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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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## NIOSH and STA Exploring Collaboration in Providing Occupational Safety and Health Trainings for Forestry and Timber Industry



Photo: Meeting between NIOSH and STA

A Meeting between National Institute of Occupational Safety and Health (NIOSH) Sarawak and Sarawak Timber Association (STA) was held on 23 January 2020 at Wisma STA, Kuching.

The Meeting was held to discuss the potential collaboration between the two (2) parties in providing Occupational Safety and Health (OSH) trainings for the forestry and timber industry in Sarawak.

Ms Annie Ting, Chief Executive Officer of STA, in welcoming the representatives from NIOSH, acknowledged the importance of OSH at workplace to minimise occurrences of accidents or work related diseases.

This is evident in STA's years of commitment in working alongside Sarawak Timber Industry Development Corporation (STIDC) and Department of Occupational Safety and Health (DOSH) to organise series of OSH Campaign for its members.

Mr Mohamad Anizan Bin Mohammed Amin, Technical Expert of NIOSH,

shared the background, institutional arrangement and core activities of NIOSH. Besides OSH practitioner's programmes, competency / certificate programmes and trainer's programmes, NIOSH also provides Safety Passport (SP) programmes such as Contractor SP, Oil and Gas SP, Telekom Malaysia SP and Sarawak Energy SP.

SP covers OSH legislation requirements, incident prevention and basic safety at workplace. Trained employees will receive a SP card which includes insurance coverage.



Photo: Mr Mohamad Anizan (4<sup>th</sup> from right) presenting a souvenir to Ms Annie Ting of STA

## STA's Press Statement on Restructuring of the State's Forestry Agencies

The following Press Statement was issued by Sarawak Timber Association in response to the latest exercise by the State Government in restructuring the Forest Department Sarawak and Sarawak Forestry Corporation which took effect on 2 January 2020.

### STA RESPONSES QUESTION TO RESTRUCTURING OF THE STATE'S FORESTRY AGENCIES

With the latest exercise by the State Government in restructuring the Forest Department Sarawak (FDS) and Sarawak Forestry Corporation (SFC) which took effect on 2 January 2020, STA is aware that the functions of both agencies have been streamlined for the intended purpose of stronger focus. And hence, STA hopes to see a much more robust and efficient operational and administrative procedures with the removal of redundancies and duplications.

STA understands that FDS will now handle all operational matters pertaining to forest management, research & development, forest engineering, forest compliance, revenue collection and compliance as well as forest plantations.

As the forestry industry will be greatly impacted, it is important to ensure that the re-assignments of these functions and relevant personnel from SFC to FDS, especially at the regional offices and One Stop Compliance Centres (OSCCs), are performed in a timely manner. All these factors need to be prudently considered to avoid or at most minimise any delays or disruptions to the forest operations on the ground.

STA urges the State Government to bridge the communication gap between the agencies and the industry players on this restructuring and transformation exercise, so that the industry players will have a clear understanding on the new roles and responsibilities of officers in both agencies.

Having a better grasp of the changes will also assure that issues relating to legality compliance and certification are promptly responded to and proactively resolved. STA hopes that all documentations related to statutory requirements under the State forestry laws have already been put in place for a smooth transition.

STA will continue to collaborate and work closely with both agencies to support their objectives in managing the forest resources and in conserving Sarawak's biodiversity.

Sarawak Timber Association  
7 January 2020

To ensure that the forestry industry benefit from this restructuring exercise and further assure that the current systematic arrangements and procedures will not be affected, STA sought the Director of Forest's reassurance for a proper and transparent mechanism to be put in place.

The appeal was made with a request for a briefing to be conducted as soon as possible to STA members, in a letter dated 15 January 2020.

The following is an excerpt from the letter received from the FDS, dated 22 January 2020:

*(Continue on page 3)*



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

Scientists have found that bumblebees, key pollinators of many fruits, vegetables and wild plants are experiencing widespread losses across continents. There are around 250 species of bumblebee in the world and according to International Union for Conservation of Nature (IUCN), declines have been documented in Europe, North America, South America and Asia, caused by a variety of threats that range from habitat loss and degradation to diseases and pesticide use.

*Source: Climate Change: Loss of Bumblebees Driven by "Climate Chaos". Available at <https://www.bbc.com/news/science-environment-51375600>*

(Continued from page 2)

All functions stated below are administered by the respective FDS Regional Office (including Kuching, Sibul, Bintulu and Miri) and FDS Headquarters (FDS HQ) level.

Therefore, you are advised to forward all your applications to FDS in accordance to the following:

No.	Activities	Action by
1	Submission of: (i) General Harvesting Plan (GP) (ii) Detailed Harvesting Plan (DP)/Road Plan (iii) Tree Harvesting Plan (THP) (iv) Annual Harvesting Plan (AHP)	FDS HQ
2	Application for Permit to Enter Coupe (PEC) and Permit to Harvest Coupe (PHC)	FDS Regional Office
3	Endorsement of operations under PEC and PHC	FDS Regional Office
4	Application for range of Log Production Identity (LPI)	FDS Regional Office
5	Application for royalty marking and removal pass (transit)	One Stop Compliance Centre (OSCC)
6	Application for Post Harvesting Block Inspection after completion of harvesting	FDS Regional Office
7	Forest Management Certification compliance issue	FDS HQ
8	Application and approval of Reduced Impact Logging Plan (RILP)	FDS Regional Office
9	Capacity building in supporting Forest Management Certification	FDS HQ
10	Administration of Sarawak Timber Legality Verification System (STLVS)	FDS HQ
11	Reporting of encroachment or illegal logging activities / wildlife trade by outsiders within forest timber licence area	FDS HQ / FDS Regional Office

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## Meeting on Group Distribution of Approval in Principle for Employment of Non-Resident Workers in Sarawak Forestry and Timber Industry

The Sarawak Timber Industry Development Corporation (STIDC) held a Meeting on Group Distribution of Approval in Principle (AP) for Employment of Non-Resident Workers in Sarawak Forestry and Timber Industry at Wisma Sumber Alam, Kuching, on 20 January 2020. The meeting was held to discuss matters and obtain feedback related to AP.

The Meeting, attended by about thirty representatives from the Department of Labour Sarawak (JTK Sarawak), Immigration Department Sarawak and STA members, was chaired by Tuan Haji Hamzah Bin Haji Morshidi, Assistant General Manager (Resource Planning) of STIDC.

He informed that STIDC is currently conducting a study on the matrix for mills manufacturing charcoal, dowel, moulding and furniture as well as forest plantation sector.

Mr Dedua Anak Taim of JTK Sarawak explained that an online system known as "Monitoring System on The Employment of Non-Sarawakians" (MSEN) was

implemented to narrow down the manpower gap between industries and JTK Sarawak.

He added that JTK Sarawak will still verify hard copies of AP applications in addition to e-applications received via MSEN. Once the AP application is approved, employers will be informed through email.

Employers are advised to get in touch with JTK Sarawak if the application has been pending for approval for more than four (4) weeks.

The Meeting agreed to hold regular engagement sessions between the timber industry and relevant government agencies on labour issues in order to better understand situations on the ground and work together to resolve any non-compliance practices.

Standard checklist on the procedure of labour permit application can be obtained at JTK Sarawak offices or its website [www.jtkswk.gov.my](http://www.jtkswk.gov.my).

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## **Meeting between Ministry of Primary Industries and Timber Industry**

A meeting between the Ministry of Primary Industries (MPI) and timber industry was held on 31 January 2020 in Putrajaya. Mr Ravi Muthayah, Secretary General of MPI, chaired the meeting which was attended by representatives from relevant government agencies such as the Malaysian Timber Industry Board, Malaysian Timber Council and Forest Plantation Development Sdn Bhd.

Attendees from the industry at the meeting consists of representatives from Malaysian Timber Association, Malaysian Wood Industries Association, Sarawak Timber Association (STA), Timber Association of Sabah and Persatuan Pengusaha-Pengusaha Ladang Hutan Negeri Kelantan.

Representatives from Ernst & Young Tax Consultants Sdn Bhd, consultant of STA presented the impact of the seven-year limitation to carry forward unabsorbed business losses, unutilised reinvestment allowances and unutilised pioneer losses effective from year of assessment 2019 onto the forest plantation industry.

Prior to year of assessment 2019, these losses and allowances can be carried forward indefinitely.

However, under the new tax law, genuine business cost/ losses and relevant tax incentives not utilised within 7 years are now required to be written off.

This means harsh impact on the forest plantation industry, as the companies in forest plantation have to plough in huge investments to establish and maintain forest plantations.

Their huge investments do not see immediate returns due to the long gestation period of the trees planted which ranges from seven (7) to fifteen (15) years. The Meeting concurred that forest plantation is different from other sectors such as manufacturing which benefits from numerous incentives.

MPI took note of the industry's application to the Ministry of Finance (MoF) to seek exemption from the new tax law for the forest plantation industry.

MPI also assured the meeting that it shall lend its support to the industry with a letter to the MoF to strengthen the industry's application, before the industry meets with representatives from the Tax Division of MoF in February 2020.

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