



December 2008

## STA Update of FLEGT-VPA

STA telah mengadakan siri taklimat mengenai FLEGT-VPA di Miri, Bintulu, Kuching dan Sibu pada 6, 10, 11 dan 17 Disember 2008. Taklimat ini memberikan ahli STA maklumat terkini mengenai FLEGT-VPA, Sistem Jaminan Pengesahan Kayu (TLAS), akses pasaran, Penilaian Teknikal Bersama TLAS Malaysia serta pandangan dan kebimbangan STA tentang perkara ini.

■ STA organised a series of briefings on the Malaysia - European Union Forest Union Enforcement, Governance and Trade Voluntary Partnership Agreement (Malaysia - EU FLEGT VPA) in Miri, Bintulu, Kuching and Sibu on 6, 10, 11 and 17 December 2008 respectively. These briefings aimed to keep Members abreast of matters pertaining to the Malaysia - EU FLEGT VPA ongoing negotiation as well as highlighting the various components of the VPA which comprising a Timber Legality

Assurance System (TLAS), Market Benefits & Capacity Building and Legal Text. Members were also briefed on the findings outlined in the Report by the Joint Technical Evaluation Team on Malaysian TLAS for Sarawak.

Members deliberated on the Sarawak TLAS, particularly on the Principles & Criteria of Legal Timber and Control Procedures and the key findings of the Report. Members gave inputs and raised concerns on the implications the VPA may have on the timber industry in Sarawak. 🌳



*Above: Some of the Members at the briefing in Sibu*

*Left: Dr. Lee Hua Seng, Chief Executive Officer of STA briefing Members in Bintulu*

## Visit by IWPA Representatives

■ On 9 December 2008, Mr. Christian Menggel, the President - Elect, Mr. Brent McClendon, Executive Vice President and Mr. Bong Kiel, from the International Wood Products Association (IWPA) paid a visit to STA. In conjunction with their visit, STA organised a briefing on "Prospect for Imported Wood in the USA in the Near and Long-term" which was attended by representatives from 7 Member Companies.

The briefing by Mr. Brent McClendon, touched on the current buyers' environment in the US, the Lacey Act and regulation by the California Air Resources Board (CARB) on the limit of formaldehyde emission.

According to Mr. McClendon, the US market is currently in recession but there are signs that the market will recover in mid-2009. As US buyers are being asked to prove the legality of their imports, Malaysia is advised to provide legality assurance to these buyers.

As for the Lacey Act, he mentioned that the Act is a new tool that will help US in combating illegal logging. This Act is only applicable to

US importers. Importers will need to fill in the Lacey Declaration Form prepared by the US Department of Agriculture, at the time of import. Products covered by the declaration include commodity products, value-added products and all products containing wood extracts. The declaration must contain the scientific name of the plant (including genus and species) that may be included in the product imported, value of importation, quantity of the plant and the name of the country in which the plant may have been harvested. Further information can be obtained from [http://aphis.usda.gov/plant\\_health/lacey\\_act](http://aphis.usda.gov/plant_health/lacey_act).

On the formaldehyde emission levels regulation under CARB, the limits are set for composite products such as hardwood plywood, MDF and particleboard and products containing any of these products such as cabinets and furniture. Effective 1 January 2009, all composite wood products imported and distributed in California need to be third party certified. Mr. McClendon said that the current challenges are the small number of approved certifiers worldwide and the number of countries with certified companies. ❁



Mr. McClendon briefing Members of STA

Encik Christian Menggel, Encik Brent McCledon dan Encik Bong Kiel wakil-wakil Persatuan Produk Kayu Antarabangsa (IWPA) telah melawat STA pada 9 Disember 2008.

Bersempena dengan lawatan mereka, STA menganjurkan satu taklimat mengenai "Prospek untuk Import Kayu di Amerika Syarikat masa kini dan dalam jangkamasa panjang".

Taklimat oleh Encil Brent McClendon, Timbalan Presiden Eksekutif IWPA menyentuh tentang keadaan pembeli di Amerika Syarikat, Akta "Lacey" dan peraturan "California Air Resources Board" mengenai had tahap pengeluaran formaldehyde.

## STA Panel Products Committee Meeting

Jawatankuasa Produk Panel STA bermesyuarat pada 15 Disember 2008 di Wisma STA, Kuching. Mesyuarat bertukar-tukar maklumat pasaran dan membincangkan keadaan semasa bekalan kayu balak.

Perkara-perkara lain yang dibincangkan termasuklah usaha untuk mengurangkan pelbagai jenis caj, dana untuk membantu ahli-ahli semasa krisis ekonomik dan Malaysia-EU FLEGT-VPA.

■ The STA Panel Products Committee met on 15 December 2008 at Wisma STA, Kuching. The meeting was presided by Mr. Stephen Lau, the Committee Chairman. Members exchanged market information and deliberated on the State's current log supply situation.

The Chairman reported on the Tri-Nation Meeting held in Jakarta on 11 November 2008 where he touched on the market situation of New Zealand, log supply from Russia and Japan's plywood production. Other matters deliberated

in the meeting included the compilation of data and statistics on the plywood trade and export from Sarawak, reduction of various cost i.e. freight charges, glue, flour, a proposal to establish a relief fund to Members for fund advancement during economic crisis and the Malaysia-EU FLEGT-VPA. ❁



Meeting in progress

## Reduced Royalty Rate for Logs and Extension of Time for Payment of Royalty Bills

STA telah diberitahu oleh pihak SFC bahawa kerajaan negeri telah meluluskan kekurangan kadar royalti untuk kayu balak dikurangkan dan perlanjutan tempoh untuk bayaran bil royalti berkuatkuasa mulai 1 Januari 2009.

■ STA received a letter from the Chief Executive Officer of Sarawak Forestry Corporation on 30 December 2008 attaching a letter from the Acting Director of Forests on the above subject. The relevant part of this letter is reproduced below.

*"Please be informed that the State Government has approved the following:*

1. *Reduce the royalty rate for logs under Royalty Class 1(i)A of the First Schedule of the Forests Ordinance [(Section 52(2))] and extend the time for payment of royalty bills by giving a grace period of 3 months for the year 2009 only.*

2. *Single (flat) rate of RM50.00 per m<sup>3</sup> in round or RM100 per m<sup>3</sup> converted for the year 2009.*
3. *Single (flat) rate of RM55.00 per m<sup>3</sup> in round or RM110 per m<sup>3</sup> converted for the year 2010.*
4. *Single (flat) rate of RM65.00 per m<sup>3</sup> in round or RM130 per m<sup>3</sup> converted for the year 2011 onwards.*

*The above-mentioned subject will take effect from 1 January 2009. Please ensure that all necessary actions are taken for smooth implementation." ❁*



## Visit by Ms. Jade Saunders, European Forest Institute

■ On 18 December 2008, Ms. Jade Saunders of the European Forest Institute paid a courtesy visit to STA. Her visit was hosted by the Sarawak Timber Industry Development Corporation. Her entourage includes representatives from the Malaysian Timber Industry Board and the Ministry of Plantation Industries and Commodities

Malaysia.

At STA, she was briefed on the roles and responsibilities of the Association as well as the timber industry of the State. Ms. Saunders is the consultant engaged by the European Commission to look into the campaign to promote FLEGT-licensed timber in the EU market. ❁



One for the album, Ms. Jade Saunders (8<sup>th</sup> from right) together with members from the Ministry of Plantation Industries and Commodities, the Malaysian Timber Industry Board and STIDC

## Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management)

■ The STA and Lincoln University from New Zealand, with the co-operation and support from the Sarawak Forestry Corporation and Forest Department Sarawak, is offering the Postgraduate Diploma in Applied Science (Sustainable Tropical Forest Management) course to relevant personnel with appropriate academic qualifications or field experience nominated by Member Companies of STA for the

purpose of meeting the skill needs for managers and officers in the logging industry.

The main objectives of the Postgraduate Diploma Course are to train management personnel:

- To meet the requirements of SFM in response to the legislation on training.
- To implement Timber Certification

(Continue on Page 5)

Pada 18 Disember 2008, Cik Jade Saunders dari Institut Hutan Eropah telah mengadakan lawatan ke STA. Semasa berada di STA, beliau diberi taklimat tentang peranan dan tanggungjawab Persatuan serta industri perkayuan Negeri. Cik Saunders adalah perunding yang ditugaskan oleh Suruhanjaya Eropah untuk menjalankan kempen promosi sejajar dengan Malaysia-EU FLEGT-VPA.

STA dan Universiti Lincoln di New Zealand, dengan kerjasama Sarawak Forestry Corporation dan Jabatan Hutan Sarawak, sedang menawarkan kursus Diploma Lulusan Ijazah dalam Sains Gunaan (Pengurusan Hutan Tropikal Mampan) bertujuan untuk melengkapkan pengurus dan pegawai industri

perkayuan dengan kemahiran yang diperlukan.

Walaupun kursus ini telah bermula pada September 2008, pencalonan kakitangan dari syarikat ahli yang berminat masih diterima.

Untuk maklumat lanjut, sila hubungi Profesor Madya Hugh Bigsby dari Universiti Lincoln atau Dr. Peter Kho dari STA Training Sdn Bhd.

(Continued from Page 4)

within their Companies.

- To improve efficiency and effectiveness of logging operations.

Although the course has started in September 2008, nominations of personnel by interested member companies for this Course are still accepted. Nominated person(s) should have these following pre-requisite:

- A degree from a recognised

university (in any field). Experience and/or other qualification may also be recognised for entry for those who do not have a degree.

- A good command of the English language.

For further information, please contact Associate Professor Hugh Bigsby of Lincoln University at [bigsbyh@lincoln.ac.nz](mailto:bigsbyh@lincoln.ac.nz) or Dr. Peter Kho of STA Training Sdn Bhd at [peter@sta.org.my](mailto:peter@sta.org.my) or 082-332222. ❁



Left: Visit to one of the local mills in Kuching



Right: Lecture in session

Mulai 26 Disember 2008, Sarawak Forestry Corporation dan Pejabat Wilayah Kuching telah berpindah ke pejabat barunya di alamat berikut. Walaubagaimanapun, alamat-alamat untuk Pejabat Wilayah di Sibul, Bintulu dan Miri tidak berubah.

## New Address & Contact Details of Sarawak Forestry Corporation

With effect from 26 December 2008, the Sarawak Forestry Corporation and its Kuching Regional Office had relocated to the following new premise:-

Lot 218 KCLD  
Jalan Tapang  
Kota Sentosa  
93250 Kuching

Tel: 082-610088  
Fax: 082-610099  
e-mail: [info@sarawakforestry.com](mailto:info@sarawakforestry.com)  
website: [www.sarawakforestry.com](http://www.sarawakforestry.com)

The addresses and contact details for the Regional Offices in Sibul, Bintulu and Miri remain unchanged.

## 2008 in Review .....

### JANUARY ...

Right: The STA Extraordinary General Meeting held on 15 January to consider and vote on the proposed amendments to the Memorandum and Articles of the Association



Above: Presentation of financial contribution to Mr. Salleh Manju, a Forest Department Sarawak staff seconded to STA Training Sdn Bhd, on 22 January to assist him in the reconstruction of his home which was gutted by fire on 3 October 2007



Above: Mr. Ling Beng Hui on behalf of the Sarawak United Association of Private Chinese Secondary Schools Management Board, presenting a memento to Datuk Leo Chai. STA through its wholly-owned company, STA Mutual Sdn Bhd made financial contributions to 14 private Chinese Secondary Schools in Sarawak and to the Board on 22 January



Above: Presentation of STA Scholarships to Ms. Jocelyn Jonip, a local student pursuing a B. Sc degree at Universiti Malaysia Sarawak on 22 January

Right: Scholarship presentation by Daiken Corporation and STA on 22 January. Dr. Yasuo Yoshida (Daiken Miri) and Mr. Keiichi Hino (Daiken Sarawak) presenting the scholarship to Ms. Liew Cai Foon



Left: The STA Panel Products Committee met on 25 January to discuss various issues related to the panel products market and log supply situation. The Committee further met on 6 October and 15 December

(Continue on Page 7)



(Continued from Page 6)

## FEBRUARY ...

Right: STA Chinese New Year Open House. The lions paying their respect to the Chairman of STA and invited guests



Left: Exchanging of Memorandum of Understanding between STA Training Sdn Bhd, represented by Mr. Lau Swee Nguong and Zedtee Sdn Bhd, represented by Mr. Law Kiu Kiong on 22 February for the financial contribution in assisting the company in its research programme on the International Union for Conservation of Nature red listed species at the Anap Muput Forest Management Unit



Right: Mr. Lau Swee Nguong presented letter of achievement and financial contribution to one of the successful trainers on 22 February



Right: STA, representing the Timber Sector, took part in the EKSPOM komoditi in Miri from 22-29 February

## MARCH ...

Right: The out-going Chairman, Datuk Leo Chai, delivering his report at the STA Annual General Meeting held on 31 March

Below: Representatives from STA Member Companies at the Annual General Meeting on 31 March



(Continue on Page 8)



(Continued from Page 7)



Left: The STA Council Members elected on 31 March for the years 2008 and 2009. The Council met on 1 February, 30 April, 29 August and 24 November

Right: The STA Certification Committee met on 7 March, 14 May, 14 November and 18 November. Some of the issues discussed were the Malaysian-EU FLEGT-VPA, forest management certification, High Conservation Value Forest, Forest Stewardship (Malaysia) Sdn Bhd and incentives for Members



## APRIL ...

Right: Presentation of STA Prizes by STA through its wholly-owned company STA Mutual Sdn Bhd on 5 March to the Best Graduating Student and Best Final Year Project Paper from the Faculty of Resource Science and Technology, Universiti Malaysia Sarawak



Below: A meeting was held among Members to discuss logging road usage charge on 14 April



Left: Dr. Sim Soon Liang, an invited speaker for the STA Tea Talk held on 12 April. She spoke on Plant Tissue Culture

Right: The Joint Meeting between the Japan Lumber Importers' Association, the Japan Plywood Manufacturers' Association, the Malaysian Panel-Products Manufacturers' Association and STA held on 21 April in Bangkok, Thailand. They met again on 11 November in Jakarta, Indonesia



(Continue on Page 9)



(Continued from Page 8)

**MAY ...**

Left: The Malaysian Panel-Products Manufacturers' Association and STA had a meeting with the Sabah Plywood Manufacturers and Sabah Timber Industries Association on 12 May in Kota Kinabalu, Sabah

Right: STA Council Members with members of the media during the STA Media Appreciation Night on 23 May



Above: Datuk Wong Kie Yik, Chairman of STA presenting a mock cheque to Mr. Nganten Sukit, Vice President of the Kuching Division Journalists Association. STA made a donation to the Association during the STA Media Appreciation Night on 23 May

**JUNE ...**

Above: Exchange of Memoranda of Understanding (MoU) between Datu Haji Len Talif Salleh, the Deputy Permanent Secretary Ministry of Planning and Resource Management cum Director of Forests Sarawak and Datuk Wong Kie Yik, Chairman of STA in the presence of Y.B. Dato Sri Haji Awang Tengah Ali Hassan, the Second Minister of Planning and Resource Management for collaborative research on 18 June. The first is an Addendum to the MoU signed on 30 September 1996 between the Association and the Government of Sarawak with regards to collaborative work on timber utilisation research and training activities while the second MoU is with regards to the implementation of a project on the reassessment of the conservation status of three genera of Dipterocarpaceae (*Dipterocarpus*, *Dryobalanops* and *Shorea*) in Sarawak



Above: Briefing on High Conservation Value Forest Toolkit for Malaysia by Ms. Ivy Wong Abdullah of WWF-Malaysia on 14 May



Above: Presentation of cheque to the Sarawak Forestry Corporation on 18 June for the project entitled "Viability Assessment of Indigenous Tree Species and Propagation Techniques for Planted Forest Development in Sarawak"

(Continue on Page 10)



(Continued from Page 9)



Left: Presentation of cheque to the Forest Department Sarawak on 18 June for the project entitled "Reassessment of Conservation Status of Three Genera of Dipterocarpaceae (Dipterocarpus, Dryobalanops and Shorea)

Below: Dr. Penguang Manggil delivering his presentation during the briefing session on Environmental Impact Assessment on 10 June, attended by representatives from the Natural Resources Environmental Board, the Forest Department Sarawak, the Sarawak Forestry Corporation, the Sarawak Timber Industry Development Corporation, Harwood Sdn Bhd and members of STA



Below: Dialogue session jointly chaired by Datu Haji Len Talif Salleh and Datuk Wong Kie Yik on 18 June. The session attended by representatives from the Forest Department Sarawak, the Sarawak Forestry Corporation, the Sarawak Timber Industry Development Corporation, Harwood Timber Sdn Bhd and STA Council Members discussed matters related to forestry and timber industry



Below: Welcoming Y.B. Tuan Haji Hamden bin Haji Ahmad, Assistant Minister of Youth Affairs and Tourism to STA Friendship Night held on 18 June



Above: Datuk Wong Kie Yik, Chairman of STA presenting a memento to Datuk Leo Chai, the Immediate Past Chairman of STA for his contribution to the Association

Right: Invited guests to the STA Friendship Night



(Continue on Page 11)



(Continued from Page 10)



Left: Dr. Clem Kuek, the invited speaker for STA Tea Talk on 28 June spoke on Biotechnology

## JULY ...



Above: The Malaysian Timber Association Executive Committee met on 30 June. The Annual General Meeting was also held on the same day

Left (From Right): Mr. Chew Lye Teng, Mr. Yong Teng Koon and Mr. Harnarinder Singh, officers from the Malaysian Timber Certification Council conducted a briefing on the Malaysian Timber Certification Scheme in Kuching on 8 July



Right: Hand over ceremony of a Toyota Hilux by Datuk Wong Kie Yik, Chairman of STA to Mr. Wong Ing Yung of Zedtee Sdn Bhd on 9 July, part of STA's contribution towards the Anap-Muput Community Enterprise Development Project



Above: Participants at the Government Agencies Timber Industry Golf Fellowship, jointly organised by STA and the Sarawak Timber Industry Development Corporation at the Eastwood Valley Golf and Country Club in Miri on 19 July

## AUGUST ...

Right: Members from the Peninsular Malaysia timber industry led by the Malaysian Timber Council visited STA on 4 August



(Continue on Page 12)



(Continued from Page 11)



Left: The STA Forest Plantation Category meeting held on 14 August in Kuching

Below: Mr. Harnarinder Singh of the Malaysian Timber Certification Council giving a briefing on the use of PEFC International Chain-of-Custody Standard (Annex 4) under the Malaysian Timber Certification Scheme on 19 August

Below: Meeting of STA Office-Bearers and Certification Committee Members with Yang Berhormat Datuk Peter Chin, the Minister of Plantation Industries and Commodities on 21 August at the Parliament House, Kuala Lumpur



Left: Members of the STA Moulding Category met on 27 August



## SEPTEMBER ...

Right: The Joint Independent Technical Evaluation Team on the Timber Legality Assurance System Licensing System FLEGT-VPA with members of STA during their visit to STA on 10 September



Left: Ms. Wiwiek Awiati explaining the meaning of conflict during a 2-day Workshop on Introduction to Conflict Management for Natural Resource Management from 25-26 September at Wisma STA



Above: Students from the second intake of the Postgraduate Diploma in Applied Science had their Orientation from 8 to 12 September

(Continue on Page 13)



(Continued from Page 12)

## OCTOBER ...

Datu Haji Len Talif Salleh presenting the prize to the winner of the karaoke singing competition during the Closing Dinner for the Malaysian Forestry Conference hosted by STA on 23 October

## NOVEMBER ...



Professor Dr. Lau Seng (Left Picture) and Mr. Sim Hang Thiew (Right Picture) talked about biofuels and melamine at the STA Tea Talk on 22 November



## SOME VISITORS TO STA ...



Left: Dr. Motoe Miyamoto from Forestry and Forest Products Research Institute Japan on 1 February



Right: Representatives from Bank of Tokyo-Mitsubishi UFJ Ltd on 12 March



Left (From right): Mr. Jedrzej Majewski, Assistant to Honorary Consul and Mr. Andrzej Piluchowski from the Consulate of the Republic Poland on 23 May



Right: Vice-Chancellor Professor Roger Field from Lincoln University New Zealand on 27 June



Above: Representatives from Tokuyama Corporation Japan on 3 August



Above left: Mr. Yuki Okada from the Consulate of Japan, Kota Kinabalu on 25 September



Above right: HE David Collins, High Commissioner of Canada to Malaysia (Middle) in 27 October



Left: Mayor of Kuching City South, Mr. James Chan on 10 November

**Wishing all Chinese Members and Readers**

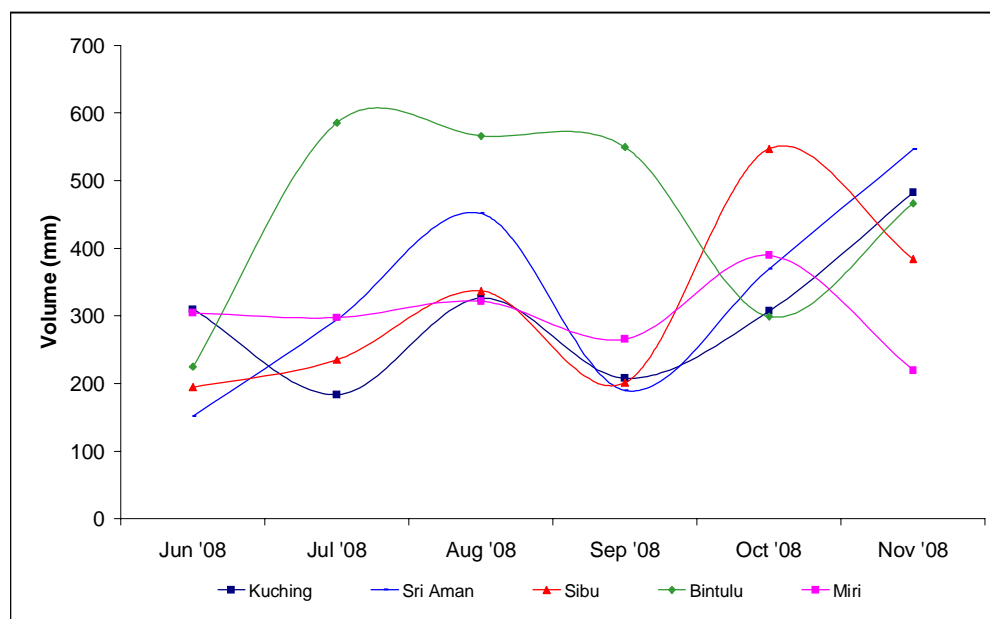
# A Happy & Prosperous Chinese New Year Gong Xi Fa Cai!

**From the Chairman,  
Council Members  
and Management of STA**



Pengerusi, Ahli-ahli Majlis dan pengurusan STA mengucapkan Selamat Tahun Baru Cina kepada semua ahli STA dan para pembaca.

## Rainfall : June - November '08 Kadar Hujan Bulanan



Source : Malaysian Meteorological Services.

**Published by :**  
**Sarawak Timber Association ■ Persatuan Kayu Kayan Sarawak**  
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

**Diterbitkan oleh:**  
**Sarawak Timber Association ■ Persatuan Kayu Kayan Sarawak**  
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: Lee Miing Press Sdn Bhd**  
No. 48, Ellis Road, 93300 Kuching, Sarawak, Malaysia ■ Tel: ++ (60 82) 253303

**STA Review** 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 Officers, Members or Employees shall assume any responsibility or be made liable for any inaccuracies and errors printed; nor are such publication, unless otherwise, stated, necessarily the views of STA, its Officers, Members or Employees. The contents of the Review may be reprinted with prior written permission from STA.

STA Review is mailed free of charge to all STA Members. Paid subscription is also available to non-members. An annual subscription fee of RM 200.00 is charged to organization within Malaysia, and US \$ 300.00 to foreign organizations in other Asian countries, Australia and New Zealand, and US \$ 500.00 to foreign organizations 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.

**Editorial Board**  
**Chief Editor:** Dr. Lee Hua Seng  
**Editor/ Secretary:** Jenny Chen  
**Members:** Dr. Peter C. S. Kho  
Annie Ting  
Jaime Chan  
Erin Tan  
Miriam Hong  
Salfa Kamazura