

STA Review

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September 2007

APKINDO/ JLIA/ JPMA/ MPMA/ STA Meeting

Asosiasi Panel Kayu Indonesia, Persatuan Pekilang-Pekilang Produk Panel Malaysia, Persatuan Pengimport Balak Jepun, Persatuan Pekilang Papan Lapis Jepun dan STA bermesyuarat di Jakarta, Indonesia pada 10 September 2007.

Ahli-ahli kelima-lima persatuan menukar maklumat pasaran semasa dalam mesyuarat. Mereka juga berbincang beberapa isu termasuk isu kesahan kayu dan pengurusan hutan secara mampan. Mesyuarat memutuskan bahawa mesyuarat akan datang diadakan di Bangkok pada 21 April 2008.

■ The Indonesian Wood Panel Association (APKINDO), the Japan Lumber Importers' Association (JLIA), the Japan Plywood Manufacturers' Association (JPMA), the Malaysian Panel Products Manufacturers' Association (MPMA) and STA met in Jakarta, Indonesia on 10 September 2007. This meeting was well attended by members of the five associations.

The meeting took this opportunity to exchange market information. The following are some of the highlights of the discussion:

1. The housing construction industry in Japan is experiencing a crisis with the introduction of the new

building standards law on June 20 2007. This resulted in stricter control and delays in the issuance of building licences which caused the housing starts to drop by 23% in July 2007 .

2. Japan is the biggest importer of wood materials, but volume of import will decrease due to drop in housing starts.

3. According to the Nikkei news on 8 September 2007, the price of plywood had gone up ¥20 per piece.

The plywood market in Japan is depressed and the total plywood

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Picture: Delegates from the five associations

(Continued from Page 1)

supply from overseas is decreasing. The condition will only improve when demand picks up and imported stock is low. The supply of domestic softwood plywood is however, on an increasing trend. It is anticipated that the plywood market may improve

again beginning 2008.

The meeting also discussed on the issue of legality verification and sustainability. It was proposed that the next joint meeting will be held in Bangkok on 21 April 2008. ❁



Left: Mr. Stephen Lau (right), Chairman of STA Panel Products Committee, speaking to the delegates from APKINDO

Right: Delegates from JLIA and JPMA



Refresher Course by MTCC on MC&I(2002) and Forest Management Certification Requirement

■ Following from the Second Forest Management Certification Steering Committee Meeting, Mr. Liew Tchin Fah, Chairman of the Committee invited the Malaysian Timber Certification Council (MTCC) to conduct a Refresher Course to the six Forest Management Units (FMU) holders on the overall requirements under the Malaysian Criteria &

Indicators (2002) [MC&I(2002)] and Forest Management Certification. This Course held on 20 September 2007 at Wisma STA, Kuching and attended by 84 participants comprising Members of STA and staff members of the Forest Department Sarawak, the Sarawak Forestry Corporation, the Sarawak Timber Industry Development

(Continue on Page 2)

Susulan Mesyuarat Kedua Jawatankuasa Pemandu Pensijilan Pengurusan Hutan, Encik Liew Tchin Fah, Pengerusi Jawatankuasa ini telah menjemput Majlis Pensijilan Kayu Malaysia untuk mengadakan Kursus Refresher kepada

kakitangan dari enam Unit Pengurusan Hutan (FMU) tentang syarat-syarat untuk Kriteria dan Indikator Malaysia [MC&I(2002)] dan Pensijilan Pengurusan Hutan. Kursus ini telah diadakan pada 20 September 2007 di Wisma STA, Kuching. Turut hadir adalah dua orang juruaudit dari SIRIM QAS International Sdn Bhd. Mereka telah memberi penjelasan berdasarkan pengalaman mereka dalam menjalankan audit di FMU berasas syarat-syarat MC&I(2002).

Peserta-peserta telah mengambil peluang untuk mendapat penjelasan yang lebih mendalam tentang syarat-syarat MC&I(2002).

(Continued from Page 2)

Corporation and Harwood Timber Sdn Bhd. Also present were Dr. Yap Son Keong and Mr. Khoo Khay Jin, auditors from SIRIM QAS International Sdn Bhd to provide additional clarifications based on their auditing experience in conducting assessment of the FMU using the MC&I(2002).

The Course was conducted by two officers from MTCC, Mr. Hanarinder Singh and Mr. Yong Teng Koon. The session started with an introduction to MTCC, the operations of different schemes under MTCC, recognition of the scheme, the latest

development at MTCC which is the development of standard for the certification of forest plantations and the new institutional arrangement for MTCC scheme. This was followed by a presentation on the forest management certification process. Participants were taken through the nine principles of the MC&I(2002). This Course saw an active engagement from the participants who took the opportunity to seek further clarification on requirements of the MC&I(2002). ❁

Note: Copies of the presentation are available on request from the STA Secretariat at nominal printing cost.



Above: The assessors and officers from MTCC. From left to right, Dr. Yap Son Keong, Mr. Khoo Khay Jin, Mr. Yong Teng Koon and Mr. Hanarinder Singh



Right: Mr. Liew Tchin Fah welcoming participants to the Course



Left: Participants at the Course

Briefing on the Requirements on Chain of Custody Certification under the MTCC Scheme

■ STA in collaboration with the Malaysian Timber Certification Council (MTCC) organised a briefing on the Requirements on Chain of Custody (RCoC) certification under the MTCC scheme on 21 September 2007 at Wisma STA, Kuching. The briefing was attended by 54 participants from the STA member companies and the Sarawak Forestry Corporation.

The session was conducted by Mr. Hanarinder Singh of MTCC. He gave an introduction to CoC certification and how the scheme works. CoC is verification by an independent third party that wood products, including logs, are legally derived or sourced. The CoC standard that is used under the MTCC scheme is the Requirements for Chain-of-Custody Certification (RCOC). There are nine requirements for CoC requirements namely,

- Organisation which involves the commitment of the management, establishment of responsibility and documented procedures.

- Training, the personnel involved in CoC related activities must be adequately trained.
- Transport where the traceability of certified products is maintained during transportation. The consignments of certified products must be able to be traced from the supplier to the client and vice versa.
- Purchasing involves documents such as the removal pass for logs from certified Forest Management Unit, purchasing documents and records of purchases. For products containing non-certified wood, a self signed declaration to need to be furnished by the supplier of the materials declaring that the supplied wood materials are not from controversial sources.
- Processing of Certified Materials in accordance to the physical separation system, the minimum average percentage system and the input/output system.
- Packaging and Labelling where

(Continue on Page 5)



Picture: Participants at the briefing session

STA dengan kerjasama Majlis Pensijilan Kayu Malaysia (MTCC) memberi taklimat tentang syarat-syarat untuk Pensijilan Rantaian Jagaan (CoC) di bawah skim MTCC pada 21 September 2007 di Wisma STA, Kuching.

Sesi ini dikendalikan oleh Encik Hanarinder Singh dari MTCC yang memberi pengenalan kepada pensijilan CoC dan bagaimana skim ini dijalankan. CoC merupakan satu pengesahan pihak ketiga untuk mengesahkan bahawa sumber produk kayu (termasuk kayu balak) adalah sah. Piawaian CoC yang digunakan oleh MTCC adalah berdasarkan syarat-syarat untuk Pensijilan CoC.

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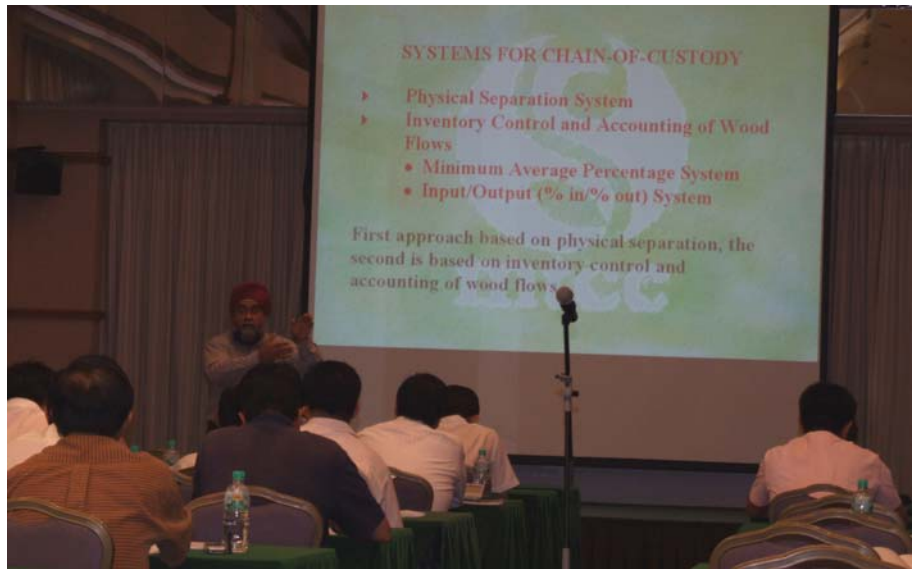
certified products are packed and labelled in accordance to the specified rules in the 'MTCC Logo guide for Certificate holder'.

- Sales where all related documents need to identify the certified status of the product sold. The documents are the Certificate for CoC number, type and quantity of material.
- Record Keeping is the establishment, implementation and the maintaining of monthly

records of suppliers, purchases, input, processing and outputs of certified products where records need to be legible and identifiable for the product.

- Stakeholders' Input is the maintenance of records of stakeholders' input and feedback and the corrective and preventive actions that has been taken.

Note: Copies of the presentation are available on request from the STA Secretariat at nominal printing cost.



Picture: Mr. Hanarinder Singh of MTCC explaining the CoC system

Penguatkuasaan Permit Tanpa Kertas untuk eksport kayu dan produk kayu ke pasaran Jepun oleh Perbadanan Kemajuan Perusahaan Kayu Sarawak telah ditangguh sehingga tarikh yang akan diumumkan.

NOTICE

Implementation of Paperless Permit and Lampiran A (Export Licence)

STA received a letter from Sarawak Timber Industry Development Corporation (STIDC) reference STIDC.20.PPD.09.12 dated 5 September 2007 concerning the implementation of the Paperless Permit for export of timber and timber products to Japan Market. The implementation has been postponed until further notice.

Workshop on California New Formaldehyde Regulations

■ The California Air Resources Board (CARB) with the assistance from STA organised a Workshop on California New Formaldehyde Regulations on 27 September 2007 at Wisma STA, Kuching. This workshop was attended by 33 participants from the plywood mills in Sarawak and interested parties. The participants were informed of the upcoming California regulations in California. The speakers were Mr. Jim Aguila, the Manager for Substance Evaluation Section of the California Air Resources Board and Dr. Erwin Schufort, a Senior Wood Scientist attached with the Professional Services Industries (PSI) USA.

Three topics were presented namely,

- *California's New Composite Wood Regulation - What does it mean to me and why should I care* by Mr. Jim Aguila. Mr. Aguila discussed why the need to regulate formaldehyde for composite wood products, the airborne toxics control measure, third party certification, the requirements for manufacturer, importer, exporters, fabricators and retailers and the exemptions.
- *Large Chamber Formaldehyde*

Measurement of Sabah Hardwood Plywood by Dr. Erwin Schufort. This paper is about the need of plywood producers to demonstrate that their products meet the new requirements. Thus, this paper addresses the measurement of a variety of Sabah Hardwood plywood using the large chamber in accordance with ASTM E1333. The method and technical protocol for large chamber measurements are reviewed.

- *Statistical Analysis of Hardwood Plywood Formaldehyde Emission* by Dr. Erwin Schufort. This research compares the formaldehyde emissions from Sabah Hardwood plywood using a large chamber (ASTM E1333), a desiccator (ASTM D5582 and JIS 1460) and small chamber (ASTM D6007 and JIS 1901A).

For further information and updates on Composite Wood Products Airborne Toxic Control Measure, please visit CARB's website <http://www.arb.ca.gov/toxics/compwood/compwood.htm> ☼

Note: Copies of the presentation are available on request from the STA Secretariat at nominal printing cost.



Picture: The Speakers, Dr. Erwin Schufort (left) and Mr. Jim Aguila (centre) with the Chief Executive Officer of STA, Dr. Lee Hua Seng

California Air Resources Board (CARB) dengan kerjasama STA telah menganjurkan Bengkel Peraturan Baru untuk Formaldehyde di California pada 27 September 2007 di Wisma STA, Kuching. Bengkel ini memberitahu pekilang papan lapis di Sarawak and pihak yang berminat tentang peraturan baru yang akan dikuatkuasakan di California. Penceramah-penceramah bengkel ini adalah Encik Jim Aguila dari CARB dan Dr. Erwin Schufort, Saintis dari Professional Services Industries (PSI) USA. Maklumat lanjut tentang Ukuran Kawalan Tosik dari Produk Kayu Komposit boleh didapati dari laman web CARB <http://www.arb.ca.gov/toxics/compwood/compwood.htm>

Mesyuarat Pertama Jawatankuasa Teknikal Pengurusan Maklumat *Integrated* untuk Industri Kayu di Sarawak telah diadakan pada 11 September 2007 di Ibu Pejabat Perbadanan Kemajuan Perusahaan Kayu Sarawak di Kuching.

Mesyuarat ini bersetuju untuk meneliti dan membuat ulasan ke atas laporan terakhir oleh URS Forestry, Australia, perunding yang dilantik untuk meneliti sistem Rantaian Jagaan (CoC) yang sedia ada di Sarawak dan meneliti kesan Penguatkuasaan Undang-undang Hutan, Pemerintahan dan Perdagangan (FLEGT) ke atas CoC.

Pejabat Kastam Diraja Malaysia di Pelabuhan Kuching (Senari dan Pending) dan Bintulu akan beroperasi sehingga pukul 10 malam dari hari Isnin hingga hari Ahad, termasuk cuti awam, mulai 1 Oktober 2007.

First Meeting of the Technical Committee in Integrated Information Management for Timber Industry in Sarawak

■ The First Meeting of the Technical Committee in Integrated Information Management for Timber Industry in Sarawak was held on 11 September 2007 at the headquarters of the Sarawak Timber Industry Development Corporation in Kuching. This Committee was formed during the Steering Committee Meeting in Integrated Information Management for Timber Industry in Sarawak on 20 August 2007 to plan and implement inter-agencies information integration.

The meeting agreed to study and comment on the final report by URS Forestry, Australia. URS Forestry was engaged to undertake a review of the current Chain of Custody (CoC) in Sarawak and assess the impact of the Forest Law

Enforcement, Governance and Trade (FLEGT) on the CoC. The Committee also discussed in length the objectives of the committee and further actions that will be taken to meet the objectives. The objectives are:

- To study the findings of URS Forestry on the timber tracking system to provide the basis for future adoption,
- To identify the prevailing timber tracking system in Sarawak and relate it to the actual requirement of CoC, and
- To identify the systems used and to link the timber tracking system to the relevant agencies. ❁

NOTICE

Extension of Working Hour at Senari Port, ASSAR Senari Port, Pending Port and Bintulu Port

STA was informed by the Royal Customs Malaysia via letter Ref. No. KE.YB(05)651/03 Klt. 1 Sk. 2(7) dated 18 September 2007 concerning the extension of working hours at the Senari Port, Assar Senari Port, Pending Port and Bintulu Port. The offices of the Royal Customs Malaysia located at the Kuching Port (Senari and Pending) and Bintulu will be operating until 10.00 p.m. from Monday to Sunday, including public holidays. This takes effect from 1 October 2007.

Forest Workers Training and Section 54B Forests Ordinance (Sarawak, Cap 126)

■ In anticipation of the implementation of Section 54B Forests Ordinance (Sarawak, Cap 126), the Sarawak Timber Association through its wholly-owned company, STA Training Sdn Bhd, organised two briefing sessions, one in Sibul on 14 August 2007 and the other in Bintulu on 15 August 2007, on the Forest Workers Training for representatives from Member Companies of STA. In Sibul, the briefing was attended by 41 participants from 11 Member Companies while in Bintulu, 44 participants from 16 Member Companies.

The main objectives of the briefing were to inform the participants on (i) the status of Section 54B Forests Ordinance (Sarawak, Cap 126), (ii) various courses offered by STA Training Sdn Bhd, (iii) financial contributions available for training, and (iv) the



Picture: Log Loading

progress of training to date.

This briefing, targeting Forest Managers, General Operation Managers, Camp Managers, Training Co-ordinators, Trainers and Foremen, covered legal requirements of training and the impact to the industry, training procedure and documentation and financial contributions provided to participants of the three skills sets currently being offered by STA Training Sdn Bhd. ❁

Note: Copies of the presentation are available on request from the STA Secretariat at nominal printing cost.

Right: Maintenance of tractors



Left: Maintenance of chainsaw



Dalam persediaan untuk penguatkuasaan Seksyen 54B Ordinan Hutan (Sarawak, Bab 126), STA melalui anak syarikatnya, STA Training Sdn Bhd, mengadakan dua sesi taklimat, di Sibul pada 14 Ogos 2007 dan di Bintulu pada 15 Ogos 2007 tentang Latihan Pekerja-Pekerja Hutan kepada wakil-wakil ahli STA.

Taklimat ini bertujuan untuk memberitahu peserta tentang (i) status Seksyen 54B Ordinan Hutan (Sarawak, Bab 126) (ii) pelbagai kursus latihan yang ditawarkan oleh STA Training Sdn Bhd (iii) sumbangan kewangan yang sedia ada untuk latihan dan (iv) perkembangan terkini latihan.

Jabatan Hutan Sabah akan menganjurkan Persidangan Antarabangsa di Hotel Magellan Sutera, Kota Kinabalu, Sabah, Malaysia dari 26 hingga 27 November 2007 bertema "*Nature Conservation in Sabah: The Quest for the Gold Standard*".

Untuk maklumat lanjut, sila kunjungi www.forest.sabah.gov.my/ncs2007

Kementerian Perdagangan Kemboja akan mengadakan Pameran *Cambodia Import Export & OPOP (One Province One Product)* yang Kedua dari 15 hingga 18 Disember 2007 di Pusat Pameran Mondial, Bandaraya Phnom Penh.

International Conference on "Nature Conservation in Sabah: The Quest for the Gold Standard"

■ The Sabah Forestry Department will be hosting the International Conference at the Magellan Sutera Hotel, Kota Kinabalu, Sabah, Malaysia on 26 to 27 November 2007. The theme for this coming conference is "Nature Conservation in Sabah: The Quest for the Gold Standard".

The objectives of the conference are:

- Provide updates on the status of the implementation of nature conservation in Sabah,
- Highlight the achievements, challenges and successes on conservation measures

- Establish linkages and synergies towards achieving the conservation goals in Sabah in line with the international standards

The conference is expected to be attended by more than 500 participants from all interested parties and will feature prominent speakers, both local and international who are involved in nature conservation related activities in Sabah and Malaysia.

For further information and updates, please visit www.forest.sabah.gov.my/ncs2007.

Second Cambodia Import Export & OPOP

■ The Ministry of Commerce of the Kingdom of Cambodia will be organising the Second Annual Edition of the Cambodia Import Export & OPOP (One Province One Product) Exhibition from 15 to 18 December 2007. The venue of the event will be the Mondial Exhibition Centre, Phnom Penh City.

The Exhibition will incorporate three sub-events i.e. Cambodia Business & Investment Forum, Seminars on OPOP and Business Matching.

Further information can be obtained from Miss Trra of MATRADE Sarawak at Tel: 082-246780 or Fax: 082-256780. ☀

CORRECTION

Reference is being made to the STA Review July 2007 issue on the "**Courtesy Call to the Consulate General of Indonesia**" on Page 6. The caption for the photo should be "*Datuk Leo Chai receiving a memento from Yth Bapak Bambang Priongo*".

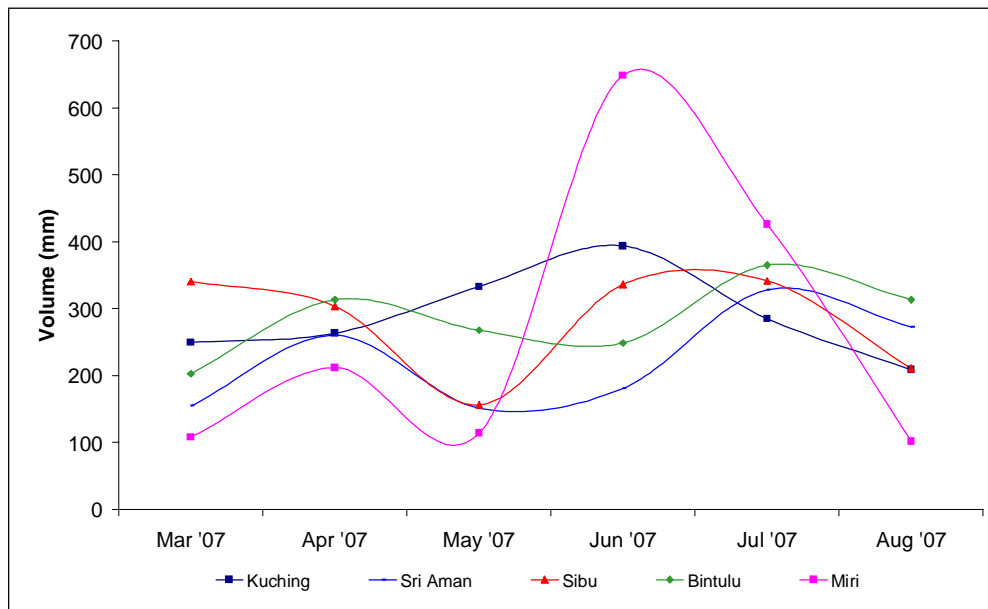


Wishing all our Members and Readers

Selamat Hari Raya Aidil Fitri Maaf Zahir dan Batin

From Chairman, Council Members and Staff of STA

Rainfall : March - August '07 Kadar Hujan Bulanan



Source : Malaysian Meteorological Services.

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