# STA Review

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FINANCIAL
ASSISTANCE
to Sekolah Kebangsaan
Kampung Buda, Spaoh,
Betong

3



STA GST Technical Committee Meeting No 2/2017



STA
Panel Products Committee
Marketing Mission to India
and Sri Lanka

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Papilionananthe hookeriana; Photo credit Mr Joanes Unggang, GP Pusaka Sdn Bhd is a monthly magazine published by Sarawak 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 Council Members, Officers or Employees shall assume any responsibility or be made liable for any inaccuracies and errors printed; nor is such publication, unless otherwise stated, necessarily the views of STA, its Council Members, Officers or Employees. The contents of the STA Review may be reprinted with prior written permission from STA.

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# Financial Assistance to Sekolah Kebangsaan Kampung Buda, Spaoh, Betong

Sarawak Timber Association (STA) through its subsidiary company, STA Mutual Sdn Bhd (STAM) has been working together with Sarawak Timber Industry Development Corporation (STIDC) since year 2012 to improve the facilities and amenities of rural primary and secondary schools in Sarawak.

Sekolah Kebangsaan (SK) Kampung Buda, Spaoh, a primary school located by the riverbank of Sungai Batang Saribas, Betong with seventy two (72) students and fourteen (14) teachers, chosen by STIDC, suffered extensive damage during a landslide

which happened in June 2016. Since then, the students have no proper classrooms to study and have restricted extracurricular activities.

The initial financial assistance of RM73,000.00 was presented by Datu Sarudu Bin Haji Hoklai, General Manager of STIDC to Mr Kon Sepawi, Headmaster of SK Kampung Buda in May 2017. However, the fund was insufficient to re-build the school's infrastructure. In view of this, STA provided an additional sum of RM100,000.00. This was presented in the form of a mock cheque by Datu Sarudu Bin Haji Hoklai to Mr Kon Sepawi, witnessed by Mr Mohammad Razi Bin Sitam, State Assemblyman (ADUN) Saribas in a Presentation Ceremony on 21 August 2017 at the mosque in Kampung Buda. Also present at the Ceremony were Mr Philip Choo Kwong Hui, Honorary

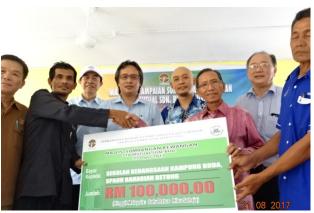


Photo: Datu Sarudu Bin Haji Hoklai (3<sup>rd</sup> from right) handing over a mock cheque to Mr Kon Sepawi, (2<sup>nd</sup> from left) and witnessed by Mr Mohammad Razi Bin Sitam (4<sup>th</sup> from left)

Treasurer of the STA cum
Company Secretary
of STAM, Mr Stephen
Hii Hium Ung, Council
Member of STA and Mr
Paul Lau Ngie Hung,
Assistant General
Manager, Resource
Development Division of
STIDC.

In his speech, Mr Mohammad Razi Bin Sitam thanked both STA and STIDC for their financial assistance of RM173,000.00 provided

to SK Kampung Buda. He also informed the attendees at the Ceremony that he anticipates the new infrastructure to be completed by September 2017. With the new infrastructure in place, parents will no longer have to worry about sending their children to the school.



Photo: The re-building of SK Kampung Buda which is expected to be completed by September 2017

Persatuan Kayu Kayan Sarawak (STA) melalui anak syarikatnya, STA Mutual Sdn Bhd (STAM) telah bekerjasama dengan Perbadanan Kemajuan Perusahaan Kayu Sarawak (PUSAKA) sejak tahun 2012 untuk menambahbaik kemudahan yang terdapat di sekolah-sekolah rendah dan menengah luar bandar di Sarawak.

Sekolah Kebangsaan (SK) Kampung Buda, Spaoh, sebuah sekolah rendah yang terletak di tepi Sungai Batang Saribas, Betong dan mengalami kerosakan teruk semasa tanah runtuh pada bulan Jun 2016 telah dipilih oleh PUSAKA untuk menerima bantuan kewangan dari STA kali ini. Bantuan kewangan awal sebanyak RM73,000.00 telah disampaikan oleh Datu Sarudu Bin Haji Hoklai, Pengurus Besar PUSAKA kepada Encik Kon Sepawi, Guru Besar SK Kampung Buda pada Mei 2017. Walau bagaimanapun, dana tersebut didapati tidak mencukupi untuk membina semula infrastruktur sekolah tersebut. Sehubungan itu, STA telah menghulurkan dana tambahan sebanyak RM100,000.00, yang disampaikan oleh Datu Sarudu kepada Encik Kon dan disaksikan oleh Encik Mohammad Razi Bin Sitam, Ahli Dewan Undangan Negeri (ADUN) Saribas dalam Majlis Penyampaian yang diadakan pada 21 Ogos 2017 di masjid di Kampung Buda.

Encik Mohammad Razi turut memaklumkan semua yang hadir di Majlis tersebut bahawa beliau menjangkakan infrastruktur baru tersebut akan siap menjelang September 2017.

本会通过其全资拥有公司,STA Mutual有限公司(STAM)自2012年以来一直与砂拉越木材工业发展机构(STIDC)共同合作改善砂州乡村地区中小学的设施和设备。STIDC这次选取财务援助木中巴當沙里巴斯河河岸的实巴荷甘榜布达国小。该校在2016年6月期间发生土崩事件,导致学校部份校舍坍塌。

## STA GST Technical Committee Meeting No 2/2017



Photo: Meeting in progress

The STA GST Technical Committee Meeting No 2/2017 was held on 2 August 2017 at Wisma STA, Kuching. The Meeting was chaired by Mr Philip Choo Kwong Hui, Committee Chairman and attended by three (3) Committee Members.

The Meeting received reports on the feedbacks from the Royal Malaysian Customs Department (RMCD) on the issues submitted by Sarawak Timber Association (STA) for clarification in March and in May this year. The issues submitted by STA encompass operational issues faced by its members when implementing GST. The Meeting was also informed that STA's follow-up appeal on the claiming of input tax credits for expenses relating to corporate social responsibility projects has been turned down by the Ministry of Finance.

The Meeting also identified issues to be submitted for discussion in the next RMCD's GST Implementation Technical Committee Meeting which is scheduled to be held before the end of the third quarter of 2017.

STA消费税(GST)技术委员会于2017年8月2日假古晋STA大厦召开本年度第2次会议。会议由委员会主席朱光辉先生主持,共有三名委员会会员出席。

会议接纳由马来西亚皇家关税局(RMCD)回复本会于今年3 月和5月提交给当局要求澄清多件事项的报告。会议也被告 知财政部不接受本会相关企业社会责任项目作为开支进项 的税收抵免诉求。

Mesyuarat Teknikal GST STA Bil 2/2017 telah diadakan pada 2 Ogos 2017 di Wisma STA, Kuching. Mesyuarat tersebut dipengerusikan oleh Encik Philip Choo Kwong Hui, Pengerusi Jawatankuasa dan dihadiri oleh tiga (3) Ahli Jawatankuasa.

Mesyuarat tersebut menerima laporan maklumbalas dari Jabatan Kastam Diraja (RMCD) berkaitan isuisu yang dikemukakan Persatuan Kayu Kayan Sarawak (STA) pada bulan Mac dan Mei tahun ini.

Mesyuarat juga turut dimaklumkan bahawa rayuan susulan yang dikemukakan oleh STA berkenaan tuntutan kredit cukai input bagi perbelanjaan berkaitan projek tanggungjawab sosial korporat telah ditolak oleh Kementerian Kewangan.

# Weight to Volume Conv



Photo: The group measuring the Kelampayan logs in Song



Photo: Group photo at Subur Tiasa Particleboard Sdn Bhd

SARAWAK FORESTRY Corporation (SFC) and Sarawak Timber Association (STA) have decided to conduct the Weight to Volume Conversion Factor Study for both Kelampayan and *Eucalyptus pellita* with the aim to derive the conversion factor which will be used in royalty and cess assessments of these two planted species.

The first series of the Study was conducted from 21 to 24 August 2017 in Sibu with the participation from SFC, Forest Department Sarawak (FDS), Members Companies of STA and STA. This Study was conducted in two (2) locations i.e. Sungai Menari Logpond, Song and Subur Tiasa Particleboard Sdn Bhd, Upper Lanang, Sibu. The samples of Kelampayan were provided by Ta Ann Plywood Sdn Bhd while the samples of Eucalyptus pellita were provided by Rejang Height Sdn Bhd.

The weight, length as well as the overbark and underbark diameters at small end, middle length and big end of the planted logs were measured and recorded from thirty (30) Kelampayan and 30 *Eucalyptus pellita* trees.

Either logs or wood disc samples were also collected from each species and transported to Timber Technology Centre (TTC), Kuching for laboratory testing to determine the basic density, moisture content and bark percentage of the respective species.

The second series of the Study will be conducted in Bintulu.

本会与砂拉越森林机构(SFC)分别在桑坡和诗巫连同进行黄梁木和桉树重量转为体积研究。这旨予找出换算系数并用于评估对这两树种类的权税和版税。大安胶合板有限公司提供黄梁木样本,Rejang Height 有限公司则提供桉树样本。第二系列研究将在民都鲁进行。

## ersion Factor Study for Kelampayan and *Eucalyptus pellita*

SARAWAK FORESTRY Corporation (SFC) dan Persatuan Kayu Kayan Sarawak (STA) bersama-sama menganjurkan Kajian Faktor Penukaran Volum kepada Berat untuk bagi Kelampayan dan Eucalyptus pellita dengan matlamat untuk mendapatkan faktor penukaran yang akan digunakan dalam penilaian royalti dan ses bagi 2 spesies tersebut.

Kajian dilaksanakan di 2 lokasi iaitu Sungai Menari Logpond, Song dan Subur Tiasa Particleboard Sdn Bhd, Upper Lanang, Sibu. Sampel Kelampayan disediakan oleh Ta Ann Plywood Sdn Bhd manakala sampel Eucalyptus pellita disediakan oleh Rejang Height Sdn Bhd.

Siri kedua Kajian akan dijalankan di Bintulu.

# Seminar on Understanding Harmonised Commodity Description and Coding System (HS Code) for Export Product



Photo: Seminar in progress

The Malaysia External Trade Development Corporation (MATRADE) organised a seminar on *Understanding Harmonised Commoditiy Description and Coding System (HS Code) for Export Products* on 29 August 2017 at Hotel Grand Continental, Kuching. The main objectives of this Seminar were to provide the participants, especially exporters in Sarawak the information on The Customs Duty Order (PDK) 2017 and the changes on the tariff structure.

In her welcoming remarks, Ms Leany Mokhtar, Director of MATRADE Sarawak said that she is delighted to see the warm responses from the exporters in Sarawak and urged participants of the Seminar to understand the changes on the tariff structure following PDK 2017. PDK 2017 was gazetted on 3 January 2017 and enforced on 1 April 2017.

Mr Kaddy anak Jukin of the Royal Malaysian Customs Department Sarawak informed participants of the Seminar that product knowledge is essential in order to obtain the correct product coding. The latest amendments in PDK 2017 includes 233 sets of amendments to the section, chapter, heading and sub-heading notes of agricultural sectors (85), textile sector (15), machinery sector (35), chemical sector (45), wood sector (13), bose metal sector (6), transport sector (8) and others (26).

The World Customs Organization (WCO) applied 6-digit code. However, for ASEAN countries, there will be an additional of 2 digits and for the usage within Malaysia, the HS code is at 10 digits.

Mr Zahari Azar Zainudin of Dagang Net Technologies Sdn Bhd briefed participants of the Seminar on the changes in the trade facilitation system in line with the change in the number of HS code from 9 digits to 10 digits as well as the tariff structure. Participants of the Seminar were informed that all declarations and submissions for importations and exportations previously using PDK 2012 has been replaced with PDK 2017 in order to ensure on the uniformity of the implementation procedures for PDK 2017 nationwide. For further details on the implementation of PDK 2017, members can visit http://pdk.dagangnet.com.

马来西亚外贸发展局(MATRADE)于2017年8月29日假古晋大洲酒店举办出口商品协调解释和编码系统通用税则(HS制度)研讨会。 研讨会主要是向参与者,特别是砂州出口商提供2017年关税令(PDK)和关税结构改变相关资讯。

MATRADE砂州局长,乐妮女士在致开幕词时敦促参与者加紧了解2017年PDK关税结构的改变。2017年PDK于2017年1月3日宪报刊登,并于2017年4月1日实施。

参与者从研讨会中了解, PDK 2017已替代PDK 2012的进口与出口报单和提单, 这以确保PDK 2017全国实施程序一致。

Perbadanan Pembangunan Perdagangan Luar Malaysia (MATRADE) telah menganjurkan Seminar Memahami Sistem Penerangan dan Pengekodan yang Harmoni (HS Code) untuk Produk-produk Eksport pada 29 Ogos 2017 di Hotel Grand Continental, Kuching. Objektif utama Seminar tersebut adalah untuk memberi para peserta, terutamanya pengeksport di Sarawak maklumat mengenai Perintah Cukai Kastam (PDK) 2017 dan perubahan ke atas struktur tarif.

Dalam ucapan alu-aluannya, Cik Leany Mokhtar, Pengarah MATRADE Sarawak menggesa para peserta Seminar untuk memahami perubahan ke atas struktur tarif berikutan PDK 2017.PDK 2017 diwartakan pada 3 Januari 2017 dan dikuatkasakan pada 1 April 2017. Peserta Seminar turut dimaklumkan bahawa semua pengisytiharan dan penyerahan import dan eksport terdahulu yang menggunakan PDK 2012 telah digantikan dengan PDK 2017 untuk memastikan keseragaman dalam prosedur pelaksanaan PDK 2017 di seluruh Negara.

# STA Panel Products Committee marketing



Photo: Group picture of the delegates with the Indian participants taken after the meet-up session at Taj Coromandel Hotel in Chennai

Sarawak Timber Association (STA) through its Panel Products Committee successfully organised a marketing mission to India and Sri Lanka from 20 to 28 August 2017. The delegation of eight (8) members and a local coordinator visited Chennai and Kochi both in India and Colombo in Sri Lanka.

The delegation visited Century Ply Board (India) Limited in Chennai and three (3) mills in Kochi namely; Southern India Plywood Industries, Ply Stone Plywood (P) Limited and Jacsons Veneers & Panels PVT LTD. The machineries used in these mills are fully automated; hence they are able to produce thinner face veneer, for example 0.3mm for high grade face veneer and 0.15mm – 0.22mm for lower grade face veneer. These manufacturers are also able to fully utilise the raw materials by integrating the process to produce other products including block board, particleboard and medium-density fibreboard (MDF). They rely heavily on imported raw materials, i.e. logs from European Union, Papua New Guinea, Sarawak, Solomon Islands, Suriname and Uruguay. The delegates also noted with interest the colour dyeing process for plywood using dipping machines.

STA also organised two (2) meet-up sessions with the manufacturers, traders (mainly importers) and end-users of India in 2 venues namely; Taj Coromandel Hotel in Chennai on 21 August 2017 and The Gateway Hotel in Kochi on 23 August 2017. The meet-up session in each venue attracted approximately forty (40) participants. The session started off with information sharing on timber industry in India and Sarawak, followed by individually conducted business During the individual meetings, detailed information were exchanged between the parties and potential joint venture projects were explored on the further processing of plywood from Sarawak into value-added timber products in India. STA is considering setting up its representative office in India for better and more effective dealings with the Indian buyers to further increase market share for plywood from Sarawak.

The delegation had an opportunity to visit an exhibition on building and construction materials held from 25 to 27 August 2017 at Bandaranaike Memorial International Conference Hall (BMICH) in Colombo, Sri Lanka. This 3-day exhibition attracted developers as well as end-users from Bangladesh, India, Maldives and Sri Lanka. The exhibition covered a wide range of building and construction materials including

doors and windows, furniture, floor and wall tiles, interior decor, timber as well as timber panel and veneers.

In the morning of 25 August 2017, the delegation met with Mr P Dissanayake, the Chairman of the State Timber Corporation (STC) and senior officers at the office of STC. STC is a state-owned business organisation which was established in 1968 and functions under the Ministry of Mahaweli Development & Environment. One of STC's functions is to import timber through a tendering system for their

government projects.

The delegation also had a meeting with members of the Sri Lanka – Malaysia Business Council of The Ceylon Chamber of Commerce on 25 August 2017 at the Hilton Colombo Residence. A total of twenty five (25) members including its President, Mr Iqram Cuttilan attended the Meeting. Also present at the Meeting were His Excellency Wan Zaidi Wan Abdullah, the High Commissioner of Malaysia in Colombo, Sri Lanka and Mr Zuaziezie Zulkefli, the Consul (Trade) of the Malaysia External Trade Development Corporation (MATRADE) which is a national trade promotion agency under the Ministry of International Trade and Industry (MITI).



Photo: Group photo with Mr Sujit Dey (centre in first row), Vice President (Overseas), Century Ply Board (India) Limited

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In both Chennai and Kochi, the delegation visited mills and had meet-up sessions with the manufacturers, traders (mainly importers) as well as end-users of India on 21 and 23 August 2017. The sessions started off with sharing information on timber industry in India and Sarawak, followed by business meeting conducted individually.

The delegation had an opportunity to visit an exhibition on building and construction materials held from 25 to 27 August 2017 in Colombo, Sri Lanka and also had a meeting with members of the Sri Lanka – Malaysia Business Council of The Ceylon Chamber of Commerce.

## mission to India



Photo: The delegates admiring the fancy veneer at Jacsons Veneers & Panels PVT. LTD.



Photo: Picture taken with His Excellency Wan Zaidi Wan Abdullah (7th from right) and Mr Iqram Cuttilan (8th from right)

Persatuan Kayu Kayan Sarawak (STA) menerusi Jawatankuasa Panel Produk berjaya menganjurkan misi pemasaran ke India dan Sri Lanka dari 20 hingga 28 Ogos 2017. Delegasi 8 ahli dan penyelaras tempatan melawat Chennai dan Kochi di India dan Colombo, Sri Lanka.

Di kedua-dua Chennai dan Kochi, delegasi melawat kilang-kilang dan mengadakan sesi pertemuan dengan pengilang, peniaga (terutama pengimport) serta pengguna akhir India pada 21 dan 23 Ogos 2017. Sesi-sesi tersebut dimulakan dengan berkongsi maklumat mengenai industri perkayuan di India dan Sarawak, diikuti dengan mesyuarat perniagaan yang dijalankan secara individu.

Delegasi berpeluang melawat pameran mengenai bahan binaan dan pembinaan yang diadakan dari 25 hingga 27 Ogos 2017 di Colombo, Sri Lanka dan juga mengadakan pertemuan dengan ahli-ahli Majlis Perniagaan Sri Lanka - Malaysia daripada Dewan Perniagaan Ceylon.

本会通过其合板/人造板小组成功于2017年8月20日至28 日安排一行8位会员和一位当地协调员代表团前往印度清 奈和柯枝及斯里兰卡哥伦坡进行营销任务。

代表团分别于2017年8月21日和23日假清奈和柯枝参观数间制造厂及出席两场与印度制造商,贸易商(主要是进口商)和木材用户的聚会。双方在聚会中分享有关印度和砂拉越木材业资讯,随后召开单独商业会面。

该团也参观于2017年8月25日至27日假斯里兰卡哥伦坡所举办的建筑材料展览会。本会也安排代表团与斯里兰卡 - 马来西亚锡兰商会理事会会员聚会。

# Technical Committee Meeting No 3/2017 on Implementation of Mandatory Standards and Technical Rules for Plywood

Arising from the concerns of safety and health issues related to the use of plywood in Malaysia, a Technical Committee has been set up by the Malaysian Timber Industry Board (MTIB) to look into the implementation of mandatory Standards and Technical Rules for the use of plywood in Malaysia. MTIB called for a meeting on 7 August 2017 at Menara PGRM, Kuala Lumpur which was chaired by Tuan Haji Mahpar Atan, Director of Industry Development and attended by seventeen (17) persons from related Government Agencies, Trade Associations, the consultant and MTIB.

Apart from discussing matters arising from the previous minutes on the survey carried out by Universiti Pertanian Malaysia, Puan Mahsuri Mat Dris from MTIB made a brief presentation on Supplier's Declaration of Conformity (SDoC), an alternative option that can be used to protect Malaysian consumers against concerns of exposure to high levels of formadehyde emissions arising from using plywood. The Declaration is made on a voluntary basis by suppliers based purely on a business decision, following a review of specified requirements that has been fulfilled.

The Meeting also discussed the next phase of the consultancy to determine the levels of formaldehyde emissions from plywood manufactured in and as well as those imported into Malaysia.

马来西亚木材工业局(MTIB)成立一技术委员会以探讨在马来西亚实施的胶合板标准和技术强制规则。这起源于涉及到在马来西亚使用胶合板相关安全和健康问题。MTIB在其工业发展主任,哈兹马帕先生的主持下于2017年8月7日假吉隆坡民政大厦召开会议。MTIB官员玛苏丽女士简要介绍供应商符合声明(SDoC),一项替代方法以保护马来西亚胶合板消费者减少接触到高浓度甲醛排放量。该声明书是供应商纯粹基于商业决定下自愿进行,并符合审查规定的要求。

Berikutan kebimbangan terhadap isu keselamatan dan kesihatan berkaitan dengan penggunaan papan lapis di Malaysia, sebuah Jawatankuasa Teknikal telah ditubuhkan oleh Lembaga Perindustrian Kayu Malaysia (MTIB) untuk mendalami pelaksanaan Standard dan Peraturan Teknikal mandatori penggunaan papan lapis di Malaysia. MTIB mengadakan mesyuarat pada 7 Ogos 2017 di Menara PGRM, Kuala Lumpur yang dipengerusikan oleh Tuan Haji Mahpar Atan, Pengarah Pembangunan Industri.

Puan Mahsuri Mat Dris dari MTIB membuat pembentangan ringkas mengenai Pengisytiharan Pematuhan Pembekal (SDoC) iaitu pilihan alternatif yang boleh digunapakai untuk melindungi pengguna Malaysia daripada kebimbangan terhadap pendedahan kepada tahap pengeluaran formaldehid yang tinggi, berpunca daripada penggunaan papan lapis. Pengisytiharan tersebut hendaklah dibuat secara sukarela oleh pembekal semata-mata berasaskan keputusan perniagaan dan berikutan pematuhan terhadap kajian ke atas keperluan yang ditetapkan.

# Engagement Session on the Development of HRDF Nat Human Capital Development Blueprint 2018 - 2020 &

The Pembangunan Sumber Manusia Berhad (PSMB) held a session on the *Development of HRDF National Workforce Human Capital Development Blueprint 2018* – 2020 & 2021 – 2025 on 24 August 2017 at PSMB Sarawak Branch Office, Wisma PERKESO, Kuching. The Session was chaired by Mr Mohd Nazri bin Sabri, Head of Transformation Management Office – Planning CE Office – Planning, Strategy & Development Division of PSMB and attended by approximately fourteen (14) representatives from the Associations in Sarawak.

This Session aimed to gather inputs and views from the representatives from the Associations on the draft Human Resource Development Fund (HRDF) Blueprint as well as the current and future roles of HRDF. The Meeting was informed that in fulfilling the Nation's aspiration to attain the status of a developed Nation by the year 2020 and in view of the Industry Revolution 4.0 and its effects on employment and skill requirements, PSMB has appointed the World Bank Group (WBG) to conduct the effectiveness study on HRDF to ensure that all its initiatives are geared towards developing quality human capital and world-class workforce. The effectiveness study on HRDF consists of two main deliverables i.e. the effectiveness of HRDF initiatives and the development of a strategic blueprint for the future. This work plan includes various elements such as an analysis of the impact of HRDF training programmes and an international benchmarking study to identify best practices in Human Capital Development.

Based on the working narrative of the Blueprint highlighted by Mr Mohd Nazri, reforms are needed to fulfil aspiration "to be the human capital development authority..." HRDF will need to continue its transition from traditional "employer-centric" model to more strategic "industrycentric" model. The reforms will involve (i) linkages with industries and employers and (ii) knowledge of human resource development and capacity to deliver training. Some possible actions to ensure these linkages are strongest to employers sectorally and geographically are (i) some decentralization of HRDF operations to local level, identification of training needs for the local/regional economy, building good relationships between industry and training sector; and (ii) strengthening Sectoral Training Councils (STCs). He added that a Regional Training Committee under STCs will be set up for Sabah and Sarawak to identify the training needs of industry.

HRDF will set strategic priorities on the "core activities" on levy collection and training reimbursement model and "extended activities" on HRD programmes with specified objectives with government and pooled-fund financing.

He further explained the priorities for "core activities" are (a) greater registration and levy payment; (b) more training by HRDF firms; and (c) higher quality and more relevant training. The priorities for "extended activities" is the use of pooled fund to be selective and driven by

HRDF's comparative advantages (link with employers and knowledge of workplace training) and they are (a) training and placing retrenched workers (especially B40), exploring role in new Employment Insurance Scheme (EIS); (b) school-to-work transition training and placement for graduates (GENERATE); (c) knowledge and innovation center for HR and training.

He informed participants of the Session that the HRDF blueprint is drafted by WBG. After consultations with HRDF management, board, Sectorial Technical Councils, government and stakeholders, the final blueprint shall be submitted to WBG in November 2017. The blueprint will be used as a guideline to serve HRDF products or services to the stakeholders.

Points and concerns raised by the participants of the Session on the HRDF Blueprint are as follows:

- To engage the Sarawak State Government on the HRDF Blueprint;
- To include all stakeholders in the Regional Training Committee for Sarawak to identify training needs of all the industries in Sarawak;
- iii. To continue HRDF levy for training of existing employees and not for the purposes of training retrenched workers;
- iv. Employment Insurance Scheme (EIS) should be restricted for giving allowances to retrenched worker only and should extend to cover re-hiring, re-training and re-employment programme;
- v. HRDF to focus on trainings in Malaysia and leave the enforcement to other Government agency;
- vi. To ensure there is sustainability of certification course to maintain and improve knowledge, skills and competence of workers in Sarawak;
- vii. To allocate certain portion from the 30% pool fund for the use of enterprises from Sarawak only; and
- viii. To explore online training programmes and give recognition and certify existing employees with certain years of experience.

人力资源发展机构(PSMB) 于2017年8月24日假PSMB砂州分行办事处,古晋社会保险机构大厦举行2018 - 2020年和2021 - 2025年国家人力资源开发蓝图会议。

会议旨在收集公会代表对人力资源开发基金(HRDF)草拟蓝图及HRDF目前和未来角色的建议和意见。 PSMB委任世界銀行集团(WBG)对HRDF进行研究,以确保其所有举措都致力于发展优质人力资本和世界级员工队伍。

最终蓝图将在与人力资源开发部管理层,董事会,部门技术委员会,政府和利益相关者协商后于2017年11月提交予WBG。该蓝图将作为向利益相关者提供人力资源发展战略产品或服务的指导方针。

# ional Workforce 2021 - 2025

Pembangunan Sumber Manusia Berhad (PSMB) telah mengadakan Pembangunan Rangka Tindakan Modal Insan Tenaga Kerja Nasional HRDF 2018 - 2020 & 2021 - 2025 pada 24 Ogos 2017 di Pejabat PSMB Cawangan Sarawak, WIsma PERKESO, Kuching.

Sesi ini adalah bertujuan untuk mengumpul input pandangan dan dari wakil-wakil Persatuan berkaitan draf Rangka Tindakan Pembangunan Sumber Manusia (HRDF) serta peranan semasa serta masa depan HRDF. PSMB telah melantik Kumpulan Bank Dunia (WBG) untuk kaiian menjalankan keberkesanan HRDF dalam memastikan semua inisiatifnva ke arah ditujukan membangunkan modal insan berkualiti dan tenaga kerja yang berkelas dunia.

berunding Selepas pihak dengan pengurusan HRDF. lembaga, Mailis Sektorial, Teknikal kerajaan dan pihak berkepentingan, rangka tindakan akhir dikemukakan akan kepada WBG pada bulan November 2017. Rangka tindakan ini akan digunakan sebagai garis panduan untuk menyampaikan produk atau **HRDF** perkhidmatan kepada pihak-pihak berkepentingan.

# Briefing on Sarawak Timber Legality Verification System Standard - Principles 5 and 6

The Sarawak Timber Industry Development Corporation (STIDC) conducted a series of Briefings on Sarawak Timber Legality System (STLVS) Verification Standard - Principles 5 and 6 for representatives from the downstream timber industry and timber traders in RH Hotel Sibu on 2 August 2017, ParkCity Everly Hotel Bintulu on 3 August 2017. Pullman Hotel Miri on 4 August 2017 and finally in Riverside Majestic Hotel Kuching on 15 August 2017.



Photo: Briefing in progress

The objectives of these Briefings were to provide an overview on the requirements stipulated in the STLVS Standard particularly Principle 5 - Mill Operations and Principle 6 - Trade and Customs, as well as on the procedures in relation to the issuance of a Certificate of Compliance by STIDC.

In the welcoming remarks by Puan Dayang Nena Abang Bruce, Senior Assistant General Manager of STIDC, she informed participants of the Briefings that the State forestry agencies led by the Ministry of Urban Development and Natural Resources (MUDNR) had enhanced and further developed the STLVS Standard which allows for a third party verification. She emphasised that the STLVS Standard was developed based on the existing State's forestry Laws and Regulations and the verification by a third party on a voluntary basis depending on market requirements. She also said that STIDC will issue a Certificate of Compliance to companies that have successfully gone through a third party audit for Principles 5 and 6 of the STLVS Standard.

Mr Nicholas Andrew Lissem, Manager of STIDC (Industry Planning Section) gave a presentation on the criteria and indicators under STLVS Standard - Principles 5 and 6 as well as the risk assessment involved when purchasing timber and timber products within the supply chain.

Mr Jaddil @ Zaidel Ibrahim, Manager of STIDC (Domestic Trade Section) presented the procedures for the issuance of STLVS Certificate of Compliance for Export. The companies that had successfully gone through a third party audit can apply for a STLVS Certificate of Compliance for Export from STIDC for the consignment of timber products to be exported, as proof of legality.

砂拉越木材工业发展机构(STIDC)于2017年8月2日假诗巫常青酒店,8月3日假民都魯城市花園易威利酒店,8月4日假美里铂尔曼酒店和8月15日假古晋河滨酒店为下游木材工业和木材贸易商举办砂拉越木材合法验证系统(STLVS)标准-原则5和6简报会。

简报会旨在概述STLVS标准中规定的要求,特别是原则5 - 工厂运作与原则6 - 贸易和海关以及关于STIDC合规证书签发程序。

STIDC高级助理总经理蕾娜女士在致开幕词时通知参与者,城市发展及天然资源部(MUDNR)旗下各林业机构已进一步加强与提升STLVS标准和允许第三方验证。STIDC将签发合规证书予成功通过STLVS标准原则5和6第三方审核的公司。

成功通过第三方审核的公司可向STIDC申请STLVS出口合格证书以作为出口木材产品的合法证明。

Perbadanan Kemajuan Perusahaan Kayu Sarawak (STIDC) telah mengadakan beberapa siri taklimat mengenai Standard Sistem Verifikasi Kesahan Kayu Sarawak (STLVS) - Prinsip 5 dan 6 untuk wakil-wakil dari industri perkayuan dan pedagang kayu di Hotel RH Sibu pada 2 Ogos 2017, Hotel ParkCity Everly Bintulu pada 3 Ogos 2017, Hotel Pullman Miri pada 4 Ogos 2017 dan akhirnya di Hotel Riverside Majestic Kuching pada 15 Ogos 2017.

Objektif Taklimat adalah untuk memberikan gambaran mengenai keperluan yang ditetapkan dalam Standard STLVS terutamanya Prinsip 5 -Operasi Kilang dan Prinsip 6 - Perdagangan dan Kastam, serta mengenai prosedur yang berkaitan dengan pengeluaran Sijil Pematuhan oleh STIDC .

Dalam ucapan alualuan oleh Puan Dayang Nena Abang Bruce. Pengurus Penolong Besar Kanan STIDC. beliau memaklumkan kepada peserta Taklimat agensi-agensi bahawa perhutanan negeri yang diketuai oleh Kementerian Pembangunan Bandar dan Sumber Asli (MUDNR) telah mempertingkatkan membangunkan Standard STLVS yang membenarkan pengesahan pihak ketiga. STIDC akan mengeluarkan Sijil Pematuhan kepada syarikat yang telah berjaya melalui audit pihak ketiga untuk Prinsip 5 dan 6 Standard STLVS.

Syarikat-syarikat yang berjaya melalui audit pihak ketiga boleh memohon Sijil Pematuhan STLVS untuk Eksport dari STIDC untuk konsainan kayu yang akan dieksport, sebagai bukti kesahihan.

# The International Conference



Photo: The Chief Minister of Sarawak delivering his Keynote Address

The world population is estimated to reach 9.7 billion by 2050. Agricultural production is expected to double or triple to feed this multitude of people and there will be increasing demands for healthy, sustainable and equitably produced food. Thus, smarter solutions via the technological revolution which is sweeping across the globe are needed to succeed in this mission. Digital technology development and adoption is seen as one of the key solutions to transform the business of agriculture.

Agriculture is the fourth largest contributor to Sarawak State's economy. In 2016, the sector contributed about 14% to the State's economy and provided approximately 300,000 employment opportunities for its people. It has also contributed in poverty alleviation and uplifted the livelihood

of the people, particularly those in the rural areas. The State Government is currently undertaking initiatives to transform agriculture for greater productivity and sustainability as well as optimising agribusiness based on new and innovative business models and processes.

This year the International Conference on Agriculture and Agro-based Industry 2017 (ICAAS 2017) was held from 21 to 22 August 2017 at Borneo Convention Centre Kuching (BCCK). ICAAS 2017 featured twenty one (21) eminent local and international speakers and industry experts who discussed and shared insights on current pressing issues, challenges, trends and opportunities in agriculture and the agro-based industry.

In conjunction with the Conference, an exhibition with eighty one (81) booths was also organised to give opportunities to local entrepreneurs, institutions and organisations to showcase their new ideas, products and innovations.

In his Welcoming Speech, Datuk Amar Douglas Uggah Embas, the Deputy Chief Minister of Sarawak and the Minister of Modernisation of Agriculture, Native Land and Regional Development said that ICAAS 2017 is timely and important as it provides a platform for speakers from various countries and fields of expertise to share their knowledge, experience as well as ideas with the delegates that could eventually be adopted by the state in its effort to modernise and commercialise the agriculture sector.

With the theme "Transforming Agriculture through Commercialisation & Digital Technology", he strongly believes that it is very appropriate to realise the great potential of the agriculture sector in the State. The Ministry is given the full responsibility to lead and drive the transformation of the agriculture sector through modernisation and commercialisation initiatives.

In his Keynote Address, Datuk Amar Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg, the Chief Minister of Sarawak said that he would like the sector to be competitive, vibrant, dynamic, sustainable and capable to generate more new innovative businesses and high value employment opportunities.

He shared with the participants of the Conference, the vision of the State's Agriculture Sector which is "The Net Exporter of High Quality Agriculture Produce and Products that Meet the Needs of Both Domestic and Global Markets". He added that the State Government aims to increase the self-sufficiency level (SSL) targets in food such as rice from 53% to 60%, fruits and vegetables from 60% to 65%, fisheries from 92% to 100% and beef from 10% to 50%.

In noting that the State has a challenging task ahead in transforming its agriculture sector, he pointed out that the people, especially the youth, need to change their

# on Agriculture and Agro-based Industry 2017



Photo: Participants at the Conference

perception that agriculture is associated with low wages, intensive labour, low applications of technology, traditional agriculture practices, insufficient injection of capital, unorganised farming communities, poverty and that agriculture is all about rural areas.

For the State to achieve the vision and its objectives, he said the State needs to have innovative and effective strategies as well as initiatives. We need to adopt the latest agricultural technology and take full advantage of the opportunities provided by advances in digital technology.

He added that the State Government is setting up a special purpose vehicle (SPV) to attract more private sector investments, promote trade to enable the agriculture products to enter the global market. Apart from conventional banking, the financing model for the agriculture sector will also be strengthened through venture capital. For this purpose, an allocation of RM100 million has been approved.

The Conference was later launched by the Chief Minister.

The objectives of ICAAS 2017 were:

- To share knowledge and best practices in agriculture and the agro-based industry;
- To explore effective agriculture delivery systems in order to facilitate transformation of the agriculture sector: and
- To identify opportunities in the utilisation of digital technology to leapfrog the development of sustainable and competitive agriculture.

The Conference attracted the participation of approximately 2,200 delegates from the public sector, local and international agribusiness sector, entrepreneurs, researchers and academicians from the ASEAN region.

The two-day Conference was divided into the following four (4) Tracks with a total of 21 papers presented.

#### Track 1: Modernisation and Commercialisation of Agriculture – Scenario and Trends

This track looked at global observation and direction on the prevailing and anticipated future trends and technology in the modernisation and commercialisation of the agriculture industry in view of the current and emerging geo political

scenarios, climate change issues, rising expectations of the population and increasing demand. The future for agriculture is very much dependent on identifying key developments as well as critical government policies and drivers to champion the agriculture industry in a competitive global environment.

#### Track 2: Journey towards Transformed Agriculture

This track showcased success stories in the various sub sectors of the agriculture industry with examples on initiatives and innovation in overcoming key challenges in end-to-end organisation, production, export compliance, marketing and promotion, transport and logistics, and sustainable business practices.

# Track 3: Stakeholders' Integration along the Supply Chain

This track focused on the enabling factors and environment as well as strategies along the supply chain to transform agriculture to be competitive globally. This includes new innovations and approaches to address pre and post harvest agricultural processes. The related processes are branding, marketing, business models, financing and human resource capacity building.

#### **Track 4: Digital Agriculture**

This track focused on harnessing the power of digital technology and integrating digital tools for real time informed decisions and smart agriculture applications to leapfrog the agriculture industry in Sarawak to be modern, competitive and sustainable. It looks at ways to keep abreast with the fast changing technology and innovation in agriculture.

砂州政府目前正在采取举措开展农业转型以提高生产率和 可持续性与根据新创新的商业模式和流程优化农业综合企 业。

2017年砂州农业与农基工业国际大会(ICAAS 2017)于2017年8月21日至22日假古晋婆罗洲会议中心举办。 首长拿督巴丁宜阿邦佐哈里为ICAAS 2017主持开幕。

#### ICAAS 2017旨予:

- 分享农业与农基工业知识和最佳实践;
- 探索有效的农业输送系统以促进农业部转型;和
- 确定数码和高科技应用机会以跨越发展可持续和有竞争力的农业。

大约2,200位来自政府部门,本地和国际农业综合企业者,商家,东盟地区研究员及学者踊跃参与此大会。

为期2天的大会分成4组,共呈现21张研究论文。

sedang Negeri Kerajaan melaksanakan inisiatif untuk mengubah pertanian menjadi lebih produktif dan mampan mengoptimumkan serta perniagaan pertanian berdasarkan model dan proses perniagaan yang baru dan inovatif.

Tahun ini Persidangan Antarabangsa Pertanian dan Industri Asas Tani 2017 (ICAAS 2017) telah diadakan dari 21 hingga 22 Ogos 2017 di Pusat Konvensyen Borneo Kuching (BCCK) dan dilancarkan oleh Ketua Menteri Sarawak, Datuk Patinggi Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg.

Objektif ICAAS 2017 adalah:

- Untuk berkongsi pengetahuan dan amalan terbaik dalam bidana pertanian dan industri asas tani:
- Untuk meneroka sistem penyampaian pertanian yang berkesan untuk memudahkan transformasi sektor pertanian; dan
- Mengenal pasti peluang dalam penggunaan digital teknologi untuk melonjakkan pembangunan pertanian mampan dan berdaya saing.

Persidangan tersebut menarik penyertaan kira-kira perwakilan dari sektor awam, perindustrian dan sektor antarabangsa, usahawan, penyelidik dan ahli akademik dari rantau ASEAN.

Persidangan dua hari itu dibahagikan kepada 4 kumpulan berikut dengan sejumlah 21 kertas kerja dibentangkan.

## MEF - ILO Semin

The Malaysian Employers Federation – International Labour Organisation (MEF - ILO) seminar on Forest Workers Management was held on 17 August 2017 at the Melia Hotel, Kuala Lumpur. The objectives of the Seminar were to address the issues faced by employers in the management of foreign workers and to obtain feedback on the latest developments in the startup resources employer guides that were suggested by ASEAN Employers' Resource Centre.

The four (4) papers presented in the Seminar are as follows:-

#### 1. Foreign Workers in Malaysia - Current Issues and Challenges

- by Datuk Haji Shamsuddin Bardan, MEF Executive Director

The speaker highlighted many issues and challenges on the recruitment, employment and repatriation of foreign workers as well as the employer's concerns and difficulties in keeping up with the ever changing Government policy on hiring of foreign workers. In addition, Malaysia also faced an increase in the outflow of the country's funds through foreign workers' remittance, e.g. the remittance value in year 2012 was RM18 billion and this was increased to RM30 billion in 2015 and RM34 billion in 2016.

He also highlighted the MEF survey results on Management of Foreign Workers 2016 revealed the many reasons for employers recruiting foreign workers such as i) high turnover rate of local employees, ii) foreign workers are willing to work harder, iii) difficult to find local employees to perform 3D jobs, iv) lower absenteeism among foreign workers, v) shortages of local employees, vi) unwillingness of local employees to work long hours, etc. High turnover rate of local employees is the most frequently quoted reason for hiring foreign workers.

He then highlighted a number of ad-hoc policies such as the hike in foreign worker levy, freeze in recruitment of foreign workers, legalisation and rehiring program of foreign workers as well as the intake of 1.5 million foreign workers from Bangladesh from G to G and G to G plus which disrupted business operations resulting in losses of millions of Ringgit. He stated that a holistic review for foreign workers policy is needed to ensure better management of foreign workers and the elimination of illegal foreign workers. This can be achieved through streamlining current processes to one-window process.

#### 2. Fair Recruitment and Migration Costs

- by Ms Tang Miaw Tiang, ILO Consultant

The speaker gave an overview and the driving forces behind migration in ASEAN, such as demographic evolution, economic growth, labour shortages and wage differentials among countries of origin and destination.

She also highlighted the international perception of fair migration as included in one of the eight (8) action points in the United Nations Secretary General Statement at the UN High Level Dialogue on Migration and Development 2013, which is to reduce migration costs. The ILO's Tripartite Technical Meeting on Labour Migration (2013) urged the ILO to develop guidance to promote recruitment practices that respect the principles in International Labour Standards. She then elaborated what is migration cost according to ILO and World Bank-led Global Knowledge Partnership on Migration and Development (KNOMAD) initiative survey which started in 2013. The results from KNOMAD survey revealed that it is cheaper to get jobs directly from employers rather than recruiters and migrants also get higher paying jobs in this manner.

She then talked about the General Principles & Operational Guidelines for fair recruitment which was endorsed by ILO Governing Body in October 2016 and highlighted that these ILO Guidelines are non-binding and are intended

# ar on Foreign Workers Management

to cover the recruitment of all workers, within or across national borders. Some general principles highlighted are i) recruitment to take place in a way that respects internationally recognised human rights, including those expressed in International Labour Standards, ii) no recruitment fees or related costs should be charged to, or otherwise borne by, workers or jobseekers, iii) freedom of workers to move within a country or to leave a country should be respected, iv) workers should be free to terminate their employment without the employer's permission, v) workers should have access to free or affordable grievance and other dispute resolution mechanisms irrespective of their presence or legal status in a State.

# 3. Impact of EICC Code of Conduct on Electronics Industry – Employers' Perspective

 by Mr Bakhtiar Dollah, Department Manager, HR Department of Shinko Electronics (M) Sdn Bhd

The speaker explained that the Electronic Industry Citizenship Coalition (EICC) is the world's largest industry coalition dedicated to the electronics' supply chain founded by 8 pioneer members. Currently, EICC membership has grown to 100. EICC Code provides guidelines on social, environmental, and ethical aspects to the global electronics' supply chain.

He highlighted that EICC requires its members to adopt EICC Code, become a participant, declare its support for EICC Code and actively pursue conformance to EICC Code as well as its standards in accordance with a management system. He then explained the five (5) sections of EICC Code; namely i) Labour, ii) Health and Safety, iii) Environment, iv) Ethics and v) System to Manage Conformity to EICC Code.

He also briefed participants of the Seminar on the impacts of compliance to EICC with regard to employers. He emphasised that conforming to EICC Code means that workers shall be free to leave or terminate their employment at any time resulting in a shortage of manpower, loss of recruitment cost and incurring additional costs for the replacement of workers which may cause financial strain for company and if it is not properly managed.

# 4. ILO Migrant Resource Centre Toolkit for Employersby Mr David Lowe, ILO Consultant

The speaker highlighted that fair treatment of migrant workers is a current hot topic. The current practices under scrutiny are retaining passports, restricting free movement, non-payment of wages, no rest days, fees which workers are unable to repay, transferring workers to other employers, sub-standard accommodation and change in employment entitlement.

He briefed participants of the Seminar on the project which ILO is currently undertaking for fair treatment of migrant workers and labour mobility. The scope of this Project also



Photo: Mr David Lowe presenting his paper

includes skills and labour shortages, immigration and vocational training policies as well as opportunities for both sending and receiving countries.

He then highlighted the start-up resources employer guides as suggested by the ASEAN E m p I o y e r s '

Resource Centre which amongst others include the following Employer Guides; namely i) General Guide to Hiring Migrant Workers, ii) Alternatives to Retaining Passports, iii) Allowing Free Movement of Foreign Workers, iv) Hiring Workers with Overseas Work Experience and v) Who Pays and for What.

马来西亚雇主联合会 - 国际劳工组织(MEF - ILO)于2017 年8月17日假吉隆坡美利亚酒店举办森林员工管理研讨 会。该研讨会旨于讨论雇主在管理外劳时所面对的问题及 索取关系东盟雇主资源中心所提出启动雇主资源指南最新 进展的反馈。

研讨会共发表4份如同英文版中列出的课题报导

Seminar Persekutuan Majikan Malaysia-Organisasi Buruh Antarabangsa (MEF-ILO) berkaitan Pengurusan Pekerja Hutan telah diadakan pada 17 Ogos 2017 di Hotel Melia, Kuala Lumpur.

Objektif Seminar tersebut adalah untuk menangani isu-isu yang dihadapi para majikan dalam menguruskan pekerja asing serta mendapat maklum balas mengenai perkembangan terkini dalam permulaan panduan sumber majikan yang dicadangkan oleh Pusat Sumber Majikan ASEAN.

# Twelfth Asia-Pacific Economic Cooperation Exper

In conjunction with the Asia-Pacific Economic Cooperation (APEC) Senior Officials' Meeting (SOM 3) and Related Meetings which were held from 15 August 2017 to 30 August 2017 at Ho Chi Minh, Vietnam, the APEC Experts Group on Illegal Logging and Associated Trade (EGILAT) met and conducted the following activities from 18 to 22 August 2017:



Photo: Malaysia delegates

- Workshop on Customs Best Practices to Identify Illegal **Timber and Wood Products**
- Anti-Corruption and Transparency Working Group (ACTWG) Pathfinder Dialogue IV
- iii. 12th Experts Group on Illegal Logging and Associated Trade (EGILAT) Meeting

The Malaysian delegation comprised seven representatives and was led by Mr Mad Zaidi Mohd Karli, Senior Undersecretary from Ministry of Plantation Industry and Commodities (MPIC).

#### Workshop on Customs Best Practices to **Identify Illegal Timber and Wood Products**



Photo: Workshop on Customs Best Practices

The Workshop on Customs Best Practices to Identify Illegal Timber and Wood Products was held on 18 and 19 August 2017 at Caravelle Saigon Hotel, Ho Chi Minh, Vietnam.

In his Welcoming Remarks, Mr Nguyen Van Ha, Deputy Director General of Vietnam Administration of Forestry, Ministry of Agriculture and Rural Development of the Socialist Republic of Vietnam mentioned that the Workshop provides the place where APEC members can share experiences, best customs practices and tools to help them identify illegal timber so as to completely eliminate it from the supply chain and from the global timber trade act. An effective measure that Vietnam has taken to prevent illegal wood trade is stepping up on the customs force's anti-smuggling activities. Its customs agencies have increased its efforts in managing imported wood, collecting information on businesses with violations in wood business and classifying these firms as high risks of illegal wood trade so as to have timely control measures.

Ms Jennifer Prescott, Assistant US trade representative for environment and natural resources mentioned that the trading of illegal wood products did not only have a devastating effect on biodiversity but also negatively affected the price of legal wood products as well as the legal and sustainable management of forests. Illegal wood trade has become complicated, requiring APEC

economies to work together to create stricter control tools to solve the problem. APEC economies account for around 53 per cent of the world's forests, 60 per cent of global production of timber products and 80 per cent of global trade in timber products. Statistics from the International Trade Centre (ITC) show that global wood and furniture exports reached US\$127 billion and US\$233 billion respectively in 2016, with an increase of 7.9 per cent and 10.8 per cent from 2012. However, illegal timber trade accounted for 10 to 30 per cent of global timber trade, with an estimated annual value of \$100 billion to \$300 billion.

A total of eighteen (18) papers were presented during the Workshop which focused on protocols and methodologies for targeting shipment of illegal wood; best practices for forensic timber identification for customs professionals: legal wood product certification programs; protocols for documentation and data review to monitor compliance and legality of wood product; traceability systems and sectoral approaches to combating illegal timber; and taking appropriate actions in the event of an illegal shipment of wood product.

#### **Anti-Corruption and Transparency Working** Group (ACTWG) Pathfinder Dialogue IV

The APEC Pathfinder Dialogue IV on Fighting Corruption and Illicit Trade across the Asia-Pacific Region was held on 19 and 20 August 2017 at Rex Hotel, Ho Chi Minh, Vietnam. The Dialogue is an initiative to meet the call by APEC Ministers and Leaders to fight the corruption that fuels and facilitates illicit trafficking that is harmful to APEC economies, markets, and communities. APEC economies, including representatives of the Anti-Corruption and Transparency Experts Working Group (ACT), the Expert Group on Illegal Logging and Trade (EGILAT) and other relevant APEC sub-fora attended this one and half day Dialogue.

On the first day, presenters shared with the participants of the Dialogue on corruption as a driver of illegal logging and ways to combat corruption in the forest products trade in customs' environment.

On the second day, presenters discussed new momentums for combating corruption in wildlife trafficking and ways to work with civil society to combat corruption as a facilitator of wildlife trafficking, detect and disrupt wildlife trafficking

# ts Group on Illegal Logging and Associated Trade

using anti-money laundering as well as asset confiscation techniques. In the group discussions, the participants of the Dialogue shared success stories in addressing law enforcement integrity, looked into training programs for anti-corruption officials as well as cooperation with the private sector in combating wildlife trafficking and corruption.

# 12<sup>th</sup> Experts Group on Illegal Logging and Associated Trade Meeting



Photo: EGILAT Meeting in progress

The 12<sup>th</sup> APEC Expert Group on Illegal Logging and Associated Trade (EGILAT) Meeting was held from 20 to 21 August 2017 at Kim Do Hotel, Ho Chi Minh, Viet Nam. A total of sixteen (16) economies attended the Meeting; namely Australia, Canada, Chile, China, Indonesia, Japan, Korea, Malaysia, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Chinese Taipei, United States and Viet Nam. The Meeting was chaired by Dr Ruth Turia.

The representatives from Australia, Japan, Korea, Indonesia, the Philippines and Peru made presentations relating to combating illegal logging and promoting trade in legal forest products while the representative from Korea informed the Meeting on their revised Act on Sustainable Use of Timbers which will come into force on 21 March 2018. The products in scope are raw timber, lumber, antidecay wood, fire retardant treated wood, laminated wood and plywood with HS code of 4403, 4407, 4408, 4409 and 4412.

The Meeting noted that it had achieved most of the planned activities under its 2017 Work Plan and the remaining activities will be captured in the 2018 Work Plan. This Plan will be developed by a team of core group members which consists of the Chair, the incoming host economy, the APEC Secretariat and Australia, USA, Canada, Chile and Peru.

The Meeting then discussed at length on the Draft EGILAT Multi-Year Strategic Plan 2018 – 2022. As there was no consensus reached, the Meeting agreed for the economies to send in their comments and inputs for the consideration of EGILAT 13 at the Senior Official Meeting 1 in 2018. The Meeting noted that a few economies are still developing their Timber Legality Guidance Template (TLGT) while others have not yet worked on theirs but agreed to complete the TLGTs by SOM 1 2018.

The representative from Korea also gave an update on the arrangement of the 4th APEC Meeting of Ministers Responsible for Forestry (MMRF4) to be held at Westin Chosun Hotel in Seoul, South Korea from 30 October to 1 November 2017. Korea encouraged participation from economies at the Senior Ministerial level. Three (3) Sessions will be held during the MMRF4; namely Session 1: Efforts to increase forest cover in APEC Region, Session 2: Cooperation to combat illegal logging and associated trade and Session 3: Forest in future. The expected participants are Forestry Ministers, senior officials of APEC and senior representatives from international and regional forest-related organisations.

As this is the last term for the current Chair, the Meeting took note on the procedure for the election of the new EGILAT Chair for 2018-2019. Indonesia has indicated its interest to submit a candidacy to the APEC EGILAT Program Director.

The next EGILAT Meeting will be held in January 2018 at Port Moresby in Papua New Guinea.

基于配合2017年8月15日至30日假越南胡志明市举办的亚太经济合作组织 (APEC) 第3届高官会议(SOM3)与各相关会议,APEC非法采伐与相关贸易专家小组(EGILAT)于2017年8月18日至22日会唔并召开以下会议:

- i. 海关最佳识别非法木材和木制品方式工作访
- ii. 第4届反腐败与透明化工作组(ACTWG)对话会
- iii. 第12届EGILAT会议

马来西亚代表团7名会员参与会议,由马来西亚种植与原产业部(MPIC)高级副秘书长玛扎迪莫卡里先生(译音)率领。

海关最佳识别非法木材和木制品方式研讨会于2017年8月 18日至19日假越南胡志明市卡拉维拉西贡酒店举行。越南 农业和农村发展部旗下林业局副局长阮凡哈先生(译音) 在致欢迎词时表示,此研讨会为亚太经济合作组织 (APEC) 成员提供分享经验的平台,并讨论最佳海关实践和工具帮 助他们识别非法木材以便从供应链和全球木材贸易行业中 彻底消除非法木材。美国环境与自然资源部贸易助理代表 珍妮弗普雷斯科特小姐(译音)表示非法木制品贸易不仅 对生物多样化产生破坏性影响,也对合法木制品的价格以 及森林合法性和可持续管理带来负面的影响。

第4届亚太经济合作组织 (APEC)跨亚太地区反腐败与非法 贸易对话会于2017年8月19日至20日假越南胡志明市雷克 斯酒店召开。对话会作为响应APEC部长和领导人的呼吁,以打击对影响APEC经济、市场和社区相关促成非法贸易的 贪污行为。

第12届亚太经济合作组织(APEC)非法采伐与相关贸易专家小组(EGILAT)会议于2017年8月20日至21日假越南胡志明市金都酒店召开。总共有16个经济体出席由露丝图里亚博士主持的会议。会议告知小组已经完成2017年工作计划中大部分的活动,而其余活动将在2018年工作计划中进行。该计划将由核心小组会员制定。会议也指出,一些经济体仍在制定木材合法指导模板(TLGT),而其他经济体尚未展开,但同意于2018年第一届高官会议(SOM 1)完成TLGT。基于现任主席的任期即将届满,会议讨论2018-2019年新届EGILAT主席的选举程序。下一届EGILAT会议将于2018年1月假巴布亚新几内亚莫尔斯比港召开。

Bersempena Mesyuarat Pegawai-pegawai Kanan Kerjasama Ekonomi Asia Pasifik (APEC) (SOM 3) dan Mesyuarat Berkaitan yang diadakan dari 15 Ogos 2017 hingga 30 Ogos 2017 di Ho Chi Minh, Vietnam, Kumpulan Pakar APEC mengenai Pembalakan Haram dan Perdagangan Berkaitan (EGILAT) bertemu dan menjalankan aktiviti seperti berikut dari 18 hingga 22 Ogos 2017:

- Bengkel Amalan Terbaik Kastam untuk Mengenalpasti Kayu dan Produk Kayu Haram;
- Dialog Pathfinder IV Kumpulan Kerja Pencegahan Rasuah dan Ketelusan (ACTWG)
- iii. Kumpulan Pakar Ke-12 Mengenai Mesyuarat Pembalakan Haram dan Perdagangan Bersekutu (EGILAT)

Delegasi Malaysia terdiri daripada 7 wakil dan diketuai oleh Mad Zaidi Mohd Karli, Setiausaha Kanan dari Kementerian Perusahaan Perladangan dan Komoditi (MPIC). Bengkel Amalan Terbaik Kastam untuk Mengenalpasti Kayu dan Produk Kayu Haram telah diadakan pada 18 dan 19 Ogos 2017 di Hotel Caravelle Saigon, Ho Chi Minh, Vietnam.

Dalam ucapannya, Encik Nguyen Van Ha, Timbalan Ketua Pengarah Pentadbiran Perhutanan Vietnam, Kementerian Pertanian dan Pembangunan Luar Bandar Republik Sosialis Vietnam menyebutkan bahawa Workshop ini menyediakan tempat bagi para ahli APEC dapat berkongsi pengalaman, amalan kastam terbaik dan peralatan untuk membantu dalam mengenalpasti kayu haram agar kayu haram dapat dihapuskan sepenuhnya dari rantaian bekalan dan perdagangan balak alobal.

Puan Jennifer Prescott, wakil Penolong perdagangan AS untuk alam sekitar dan sumber semula jadi mengatakan perdagangan produk kayu haram bukan sahaja memberi kesan buruk terhadap biodiversiti tetapi juga memberi kesan negatif terhadap harga produk kayu sah serta pengurusan hutan lestari.

Dialog Pathfinder APEC IV mengenai Pencegahan Rasuah dan Perdagangan Haram di seluruh Rantau Asia Pasifik diadakan pada 19 dan 20 Ogos 2017 di Hotel Rex, Ho Chi Minh, Vietnam. Dialog ini adalah inisiatif untuk memenuhi desakan Menterimenteri dan Pemimpin APEC untuk memerangi rasuah yang merupakan punca penyeludupan haram yang menjejaskan ekonomi APEC, pasaran dan komuniti APEC.

Kumpulan Pakar Ke-12 Mengenai Mesyuarat Pembalakan Haram dan Perdagangan Bersekutu (EGILAT) telah diadakan dari 20 hingga 21 Ogos 2017 di Hotel Kim Do, Ho Chi Minh, Vietnam. Seramai 16 ekonomi menghadiri Mesyuarat yang dipengerusikan oleh Dr Ruth Turia. Mesyuarat memaklumkan Kumpulan ini telah mencapai sebahagian besar aktiviti yang dirancang di bawah Pelan Kerja 2017 dan selebihnya akan diteruskan dalam Rancangan Kerja 2018. Pelan ini akan dibangunkan oleh sekumpulan anggota kumpulan teras.

Mesyuarat menyatakan bahawa beberapa ekonomi masih membangunkan Templat Pemantauan Kesahan Kayu (TLGT) sementara yang lain belum memulakan namun bersetuju untuk melengkapkan TLGT pada SOM 1 2018. Memandangkan ini adalah penggal terakhir untuk Pengerusi semasa, Mesyuarat meneliti prosedur pemilihan Pengerusi EGILAT baru untuk 2018-2019.

Mesyuarat EGILAT seterusnya akan diadakan pada bulan Januari 2018 di Port Moresby di Papua New Guinea.

The Ministry of Plantation Industries and Commodities (MPIC) together with Malaysian Timber Industry Board (MTIB) and the Malaysian Timber Council (MTC) jointly organised a National Timber Industry Policy (NATIP) Revisit Workshop from 24 to 25 August 2017 at the InterContinental Hotel, Kuala Lumpur. Approximately 160 participants, involving representatives from all relevant stakeholders throughout the country attended the Workshop.

The main objectives of the Workshop were to review the NATIP current export targets and to come out with strategic plans for the next three (3) years to enhance the performance of the timber industry towards 2020. NATIP, launched in year 2009 was aimed to ensure the continuous growth and competitiveness of timber industry in Malaysia. NATIP set a target value for total export of timber and timber products at RM53 billion by 2020. However as at 2016, the export value only stands at RM22.11 billion.

This NATIP Revisit was based on action plans and activities that had been outlined under the seven (7) thrusts of NATIP. This Workshop served as a platform to initiate a roadmap towards the determination of NATIP's direction in line with the agenda of developing the National timber industry.

In his opening speech, Datuk Yogeesvaran Kumaraguru, Secretary General of MPIC called on the timber industry to provide new initiatives in order to assist the Government in planning practical approaches.

The following six (6) presentations were delivered during the Workshop:-

#### Presentation 1: Overview of Timber Industry in Malavsia

- by Dato Dr Jalaluddin Harun, **Director General of MTIB** 

#### Presentation 2: Markets and Promotion for the Timber Industry

- by Datuk Dr Abdul Rahim Nik, Chief Executive Officer of

#### Presentation 3: The Current Status of Timber **Industry in Sabah**

- by Mr Patrick Tan Su Teck, Director of Department of Industrial Development and Research Sabah

# Presentation 4: Status of Timber Industry

- by Puan Hajjah Eda Edan, Manager of Sarawak Timber

# ional Timber Industry Policy Revisit 2017



Photo: Group photo

**Industry Development Corporation** 

# Presentation 5: Challenges Faced by the Malaysian Timber Industry

- by Dato' Low Kian Chuan, Vice President of Malaysian Timber Association

#### Presentation 6: Projected Achievement of NATIP 2020

 by Professor Dr Mohd Shahwahid Haji Othman of Universiti Putra Malaysia and Dr Suzilah Ismail of Universiti Utara Malaysia.

Subsequently, participants were divided into five (5) groups to discuss the 5 main thrusts of NATIP with the respective moderators appointed by MTIB:-

#### Group 1: Raw Material

Moderator: Datuk Borhanudin bin Hj Arshad, Assistant Director General (Operation and Technical), Forestry Department Peninsular Malaysia

#### Group 2: Human Capital

Moderator: Dr Khamurudin Mohd Noor, Faculty of Forestry, Universiti Putra Malaysia

#### Group 3: Marketing

Moderator: Encik Abu Bakar Koyakutty, Senior Director (Products & Services Promotion Division), Malaysia External Trade Development Corporation

#### Group 4: Bumiputera

Moderator: Encik Muhamad bin Idris, Director of Distribution Section and Puan Halina Yahaya, Deputy Director II, Distribution Section of Economic Planning Unit

#### Group 5: Innovation, Technology and Financing/ Incentive/Insurance

Moderator: Encik Ahmad Khairuddin A Rahim, Executive Director (Manufacturing Development), Malaysian Industrial Development Authority

On 25 August 2017, Datuk Seri Mah Siew Keong, Minister of Plantation Industries and Commodities also attended the Workshop. The Minister was pleased with the responses provided by the timber industry during this 2-day Workshop and agreed to a more realistic total export value of timber

and timber products of RM25 billion by 2020 instead of the targeted value of RM53 billion set in 2009. Strategic plans by policy makers and the timber industry players shall be prepared in line to achieve this revised target. The Minister further informed the participants of the Workshop that the 7 Technical Committees set up under NATIP in 2009 will be revived

to ensure all issues and challenges are addressed. This revitalised exercise shall be led by Datuk Yogeesvaran Kumaraguru.

马来西亚种植及原产业部(MPIC)与马来西亚木材工业局(MTIB)连同马来西亚木材理事会(MTC)于2017年8月24日至25日假吉隆坡洲际酒店举办国家木材工业政策(NATIP)复查研讨会。

研讨会旨在审查NATIP当前的出口目标并制定未来三年的战略计划,以提升木材业至2020年的表现。NATIP于2009年推行,旨在确保马来西亚木材业的持续增长和竞争力。

此研讨会作为根据发展国家木材工业议程从而确定NATIP 方向路线图的平台。MPIC秘书长拿督尤基斯瓦兰在致开幕 词中呼吁木材工业提供新的倡议以协助政府制定实践的方 式。

研讨会共呈现如英文版中所列出的6份课题报导。

Kementerian Perusahaan Perladangan dan Komoditi (MPIC) bersama-sama dengan Lembaga Perindustrian Kayu Malaysia (MTIB) dan Majlis Kayu Kayan Malaysia (MTC) menganjurkan Bengkel Semakan Semula Dasar Industri Kayukayan Negara (NATIP).dari 24 hingga 25 Ogos 2017 di Hotel InterContinental, Kuala Lumpur.

Objektif utama Bengkel ini adalah mengkaji semula sasaran eksport semasa NATIP dan melaksanakan rancangan strategik untuk 3 tahun akan datang bagi meningkatkan prestasi industri balak ke arah 2020. NATIP, yang dilancarkan pada tahun 2009 bertujuan memastikan pertumbuhan berterusan dan daya saing industri perkayuan di Malaysia.

Bengkel bertindak sebagai platform untuk menentukan hala tuju NATIP sejajar dengan agenda pembangunan industri perkayuan Negara. Dalam ucapan pembukaannya, Datuk Yogeesvaran Kumaraguru, Setiausaha Agung MPIC menggesa industri perkayuan untuk menyediakan inisiatif baru untuk membantu Kerajaan dalam merancang pendekatan praktikal.

6 kertas kerja telah dibentang semasa Bengkel seperti yang disenaraikan dalam artikel ini.

# PRODUCTION OF LOGS FROM PLANTED FORESTS BY REGION FROM SARAWAK - ACACIA MANGIUM & ALBIZIA SPECIES

PENGELUARAN BALAK DARI 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

Region		May '17	May '16	June '17	June '16	July '17	July '16	Jan - Jul '17	Jan - Jul '16
		Vol (m³)	Vol (m³)						
Kuching	g (ACMG)								
	(ALBZ)								
Sibu	(ACMG)	5,413	4,116	2,188	4,380	5,910	3,275	21,708	16,915
	(ALBZ)								
Bintulu	(ACMG)	136,328	103,912	121,035	115,893	156,565	69,839	921,507	654,634
	(ALBZ)	5,207	3,271	3,036	4,660	6,133	3,763	28,301	24,128
Miri	(ACMG)	78	625	179	582	256	156	1,764	3,180
	(ALBZ)	685	592	542	57	714	133	4,974	3,730
Subtota	al (ACMG)	141,819	108,652	123,403	120,855	162,731	73,269	944,979	674,729
	(ALBZ)	5,893	3,864	3,578	4,717	6,847	3,895	33,276	27,858
Total:		147,711	112,516	126,981	125,571	169,578	77,164	978,254	702,588

Source of data: Sarawak Forestry Corporation Sdn Bhd

# Log Export Notification by the National Plant Protection Organisation (NPPO) of India

The Plant Bio-security and Quarantine Division of the Department of Agriculture (DoA) called a meeting on 4 August 2017 at its office in Kuching to discuss issues pertaining to the corrective measures outlined by DoA, following complaints by the National Plant Protection Organisation (NPPO) of India of live pests found in some consignments of logs. The Meeting was attended by approximately twenty (20) representatives from STA member companies who are currently exporting logs to India, fumigation agencies and a shipping company.

Puan Asmah Salowi, Assistant Director of Plant Bio-security and Quarantine chaired the meeting and gave a presentation detailing the requirements for the export of logs imposed by NPPO India. She also highlighted the responsibility of DoA, as a NPPO of Malaysia in ensuring that phytosanitary regulations imposed by India are complied with, prior to the issuing of Phytosanitary Certificates (PCs).

The Meeting then discussed and shared concerns on the extent of impact in meeting all the corrective measures could have on future export of logs to India. After considering all points of view, DoA urged all members exporting logs to India to adhere strictly to the requirements imposed in order to maintain trade and export.

马来西亚农业部(DoA)旗下植物安全与检疫部门于2017年8月4日在 其位于古晋的办公室召开会议,讨论DoA就印度国家植物保护组织 (NPPO)发现原木有活害虫的投诉所提出的纠正措施。

会议由DoA植物安全与检疫部门助理局长爱丝玛莎罗薇女士主持。她强调DoA身为国家植物保护组织的责任,在发出植物检疫证书(PCs)之前需确保印度实施的植物检疫法规获得遵守。考虑所有意见后,DoA敦促所有出口原木至印度的会员必须严格遵守所实施的条例,以维持贸易和出口。

Bahagian Bio-keselamatan Pertanian dan Kuarantin di Jabatan Pertanian (DoA) telah mengadakan mesyuarat pada 4 Ogos 2017 di pejabatnya di Kuching untuk membincangkan isu-isu berkaitan langkah-langkah pembetulan yang diketengahkan DoA berikutan aduan yang diterima dari Organisasi Perlindungan Tanaman Kebangsaan (NPPO) India di mana perosak hidup telah dijumpai dalam beberapa konsainan kayu dari Malaysia.

Puan Asmah Salowi, Penolong Pengarah Bahagian Bio-keselamatan Pertanian dan Kuarantin mempengerusikan mesyuarat tersebut dan menekankan tanggungjawab DoA sebagai NPPO Malaysia dalam memastikan yang peraturan fitosanitasi yang dikenakan oleh India adalah dipatuhi sebelum Sijil Fitosanitasi (PC) dikeluarkan oleh DoA. Selepas mempertimbangkan semua pandangan yang dikemukakan dalam mesyuarat tersebut, DoA menggesa semua ahli syarikat STA yang mengeksport kayu balak ke India untuk mematuhi syarat, sepertimana diketengahkan DoA bagi tujuan mengekalkan perdagangan dan eksport.

<sup>\*</sup> ACMG - Acacia mangium, ALBZ - Albizia