 at Wisma STA in Kuching. The Chairman, Pemanca Datuk Wong Kie Yik, presided the meeting which was attended by Dato Henry Lau, the Honorary Secretary, Mr Philip Choo, the Honorary Treasurer and twenty-four (24) Council members.

The Meeting discussed recent issues affecting the industry such as the increase in levy for foreign workers, the potential impact of the signing of the Trans-Pacific Partnership Agreement and enforcement on legal source of timber at wood-based mills in Sarawak. The Meeting also received reports from and issues raised by several category and working committees as well as a report from the STA Election Committee.

The Meeting approved one (1) new application for Membership and one (1) application for the conversion of Associate Member to Member.

The one (1) new application for Membership is as follows:

Company Name	Official Category	Official Representative	Alternate Representative	Proposer	Seconder	
Central Panel Products Sdn Bhd	Panel Products	Mr Tan Siang Aik	Mr Tan Joo Guan	Mr Paul Wong Siu Nang	Mr Wong Sie Kwong	

The one (1) application for the conversion of Associate Member to Member is as follows:

Company Name	Official Category	Date of Approval as STA Associate Member			
Golden Cash Harvest Sdn Bhd	Hill Logging	28 March 2003			

The Meeting also addressed administrative matters of the Association as well as its three (3) subsidiary companies, namely STA Trainng Sdn Bhd, STA Mutual Sdn Bhd and STA Enterprises Sdn Bhd.

本会理事会于2016年3月1日假古晋STA大厦召开本年度首次理事会会议。会议商讨与林业有关的事项以及接收各小组, 工作委员会和STA选举委员会的报告。

理事会批准各1间附属会员公司和会员转为资深附属会员公司的申请。

Majlis STA telah mengadakan Mesyuarat No. 1/2016 pada 1 Mac 2016 di Wisma STA, Kuching.

Mesyuarat membincangkan isu-isu terkini yang memberi kesan kepada industri, menerima laporan dan isuisu yang dibangkitkan oleh beberapa Kategori dan Jawatankuasa Kerja serta laporan daripada Jawatankuasa Pemilihan STA.

Mesyuarat meluluskan 1 permohonan baru untuk Keahlian dan 1 permohonan bagi penukaran Ahli Bersekutu kepada Ahli.

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Briefing on the One-Stop Compliance Centre

Pemanca Datuk Wong Kie Yik, STA Chairman welcomed Datu Dr Haji Yusoff Hanifah, Chairman of SARAWAK FORESTRY Corporation Sdn Bhd (SFC) and his delegation of eight (8) officers to Wisma STA on 1 March 2016 to brief STA Council Members on the One Stop Compliance Centre (OSCC). Tuan Haji Zolkipli Mohamad Aton, Deputy General Manager of Sustainable Forestry & Compliance made the presentation.

The OSCC is an initiative by the Chief Minister of Sarawak to curb illegal logging, log smuggling and leakages in forest revenues. A total of forty eight (48) OSCCs will be set up in two phases statewide, following the success of the four (4) pilot projects of OSCC implemented at Lubok Antu, Engkamop, Koyan-BNP1 and Tuyut. In the first phase, twenty seven (27) OSCCs will be set up in various licence areas within the State and these OSCCs shall commence operation on 1 April 2016. SFC shall now monitor the harvesting operations and carry out royalty assessment and marking of logs within the licence areas. The second phase involving another twenty one (21) OSCCs is expected to be implemented by the last quarter of this year.

During the Briefing, Dato Henry Lau, STA Honorary Secretary informed the delegation from SFC that the timber industry players are supportive of the Government's initiative to implement the OSCCs throughout Sarawak and hope this initiative will not cause a delay in operations on the ground.



Photo: (From left) Datu Dr Haji Yusoff Hanifah, Pemanca Datuk Wong Kie Yik, Dato Henry Lau and Mr Philip Choo



Photo: Briefing in progress

本会主席邦曼查拿督黃啓曄于2016年3月1日会见砂拉越林业机构(SFC)主席拿督尤索哈尼法博士及该机构的8位代表。该 代表团主要为本会理事会讲解一站式合规中心(OSCC)。OSCC简报由SFC可持续林业与合规部副总经理祖格比先生(译 音)呈现。

砂州首席部长倡议OSCC以加强森林管理,尽力遏制木材非法采伐,走私和森林税务流失。总共有48站 OSCC将分两个阶 段在全砂实施。

本会荣誉秘书拿督劉利康表示木材业者都支持政府全州实施OSCC的倡议,并希望这一举措不会耽搁森林经营活动。

Pada 1 Mac 2016, Pemanca Datuk Wong Kie Yik, Pengerusi STA menyambut Datu Dr Haji Yusoff Hanifah, Pengerusi SARAWAK FORESTRY Corporation Sdn Bhd (SFC) dan delegasi 8 orang pegawainya ke Wisma STA. Delegasi ini hadir untuk memberi taklimat kepada Ahli Majlis STA mengenai Pusat Pematuhan Sehenti (OSCC). Perbentangan mengenai OSCC dilakukan oleh Tuan Haji Mohamad Zolkipli Aton, Timbalan Pengurus Besar Perhutanan Mampan & Pematuhan.

OSCC merupakan salah satu inisiatif oleh Ketua Menteri Sarawak untuk meningkatkan tadbir urus perhutanan dalam usaha untuk mengekang pembalakan haram, penyeludupan balak dan ketirisan dalam mengutip hasil hutan. Seramai 48 OSCCs akan dilaksanakan di seluruh negeri dalam dua fasa.

Semasa taklimat, Dato Henry Lau, Setiausaha Kehormat STA memaklumkan bahawa peserta industri kayu menyokong inisiatif Kerajaan untuk melaksanakan OSCCs di seluruh Sarawak dan berharap inisiatif ini tidak akan melambatkan proses operasi perkayuan di lapangan.

International Day

The National level celebrations for the International Day of Forests 2016 (IDF 2016) was held at the Kuching Waterfront, Kuching on 26 March 2016. The objectives of IDF 2016 were to increase individual awareness on the importance of protecting and appreciating the forests and natural resources.

The celebration started with a Seminar on Forestry Governance for Sustainable Forest Management & Timber Industry Development at the Waterfront Hotel, Kuching.

A total of four (4) papers were presented and they are as follows:

Paper 1: "Enhancement of Policies and Initiatives to Curb Illegal Logging Activities for Sustainable Forest Management in Sarawak"

- by Mr Jack Liam, Senior Assistant Director (Preventive and Enforcement), Forest Department Sarawak (FDS)

The speaker shared with the participants of the Seminar the Government's initiatives to curb illegal logging activities such as the establishment of State Task Force on Illegal Logging, repealed of the Forests Ordinance, 1954 Cap. 126 with a new Forests Ordinance, 2015 Cap. 71, streamlining the task and functions of the four agencies through Inter-agency Standard Operating Procedure, establishment of One Stop Compliance Centres, etc.

Paper 2: "Legality Requirements for Timber Produced in Sarawak"

- by Datu Sarudu Hoklai, General Manager, Sarawak Timber Industry Development Corporation (STIDC)

The speaker presented on the regulating framework for legal compliance for the timber harvesting up till the export point. He also informed the participants of the Seminar that the State Government is in the midst of improving the Sarawak Timber Legality Verification System document.

Paper 3: "Challenges on Conservation of Crocodiles in Sarawak"

- by Mr Oswald Braken, Deputy General Manager, SARAWAK FORESTRY Corporation (SFC)

The speaker shared with the participants of the Seminar the issues and challenges of man and crocodile's co-existence and the densities of crocodiles found in Sarawak river basins. It was found that there was a significant increase in the population of crocodile at Batang Samarahan i.e. 108 folds increase in density. He also shared on public awareness programme which SFC has done over the years. Lastly, he hoped that Sarawak will be successful in down listing of estuarine crocodile from CITES Appendix I to II by 2016.

Paper 4: "Opportunities for Sarawak Tropical Hardwood Products and Market Development in Japan"

- by Dr Hiromitsu Samejima, the Institute of Global Environment Strategies, Japan



Photo: Launching of the IDF 2016 celebration

The speaker shared with the participants of the Seminar Japan's trends and policies in the plywood market. He noted there are four key changes in Japan's plywood market i.e. niche shift of Japan's plywood industry, Trans-Pacific Strategic Economic partnership Agreement (TPPA), enacting new law against illegal logging as part of a broader policy to support domestic timber suppliers and forest certification. He concluded that wood exporters to Japan must understand the recent trends in the Japanese market, forest certification can help Sarawak timber industry maintain share in the Japanese market and efforts needed to promote certified Sarawak timber to Japanese consumers.

Datuk Amar Awang Tengah Ali Hasan, Second Minister of Resource Planning and Environment in his opening remarks mentioned that the state government is serious in its commitment towards Sustainable Forest Management (SFM), with forest certification to be implemented by 2017. He also called upon all timber industry players to emulate Shin Yang Sdn Bhd for its successful certification of the Anap Muput Forest Management Unit (FMU). A Memorandum of Understanding (MOU) between the State Government of Sarawak, represented by Forest Department Sarawak, Shin Yang Trading Sdn Bhd and Zedtee Sdn Bhd on the Tenureship for forest management certification of Anap Muput Forest Manangement Unit was signed and witnessed by Datuk Amar Awang Tengah.



Photo:(From left) Tan Sri Datuk Ling Chiong Ho, Datu Sudarsono Osman, Datuk Amar Awang Tengah Ali Hasan, Tuan Haji Sapuan Ahmad, Datu Haji Sarudu Haji Hoklai and Mr Wong Ing Yung after the signing of MOU

The participants of the Seminar then proceeded to the Kuching Waterfront to witness the launching of the IDF 2016 celebration by the Chief Minister of Sarawak, Datuk

y of Forests 2016

Patinggi Tan Sri Adenan Satem. The Chief Minister, in his opening speech proposed the setting up of a Wildlife Department to enhance the efficiency in the conservation of wildlife. He also mentioned that the State Government had targeted six million hectares of land in Sarawak as permanent forests and one million hectares as totally protected areas (TPAs) by the year 2020. He disclosed that 33 forest timber licencees with an area of about 2.5 million hectares have indicated their intention to be certified under accredited certification body by 2017. The 60-year tenure, which will be granted to Forest Management Unit (FMU) holders as an incentive for the FMU certification, would have to be certified throughout the tenure otherwise their licences will be terminated. The Minister of Natural Resources and Environment Datuk Seri Wan Junaidi Tuanku Jaafar and Second Minister of Resource Planning and Environment Datuk Amar Awang Tengah Ali Hasan were among those present in the Launching ceremony.

As part of the celebration, exhibition booths were also set up by the Government agencies from Peninsular, Sabah and Sarawak, timber Associations, timber companies and communities for three days at the Kuching Waterfront.



Photo: Group photo with STA Vice Chairman, Tan Sri Datuk Ling Chiong Ho (Standing 7th from the left)

2016年全国国际森林日庆典 (IDF 2016) 于2016年3月26日 假古晋河滨公园举行。IDF 2016旨于提升个人对保护和珍 惜森林与天然资源的重要意识。

一项在古晋水岸酒店举行的可持续森林管理及木材工业发展的林业管制讲座会作为开始这次庆典的活动。

砂第二资源策划与环境部部长拿督阿玛阿旺登雅(译音) 在会上致词时表示州政府非常认真看待可持续森林管理 (SFM)的承诺,让森林认证在2017年得以落实。他也呼吁 所有木材业者能仿效昇阳有限公司成功为其阿纳姆普森林 管理单位(FMU)获得认证。

参与者在讲座会过后前往古晋河滨公园见证由砂首长拿督 巴丁宜丹斯里阿迪南沙登主持的IDF 2016开幕仪式。砂首 长在开幕仪式上致词时表示州政府计划在2020年将600万 公顷的土地规划成永久森林并将100万公顷的土地划分为 全面保护区 (TPAs)。他透露覆盖大约250万公顷森林的33 个森林执照持有人已表示将在2017年索取认证机构的认 证。



Photo: Visitors at STA exhibiton booth

Sambutan Hari Hutan Antarabangsa 2016 (IDF 2016) Peringkat Kebangsaan telah diadakan di Kuching Waterfront, Kuching pada 26 Mac 2016. Objektif IDF 2016 adalah untuk meningkatkan kesedaran individu tentang kepentingan melindungi dan menghargai hutan dan sumber asli.

Sambutan dimulakan dengan Seminar mengenai Tadbir Urus Hutan bagi Pengurusan Mampan Hutan & Pembangunan Industri Perkayuan di Waterfront Hotel, Kuching.

Datuk Amar Awang Tengah Ali Hasan, Menteri Perancangan Sumber dan Alam Sekitar dalam ucapan pembukaan beliau menyatakan bahawa kerajaan negeri serius dalam komitmennya terhadap Pengurusan Mampan Hutan (SFM), dengan pensijilan hutan yang akan dilaksanakan pada tahun 2017. Beliau juga menyarankan kepada semua pengusaha industri kayu untuk mencontohi Shin Yang Sdn Bhd yang berjaya memperolehi pensijilan Unit Pengurusan Hutan (FMU) Anap Muput.

Peserta Seminar kemudian berkumpul di Kuching Waterfront untuk menyaksikan pelancaran sambutan 2016 IDF oleh Ketua Menteri Sarawak, Datuk Patinggi Tan Sri Adenan Satem. Dalam ucapan perasmian oleh Ketua Menteri, Beliau menyebut bahawa Kerajaan Negeri mensasarkan 6 juta hektar tanah di Sarawak sebagai hutan kekal dan 1 juta hektar sebagai kawasan yang dilindungi sepenuhnya (TPA) pada tahun 2020. Beliau berkata 33 pemegang lesen balak dengan keluasan kira-kira 2.5 juta hektar telah menyatakan hasrat mereka untuk diperakui di bawah badan pensijilan yang diiktiraf pada tahun 2017.

Corporate Social Resp

A visit to the Sarawak Society for the Blind (SSB) and Rumah Seri Kenangan Kuching (RSKK) was organised by Sarawak Timber Association (STA) on 16 March 2016 as part of the Corporate Social Responsibility (CSR) Programme held in conjunction with the International Day of Forests 2016 (IDF 2016). The Programme was attended by the representatives from the forestry-related agencies namely Forest Department Sarawak (FDS), Harwood Timber Sdn Bhd (HTSB), SARAWAK FORESTRY Corporation Sdn Bhd (SFCSB), Sarawak Timber Industry Development Corporation (STIDC) and STA.

Sarawak Society for the Blind (SSB)

STA led by its chairman, Pemanca Datuk Wong Kie Yik, contributed RM10,000 to SSB and other donations in kind to support thirty (30) visually-impaired residents at the Centre. Dato' Dr Hsiung Kwo Yuen, President of SSB and Tuan Haji Sapuan Ahmad, the Director of FDS were among the distinguished guests present at the Event.



Photo: Cheque presentation to the Sarawak Society for the Blind Centre

The entourage later took a closer look at how the visuallyimpaired residents use computer software i.e. Braille to communicate, use the computer, make baskets and chick boxes as well as play ping pong. The Event included light refreshments and entertainment by the Band formed by the residents of SSB.



Photo: Demonstration on Braille



Photo: Guests and residents at the luncheon

Tuan Haji Sapuan Ahmad in his speech requested timber companies to support SSB by supplying waste timber for residents at the Centre in order to help them earn more income by producing chick boxes. At the same time, he hoped to see more community-based programmes and activities carried out to help and support those in need in the community.

Dato' Dr Hsiung, in his welcoming speech mentioned that twelve (12) residents at the Centre are involved in the production of chick boxes that are sold to breeders as part of its sheltered employment programmes. He added that SSB also provide training in massage and reflexology, ICT as well as basket and handicraft making to help and encourage residents to lead an independent and productive life.

Rumah Seri Kenangan Kuching (RSKK)

The Group also visited RSKK, a home for the aged in Kuching at Kota Samarahan on the same day. The residents at RSKK have been temporarily put up at the Samarahan Rehabilitation Centre while their original premise at KM20 Jalan Kuching-Serian is being rebuilt.

STA contributed RM10,000 to the Centre and other donations in kind to sixty-six (66) residents at the Centre. The donations were personally distributed to the residents by Pemanca Datuk Wong Kie Yik, STA Chairman and the delegations. During the visit, residents of RSKK were feted to sumptuous food and were entertained by a traditional dance performed by staff members from the STA Secretariat. Towards the end of the Event, the delegations were given a tour to the male and female dormitories of the Centre.

sponsibility Programme

STA hoped that this Programme would provide some support to both Centres as well as to serve as a platform to engage and interact with members of the less fortunate communities.



Photo: Cheque presentation to the Rumah Seri Kenangan Kuching



Photo: The residents participating in the tradisional dance performance

本会于2016年3月16日拜访砂拉越盲人协会(SSB)和 Rumah Seri Kenangan老人院(RSKK)。这是结合2016年 森林日(IDF 2016)所举办的部分企业社会责任计划。

本会在主席邦曼查拿督黃啓曄的带领下捐赠RM10,000予砂 拉越盲人协会(SSB)和各种实物予该中心的30位弱视人 士。

砂拉越森林局长沙布安阿未先生(译音)在致辞中呼吁木 材公司供应废木料予SSB中心的弱视人士生产雏鸡箱以便 从中赚取更多的收入。同时,局长希望木材公司进行更多 以社区为基础的计划和活动,帮助和支持那些需要的社 区。

此外,本会也拜访三马拉汉Rumah Seri Kenangan老人院 (RSKK)。本会捐赠RM10,000予RSKK和各种实物予该中 心的66位老人。

STA希望这项计划提供这两所中心一些支助,以及作为和 不幸的社区成员进行互动一个平台。



Photo: Guests and residents at the tea break

Lawatan ke Persatuan Orang Buta Sarawak (SSB) dan Rumah Seri Kenangan Kuching (RSKK) telah dianjurkan oleh Persatuan Kayu Kayan Sarawak (STA) pada 16 Mac 2016 sebagai sebahagian daripada Program Tanggungjawab Sosial Korporat (CSR) yang diadakan sempena Hari Hutan Antarabangsa 2016 (IDF 2016).

STA yang diketuai oleh Pengerusinya, Pemanca Datuk Wong Kie Yik menyumbang RM10,000 kepada SSB dan sumbangan lain berbentuk manfaat bagi menyokong 30 warga cacat penglihatan di Pusat terbabit.

Tuan Haji Sapuan Ahmad, Pengarah FDS dalam ucapannya meminta syarikat-syarikat pembalakan untuk menyokong SSB dengan membekalkan sisa kayu untuk penduduk di SSB untuk membantu mereka memperoleh pendapatan tambahan dengan menghasilkan kotak anak ayam.

Pada masa yang sama, beliau turut berharap untuk melihat lebih banyak program dan aktiviti seumpama ini dijalankan untuk membantu dan menyokong mereka yang memerlukan dalam komuniti ini. Pada hari yang sama, kumpulan turut melawat RSKK, sebuah rumah orang tua yang terletak di Kota Samarahan.

STA menyumbang RM10,000 kepada RSKK dan sumbangan lain berbentuk manfaat kepada penduduknya yang seramai 66.

STA berharap Program ini mampu memberi sedikit sokongan kepada kedua-dua Pusat kebajikan dan juga untuk berkhidmat sebagai platform untuk melibatkan diri dan berinteraksi dengan ahli-ahli masyarakat yang kurang bernasib baik.

Inter-Agencies Games

A series of sport tournaments i.e. badminton, blowpipe, bowling, futsal and golf was organised in conjunction with the International Day of Forests 2016 (IDF 2016) celebration. The aim of these tournaments was to foster a closer rapport among the forestry agencies and organisations in the timber industry.

There were six (6) agencies involved in the inter-agencies games namely, Forest Department Sarawak (FDS), Harwood Timber Sdn Bhd (HTSB), the Ministry of Resource Planning and Environment (MRPE), SARAWAK FORESTRY Corporation (SFC), the Sarawak Timber Industry Development Corporation (STIDC) and Sarawak Timber Association (STA).

On 20 March 2016, two (2) tournaments took place simultaneously i.e. Blowpipe Tournament organised by SFC, held at Sarawak Forestry Corporation Office in Kuching and Futsal Tournament organised by FDS, held at Sports Arena in Kuching. The Bowling Tournament was organised STIDC on 23 March 2016 at Megalanes Adventure World in Kuching and a two-day Badminton Tournament was organised by HTSB from 23 to 24 March 2016 at Dewan Persatuan Badminton Bumiputera Sarawak (PBBS) in Kuching. The Golf Tournament was held on 27 March 2016 at Sarawak Golf Club in Kuching. This tournament was organised by FDS and was funded by STA. This year, the Golf Tournament saw the participation of representatives from the Forestry Department Peninsular Malaysia and Forestry Department Sabah as IDF 2016 was celebrated on the National level.

The results of the tournaments are as follows. All prizes were presented to all the respective winners after each game.

Tournament	Winner			
Blowpipe	SFC			
Futsal	STA (Men Category) HTSB (Women Category)			
Bowling	STIDC (Men Category) STIDC (Women Category)			
Badminton	HTSB			
Golf	STIDC			



Photo: STA Badminton team



Photo: STA Futsal team



Photo: Bowling tournament group photo



Photo: STA Blowpipe team



Photo: Golf tournament group photo



Photo: Golf VIP flight



Photo: Bowlers in action



Photo: Players in action

基于配合2016年全国国际森林日(IDF2016) ,多个林业机构和组织举办了一系列体育赛事 例如羽毛球、吹管、保龄球、室内足球和高尔 夫球。这些比赛的目的是为了促进林业机构与 组织之间的密切关系。

比赛成绩如英文版中列出。

Satu siri kejohanan sukan iaitu badminton, menyumpit, bowling, futsal dan golf telah dianjurkan bersempena sambutan Hari Hutan Antarabangsa 2016 (IDF 2016). Tujuan pertandingan ini adalah untuk memupuk hubungan yang lebih erat dalam kalangan agensiagensi perhutanan dan organisasi dalam industri perkayuan.

Keputusan kejohanan adalah seperti yang disenaraikan dalam artikel ini.

Industry Excellence Award 2016

The Anugerah Kecemerlangan Industri (AKI) or Industry Excellence Award is organised by the Ministry of International Trade and Industry (MITI) to recognise outstanding Malaysian companies in various fields.

AKI was established to promote excellence and to stimulate healthy and positive competition within the industry. The AKI showcases the achievements of outstanding businesses in the manufacturing and services sectors with the key objectives to:

- Recognise the most outstanding companies in the manufacturing and services industries
- Recognise companies with business plans to increase valueadded products or services
- Recognise companies with best practices that render them as inspiring role models to other companies

There are four (4) categories of awards in AKI, namely the Manufacturing Sector Award, Services Sector Award, Open Category Award and Most Promising Award. There will also be a winner for the Prime Minister's Award who will be selected from the winners of the categories mentioned above. The winners will be entitled to various benefits such as publicity for winners by MITI's agencies, eligible to use the AKI logo, processing fee waiver for Malaysian Industrial Development Finance Berhad (MIDF) Ioan application, Iow Ioan interest rate etc.

For those members who are interested in participating in the AKI 2016, please contact the AKI Secretariat at 03-6200 0460 / 0466 / 0457 / 0461 or email to allaki@miti.gov.my. Completed application shall be submitted no later than **25 May 2016** to the AKI Secretariat for the consideration by the Award Organising Committee.

国际贸易与工业部(MITI)推介工业优秀奖(AKI)2016于奖励各领域的 杰出马来西亚公司。

会员如有兴趣报名角逐AKI2016,请联络AKI秘书处,电话号码03-6200 0460 / 0466 / 0457 / 0461或电邮allaki@miti.gov.my 完整申请表格必须在2016年5月25日前提交。

Anugerah Kecemerlangan Industri (AKI) telah dianjurkan oleh Kementerian Perdagangan Antarabangsa dan Industri (MITI) untuk mengiktiraf syarikat-syarikat Malaysia yang cemerlang dalam pelbagai bidang.

Bagi ahli-ahli yang berminat untuk menyertai AKI 2016, sila hubungi Sekretariat AKI di 03-6200 0460/0466/0457/0461 atau e-mel kepada allaki@miti.gov.my. Permohonan yang lengkap hendaklah dikemukakan tidak lewat daripada **25 Mei 2016.**

Press Release on the Insignificance of Illegal Logging in Sarawak

Sarawak Timber Association (STA) issued a press release on the Insignificance of Illegal Logging in Sarawak on 17 March 2016.

The Press Release is as follows.

本会于2016年3月17日发布一篇关于砂拉越非法伐木并不 严重的新闻稿。 Persatuan Kayu Kayan Sarawak (STA) mengeluarkan kenyataan akhbar tentang ketidakseriusan Pembalakan Haram di Sarawak pada 17 Mac 2016.



PRESS RELEASE

(FOR IMMEDIATE RELEASE)

INSIGNIFICANCE OF ILLEGAL LOGGING IN SARAWAK

On 4 March 2016, YB Chong Chieng Jen MP for Bandar Kuching and ADUN for Kota Sentosa wrote on his blog that the main enemy of Sarawak's timber industry is not illegal logging but the monopolisation of the logging industry by the 'Big 6'.

YB Chong went on to say that only a small percentage (less than 1%) of timber production was seized and determined as illegal and therefore it did not warrant the full weight of the government to combat.

YB Chong claimed that the 'Big 6' are the "most detrimental to our Sarawak's overall economy", depriving many of economic opportunities amongst other things.

In this regard, the Sarawak Timber Association (STA) wishes to express that YB Chong's statement and allegations are baseless, misleading, unsubstantiated and politically-motivated to benefit himself without due regard to the contribution of the investors, management and the workers in the timber industry.

While YB Chong is entitled to his own personal political agenda and opinion, STA is compelled to denounce his irresponsible statement, which can and will unjustly inflict damage on the good reputation of Sarawak, especially in the international arena.

As an elected representative, both at parliamentary and state level, YB Chong of DAP is expected to carry out his role as a politician. Nonetheless, YB Chong must remember that he is required to do this in a responsible manner.

Assuming that the figure quoted by YB Chong is correct, it would indeed be heartening to note that "illegal logging is not such a major problem in the logging industry".

STA on the other hand views that illegal logging is a serious matter warranting full commitment by the government to eradicate. We must strive for high standards of practice in order to stand strongly against wrongful accusations. STA views and demands that YB Chong also adopts the same high standard so relentlessly demanded by the leadership of Chief Minister Datuk Patinggi Tan Sri Adenan Satem.

Indeed, it is unthinkable for YB Chong to advocate that it is unwarranted for the government to place its full weight to fight against illegal logging. Before the Adenan-led government exerted full weight into combating illegal logging activities in Sarawak, many NGOs had branded Sarawak rampant with illegal logging activities. Then the government gave full weight to eradicating illegal logging and the results showed that less than 1% of the timber log production was illegal.

The relentless efforts of the government to eradicate illegal activities firstly enable our logging industry to achieve higher standards and secondly put to rest the wrongful and baseless allegations of the NGOs.

Instead of showing meritorious appreciation of the government's efforts and that the timber industry has shown very low illegal logging activities, YB Chong has now changed his tune and turned to blame the successful timber companies in Sarawak ('the Big 6') as "most detrimental to our Sarawak's overall economy", depriving many of economic opportunities.

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As an elected representative at both state and federal levels for more than one term, YB Chong knows or at least ought to know that the timber industry in Sarawak started during colonial times, in the 40s and 50s in swamp forests and then moved to logging in hill forests in the 60s.

In those founding days, the pioneers and the founders of timber companies persevered in very difficult working environments. Many of these companies suffered and failed to continue their operations although some did survive and grow to the present day. Many of the founding members of the Sarawak timber industry endured severe hardship for the success of their companies.

It is equally heartening to note that in spite of the hardship and challenging environment, some of these timber companies were able to grow and achieve respectable economic status. These companies generate good revenue for the GDP and coffers of the state government as well as provide a major part of some 100,000 direct and indirect employment opportunities.

Furthermore, with experience in finance, management operations and marketing, these timber companies were able to carry out integrated timber businesses from upstream to downstream activities, mostly undertaken by Sarawakian companies. The Sarawak timber industry's huge investment in roads, bridges, camp facilities, numerous equipment and heavy machinery are equal in capability with world players.

The state government has targeted to have six million hectares as Permanent Forest Estate, which are managed on a sustained yield basis for log production. However implementing sustainable forest management is tedious and expensive. It therefore requires long-term security of tenure with an adequate annual operating area to ensure economic viability. As early as the 1970's, the state government had the foresight to issue long-term forest timber licenses to competent logging operators.

The 'Big Six' are recognised as responsible forest managers and the government has entrusted them to manage most of the long-term licences. Sarawak should also be proud that our timber industry, led by the 'Big Six', has some of the most modern and sophisticated veneer and plywood mills in this region. The production and export of plywood have contributed enormously to the state's economy. In 2015 alone, the revenue generated from the sale of plywood to overseas markets exceeded RM3 billion.

The state's production forests are located in the interior regions of Sarawak and therefore operating costs are high especially in building and maintaining road infrastructure to bring in workers and machinery to the forest concessions as well as to transport the logs out. Furthermore, the state government now requires logging operators to go for certification in implementing sustainable forest management. This requires resources, expertise and commitment to obtain sustainable forest management certification when carrying out the logging operation. It is therefore unfair to accuse the government of giving the monopoly of the timber industry to the 'Big Six'.

Sustainable forest management can only be realised if there is long-term security of tenure together with sufficient forest area to maintain the cutting cycle. It is therefore illogical to fragment the current long-term licensed areas into small licences and allocate them through open tender. This will defeat the main objectives of the government to eradicate illegal logging and to ensure that the state's forest resources are legally and sustainably managed.

Recent research by Chatham House revealed that high levels of illegal logging in Brazil, Indonesia, Papua New Guinea and many countries in Africa are due to small-scale operators. Therefore Sarawak should not fall into a similar situation through the issuance of small licenses as suggested by YB Chong.

The government has set aside an adequate quota for logs to be used by local mills every year. In fact, based on actual production records, about 66% of the logs produced between 2011 and 2015 were utilised by the local mills. For good quality logs that have high market value, the government has allowed them to be royalty marked as export logs for sale to overseas buyers. This is to ensure that these logs are sold at prices commensurate with quality.

Imposing a total ban on log exports does not solve the problem of a log shortage facing local mills because these mills are not willing to buy the logs from producers at market price. As the production cost for logs is high, they cannot be sold to local mills at a loss.

If YB Chong is suggesting that the government withdraw all or most of the licences or permits issued to the 'Big 6' and instead award them to many small companies in order to not deprive "many of economic opportunities", then YB Chong clearly doesn't understand anything about the economy and business of the timber industry.

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Imagine if the 'Big 6' were to stop or substantially reduce timber operations in Sarawak, what would happen to the livelihoods of the 100,000 direct or indirect employees or workers? Try to tell these workers that many of their jobs would cease to exist and their families would be subject to unemployment and the uncertainties of life.

Imagine if the 'Big 6' were to "give way" to the so-called deprived many, who would be capable in finance and operations management? Who would take over all the mills, heavy equipment and machinery, roads and bridges, market access, the large revenue for the state government and the 100,000 or so direct and indirect workers?

The 'Big 6' has as much as 50 years' experience in the timber industry and employed the billions of assets necessary to run a competitive timber industry. YB Chong's utterly irresponsible suggestion is unthinkable as it would kill the well-being of the timber industry for the benefit of his so-called deprived "many" -- who they are we do not know.

In addition, in the successful economic structure of any society in the world, it is important to have a fair composition of petty, small, medium and large industry players.

It would be unthinkable and unwise for a coffee shop operator to run a global business, or a big company to run a noodle stall in a coffee shop.

If that happened the state economy would be chaotic and truly detrimental to our state economy.

Sarawak Timber Association

17 March 2016

STA Says No to the

Unutilised 30% of Levy Contributions from Employers for 1MalaysiaGrip to Consolidated Fund on 1 April 2016

Sarawak Timber Association issued a Press Statement on 31 March 2016 with regards to the Unutilised 30% of Levy Contributions from Employers For 1MalaysiaGrip To Consolidated Fund on 1 April 2016.

本会于2016年3月31日发布一篇反对人力资源发展有限公司从2016年4月1日起将源于雇主未动用总额30%的人力资源发展基金挪至1MalaysiaGrip统一基金的新闻稿。

The Press Statement is as follows.

Persatuan Kayu Kayan Sarawak mengeluarkan Kenyataan Akhbar pada 31 Mac 2016 mengenai pendirian STA terhadap 30% daripada Sumbangan Levy oleh Majikan yang tidak digunakan akan menjadi dana terkumpul bagi 1MalaysiaGrip berkuatkuasa 1 April 2016.



PRESS STATEMENT

(FOR IMMEDIATE RELEASE)

STA SAYS NO TO THE UNUTILISED 30% OF LEVY CONTRIBUTIONS FROM EMPLOYERS FOR 1MALAYSIAGRIP TO CONSOLIDATED FUND ON 1 APRIL 2016

The Association is disappointed with the lack of transparency and consultation on how Pembangunan SumberManusiaBerhad (PSMB) manages the fund contributed by employers pursuant to Pembangunan

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Sumber Manusia Berhad Act (2001) (PSMB 2001). The Association understands that since June last year, 30% of the total fund paid by PSMB registered employers has been placed in employer's individual 1Malaysia Globally Recognised Industry Professional Certificate Programme (1MalaysiaGRIP) account. According to the Chief Executive of PSMB, Dato' C.M. Vignaesvaran, this is to encourage employers to train their employees under 1MalaysiaGRIP and 1MalaysiaGRIP will be supported with a matching grant from the Government. Despite the noble objective of PSMB to train more employees, the Association has received many complaints from members since beginning of this year expressing their disappointment that amongst others, quota for training for approved courses at approved Training Providers is always full when registration forms were submitted to PSMB, course could not be offered due to insufficient number of participants, insufficient fund in the individual employer 1MalaysiaGRIP accounts (i.e. 30% deducted from employers' monthly 1% contribution since June 2015). Some training providers are rather slow torespond (in term of sending 1MalaysiaGRIP available coursesand information) and some are unreachable (no proper websites or emails). Furthermore, most of the1MalaysiaGRIP courses were relatively expensive; ranges from RM 5,000 to more than RM 10,000. Therefore, most companies prefer to organize such similar courses in-house so as to benefits more employees rather than to send one or two staffs to attend the courses. Most courses that were offered by 1MalaysiaGRIP are also irrelevant to the prevailing major industries in Sarawak i.e. Timber, Oil Palm Plantation and etc.

According to the Employer's Circular No.9/2015 published in PSMB website, as of December 2015, the accumulated fund collected under 1MalaysiaGRIP is RM86.3 million with only a 17.3% utilisation or RM15.2 million and this gives rise to an unutilised balance of RM71.1 million. Hence, PSMB has proposed to transfer the unutilised balance of RM71.1 million to a consolidated fund to be utilised by registered employers of PSMB only on "first-come; first-served" basis. PSMB in its Circular urged all employers to utilise the balance of their respective 30% 1MalaysiaGRIP fund before 1 April 2016 by encouraging their employees to apply for certification courses under 1MalaysiaGRIP.

Given all the problems on the 1MalaysiaGRIP highlighted above, the Association is indeed puzzled how could PSMB urge employers to utilise the unutilised fund in their respective accounts, when there is no way employers could utilise their own contribution accumulated in their own 1MalaysiaGRIP account. The Association believes this explains why there was still RM71.1 million unutilised 1MalaysiaGRIP in employers' account which PMSB decided to transfer to a consolidated fund on 1 April 2016.

The Association is rather upset with PSMB's decision to transfer the RM71.1 million unutilised fund to a consolidated fund without prior consultation between PSMB and employers.Whether the fund is in a consolidated fund or maintained in the employer's individual 1MalaysiaGRIP account, it is to be used to benefit employees. Hence, it is paramount that PMSB ensures training programmes are readily accessible and available for training rather than merely posting information on PSMB portal and when enquired by employers, these training programmes are always not available. If the training programme is available, the employers could always utilise such fund for the benefits of their employees. There is no need to transfer to a consolidated fund. Therefore, the Association asked that PSMB not to transfer the unutilised fund to a consolidated fund but rather to work with employer to discuss ways to better promote training for the benefit of employees. The act of transferring to a consolidated account would only further create more concerns and also unhappiness within employers on how the fund is being used or addressed.

In addition, when the Association wrote to PSMB on 11 January 2016 on the problems encountered by its members, the Association was informed that the Government fund has been fully utilised. It is indeed hard to understand how the matching grant could be fully utilised at such a short span of time. The Association feels that being a corporation incorporated under the Companies Act 1965 and made as a trustee to the fund established under PSMB 2001, PSMB owes a high standard of duty of care to the employers and public at large as the fund whether from employer's contribution or matching grant from the Government is meant to benefit a large number of employees. In this regard, the Association urges PSMB to give details including but not limited to how, who and when the matching grant is utilised.

Sarawak Timber Association

30 March 2016

Postgraduate Diploma in Applied Science (Sustainable Plantation Management) - Lo

"Log Grades and Wood Quality", the seventh 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 5 to 11 March 2016 in Wisma STA in Kuching.

The Course was attended by sixteen (16) postgraduate students and one (1) participant taking the subject on a Continuing Education basis i.e. taking a single subject only. This subject was conducted by Professor Hugh Bigsby from Lincoln University, Christchurch in New Zealand.



Photo: Class in progress

The subject provided an overview of the key measures that are used to define wood quality, an understanding of how these measures are carried out as well as the link between log quality, lumber quality and lumber grading rules. The topics included in the subject are wood science basics, wood strength, wood drying, wood preservation, engineered wood products and the characteristics of Sarawak species. The objectives of the subject include:

- Critically analyse the techniques and systems used to measure log volume and grades for particular purposes;
- 2. Discuss the key factors and techniques used for identifying tree species from wood samples or logs;
- Discuss how the basic structure of wood affects key wood properties;
- Critically analyse the use of a timber species based on understanding of the methods used for measuring wood properties and the meaning of these measures used for the use of a species; and
- 5. Critically analyse the purpose and use of the log grading and log tracking systems in Sarawak.

Apart from classroom style lectures, the students also had the opportunity to do static bending and compression tests, determination of density and moisture content as well as pressure treatment and kiln drying of timber at the Timber Research and Technical Training Centre (TRTTC) in Kuching.

The next subject, "Forest Engineering" will be held from 16 to 22 April 2016 in Bintulu.



Photo: Students identifying wood specimens using the 10x hand lens and knife



Photo: Students cutting logs into commercial sizes in TRTTC sawmill for log recovery calculation exercise

"Gred Balak dan Qualiti Kayu" merupakan subjek ketujuh bagi Cohort Keempat Kursus Diploma Lepasan Ijazah dalam Sains Gunaan (*Pengurusan Mampan Hutan Tropika / Pengurusan Mampan Hutan Ladang*) telah dijalankan dari 5 hingga 11 Mac 2016 di Wisma STA, Kuching.

Kursus ini telah dihadiri oleh 16 pelajar pasca siswazah dan seorang peserta yang mengikuti subjek ini atas Pembelajaran Sepanjang Hayat. Subjek ini telah dijalankan oleh Profesor Hugh Bigsby dari Lincoln University, Christchurch, New Zealand.

Subjek ini menyediakan gambaran menyeluruh mengenai kaedah-kaedah utama yang digunakan dalam menentukan kualiti kayu, pemahaman tentang bagaimana kaedah-kaedah ini dilaksanakan serta hubungan antara kualiti balak, kualiti kayu dan peraturan penggredan kayu.

Subjek yang akan datang iaitu "Kejuruteraan Hutan" akan diadakan pada 16 hingga 22 April 2016 di Bintulu.

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*ble Tropical Forest Management/Sustainable Tropical .*og Grades and Wood Quality

共有16位学生和1位报读持续进修单科生出席于2016年3月5日至11日假古晋STA大厦进行的第四届可持续热带森林管理与种植林森林管理研究生文凭的第7堂课"原木等级和木材质量"课程。

纽西兰基督城林肯大学,休. 毕史彼教授(译音)为这次课程教学。这堂课主要让学生了解木材质量定义的关键措施概 念,明白如何执行这些措施以及原木质量,木材质量和木材等级标准的关联性。

接下来的 "森林工程"课程将在2016年4月16日至22日假民都鲁进行。

Presentation of Cheques to Schools

The presentation of cheques to 139 selected primary and 28 secondary schools located in the rural areas of Miri Division, organised by the Sarawak Timber Industry Development Corporation (STIDC), was held in Parkcity Everly Hotel, Miri on 23 February 2016. Sarawak Timber Association (STA), through its subsidiary company, STA Mutual Sdn Bhd (STAM) contributed the funds for this project, which is managed by STIDC.

The event was attended by Mr Hamzah Haji Morshidi, the Acting Assistant General Manager of STIDC in Miri, Puan Sarapiah binti Wan Kadir, representing the Acting Education District Office Miri, Education officers, principals, headmasters and staff of STIDC.



Photo: Mr Hamzah Haji Morshidi (2nd from left), Puan Sarapiah binti Wan Kadir (right) with the three Education Officers representing schools from the Miri, Subis and Baram areas.

In the opening speech by Datu Haji Sarudu Haji Hoklai, the General Manager, STIDC which was read by Mr Hamzah Haji Morshidi, he thanked STAM for contributing the funds and Puan Sarapiah binti Wan Kadir, all education officers, principals as well as headmasters for attending the event. According to Datu Sarudu, this project started in the year 2012 with an initial annual allocation of RM100,000. This presentation ceremony is the third in the series after the two similar events held in Mukah and Bintulu in the year 2014. The money is being used for either enhancing facilities or paying for activities of students or both.

Mock cheques were presented by Mr Hamzah Haji Morshidi to the three Education Officers, each representing schools from the Miri, Subis and Baram areas. The total amount disbursed in this event was RM195,000.

Majlis penyerahan cek kepada 139 sekolah rendah dan 28 sekolah menengah terpilih di kawasan luar bandar Bahagian Miri telah dianjurkan oleh Perbadanan Kemajuan Perusahaan Kayu Sarawak (PUSAKA) di Parkcity Everly Hotel, Miri pada 23 Februari 2016.

Dana untuk projek ini disumbangkan oleh Persatuan Kayu Kayan Sarawak (STA) melalui anak syarikatnya, STA Mutual Sdn Bhd (STAM) dan diuruskan oleh PUSAKA.

Projek ini bermula pada tahun 2012 dengan peruntukan permulaan tahunan sebanyak RM100,000. Majlis penyampaian kali ini merupakan yang ketiga dalam siri ini selepas di Mukah dan Bintulu pada tahun 2014. Peruntukan kewangan ini bertujuan sama ada untuk meningkatkan kemudahan atau membayar aktiviti pelajar atau kedua-duanya.

Replika cek telah disampaikan oleh Encik Hamzah Haji Morshidi kepada tiga Pegawai Pendidikan, setiap satu mewakili sekolah dari Miri, Subis dan kawasan Baram. Jumlah yang dibayar dalam Majlis ini adalah sebanyak RM 195,000.

自2012年起,本会通 过其旗下子公司STA Mutual有限公司(STAM) 每年拨款马币10万令 吉充作资金捐助州内的 中小学。该资金由砂拉 越木材工业发展机构 (STIDC)管理。

为此,STIDC于2016年2 月23日假美里艾威利酒 店举行支票移交仪式。 被选中受惠的学校分别 来自美里省内陆的139所 小学和28所中学。首别 于2014年在木胶和民都 鲁进行。这些款项将协 助校方提升设施或支付 学生活动费用或两者。

STIDC代表韩扎末士迪先 生(译音)在仪式上移 交模拟支票于三区域即 美里,苏毕斯,峇南各 学校代表的教官。这次 仪式总共拨款马币19万5 千令吉。

Technical Meeting on Planted

A technical meeting on Planted Forest Research Programme was organised by SARAWAK FORESTRY Corporation Sdn Bhd (SFC) from 16 to 17 March 2016 in Bintulu. Representatives from the Licence for Planted Forests (LPF) holders that had signed the Memorandum of Understanding (MoU) with SFC in January 2016 and STA Secretariat attended the Meeting.

The opening remark was delivered by Mr Wong Ting Chung, Chief Executive Officer of SFC. According to Mr Wong, the Meeting was a follow-up to the MoU signed between SFC and various LPF holders in January 2016 to carry out the collaborative research and state-wide planting trials for a few selected species. He informed the participants of the Meeting that the purpose of the Meeting is to provide a platform for SFC and LPF holders to share information as well as to discuss ideas and solutions for the development of planted forests. He also announced that the State Government, through SFC has committed RM10 million to the Planted Forest Research Programme with the goal to identify species that are suitable for local planting conditions and superior seed sources, alongside with the improved silvicultural management techniques. He also updated the Meeting that there are seven (7) LPF holders that have established trial planting plots of different tree species in their respective plantation areas under this Planted Forest Research Programme.



Photo: Group photo during meeting

A total of ten (10) papers were presented during this technical meeting. They are as follows:

Paper 1: Overview of the SFC/LPF Collaborative Research Programme

- by Dr Glen Mitchell, SFC

The speaker gave a general description of the Planted Forest Research Programme carried out by SFC in collaboration with LPF holders.

Paper 2: Research and Development (R&D) by Jaya Tiasa Forest Plantation Sdn Bhd and Collaboration with SFC

- by Mr Hii Sii Yew, Jaya Tiasa Forest Plantation Sdn Bhd

The speaker presented on the R&D activities carried out by Jaya Tiasa Forest Plantation Sdn Bhd and their collaboration with SFC.

Paper 3: Trial Establishment - Progress and Plans for 2016/2017

- by Dr Glen Mitchell, SFC

The speaker gave an update on the progress of the Planted Forest Research Programme.

Paper 4: Jaya Tiasa Holdings Bhd /SFC Taxa/Seed Source Trial Review

- by Mr Maradi Tamin, Jaya Tiasa Forest Plantation Sdn Bhd

The speaker gave a detailed explanation on the Tree Improvement Programme (TIP) and silviculture practices used in Jaya Tiasa Forest Plantation Sdn Bhd.

Paper 5: Trial Research Management Database

- by Dr Chris Garside, Forest Solutions Malaysia Sdn Bhd

The speaker gave a general description of the research management database developed for SFC and industries under the Planted Forest Research Programme.

Paper 6: Assessment of Plantation-Grown *Eucalyptus pellita* in Borneo, Malaysia for Solid Wood Utilisation - by Dr Roger Meder, Meder Consulting

The speaker highlighted the importance of silvicultural management and wood quality assessment in producing high quality plantation-grown logs.

Paper 7: Raising Seedlings for Research Trials

- by Dr Paul Macdonell, Forest Solutions Malaysia Sdn Bhd

The speaker presented on the materials and methods used on raising the seedlings in the nurseries.

Paper 8: Site Selection and Preparation

- by Dr Paul Macdonell, Forest Solutions Malaysia Sdn Bhd

The speaker presented on the criteria in selecting and preparing the planting sites.

Paper 9: Trail Design and Field Layout

- by Dr Paul Macdonell, Forest Solutions Malaysia Sdn Bhd

The speaker presented on the trial design and the ideal site layout for tree planting.

Paper 10: Trial Establishment

- by Dr Paul Macdonell, Forest Solutions Malaysia Sdn Bhd

The speaker shared with the participants of the Briefing on the procedures and techniques in establishing as well as maintaining the trial plots.

d Forest Research Programme

Dr Mitchell also led a discussion on the action plans under the Planted Forest Research Programme. The participants of the Meeting raised their concerns as well as the needs on R&D for forest plantation development and proposed a few strategies to SFC on creating a sustainable R&D programme. The highlighted R&D activities among others are the study on pests and diseases, fertiliser trials, site characterisation and species matching as well as utilisation of planted material. The participants of the Meeting also hoped to have continuous funding and assistance from SFC in the R&D for planted forest and highlighted the importance of having a centralised research resource, which can be shared and utilised for the benefit of all the planters.

The group visited the Borneo Tree Seeds & Seedlings Supplies Sdn Bhd (BTSSS) trial site, located in LPF 0002 on the second day of the Programme where they were briefed on the procedures on raising seedlings in the nursery, layout design of the trial sites as well as the seed source trials for *E. pellita, Acacia mangium, Neolamarckia cadamba and Falcataria moluccana.* Techniques on pitting, planting, fertiliser application and chemical weeding were also demonstrated during the field visit.



Photo: Group photo in the field



Photo: Briefing conducted in the field



Photo: Chemical Weeding Demonstration

Satu mesyuarat teknikal mengenai Program Penyelidikan Ladang Hutan telah dianjurkan oleh SARAWAK FORESTRY Corporation Sdn Bhd (SFC) dari 16 hingga 17 Mac 2016 di Bintulu.

Menurut Mr Wong Ting Chung, Ketua Pegawai Eksekutif SFC berkata Mesyuarat ini adalah susulan kepada MoU yang ditandatangani antara SFC dan pelbagai pemegang LPF pada Januari 2016 untuk menjalankan penyelidikan bersama dan percubaan penanaman di seluruh negeri untuk beberapa spesies terpilih. Beliau memaklumkan kepada peserta Mesyuarat bahawa tujuan mesyuarat ini adalah untuk menyediakan platform untuk SFC dan LPF pemegang untuk berkongsi maklumat dan juga untuk membincangkan cadangan dan penyelesaian untuk pembangunan ladang hutan. Beliau juga mengumumkan bahawa Kerajaan Negeri melalui SFC telah menyalurkan RM10 juta untuk Program Penyelidikan Ladang Hutan.

Sebanyak 10 kertas kerja telah dibentangkan semasa mesyuarat teknikal. Mereka adalah seperti yang disenaraikan dalam artikel ini.

Kumpulan ini telah mengadakan lawatan ke tapak percubaan Borneo Tree Seeds & Seedlings Sdn Bhd (BTSSS), bertempat di LPF 0002 pada hari kedua Program. 砂拉越林业机构(SFC)于2016年3月16 日至17日假民都鲁举办一项人工林研 究计划技术会议。

SFC首席执行员黄祯俊先生表示这会 议是续2016年1月SFC 与森林种植执 照持有者(LPF) 签署有关选定树种的 合作研究和全州种植试验谅解备忘录 (MoU)的后续会议。黄先生告知会议 的目的是为SFC和LPF持有人提供分享 资讯和讨论人工林发展的建议和解决 方案平台。黄先生表示,州政府通过 SFC已承诺拨付1000万令吉予人工林 研究计划。

技术会议代表于第二天参观位于 LPF 0002的 Borneo Tree Seeds & Seedlings有限公司 (BTSSS)种植试 验中心。

技术会议共呈现如英文版中所列出的 10张课题报导。

Consultation Session on the Holistic Review of the L (Sarawak Cap. 76) in Line With the Labour Cha Trans-Pacific Partnership Agreemen

The Labour Department of Sarawak organised a Consultation Session on the Holistic Review of *the Labour Ordinance (Sarawak Cap. 76) (SLO) in Line With the Labour Chapter of the Trans-Pacific Partnership Agreement (TPPA)* on 24 March 2016 at the auditorium of Bangunan Sultan Iskandar, Kuching. The Ministry of Human Resources (MOHR) is currently undertaking a holistic review to ensure that the existing labour laws, policies and practices are in line with current needs and in compliance with the obligations in the Labour Chapter of the TPPA. The purpose of this consultation was to gather views and inputs on the review of the SLO from all stakeholders.

In his opening remarks, Datu August anak Buma, the Director of Labour Sarawak stressed the importance for all participants of the Session to understand their respective roles under the Labour Ordinance in compliance with the Labour Chapter of the TPPA. He urged all present to provide feedbacks, comments and suggestions on the proposed amendments to the SLO. Similar consultations were held in Peninsular Malaysia and Sabah recently.

Mr Kesavan a/I Karuppiah from MOHR then briefed the participants of the Seminar on the TPPA signed by Malaysia on 4 February 2016, giving emphasis on the Labour Chapter and Labour Consistency Plan. The Labour Chapter in the TPPA outlines the obligations which the parties to the TPPA are to adopt and maintain in their domestic laws and practices. These obligations include adopting and maintaining the principles of the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998), i.e. freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced or compulsory labour, effective abolition of child labour and elimination of discrimination in respect of employment and occupation; as well as acceptable conditions of work with regards to minimum wages, hours of work and occupational safety and health.

The Labour Consistency Plan outlines the commitments that Malaysia will undertake in order to fulfill the obligations in the Labour Chapter. Amongst others, Malaysia is expected to carry out labour law reforms on eight (8) legislations, namely Trade Unions Act 1959, Industrial Relations Act 1967, Employment Act 1955, Labour Ordinance (Sabah Cap. 67), SLO, Children and Young Persons (Employment) Act 1966, Private Employment Agencies Act 1981 and Workers' Minimum Standards of Housing and Amenities Act 1990.

Mr Kesavan also covered the proposed amendments to the SLO in complying with the TPPA. Some of these proposed amendments include prohibiting subcontracting or outsourcing where the intention is to harm or limit the

rights of association or collective bargaining, subcontracting or outsourcing arrangements to be made in writing to and verified by the MOHR, prohibiting discrimination of women in respect of employment and occupation by amending Section 76 of SLO, and issuing a list of harzardous types of work prohibited to persons under 18 years of age. The SLO is also expected to be amended to be in line with Employment Act 1955, currently also undergoing holistic review to increase its coverage on all employees, to resolve ambiguous definition such as wages and domestic servant, as well as improved benefits for the employees.

The Minimum Standard of Housing and Amenities Act 1990 applicable to the plantation and mining sectors in Peninsular Malaysia only, shall also be extended to call cover all sectors as well as Sabah and Sarawak. Employers shall be required to provide housing with secure facilities for foreign workers to store their passports and other valuables. Employers shall also be required to provide notice informing workers on their freedom of movements under the Malaysian law, their rights to acceptable housing conditions and information on how to report violation of their rights. However, Mr Kesavan agreed to look into the suggestion by the participants that since employers could not retain the passports on behalf of their workers, the Government should also parallely regulate these workers if the abscond from their place of employement.

The MOHR has produced a roadmap documenting the timeline to carry out amendments to these labour laws which is expected to be completed by 27 May 2017. Pursuant to Article 26.2 of the TPPA, MOHR is required to publish all laws, regulations, procedures and administrative rulings in advance, giving reasonable periods for public comments, before implementation.

砂拉越劳工局于2016年3月24日假古晋联邦政府大厦礼堂 举办一项为配合跨太平洋伙伴协议(TPPA)劳工章而进行 的砂拉越劳工法令(Cap. 76) (SLO) 全面检讨咨询会议。人 力资源部(MOHR)目前正在进行全面的审查,以确保现有的 劳工法令、政策和实践符合当前的需要并遵守TPPA劳工章 的准则。此会旨于收集所有利益相关者对检讨SLO的意见 和提议。

砂拉越劳工局局长拿督阿古斯布馬(译音)强调所有参与 者需了解劳工法令在符合TPPA劳工章下各自所扮演的角 色。

来自MOHR的克萨凡先生(译音)向参与者介绍TPPA,并 着重于劳工章和劳工连贯性计划。

克萨凡先生(译音)也向参与者讲解符合TPPA的SLO修改 建议。

MOHR已拟定了一份修改劳工法令的时间表,预期将在2017年5月27日完成。

Labour Ordinance hapter of the ent

Jabatan Tenaga Kerja Sarawak menganjurkan Sesi Rundingan mengenai Kajian Semula Secara Holistic mengenai Ordinan Buruh (Sarawak Cap. 76) (SLO) selari dengan Bab Buruh Perjanjian Perkongsian (TPPA) pada Trans-Pasifik 24 Mac 2016 di Auditorium Bangunan Sultan Iskandar, Kuching. Kementerian Sumber Manusia (KSM) sedang menjalankan satu kajian secara menyeluruh untuk memastikan bahawa undang-undang buruh, dasar dan amalan yang sedia ada selaras dengan keperluan semasa dan mematuhi obligasi Bab Buruh TPPA. Tujuan rundingan ini adalah untuk mendapatkan pandangan dan input daripada semua pihak berkepentingan dalam kajian semula SLO.

Dalam ucapan pembukaan, Datu August anak Buma, Pengarah Tenaga Kerja Sarawak menekankan tentang kepentingan bagi semua peserta Sesi untuk memahami peranan masing-masing di bawah Ordinan Buruh bagi mematuhi Bab Buruh TPPA.

Encik Kesavan a/l Karuppiah dari KSM kemudiannya memberi taklimat kepada peserta Seminar dan memberi penekanan pada Bab Buruh dan Pelan Konsistensi Buruh serta meliputi pindaan yang dicadangkan kepada SLO dalam mematuhi TPPA.

KSM telah merangka pelan tindakan bagi mendokumenkan garis masa untuk melaksanakan pindaan terhadap undangundang buruh yang dijangka siap pada 27 Mei 2017. Industry Briefing on the Implementation and Benefits of the Trans-Pacific Partnership Agreement and Incentives for Exploring the Global Market

The Malaysian Timber Industry Board (MTIB) organised a briefing for the timber industry on the Implementation and Benefits of the Trans-Pacific Partnership Agreement (TPPA) and Incentives for Exploring the Global Market on 23 March 2016 at the Menara PRGM in Kuala Lumpur. Approximately 100 participants from timber industry and relevant organisations attended the Briefing.

The Director-General of MTIB, Dr Jalaluddin Huran in his welcoming remarks highlighted the importance of TPPA, which is to boost the trading of Malaysia's timber products globally, especially to the countries where Malaysia has not signed the Free Trade Agreement. These countries are United States of America (USA), Japan, Canada, Mexico and Peru.

A total of five (5) presentations were delivered at the Briefing. They are as follows:

Paper 1: Market Development Grant

- by Ms Yuslinawati Mohd Yusof, Malaysia External Trade Development Corporation (MATRADE)

Paper 2: Going Export Programme (GO-EX)

- by Ms Yuslinawati Mohd Yusof, MATRADE

Paper 3: Mid-Tier Companies Development Programme

- by Ms Yuslinawati Mohd Yusof, MATRADE

Paper 4: Implementation, Benefits & Trade Facilitation of TPPA for the Malaysian Timber and Furniture Industry

- by Mr Simon David of the Ministry of Plantation Industries and Commodities (MPIC) Paper 5: Financial Incentive Scheme for eTrade

- by Ms Ansor Vidya Nor Azmi, MATRADE

Lembaga Perindustrian Kayu Malaysia (MTIB) telah mengadakan taklimat kepada industri perkayuan mengenai Pelaksanaan dan Faedahfaedah Perjanjian Perkongsian Trans-Pasifik (TPPA) dan Insentif untuk Meneroka Pasaran Global pada 23 Mac 2016 di Menara PGRM, Kuala Lumpur.

Ketua Pengarah MTIB, Dr Jalaluddin Harun dalam ucapan alu-aluannya menekankan tentang kepentingan TPPA iaitu untuk meningkatkan perdagangan produk kayu Malaysia di peringkat global terutamanya ke negaranegara di mana Malaysia tidak menandatangani Perjanjian Perdagangan Bebas.

马来西亚木材工业局(MTIB)于2016 年3月23日假吉隆坡民政大楼举办跨 太平洋伙伴关系协定(TPPA)实施和 效益及探索全球市场奖励讲解会。

MTIB局长加拉鲁丁博士(译音)在致 欢迎辞时强调TPPA在提高全球对马来 西亚木材产品贸易需求的重要性,特 别是尚未与马来西亚签署自由贸易协 定的国家。

Trade and Market Study Mission to the Philip Builder's Joinery & Carpentry Articles, Mouldings as well

The Malaysian Timber Industry Board (MTIB), in collaboration with the Philippines Wood Producers Association (PWPA) organised a Trade & Market Study Mission to the Philippines from 9 to 13 March 2016, focusing mainly on builder's joinery & carpentry articles (BJC), mouldings as well as the furniture sector. The delegation was led by Ms Hajjah Robiyah Haji Husin, Senior Deputy Director of Trade Development Division, assisted by Mr Haji Hanafee Yusoff from the Association of Malaysian Bumiputera Timber and Furniture Entrepreneurs (PEKA) and the Mission Manager was Mr Mohamad Afthar Amir from MTIB. The other seven (7) members of the delegation were representatives from the timber/furniture industries, related industries and Association.

The objectives of the mission are to (i) promote Malaysian BJC, mouldings and furniture products (ii) foster business networking and (iii) understand the latest market development of and prospects for the above timber products.

Members were briefed by an officer from MATRADE attached to the Embassy of Malaysia in Manila, followed by a discussion with members from the PWPA. Mr Charlie H Liu, the Chairman of PWPA welcomed the delegation, saying the visit was opportune and timely. He highlighted that the Philippines had an unprecedented growth rate of between 6 to 8% over the last six (6) years, and that the growth is expected to sustain at a level of between 7 to 10% annually. The backlog of five (5) million units of house in the housing construction sector as well as the increased in the average built-up area of a house from 10 m² to 15 m², exacerbated by the ban of logging of natural forests has meant the timber industries in the Philippines have shifted their activities to mainly trading, distribution and processing activities and is looking forward to collaborate with members of Association of Southeast Asian Nations (ASEAN). He also invited Malaysian timber products exporters to their 2-day Philippines Wood Expo which is scheduled to be held in November 2016.



Photo: Discussion with PWPA

Ms Hajjah Robiyah Haji Husin thanked PWPA for their hospitality, and that Malaysia would like to learn from the Philippines, a country with very limited local raw material and yet able to be the number 1 exporter of BJC. She also returned the invitation to members of PWPA to participate in the Export Furniture Exhibition (EFE) 2017.

After the presentations by both the Malaysian and the Philippines on information pertaining to the general facts on forestry, supply and consumption of raw materials, timber and trade statistics of the relevant timber products, the Meeting discussed and shared information on ways to foster better trade ties with each other.

The Malaysian delegation also had the opportunity to visit four (4) factories whose activities ranged from sawn timber importers/processors to manufacturers of BJC and mouldings; namely Banson Lumber Corporation in Quezon City, Pacific Timber Export Corporation in Meycauayan City and Soon Chin Trading Corporation and Extensive Wood Processing, both located in Valenzuela City.

Lembaga Perindustrian Kayu Malaysia (MTIB) dengan kerjasama Persatuan Pengeluar Kayu Filipina (PWPA) telah menganjurkan Misi Pembelajaran Perdagangan & Pasaran ke Filipina dari 9 hingga 13 Mac 2016. Misi ini memberi tumpuan mengenai pertukangan tanggam & pembina (BJC), kayu kumai serta sektor perabot. Delegasi diketuai oleh Puan Hajjah Robiyah Haji Husin, Timbalan Pengarah Kanan Bahagian Pembangunan Perdagangan, MTIB.

Objektif Misi ini adalah untuk; mempromosikan produk BJC Malaysia, kayu kumai dan perabot; manjalinkan rangkaian perniagaan serta memahami perkembangan pasaran dan prospek terkini mengenai produk-produck di atas.

Mr Charlie H Liu, Pengerusi PWPA mengalu-alukan delegasi dan memaklumkan bahawa industri kayu di Filipina telah beralih kepada aktiviti perdagangan, pengedaran dan pemprosesan serta memandang kehadapan untuk bekerjasama dengan ahliahli Persatuan di Negara-Negara Asia Tenggara (ASEAN).

Cik Hajjah Robiyah Hj Husin mengucapkan terima kasih kepada PWPA atas layanan ramah dan Malaysia ingin belajar dari Filipina yang mampu menjadi pengeksport nombor 1 BJC walaupun mempunyai bahan mentah tempatan yang sangat terhad.

Delegasi Malaysia juga berpeluang untuk melawat 4 buah kilang yang melakukan pengimportan/ pemproses kayu gergaji kepada pengeluaran BJC dan kayu kumai.

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lippines ell as Furniture Sector

The delegation also visited the Philippines International furniture Show at the SMX Convention Centre Manila, SM Mall of Asia Complex, Pasay City to see first-hand the over 200 exhibitors of the locally-designed new and creative furniture and furnishings manufacturers.



Photo: Visit to a door making factory



Photo: Visit to a door making factory

马来西亚木材工业局(MTIB)在菲律 宾木材制造商协会(PWPA)协助下于 2016年3月9日至13日前往菲律宾进行 贸易与市场考察,主要关注建筑木工及 木工制品(BJC),制模和傢俬业。考察 团由MTIB贸易发展部高级副局长哈查 罗碧雅女士带领。

考察团宗旨是(1)推介马来西亚的 BJC,制模和傢俬产品(2)加强两国商 业合作关系(3)了解市场最新进展和展 望。

PWPA主席查理刘先生(译音)欢迎 考察团的到来,同时告知菲律宾木材 业已转移他们的商业活动,主要在贸 易,分销和制造。PWPA期待与东盟 国家会员携手合作。

哈查罗碧雅女士答谢PWPA的殷勤招 待并表示要向菲律宾学习如何在国内 资源非常有限下仍然能成为BJC和制模 最大出口家。考察团也借此机会参观 4家傢俬厂。

Discussion cum Training Session on the Requirements of the MC&I Forest Plantation.v2

The Malaysian Timber Certification Council (MTCC) has written to Sarawak Timber Association (STA) on 11 March 2016 on the article published in page 10 of the STA Review Volume 268 January 2016 issue entitled *"Discussion cum Training Session on the Requirement of the MC&I Forest Plantation. v2"*, to clarify a statement which said that "However, LPF areas that have entered into second rotation of planting are acceptable for certification." *(second last sentence of the fifth paragraph).*

According to MTCC, an agreement has not been reached amongst PEFC members to allow any plantation established from conversion area after the stipulated deadline to be eligible for certification. The timber from the LPF areas that have entered into second rotation of planting is eligible to be considered as PEFC controlled sources, provided that it meets all the other requirements for controlled sources. Discussion on the status of plantation established areas converted after 31 December 2010 deadline is still on-going.

马来西亚木材认证理事会(MTCC)于2016年3月11日致函本会并欲澄清 关于本会2016年1月份特刊(STA Review)第268期第10页所发表的一 篇标题为 *"Discussion cum Training Session on the Requirement of the MC&I Forest Plantation.v2"* 文章中的一段句子,即 *"However, LPF areas that have entered into second rotation of planting are acceptable for certification.*" (第5段最后第2句)。

MTCC表示尚未与森林验证认可计划(PEFC)会员达成协议,即允许任何在规定截止日期后转造成的种植林获得认证。只要符合其他管制资源的条件,植林区所产生的第2轮种植原木将可被考虑纳入PEFC管制资源。关于2010年12月31日截止日期后转成的种植林的事项仍在讨论当中。

Majlis Pensijilan Kayu Malaysia (MTCC) telah menulis kepada Persatuan Kayu Kayan Sarawak (STA) pada 11 Mac 2016 mengenai artikel yang disiarkan di STA Review, Siri 268 halaman 10 pada Januari 2016 mengenai isu bertajuk *"Perbincangan merangkap Sesi Latihan mengenai Keperluan MC&I Ladang Hutan. v2"*, untuk menjelaskan kenyataan yang mengatakan bahawa "Walau bagaimanapun, kawasan LPF yang telah memasuki pusingan kedua penanaman boleh diterima untuk pensijilan. *"(ayat kedua terakhir perenggan kelima).*

Menurut MTCC, persetujuan masih belum dicapai dalam kalangan ahli-ahli PEFC untuk membenarkan mana-mana ladang hutan yang ditubuhkan dari penukaran selepas tarikh akhir yang ditetapkan untuk layak mendapat pensijilan. Kayu dari kawasan LPF yang telah memasuki pusingan kedua penanaman adalah layak dipertimbangkan sebagai sumber terkawal PEFC, dengan syarat ia memenuhi semua keperluan lain untuk sumber terkawal. Perbincangan mengenai status kawasan ladang dari penukaran yang ditubuhkan selepas tarikh akhir 31 Disember 2010 masih berlaku.

Enforcement on Legal Source of Timber at Wood-based Mills in Sarawak



Photo: Briefing in Sibu

Photo: Briefing in Kuching

Photo: Briefing in Miri

The Forest Department Sarawak (FDS) conducted a series of Briefings to all operators of wood-based mills in Sarawak covering sawmills, veneer and plywood mills as well as any other timber processing mills at RH Hotel in Sibu on 29 February 2016, STIDC Auditorium in Kuching on 3 March 2016 and Mega Hotel in Miri on 10 March 2016.

The objectives of the Briefings were to inform and remind all operators of wood-based mills to use only legal source of timber for manufacturing and trading as well as the offences/ penalties stated in the State Forestry Laws and Regulations i.e. Forests Ordinance 2015 (Cap. 71).

Tuan Haji Sapuan Ahmad, the Director of Forests in his welcoming remarks mentioned that the State Government under the leadership of the Datuk Patinggi Tan Sri Dr Haji Adenan Satem, the Chief Minister of Sarawak is committed to combat illegal logging and ensure all the wood-based mills in Sarawak purchase, use and sell legal timber. He further informed the participants of the Briefings that stern actions will be taken against those found in possession of unlawful logs / timbers through hefty penalties including imprisonment and revocation of mill licence.

The Director, in his presentation stressed that all operators must only use legal logs in their mills and for exports as well as to keep all documents in place with respect to the logs kept in their mills, such as Transit Removal Pass, Royalty Pass, Shipping Pass, Land Transportation Pass and Log Specification Form for inspection whenever requested by a forest officer. He also informed the participants of the Briefings that the renewal criteria for sawmills / timber yards will be based on (i) whether the mill is active in production, (ii) safety of the mill structure, and (iii) whether the mill has committed any offence(s) under Sections 62 and 96 of the Forests Ordinance 2015 (Cap. 71). FDS will continue to monitor closely and maintain strict enforcement to ensure only legal timber enters to the supply chain.

The briefing session in Miri was conducted by Mr Hamden Mohammad, Senior Assistant Director of FDS on behalf of the Director of Forests.

砂州森林局(FDS)分别于2016年2月29 日在诗巫常青酒店,2016年3月3日在 古晋STIDC礼堂以及2016年3月10日在 美里美佳酒店举办一系列讲解会。出 席者都是来自砂州木基业者,当中包 括锯木厂,单板厂,合板厂和其它制 造板厂。

讲解会主要是告知和提醒所有木基业 者只可使用来源合法的木材于制造和 买卖以及砂州林业法律和法规里的罪 行/罚款。

FDS局长哈兹沙布安在致欢迎辞中表 示州政府在首长拿督巴丁宜丹斯里阿 德南的领导下,承诺全面打击非法伐 木和确保州内的木基业者购买,使用 和销售合法木材。局长也强调政府将 采取严厉的行动如通过高额罚款,监 禁和撤销牌照对付那些拥有非法原木/ 木材者。 Jabatan Hutan Sarawak (JHS) mengadakan satu siri Taklimat kepada semua pengusaha kilang berasaskan kayu di Sarawak meliputi kilang papan, venir dan kilang papan lapis serta kilang pemprosesan kayu yang lain di RH Hotel Sibu pada 29 Februari 2016, Auditorium STIDC Kuching pada 3 Mac 2016 dan Hotel Mega di Miri pada 10 Mac 2016.

Objektif Taklimat adalah untuk memberitahu dan mengingatkan semua pengusaha kilang berasaskan kayu untuk menggunakan sumber kayu sah sahaja untuk yang pembuatan dan perdagangan serta memaklumkan tentang kesalahan / hukuman yang terdapat di dalam Undang-Peraturan undang dan Perhutanan Negeri.

Sapuan Ahmad, Tuan Haji Pengarah Hutan dalam ucapan alu-aluannya menyatakan bahawa Kerajaan Negeri di kepimpinan bawah Datuk Patinggi Tan Sri Dr Haji Adenan Satem, Ketua Menteri Sarawak komited untuk memerangi pembalakan haram dan memastikan semua pengusaha kilang-kilang kayu di Sarawak membeli, mengguna dan menjual kayu yang sah sahaja. Beliau juga memaklumkan kepada peserta Taklimat bahawa tindakan tegas akan diambil terhadap mereka yang didapati memiliki kayu yang menyalahi undang-undang dengan mengenakan penalti yang berat termasuk hukuman penjara dan pembatalan lesen kilang.

Malaysian Timber Council Marketing Seminar 2016

The Malaysian Timber Council (MTC) organised a one-day marketing seminar with the theme "Current Market Developments and Outlook for Malaysian Timber Products and Furniture in China, India, Europe, Philippines, Middle East and USA" on 17 March 2016 at the Intercontinental Hotel, Kuala Lumpur.

In the absence of the Minister of Plantation Industries and Commodities, Datuk M Nagarajan, the Deputy Secretary General (Plantation and Commodities) read out the Minister's opening speech and subsequently declared open the Seminar. The Minister congratulated MTC on their initiative in organising the Seminar for the second consecutive year. He believed this Seminar will provide a good platform to share current market trends and developments in Malaysian's major timber export He also reminded the timber industry destinations. players not to overlook the significant demand for timber products in the domestic market. He then commented that MTC should explore and promote timber products and furniture to the domestic market. In this context, he urged MTC to engage architects, engineers and other related stakeholders in the construction industry to further explore the use of timber.

The Minister also highlighted in his speech that in order to tap into fast-growing markets of the Indian Subcontinent with large middle class in India, Pakistan, Sri Lanka and Bangladesh, MTC will set up and operationalise its new regional office in India this year.

A total of 126 participants from the timber industry as well as the relevant ministries and departments attended the seminar. The following seven (7) papers were presented at the Seminar:



Photo: Group Photo of the Speakers

Paper 1: Current Global Economic Scenario

- by Mr Donal Amstad, Aberdeen Asset Management Asia Ltd

Paper 2:China – Current Market Developments and Outlook for Malaysian Timber Products and Furniture - by Mr Zhu Guang Qian, China Timber And Wood Products Distribution Association, China

Paper 3: India – Current Market Developments and Outlook for Malaysian Timber Products and Furniture - by Ms Shital Thacker, Space Rite Furniture Paper 4: Europe - Current Market Developments and Outlook for Malaysian Timber Products and Furniture - by Mr Andre de Boer, European Timber Trade Federation (ETTF)

Paper 5: Philippine - Current Market Developments and Outlook for Malaysian Timber Products and Furniture - by Mr Nicholas de Lange, Chamber of Furniture Industries of the Philippines

Paper 6: Middle East - Current Market Developments and Outlook for Malaysian Timber Products and Furniture

- by Mr Radhakrishnan Kandamath, Global Lumber Resources Inc., UAE

Paper 7: USA - Current Market Developments and Outlook for Malaysian Timber Products and Furniture - by Ms Cindy Squire, International Wood Products Association, USA

马来西亚木材理事会(MTC)于2016年3月17日假吉隆坡 洲际酒店举办主题为"马来西亚木材产品与家具当前在中 国,印度,欧洲,菲律宾,中东和美国市场发展与展望" 销售研讨会。

因马来西亚种植及原产业部长不克出席,其开幕致辞由副 秘书长(种植园和商品)拿督M.纳卡拉延代读及代表部 长为研讨会主持开幕礼。部长相信该研讨会将作为马来西 亚当前主要木材出口目的地市场趋势和发展的资讯分享平 台。部长也提醒木材业者不要忽视国内市场对木材产品的 需求。部长吁请MTC应发掘和推广国内木材产品与家具市 场。

研讨会共呈现如英文版中所列出的7张课题报导。

Majlis Perkayuan Malaysia (MTC) telah menganjurkan Seminar Pemasaran Sehari dengan tema "Perkembangan Pasaran Semasa dan Prospek Produk Kayu and Perabot Malaysia di China, India, Eropah, Filipina, Timur Tengah dan Amerika Syarikat" pada 17 Mac 2016 di Hotel Intercontinental, Kuala Lumpur.

Dalam ketiadaan Menteri Perusahaan Perladangan dan Komoditi, Datuk M Nagarajan, Timbalan Ketua Setiausaha (Perladangan dan Komoditi) membacakan ucapan perasmian Menteri dan seterusnya merasmikan Seminar. Beliau percaya Seminar ini mampu menyediakan platform yang baik untuk berkongsi situasi pasaran dan perkembangan di negara pengimport kayu utama Malaysia. Beliau mengingatkan peserta industri kayu untuk tidak terlepas pandang tentang permintaan tinggi bagi produk kayu di pasaran tempatan. Beliau kemudiannya mengulas bahawa MTC perlu meneroka dan memperkenalkan produk kayu dan perabot di pasaran domestik.

Sebanyak 7 kertas kerja telah dibentangkan semasa Seminar seperti yang disenaraikan dalam artikel ini.

PRODUCTION OF PLANTED FORESTS LOGS BY SECTION FROM SARAWAK - ACACIA MANGIUM & ALBIZIA SPECIES PENGELUARAN BALAK LADANG HUTAN MENGIKUT BAHAGIAN DARI SARAWAK -SPESIS ACACIA MANGIUM & ALBIZIA 砂拉越各区域人工林原木生产量-大叶相思与南洋楹

Section		November '15	December '15	January '16	January '15	February '16	February '15	Jan - Feb '16	Jan - Feb '15
		Vol (m ³)							
Kuching	g (ACMG)								
	(ALBZ)								
Sibu	(ACMG)	1,590	1,729	1,293	62	1,123		2,415	62
	(ALBZ)								
Bintulu	(ACMG)	65,760	70,366	84,358	30,835	92,923	48,337.53	177,281	79,172
	(ALBZ)	2,758	3,100	1,686	1,009	2,398	529.96	4,084	1,539
Miri	(ACMG)	1,420	572	237	0	188	0	425	
	(ALBZ)			597	800	1,098	515.54	1,694	1,315
Subtota	I (ACMG)	68,770	72,667	85,887	30,897	94,235	48,338	180,122	79,235
	(ALBZ)	2,758	3,100	2,283	1,809	3,496	1,046	5,779	2,854
Total:		71,528	75,766	88,170	32,706	97,730	49,383	185,901	82,089

Source of data: Sarawak Forestry Corporation Sdn Bhd

* ACMG - Acacia Mangium ALBZ - Albizia

RAINFALL: OCTOBER '15 - MARCH '16 DATA HUJAN BULANAN 雨量数据



Source : Malaysian Meteorological Services