

Volume 204

PPK 174/05/2011(028092)

Monthly Magazine of the Sarawak Timber Association







STA EVENT at the Bukit Lima Forest Park



6

SEMINAR ON Dipterocarps in the IUCN Red List 2010

CONTENTS

PAGE

STA REVIEW

Tri-Nations Meeting

STA Event at the Bukit Lima Forest Park

Status of Logs Originating from Conversion Areas in Forest Management Units Certified under the Malaysian Timber Certification Scheme (MTCS)

Seminar on Dipterocarps in the IUCN Red List 2010

Financial Contribution In Support Of Tree Planting Programme 2010

Briefing on the Competition Act Malaysia 2010

Registration of Kiln Dryers and trained KD Operators

Regular Features

Statistics

Rainfall



COVER IMAGE:

Family : Moraceae Species : *Ficus benjamina* L. Common Name : Ara (Strangling fig) Natural Habitat : Commonly found in urban areas and in secondary forests Reason For Protection : Food for wildlife

is a monthly magazine published by Sarawak 3 Timber Association (STA) for its members. While

- every effort has been made to ensure that the
 information printed in this magazine is accurate and correct, neither STA nor its Officers, Members or Employees shall assume any responsibility or be made liable for any inaccuracies and errors printed;
- 5 nor is such publication, unless otherwise, stated, necessarily the views of STA, its Officers, Members
- 6 or Employees. The contents of the Review may be reprinted with prior written permission from STA.
- 8 STA Review is mailed free of charge to all STA Members. Paid subscription is also available
- *g* to non-members. An annual subscription fee of RM200.00 is charged to organisations within
- Malaysia, and US\$300.00 to foreign organisations in other Asian countries, Australia and New Zealand, and US\$500.00 to foreign organisations in American and European countries respectively. The subscription fee is inclusive of courier charges. STA reserves the right to change the subscription fees from time to time to reflect currency fluctuations. Paid subscription is non-refundable.
 - 0

²⁴ EDITORIAL BOARD

Chief Editor

Dr. Lee Hua Seng

Editor

Law Hui Chau

Members

Dr. Peter C. S. Kho Annie Ting Erin Tan Jaime Chan Jenny Chen Miriam Hong Salfa Kamazura

Published by

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

Printed by

Wisma Printing Sdn Bhd Lot 1949, Section 66, KTLD, Lorong Tekad 1, Jalan Tekad, Pending Industrial Estate, 93450 Kuching, Sarawak, Malaysia Tel : ++ (60 82) 338 131 (4 Lines) Fax : ++ (60 82) 333 002 Email : wismaprinting@yahoo.com

Tri-Nations Meeting



Seated (L to R) : Mr Stephen Lau (STA), Mr Atsuhiro Inoue (JPMA), Mr Toshihito Tamba (JLIA), Mr Wong Kai Song (STA), Mr Budjuwono Handjaja (APKINDO), Mr. Akira Sekimoto (JLIA) Photo: Standing (L to R) : Dr Lee Hua Seng (STA), Ms Lily Soon (STA), Mr Kenny Law (STA), Mr Mok Chee Kheong (MPMA), Mr Quek Siew Wah (MPMA), Mr Patrick Wong (STA), Mr Yasuhiro Ohashi (JLIA), Mr Paul Wong Siu Nang (STA), Mr Robert Yong (STA), Mr Takashi Haneda (JLIA), Mr Naoya Takeda (JLIA), Mr Njoto Suhardjojo (APKINDO), Mr Yasuya Isogai (JLIA)

The Tri-Nations Meeting involving the participation of the Japan Lumber Importers' Association (JLIA), the Japan Plywood Manufacturers' Association (JPMA), Assosiasi Panel Kayu Indonesia (APKINDO), the Sarawak Timber Association (STA) and the Malaysian Panel-Products Manufacturers' Association (MPMA) was held for the twelfth time in Kuala Lumpur on 24 September 2010.

Housing starts in Japan have improved lately due to the introduction of long-life housing loans, housing loan tax deduction and the eco-tax subsidy. In Japan, the main issue is the continuing usage of domestic timber particularly sugi and hinoki. JPMA will continue to use domestic timber for the next six months. However the price is picking up and therefore there will be an increase in the supply of domestic timber, particularly sugi towards the end of 2010. If domestic timber price increased, plywood manufacturers may find it hard to operate. In future, Japanese consumers will demand more domestic species. However, Japanese softwood and tropical hardwoods have different uses and they cannot be easily and fully substituted. Therefore the market cannot be replaced but has to be shared.

In Indonesia, the volume exported in 2009 improved 4.5% over that in 2008. Out of the total volume, 37.4% went to

the Middle East and 34.8% went to Japan. Plywood export had been on the decline since a high of 5.84 million m³ in 2003. For the first 6 months of 2010, approximately 438,000 m³ were exported with more than 50% going to the Middle East, and 18% to Japan. The number of plywood mills has dwindled from 130 at the end of 2006 to 40 at the end of 2009. In 2010 only 31 mills are active. The raw material for plywood manufacture is trending towards plantation timbers.

Malaysia reported confidence coming back to the plywood market and the task before everyone is to ensure that market confidence continues. Market has improved despite exchange rate fluctuations. However, the market is fragile but with cooperation from all parties, the situation can be overcome. Volume control will lead to stability of price. There is a need to improve the image of tropical timber to make it more 'eco-friendly'. All parties agreed that the key issue and strategy for future growth is to increase the global demand for the use of timber. Timber should be promoted as a better material than concrete for government buildings. Regular Tri-Nations meetings are important for the frank exchange of data and information to enable effective strategy to be formulated.

Mesyuarat Tri-Nations melibatkan penyertaan Japan Lumber Importers' Association (JLIA), Japan Plywood Manufacturers' Association (JPMA), Assosiasi Panel Kayu Indonesia (APKINDO), Persatuan Kayu Kayan Sarawak (STA) dan Persatuan Pengilang Produk Panel Malaysia (MPMA) telah mengadakan perjumpaan kedua belas di Kuala Lumpur pada 24 September 2010. Pembangunan perumahan di Jepun telah meningkat sejak kebelakangan ini kerana dengan adanya pengenalan pinjaman perumahan sepanjang hayat, potongan cukai pendapatan perumahan dan subsidi cukai eko. Di Jepun, isu utama adalah untuk mengekalkan pengunaan kayu kayan tempatan. Di Indonesia, untuk 6 bulan pertama pada tahun 2010, kira-kira 438,000 m³ papan lapis dieksport dengan lebih 50% dieksport ke Timur Tengah dan 18% ke Jepun. Bahan mentah untuk pengeluaran papan lapis lebih cenderung ke arah balak perladangan.

日本木材输入协会(JLIA), 日本合板制造商协会(JPMA), 印尼合板公会(APKINDO), 马来西亚合板制造商公会 (MPMA)及本会代表于2010年9月24日假吉隆坡召开第12届的三国会议。日本房地产因着长期住房贷款, 住房贷款 减税和生态税津贴而逐渐改善。日本现今关注的课题是继续运用国产木材。印尼今年首半年木材输出额为43万8千 立方米, 其中超过50%出口至中东及18%出口至日本市场。胶合板制造原料现今趋向种植林木。马来西亚胶合板市 场回弹。鉴于容量控制, 市价因而稳定。热带木材的印象有待提升以其更'生态友好'。各会同意主要和未来发展 策略是提高全球对木材的使用。

STA EVENT AT THE BUKIT LIMA FOREST PARK

The Bukit Lima Forest Park in Sibu, Sarawak is a peat swamp forest with a total area of 218.38 hectares. It has been known as the home for 39 species of birds (including black hornbills, kingfishers and herons); mammals such as Hose's pigmy flying squirrel, giant squirrel, long-tailed macaque and shrew; and 35 species of plants. This Park not only serves as a 'green lung' for Sibu residents but also provide a recreational site for joggers as well as a living laboratory for researchers conducting studies on the wildlife in Sibu.

In December 2009, the Sarawak Timber Association (STA) accepted the request to repair the existing plank walkway of the Park totalling 3.2km in length. The repair work of the plank walkway which began on 1 April 2010 included levelling the platform, strengthening the overall structure through additional support joists and diagonal bracing on the footings, and replacing damaged planks. The repair work which costs RM366,000 was completed in July 2010.

STA organised an event on 26 September 2010 to mark the completion of the work. The event was attended by 300 people including the Deputy Director of Forest, Regional Manager of Sarawak Forestry Corporation Sibu, Officers from Sarawak Forestry Corporation Sibu, STA Council Members, staff members of STA Members Companies in Sibu, Joggers and local residents.

In his welcoming remarks, the Chairman of STA, Pemanca Datuk Wong Kie Yik stated that STA is indeed grateful to be given the opportunity to contribute to this project as the condition of the existing plank walkways required urgent attention. He hopes that all users will continue to keep the Park clean and safe. This was followed by an Appreciation Remark by a representative of Bukit Lima Forest Park Joggers, Dr Hu Chang Hock who later presented a framed photo of the Park to the Chairman of STA as token of appreciation. The event followed by an aerobic session, Run and a 'gotong-royong' session to clean up the Park area.

Pada Disember 2009, Persatuan Kayu Kayan Sarawak (STA) telah menerima permohonan untuk menjalankan kerja-kerja membaikpulih laluan kayu yang sedia ada di Taman Rimba Bukit Lima berukuran 3.2km. Kerja-kerja membaikpulih laluan kayu ini bermula pada 1 April 2010 dengan kos sebanyak RM366, 000 dan telah siap pada Julai 2010.

Persatuan Kayu Kayan Sarawak (STA) telah menganjurkan satu peristiwa pada 26 September 2010 untuk kerja-kerja yang telah siap. Dalam ucapan alu-aluan Pengerusi STA, Pemanca Datuk Wong Kie Yik menyatakan bahawa STA berasa berbesar hati diberi peluang untuk memberikan sumbangan dalam projek ini kerana keadaan laluan kayu yang sediaada ini memerlukan perhatian segera.

本会于2009年12月接收整修全长3.2公里的武吉里麻 森林公园红木板步行桥道。这项整修工程始于今年4月 1日,耗资36万6千令吉,并以今年7月竣工。

本会于2010年9月26日假武吉里麻森林公园举办一项 活动以纪念整修工程的完成。本会主席邦曼查拿督黃 啓曄在欢迎致词时表示本会确实荣幸给予机会整修迫 切需要关注的红木板步行桥道。



Photo: Group photo

STATUS OF LOGS ORIGINATING FROM Conversion Areas in Forest Management Units Certified under the Malaysian Timber Certification Scheme (MTCS)

There are areas within the permanent reserved forest/permanent forest in MTCS-certified Forest Management Units (FMUs) that may be converted to forest plantations and non-forest land uses with the status of the land either being in the process of degazettement or remaining as permanent reserved forest/permanent forest.

Malaysian Timber Certification Council (MTCC) has announced to all their Certificate for Chain of Custody holders that logs originating from the permanent reserved forest/permanent forest with the following coding systems in the Removal Passes/Disposal Permits **are not considered as MTCS-certified logs**.

To distinguish the logs harvested from such areas, in the case of Peninsular Malaysia, various State Forestry Departments have implemented their respective coding system in the harvesting licence number, which involves the inclusion of the alphabet "(P)" to indicate 'Pembangunan' or development. Examples of the coding systems, which will be reflected in the Removal Passes issued in the eight FMUs in Peninsular Malaysia, are as follows:

Name of FMU	Coding System for Harvesting Licence Numbers in Removal Pass	
Johor FMU	JH01/D/02/10(P)	
Kedah FMU	KS01-(P)-06-2010	
Kelantan FMU	DB01(P)/5/10(TLC)	
Negeri Sembilan FMU	NS(B)/P/01/03/2010	
Pahang FMU	BT02/2010(TPS)(P)	
Perak FMU	PPN.PK(P)24/2010B(HSK/KM)	
Selangor FMU	US/HS/1/2010/BALAK(P)	
Terengganu FMU	L1002/2010(HS)(P)	

In the case of Sabah and Sarawak, examples of coding systems used in the Disposal Permit and Removal Passes respectively are as follows:

	SFMLA 09/97(CON)/TWU32/044T1/041 [With stamp Balak Keluaran Hutan Simpan - Kawasan ITP]
FMU in Sarawak	LP0025/10/04A [Where "LP" stands for Licence for Planted Forest (LPF)]

Majlis Pensijilan Perkayuan Malaysia (MTCC) telah mengumumkan kepada semua pemegang-pemegang Sijil Rangkaian Jagaan yang balak-balak berasal dari hutan simpanan kekal / hutan kekal dengan sistem-sistem pengekodan Pas Pengeluaran/ Permit Pelupusan **tidak dianggap sebagai balak sah MTCS**.

马来西亚木材认证理事会(MTCC)已告知所有产销监管链系认证持有者原木伐自永久森林保护区或永久森林兼取消通 行证或处置许可证持有以下的编码系统,不被接受为MTCS-认证原木。

SEMINAR ON DIPTEROCARPS

The Forest Department Sarawak (FDS), Sarawak Forestry Corporation (SFC) and Sarawak Timber Association (STA) jointly organised a seminar on Dipterocarps in the IUCN Red List 2010 on 23 September 2010 at Wisma STA, Kuching. It was the output work to date of a three-year project entitled, 'Re-assessment of the Conservation Status of Three Genera of Dipterocarpaceae (*Dipterocarpus, Dryobalanops* and *Shorea*)'. The Project which commenced in June 2008 aimed to clarify the conservation status of commercial value in these three genera in the IUCN Red List of Threatened Species. This Project is managed by Forest Department Sarawak and executed through the Sarawak Forestry Corporation.

The Seminar was attended by more than 70 participants, comprising STA Members and representatives from various government agencies and universities. The main objective of the Seminar was to share with stakeholders the latest findings on this Project which is expected to end next year.

In his welcoming address, STA Chairman Pemanca Datuk Wong Kie Yik pointed out that the tree species from the three genera of Dipterocarps were abundantly found throughout the State. The timber industry had been producing a large volume of logs, timber and timber products from these genera. The listing of *Dipterocarpus, Dryobalanops* and *Shorea* in IUCN will affect the State's timber industry and this will translate to a decrease in volume of these species harvested from the natural forests. Hence, there would be a decrease in royalty collected and subsequently hamper the development of the State.

'The results from the study will hopefully give us the details of the status on the locality of habitats of the species from the three genera in Sarawak. It is also hoped that this Seminar would not only create awareness of the need to protect the really threatened species in Sarawak amongst members of STA but also help the industry to manage the resource and consolidate the trade of timber in other non-threatened species', he added in his speech read by Mr Philip Choo the Honorary Treasurer of STA.

Datu Haji Len Talif Salleh, Deputy Permanent Secretary of the Ministry of Planning and Resource Management cum Director of Forests and Managing Director / CEO of Sarawak Forestry in his speech read by the Senior Assistant Drector, Haji Sapuan Haji Ahmad mentioned that 36 species had been downgraded to lower risk categories, for example, Keruing sol and Kapur peringgi from critically endangered to near threatened and Meranti tembaga from endangered to least concerned. He added that 113 species of 166 species from the three genera found in Sarawak were listed in the IUCN Red List of Threatened Species with the remaining species not evaluated due to insufficient data. From the 113 species, 107 species are considered threatened (Critically Endangered, Endangered and Venerable) while one species is extinct.

According to Datu Len, the species assessment by IUCN is done based on a global scale and does not take into

consideration species in the Totally Protected Area (TPAs) in Sarawak. Therefore, it is necessary to re-look at the conservation status of Dipterocarps in Sarawak particularly Meranti, Keruing and Kapur in a more objective manner so that trade of these timber would not be affected.

The three papers presented during the Seminar were as follows:

- Malaysia Plant Red list Peninsular Malaysia Dipterocarps by Dr Lilian Chua of Forest Research Institute Malaysia (FRIM)
- Re-assessment of Conservation Status of Dipterocarps in Sarawak – Progress of Project to Date by Esther Sila of Sarawak Forestry Corporation (SFC)
- Dipterocarps in Totally Protected Areas of Sarawak by Vilma Bodos of Sarawak Forestry Corporation (SFC)

Jabatan Hutan Sarawak (FDS), Sarawak Forestry Corporation (SFC) dan Persatuan Kayu-Kayan Sarawak (STA) bersama-sama menganjurkan seminar Senarai Merah Dipterocarps IUCN 2010 pada 23 September 2010 di Wisma STA, Kuching. Ia merupakan hasil kerja untuk projek tiga tahun bertajuk – "Penilaian Semula Status Pemuliharaan Tiga Genera Dipterocarpaceae (*Dipterocarpus, Dryobalanops* and *Shorea*)".

Objektif utama Seminar adalah untuk berkongsi dengan pemegang saham tentang penemuan terbaru Projek tersebut yang dijangka akan siap pada hujung tahun depan.

Penyenaraian *Dipterocarpus, Dryobalanops* and *Shorea* dalam IUCN akan menjejaskan industri perkayuan Kerajaan Negeri dan ini akan menjelaskan tentang pengurangan hasil jumlah tuaian spesis ini dari hutan semulajadi. Oleh itu, ia akan menyebabkan pengurangan dalam royalti yang dikumpulkan untuk Kerajaan dan sekaligus menghalang pembangunanan Kerajaan.

砂拉越森林部(FDS),砂拉越森林机构(SFC)与本会于 2010年9月23日假古晋,STA大厦联同举办龙脑香科 在世界自然保护联盟(IUCN)红色名录2010研讨会。研 讨会主要是告知各方相关者有关为期三年的"重新评 估砂州3种龙脑香科(*Dipterocarpus,Dryobalanops*和 *Shorea*)保护地位"计划研究结果。这旨于澄清3属龙 脑香科的商业价值在IUCN濒危物种红色名单的保护状况。

研讨会的主要目的是与利益相关者分享研究的最新调 查结果。这计划预计明年结束。

*Dipterocarpus, Dryobalanops*和*Shorea*列入IUCN将影响本州木材工业。这将转变为减少该3属龙脑香科在天然森林的采伐量。此后,本州木材税收将减少随而将妨碍本州发展。

S IN THE IUCN RED LIST 2010



Photo: Presentation of memento to Tuan Haji Sapuan Ahmad, Senior Assistant Director of Forests



Photo: Seminar in progress



Photo: From Left Dr Lilian Chua, Ester Sila, Vilma Bodos, the presenter

1st Meeting Of The Working Committee On Tax Incentives For Forest Plantation Development

The STA Forest Plantation Committee had decided to form a Working Committee to look into issues and concerns on the tax incentives for forest plantation development. In conjunction with this, the Working Committee had its first meeting on 17 September 2010 at Wisma STA, Kuching. During the meeting, Mr Philip Choo the Honorary Treasurer of STA was appointed the chairperson of the Working Committee.

The Working Committee discussed issues arising from the Income Tax (Deduction for Investment in an Approved Forest Plantation Project) Rules 2009 ("the Rule") and Income Tax (Exemption) (No. 10) Order 2009 ("the Order"), both of which was made on 23 November 2009 and deemed to have come into operation on 21 May 2003.

The Rule allows a company to deduct the value of its investment in companies carrying out first forest plantation projects for the purpose of determining its adjusted income.

The Order made provisions to exempt a company undertaking approved forest plantation project from payment of income tax commencing from first year of assessment when statutory income is derived for a period of ten (10) years for new forest plantation project or five (5) years for an expansion of forest plantation project. Jawatankuasa Perladangan Hutan STA telah memutuskan untuk membentuk Jawatankuasa Kerja untuk melihat ke dalam isu-isu dan kebimbangan yang berkaitan dengan insentif cukai untuk pembangunan perladangan hutan.

Sehubungan dengan ini, Jawatankuasa Kerja tersebut telah mengadakan mesyuarat pertamanya pada 17 September 2010 di Wisma STA, Kuching. Semasa mesyuarat, Encik Philip Choo, Bendahari Kehormat STA telah dilantik sebagai pengerusi jawarankuasa kerja.

STA人工造林小组委员决议成立一个工委于探讨 有关发展人造林税务奖励课题。

工委于2010年9月17日假STA大厦召开首次会 议,并推选本会荣誉秘书,朱光輝先生为该委 员会主席。

FINANCIAL CONTRIBUTION IN SUPPORT OF TREE PLANTING PROGRAMME 2010

The Sarawak Timber Association (STA) made a financial contribution of RM50,000.00 to the Miri City Council in support of the tree planting programme 2010. A simple cheque presentation ceremony was held on 29 September 2010 at Imperial Palace Hotel, Miri. The following is the Media Release in conjunction with the Event.

MEDIA RELEASE

Authorised by the Chairman of the Sarawak Timber Association Yang Berbahagia Pemanca Datuk Wong Kie Yik

STA CONTRIBUTES TO A GREENER ENVIRONMENT IN MIRI

Miri, Wednesday, September 29, 2010 – The Sarawak Timber Association (STA) today made a financial contribution of RM50,000.00 in support of the Miri City Council's tree planting programme for the year 2010.

Yang Berbahagia Tan Sri Datuk Ling Chiong Ho, the Vice Chairman of STA made the cheque presentation to Yang Berbahagia Datuk Bandar Lawrence Lai Yew Son of the Miri City Council at Imperial Palace Hotel Miri with the presence of Mr. Philip Choo, the Honorary Treasurer of STA, Yang Berbahagia Tan Sri Datuk Jimmy Lau Hieng Wu, Mr James Ho Yam Kuan and Ms Loretta Lau STA Council Members in Miri and Dr Peter Kho, the General Manager of STA.

The Miri City Council has embarked on a tree planting programme which has been going on for more than 10 years. This is in support to the Government's call for the planting of 74,880 trees annually for the State of Sarawak as well as part of the Council's "Vision of Green Resort City". The Council has set a target under the City Council Key Performance Index, to plant 1,000 trees annually. Since 1996 until December 2008, the City Council has planted a total of 17,137 trees in various locations around Miri City under its jurisdiction.

STA with more than 500 member companies are involved in the timber trade and industry where the industry employ some 100,000 workers in Sarawak, making the timber industry one of the major contributor to the State's economy.

STA as part of its corporate social responsibility is contributing back to the communities and State in the form of financial contributions that it had made in the past. This contribution to the Miri City Council is one of the financial contributions made by STA towards tree planting projects in urban areas through the City Council. In the last two years, STA had made similar financial contributions to the Sibu Municipal Council and the Council of the City of Kuching South.



Persatuan Kayu Kayan Sarawak (STA) telah memberikan sumbangan kewangan sebanyak RM50,000.00 kepada Majlis Bandaraya Miri dalam usaha membantu program menanam pokok 2010. Satu majlis penyampaian cek telah diadakan pada 29 September 2010 di Hotel Istana Imperial, Miri. Berikut adalah Kenyataan Akhbar sehubungan dengan peristiwa tersebut.

本会捐助5万令吉予美里市议会充作市议2010年的植 树计划。一项简单支票移交仪式于2010年9月29日假 美里,皇宫大酒店举行。以下为该仪式的新闻稿。

Upcoming Events

DATE	EVENTS	VENUE	ORGANISER
8 - 9 November	International Conference on Forest & Climate Change – Decoding & Realising REDD + in the Heart of Borneo with Specific Focus on Sabah	Sutera Harbour Resort Kota Kinabalu	Sabah Forestry Department
12 – 13 November	4 th Workshop on Conflict Resolution Guidelines for Sustainable Forest management	Mega Hotel Miri	The Centre for Malaysian Indigenous Studies University of Malaya with the support of SFC, FDS and Federal Ministry of Natural Resources and Environment

BRIEFING ON THE COMPETITION ACT MALAYSIA 2010

The Ministry of Domestic Trade, Co-operation and Consumerism organised a Briefing on the Competition Act 2010 on 1 September 2010 at Harbour View Hotel, Kuching. The purpose of this briefing was to brief and create awareness about the new Act among members of the trade industry which was passed by the Parliament in May 2010 and gazetted in June 2010.

The welcoming remarks were delivered by En Khalis Kassim, the state Deputy Director, Ministry of Domestic Trade. Two speakers from Kuala Lumpur were invited for this briefing namely, Ms Shila Derai Raj and Dr Wafi Nazrim Abdul Hamid.

The Competition Act Malaysia 2010 will be enforced on 1 January 2012 and will apply to all commercial activities undertaken within Malaysia and those outside of Malaysia which have effects on competition in the Malaysian market. The Act aims to promote economic development by protecting the process of competition in the Malaysian market in order to maximise consumer welfare which can be achieved through the prohibition of anti-competitive practices.

The Act shall:

- Create a more competitive, efficient and regulated market-place and this will result in lower prices, more choices and adequate availability of quality goods and services;
- Encourage competition and easier access to markets;
- Enhance efficiency in allocation and utilisation of resources, encourages economic growth and development in the country, and help to reduce poverty; and
- Promote a competitive market environment and provides level playing field for industry players

The types of Prohibited Anti-Competitive practices are listed below:

- 1. Anti-Competitive Agreements
 - Price fixing (price is fixed and controlled)
 - Market allocation (selling to specially allotted customers only)
 - Bid rigging agreement (making prior decision on the winner for a tender)
 - Limiting production (limit supply through controlled production)
- 2. Abuse of Dominant Position
 - Price discrimination (selling the same item at a different price without reasonable justification)
 - Excessive pricing (setting prices above normal competitive level)
 - Predatory pricing (selling at very low prices to eliminate entries for new competitors)

A Competition Commission will be established to oversee the implementation of the Act. The Commission will investigate against any potential anti-competitive practices and be empowered to impose financial penalties as follows:

- Infringement Financial penalty not exceeding 10% of worldwide turnover of an "enterprise" (includes the group turnover)
- General penalty for offences (obstruction, tipping off, threats and reprisals, false information, concealment):
 - Companies: fine not exceeding RM5m; and
 - Individuals: RM10m for subsequent offence fine up to RM1m and/or 5 years jail; and fine up to RM2m and/or jail up to 5 years for subsequent offence

For more information regarding this new Act, please contact:

Ms Shila Derai Raj at 03-8882-5595 or email at <u>shila@</u> <u>kpdnkk.gov.my</u> or En Mohd Aidi at 03-8882-5592 or email at <u>aidiltupari@kpdnkk.gov.my</u>

Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan telah menganjurkan satu Taklimat tentang Akta Pertandingan 2010 pada 1 September 2010 di Hotel Harbour View, Kuching. Tujuan taklimat adalah untuk menerangkan dan mewujudkan kesedaran tentang akta baru kepada ahli-ahli industri perdagangan yang telah diluluskan oleh Parlimen pada Mei 2010 dan diwartakan pada Jun 2010.

Akta Pertandingan Malaysia 2010 akan dikuatkuasakan pada 1 Januari 2012. Akta tersebut bertujuan untuk mempromosikan pembangunan ekonomi dengan melindungi proses pertandingan dalam pasaran Malaysia supaya memaksimumkan kebajikan pengguna yang mana boleh dicapai melalui larangan amalan-amalan anti-persaingan.

国內贸易,合作及消費者事務部于2010年9月1日假古晋 海景酒店主办2010竞争法令简报会。竞争法令于2010 年5月在国会通过并于2010年6月宪报公布为法令。简 报会的目的是让商界了解该法令。

2010竞争法令将于2012年1月1日正式实施。该法令旨 在通过禁止反竞争实践来保护马来西亚市场的竞争过 程从而促进经济发展进而让消费者从中取得最大的福 利。

REGISTRATION OF KILN DRYERS AND TRAINED KD OPERATORS

Sarawak Timber Association (STA) has been informed by the Plant Protection and Quarantine Division (PPQD), Department of Agriculture (DoA), Kuala Lumpur that with effect from 1 September 2010, all logs, sawn timber and timber products imported into Malaysia must either be fumigated or kiln dried (KD), where applicable.

This ruling also applies to logs, sawn timber and timber products exported from Sarawak to Sabah and Peninsular Malaysia. Exporters are reminded to bring along the import permit issued by the DoA from the respective regions (either Sabah or Peninsular Malaysia) when applying for phytosanitary certificate from the local PPQD in Sarawak. This document will be required by staff from the PPQD when exporters clear the logs, sawn timber and timber products at the destination port.

As KD is accepted as an alternative treatment for sawn timber for exports to Sabah and Peninsular Malaysia, the Association is working with the relevant Forestry Agencies and the DoA Sarawak to come up with a self-regulating system where companies with trained operators and kiln dryers registered with the DoA can get the phytosanitary certificate issued automatically. However, companies will be deregistered if found not to be complying to the guidelines issued by the DoA. This system may also be acceptable as an alternative to fumigation in some other countries.

As this requirement took effect from 1 September 2010 for Malaysia, the DoA will give priority in the registration exercise to member companies who are exporting sawn timber and timber products to Sabah, Peninsular Malaysia and other countries requiring treatment of the sawn timber.

Persatuan Kayu Kayan Sarawak (STA) telah diberitahu oleh Bahagian Perlindungan Tumbuhan dan Kuarantin, Jabatan Pertanian, Kuala Lumpur bahawa berkuatkuasa 1 September 2010, kesemua balak, kayu bergergaji dan produk kayu kayan yang diimport ke Malaysia mesti di asapi atau dikeringkan di relau (KD), di mana boleh digunakan.

Berikutan penguatkuasaan ini berkuatkuasa pada 1 September 2010 untuk Malaysia, DoA akan memberi keutamaan dalam melaksanakan pendaftaran kepada syarikat-syarikat ahli yang ada mengeksport kayu bergergaji dan produk kayu kayan ke Sabah, Semenanjung Malaysia dan negara lain yang memerlukan rawatan kayu bergergaji.

吉隆坡农业局(DoA)植物保护和检疫部(PPQD)通知 本会于2010年9月1日起,如有需要,所有进口原木,锯 木及木材产品必须进行熏蒸或烘干处理。

基于这项规定于2010年9月1日生效,DoA将优先注册 出口锯木和木材产品直沙巴,马来西亚半岛以及其他 要求锯木处理的国家的会员公司。

Rainfall : April - September '10 Kadar Hujan Bulanan



Source : Malaysian Meteorological Services