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Issue 263

STA dan Rakan2

This monthly news bulletin is produced by Sarawak Timber Association (STA) to disseminate information to our counterparts on training, research and other relevant areas.

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Notification of Cessation of *STA dan Rakan2*

In the previous issue, STA had intended to stop hardcopy printing of *STA dan Rakan2* and go fully digital, in line with the Government's call for digitisation. However, due to poor response received on future subscription through electronic mail, **publication of *STA dan Rakan2* will cease next month.**

This Issue 263 (June 2020) will be the final edition of this two (2) decades of success which is directly attributed to STA's commitment in disseminating technical information to our community of readers. On behalf of the Editorial Board, I thank you for your dedication and support throughout the years.

Past issues of *STA dan Rakan2* since year 2008 will remain available in PDF format on STA's website, accessible at www.sta.org.my. You may also access current and past digital issues of our monthly magazine, *STA Review* (without the statistics section) on the website.

With best wishes,
Editor of *STA dan Rakan2*

Reviving Sarawak's Economy Post COVID-19

In response to the adverse impacts of COVID-19 pandemic, the Sarawak Government has announced, in May 2020, the roadmap to revive the State's economy post COVID-19.

PricewaterhouseCoopers (PwC) was appointed as the consultant for the formulation of this roadmap. The Sarawak Economic Action Council (SEAC) was also formed to facilitate the achievement of the new economic agenda.

Featuring the State's economic development strategy until 2030, the roadmap identifies ten (10) key sectors which will be developed based on two

(2) core principles of digital economy and environmental sustainability.

Several subcommittees and working teams have also been established to support the SEAC and drive the formulation of action plans for the identified key sectors. The Forestry Working Team (FWT), led by the Ministry of Urban Development and Natural Resources, conducted three (3) online meetings on 3 June 2020, 10 June 2020 and 18 June 2020, as well as two (2) online workshops on 4-5 June 2020 and 10 June 2020 respectively.

Attended by relevant government departments, agencies, academicians

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and STA, the meetings and workshops discussed and assessed aspirations of the forestry and timber industry which involve sustainable forest management, biodiversity conservation and sustainable growth of the industry.

The FWT also analysed measures that could be taken to achieve the aspirations by considering levers such as technology infrastructure availability, enhanced regulatory framework, human resources development, coordinated research & development, as well as sustainable raw materials and financial fundings.

Apart from the FWT, STA also joined three (3) other online meetings of the Manufacturing Working Team organised

by the Ministry of International Trade and Industry, Industrial Terminal and Entrepreneur Development Sarawak.

The meetings, held on 4 June, 9 June and 17 June 2020 respectively, discussed various factors which could help Sarawak to become the preferred destination for high-value manufacturing investment. Among these factors are strong collaboration among stakeholders, innovative environment, accessibility to quality infrastructure, entrepreneur development as well as continuous improvement of policies and regulations.

The SEAC is expected to submit its findings to the Sarawak Government in September 2020.

FAO COVID-19 Forestry Webinar Week

The Food and Agriculture Organisation (FAO) of the United Nations hosted the COVID-19 Forestry Webinar Week from 22 to 25 June 2020 with the theme “Building Back Better: COVID-19 Pandemic Recovery Contributions from the Forest Sector”. The theme was chosen in recognition of the key role that forests play in social and economy recovery post COVID-19.

The objectives of the Forestry Webinar Week are to (i) assess impacts of the COVID-19 pandemic on people and forests; (ii) identify and discuss possible responses that help mitigate impacts on people and forests and help address the situation in the short term while at the same time contributing to building a more resilient and sustainable future; and (iii) propose follow-up steps, including policy dialogue and mobilising of resources and action that better enables the forest sector to help rebuild sustainable and resilient societies.

Government representatives, heads of forestry as well as industry leaders from across the globe gathered virtually over a series of high-level events and technical thematic sessions scheduled throughout the week to develop shared understanding on the effect of COVID-19 on the forest sector, seek solution for resilience and navigate a sustainable future.

Ms Annie Ting, Chief Executive Officer of STA, was invited to speak in one of the webinar sessions on “The Global Forest Sector & COVID-19: Navigating a Sustainable Future in an Economically & Socially Constrained World” on 24 June 2020.

Attended by more than 200 participants, the session was opened by Mr Sven Walter, Secretary of the Advisory Committee on Sustainable Forest-based Industries (ACFSI) and Ms Carina Hakansson, Chair of the ACFSI as well as moderated by Mr Steven Johnson, Director of Trade and Industry from the International Tropical Timber

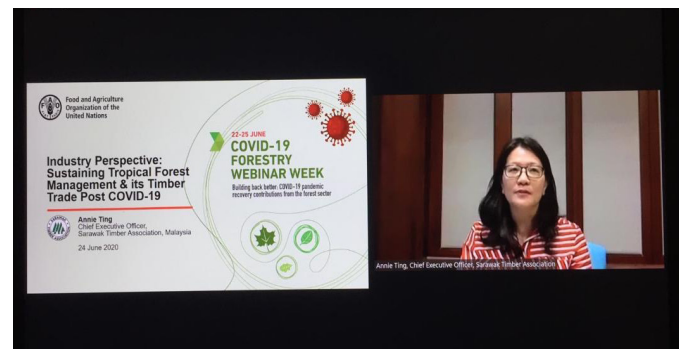


Photo: Presentation by Ms Annie Ting

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Did you know that.....

The world still has at least 1.11 billion ha of primary forest, that is, forests that are composed of native species in which there are no clearly visible indications of human activities and the ecological processes have not been significantly disturbed. Also, more than 90 percent of the world's forests have regenerated naturally. 93 percent (3.75 billion ha) of the forest area worldwide is composed of naturally regenerating forests and the remaining 7 percent (290 million ha) is planted.

Source: *Global Forest Resource Assessment 2020 Key Findings*. Available at <http://www.fao.org/forest-resources-assessment/2020>

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Organisation (ITTO). Three (3) panellists which included Ms Ting spoke on their country and regional perspectives on both the impact of COVID-19 on the global forest sector and suggestions for how the private sector and development agencies such as FAO can collaborate to build back better together and informed.

The other two (2) panellists were (i) Ms Françoise Van de Ven, Secretary General of the Union des Forestiers Industriels du Gabon et Aménagistes (UFIGA); and (ii) Mr Ivan Tomaselli, President of STCP Engenharia de Projetos Ltda and Vice President of Technology and Development of the Brazilian Association of the Mechanically Processed Timber (ABIMCI).

Ms Van de Ven and Ms Ting shared the same sentiment when discussing the impact of COVID-19 on the forest sector in their respective region, namely disrupted supply chain, declining production and slowdown in market demand.

Ms Ting elaborated that the decline in production for Malaysia is caused by the implementation of minimal workforce during partial lockdown period. She added that it is still too early to quantify fully the effects of COVID-19 but anticipate that the impact will become more obvious in the third and fourth quarters of 2020. As some countries have shown signs of second wave, she warned that future lockdown will further intensify the damage already inflicted on the global economy and market.

Furthermore, cash flow crisis has made it very challenging for businesses to stay afloat and maintain full employment. Therefore, support and assistance from the Government and development partner such as FAO are deemed as most important in order for the forest sector to continue to thrive and continue their efforts to implement

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Forest Plantation

Development Technical Committee Meeting No 2/2020

The Malaysian Timber Industry Board conducted the Forest Plantation Development Technical Committee Meeting No 2/2020 on 12 June 2020.

The Meeting, held at Menara PGRM, Kuala Lumpur was physically attended by ten (10) Committee Members while another three (3) Committee Members including STA joined the meeting virtually, via video conferencing.

The Meeting was informed of the Malaysian Government's intention to establish a programme on *Paulownia* tree planting especially for the B40 category under the Forest Plantation Development Programme to increase the income of the people from this category.

The Forest Plantation Development Programme is a

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sustainable forest management (SFM).

Sustainable financial support, channelled directly to the private sector is needed, in the short to medium term, to cushion the impact of COVID-19.

Ms Ting also suggested several medium to long term strategies for the development partners to consider such as;

1. More efforts to improve the world's recognition of SFM tropical timber as a more environmental friendly renewable resource compared to other substitutes such as steel and plastic;
2. World Governments' commitment in utilising SFM tropical timber in their procurement policies as a way to prevent the industry from experiencing a collapse in demand and production as well as guarantee a sustainable demand for SFM tropical timber; and
3. Promoting green pricing to address the price mismatch between cost and the market's present value of SFM tropical timber.

STA is appreciative of the opportunity to represent the industry's perspective on Malaysia's efforts to sustainably manage tropical forests and timber trade post COVID-19 and hope that FAO will seriously consider the sector's challenges and intervene to bridge the gaps so that tropical timber producers can remain resilient and keep the forest intact, which is in line with Malaysia's commitment towards Sustainable Development Goals (SDGs).

The session was closed by Mr Matthew Reddy, Senior Private Sector Specialist from the Global Environment Facility (GEF). Recording of the webinar is available at www.fao.org/about/meetings/cofo/covid-19-forestry-webinar-week/en/.

financing facility by the Malaysian Government providing soft loans to eligible companies participating in forest plantation programmes.

The Meeting also invited representatives from Syarikat Green Economy Sdn Bhd to share information on RevoTropix *Paulownia* such as mechanical properties of the wood, planting and maintenance methods, seedlings propagation, pests and diseases control, diversification of the plantation, timber utilisation, etc.

The Meeting discussed and concurred to include the *Paulownia* species into the Forest Plantation Development Programme subject to the terms and conditions of the Programme and additional requirements agreed during the Meeting.

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Forest Management Certification Technical Committee (FMCTC) Meeting No 2 / 2020

The Deputy Director of Forests II, Mr Abang Ahmad Abang Morni, chaired the second FMCTC Meeting on 30 June 2020 at Wisma Sumber Alam, Kuching. The Meeting was attended by officers from Forest Department Sarawak (FDS), WWF-Malaysia and STA.

The consultant, Dr Bernd Hahn-Schilling of International Forest Management Consultants Sdn Bhd, joined the Meeting via video conferencing.

This Meeting was called to discuss the consultancy report on the project "A Gap Assessment on the Harmonised Reduced Impact Logging (RIL) Guidelines in Support of Sustainable Forest Management in the State of Sarawak".

Mdm Madeline ak George Pau, Senior Executive Forester of FDS cum Project Coordinator, briefed the Meeting on the output summary and progress of the project.

Following this, Dr Bernd made a presentation on summary of the Draft RIL Guidelines for ground-based timber harvesting in the State of Sarawak. Some of the concerns such as minimum competency requirements for the forest workers, standing commercial volume, etc, were raised during the Meeting.

The Meeting agreed for stakeholders to feedback on the Draft Guidelines which STA will discuss with members and submit comments in early July.



Photo: Meeting in progress

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