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## STA Timber Products Marketing Committee's Marketing Mission to India

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

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Photo: (top) Courtesy call to Mr Sanjay Budhia, the Honorary Consul of Malaysia in Kolkata at his office, (bottom) The delegation visiting sawn timber store of a timber products Importer, Mr Akash Goyal

The Marketing Mission to New Delhi and Kolkata, India from 3 to 7 December 2017, organised by the STA Timber Products Marketing Committee, was led by its Chairman, Mr Stephen Hii Hium Ung with the objectives to (i) explore and discuss the trade in timber products, (ii) understand the requirements of the Indian importers and markets, and (iii) establish network with potential importers from New Delhi and Kolkata, India.

The 7-member delegation visited three (3) major timber product companies to explore trade opportunities as well as to understand their requirements. Two (2) dialogue sessions were also

organised with members of (i) the Timber Merchant of New Delhi at the Hyatt Regency New Delhi Hotel, led by its General Secretary, Mr Atul Gard and with (ii) the Calcutta Timber Merchants Association at its office, led by its President, Mr Murarilal Khemka.

The delegation also visited the sawmilling section of Silvertoss Industries Private Limited in Kolkata to see first-hand the different sawn timber sizes that were cut for the different end uses.

The delegation also paid a courtesy call to Mr Sanjay Budhia, the Honorary Consul of Malaysia at his office in Kolkata.

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Based on feedback received from these timber product importers, there is a potential to expand the timber products' market in these 2 cities, especially sawn timber mainly due to the escalating prices as well as the availability of logs from Sarawak. Preferred species of tropical sawn timber are the red species, such as meranti; hard species like selangan batu and generally, kapur and keruing. These timber products are mainly used in the manufacture of door jams and doors for the local Indian market.

Members must explore ways to introduce other species with similar attributes to the

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current preferred species, to the Indian market. Members of the Calcutta Timber Merchants Association sought clarification on some issues such as the reasons for the decreasing trend in log production and the status of forest management certification in the State.

They also exchanged their views on issues and challenges faced when they import timber from Malaysia, such as improved networking, issue of quality of timber products supplied, payment terms and claims. Indian importers are advised to buy only from members of the Association to ensure they are dealing with bona fide timber traders.

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## National Stakeholder Consultation on the Draft National Interpretation of High Conservation Values Identification for Malaysia



Photo: Participants listening attentively to Mr Surin's briefing.

A National Stakeholder Consultation on Draft 2 of the National Interpretation of High Conservation Values Identification for Malaysia (Draft HCV Document) was held from 4 to 5 December 2017 at the Federal Hotel, Kuala Lumpur with the objectives to (i) discuss inputs received from all stakeholders during the previous Regional Stakeholder Consultations and (i) finalise the Draft HCV Document.

The Session, facilitated by Proforest was attended by the relevant stakeholders from Peninsular Malaysia, Sabah and Sarawak. The representatives from the stakeholders in Sarawak were from the Sarawak Forestry Corporation

(SFC), Sarawak Dayak Oil Palm Planters Association (DOPPA), WWF-Malaysia (Sarawak), Malaysian Nature Society (MNS) Kuching, GP Pusaka Sdn Bhd and Sarawak Timber Association (STA) Secretariat.

The Draft HCV Document was guided by general definitions from the Common Guidance for the Identification of High Conservation Values developed by HCV Resource Network (HCVRN) in 2013. As there were differences between countries, the generic values for each HCV categories were qualified according to the local context. Mr Surin Sukswan, Southeast Asia Regional

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### Did you know that.....

Forty per cent of global e-waste comes from Asia. A study reported that there is a strong economic incentive to dump the waste or recycle it with inferior standards as the discarded electronic items contain high-value materials such as gold and silver. However, the e-waste in developing countries are treated with backyard techniques at the cost of the health of the workers and the environment. Therefore, more thoughts need to be given to what more could have been done to prevent adverse human health effects and environmental pollution.

Source: Forty Per Cent Of Global E-Waste Comes From Asia, available at <https://www.scidev.net/asia-pacific/technology/news/forty-per-cent-of-global-e-waste-comes-from-asia.html>

## Did you also know that....

More recognition is given to women and their roles in the global fight against climate change, particularly in activities related to climate adaptation and mitigation as well as implementing process, including technology development and transfer. In the 23rd UN Conference of the Parties on Climate Change (COP23) held in Bonn from 6 to 17 November, a Gender Action Plan (GAP) was developed to create new processes that will enable women to become agents of change for climate change by enhancing the implementation of gender-related decisions and mandates.

Source: *Women's Role Against Climate Change*, available at <https://www.scidev.net/asia-pacific/gender/news/women-role-against-climate-change.html>



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Director of Proforest briefed the stakeholders on the progress of development of HCV Malaysia Toolkit and facilitated the discussion on the Draft HCV Document.

Once the Draft HCV Document is finalised, it will be used by HCV assessors, resource managers and auditors to interpret and identify the presence of HCVs.

The Draft HCV Document will be used to identify the six (6) HCVs in Malaysia's context and to determine the presence of HCVs in the proposed development area i.e. oil palm, commercial farming, forestry and aquatic system.

The stakeholders highlighted several challenges in identifying the HCVs such as the lack in readily-available reference documents and no clear defined boundaries of some priority areas, particularly in Sabah and Sarawak.

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## Meeting between Forest Plantation & Reforestation Division of Forest Department Sarawak and Licence for Planted Forests Holders

A meeting with the Licence for Planted Forests (LPF) holders was held on 14 December 2017 at Wisma Sumber Alam, Kuching and chaired by Mr Wong Siong Kuan, Senior Assistant Director of Forests, Forest Plantation & Reforestation Division of Forest Department Sarawak (FDS) and attended by Dr Glen Mitchell, Manager (Planted Forest Research Program) of Sarawak Forestry Corporation (SFC) and staff from STA Secretariat.

Mr Wong informed the Meeting that the planting target for 2017 has not been achieved by the industry and the total area planted in 2017 which is 12,709 hectares (as at September 2017) showed a decreasing trend since 2014.

He urged the LPF holders to take necessary actions to expedite the tree planting and maintain the planted areas properly until they reach their mature age for harvesting. He further requested the LPF holders to provide reason(s) to FDS for their slow planting progress and to propose the actions that the State Forestry Agencies can take to help expedite the tree planting. Mr Wong also requested the LPF holders to submit their revised Tree Planting Plan (TPP) in both hardcopy and digital shapefile to FDS immediately. The revised TPP shall include the data and information on the plantable, unplantable and other land use areas inside the LPFs. The unplantable areas, if large enough, will be converted into Totally Protected Area (TPA) for conservation purposes. Mdm Josephine Wong Lua Ming, Senior Assistant

Statistical Officer, Geographic Information System (GIS) Unit, Forest Management & Planning Division of FDS briefed the participants of the Meeting on the format and requirement of digital submission of LPF data and information to FDS which needs to be standardised to ease LPF data integration and analysis.

Dr Glen Mitchell explained to the participants of the Meeting on the roles of SFC in the process of seed health testing as required under the Forests (Nursery) Rules, 2017. SFC will not screen seeds for the presence of pathogens for several reasons, amongst others, the difficulties embedded in isolating tree pathogens as they do not grow easily in culture. Instead, SFC will focus on viability tests and fungicide treatment on all imported seeds with no added charges on the storage, handling, fungicidal treatment, germination assessment of any planting material. However, the LPF holders will be charged on the direct cost of the seeds, required documentation and postal fees if SFC assists in the purchase of the seeds on behalf of the company.

The Meeting also discussed on the issues/matters related to the status of the revised planted forests policy, forest plantation certification, land claims inside the LPFs, etc. The LPF holders suggested FDS to appoint a 'one-stop agency' for the submission or application on all matters related to LPF.

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## **Outreach Programme on Industry 4.0**

In line with the world's transformation in the digitalisation and Industrial Revolution 4.0 (IR4) as well as the change of workforce towards mechanisation and automation, the Ministry of International Trade and Industry (MITI) in collaboration with SME Corporation Malaysia organised the Outreach Programme on Industry 4.0 on 11 December 2017 at the Borneo Convention Centre Kuching, Isthmus, Kuching. More than 300 participants from the Ministries, government and public agencies as well as associations attended the Programme.

The objectives of the Programme were to increase the awareness of Small and Medium Enterprises (SMEs) to the benefits and opportunities available through Industry 4.0 as well as giving the future generation exposure to Industry 4.0.

In his Welcoming Speech, Mr Malcom Mussen Lamoh, Assistant Minister for Industrial Development Sarawak, Ministry of Industrial & Entrepreneur Development Sarawak said that the Programme will focus on leading the future workforce and assisting SMEs to understand as well as initiate the execution of necessary changes to their business operations.

This Programme will also function as an effective communication channel between

the Government and industry players to find ways that could further simplify the process.

The Government wants to emphasize the importance of Sarawak SMEs to benefit from the various programmes and initiatives provided by the Government especially in moving towards Industry 4.0 given that Sarawak's SMEs account for 6.7% (61,000) of the total SMEs in the country. Sarawak has no choice but to leapfrog into Industry 4.0, otherwise would be left behind and become irrelevant.

In his Opening Speech, Datuk Chua Tee Yong, Deputy Minister of International Trade and Industry informed participants that similar Programmes have been carried out nationwide since the beginning of 2017. In order for SMEs in Malaysia to survive and remain relevant in the industry, businesses must embrace change and make necessary changes in terms of innovation and interactive business models.

As routine jobs are being phased out by using robots and the adoption of high technology, the Government believes that the SMEs should take this opportunity to upgrade their businesses through the various incentives, allowances and low interest rate loans provided.