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Three More FMUs Become PEFC-Certified

The Kedah, Pahang and Perak Forest Management Units (FMUs) have been awarded with the accredited *Certificate for Forest Management* (Natural Forest) against the requirements of the *MC&I(2002)* under the MTCS. MTCS-certified logs originating from these FMUs and their downstream products are now eligible to carry the PEFC Logo.

The details related to the certificates issued to the Kedah and Perak FMUs by SIRIM QAS International Sdn. Bhd. on 9 June and 7 July 2010 respectively as well as to the Pahang FMU by SGS Malaysia Sdn. Bhd. on 5 July 2010, are as follows:

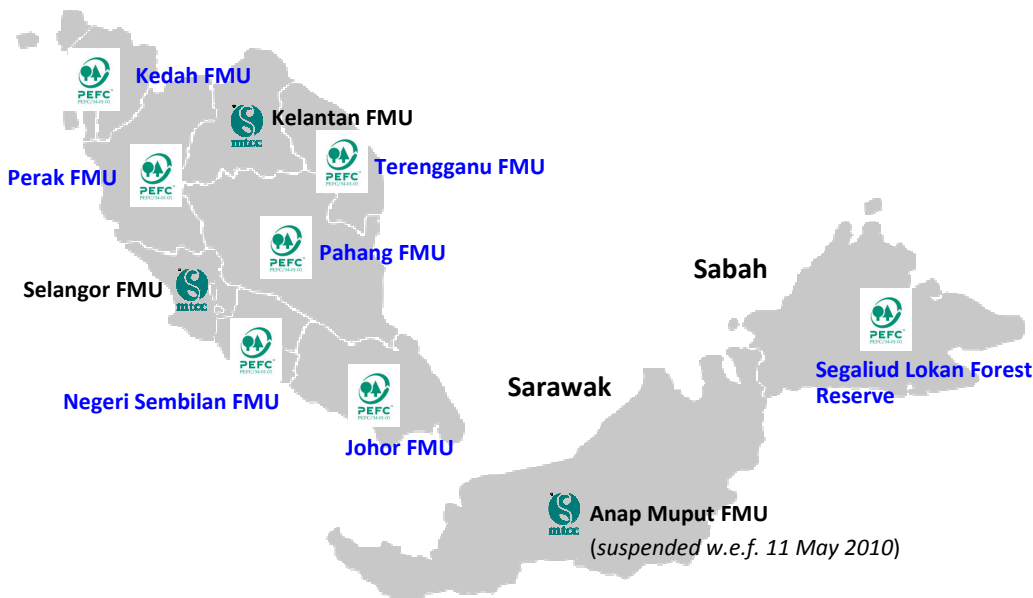
FMU	Extent of PRF (ha)	Stage 1 Audit	Stage 2 Audit
Kedah FMU	307,046	16-19 August 2009	17-22 December 2009
Pahang FMU	1,562,496	2-4 September 2009	9-12 & 16-19 November 2009
Perak FMU	991,436	24-27 August 2009	26 October-2 November 2009

The certificates are valid for a 3-year period, subject to annual surveillance audit to ensure the continued compliance of the FMUs with the requirements of the standard. With this development, a total of 3.97 million ha of the PRFs in Malaysia have now become PEFC-certified.

Public summaries of the audit reports on the Kedah, Pahang and Perak FMUs can be obtained from the websites of SIRIM QAS International Sdn. Bhd. and SGS Malaysia Sdn. Bhd. respectively.

Certified FMUs under the MTCS

Peninsular Malaysia



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Fees for use of PEFC Logo

Beginning 1 July 2010, following a decision made by the Board of Trustees, MTCC will impose a fee for the use of the PEFC Logo. The logo usage fee will be in the form of a one-time issuance fee and an annual fee and will be charged to all the PEFC Logo users under the MTCS, i.e. both certificate holders (for forest management and CoC) and non-certificate holders (certification bodies).

The rates for the issuance fee and the annual fee which have

been approved by the MTCC Board for the one-year period from July 2010-June 2011 are as shown in the table below.

In order for the MTCS-notified CBs and certificate holders to obtain a better understanding on this matter, MTCC conducted a *Briefing Session on PEFC Logo Usage Fee under the Malaysian Timber Certification Scheme (MTCS)* on 11 June 2010 in Kuala Lumpur.

Logo User Category	Subsets	Issuance Fee (RM)	Annual Fee (RM)
A. MTCC		-	-
B. Forest Management Certificates	Natural Forest & Forest Plantations	50.00	RM0.018 per ha of certified forest
C. CoC Certificates	Based on annual total turnover (RM):		
	Up to 5 Million	50.00	300.00
	Over 5 Million & up to 20 Million	50.00	500.00
	Over 20 Million & up to 50 Million	50.00	750.00
	Over 50 Million & up to 100 Million	50.00	1,000.00
	Over 100 Million	50.00	2,000.00
D. Other users	PEFC-notified CBs	50.00	500.00
	Other users	-	-

Update on the Review of the MC&I(2002) - Regional Consultations

In line with the Process and Timelines for Review of MC&I (2002), the Second Draft of MC&I(Natural Forest) was subjected to three regional consultations held in Sarawak, Sabah and Peninsular Malaysia on 19-20 July, 22-23 July and 26-27 July, respectively.

The main objective of the regional consultations was to obtain further comments and feedback from the various stakeholder groups on the Second Draft of the MC&I(Natural Forest), to supplement the comments that have been received during the Second Public Comment Stage which was held from 10 March to 9 April 2010.

The regional consultations resulted in the collection of valuable feedback on the Second Draft of the MC&I(Natural Forest) from the participants who were representatives from the social, environmental and economic stakeholder groups and the relevant government agencies. The regional consultations were attended by a total of 35, 23 and 39 participants in Kuching, Kota Kinabalu and Kuala Lumpur respectively.

The comments and feedback received from the regional consultations will be consolidated by the Secretariat and presented for the consideration of the Standards Review Committee (SRC).



Regional Consultation in Kuching



Regional Consultation in Kota Kinabalu



Regional Consultation in Kuala Lumpur

PEFC NEWS IN MALAYSIA



PEFC Stakeholder Dialogue in Kuala Lumpur

PEFC and MTCC have successfully co-hosted the PEFC Stakeholder Dialogue entitled *Development of Forest Certification in Asia Pacific & Revision of PEFC Requirements for Forest Certification Systems* on 16 - 18 June 2010 in Kuala Lumpur.

The Dialogue was the first to be held in the Asia Pacific region and the objectives of this Dialogue were to provide an overview of the development of forest certification in the Asia Pacific region and to discuss the draft revised PEFC documents at a regional level. So far, PEFC has held three Stakeholder Dialogues in Europe i.e. Geneva on 27 May 2009 and 26 May 2010 and Paris on 11 November 2009.

The Dialogue received overwhelming response and was attended by 112 representatives from the Malaysian stakeholder groups i.e. environmental and social NGOs, relevant government agencies, timber trade associations, national accreditation body and MTCS certification bodies and certificate holders, as well as participants from the Asia Pacific region i.e. Japan, China, Philippines, Indonesia, Thailand, New Zealand and Australia.

On the first day of the Dialogue, a total of five presentations by speakers from PEFC International and countries in the Asia Pacific region i.e. Malaysia (MTCC), China (State Forest Administration of China), Indonesia (Lembaga Ekolabel Indonesia) and Australia (Australian Forestry Standard) were featured. Mr. Ben Gunneberg, Secretary General of the PEFC presented a paper on *Linking National Certification Systems to the Global Community* which touched on the current challenges in forest certification

such as certification effort being focused on temperate and boreal forests which are concentrated in the Western Europe and North America. The presentation also emphasized that certification can facilitate better market access in view of the proliferation of legislation and procurement policies and etc. requiring for legal and sustainable timber. The subsequent four speakers spoke on their experience in the implementation of timber certification including the challenges and achievements in developing their certification initiatives.

On the second day, the participants were divided into four roundtable discussions i.e. standard setting, group forest certification, SFM - boreal, temperate forests and plantations and SFM - natural tropical forests, to discuss the following critical issues concerning the PEFC Standards revision process:

- how to ensure balanced stakeholder representation and participation in developing national standards, including building consensus and decision making, ensuring transparency and dealing with key but disadvantaged stakeholders
- how to deal with the concept of group certification, including meeting the requirements for participation covering size and type of forest area (natural forest or forest plantation) and forest ownership (state-owned or privately-owned), and number of group participants
- whether the requirements for SFM standards should entail two separate documents (one for temperate, boreal and

plantation forests, and the other specifically for tropical natural forests), or should there be only one meta standard for all forest types, or should there be one meta standard for natural forests and another for forest plantations

- how detailed the SFM meta standard should be and how it should be structured, i.e. to reflect principle and criterion levels, or criterion and guideline levels, or should a third level (i.e. the indicator level) also be included
- ensuring basic labour, health and safety standards in all forestry operations, as well as
- how to deal with the issue of forest conversion.

A working group which has been set up under the PEFC will consider all comments received from the various public consultations during the next stage of the revision process. The final draft will then be submitted to the PEFC Board of Directors for consideration before putting up for formal voting at the PEFC General Assembly.

On the third day the participants visited two forest areas in Selangor FMU which is MTCS-certified. They first visited compartment 18 of Bukit Lagong Forest Reserve, which was recently subjected to a second rotation harvesting, to see the conditions of the residual forest stand and management activities conducted there. In the second visit to compartment 7, Kanching Forest Reserve, the participants were shown the condition and stocking of a well-regenerated forest.



Ben Gunneberg giving presentation during the Dialogue



Panel discussion



Roundtable discussion on standard setting chaired by Jaroslav Tymrak (bottom)

Roundtable discussion on and SFM-boreal, temperate forests and plantations chaired by Dr. Hans Drielsma (top).



PEFC NEWS IN MALAYSIA



Roundtable discussion on group forest certification (top) and SFM-natural tropical forests (bottom) chaired by Ben Gunneberg and Harnarinder Singh respectively



Field trip



Training on CoC Certification by PEFC

A training session on Chain of Custody (CoC) Certification for certification bodies (CBs) / auditors was held on 15 June 2010 in Kuala Lumpur by PEFC and MTCC. The training session was organised in conjunction with the PEFC Stakeholder Dialogue on 16-18 June 2010 in Kuala Lumpur. A total of 30 auditors from the three PEFC notified CBs attended the training session.

The training session covered CoC interpretations and the upcoming joint IAF/PEFC accreditation requirements for CBs operating CoC certification against the PEFC Council international CoC standard.

The participants were also briefed on the revision of the PEFC CoC standard.

PEFC UK

Excel Publishing titles to carry PEFC Logo

The PEFC is celebrating another significant achievement with the news that all of leading business to business publisher Excel Publishing's products will now carry the PEFC logo as an assurance of responsible paper procurement.

The Excel products include some 47 magazine titles, including many of the UK's major blue-chip and professional organisations with titles such as EN, Fleet Times, Public Sector Construction, Local Government Executive and Builder & Engineer.

Excel Publishing also produces a number of contract publishing Directories and Yearbooks, for clients such as RIBA, the Institute of Energy and the Sports Industries Federation Directory, and these publications will also carry the PEFC logo.

Commenting on the award, Excel Publishing, said "As a leading UK B2B publisher, Excel Publishing is proud to

demonstrate its support for responsible paper procurement and sustainable forest management by using the PEFC logo on our publications to provide our readers with assurances that the source material for our titles can be traced back to forests certified to a credible certification standard such as PEFC's."

"We are delighted that a leading international publisher such as Excel has chosen to produce its titles on PEFC certified paper stocks. This is a clear indication that there is growing recognition of the PEFC brand within the print, paper and publishing sectors, both in the UK and internationally," said PEFC UK's Communications Director, Hilary Khawam.

With the majority of the UK's leading paper merchants now able to offer a range of PEFC certified papers, it is no wonder that now almost 500 printers have been awarded PEFC chain of custody certification. PEFC recently

re-launched its UK website and it now includes a database of certified printers and the range of service they offer – www.pefc.co.uk. This has proved to be very popular with visitors to the site demonstrating increasing print buyer interest in providing assurances to their customers of sustainable sourcing.

As a result, more and more publishers and brand owners are now opting to use the PEFC logo on their publications as an assurance of responsible paper sourcing.

Demand for the PEFC logo continues to grow, and this year alone has seen the PEFC becoming ever more visible, as trusted household names such as Argos, Boden, British Airways, First Choice, Matalan, National Westminster, John Lewis, Debenhams, Tesco, Asda, Nectar, Airmiles, Lakeland and most recently The Economist and The Big Issue have both used the PEFC logo on their customer-facing publications.

More PEFC Certificates Issued Under the MTCS

An additional 10 PEFC Certificates have been issued under the MTCS since the last report in April 2010. The new certificate holders are as follows:

Issued by SIRIM QAS International:

- Ting Tinh Resources Sdn. Bhd., Mentakab, Pahang
- Kilang Papan Teoh Chong Seng Sdn. Bhd., Bukit Mertajam, Pulau Pinang
- Daiken Sarawak Sdn. Bhd., Bintulu, Sarawak
- Cairnfield Sdn. Bhd., Bintulu, Sarawak
- GT Plywood Industries Sdn. Bhd., Bintulu, Sarawak
- I Maskayu Door Export (M) Sdn. Bhd., Bukit Mertajam, Pulau Pinang

Issued by SGS (M) Sdn. Bhd.:

- Stanwoods Corporation Sdn. Bhd., Temerloh, Pahang
- Winfast Industrial Holdings Sdn. Bhd., Kuantan, Pahang
- Top Forest Wood Sdn. Bhd., Klang, Selangor
- Sen Hai Timber Sdn. Bhd., Chaah, Johor

Hence, by end of June 2010, a total of 128 timber companies are holders of the PEFC certificate for CoC under the MTCS. Of these, 15 companies have signed the PEFC Logo Usage licence agreement which will enable them to use the PEFC logo on their MTCS-certified products. For further details on the companies that are able to supply PEFC-certified timber products, kindly visit the MTCC website.



Export of MTCS-Certified Timber Products By Destination & Product

April 2010

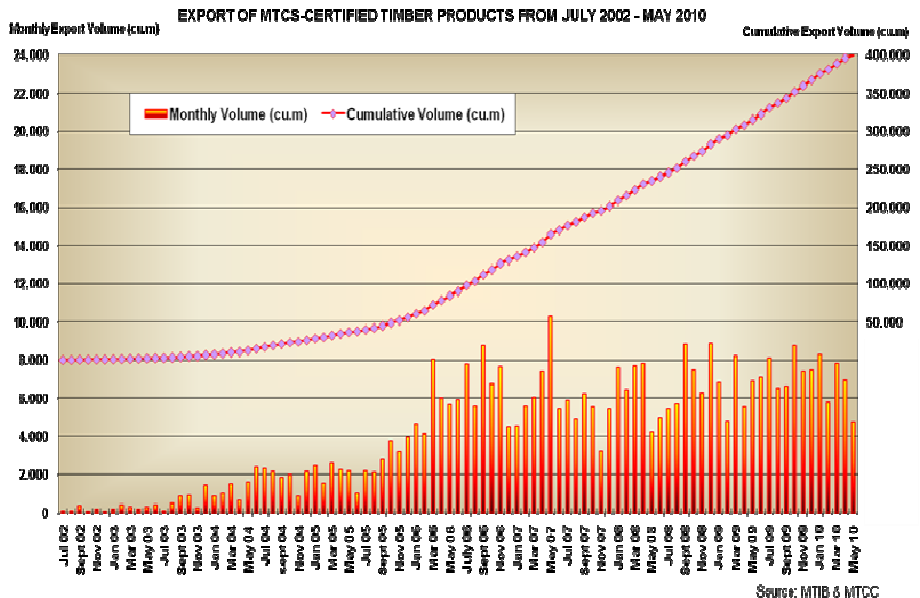
Destination	Volume (m ³)
The Netherlands	3,935.05
United Kingdom	970.41
Denmark	682.64
France	489.19
Belgium	245.74
Germany	170.92
Norway	128.73
Greece	111.80
Australia	98.61
South Africa	63.33
Total	6,896.42

May 2010

Destination	Volume (m ³)
The Netherlands	2,148.22
United Kingdom	1,375.06
Belgium	523.40
France	329.62
Germany	231.25
South Africa	62.33
Denmark	42.98
Poland	29.96
Australia	13.20
Total	4,756.01

Product	Volume (m ³)
Sawn Timber	3,431.54
Plywood	2,909.86
Moulding	555.02
Total	6,896.42

Product	Volume (m ³)
Sawn Timber	2,755.58
Plywood	1,498.67
Moulding	501.76
Total	4,756.01



Volume exported in April 2010: 6,896.42 m³

Volume exported in May 2010: 4,756.01 m³

Total cumulative volume exported since July 2002: 400,329.97 m³

Source: MTIB/MTCC