

STA Review

Volume 193 PPK 174/05/2010(024640)

Monthly Magazine of the Sarawak Timber Association

October 2009

Tri-Nations (Japan-Indonesia-Malaysia) Meeting

Mesyuarat Tiga-Negara yang dihadiri oleh 20 wakil dari Persatuan Pengimport Balak Jepun, Persatuan Pengilang Kayu Lapis Jepun, Persatuan Panel Kayu Indonesia, Persatuan Produk Panel Malaysia dan STA telah diadakan di Singapura pada 13 Oktober 2009.

Wakil-wakil telah bertukar maklumat mengenai laporan negara dan membincangkan isu-isu untuk memulihkan dan menstabilkan pasaran produk panel bagi manfaat semua pihak.

■ The Tri-Nations Meeting, attended by twenty representatives from the Japan Lumber Importers' Association (JLIA), Japan Plywood Manufacturers Association (JPMA), Asosiasi Panel Kayu Indonesia (APKINDO), Malaysian Panel Products Manufacturers' Association (MPMA) and Sarawak Timber Association (STA), was held in Singapore on 13 October 2009.

Representatives exchanged Country Reports followed by open discussion where representatives deliberated on issues that promote a better understanding of each other's position to improve the market

situation for the benefits of all parties involved in the panel product trade.

The Meeting recognised that the world's plywood market is expected to remain soft and the housing starts in Japan will not be recovering in the near future. All representatives agreed to work together on the supply and demand situation in order to stabilise the market and regain confidence. The Meeting also agreed to look into a possibility of trading in Yen instead of the US dollar, rupiah or ringgit.

The next Meeting is proposed to be held in April 2010. ❁



Left: One for the album, representatives from JLIA, JPMA, APKINDO, MPMA and STA

Dialogue with Sabah Forestry & Timber Industry on Malaysia - EU FLEGT VPA

■ Representatives from Sabah forest management unit licensees, Sabah Timber Industries Association (STIA), Timber Association of Sabah (TAS) and Sarawak Timber Association (STA) met on 23 October 2009 in Kota Kinabalu, Sabah to discuss matters related to the Malaysia - European Union (EU) Voluntary Partnership Agreement (VPA) negotiations.

The dialogue began with welcome remarks by Datuk Wong Kie Yik in his capacity as the Chairman of STA.

This was followed by a presentation by STA entitled "Myth, Facts & Reality of EU FLEGT VPA: Sarawak's Perspective". This presentation provided updates and findings from an intensive internal study commissioned by STA through its Certification Committee with regard to the VPA negotiations. A free discussion followed after the presentation. Participants concluded the dialogue by issuing a joint statement outlining the pertinent points that arose from the discussion.



Wakil dari Pemegang lesen Unit Pengurusan Hutan Sabah, STIA, TAS dan STA telah berdialog pada 23 Oktober 2009 di Kota Kinabalu, Sabah. Tujuan dialog adalah untuk membincangkan isu-isu berkaitan dengan rundingan "Malaysia-European Union (EU) FLEGT-VPA". Satu penyata bersama telah dikeluarkan selepas dialog ini.



Above: Representatives from the Sabah forest management unit licensees, STIA, TAS and STA



Left: Signing of the Joint Statement by STIA, TAS and STA

Berikut adalah penyata bersama "Malaysia-European Union Action Plan for Forest Law Enforcement, Governance and Trade" oleh industri hutan dan kayu kayan Sabah dan Sarawak pada 23 Oktober 2009.

Joint Statement on European Union Action Plan for Forest Law Enforcement, Governance and Trade by Sabah & Sarawak Forest & Timber Industry

After an intensive dialogue held in Kota Kinabalu on this day, 23 October 2009, and attended by representatives from Sabah Timber Industries Association (STIA), Timber Association of Sabah (TAS) and Sarawak Timber Association (STA), we hereby declare as follows:-

1. Firm action be taken against illegal logging and associated illegal timber trade;
2. Support for all appropriate measures and initiatives to strengthen the legality of harvesting operations and timber trade activities;
3. Willingness and commitment to curb illegal logging and its associated trade through the Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT) initiated by the European Union ("EU");
4. Support all efforts to eradicate poverty, and towards promoting good governance practices in the forestry sector.

Nevertheless, we hereby reiterate that any Voluntary Partnership Agreement ("VPA") with EU must be directed towards tackling illegal logging and illegal timber trade. Issues of sustainability, land rights and social economic conditions of indigenous people must not be included in an agreement dealing with the timber trade between Malaysia and EU. In order not to deviate from the fundamental objective of the VPA, these other issues ought to be addressed through other schemes designed to promote the social economic well-being of the people.

VPA with EU ought to be beneficial to Malaysia and in her national interests and also ought to be in the interests of the timber industry. Malaysia's sovereign right to manage or regulate the use of her natural resources must not be compromised in any way by the provisions in the VPA.

We, therefore, urge that the provisions of VPA and the definition of "Legal Timber" and the Timber Legality Assurance Scheme (TLAS) must conform with the laws of Malaysia and implemented or regulated in accordance with our existing laws. Neither EU nor any other pressure groups should be allowed to use the VPA (e.g., through the use of Third Party Monitor and Joint Implementation Committee) to agitate for changes in our laws, policies and principles governing the use of our natural resources, including our forests.

We also urge that any VPA must be fair to Malaysia, and at the same time, reflect a firm commitment by EU to take demand-side measures through legislations and new procurement policies designed to eliminate the purchase by EU member states of non FLEGT licensed timbers.

We wish to state categorically that in the negotiation and conclusion of any VPA with EU, the constitutional rights of the States of Sabah and Sarawak over Forestry be respected and honoured, and that the concurrence of the

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two State Governments be sought before the VPA is concluded and signed. We also urge that we will be properly consulted and our views taken into account and incorporated in the final text of the VPA.

Kota Kinabalu, Sabah, 23 October 2009.

Sabah Timber Industries Association (STIA)

Y. Bhg. Datuk James Hwong
President

Timber Association of Sabah (TAS)

Mr. Ho Khoy Lim
For & on behalf of President

Sarawak Timber Association (STA)

Y. Bhg. Dato Henry Lau Lee Kong
For & on behalf of Chairman

First Meeting of Standards Review Committee: Review of MC&I(2002)

■ The Malaysian Criteria and Indicators for Forest Management Certification [MC&I(2002)] which is the standard used for forest management certification under the Malaysian Timber Certification Scheme (MTCS), operated by the Malaysian Timber Certification Council (MTCC) since October 2005, was due for its first review in 2009. This review is in line with international practices that the certification standard used is to be reviewed at least every five years to ensure continuous improvement. The MC&I (2002) had gone through a 60-day public comment period from 1 April to 31 May 2009 as part of the first review process to further refine and improve the MC&I(2002), based on the feedbacks and experiences gained through its application in the field. It is anticipated that the whole review process of the MC&I(2002) will take 16 months (starting from April 2009 and ending in July 2010).

The Standards Review Committee (SRC) will be the main body responsible for the reviewing of the

MC&I(2002) and developing revised standard where STA represents the Sarawak economic chamber. The first SRC Meeting was held from 29 to 30 October 2009 in Kuala Lumpur. The meeting was attended by representatives nominated by their respective stakeholder groups i.e. the social, environmental and economic interest groups, and the relevant government agencies from the three regions of Malaysia i.e. Sabah, Sarawak and Peninsular Malaysia. The MTCC management served as the Secretariat for the SRC.

Comments from the public review had been collated by the Secretariat and the SRC discussed in depth on the proposals for amendments / deletions / additions to the existing Principles, Criteria, Indicators and verifiers contained in the MC&I(2002) document.

A meeting will be held in December 2009 in Kota Kinabalu, Sabah as a continuation to this Review session to finish deliberation on the proposed amendments to the Standards. ❁

Kriteria dan Indikator Malaysia untuk Pensijilan Pengurusan Hutan [MC&I (2002)] yang merupakan piawaian yang digunakan untuk pensijilan pengurusan hutan di bawah Skim Pensijilan Kayu Malaysia yang dikendalikan oleh Majlis Pensijilan Kayu Malaysia sejak Oktober 2005 telah sampai ke tahap untuk kajian semula.

Jawatankuasa Tinjauan Piawaian (SRC) merupakan badan utama yang bertanggungjawab untuk membuat kajian semula MC&I(2002) bagi tujuan mempertingkatkan piawaian tersebut. Mesyuarat pertama SRC telah diadakan dari 29-30 Oktober 2009 di Kuala Lumpur yang dihadiri oleh wakil-wakil dari pelbagai kumpulan pemegang taruh.

Jawatankuasa Pensijilan STA telah bermesyuarat pada 16 Oktober 2009 di Wisma STA, Kuching. Antara isu-isu yang dibincangkan adalah penilaian impak alam sekitar, tinjauan berkaitan Kriteria dan Indikator Malaysia (MC&I) 2002, terbitan Persatuan tentang 'Malaysia-European Union Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement' dan isu-isu berkaitan dengan tanggungjawab sosial korporat syarikat-syarikat perkayuan.

STA melalui Jawatankuasa Pensijilan telah membuat kajian ke atas 'Malaysia-European Union Forest Law Enforcement, Governance and Trade, Voluntary Partnership Agreement' sejak 2008 dan telah menerbitkan sebuah buku bertajuk 'Myth, Facts & Reality of EU FLEGT VPA: Sarawak's Perspective'. Terbitan elektronik juga boleh dimuat turun dari laman web STA www.sta.org.my manakala terbitan cetakan boleh diperolehi dari Urusetia STA.

STA Certification Committee Meeting

■ The STA Certification Committee met on 16 October 2009 at Wisma STA, Kuching. The meeting was presided by Dato Henry Lau, the Committee Chairman. Amongst matters deliberated were the environmental impact assessment, the Malaysian Criteria and Indicators (MC&I)2002 Review where STA has

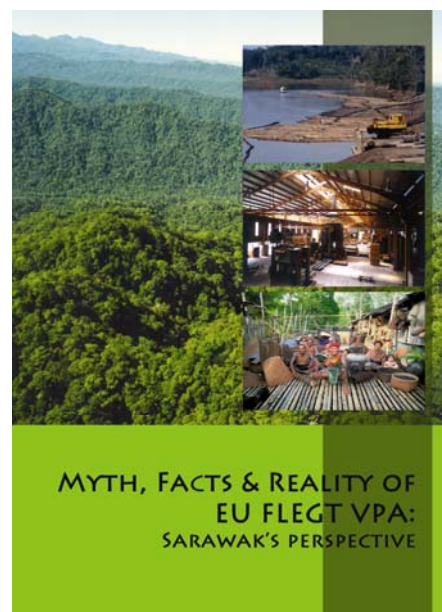
been invited to sit on the Standard Review Committee, a publication by the Association on Malaysia-European Union - Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement and issues related to the timber companies' corporate social responsibility. ❁



Meeting in progress

Myth, Facts & Reality of EU FLEGT VPA: Sarawak's Perspective

STA through its Certification Committee has carried out an extensive internal study on the Malaysia - European Union Forest Law Enforcement, Governance and Trade, Voluntary Partnership Agreement (Malaysia - EU FLEGT VPA) since 2008. Printed copies of this study titled "Myth, Facts & Reality of EU FLEGT VPA: Sarawak's Perspective" are now ready. Electronic copies of this study (less than 1MB in size) can be downloaded from STA website www.sta.org.my. If you require a printed copy, please contact the Secretariat for a copy to be posted to you.



Implementation Date for Issuance of Harwood Transportation Passes

■ STA received a letter from Harwood Timber Sdn Bhd (Harwood), Ref. No.: HWT/DGM/sh/L032/2009 dated 29 October 2009 with regards to the implementation date for issuance of Harwood Transportation

Passes.

The implementation date of the Harwood Transportation Passes will be **1 January 2010**. ❁



Truck transporting logs

STA telah menerima surat dari Harwood Timber Sdn Bhd (Harwood) bertarikh 29 Oktober 2009 yang memberitahu bahawa tarikh pelaksanaan pengeluaran Pas Pengangkutan Harwood adalah **1 Januari 2010**.

Regional Forum On: Enhancing Forest Ecosystems Connectivity and Corridors Within the Heart of Borneo in Sabah

■ The Sabah Forestry Department hosted the Regional Forum on "Enhancing Forest Ecosystems Connectivity and Corridors within the Heart of Borneo in Sabah" on 26 to 27 October 2009 in Kota Kinabalu, Sabah. The forum attended by more than 300 participants comprising embassies, relevant government departments, Non-Government Organisations, private sector, international media, consultants and relevant government officials from Kalimantan, was officiated by the Chief Minister of Sabah, Datuk Seri Panglima Musa

Haji Aman.

In his opening remarks, the Chief Minister reiterated the Sabah Government's commitment in conserving the natural habitat of the flora and fauna. However, assistance is needed by the Government's effort in implementing and promoting forest conservation and he urged the private sector and NGOs to assist through funding and financing these works. He also acknowledged the contribution the various parties who have started to finance some of the conservation programmes in Sabah.

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Jabatan Hutan Sabah telah menganjur Forum Wilayah "Enhancing Forest Ecosystems Connectivity and Corridors within the Heart of Borneo in Sabah" dari 26-27 Oktober 2009 di Kota Kinabalu, Sabah. Forum yang dihadiri oleh lebih dari 300 peserta terdiri daripada wakil kedutaan, jabatan kerajaan berkaitan, organisasi bukan kerajaan, sektor swasta, media antarabangsa, perunding dan

pegawai kerajaan yang berkaitan dari Kalimantan, telah dirasmikan oleh Ketua Menteri Sabah, Datuk Seri Panglima Musa Haji Aman.

Dalam ucapan semasa perasmian, beliau telah menyuarakan komitmen Kerajaan Sabah dalam usaha memelihara habitat semulajadi flora dan fauna.

Walaupun bagaimanapun, kerajaan memerlukan bantuan bagi menjayakan dan mempromosikan usaha untuk memelihara hutan dan dengan itu beliau menggesa sektor awam dan NGO untuk memberi bantuan secara pembiayaan dan kewangan. Forum ini merupakan pentas untuk pemegang taruh yang berkaitan untuk berbincang:

- Konsep dan keperluan rangkaian hutan dan koridor yang berkaitan dengan pemeliharaan hidupan liar, flora dan fauna
- Status pelbagai inisiatif dalam mempertingkatkan rangkaian atau koridor hutan; dan
- Cara untuk terus maju dalam pelaksanaan

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The Sabah Director of Forestry, Datuk Sam Mannan in his speech, referred to the many programmes of conservation that are currently being carried out in Sabah. He added that the forum was a reflection of the Department's growing partnership with NGOs, local and international, scientists, the oil palm industry, corporations and the Royal Society to attain good governance. He said that the Department does not have a monopoly over ideas or over talent or resources and welcomes all those who can contribute. He said that there should be more of such collaborations. He gave an example of the orang utan conservation area of Ulu Segama-Malua which is 70% financed by the private sector, the oil palm industry, WWF, entrepreneurs and other NGOs for the first ten-year planning period.

The objectives of this Regional Forum were to provide a platform for relevant stakeholders to highlight and discuss:

- The 'concept' and requirement of forest connectivity and corridors in connection with the conservation of wildlife, flora and fauna;
- The status of the various

initiatives on enhancing forest connectivity or corridors; and

- The way forward to advance their implementation.

The forum was divided into three sessions where 16 papers were presented. The following are the titles of the papers presented.

Session 1: Policy & Concept

Paper 1: The SAFE Project - Stability of Altered Forest Ecosystems by Dr. Rob Ewers. The Royal Society SE Asia Rainforest Research Programme

Paper 2: Enhancing the Connectivity of Forest Ecosystems in Multiple-Use Landscapes: The Value of Corridors for Wildlife Conservation by Dr. Marc Acrenaz, Director of the Kinabatangan Orang Utan Conservation Project (KOCP)/ HUTAN Group

Paper 3: Impacts of RSPO Certification on HCVFs & Conservation by Mr. Darrel Webber, Vice President 1 of RSPO

Paper 4: Forest Ecosystems Connectivity and Corridors: From the Plant Perspective by Dr. Lillian Chua Swee Lian, Forest Research Institute Malaysia (FRIM)

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The Chief Minister of Sabah, Datuk Seri Panglima Musa Haji Aman, officiating the Forum by opening the chest. Looking on is Datuk Sam Mannan, Sabah Director of Forestry

(Photo courtesy of Sabah Forestry Department)

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Session 2: Forest Connectivity or Corridors Initiatives

Paper 5: Sabah's Permanent Forest Estate - The History & Management of a Priceless Resource by Dr. Robert Ong, Senior Researcher of Sabah Forestry Department

Paper 6: Enhancing Forest Ecosystems Connectivity & Corridors within the Heart of Borneo in Sabah: Role of Yayasan Sabah as an SFMLA Holder by Mr. Charles Garcia, Manager of Forest Rehabilitation & Plantation (Luasong), Sabah Foundation

Paper 7: Management of Wildlife Sanctuaries by Mr. Augustine Tuuga, Deputy Director I of the Sabah Wildlife Department

Paper 8: Management of State Parks within the HoB Area by Dr. Jamili Nais, Deputy Director of Sabah Parks

Paper 9: Ecological Corridors: Safe Passages for the Perpetuity of Floral & Faunal Populations in the HoB by Dr. Arun Venkataraman of WWF-Malaysia

Paper 10: MPOWCF: Oil Palm Funds for Conservation by Dr. Yew Foong Kheong, Senior Researcher of Malaysian Palm Oil Council (MPOC)

Paper 11: Bornean Biodiversity & Ecosystems Conservation Programme Phase II (BBEC II) and the

Conservation Governance of Sabah by Mr. Motohiro Hasegawa, Chief Advisor of JICA BBEC Phase II

Paper 12: Corridors Initiatives Towards Enhancing Forest Ecosystems Connectivity Within the HoB by Mr. Cyril Pinso, CEO of Borneo Conservation Trust

Session 3: The Way Forward on Enhancing Forest Connectivity & Corridors

Paper 13: Funding Opportunities & Technical Assistance to Promote Sustainable Forest Management & Biodiversity Conservation in Borneo by Asian Development Bank and UNDP

Paper 14: Building Local to Global Partnerships, Through Mutually Transformative Processes by Ms. Cynthia Ong, Executive Director of Land Empowerment Animals People (LEAP)

Paper 15: Bringing the Private Sector On-Board by Ms. Maree Candish of NewForests

Paper 16: Financing Solution for HoB Initiative by Mr. Dorjee Sun on Carbon Conservation

Note: Papers presented are available upon request from the STA Secretariat.



The Chief Minister of Sabah, Datuk Seri Panglima Musa Haji Aman, looking at some of the exhibits at the exhibition put up in conjunction with the Regional Forum

(Photo courtesy of Sabah Forestry Department)

ISPM 15 for Imports into Malaysia

Jabatan Pertanian Malaysia akan menguatkuasakan ISPM 15 untuk import mulai dari 1 Januari 2010 di mana semua import ke Malaysia perlu dirawat dan ditanda berdasarkan garis panduan yang ditetapkan.

■ International Standards for Phytosanitary Measures, publication 15, (ISPM 15) is an international standard for regulating wood packaging material (WPM) in international trade. It was adopted in 2002 by the International Plant Protection Convention (IPPC) as part of the United Nations Food and Agriculture Organization. WPM such as pallets, dunnage, crates, wooden spools, etc are essential for trade and movement and protection of cargo and containerised goods. Under the ISPM 15, WPM should be treated in accordance with a specific time-temperature schedule that achieves a minimum wood core temperature of 56°C for a minimum of 30 minutes.

This regulation eliminates the presence of pests found in wood, particularly the Pinewood Nematodes and the Asian Long-Horned Beetles and will further prevent the introduction and spread of forest pests of quarantine concern associated with WPM.

For more information, please contact:

Puan Norhayati Rapa'ee
Plant Protection and Quarantine Branch
Department of Agriculture
Jalan Kumpang
Kuching
Tel: 082- 414712
Fax: 082 - 413163

2010 Dubai International Wood and Wood Machinery Show

Pameran Kayu dan Produk Kayu Antarabangsa Dubai 2010 akan diadakan dari 13-15 April 2010 di Central & East Hall, Dubai Airport Expo. Pameran tahunan ini memberikan peluang keemasan kepada syarikat-syarikat antarabangsa dan wilayah serta ejen untuk mempamerkan dan belajar mengenai kayu dan kerja kayu dan juga untuk membina perhubungan strategik dengan pembeli, peniaga dan pelabur.

■ The 2010 Dubai International Wood & Wood Products Show is the leading specialised show in the Middle East bringing together manufacturers, suppliers, contractors and traders giving them a direct access to decision makers involved in the wood industry. The annual Dubai International Wood & Wood Products Show, provides an excellent opportunity for regional and international companies and agents to showcase and learn about wood and woodworking and to build new strategic relationships with buyers, traders and investors. The exhibition would display products, with its latest innovations, such as MDF, plywood, hardwood, softwood, veneers, timbers, parquet, laminates, finished wood merchandise, paper products, etc. Details as follow:

Venue: Central & East Hall, Dubai Airport Expo (1 km from Dubai International Airport)

For further information, please contact:

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Email: frances@strategic.ae



Date: 13-15 April 2010
Time: 11.00 am - 7.30 pm

STA Membership Renewal 2010

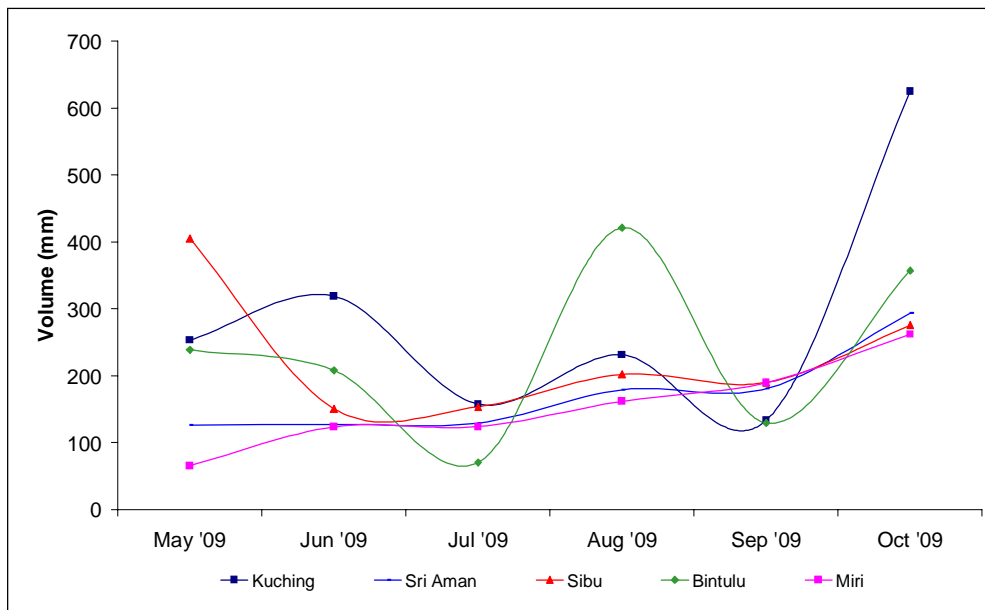
Members are reminded that all STA Membership will expire on 31 December 2009. Notices for renewal of STA Memberships had been sent out to all Members on 30 October 2009.

All payments are due on 1 January 2010. However, in accordance to Article 4(d) of STA Memorandum and Articles of Association [page 22 of Tenth Printing, September 2003], members are given a grace period of 30 days that is, until 31 January 2010 to effect payment.

STA Membership will only be renewed once all the required supporting document(s) and the correct subscription payment are received. Payment should be by a crossed cheque, payable to "Sarawak Timber Association".

Kesemua keahlian STA akan tamat pada 31 Disember 2009. Notis pembaharuan keahlian telah dihantar kepada semua ahli pada 30 Oktober 2009. Semua bayaran perlu dibuat sebelum 1 Januari 2010 atau selewat-lewatnya 31 Januari 2010.

Rainfall : May - October '09 Kadar Hujan Bulanan



Source : Malaysian Meteorological Services.

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