

# STA REVIEW

Monthly Magazine of Sarawak Timber Association

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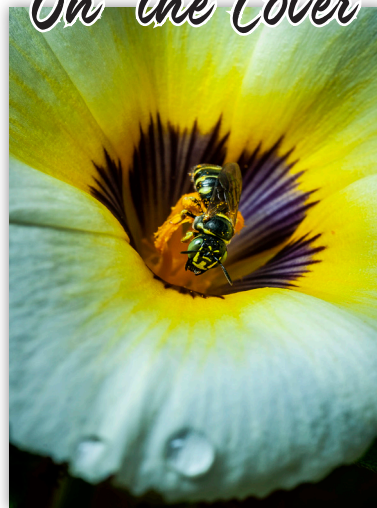


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## On the Cover



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## STA REVIEW

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# STA Panel Products Committee Meeting No.1/2023

## & Engagement Session with Executive Director of International Wood Products Association

Committee members of STA Panel Products met for the first time this year on 21 June 2023 at Wisma STA and unanimously elected Mr Vincent Chieng, Honorary Secretary of STA Panel Products Committee to chair the meeting, in the absence of Committee Chairman Datuk James Ling.

Mr Chieng expressed his opinion on the importance of the meeting to all members who each faces their own sets of challenges to congregate and seek viable solutions amidst the current weak timber market.

The meeting extensively discussed strategies to revitalise the competitiveness of doing business in the timber sector, with the goal of increasing Malaysia's market share in the industry. The meeting also addressed the need to reassess the domestic market and the importation of plywood into Sarawak.

Later that day, the committee members welcomed Ms Ashley Amidon, Executive Director of International Wood Products Association (IWPA) for an engagement session where she learned about the current timber trade in Sarawak, challenges faced and how IWPA can continue providing the right services to its members especially STA. STA is an overseas member of IWPA, a long-term supporter of IWPA's Conservation, Utilisation, Reforestation and Education (CURE) Programme.

Ms Annie Ting, STA Chief Executive Officer presented the roles and functions of STA including its subsidiary companies, timber trade performance, forest management certification in Sarawak, and Sarawak Timber Legality Verification System.

Ms Amidon provided valuable information about the core purpose and initiatives of IWPA. She emphasised that IWPA's primary goal is to foster acceptance and demand for globally sourced wood products from sustainably managed forests in North America. Founded 67 years ago, IWPA holds a unique position as the only United States (US)-based trade association dedicated to the interests of wood importers. Some of IWPA's key objectives include advocating for free and responsible trade, assisting members with compliance, promoting globally sourced wood products, hosting an annual convention, and distributing

weekly E-news to provide critical updates and market intelligence.

Ms Amidon also updated the current situation in the United States of America following the US-China Trade War declared in 2020. She highlighted the ongoing investigation of anti-dumping/countervailing duty on Vietnam, which has been extended for the eighth time, with the decision set to be announced on 14 July 2023. Additionally, Ms Amidon shared insights on the US-Deforestation Policy, which focuses on countering conservation crime and combating international deforestation associated with commodities. She concluded that while the US is unlikely to implement regulations similar to the European

*Pada 21 Jun 2023, ahli-ahli Jawatankuasa Produk Panel STA telah bermesyuarat di Wisma STA bagi membincangkan keperluan untuk penilaian semula pasaran domestik dan pengimportan papan lapis ke Sarawak. Selepas mesyuarat, ahli-ahli jawatankuasa terlibat mengadakan pertemuan dengan Cik Ashley Amidon, Pengarah Eksekutif Persatuan Produk Kayu Antarabangsa (IWPA). Beliau telah berkongsi tentang situasi perdagangan semasa di Amerika Syarikat.*



(Top photo) STA Panel Product Committee Meeting in session;  
(Bottom photo) Mr Alvin Yii (4<sup>th</sup> from left) presents a token of appreciation to Ms Ashley Amidon, Executive Director of IWPA (4<sup>th</sup> from left) following the fruitful engagement session.

Union Deforestation-free Regulation in the near future, regulatory aspects must still be carefully considered.

The Panel Products Committee members took the opportunity to gather updates from Ms Amidon on Lacey Act, a crucial legislation addressing illegal logging and associated trade. They also engaged in a fruitful exchange of ideas and discussed potential collaborative efforts to improve timber exports to the USA.

STA合板/人造板委员会会员于2023年6月21日在STA大厦召开会议，讨论重新评估本地市场和砂拉越胶合板进口的必要性。委员会会员也在会议过后与国际木材产品协会(IWPA)执行董事爱思丽艾米登小姐进行交流会议，以分享美国当前的贸易形势。



# Forest Conservation Conference 2023



The Forest Conservation Conference 2023, organised by Forest Department Sarawak, took place on 12-13 June 2023 at the Imperial Hotel, Kuching. The conference focused on the theme of *“Bridging Conservation and Sustainable Development in Permanent Forests”* with objectives of sharing information about the roles of Permanent Forest Estates (PFEs) in conserving flora, fauna and water catchment areas, promoting stakeholder engagement in conservation efforts within PFEs, and exchanging knowledge and experiences in implementing conservation projects beyond Totally Protected Areas.

Datu Hamden Mohammad, Director of Forests in his welcoming speech highlighted the potential of PFEs as carbon storage areas and their significance for biodiversity preservation, non-timber forest products, water catchment areas, and recreational activities. Currently, Sarawak has designated 3.95 million hectares of PFEs and over 872,000 hectares as Totally Protected Areas. The Sarawak government plans to increase the total land gazetted as PFEs to six (6) million hectares in the future.

Forest carbon initiatives and certification programme, such as the Forest Management Certification (FMC), play a vital role in Sarawak’s sustainable forest management practices. These initiatives address deforestation, forest degradation and greenhouse gas emissions. FMC is considered a tool for implementing sustainable forest management (SFM), ensuring compliance with international standards and minimising environmental impacts. Sarawak has made progress in FMC, with twenty (20) forest management units and seven (7) forest plantation management units certified under the Malaysian Timber Certification Scheme (MTCS), covering a total area of 1.78 million hectares and 97,966 hectares, respectively.

Datu Hamden highlighted that the Forest Conservation Conference provided a platform for experts and stakeholders to discuss innovative forest management approaches and sustainable business models. By bridging the gap between conservation and development in permanent forests, the conference aimed to find solutions that balance environmental preservation and sustainable growth.

Datuk Patinggi Tan Sri Dr Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg, the Premier of Sarawak, in his opening speech, highlighted the crucial role of the Forest Department Sarawak in balancing the economic, social, and environmental well-being of Sarawak. The Department reflects the Sarawak government’s commitment to SFM through the implementation of best management practices. Under the Post COVID-19 Development Strategy (PCDS) 2030, Sarawak aims to be globally recognised for its sustainable management of tropical forests, biodiversity conservation, and the rapid growth of the timber industry. Forest management practices will focus on balancing forest development, enhancing forest-derived services and conserving biodiversity. Initiatives include the restoration of 200,000 hectares of degraded forest areas, certification of three million hectares of long-term forest timber-licensed area and the

The conference featured four (4) plenary sessions covering various topics. The first session focused on conservation management, where speakers from Peninsular Malaysia, Sabah and Sarawak shared their policies, experiences and initiatives in managing conservation areas. The second session discussed the challenges and opportunities related to conservation in these areas. The speakers shared insights on various strategies to enhance conservation efforts, including leveraging conservation, experiences in conservation and eco-tourism, the significance of FMC in conservation, and forest carbon initiatives implemented in Sarawak. The third session revolved around research and development, emphasising the crucial role of scientific advancements in supporting conservation efforts and the contributions of non-governmental organisations (NGOs) in forest conservation, while the fourth session emphasised collaboration



The conference was officiated by Datuk Patinggi Tan Sri Dr Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg, the Premier of Sarawak (centre), Datuk Amar Haji Awang Tengah Ali Hasan (3<sup>rd</sup> from right) and Dato’ Sri Huang Tiong Sii (2<sup>nd</sup> from left).

establishment of 230,000 hectares forest plantation by 2025 under recognised certification standards such as the MTCS or the Forest Stewardship Council.

and partnership among stakeholders to achieve conservation goals.

The 2-day conference served as a platform for conservationists, researchers, government agencies, NGOs, communities and other



stakeholders in conservation and protection of the threatened natural ecosystems to share and impart their knowledge, reflecting the experiences and to chart the future of the conservation efforts in the permanent forests of Sarawak.

Also present at the conference were Datuk Amar Haji Awang Tengah Ali Hasan, Deputy Premier of Sarawak cum Second Minister for Natural Resources and Urban Development; Dato' Sri Huang Tiong Sii, Deputy Minister of Natural Resources, Environment and Climate Change

(NRECC); Dr Hazland bin Abang Hipni, Deputy Minister of Energy and Environmental Sustainability Sarawak; Datu Zaidi Mahdi, Permanent Secretary of Ministry of Natural Resources and Urban Development; and Mr Haji Abdul Wahid bin Abu Salim, Deputy Secretary General of NRECC.

*Jabatan Hutan Sarawak telah menganjurkan Persidangan Pemuliharaan Hutan 2023 bertemakan "Menghubungkan Pemuliharaan dan Pembangunan Mampan di Hutan Kekal" pada 12-13 Jun 2023. Objektif persidangan tersebut adalah untuk berkongsi maklumat tentang peranan Estet Hutan Kekal (PFE), menggalakkan penglibatan pihak berkepentingan dalam usaha pemuliharaan di PFE dan perkongsian pengetahuan dan pengalaman dalam melaksanakan projek pemuliharaan di luar Kawasan Terlindung Sepenuhnya.*

砂州森林局于2023年6月12日至13日举办题为“连接永久森林的保护和可持续发展”的2023年森林保护大会，以分享有关永久林区(PFE)作用的资讯，促进利益相关者参与PFE内的保护工作，并交流在完全保护区之外实施保护项目的知识和经验。

## Courtesy Call to the Newly Appointed Controller of Environmental Quality

STA paid a courtesy visit to Mr Jack anak Liam, the newly appointed Controller of Environmental Quality at his office in Wisma Pelita on 15 June 2023. Led by Ms Annie Ting, Chief Executive Officer of STA, the visit was made to update Mr Jack on the collaborative efforts undertaken by STA and NREB over the years, particularly on the ongoing Pilot Project for Environmental Compliance Audit (ECA).

Ms Ting informed that the Pilot Projects, which were initiated in 2017 and 2018 respectively with voluntary participation from STA member companies aimed to support the phased implementation of the Natural Resources and Environment (Audit) Rules, 2008 that calls for self-regulation among private and corporate sectors in Sarawak. She further highlighted the initiatives carried out by STA to build capacity among participating member companies to migrate smoothly from conventional regulatory requirement towards self-regulation. These include the series of ECA Training Courses which have helped create a pool of 112 internal auditors trained



Ms Annie Ting, CEO of STA (seated, centre) signing NREB's visitor's book, flanked by Mr Jack anak Liam, CEQ of NREB (standing, 6<sup>th</sup> from left) and other officers from NREB and STA.

in ECA and series of training on environmental quality monitoring that had successfully trained 95 personnel in handling water quality instruments and collecting water samples. Ms Ting also shared that the Pilot Projects provided external auditors registered with NREB the opportunity to enhance their experience and confidence in conducting environmental compliance audit in the forestry sector.

Other briefings and consultations jointly carried out by STA and NREB to establish clear understanding of roles and responsibilities of all parties involved, identify any existing gaps and provide guidance to the companies involved were also highlighted to the Controller. The meeting acknowledged that the range of initiatives jointly carried out by NREB and STA has not only produced skilled workforce but also enhanced the comprehension of forestry sector companies regarding necessary steps for transitioning towards self-regulation.

The meeting also discussed some of the findings made through the implementation of the Pilot Project and tasked the Working Group Committee formed between NREB and STA to deliberate on matters such as the type and frequency of audit reports to be carried out in one (1) cycle by companies at various stages of transition as well as way forward for the implementation of the Rules.

*STA, diketuai oleh Ketua Pegawai Eksekutif, Cik Annie Ting mengadakan kunjungan hormat ke atas Encik Jack anak Liam, Pengawal Kualiti Alam Sekitar yang baru dilantik pada 15 Jun 2023 untuk memaklumkan tentang kerjasama yang dilaksanakan oleh STA dan NREB selama ini, terutamanya pada Projek Perintis untuk Audit Pematuhan Alam Sekitar (ECA) yang sedang dijalankan.*

*Mesyuarat memperakui pelbagai inisiatif telah dijalankan secara bersama untuk meningkatkan keupayaan syarikat untuk beralih ke arah kawal selia sendiri dan membincangkan beberapa penemuan hasil daripada pelaksanaan Projek Perintis.*

本会在首席执行官陈燕贞小姐的带领下，于2023年6月15日礼节性拜访新上任的环境质量总监杰克理安先生，并向他讲解关于本会与天然资源与环境局(NREB)多年来的合作项目，尤其是目前正在进行的环境合规审计项目(ECA)。

会议认可为增强公司迈向自律监管的能力而联合采取的一系列举措，并讨论通项目实施取得的一些成果。



# Updates on the Timber Legality Guidance Template for Malaysia

On 26 June 2023, the Forest Department Sarawak (FDS) called a meeting on the Timber Legality Guidance Template for Malaysia at their Headquarters, located in Bangunan Baitul Makmur II, Kuching. The Meeting was chaired by Mr Semilan Anak Ripot, Deputy Director of Forests (Forest Management) and was attended by representatives from FDS, Sarawak Timber Industry Development Corporation, Harwood Timber Sdn Bhd and STA.

The Timber Legality Guidance Template for Malaysia aims to provide guidance to member economies of the Asia-Pacific Economic Corporation (APEC) on the relevant information concerning timber legality laws and regulations in Malaysia.

During the meeting, participants discussed the template and provided latest updates on timber legality laws and regulations specific to Sarawak. One of the outcomes of the meeting was the decision to reactivate the Task Force, which comprises forestry agencies and STA. The Task Force serves as a platform to discuss and coordinate matters related to Sarawak's compliance with timber legality requirements, including the updating of the legality guidance document.

砂拉越森林局(FDS)于2023年6月26日召开马来西亚木材合法性指导模板会议,以讨论该模板并提供砂拉越木材合法性法律和法规的更新资讯。会议讨论结果之一是重启由相关林业机构和国会组成的特别工作小组,以讨论和协调砂拉越遵守木材合法性要求的相关事宜,包括更新合法性指导文件。

*Pada 26 Jun 2023, Jabatan Hutan Sarawak (JHS) telah mengadakan mesyuarat untuk membincangkan Templat Panduan Kesahihan Kayu Malaysia bagi menyediakan kemas kini peraturan kesahihan kayu di Sarawak. Mesyuarat turut mengaktifkan semula Badan Bertindak yang terdiri daripada agensi-agensi perhutanan dan STA untuk membincangkan dan menyelaraskan perkara-perkara berkaitan dengan pematuhan kesahihan kayu di Sarawak, termasuk pengemaskinian dokumen panduan kesahihan.*

# Training on Occupational Safety and Health Coordinator

STA, in collaboration with Chemsain HRD Sdn Bhd, organised an Occupational Safety and Health (OSH) Coordinator Training solely for its members from 14 to 16 June 2023. The training took place at Chemsain Building, Kuching with the objective of enhancing workplace safety practices and promoting a culture of safety within the timber industry in Sarawak. A total of 28 participants enrolled in the Training.

The appointment of OSH Coordinator is one of the new requirements under the *Occupational Safety and Health (Amendment) Act 2022*. According to Section 29A of the amended Act, employers with five or more employees must appoint an OSH Coordinator to coordinate and assist them in matters relating to OSH at the workplace. Failure to comply with this requirement may result in penalties of up to RM50,000 in fines or 6 months of imprisonment, or both.

In her welcoming remarks, Ms Annie Ting, Chief Executive Officer, highlighted the importance of OSH at workplace in protecting employees from accidents, injuries, and exposure to harmful substances. She also stressed the significance of ensuring smooth business operations. Ms Ting encouraged participants to take the opportunity to gain a better understanding of roles and

# Malaysian Wood Expo (MWE) 2023

The 2<sup>nd</sup> edition of Malaysian Wood Expo (MWE) 2023 was held from 18 to 20 June 2023 at the Malaysia International Trade and Exhibition Centre (MITEC), Kuala Lumpur. This international wood & woodworking machinery expo which was jointly organised by the Malaysian Timber Council (MTC) and Pablo Publishing Pte Ltd had brought together industry shapers, technology experts and key decision makers representing the timber trade and industry under one roof. As one of the endorsers for MWE 2023, STA was allocated a complimentary booth, which served as an avenue for STA plywood-based members to exhibit their products.

During the opening ceremony, Dato' Sri Haji Fadillah Haji Yusof, Deputy Prime Minister cum Minister of Plantations and Commodities (KPK), in his speech delivered by his deputy, Datuk Siti Aminah binti Aching, commended Malaysia's timber industry for its remarkable success story

characterised by growth, strength and sustainability. Malaysia has become a prominent global supplier of timber and timber products, catering to more than 170 countries worldwide.

Despite a 30.2% decline in Malaysia's timber exports compared to the same period last year, largely influenced by the sluggish business environment in the Americas and Europe, Dato' Sri Haji Fadillah expressed confidence that these trade figures will improve. He emphasised that home-grown trade expos like MWE plays a crucial role in uplifting the timber industry by attracting investments and facilitating further growth.

Guests also witnessed the presentation of certificates to companies that have successfully implemented modules on Green 5S, Lean Management and Innovation Management in their factories. These companies participated in the MTC's Factory



functions of an OSH Coordinator, actively engage with the trainer and exchange experiences with fellow participants. This exchange of knowledge and experiences will help enhance their collective knowledge on OSH implementation in the workplace.

Mr Larry Ong, Senior Manager of Chemsain, expressed his enthusiasm to collaborate with STA in organising this Training. He believed that the training would be beneficial in improving safety and health within the timber industry. Mr Ong informed the participants that upon completion of the training, they would become qualified OSH Coordinator registered with the Department of Occupational Safety and Health.

The three-day training was conducted by Trainer, Mr Sheikh Azahar. The topics covered during the training included laws and regulations related to OSH,



Photo call during the opening of OSH Coordinator Training

including the latest amendments to the OSH Act, basic management of OSH at workplace, chemical handling, occupational diseases, risk assessment, plant and machinery management and other relevant subjects.

本会与Chemsain HRD有限公司于2023年6月14日至16日期间专为会员联办职场安全与卫生协调员(OSH)培训会, 以加强工作场所安全实践并推广砂拉越木材业的安全文化。参加培训的28名学员了解职场安全与卫生的相关法律法规, 包括职业安全与卫生法令的最新修订、工作场所职业安全与卫生基本管理、化学品处理、职业病和风险评估等。

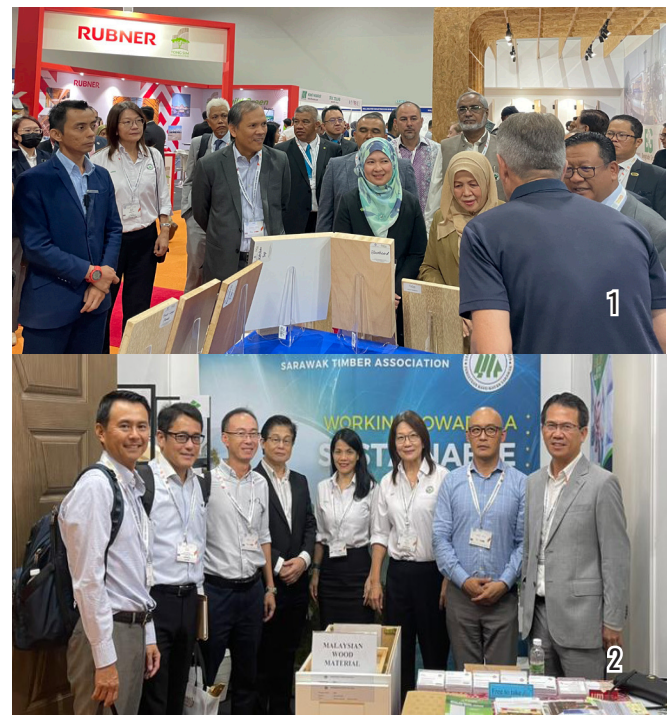
*STA, dengan kerjasama Chemsain HRD Sdn Bhd menganjurkan Latihan Penyelaras Keselamatan dan Kesihatan Pekerjaan (OSH) untuk ahli-ahlinya dari 14 hingga 16 Jun 2023 untuk meningkatkan amalan keselamatan di tempat kerja dan menggalakkan budaya keselamatan dalam industri perkayuan di Sarawak. Seramai 28 peserta mengikuti Latihan tersebut dan mempelajari undang-undang dan peraturan berkaitan OSH termasuklah pindaan terkini kepada Akta OSH, pengurusan asas OSH di tempat kerja, pengendalian bahan kimia, penyakit pekerjaan dan penilaian risiko.*

Transformation Programme, which is recognised by the KPK and considered a game-changer in empowering the timber industry to become Industry 4.0 ready. The programme aims to help the industry achieve the targets outlined in the National Agricommodity Policy 2030.

In conjunction with MWE 2023, a diverse range of events were organised to enhance the experience for attendees. STA members participated in the Business Matching (B2B) Session for Inbound Overseas Suppliers Programme organised by MTC on 18 June 2023 and International Sourcing Programme organised by Malaysia External Trade Development Corporation on 19 June 2023. These events provided a platform for STA members to explore business opportunities and establish fruitful partnerships with global buyers of timber and timber products as well as overseas suppliers of raw materials.

To enrich attendees' knowledge, a series of pocket talks were also arranged throughout the 3-day expo. Esteemed speakers from the United States of America, China, Poland, Chile and local experts delivered presentations on a wide range of topics such as "Unveiling the US Market: Key Insights for Producer Countries", "Forced Labour & Sustainability Reporting Requirements in Global Trade", "Building and Woodworking Sustainably with FSC", "Certified Wood: Where Can We Go From Here" and many more.

马来西亚木材理事会(MTC)和Pablo出版社有限公司于2023年6月18日至20日联合举办2023年第二届马来西亚木材博览会(MWE), 汇聚了代表木材贸易和行业的领袖、技术专家和关键决策者。作为MWE 2023的支持公会之一, 本会获得1个免费展位, 为胶合板会员提供展示产品的途径。



(1) Ms Annie Ting, CEO of STA (2<sup>nd</sup> from left) joined the guest of honour during a guided tour to booths; (2) Participating members and guests visiting STA booth

Majlis Kayu-Kayan Malaysia (MTC) dan Pablo Publishing Pte Ltd menghimpunkan pembentuk industri, pakar teknologi dan pembuat keputusan utama yang mewakili perdagangan dan industri perkayuan dalam edisi ke-2 Ekspo Kayu Malaysia (MWE) 2023 yang dianjurkan secara bersama dari 18 hingga 20 Jun 2023. Sebagai salah satu penyokong MWE 2023, STA telah diperuntukkan dengan gerai percuma untuk mempamerkan produk berasaskan papan lapis milik ahli-ahlinya.



## Strategic Planning for Mills in LPF Areas

Sarawak Timber Industry Development Corporation (STIDC) organised a “*Lab on Preparing the Policy on Establishment of Mills in LPF Area and Use of Mobile Equipment & Facilities*” from 6 to 7 June 2023 at New World Suites, Bintulu.

Prior to the conduct of the Lab, representatives from Sarawak forestry agencies visited a veneer mill to learn about work process involved in transporting and receiving planted logs from the LPF. The work processes observed at this veneer mill served as a valuable point of reference for the Lab participants during the formulation of the policy and procedure framework for establishing mills within LPF area.

During the Lab session, Mr Nicholas Andrew Lisse, Assistant General Manager (Licensing, Industrial Planning & Investment) of STIDC informed that the Lab aimed to prepare guidelines and procedures for setting up of mills and the use of mobile equipment and facilities in LPF areas that would ultimately benefit the Sarawak Government, industry and local people. He then outlined the proposed procedure and process formulated by STIDC for establishing mills within the LPF area and the issuance of timber industry licences for mobile chipper. He elaborated on the eligibility criteria and the terms and conditions associated with obtaining such licences.

Following that, the participants were divided into four (4) groups i.e. (i) LPF & Raw Material; (ii) Mill Licensing; (iii) Products & Conveyance; and (iv) Policies, Laws & Risk Management, to discuss the issues and its proposed solutions under the respective topics. All groups presented their findings before the conclusion of the 2-day Lab session.

A significant recommendation that emerged during the Lab involved the revision of the Forests (Planted Forests) Rules, 1997 to enable the establishment of mills within the LPF area in accordance with the proposed policy. The Lab also extensively deliberated on various other aspects including the appropriate type of mill and its capacity, environmental compliance, enforcement mechanism, and governance structure.

In his closing remarks, Datu Haji Hashim Bin Haji Bojet, the General Manager of STIDC recapped the Lab’s objective and summarised the outcomes achieved through the collaborative effort. He emphasised the importance of a mutual-benefit approach that serves the interests of both the Sarawak Government and the industry, expressing his hope that the proposed policy would contribute to the long-term sustainability and reliability of the planted forest industry.

On 8 June 2023, participants of the Lab were also briefed of the

## Malaysian Timber Association Events at Summer Bay Lang Tengah Resort, Terengganu

Representatives and staff from secretariat of the eight (8) association members of the Malaysian Timber Association (MTA) gathered at Summer Bay Lang Tengah Resort, Terengganu from 23 to 24 June 2023 to attend the MTA Executive Committee (EXCO) Meeting No.2/2023, the Annual General Meeting (AGM) and a Brainstorming Session. STA was represented by Mr Vincent Chieng, Ms Annie Ting and Ms Miriam Hong.

Mr Goh Chee Yew, MTA President chaired the EXCO meeting where all EXCO members unanimously adopted the minutes of the previous meeting and the unaudited balance sheet of MTA as of 15 June 2023.



Mr George Yap, President of MTA (seated, centre) flanked by Mr Tan Peng Juan, Vice President of MTA (4<sup>th</sup> from right) and Mr Goh Chee Yew, immediate past President (4<sup>th</sup> from left).

The Meeting also received reports and updates from members of the EXCO. A significant portion of the discussion was dedicated to the presentation of the MTA’s 10-year roadmap to Dato’ Sri Haji Fadillah Haji Yusof, the Deputy Prime Minister cum Minister of Plantations and Commodities.

The AGM was held immediately after the EXCO meeting, during which an election was conducted and Mr George Yap from Malaysian Wood Moulding & Joinery Council was elected as the President.

The AGM adopted several important reports, namely the Executive Committee’s report which detailed the Association’s



*“Draft Sarawak Timber Industry (Licensing) Regulations, 2023”* by Ms Rosleenda Sayumi Binti Ismail, Acting Assistant General Manager (Legal Affairs & Secretarial Services) of STIDC. She highlighted various provisions of the draft regulation, including the terms and conditions of the licence, application requirements and procedures, fee structure, validity and renewal of the licence, conditions and restrictions for temporary permits, penalties, and more.

The draft regulation was formulated following the amendment of the STIDC Ordinance, which was approved by the Sarawak State Legislative Assembly on 23 November 2022 and came into effect on 1 June 2023. The amendment introduced the Timber Industry Licence, granting STIDC full authority to regulate the timber industry, including sawmills operations.



Group photo of participants from Ministry of Natural Resources and Urban Development (MUDeNR), Ministry of International Trade, Industry & Investment (MINTRED), Forest Department Sarawak (FDS), STIDC, Land and Survey Department, Harwood Timber Sdn Bhd and STA during Lab session.

砂拉越木材工业发展机构(STIDC)举办为期2天的工作坊以制定在人工林种植地建立制造厂以及使用移动设备和设施的政策。于2023年6月6日至7日在民都鲁新世界酒店举行的工作坊就几个关键方面进行了深入讨论,例如确定适当的制造厂类型及其产能、遵守环境法规以及制定有效的执行机制。在工作坊未结束之前,STIDC向与会者介绍2023年砂拉越木材工业(执照)条例草案。

*Perbadanan Kemajuan Perusahaan Kayu Sarawak (PUSAKA) menganjurkan makmal 2 hari yang memberi tumpuan kepada penyediaan dasar bagi penubuhan kilang di kawasan LPF dan penggunaan peralatan dan kemudahan mudah alih. Perbincangan mendalam mengenai beberapa aspek penting seperti penentuan jenis kilang dan kapasiti yang sesuai, pematuhan kepada peraturan alam sekitar dan mewujudkan mekanisme penguatkuasaan yang berkesan telah dibincangkan sepanjang Makmal yang berlangsung dari 6 hingga 7 Jun 2023 di New World Suites, Bintulu. Selepas tamatnya Makmal, PUSAKA memberikan taklimat kepada para peserta berkenaan Draf Peraturan Industri Kayu Sarawak (Perlesenan), 2023.*

activities throughout the year 2022, the Honorary Treasurer’s report and the audited financial statement of the Association for the year 2022.

On 24 June 2023, the participants gathered for the MTA Brainstorming Session, to discuss the future role of MTA. The half-day session revolved around the presentation of the 10-year roadmap. It was unanimously agreed upon that a website displaying infographics shall be developed to provide information on the roadmap that is focused on sustainability, innovation and the development of a high-value industry.

The newly elected office bearers and committee members of MTA for the year 2023 and 2024 are:-

<b>President</b>	Malaysian Wood Moulding & Joinery Council (MWMJC)
<b>Vice President</b>	Sabah Timber Industries Association (STIA)
<b>Honorary Secretary</b>	Malaysian Wood Industries Association
<b>Honorary Treasurer</b>	Sarawak Timber Association
<b>Committee Members</b>	<ul style="list-style-type: none"> <li>• Association of Malaysian Bumiputra Timber &amp; Furniture Entrepreneurs</li> <li>• Malaysian Furniture Council</li> <li>• Timber Association of Sabah</li> <li>• The Malaysian Panel-Products Manufacturers’ Association</li> <li>• The Timber Exporter’s Association of Malaysia</li> </ul>

马来西亚木材公会(MTA)8名会员代表和秘书处职员于2023年6月23日至24日齐聚登嘉楼州夏日海湾浪登雅度假村,出席MTA执行委员会(EXCO)本年度第2次会议,年度常年大会和策略会。

*Wakil dan kakitangan daripada urusetia 8 ahli-ahli persatuan bagi Persatuan Kayu-Kayan Malaysia (MTA) berkumpul di Summer Bay Lang Tengah Resort, Terengganu dari 23 hingga 24 Jun 2023 untuk menghadiri Mesyuarat Jawatankuasa Eksekutif (EXCO) MTA Bil. 2/2023, Mesyuarat Agung Tahunan dan Sesi Sumbang Saran.*

## Online Briefing on Employees Provident Fund (EPF) Products and Facilities

After the courtesy call by the Employees Provident Fund (EPF) Sarawak Branch to STA on 30 May 2023, both parties collaborated to organise an online briefing for members of STA on 16 June 2023. Approximately 80 members, along with counterparts from the Sabah Timber Industries Association participated in the briefing and learned about products and facilities offered by EPF.

Mr Aminuddin bin Abdul Aziz, the EPF Deputy Director representing the Sarawak Regional Director, introduced EPF to the participants during the briefing. The main objective of EPF is to assist members in achieving a better future by safeguarding their savings and delivering excellent services in accordance with the EPF Act of 1991. EPF Sarawak,

## Rainforest World Music Festival 2023 Sponsors and Supporters Appreciation Ceremony

For the past 26 years, the Rainforest World Music Festival (RWMF) has established itself as a prominent international music festival, gathering a devoted following worldwide. The festival, with its theme “Reflections,” stands as a source of pride, symbolising its remarkable growth from humble beginnings to a globally recognised event that attracts thousands of festival-goers to the Land of Hornbill.



## STA x CIMB Engagement Session on ESG

STA, in collaboration with CIMB organised an engagement session for its members on 28 June 2023 to provide valuable insights on integrating environmental, social and governance (ESG) into business strategies and the role of financial institutions in supporting ESG initiatives.

In his welcoming remarks, Mr Philip Choo Kwong Hui, STA Honorary Treasurer emphasised the significance of ESG as we collectively strive towards building a sustainable future. He expressed his hope that the engagement session would act as guiding lights to navigate the intricate complexities of ESG considerations. He also recognised the extraordinary potential for transformation that lies within these principles and encouraged participants to explore and harness it.

Ms Chua Huey Sian, Head of Sustainable Finance at Corporate Banking Malaysia provided participants with comprehensive understanding of CIMB Bank's own commitment to sustainable practices

and Mr Amir Afham, Vice President of Group Sustainability presented on the impact that European Union Deforestation-free Regulation has on the forestry sector. Mr Amir also explained the due diligence processes that CIMB carries out when assessing a request for finance, and this involves engaging with the client to thoroughly evaluate their environmental, social and governance practices. These are done to ensure that their financing aligns with sustainable objectives and helps drive positive impact.

The information shared by Mr Azmir Abdullah, Head of Sustainable Finance at Commercial Banking Malaysia on CIMB's sustainable financing solutions were particularly beneficial as it provided participants with potential avenues to finance sustainable practices initiatives within their respective organisations. He also introduced impacto, a zero-cost guidance and advisory for SMEs to empower and equip them with the necessary knowledge and tools to start their journey into the green and sustainable business economy.

本会连同联昌国际银行(CIMB)于2023年6月28日为本会会员举办线上交流会, 提供将环境、社会和治理(ESG)纳入业务战略的见解以及金融机构在支持ESG举措中的作用。该线上交流会让参与者全面了解CIMB自身对可持续实践的承诺, 并为他们提供在各自机构组织内实施和资助可持续实践举措的可行步骤和潜在途径。

*Pada 28 Jun 2023, STA telah bekerjasama dengan CIMB untuk menganjurkan satu sesi penglibatan bersama dengan ahli-ahli STA. Sesi tersebut bertujuan untuk berkongsi mengenai penerapan alam sekitar, sosial dan tadbir urus (ESG) ke dalam strategi perniagaan serta peranan institusi kewangan dalam menyokong inisiatif ESG. Para peserta memperoleh maklumat tentang komitmen amalan mampan pihak CIMB Bank dan langkah-langkah yang boleh dilaksanakan oleh organisasi masing-masing untuk memperoleh pembiayaan tersebut.*



established in 1968, currently operates with 7 branches and 209 staff members across Sarawak. They provide support to a total of 51,018 employers and serve 0.86 million members.

During the briefing, Mr Aminuddin shared his concern over EPF savings of some 752,000 members below the age of 55 who may not have enough retirement savings to tide them over the next 20 years after their retirement.

Ms Hasmimah binti Saimi, EPF Account Officer, highlighted various types of products and facilities offered by EPF. Among these products were the Voluntary Excess (VE), i-Invest, e-PAYROLL, and i-Lindung. Under VE, employees or employers (or both) can voluntarily contribute at a rate exceeding the statutory rate, subject to meeting certain requirements. This contribution rate can be canceled by the employee or employer at any time. By making more EPF contribution, members can attain their retirement savings earlier while enjoying dividend returns from EPF. The application for VE can be done by submitting Borang KWSP 17A/KWSPA 18A or through the e-VE i-Akaun for employers.



A glance of participants

E-PAYROLL is a facility in the i-Akaun system for employers, aimed at assisting micro and small employers in managing and maintaining digital staff payroll records, as well as facilitating the payment of EPF contributions.

Ms Hasmimah also elaborated on i-Lindung, which emphasises the importance of life and critical illness protection for EPF members. She urged members, especially those who are uninsured, to consider i-Lindung as it offers coverage for life and critical illnesses.

EPF Sarawak expressed their willingness to conduct face-to-face sessions upon appointment by STA members to provide further

information about the products and facilities provided by EPF.

砂拉越雇员公积金局(EPF)于2023年5月30日礼节性拜访本会后与本会合作为本会会员举办线上简报会,介绍EPF所推出的产品和设施,例如自愿超额使会员可缴付高于法定利率的缴款额,同时保证会员提前达到基本储蓄额度并获得高额红利回报。

*Selepas kunjungan hormat Kumpulan Wang Simpanan Pekerja (KWSP) Cawangan Sarawak ke STA pada 30 Mei 2023, kedua-dua pihak telah bekerjasama untuk menganjurkan taklimat dalam talian kepada ahli-ahli STA berhubung produk dan kemudahan yang ditawarkan oleh KWSP seperti Voluntary Excess yang membolehkan ahli-ahli mencarum lebih daripada kadar berkanun, sekali gus menjamin ahli mencapai kuantum simpanan asas lebih awal dan menerima pulangan dividen yang lebih tinggi.*

To express gratitude towards the generosity of RWMF's partners, the Sarawak Tourism Board (STB) organised the "RWMF 2023 Sponsors and Supporters Appreciation Day" on 9 June 2023 at Raia Hotel and Convention Centre, Kuching. The event was officially inaugurated by Dato Sri Abdul Karim Rahman Hamzah, the Minister for Tourism, Creative Industry, and Performing Arts (MTCP).

Dato Sri Abdul Karim highlighted the RWMF's role as an international platform that strongly advocates responsible tourism, aiming to become one of the most sustainable and eco-friendly festivals in the world. This year, the festival proudly declared its commitment to being plastic bottle-free. He commended the collaborative efforts between the public and private sectors in establishing Sarawak as a thriving hub for music tourism.



Group photo with Dato Sri Abdul Karim Rahman Hamzah (7<sup>th</sup> from left).

During the presentation ceremony, Mr Stephen Hii, STA Council Member received a certificate of appreciation from the Minister of MTCP on behalf of STA as one of the 13 sponsors and supporters for RWMF 2023.

砂拉越旅游局(STB)于2023年6月9日假古晋拉亚酒店及会议中心举办“2023年热带雨林世界音乐节(RWMF 2023)赞助商及支持者感谢日”,以答谢合作伙伴对RWMF 2023的慷慨捐助。本会理事会成员许勤文先生代表本会作为赞助商和支持者之一出席该典礼。

*Lembaga Pelancongan Sarawak (STB) telah menganjurkan "Hari Penghargaan Penaja dan Penyokong RWMF 2023" pada 9 Jun 2023 di Hotel Raia and Convention Centre, Kuching bagi merakamkan penghargaan di atas kemurahan hati rakan kongsinya untuk RWMF 2023. STA, salah satu penaja dan penyokong RWMF 2023 telah diwakili oleh Encik Stephen Hii, ahli Majlis STA pada majlis tersebut.*



Meeting in progress

## MTCC 24<sup>th</sup> Annual General Meeting

The 24<sup>th</sup> Annual General Meeting of the Malaysian Timber Certification Council (MTCC) took place on 27 June 2023, at the Board Room, Megan Avenue II, Kuala Lumpur. Datuk Wetrom Bahanda, the newly appointed MTCC Chairman, presided over the meeting.

Ms Sabrina Mawasi, the acting Chief Executive Officer, delivered a presentation on the MTCC Annual Report for 2022, providing an overview of the organisation's activities throughout the year. She highlighted that as of 31 December 2022, a total of 28 forest management units covering 5,682,363 hectares had obtained certification, along with 9 forest plantation management units encompassing 129,979 hectares. Also, there were 360 Programme for the Endorsement of Forest Certification (PEFC) CoC certificate holders for chain of custody (CoC) certification. She also shared the MTCC's involvement in capacity building and promotional activities, including participation in World Expo Dubai as well as in local and international fairs.

The audited financial statements for the financial year ended 31 December 2022, reports of the Trustees and Auditors, and the Annual Report for the year 2022 were tabled and adopted by the members.

马来西亚木材认证理事会第24届年度大会于2023年6月27日召开，由新上任主席拿督韦特罗姆巴汉达主持。大会分享森林管理认证和产销监管链认证方面所取得的显著成果。此外，大会也一致通过所提呈经审计的财务报表和其他报告。

*Mesyyarat Agung Tahunan Majlis Pensijilan Kayu Malaysia ke-24 telah diadakan pada 27 Jun 2023 dan dipengerusikan oleh Pengerusi barunya, Datuk Wetrom Bahanda. Semasa mesyyarat, pencapaian ketara dalam pensijilan pengurusan hutan dan pensijilan rantaian jagaan telah dikongsikan. Selain itu, penyata kewangan beraudit dan laporan lain telah dibentangkan dan diterima pakai sebulat suara.*



## 111<sup>th</sup> International Labour Conference

The International Labour Organisation (ILO) held its 111<sup>th</sup> annual Conference (ILC or Conference) in Geneva from 5 to 16 June 2023. The Conference gathered approximately 5,000 delegates from the ILO's 187 Member States, representing government, employer and worker delegates. The primary goal of the Conference was to address a wide range of labour-related issues, including labour protection, quality apprenticeships and the transition towards sustainable and inclusive economies.

The Malaysian Employers Federation (MEF) actively participated in the Conference by sending three (3) delegates, namely Vice Presidents of MEF, Haji Mohd Syukri Ahmad Sudari and Haji Farid Shah Mohd Basir, and Ms Peggy Chew, Legal Counsellor of STA and Honorary Secretary of MEF. The 111<sup>th</sup> session of ILC was inaugurated by the ILO Director-General, Mr Gilbert F. Houngbo, who acknowledged the various challenges faced by the labour market, such as technological advancements, the emergence of new forms of work and the impact of the COVID-19 pandemic.

He highlighted the need to address structural transformations, skills shortages, demographic changes and workplace development. Mr Houngbo also emphasised the importance of social justice and the need to tackle issues like inequality, child labour, forced





(1) The Minister of Human Resources, Mr V. Sivakumar (2<sup>nd</sup> from left) posed for photo with MEF delegates at the Conference, (from left) Haji Mohd Syukri Ahmad Sudari and Haji Farid Shah Mohd Basir who are Vice Presidents of MEF and Ms Peggy Chew, Honorary Secretary of MEF, who is also STA's Legal Counsellor.

(2) Address by Dr Ali Bin Samikh AL-MARRI (Qatar), President of the 111<sup>th</sup> Session of the International Labour Conference.

labour, discrimination, exclusion and violence. He proposed the establishment of the Global Coalition for Social Justice, calling for a stronger commitment to multilateralism and consensus-based solutions, as well as the democratisation of the ILO's governance structure through the ratification of the ILO Constitution Amendment.

During the 111<sup>th</sup> session of ILC, Haji Mohd Syukri addressed the audience and affirmed MEF's commitment to promoting women's leadership, enhancing skills development, advocating for social protection, addressing retirement support issues, supporting refugees' access to work opportunities and collaborating with the ILO under the Safe and Fair programme. He shared the progress made in these areas and outlined the way forward that is being charted out.

The Minister of Human Resources, Mr V. Sivakumar, delivered a speech on behalf Malaysia, emphasising the country's ambition to cultivate a skilled workforce capable of excelling in the global arena by 2030. The Minister expressed Malaysia's commitment to inclusive social protection schemes that safeguard workers' welfare and rights. He also highlighted the importance of providing workers with financial literacy training programme to make informed financial decisions and secure their financial future.

The three (3) MEF delegates actively engaged in discussions, shared insights and perspectives and collaborated with other stakeholders in the "Recurrent Discussion Committee", "Committee on the Application of Standards on Quality Apprenticeship" as well as "General Discussion Committee on Just Transition" to address labour related challenges and opportunities.

A notable highlight of the Conference was the high-level World of Work Summit held under the theme of "Social Justice for All". The summit brought together sixteen (16) Heads of State and Government, representatives from United Nations and multilateral bodies to deliberate on social justice issues. High-level panels discussion focused on inequalities and informality, equal opportunities, lifelong learning and skills development, social protection, trade and sustainable development, and human and labour rights.

The 111<sup>th</sup> session of the ILC concluded with significant achievements and outcomes. One of the notable accomplishments was the adoption of a new recommendation on quality apprenticeships. This recommendation aimed to support individuals of all ages in continuously developing their skills, reskilling, and upskilling.

Furthermore, the General Discussion Committee on a Just Transition reached a conclusion

that stressed the urgent need to advance a just transition toward environmentally sustainable economies and societies. By recognising the interconnectedness of environmental and social issues, the ILC highlighted the importance of addressing these challenges in a holistic and comprehensive manner.

During the closing ceremony, Director-General, Mr Gilbert F. Houngbo reiterated the commitment to fulfilling the mandate of the ILO in an ongoing and continuous journey. He highlighted the overwhelming supports expressed by stakeholders for the establishment of the Global Coalition for Social Justice. This resounding endorsement underscored the need to capitalise on the positive momentum generated during the Conference and actively advance the development of the Global Coalition for Social Justice.

国际劳工组织于2023年6月5日至16日在瑞士日内瓦举行第111届国际劳工大会讨论广泛与劳工相关的课题, 包括劳工保护、优质学徒以及向可持续和包容性经济转型。

Pertubuhan Buruh Antarabangsa mengadakan Persidangan tahunannya yang ke-111 di Geneva dari 5 hingga 16 Jun 2023 untuk menangani pelbagai isu berkaitan buruh, termasuk perlindungan buruh, perantisan berkualiti dan peralihan ke arah ekonomi mampan dan inklusif.

## Seminar on Global Timber Index for the Malaysian Timber Industry

Recent research indicates that the global demand for timber and wood products is projected to increase significantly by 2050 due to population growth and the need for construction materials. This growing demand highlights the importance of sustainable and legally sourced wood products, while also emphasising the need to protect forests and their values.

To enhance data collection in the timber supply chain, the International Tropical Timber Organisation (ITTO) together with Macao Trade and Investment Promotion Institute (IPIM), Macao China had established the Global Timber Index Platform (GTI). This platform, based on the GTI, aims to create an information hub for timber enterprises worldwide. Malaysia has been identified as one of the



Group photo

six (7) seven producing countries with the Ministry of Plantation and Commodities (MPC) as its focal point.

A seminar focusing on the GTI was jointly organised by MPC and Malaysian Timber Council (MTC) for the timber industry in Malaysia. The event took place on 20 June 2023, at the Malaysia International Trade and Exhibition Center (MITEC) in Kuala Lumpur. The seminar garnered attendance from timber associations in Sabah and Sarawak, as well as government agencies who have actively contributed to the development of the GTI platform.

Mr Wan Ahmad Asmady bin Wan Md Din, Senior Undersecretary, Timber, Tobacco and Kenaf Industries

Development Division MPC in his welcoming address emphasised that the primary objective of the seminar was to provide the Malaysian timber industry with a comprehensive understanding of the current international market scenario and its potential impacts through the insightful GTI report. Derived from monthly surveys and statistics, the GTI report effectively reflects the fluctuations and dynamics of the global timber industry in a timely manner. In essence, the GTI acts as a weathervane, enabling industry stakeholders to stay informed about the ever-evolving state of the global timber industry. The monthly GTI report which is available in Chinese, English, Portuguese, French and Spanish can be easily downloaded from the website of ITTO.

## Interactive Session on Economic Census 2023

The Department of Statistics Malaysia (DOSM) organised an interactive session on Economic Census (EC) 2023, which took place on 15 June 2023 at the Construction Industry Development Board (CIDB) Academy School, Kuching. The session involved representatives from public sectors, business industries and stakeholders in the service, mining and quarry, manufacturing, construction and agriculture sectors.

The main objectives of the interactive session were to inform participants on the roles and functions of DOSM and the importance of conducting the EC 2023. Ms Dayang Rozana binti Abang Hassan, the Director of DOSM Sarawak, explained that the first national EC was conducted in 2000 to understand the country's macroeconomics. The EC is carried out once every five years, and the fifth EC, scheduled for 2021, had to be postponed due to the COVID-19 pandemic. Ms Dayang Rozana announced that DOSM has launched an online portal for conducting the survey of EC 2023, marking a milestone for the Department.

In his opening speech, Mr Ahmad Nadzri bin Mohd Hasan, Sarawak

Federal Secretary stressed that the EC can improve national statistical literacy and explained the importance of economics statistics and indicators related to socio-economics at a granular level. This information can be used for specific planning at the state and parliamentary levels. Mr Ahmad Nadzri urged business industries to cooperate with DOSM in providing accurate, quality and reliable data for the EC, as it serves as a reference and comparative analysis that is crucial for both businesses and the Government.

During the session, DOSM officers briefed on the census that is being carried out that will involve the participation of the management, accounting, and human resource



Dr Luo Xin Jian, Secretary General of Global Green Supply Chain (GGSC), highlighted the significant role played by China as the largest consumer and processor of tropical timber which accounted for more than 60% of the world's tropical timber supply chain. She highlighted that GGSC is actively working towards establishing connectivity within the timber industry through the GTI platform, aiming to connect global wood companies and foster the development of legal and sustainable supply chains. She shared that the GGSC is collaborating with IPIM and ITTO to develop the GTI Phase II plan, which aims to increase the number of pilot countries to 13 or 15 and develop two (2) new indices to capture important dimensions of the timber market.

In addition to that, Dr Luo also highlighted that the GGSC, in partnership with ITTO, has launched the Blockchain-based International Timber Tracking System (BTTS) for Building Sustainable Wood Supply Chains. This initiative, initiated in 2020, aims to explore innovative technology-driven

approaches to improve the traceability of timber and establish sustainable supply chains. The project focuses on enhancing transparency and ensuring the authenticity of timber traceability by engaging with various stakeholders in the industry. A guideline based on a blockchain-based timber traceability system is expected to be produced as a result of this project.

马来西亚种植与原产业部(KPK)联合马来西亚木材理事会于2023年6月20日在吉隆坡马来西亚国际贸易与会展中心举办马来西亚木材业全球木材指数(GTI)平台研讨会。研讨会中,参与者通过每月调查和统计得出且准确性高的GTI报告中全面了解到当前的国际市场形势及其潜在影响。

*Kementerian Perladangan dan Komoditi (KPK) dengan kerjasama Majlis Kayu-Kayan Malaysia telah menganjurkan seminar mengenai Platform Indeks Kayu Global (GTI) untuk industri perkayuan Malaysia pada 20 Jun 2023 di Pusat Pameran dan Perdagangan Antarabangsa Malaysia Kuala Lumpur. Melalui seminar itu, para peserta memperoleh pemahaman tentang senario semasa pasaran antarabangsa dan impaknya melalui laporan GTI yang diperolehi daripada tinjauan dan statistik bulanan.*

departments of organisations. They emphasised the importance of maintaining the reliability, accuracy, completeness, confidentiality, and quality of the data over time. Nearly 1,000 publications would be released after the completion of EC 2023.

EC 2023 is conducted from 1 April 2023 to 30 September 2023. Those interested in participating in the EC 2023 can complete the online questionnaire called e-BE which is accessible on the DOSM website at <http://economiccensus.dosm.gov.my/ec2/index.php/en/>.

马来西亚统计局(DOSM)于2023年6月15日在建筑工业发展局(CIDB)位于古晋的专科学校举办讲座会,介绍该局的角色和职能以及展开2023年经济普查(EC)的重要性。EC 2023将持续到2023年9月30日,有参与者可通过DOSM网站回答所提供的线上调查问卷。

*Jabatan Perangkaan Malaysia (DOSM) menganjurkan sesi interaktif untuk memaklumkan kepada peserta tentang peranan dan fungsi DOSM serta kepentingan menjalankan Banci Ekonomi (EC) 2023 pada 15 Jun 2023 di Sekolah Akademi Lembaga Pembangunan Industri Pembinaan (CIDB), Kuching. EC 2023 akan diteruskan sehingga 30 September 2023 dan pihak yang berminat boleh mengambil bahagian dengan menjawab soal selidik dalam talian di laman web DOSM.*

## What is Palm Wood & Why Do We Need It?

The Malaysian Timber Council organised a webinar on 7 June 2023 to shed light on the revolutionary concept of palm wood and its crucial role in combating climate change. Palm wood is a sustainable and high-quality alternative that can both substitute and complement traditional timbers.

Mr Peter Fitch, Chief Executive Officer of IOI Palm Wood Sdn Bhd, expressed his confidence in the potential of palm wood in combatting climate change and its ability to stimulate Malaysia's timber-related industry.

It is regarded as a new source of revenue for plantations, alleviates pressure on deforestation of natural forests and offers a raw material that can be directly utilised by the furniture and joinery industries without requiring process modifications. Mr Fitch highlighted that palm wood is an innovative, high-quality raw material with exceptional insulating and fire retardant properties, while also being lightweight and durable.

In addition to sharing the commitments and targets of IOI Palm Wood Sdn Bhd, Mr Fitch also introduced the inaugural range of OnCore products, set to be launched on 1 July 2023. These products, including Lumber Core, Blockboard with Wood Veneer and Tree-Layer Panels are intended for the domestic market rather than for export.

马来西亚木材理事会于2023年6月7日举办线上研讨会,其中阐明关于棕榈木的革命性概念及其在应对气候变化中的关键作用。据了解,棕榈木被视为人工林的新收入来源,以缓解天然林砍伐的压力,并提供无需改良就可直接使用的原材料给家具和细木工行业。

*Majlis Kayu-Kayan Malaysia telah menganjurkan webinar pada 7 Jun 2023 untuk menerangkan konsep revolusioner kayu sawit dan peranan pentingnya dalam memerangi perubahan iklim. Difahami bahawa kayu sawit dianggap sebagai sumber pendapatan baharu untuk perladangan yang boleh mengurangkan tekanan ke atas penebangan hutan semula jadi dan menawarkan bahan mentah yang boleh digunakan secara langsung oleh industri perabot dan kayu tanpa memerlukan pengubahsuaian proses.*

## Engagement Session for the Study of the Impact of Minimum Wages Order 2022

The National Wages Consultative Council (NWCC), operating under the Ministry of Human Resources (MoHR), has conducted a series of online engagement sessions to study the effects of the Minimum Wages Order (MWO) 2022 on employers and employees. The session on 21 June 2023 was the last of the series of engagement sessions conducted by NWCC, aimed to gather valuable feedback from various industry representatives from Sarawak including STA, regarding the impact of MWO 2022 since its implementation on 1 May 2022.

The session, moderated by Professor Emeritus Datuk Dr Zakariah Bin Abdul Rashid, Vice Chairman of the National Wages Consultative Technical Committee (NWCTC), provided a platform for stakeholders to express their views on the minimum wage policy. Dr Zakariah highlighted that the NWCC, as mandated by the NWCC Act 2011, conducts engagements with stakeholders every two (2) years to review the MWO and the insights as well as feedback gathered from this session will play a crucial role in the review and formulation of future minimum wage policies.

During the engagement session, representatives from employer associations, including STA, expressed concerns about the potential consequences of increasing the minimum wage. They opined that businesses are

still facing the challenges posed by the COVID-19 pandemic, and further increases to the minimum wage could hinder the ongoing recovery process. Moreover, the representatives emphasised that previous minimum wage increases have not led to a corresponding improvement in productivity. This has shown that the government's mechanism of using minimum wage as a tool to advance upskilling and reskilling of employee and the adoption of automation and mechanisation in the country has not reach the desired outcome, let alone achieving the key objective of eradicating poverty in the country.

Apart from discussing the current minimum wage system, participants also engaged in conversations surrounding various alternative wage models currently examined by the MoHR with the aim of enhancing the country's wage

## Engagement Session for the Mid-Term Review of the 12<sup>th</sup> Malaysia Plan 2021 – 2025

The Ministry of Economy conducted an engagement session for the Mid-Term Review of the 12<sup>th</sup> Malaysia Plan 2021 – 2025 (RMKe-12) on 24 June 2023 at Hilton Hotel, Kuching. The engagement session was divided into two (2) sessions, with the first being a dialogue with the state administration, followed by a dialogue with the public involving various parties including industry players and civil society organisations.

The purpose of the mid-term review of RMKe-12, which began on 4 October 2022, was to reassess and align it with the *Malaysia Madani* concept of prosperity, sustainability,

and high-income as advocated by the Prime Minister, considering the current economic climate. The government's focus is on promoting economic growth, establishing a prosperous society, and reinforcing sustainability.

During the engagement session, Mr Moktar Idham Bin Musa, Deputy Director of the Energy Division at the Ministry of Economy, shared that Malaysia achieved an economic growth rate of 5.9% between 2021 and 2022 and is expected to sustain a growth rate of approximately 4.5% to 5.5% for the remaining period of 2023 to 2025. In contrast, the global economy experienced a growth rate of 4.8% from 2021 to 2022, which is projected to slow down to 3.0% from 2023 to 2025.

He added that Malaysia's inflation rate stood at 3.3% as of April 2023, marking it as one of the lowest rates globally. Malaysia has exhibited promising

economic performance, despite encountering various challenges. These challenges include the risk of a global economic recession, geopolitical conflicts, as well as increased global inflation and commodity prices. Domestically, challenges involve low productivity levels, developmental imbalances between regions, a constrained fiscal position limiting funding for development, as well as rising inflation and living costs.

Sarawak, with an economic growth rate of 2.9% in 2021, fell behind the national growth rate of 3.1%. The economy in Sarawak relies heavily on the services and primary industry sectors and among some of the challenges faced in Sarawak includes significant inability to own homes, high graduate unemployment rate, low labour participation rate, and a heavy reliance on commodity-based sectors. Nevertheless, opportunities for economic growth exist through the provision of



framework. These models included the progressive wage model which is presently implemented in Singapore, the productivity-linked wage system (PLWS), and the concept of a living wage. The PLWS is preferred by the participants as compared to the existing minimum wage structure since it provides incentives for employees to boost productivity and enhance job performance.

NWCTC representatives disclosed that the government is considering a hybrid wage model that combines elements of both the minimum wage and PLWS. This approach aims to strike a balance between ensuring fair compensation for employees and incentivising productivity growth. Furthermore, the possibility of sectoral minimum wages was explored, acknowledging that not all sectors or job roles can be easily automated or mechanised.

To encourage further participation and gather a comprehensive range of perspectives and industrial data for the analysis of NWCTC, employers who attended the session were urged to complete an online survey form available at <https://www.surveymonkey.com/r/Majikan2023>.

The survey will remain open until 31 July 2023. Participants were encouraged to submit memorandum to provide detailed feedback and comments on the impact of MWO 2022. By actively engaging in this study, employers can contribute their insights and experiences, thereby shaping future minimum wage policies that cater to the diverse needs and challenges faced by different industries.

国家工资协商理事会(NWCC)于 2023 年 6 月 21 日举办线上研讨会,以研究 2022 年最低薪金法令(MWO)对砂拉越雇主和雇员的影响。此次会议是一系列活动中的最后一项,旨在收集行业代表对NWCC 审查MWO 和制定未来最低薪金政策的见解和反馈。

*Majlis Perundingan Gaji Negara (NWCC) telah mengadakan sesi penglibatan dalam talian pada 21 Jun 2023 untuk mengkaji kesan Perintah Gaji Minimum (MWO) 2022 terhadap majikan dan pekerja di Sarawak. Sesi terakhir ini bertujuan untuk mengumpul pandangan dan maklum balas daripada wakil-wakil industri bagi membantu NWCC mengkaji semula MWO serta menggubal dasar gaji minimum pada masa hadapan.*

high-value-added services and the development of economic potential along the Pan Borneo highway.

During his speech, Mr Rafizi Ramli, Minister of Economy, emphasised the importance of the engagement session as a means to gather feedback from stakeholders, which will assist the Government to identify key sectors, establish goals, and determine the direction of Malaysia's development plans, as well as allocate the developmental budget for the remaining period of RMKe-12. He highlighted the government's commitment to reducing debt and strengthening its fiscal position while simultaneously addressing the needs of the people and maintaining stability. These measures, he added, are crucial to boost investors' confidence in Malaysia and would enable the Government to allocate more funds for development projects.

Also present at the engagement session were Dato Hajjah Hanifah

Hajar Taib, Deputy Minister of Economy, Dato' Nor Azmie Diron, Secretary General of Ministry of Economy and Mr Lester Matthew, Director of Economic Planning Unit Sarawak.

The Ministry of Economy is still receiving feedback and suggestions for the preparation of the Mid-Term Review of the RMKe-12 which can be submitted through the following QR code. A report on the Mid-Term Review shall be tabled to the Parliament in September 2023.



马来西亚经济部于2023年6月24日在古晋希尔顿酒店举行2021-2025年第12大马计划(RMKe-12)中期审查研讨会。会议向参与者强调政府在减少债务和加强财政状况并同时满足人民需求和维护国家安稳的承诺。严重依赖服务业和第一产业的砂拉越经济体所面临的挑战也获得讨论。

*Kementerian Ekonomi mengadakan sesi penglibatan bagi Kajian Separuh Penggal Rancangan Malaysia Ke-12 2021 – 2025 (RMKe-12) pada 24 Jun 2023 di Hotel Hilton, Kuching. Menteri Ekonomi, Encik Rafizi Ramli memberi penekanan tentang komitmen kerajaan dalam mengurangkan hutang dan mengukuhkan kedudukan fiskalnya, di samping menangani keperluan rakyat serta mengekalkan kestabilan. Cabaran ekonomi di Sarawak yang terlalu bergantung kepada perkhidmatan dan sector-sektor industri utama turut ditekankan.*

## Meeting of MEF East Malaysia Region Members No.6/2023

The Malaysian Employers Federation (MEF) East Malaysia (Sarawak) Region convened its Meeting No.6/2023 on 23 June 2023. The hybrid meeting was presided over by Dr Dzulzalani bin Eden, Senior Consultant of MEF Sarawak.

The Vice President of MEF, Ms Anne Kung Soo Ching welcomed representatives from Inland Revenue Board (IRB) Sarawak, led by its Director, Mr C Vijayan Nagalingham at the meeting to update members on the latest IRB guidelines particularly the required record keeping and reporting to IRB.

Mr Paul anak Sarip, Operation Director (Employment/Employer Tax Audit) of IRB Sarawak also provided a briefing on notification of new employee and notification on service termination. According to him, the employers are required to notify IRB within 30 days from date of commencement of employment or cessation of employment or being informed of the employee's death. Failure to do so is an offence and employers can be compounded not less than RM200 and not more than

Service Termination Type	Yearly Income Subject Tax	Where Yearly Income subject to Tax				Subject for Tax Clearance?		
		Scenario 1		Scenario 2		Malaysian Employees	Non-Malaysian Employees	Notice Type (If Yes)
		Monthly Income NOT Subject to MTD	Employer Know Employee Will Continue Working?	Employer has Made MTD Deduction Accordingly	Employer Know Employee Will Continue Working?			
Resigned/ Terminated	No					No	No	
	Yes	Yes	Yes			No	Yes	CP22A/B
	Yes	Yes	No			Yes	Yes	CP22A/B
	Yes			Yes	Yes	No	Yes	CP22A/B
	Yes			Yes	No	Yes	Yes	CP22A/B
Retired/ Death	Yes			No	Yes	Yes	Yes	CP22A/B
	No					No	No	

The table above shows the different scenarios for different types of service termination.

RM20,000 or imprisonment for a period not exceeding 6 months or both. For further information or queries, members can visit the IRB website <https://www.hasil.gov.my/en/employers/> or write to Mr Paul at [paul\\_sarip@hasil.gov.my](mailto:paul_sarip@hasil.gov.my).

In the meeting, MEF members were also briefed on the topic of gaining competitive advantage as employers of choice through e-Shared Prosperity Organisation (eSPO) by Ms Mazuin Dahlan, Senior Manager of Malaysian Productivity Corporation (MPC). eSPO is an online platform that issues electronic acknowledgement certificate to the organisation that has successfully implemented Productivity-Linked Wage System (PLWS).

Initiated by MPC and recognised by the Ministry of Investment, Trade and Industry and Ministry of Human Resources, the eSPO acknowledged companies that practices mutual wealth creation and wealth sharing between employers and employees through PLWS. Applications for the eSPO Certificate of Acknowledgement can be made at <https://www.mpc.gov.my/espo/>.

本年度马来西亚雇主联合会(MEF)东马(砂拉越)地区第6次会议于2023年6月23日召开。MEF成员在会议中获得相关税务局(IRB)最新指南的进一步消息,特别是记录保存和向IRB提呈报告的需要。会议也分享相关电子共享繁荣组织(eSPO)的最新资讯。eSPO是向已成功实施与生产力挂钩的工资制度的组织颁发电子认证书的线上平台。

*Dalam mesyuarat Persekutuan Majikan-Majikan Malaysia Wilayah Malaysia Timur (Sarawak) Bil. 6/2023 pada 23 Jun 2023, ahli-ahli MEF menerima maklumat mengenai garis panduan terkini LHDN khususnya penyimpanan rekod dan pelaporan yang diperlukan kepada LHDN serta mengenai Organisasi Kemakmuran Bersama (eSPO), platform dalam talian yang mengeluarkan sijil pengakuan elektronik kepada organisasi yang telah berjaya melaksanakan Sistem Upah Berkaitan Produktiviti.*

## Workshop on Kajian Lanjutan Industrial Harmony Index 2023

The Department of Industrial Relations Malaysia (DIRM) under the Ministry of Human Resources (MoHR) organised a workshop on *Kajian Lanjutan Industrial Harmony Index 2023* (KLIHI 2023) through their appointed consultants, UPM Consultancy & Services Sdn Bhd (UPMCS) on 19 June 2023. The objective of the workshop was to gather feedback from the employers on the overall governance of the IHI questionnaire and develop Co-Determination Action Plan proposals.

The study of KLIHI 2023 under the 12<sup>th</sup> Malaysia Plan (RMKe-12) began on 21 March 2023 and is expected to end on 15 November 2023.

During the workshop, Ms Azma binti Abdul Rahman, Senior Assistant Director, Planning and Policy Research Division of DIRM provided insights into employers' strategies for industrial relations harmonisation. She referred to the Industrial Harmony Index (IHI) 2022 report, which indicated that

the IHI national score for Sarawak was 78.9%, a score that reflects a positive relationship between employers, employees and trade unions in the region.

Ms Azma also highlighted that the IHI has been officially registered as the intellectual property of DIRM by the Malaysian Intellectual Property Corporation (MyIPO) on 9 July 2019. This recognition indicates the significance and credibility of the IHI as a valuable tool for assessing industrial relations. The IHI has proven beneficial to Malaysian employers, helping them understand the strengths and weaknesses of their industrial





Group photo

relations and enhancing overall industrial harmony within companies across different national industries. She encouraged companies to conduct Self-Assessments (SA) of their IHI performance at their respective organisational levels using the IHI system. This system enables employers and employees to evaluate their internal performance and generates an IHI score and report card that assists companies in identifying areas for improvement. For further information, interested parties can visit the DIRM website <https://jpp.mohr.gov.my>.

Dr Suriani Ismail, the Head of Project KLIHI 2023 of UPM emphasised that the purpose of the study is to help the Government in formulating better policies and plans to maintain harmony among enterprises in the country. To gather valuable input, participants were divided into three (3) groups to discuss and give feedback on various aspects including the governance of the IHI questionnaire, SAs, self-service view, IHI dimension domination and elements of co-determination. In regards to the questionnaire, the participants proposed making the questionnaire more understandable, ensuring it reaches the appropriate target audience, presenting the data collection results effectively across industries nationwide and providing incentives or recognition for participation.

She further explained the concept of co-determination, which is a practice that involves collaborative decision-making between management and employees for the benefit of the organisation and can take formal or informal forms within the organisation. Participants recommended conducting more engagement sessions with industries from various sectors to develop a comprehensive Co-Determination Action Plan.

隶属于人力资源部(MoHR)的马来西亚劳资关系局(DIRM)于2023年6月19日举办2023年产业和谐指数(IHI)后续研究(KLIHI 2023)研讨会,以收集雇主对IHI调查问卷整体管理的反馈和制定共同决策行动计划提案。

*Jabatan Perhubungan Perusahaan Malaysia (DIRM) di bawah Kementerian Sumber Manusia (KKM) telah menganjurkan bengkel Kajian Lanjutan Indeks Harmoni Perindustrian 2023 (KLIHI 2023) pada 19 Jun 2023 untuk mengumpul maklum balas daripada majikan mengenai keseluruhan tadbir urus soal selidik IHI dan membangunkan cadangan Pelan Tindakan Penentuan Bersama.*



Wishing all Members and Readers




# Happy Sarawak Day

From the Chairman, Council Members,  
Management and Staff of STA;  
Board of Directors, Management and Staff  
of STA Enterprises Sdn Bhd, STA Mutual Sdn  
Bhd and STA Training Sdn Bhd

Pengerusi, Ahli-Ahli Majlis, Pihak Pengurusan dan Kakitangan  
STA serta Lembaga Pengarah, Pihak Pengurusan dan  
Kakitangan STA Enterprises Sdn Bhd,  
STA Mutual Sdn Bhd dan STA Training Sdn Bhd  
ingin mengucapkan Selamat Hari Sarawak kepada semua ahli  
STA dan para pembaca.

本会主席, 理事会, 管理委员会, 秘书处,  
STA Enterprises有限公司, STA Mutual有限公司及STA Training有限公司  
全体职员在此祝愿所有会员和读者砂拉越节快乐。







# June 2023

## OPERATOR TRAINING PROGRAMME

Skills training in forestry activities have been designed to provide forest workmen with basic knowledge and practical skills required to work safely in the forests. It helps to create awareness on the environment, sustainable forest management as well as occupational safety and health.

STA Training Sdn Bhd (STAT), a subsidiary company of STA, offers training to workmen in the forestry and timber industry. Presently, there are twelve (12) skills sets offered by STAT. These skills set are claimable under the HRD Corp Claimable Course Scheme by registered employers from the Human Resource Development levy contributions.

For this month, STAT conducted ground operator training programmes as follows:



**Tree Felling- Chainsaw (Natural Forest) &  
Log Extraction- Tractor (Natural Forest)**

Date : 20 - 23 June 2023

Location : Layun Camp, Baram

STAT Trainer : Mr Kutok Bayang &  
Mr Denis Aman

Company : Syarikat Samling Timber Sdn Bhd

STAT is the appointed training provider by Forest Department Sarawak to provide skills training for the five (5) prescribed forestry activities (PFAs) as listed in Schedule 1 *The Forests (Trained Workmen) Rules, 2015*.