



Volume 4, Issue 2, April 2010

Project on Formulation of Guidelines and Procedures for Social Impact Assessment and Monitoring of Forest Management Operations

The MTCC has signed a Memorandum of Agreement with UPM Consultancy & Services Sdn. Bhd. to implement a project entitled *Formulation of Guidelines and Procedures for Social Impact Assessment and Monitoring of Forest Management Operations*.

The main objective of the project is to formulate guidelines and procedures for the conduct of social impact assessment/evaluation, including monitoring procedures to assess the impacts of forest harvesting operations on the indigenous and local communities living within and in the vicinity of the Forest Management Unit (FMU).

Under the MTCS, FMUs applying for forest management certification are required to comply with the requirements of the prescribed forest management standard, i.e. *Malaysian Criteria and Indicators for Forest Management Certification [MC&I(2002)]*. On the social aspect, the *MC&I(2002)* stipulates the requirements for the FMU manager to conduct an assessment/evaluation of social impact of forest management operations on the indigenous and local communities directly affected by the operations (Criterion 4.4). In addition, the standard prescribes the need for monitoring procedures for assessing these impacts (Criterion 8.1). In this connection, the project has been designed to produce the following two instruments:

- i. Guidelines and procedures for conducting social impact assessment/ evaluation of forest management operations on the communities directly affected by such operations;
- ii. Procedures for monitoring effectiveness of measures taken to avoid or minimise social impacts of forest management operations.

The development and availability of the above two instruments will further assist the forest managers to meet the requirements of Criteria 4.4 and 8.1 of the *MC&I(2002)*.

A Project Technical Committee comprising members from the Department of Orang Asli Affairs (JHEOA), Forestry Department Peninsular Malaysia (FDPM), Forest Research Institute Malaysia (FRIM), Institute of Tropical Forestry and Forest Products (INTROP) in UPM and MTCC has been formed to provide expert views as well as technical support for the project implementation. The Committee held its first meeting on 11 May 2010.

The project will involve the implementation of the following key activities in developing the two instruments:

- (i) Conduct literature review;
- (ii) Organise and conduct local community discussion/consultation;
- (iii) Organise and conduct Stakeholder Workshop;
- (iv) Develop instruments; and
- (v) Conduct pilot trial and finalisation of instruments.

Representatives of the various stakeholder groups will be invited to the Stakeholder Workshop to provide comments and inputs regarding the draft instruments. The Workshop is tentatively scheduled to take place in October 2010.

Inside this issue:

| | |
|--|---|
| Project on <i>Formulation of Guidelines and Procedures for Social Impact Assessment and Monitoring of Forest Management Operations</i> | 1 |
| Ninth Meeting of Working Group on a Pan ASEAN Timber Certification Initiative | 2 |
| Forthcoming Events | 2 |
| More PEFC Certificates Issued Under the MTCS | 3 |
| Office Relocation Notice | 3 |
| Export of MTCS-Certified Timber Products | 3 |

Contact Information:

Malaysian Timber Certification Council
 19F, Level 19, Tower 1, Menara PGRM
 No. 8, Jalan Pudu Ulu, Cheras
 56100 Kuala Lumpur, Malaysia

Tel : +603-9200 5008
 Fax : +603-9200 6008
 E-Mail : info@mtcc.com.my
 Website : www.mtcc.com.my

Ninth Meeting of Working Group on a Pan ASEAN Timber Certification Initiative

The 9th Meeting of the Working Group on Pan ASEAN Timber Certification Initiative was held in Phnom Penh, Cambodia on 6-8 May 2010. The Meeting was attended by a total of 46 delegates from Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand and the ASEAN Secretariat. A representative from the European Union (EU) FLEGT Asia Programme was also present at the Meeting.

The Malaysian delegation comprised of representatives from MTCC as the lead agency, Forestry Department Peninsular Malaysia, Sarawak Forestry Department, Malaysian Timber Industry Board, Malaysian Timber Council, Sarawak Forestry Corporation, Sarawak Timber Industry Development Corporation, Sarawak Tropical Peat Research Laboratory Unit and Sarawak Timber Association.

The Working Group further discussed on the draft *Chain of Custody Guidelines for Legal Timber and Sustainable Timber*.

The Meeting agreed that all member states to forward their comments and inputs to Malaysia, as the lead country for this initiative, by 8 June 2010. MTCC has been given the task to circulate the consolidated draft document to all Member States for finalisation and adoption of the document by 8 July 2010. The adopted document will be submitted by Malaysia to the 13th ASOF Meeting to be held in the end of July 2010 in Philippines for further action.

Malaysia shared its experience regarding the negotiation with the EU on a Voluntary Partnership Agreement (VPA) and also the impact of the Lacey Act amendment and the regulatory procedures issued by the USA, particularly on the timber trade and export market.

MTCC presented Malaysia's country report which highlighted the operation of the MTCS including its endorsement by PEFC, certified areas, certificate holders and recognition of the scheme.



Forthcoming Events

Briefing Session on PEFC Logo Usage Fees under MTCS

11 June 2010, The Zon All Suites Residences, Jalan Ampang, Kuala Lumpur

The briefing session is organised for all MTCS Certificate Holders. Potential applicants for certification under the MTCS are also welcome to attend.

The purpose of this briefing is to provide an update on the implementation of the MTCS, particularly with regard to chain of custody certification and the recent decisions made by the MTCC Board of Trustees pertaining to the PEFC Logo usage fees that will be charged to logo users under the MTCS.

Participation to the briefing is free. For more information, kindly contact MTCC.

PEFC Stakeholder Dialogue

16 - 18 June 2010, Corus Hotel, Jalan Ampang, Kuala Lumpur

MTCC and the PEFC Council will be co-hosting a Stakeholder Dialogue in Malaysia that will focus on the development of forest certification initiatives in the Asia Pacific region and the revision of the PEFC requirements for forest certification systems.

This Dialogue is part of the PEFC's Standards Revision process to revise its forest management standards requirements for developing national certification standards, and requirements for group certification.

Participation is free and open to all Malaysian stakeholder groups. For more information, kindly visit www.mtcc.com.my

Training on Chain of Custody Certification by PEFC

15 June 2010 Corus Hotel, Jalan Ampang, Kuala Lumpur.

In conjunction with the Stakeholder Dialogue, MTCC and the PEFC Council will be holding a training session for certification bodies/auditors on CoC interpretations and the upcoming joint IAF/PEFC accreditation requirements for Certification Bodies operating CoC certification against the PEFC Council international CoC standard.

Participation is free. For more information on the training session, kindly contact MTCC.

More PEFC Certificates Issued Under the MTCS

As of April 2010, SIRIM QAS and SGS Malaysia have issued an additional one and 31 PEFC Certificate for Chain of Custody respectively. The new certificate holders are as follows:

Issued by SIRIM QAS International Sdn. Bhd.

- Mahakota Sdn. Bhd., Sg. Petani, Kedah

Issued by SGS (M) Sdn. Bhd.

- Global Wood Products, Port Klang, Selangor
- Pan Resources, Petaling Jaya, Selangor
- Jimwood, Cheras, Kuala Lumpur (KL)
- Jasa Harapan, Yong Peng, Johor
- Perkayuan Semhing, Kuala Pilah, Negeri Sembilan
- Medan Agresif, Gua Musang, Kelantan
- Finewood Export Associate, Jalan Kelang Lama, KL
- M-Forest, Seri Kembangan, Selangor
- Hian Yoon Timber Industries, Tanah Merah, Kelantan
- Costraco, Petaling Jaya, Selangor
- Euro-CGA, Petaling Jaya, Selangor
- Straits Timber Products (Pahang), Mentakab, Pahang
- Straits Timber Products, Ipoh, Perak
- Everdure Timber (M), Klang, Selangor

- Poh Huat Furniture Industries (M), Muar, Johor
- Pekan Sawmill, Kuantan, Pahang
- Perak Industrial Corporation, Sg. Siput, Perak
- Kilang Papan Wakaf Tapai, Kuala Terengganu, Terengganu
- Mascotwood, Kuala Terengganu, Terengganu
- Suria Dayapi Timber Products, Bukit Bandaraya, Kuala Lumpur
- Eco Lumber, Ampang, Selangor
- Victory Enterprise, Klang, Selangor
- Arif Jasa Industries, Semenyih, Selangor
- Pio Hardwood (M), Jalan Kepong, KL
- Evergreen Industries Products, Baling, Kedah
- United Trading & Sawmill, Kuala Lipis, Pahang
- Shen Foong Trading, Kuala Selangor, Selangor
- Permata Upaya, Jerantut, Pahang
- Carl Ronnow (M), Kota Kinabalu, Sabah
- Infinite Point, Ipoh, Perak
- Boon Hock Sawmill, Kamunting, Perak

Hence, by end of April 2010, a total of 91 timber companies are holders of the PEFC Certificate for CoC under the MTCS.

OFFICE RELOCATION NOTICE

With effect from 31 May 2010, MTCC will be moving to its new office premises. The new address and contact details are as follows:

**Malaysian Timber Certification Council
C-08-05, Block C, Megan Avenue II
No.12, Jalan Yap Kwan Seng
50450 Kuala Lumpur, Malaysia**

**Tel : +603-2161 2298
Fax : +603-2161 2293**

Our general email: info@mtcc.com.my and website: www.mtcc.com.my remain unchanged.

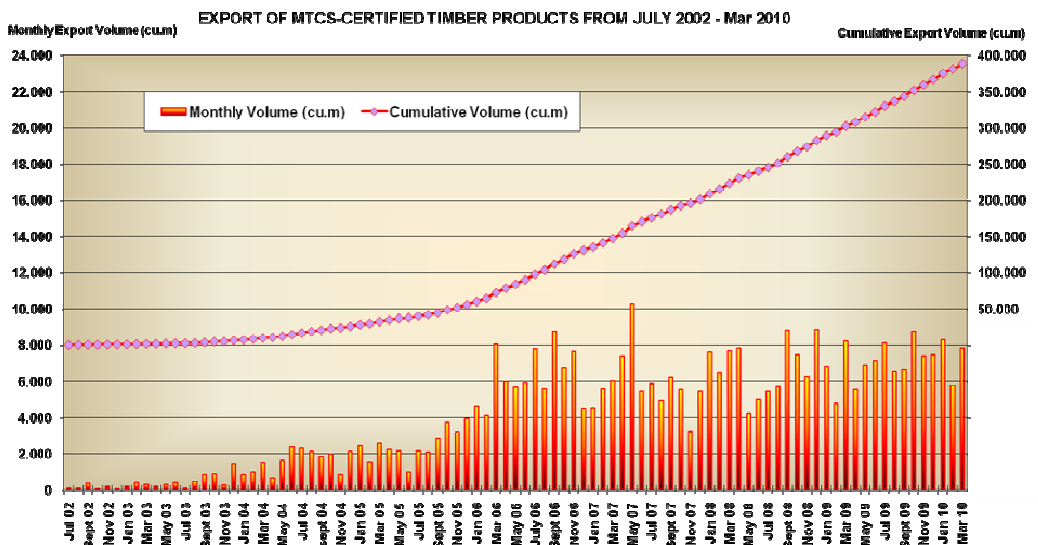


Export of MTCS-Certified Timber Products

March 2010

| By Destination | Volume (m ³) |
|----------------|--------------------------|
| Netherlands | 3,607.09 |
| United Kingdom | 2,752.20 |
| Belgium | 599.46 |
| France | 573.75 |
| Germany | 159.49 |
| Australia | 99.97 |
| Philippines | 36.20 |
| Total | 7,828.16 |

| By Product | Volume (m ³) |
|--------------|--------------------------|
| Plywood | 3,418.99 |
| Sawn Timber | 3,363.20 |
| Moulding | 1,045.97 |
| Total | 7,828.16 |



Source: MTIB & MTCC

- Volume exported in March 2010: **7,828.16 m³**
- Total cumulative volume exported (since July 2002): **388,677.53 m³**

Source: MTIB & MTCC

Information on the validity, size, contact information and location map of certified FMUs under the MTCS can be obtained at: www.mtcc.com.my