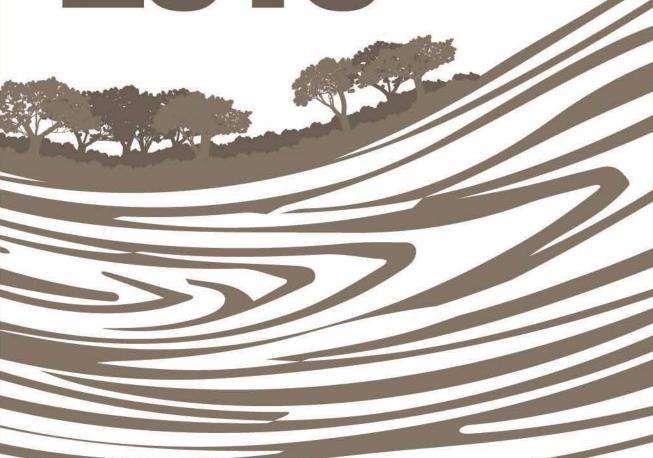
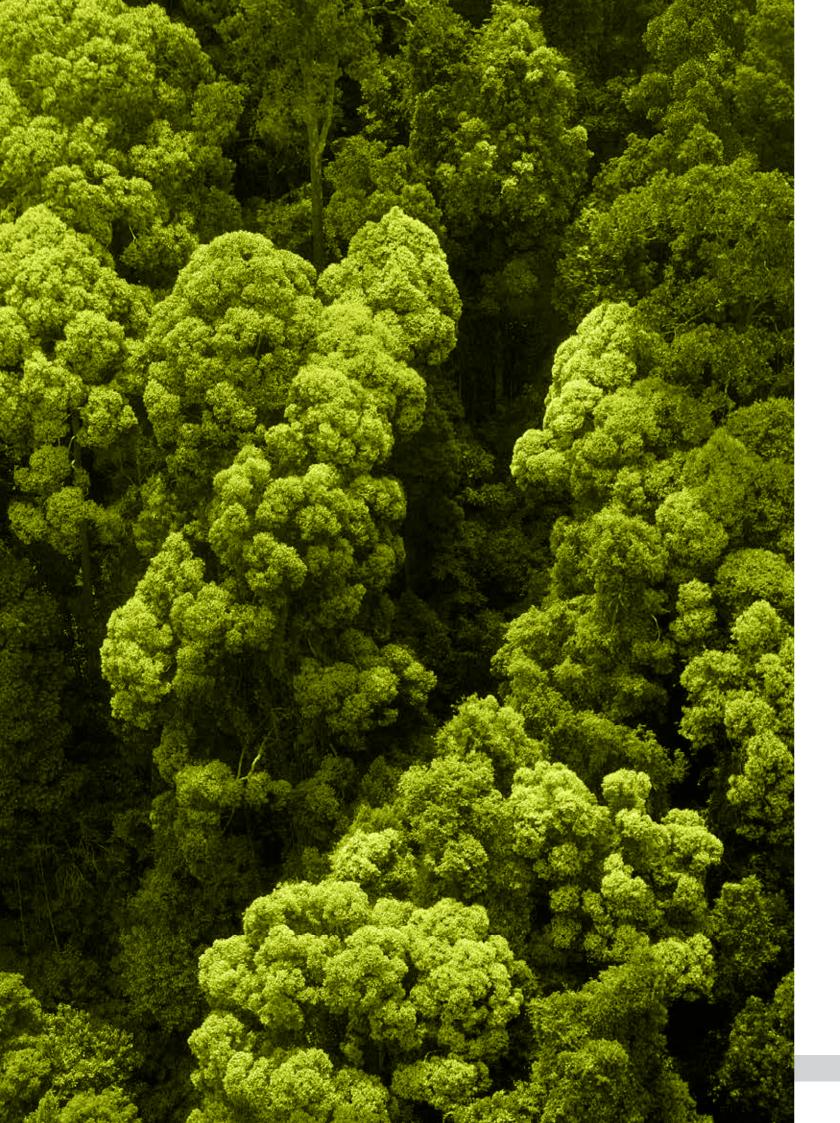
ANNUAL REPORT 2015









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VISION

To be recognised as the leading timber certification organisation for tropical forests

MISSION

To establish and operate a credible and internationally recognised national timber certification scheme towards promoting sustainable forest management in Malaysia





CORPORATE PROFILE

The Malaysian Timber Certification Council (MTCC) was established in October 1998 as an independent organisation responsible for developing and operating the voluntary Malaysian Timber Certification Scheme (MTCS). Incorporated under the Companies Act 1965 as a company limited by guarantee, MTCC is governed by a Board of Trustees and started its operation in January 1999.

MTCC is the national governing body (NGB) which has overall responsibility for the MTCS. MTCC's main activities are to:

 support the standard-setting process by serving as the secretariat to the appropriate standard setting body in formulating standards related to timber certification and keeping them under review periodically

- process applications for MTCS notification of certification bodies (CBs) operating forest management system and/or chain of custody certification and issuance of logo usage licences to certificate holders
- implement the procedure for the investigation and resolution of disputes, complaints and appeals related to its role as the NGB
- liaise closely with the national accreditation body and other certification organisations in matters related to timber certification
- coordinate with national, regional and international bodies related to timber certification to facilitate cooperation and mutual recognition arrangements
- conduct programmes to promote and publicise the MTCS, both locally and internationally



ORGANISATION OF MTCC

CHAIRMAN & BOARD OF TRUSTEES

INVESTMENT COMMITTEE

MANAGEMENT **TEAM HEADED BY CHIEF EXECUTIVE OFFICER**

DISPUTE RESOLUTION COMMITTEE

IN-HOUSE INVESTMENT COMMITTEE

NOTIFICATION COMMITTEE



CHAIRMAN & BOARD OF TRUSTEES

The Board of Trustees, comprising the Chairman and ten members, is the governing body that decides the overall policies and direction of the MTCC. The members comprise of representatives from the academic or research and development institutions, private sector (timber industry associations), nongovernmental organisations (social and environmental interests) and government.

CHAIRMAN

Dato' Dr. Freezailah Che Yeom

MEMBERS

Datuk M. Nagarajan

Ministry of Plantation Industries and Commodities



Dato Henry Lau Lee Kong

Sarawak Timber Association (w.e.f. 30 July)



Dato Gerawat Gala

Federation of Orang Ulu Associations, Sarawak, Malaysia



Low Ching Cheong

Timber Exporters' Association Malaysia (w.e.f. 30 July)



Dr. Abd Rahman Kassim

Forest Research Institute Malaysia (w.e.f. 30 July)



Dr. Megat Sany Megat Ahmad Supian

Ministry of Natural Resources and Environment (w.e.f. 12 February)



Dr. Melvin Gumal

Wildlife Conservation Society, Malaysia Program



Mohd Khalid Atan

Timber Employees Union Peninsular Malaysia



Dr. Liew Kang Chiang

Universiti Malaysia Sabah



6

Sixty-Second Meeting

The Board of Trustees met four times in 2015

Sixty-Fourth Meeting

29 September, Kuala Lumpur







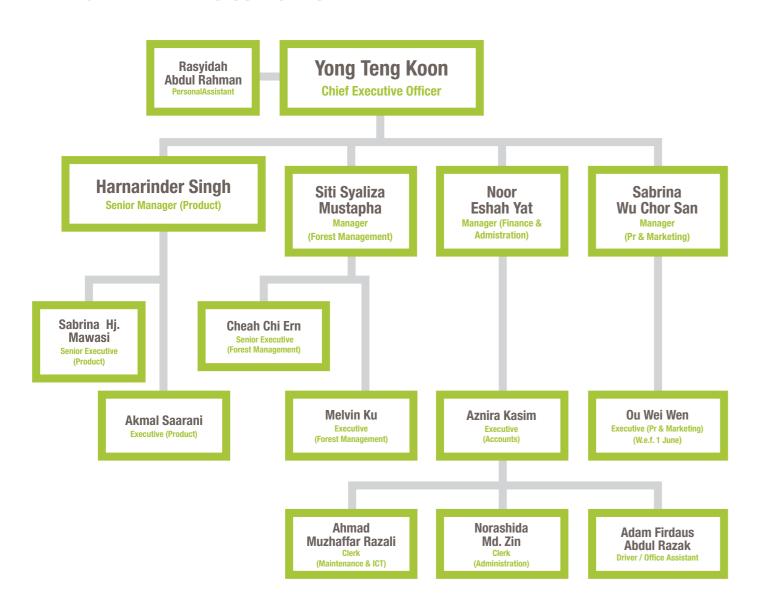
Sixty-Third Meeting

11 June, Kota Kinabalu

Sixty-Fifth Meeting

18 December, Kuala Lumpur

MANAGEMENT TEAM & SUPPORT STAFF





Standing left to right: Akmal Saarani, Melvin Ku, Cheah Chi Ern, Ou Wei Wen, Sabrina Wu, Sabrina Mawasi, Aznira Kasim, Norashida Md. Zin, Rasyidah Abdul Rahman, Ahmad Muzhaffar Razali

Sitting left to right: Yong Teng Koon, Siti Syaliza Mustapha, Noor Eshah Yat, Harnarinder Singh, Nur Ashykin Ab. Shukor



INVESTMENT COMMITTEE

The Investment Committee is responsible for the formulation of policies and procedures on matters related to the establishment and management of the Endowment Fund. The Committee oversees the overall implementation of MTCC's investment policy. The Committee met once on 20 May to consider the proposal for managing the return of investment from the Endowment Fund.



Members of the Investment Committee

Dato' Dr. Freezailah Che Yeom

Datuk M. Nagarajan

Ministry of Plantation Industries and Commodities

Mustafar Taib

Ministry of Finance (until 6 October)

Yong Teng Koon

CEO, MTCC



DISPUTE RESOLUTION COMMITTEE

The independent six-member Dispute Resolution Committee (DRC) appointed by the MTCC Board deals with any disputes submitted to the MTCC related to MTCC's role as the NGB.

Members of the Dispute Resolution Committee

- Tan Sri Dato' Seri Dr. Salleh Mohd Nor (Chairman)
- Datuk Eric Usip Juin
- Dato' Dr. Baharuddin Hj. Ghazali
- Dato' Shaharuddin Mohamad Ismail
- Associate Prof. Dr. Ramy Bulan
- Chew Lye Teng





IN-HOUSE INVESTMENT COMMITTEE

The In-House Investment Committee monitors the implementation of the decisions of the Investment Committee, and formulates investment recommendations for the consideration of the Investment Committee.

Members of the In-House Investment Committee

Yong Teng Koon (Chairman)

Harnarinder Singh

Siti Syaliza Mustapha

Noor Eshah Yat (Secretary)

NOTIFICATION COMMITTEE

The MTCC Notification Committee, which is responsible for the issuance of PEFC notification to certification bodies (CBs) and logo usage licences to certificate holders under the MTCS, met seven times as follows:

60th Meeting 8 January

19 March

61st Meeting / 62nd Meeting / 26 March

63rd Meeting

29 May

64th Meeting 1 September

65th Meeting 16 October

66th Meeting 25 November

Members of the Notification Committee

Yong Teng Koon (Chairman)

Harnarinder Singh

Siti Syaliza Mustapha

ANNUAL GENERAL MEETING

The Sixteenth Annual General Meeting was held on 30 June in Kuala Lumpur during which the Audited Accounts for the Financial Year ended 31 December 2014, Reports of the Trustees and Auditors, and the Annual Report for the Year 2014, were tabled and adopted by the Members.



AGM in progress

COMPANY SECRETARY

Zainal Abidin Pit (MAICSA 7014057) ZAP Management Services Sdn. Bhd.

15B. 2nd Floor Jalan Tengku Ampuan Zabedah F9/F 40100 Shah Alam, Selangor

COMPANY AUDITORS

Mazars (No. AF: 1954)

Wisma Selangor Dredging 7th Floor, South Block 142-A, Jalan Ampang 50450 Kuala Lumpur



On behalf of the Board of Trustees of the Malaysian Timber Certification Council (MTCC), I am pleased to present the Annual Report and the Audited Accounts of the Council for the financial year ending 31 December 2015.

In 2015, MTCC expanded its outreach and promotion activities to raise awareness for timber certification to the local timber and timber-related industry as well as to consumers. The various promotional activities resulted in a significant increase in the number of articles published in the local media related to the work of the MTCC and the operation of the MTCS. It is hoped that this improved coverage translates to better appreciation and support of the Malaysian Timber Certification Scheme (MTCS) specifically and sustainable forest management (SFM) generally. In particular, forestry students at universities were targeted to raise their awareness on the role of the MTCC in promoting SFM through the implementation of the MTCS.

At the regional level, MTCC continued to play its role as the lead agency for Malaysia in the Working Group on Pan ASEAN Timber Certification Initiative (WG PATCI) and was instrumental in helping ASEAN Member States and countries within the Asia Pacific region to develop their respective national timber certification schemes. MTCC's contribution at the regional level was recognised by the Programme for the Endorsement of Forest Certification (PEFC) and Ben Gunneberg, the CEO and Secretary General of PEFC, commended MTCC's leadership in promoting tropical timber certification in his Keynote Speech at the MTCC Stakeholder Dialogue held in Kuala Lumpur in July 2015.

The year 2015 also saw significant growth in Chain of Custody (CoC) certification with the issuance of 72 new certificates. This increase earned the MTCS the PEFC Award for the third highest increase in CoC Certification among PEFC Member Countries, after PEFC Spain and PEFC Sweden.

There was also an increase in the export of MTCS-certified products by 18.4%, from 168,094 m³ in 2014 to 198,992 m³ in 2015. The increase could be attributed to a higher demand for certified timber products as a result of the implementation of the US Lacey Act, EU Timber Regulation (EUTR) and the Australian Illegal Logging Prohibition Act. Under these legality requirements, certified timber is regarded as of minimal risk under the due diligence system and hence could be imported into these countries.

Moving forward, MTCC's mission remains to promote SFM for the benefit of all stakeholders in Malaysia and internationally. We hope to consolidate the scheme and to increase the uptake of both forest management certification and chain of custody certification within the country. These efforts are important in the context of the crucial and growing importance of forests in our endeavour to ensure a liveable and sustainable environment, and in mitigating the negative impacts of climate change. Today, more than 1.6 billion people depend on the forests for food, water, fuel. medicines, traditional cultures and livelihoods. In addition, forests support up to 80% of terrestrial biodiversity and play a vital role in safeguarding the climate by naturally sequestering carbon.

Global recognition for the need and importance of SFM is not new. At the United Nations Conference on Environment and Development (UNCED) or the Earth Summit, held in in Rio de Janerio in 1992, timber certification was proposed as the market based tool to promote the implementation of SFM. However, after more than two decades, only about 458 million ha or 10 percent of the world's forests have been certified for sustainability. And of these only 44 million ha or less than 10 percent were from tropical forest, meaning only about 1 percent of global tropical forests are certified. Malaysia is proud that out of this 1 percent, the MTCS contributed some 4.66 million hectares or about 10 percent of the total tropical forests certified.

Despite the slow uptake and increasing challenges, MTCC remains optimistic that SFM will remain the way forward for the world's forests. We see the pursuit of SFM as a journey, not a destination. A journey that requires continuous improvement, awareness raising, sustained effort and support, as well as encouragement from all parties involved to ensure that the valuable forest resources that we have are managed in a way that is socially acceptable, ecologically sustainable and economically viable, benefiting both the present and future generations. Hence our tagline: "Sustainable Forest. Sustainable Future."

Malaysia's efforts are also in line with the Paris Agreement on Climate Change adopted by 196 countries including Malaysia, at the 2015 United Nations Climate Change Conference. Among others, the Paris Agreement requires all Parties to put forward their best efforts through "nationally determined contributions" (NDCs) and to strengthen these efforts in the years ahead. The MTCC sees the MTCS as a crucial plank in Malaysia's NDC efforts.

Finally, I must place on record our utmost gratitude to our founding Chairman, Dato' Dr. Freezailah Che Yeom, for his vision, dedication and guidance that has brought MTCC to what it is today; a reputable organisation with international recognition and market acceptance. Over his tenure spanning 17 years, Dato' Dr Freezailah played a pivotal role in increasing the visibility and credibility of the MTCC and the MTCS, at national, regional and international levels.

I would also like to thank the MTCC management team and supporting staff for their dedication and hard work that has led to the continued recognition and acceptance of the MTCS.

DATUK HIMMAT SINGH

Chairman 5 July 2016



The total number of Forest Management Units (FMUs) certified against the requirements of the MC&I (Natural Forest) remained at ten, covering 4,649,913 ha of natural forest, with two Forest Plantation Management Units (FPMUs) covering 11,807 ha certified against the MC&I (Forest Plantations). However, we are pleased to report progress in that an additional three FMUs and four FPMUs, covering respectively some 151,907 ha and 161,508 ha, have been subjected to Stage1/Stage 2 audits during the year under review.

In comparison, significant achievement was made in 2015 for chain of custody (CoC) certification, with the issuance of 72 new certificates to timber companies. The increase was duly noted and recognised when the MTCS was awarded the PEFC Award for the third greatest increase in CoC certification among the PEFC Member countries. The Award was presented to MTCC at the 20th PEFC General Assembly held in Montreux, Switzerland on 19 November. In fact, this was the second time that the MTCC received such an award for CoC certification from PEFC, the first award was received in 2013. However, it is to be noted that the year also recorded the withdrawal of 29 certificates – leaving the overall number of PEFC certificate holders at 354, as of December 2015. In addition, a total of 30 new Logo Usage Licences were issued to the qualified certificate holders.

The export volume of timber products certified under the MTCS showed an increase of 18.4% from 168,094 m³ in 2014 to 198,992 m³ in 2015. The Netherlands provided the biggest market share, accounting for 34.77% of the total export, followed by the United Kingdom at 10.95%. Barbados, Czech Republic, Kenya, North Korea, Romania, Taiwan, Turkey, Macedonia and Saint Lucia became the latest destinations for MTCS-certified timber products, adding to the existing list of 45 countries.

One major event conducted by MTCC was the MTCC Stakeholder Dialogue themed "Experience Gained and the Way Forward for the MTCS" held on 28 July in Kuala Lumpur. Many constructive feedback and recommendations to further enhance the operation of the MTCS, including the recommendation to streamline the forest management certification standards for natural forest and forest plantation were received from the Malaysian stakeholders. The one-day Stakeholder Dialogue was concluded with an Appreciation Dinner to accord MTCC's appreciation to the Malaysian stakeholders for their significant contribution and continued support to its work and the operation of the MTCS.

MTCC initiated the review of the MC&I (Natural Forest) in October in line with the requirement that certification standard used under the MTCS is to be revised once every five years. The review process is expected to be completed in 2017. As the National

Government Body for the MTCS, MTCC provided trainings to both existing and new auditors of certification bodies, as well as peer reviewers on the requirements of the MC&I(Natural Forest) and MC&I Forest Plantation.V2 standards.

In 2015, concerted efforts were taken by MTCC to raise awareness and promote the MTCS locally, in additional to our international efforts. In this connection, besides participating in publicity programmes such as exhibitions, conferences and seminars, MTCC increased its effort to engage the media through interview sessions with the Chairman and the CEO, resulting in a significant increase in the number of articles being published in the local media, thereby raising the profile of the MTCS within the country. Measures were also taken to reach out to the first year students of the Forestry Faculty of Universiti Putra Malaysia with the aim of raising their awareness on the role of MTCC in promoting SFM practices through the implementation of the MTCS.

Internationally, MTCC continued to participate in selected exhibitions to promote the MTCS. MTCC also participated actively in PEFC related activities as a Member of the PEFC Council to ensure that the interest of tropical forests, and the challenges and constraints faced by Malaysia are considered and taken into account in the PEFC deliberations. Additionally, effort was taken to engage the Dutch government with the view to obtain full acceptance of the MTCS under the Dutch procurement policy for timber.

All the above efforts and achievements would not have been possible without the guidance and support of the MTCC's Board of Trustees. My sincere appreciation, therefore, goes to the Chairman and Board of Trustees, as well as Members of MTCC, for their continued and sustained guidance, support and encouragement throughout 2015. I would also like to accord my thanks to the MTCC managers and supporting staff for their hardwork, dedication, cooperation and contributions in making 2015 an eventful year for MTCC.

YONG TENG KOON Chief Executive Officer 5 July 2016

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OPERATIONS

FOREST MANAGEMENT CERTIFICATION

Five of the eight certified Forest Management Units (FMUs) in Peninsular Malaysia and the Segaliud Lokan FMU in Sabah underwent re-certification audits against the requirements of the MC&I(Natural Forest). The re-certification audits for Pahang and Selangor FMUs scheduled in 2015 had been delayed due to the change of certification bodies involved in conducting the recertification audits. The Kelantan FMU and Anap Muput FMU were subjected to their first and second surveillance audit respectively.

The two Forest Plantation Management Units (FPMUs), i.e.

Shin Yang Kuala Baram FPMU and Samling Segan LPF 0014 FPMU underwent their first surveillance audit in 2015.

Details regarding the PEFC-certified FMUs and FPMUs are as shown in **Table 1**.

In addition, three FMUs covering 151,907 ha of natural forest and four FPMUs covering 161,508.70 ha of forest plantations (as shown in **Table 2**) have been subjected to stage 1 and stage 2 audit in 2015.

Table 1 : Details of PEFC-Certified FMUs and FPMUs

		NATURAL FO	DREST		
FMU	Certification Body	Certificate Number	Validity of Certificate	Latest Audit Date	Area (ha)
Negeri Sembilan	SIRIM QAS International Sdn. Bhd.	FMC 0002	28 Dec 2015 to 27 Dec 2018	26-30 Oct 2015	155,825
Johor	SGS (Malaysia) Sdn. Bhd.	SGS-MTCS/FM0102	1 Apr 2013 to 31 Mac 2016	10-14 May 2015	351,302
Terengganu	SGS (Malaysia) Sdn. Bhd.	SGS-MTCS/FM0103	1 Apr 2013 to 31 Mac 2016	17-21 May 2015	516,697
Kedah	SIRIM QAS International Sdn. Bhd.	FMC 0003	1 Jun 2013 to 31 May 2016	16-20 Aug 2015	307,046
Pahang	SGS (Malaysia) Sdn. Bhd.	SGS-MTCS/FM0104	1 Jun 2013 to 31 May 2016	Postponed to 2016 due to change of Certification Body	1,524,827
Perak	SIRIM QAS International Sdn. Bhd.	FMC 0004	1 Jun 2013 to 31 May 2016	28 Sep - 3 Oct 2015	991,436
Selangor	SGS (Malaysia) Sdn. Bhd.	SGS-MTCS/FM0105	1 Jun 2013 to 31 May 2016	Postponed to 2016 due to change of Certification Body	238,749
Kelantan	SIRIM QAS International Sdn. Bhd.	FMC 0005	9 Feb 2014 to 8 Feb 2017	6-10 Sept 2015	424,497
Segaliud-Lokan	SIRIM QAS International Sdn. Bhd.	FMC 0001	2 Dec 2015 to 1 Dec 2018	19-24 Oct 2015	57,247
Anap Muput	SIRIM QAS International Sdn. Bhd.	FMC 0006	25 Jul 2013 to 24 Jul 2016	24-28 Aug 2015	83,535

TOTAL: 4,651,161 ha

FOREST PLANTATIONS					
FPMU	Certification Body	Certificate Number	Validity of Certificate	Latest Audit Date	Area (ha)
Shin Yang Kuala Baram	SIRIM QAS International Sdn. Bhd.	FPMC 0001	18 Jul 2014 to 17 Jul 2017	3-5 Nov 2015	1,007
Samling Segan LPF 0014	SIRIM QAS International Sdn. Bhd.	FPMC 0002	18 Jul 2014 to 17 Jul 2017	24-26 Nov 2015	10,800

TOTAL: 11,807 ha

GRAND TOTAL: 4,662,968 ha

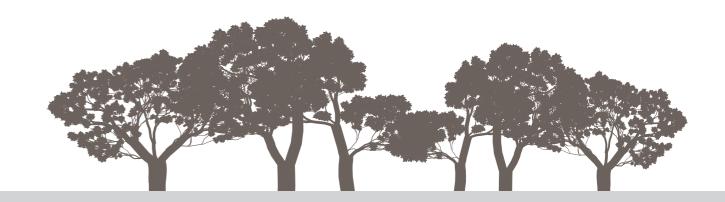
Table 2: FMUs and FPMUs in the process to be certified

	NATURAL FOREST	
No.	FMU	Area (ha)
1	TSH Resources Sdn Bhd, Sabah	50,891
2	Bornion Timber NF, FMU11, Sabah	29,723
3	Timberwell Bhd Lingkabau FR, FMU3, Sabah	71,293

TOTAL: 151,907 ha

	FOREST PLANTATIONS	
No.	FPMU	Area (ha)
4	Shin Yang Forestry Kapit Div. (LPF0018), Sarawak	24,946.70
5	Shin Yang Forestry Masama (LPF0019), Sarawak	20,500
6	Shin Yang Forestry Long Lama (LPF0017), Sarawak	65,178
7	Bornion Timber FP, FMU11, Sabah	50,884

TOTAL: 161,508.70 ha



CHAIN OF CUSTODY CERTIFICATION

In 2015, a total of 72 companies were awarded the PEFC *Certificate for Chain of Custody* (CoC) by five of the PEFC-notified CBs. Of these certificates, 71 were issued by local CBs with the remaining certificate issued by Control Union Certifications C.V. based in The Netherlands. The breakdown of the certificates issued by the CBs is as shown in **Table 3**.

As a result of the issuance of the above new certificates, MTCC received an award from the Programme for the Endorsement for

Forest Certification (PEFC) for the third highest increase in CoC certification among the PEFC endorsed schemes in 2015.

However, the year also saw the withdrawal of 29 certificates, resulting in the total number of PEFC *Certificate for Chain of Custody* holders at 354 as at 31 December. The full list of PEFC certificate holders for chain of custody is available on the PEFC website at http://www.pefc.org/find-certified/certified-certificates.

Table 3: Issuance of PEFC Chain of Custody Certificate

Certification Body	No. of Certificates
SGS (Malaysia) Sdn. Bhd.	35
SIRIM QAS International Sdn. Bhd.	25
Intertek Certification International Sdn. Bhd.	9
Bureau Veritas Certification (Malaysia) Sdn. Bhd.	2
Total Certificates Issued	71

ISSUANCE OF PEFC LOGO USAGE LICENCE

In 2015, 30 PEFC Logo Usage Licence were issued by the Notification Committee. Of this number, 29 licences were issued to CoC certificate holders (Group C) and one to "Other users

promoting the MTCC" (Group D), i.e. Bureau Veritas Certification (Malaysia) Sdn. Bhd.

NOTIFICATION OF CERTIFICATION BODIES

Another three accredited CBs were issued with PEFC notification to operate CoC certification under the MTCS namely, (i) Bureau Veritas Certification (Malaysia) Sdn. Bhd., (ii) Control Union Certifications B.V. and (iii) NEPCon OÜ (Estonia).

Bureau Veritas Certification (Malaysia) Sdn. Bhd. which was granted accreditation by STANDARDS MALAYSIA to operate CoC certification under the MTCS on 14 December 2014 became a PEFC-notified CB on 26 March. Following the notification, Bureau Veritas Certification (Malaysia) Sdn. Bhd. was issued with PEFC Logo Usage Licence bearing registration number PEFC/34-44-05.

Both Control Union Certifications B.V and NEPCon OÜ (Estonia) are PEFC Council-notified CB based in the Netherlands and Estonia respectively. Control Union Certifications B.V was notified as a PEFC-notified CB under the MTCS on 16 October while NEPCon OÜ (Estonia) was notified on 25 November 2015.

With the above addition, the total number of PEFC-notified CBs operating CoC certification increased to 13, while those operating forest management certification remained at two as shown in **Table 4**.



Table 4: PEFC-notified CBs under the MTCS

Type of Certification	PEFC-notified CB	Notification Date
Forest Management Certification	1. SIRIM QAS International Sdn. Bhd.	10 December 2009
	2. SGS (Malaysia) Sdn. Bhd.	24 December 2009
CoC Certification	1. SIRIM QAS International Sdn. Bhd.	2 September 2009
	2. Japan Gas Appliances Inspection Association	2 October 2009
	3. SGS South Africa Pty Ltd – Qualifor Programme	2 October 2009
	4. SGS (Malaysia) Sdn. Bhd.	24 December 2009
	5. Intertek Certification International Sdn. Bhd.	20 August 2010
	6. Scientific Certification Systems	20 August 2010
	7. BM Trada Certification Ltd.	14 September 2012
	8. Holz und Wald Zertifizierungsgesellschaft GmbH	14 September 2012
	9. Bureau Veritas Certification France	17 May 2013
	10. Bureau Veritas Sverige AB	6 September 2013
	11. Bureau Veritas Certification (Malaysia) Sdn. Bhd.	26 March 2015
	12. Control Union Certifications B.V.	16 October 2015
	13. NEPCon OÜ (Estonia)	25 November 2015

NOTIFICATION FEE UNDER THE MTCS

MTCC charges a Notification Fee for every PEFC certificate issued for forest management and CoC certification as shown in **Table 5**.

Table 5: PEFC Notification Fee Schedule under the MTCS

Notification Category	Subset	Annual Fee (RM)	
A. Forest Management Certificate	Natural Forest and Forest Plantation	0.018 per ha of certified forest	
B. CoC Certificate	Based on annual total turnover (RM):		
	Up to 5 Million	300.00	
	Over 5 Million and up to 20 Million	500.00	
	Over 20 Million and up to 50 Million	750.00	
	Over 50 Million and up to 100 Million	1,000.00	
	Over 100 Million	2,000.00	

The total amount of notification fee collected for the year 2015 was RM91,350.

EXPORT OF TIMBER PRODUCTS CERTIFIED UNDER MTCS

The export of timber products certified under the MTCS increased by 18.4% from 168,094 m³ in 2014 to 198,992 m³ in 2015. Barbados, Czech Republic, Kenya, North Korea, Romania, Taiwan, Turkey, Macedonia and Saint Lucia became the latest destinations and were included to the existing list of 45 countries comprising Albania, Australia, Bahrain, Belgium, Canada, China, Cyprus, Denmark, Egypt, Finland, France, Germany, Greece, India, Indonesia, Iraq, Ireland, Italy, Japan, Jordan, Kuwait, Lebanon, Libya, Lithuania, Mauritius, Netherlands, New Zealand, Norway, Oman, Pakistan, Philippines, Sudan, Suriname, Sweden, United Kingdom, United States of America, Poland, Qatar, Saudi Arabia, Singapore, South Africa, South Korea, Switzerland, Thailand and The United Arab Emirates, to which certified timber products have been exported.

A cumulative total of 1,182,019 m³ of certified timber products had been exported by the end of 2015. The Netherlands continued to remain the biggest contributor with imports of 474,339 m³ (40%) of the total amount exported since July 2002.

The month of December recorded the highest export figure of 28,133 m³. Sawn timber, mouldings and plywood remained as the major products exported, followed by furniture, laminated blocks, timber floorings and veneer. Since the "PEFC Controlled Sources" claim was introduced in the PEFC CoC system in 2013, it has caught interest of furniture and furniture related manufacturers in obtaining PEFC CoC certification under the MTCS. By the end of 2015, a total of 21 furniture manufacturers have been awarded the PEFC CoC certification.

Figure 1 shows the export of timber products certified under the MTCS by year, as well as the cumulative volume since July 2002. Figure 2 shows the exports of certified products according to product type in 2015 and 2014, whilst Figure 3 shows the export destinations for the same period.

Figure 1: Export of timber products certified under the MTCS, July 2002 – December 2015

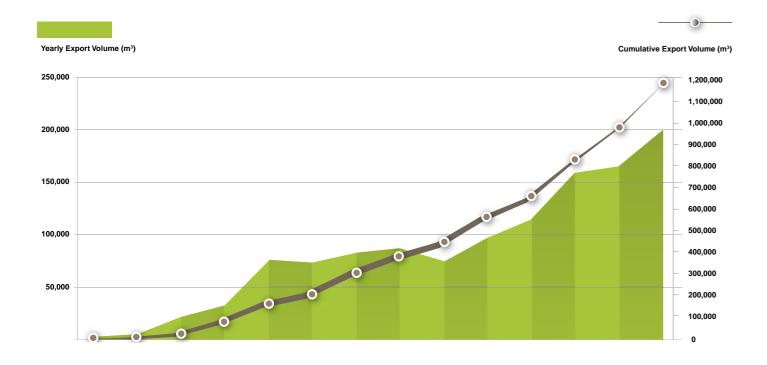
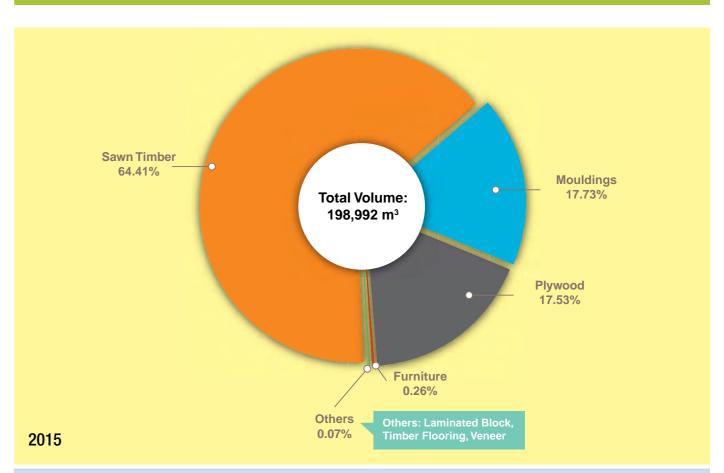


Figure 2: Export of timber products certified under the MTCS by product type



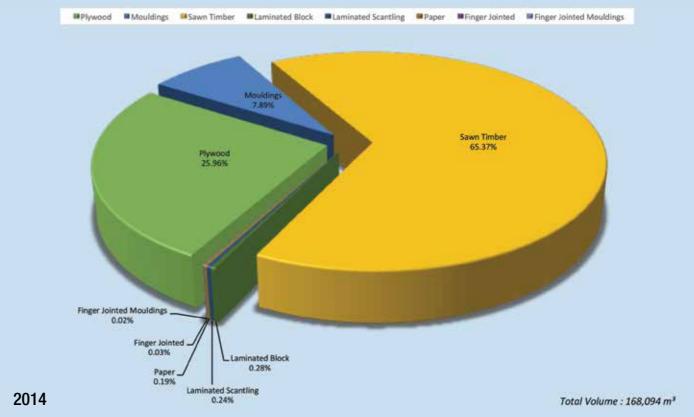
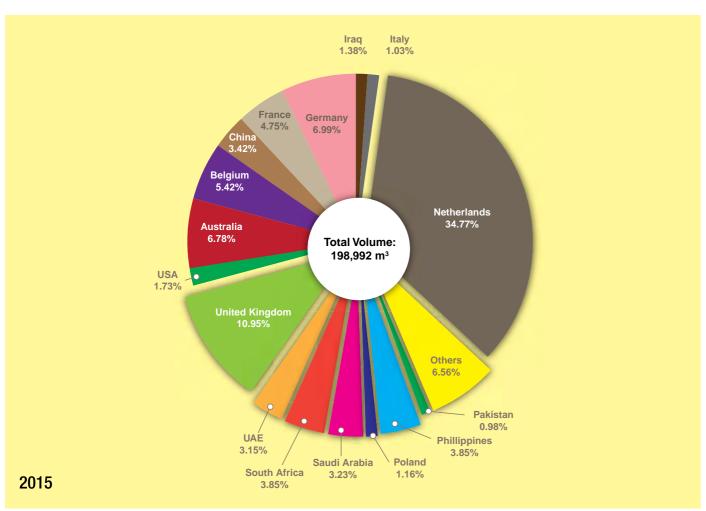
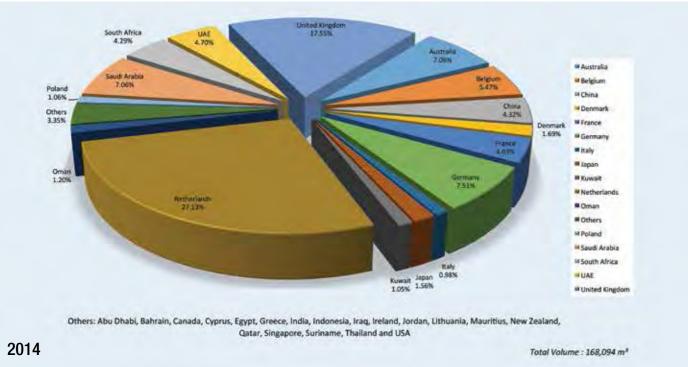


Figure 3: Export of timber products certified under the MTCS by destination





CERTIFICATION STANDARDS

Endorsement of MC&I Forest Plantation.v2

The MC&I Forest Plantation.v2 standard was the outcome of a two-year review of the *Malaysian Criteria and Indicators for Forest Management Certification (Forest Plantations)* or in short MC&I(Forest Plantations).

The MC&I Forest Plantation.v2 standard was submitted to PEFC for conformity assessment for endorsement on 9 February. Following the submission, PEFC initiated a 60-day global international consultation on the standard from 19 February to 20 April. The consultation aimed to seek comments and feedback from all interested parties on the compliance of the MC&I Forest Plantation.v2 against the PEFC's Sustainability Benchmark.

PEFC appointed a Dutch-based independent assessor, Form International on 27 April to conduct the assessment on the MC&I

Forest Plantation.v2 standard. Form International conducted a stakeholder survey in May to obtain feedback from Malaysian stakeholders to assess the level of their participation and the transparency of the standard review process.

The PEFC Conformity Assessment Draft Report was submitted to MTCC on 1 June with a number of minor non-conformities. MTCC took appropriate corrective action to address these non-conformities. However, due to unforeseen delay in the endorsement process, PEFC granted further extension to the endorsement of the MC&I(Forest Plantations) until 30 June 2016.

Review of MC&I (Natural Forest)

In line with the requirement of the *Rules on Standard Setting Process for Development of Timber Certification Standards (SSP3/2014) under the MTCS*, the MC&I (Natural Forest) standard was reviewed beginning 2015 with the view to conclude the process in 2017.

The announcement on the review process was made through a letter dated 8 October. The letter containing the background, process and timelines for the review, and stakeholder categorisation of the Standards Review Committee (SRC) was sent to all stakeholder groups by post and e-mail and posted on the MTCC website.

The formation of the SRC, which is the body responsible for the review of the MC&I (Natural Forest) was initiated on 13 November. The SRC comprises representatives nominated by their respective stakeholder groups representing the forestry authority, indigenous people, workers, environment and industry from Sabah, Sarawak and Peninsular Malaysia. The first public comment on the MC&I (Natural Forest) was held from 16 November 2015 to 15 January 2016.



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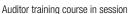
TRAINING

Auditor Training Course on MC&I (Natural Forest) and MC&I Forest Plantation.v2

MTCC conducted a two-day auditor training course on the requirements of MC&I (Natural Forest) and MC&I Forest Plantation.v2 from 8-9 July at the premise of SIRIM QAS International Sdn. Bhd. in Shah Alam. The aim of the training was to equip the new auditors with the necessary knowledge and skills to conduct forest management certification audits based on the requirements of the two forest management certification

standards under the MTCS. The conduct of the training was in line with the accreditation requirements of STANDARDS MALAYSIA to enhance the competency of certification bodies operating forest management certification for both natural forest and forest plantations. A total of eight auditors attended the training course.







Group photo with participants

Peer Reviewer Training Course on MC&I (Natural Forest) and MC&I Forest Plantation.v2

A one-day training course was conducted on 26 November to familiarize the peer reviewers on the requirements of the MC&I (Natural Forest) and the new standard for certification of forest plantation, MC&I Forest Plantation.v2. The training course was attended by eight participants from Forest Research Institute Malaysia (FRIM), Faculty of Forestry, Universiti Putra Malaysia (UPM) and Institute of Foresters, Malaysia (IRIM).

Based on the Accreditation Document ACB-FMC 1-3 and ACB FMC 2-3 on *Peer Reviewer Process Requirements for Certification*

Bodies Operating Forest Management Certification under the MTCS, stage-2 audit and re-certification audit reports prepared by a CB shall be reviewed by two peer reviewers. The aim of the peer review process was to obtain a second and independent opinion on the level of compliance of the FMU or FPMU under audit against the requirements of the certification standards.







Training in progress

Peer reviewer training group photo

Refresher Course for Auditors on MC&I Forest Plantation.v2

A one-day refresher course for qualified auditors was conducted in Kuala Lumpur on 18 March to update them on the requirements of the new MC&I Forest Plantation. v2 standard. The course was attended by a total of 16 participants, comprising auditors from SIRIM QAS International Sdn. Bhd., SGS (Malaysia) Sdn. Bhd. as well as officers from STANDARDS MALAYSIA. The course focused primarily on the differences in requirements between the MC&I (Forest Plantations) and MC&I Forest Plantation.v2.

Attention was also given to the document: *Guidance for the Interpretation of Requirements in MC&I Forest Plantation.v2* which had been developed to provide additional clarity to ensure consistency in the interpretation of some of the requirements in the MC&I Forest Plantation.v2.





Refresher Course for Auditors in progress

28 29





Johan Vlieger, Technical Officer from PEFC Council giving training

Auditor Training Programme on Chain of Custody Certification by PEFC Council in Malaysia

A two-day auditor training on PEFC ST 2002:2013 *Chain of Custody of Forest Based Products – Requirements* was organised by MTCC from 27-28 January in Melaka. The training was conducted to fulfill Clause 6.1.1.2.2 PEFC ST 2003:2012 which stipulates: "*The certification body shall ensure that auditors, in the last two years, have participated in an education programme in chain of custody of forest based products that is recognised by the PEFC Council or a PEFC National Governing Body".*

The training was conducted by Johan Vlieger, Technical Officer from PEFC Council Technical Unit. A total of 23 auditors from PEFC-notified CBs and freelance auditors from SGS (Malaysia) Sdn. Bhd., SIRIM QAS International Sdn. Bhd., Intertek Certification International Sdn. Bhd. and Bureau Veritas (M) Sdn. Bhd. as well as consultants under the Capacity Building project and officers from Malaysian Timber Industry Board (MTIB) are amongst the attendees of the training programme.







PROMOTION

In 2015, MTCC continued its publicity programme to raise awareness of the MTCS both locally and internationally. At the international level, MTCC continued to publicise the recognition of MTCS in various public procurement policies and by the green

building schemes, while awareness at the national level were conducted through seminar, briefing sessions, exhibitions, and outreach programme.

DUTCH TECHNICAL VISIT

A seven-member Dutch delegation comprising senior officials from the Dutch Ministry of Infrastructure and Environment (MI&E), Ministry of Economic Affairs (MEA), the Dutch Agriculture Counsellor, representatives from Stichting Milieukeur (SMK), and the Dutch Embassy in Kuala Lumpur conducted a technical visit to Malaysia on 19-21 January.

The technical visit was aimed at enhancing the understanding of the Dutch delegation on SFM practices and forest certification in Malaysia through consultation with various stakeholders and the implementation of the new MTCS guidelines GD-NF 2/2014: Guidelines for the Interpretation of Requirements in MC&I (Natural Forest).

MTCC coordinated the meetings and consultations with representatives from the certification bodies (picture 1), indigenous peoples groups (picture 2), Forestry Department Peninsular Malaysia (picture 3), workers union (picture 4), timber industry (picture 5) and environmental NGOs (picture 6). The delegation expressed satisfaction and admiration on the overall organization of the programme, particularly on the opportunity to engage and have an open discussion with a broad range of stakeholders, including those that are supporting or critical of the MTCC and MTCS.























1 & 2. Dutch Minister Sharon Diiksma (middle) field trip to MTCS-certified Pahang FMU 3. 2nd Meeting of the JWG in progress

DUTCH MINISTERIAL VISIT

Subsequent to the Technical Visit, MTCC coordinated a Dutch Ministerial Visit by State Secretary of Economic Affairs, Minister Sharon Dijksma to Malaysia. The visit was held on 6-7 July in conjunction with the Third Senior Officials Meeting (SOM) and the Second Meeting of the Malaysia – The Netherlands Joint Working Group (JWG) on Timber and Commodities held in Kuala Lumpur.

The Ministerial Visit included a field visit to MTCS-certified forest which was conducted on 6 July. In this field visit, Minister Dijksma had a first-hand experience, visiting both active and recently logged-over forest area at the Temerloh Forest District of the Pahang FMU. The Minister held a roundtable discussion with the indigenous peoples' representatives from Persatuan Orang Asli Semenanjung Malaysia (POASM), Jaringan Orang Asal Se-Malaysia (JOAS), Persatuan Orang Asli Perak (POAP) and Federation of Orang Ulu Associations, Sarawak, Malaysia (FORUM). Discussions were also held with environmental NGOs (WWF-Malaysia and Malaysian Nature Society), Forestry

Department Peninsular Malaysia (FDPM) and auditors from SIRIM QAS International Sdn Bhd.

These discussions provided insights to the Dutch delegation on matters relating to forest conversion, the availability of detailed maps at the respective forestry departments and the implementation of free, prior and informed consent, as well as other activities by the CBs.

The Third SOM was held on 7 July, followed by the Second Meeting of the JWG which was jointly chaired by Minister Dijksma and YB Minister Datuk Amar Douglas Uggah Embas. Minister Dijksma expressed that the technical and Ministerial visits and the consultations with the various stakeholder groups including the field trip to the Pahang FMU had provided the Dutch Ministries with the necessary information needed for the unconditional acceptance of the MTCS.

In this field visit, Minister Dijksma had a first-hand experience, visiting both active and recently logged-over forest area at the Temerloh Forest District of the Pahang FMU

SEMINAR ON SUSTAINABLE FOREST MANAGEMENT AND TIMBER CERTIFICATION

MTCC in collaboration with Malaysia Green Building Confederation (MGBC) organised a half-day seminar on 11 April 2015 to brief members of the MGBC, as well as representatives from selected academic institutions, timber industry and financial sector on the practice of SFM and timber certification in Malaysia.

Participants were briefed on the implementation of SFM practices, the development and operation of the MTCS and the independent third party auditing processes for both forest management and chain of custody certification under the MTCS, which provide the assurance that wood used in a certified product, can be traced to sustainably managed forests.

Dr. Yap Son Kheong was the invited speaker for the seminar and he shared his vast experience as a lead auditor for forest management certification under the MTCS.



Dr. Yap giving his presentation



BRIEFING SESSION ON DUE DILIGENCE SYSTEM (DDS) OF PEFC COC STANDARD

MTCC conducted a briefing session focusing on the Due Diligence System (DDS), Chapter 5 of the PEFC ST 2002:2013 – Chain of Custody of Forest Based Products – Requirements on 15 September at Shah Alam, Kuala Lumpur.

The briefing was aimed at providing CoC certificate holders with a better understanding on the implementation of the DDS, from identification of input materials entering the supply chain, gathering of information, as well as assessment of risk and mitigation measures. A total of 72 certificate holders attended the briefing session.





1 & 2. Briefing session in progress

UPM FORESTRY SUMMER CAMP

MTCC collaborated with the Forestry Faculty of Universiti Putra Malaysia (UPM) by participating in its annual Forestry Summer Camp that was held at the Sultan Idris Shah Forestry Education Centre (SISFEC) located in the Ayer Hitam Forest Reserve, Puchong on 28 August.

MTCC engaged the forestry students by organizing an interactive programme focusing on the importance of SFM practices and the operation of the MTCS. To ensure active participation and

a better understanding of the MTCS processes, students were requested to role-play and express their thoughts representing the various stakeholder groups in the MTCS process.

The Summer Camp was attended by 144 first-year students who are pursuing a degree programme, majoring in forestry science, wood science and technology, and parks and recreation science.



3 & 4. Briefing session and nteractive activity with students













PUBLICITY PROGRAMMES / EXHIBITIONS

Publicity brochures and information related to the MTCS were distributed at the following local and international fairs and exhibitions participated by MTCC:

- Picture 1: Malaysia International Furniture Fair (MIFF), 3-5 March, Kuala Lumpur
- Picture 2: German Timber Day 2015, 3-4 November, Cologne, Germany
- Picture 3: Sarawak Timber & SME's Expo 2015, 17-20 April, Kuching

- Picture 4: International Bouwbeurs, 9-13 February, Utrecht,
 The Netherlands
- Picture 5: International Greentech and Eco Products Exhibition Malaysia (IGEM), 9-13 September, Kuala Lumpur
- Picture 6: Kuala Lumpur Engineering Science Fair (KLESF) 2015, 30 October-1 November, Serdang
- Export Furniture Exhibition (EFE), 4-6 March, Serdang
- SPOGA 2014, 30 August 1 September, Cologne, Germany
- Exhibition in conjunction with the Fifty-First Session of the International Timber Tropical Council (ITTC), 16-21 November, Kuala Lumpur

PUBLICATIONS

In 2015, MTCC issued the first electronic direct marketing (EDM) version of the MTCC News to keep certificate holders and stakeholder groups updated on the activities of MTCC, the latest developments in the MTCS and matters related to timber certification and SFM.

The following articles, information updates and press releases were issued by MTCC:

- Announcement: Training Session on Use of PEFC CoC Standard,
 22 January
- New Standard for Forest Plantation Management Certification Published, 16 February
- MyHIJAU Mark Product Registration for PEFC-Certified Products under MTCS, 19 March
- MTCC Invites Forest Managers, Processors And Traders To The Bi-Annual Sarawak Timber And SME Expo 2015, 16 April
- Sustainable Forest Management Key For Social, Environmental And Economic Balance, Says MTCC, 29 April
- MTCC DISMISSES 'CAT' REPORT PUBLISHED BY WWF GLOBAL,
 22 June
- PEFC Endorsement of MC&I(Forest Plantations) Extended, 24 June
- Dutch Delegation Visits MTCS Certified Forest In Pahang, 10 July
- MTCC Stakeholder Dialogue 2015 & Appreciation Dinner, 20 July
- MTCC Stakeholder Dialogue 2015 MTCC Instrumental in Inspiring Forest Certification in Asia, 29 July
- Sustainable Forestry Vital For Malaysia's Green Economy,
 7 September
- Announcement: Review of the MC&I (Natural Forest), 9 October
- Farewell to Mr. Harnarinder Singh, 8 November
- Invitation for Peer Reviewer Training Course on the MC&I for Forest Management Certification, 10 November
- Review of MC&I (Natural Forest): First Public Comment (16 November 2015 15 January 2016), 17 November
- Forest Leaders Urge Governments to Take Firm Action on Climate Change, 2 December
- MTCS-Certified Timber Enhances Market Competitiveness,
 8 December
- Reminder: Review of MC&I (Natural Forest): First Public

Comment (16 November 2015 – 15 January 2016), 17 December

 PEFC Endorsement of MC&I (Forest Plantations) Extended to 30 June 2016, 28 December

In addition, the following press releases were issued by Kaiser Communication in Germany:

- MTCC Survey: Great interest in certified timber products from Malaysia, 12 October
- "Win and Relax": The topic Sustainable Forest Management at the Tropical Islands, 15 October



MEDIA INTERVIEWS

In 2015, MTCC had five interview sessions with the media involving the MTCC Chairman and/or CEO which were aimed at engaging the local media in addressing sustainability issues related to forest management and chain of custody certification under the MTCS.





- Interview with Oriental Daily News, 27 May
 Interview with Business Times, New Straits Times, 20 July
- 3. Interview with Asia Times, 18 June
- 4. Interview with Capital TV, 19 October
- 5. Aired by: CapitalTV Movers & Shakers, Channel 420, 13 November
- 6. Interview with Establishment Post, 13 August

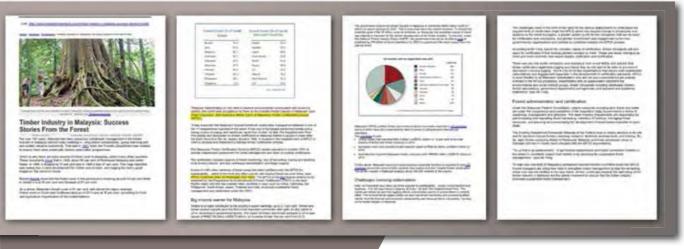












Article Title: Timber Industry in Malaysia: Success Stories from the Forest, 5 October 2015 Publication: Establishment Post



Article title: Timber Certification Promotes Sustainability, Be A Smart Consumer And Protect Our Forest, 16 May, 2015 **Publication:** Oriental Daily News



Article title: Council Promotes Certified Timber **Publication:** Business Times (NST)



MEDIA COVERAGE

Throughout 2015, the following print and online media published editorials and special feature reports on MTCC and the MTCS:

International media

- Houtwereld
- Holz-Zentralblatt
- Lueneburger Landeszeitung
- Forestry in Germany
- DIY online
- Moebel fertigung
- Wood and Panel
- Fordag
- Woodmag
- Panels & Furniture Asia.Com

Daily newspaper Trouw

- Glas+Rahmen
- Glaswelt
- Dds
- Public manager
- PEFC.org
- Building And Wood Worker's International
- IHB
- BruneiNews.net

Local media

- New Sarawak Tribune
- Malaysia SME
- The Malaysian Reserve
- Malaysia Shafaqna.com
- Oriental Daily News
- Berita Harian
- OANA News
- Malaysia Sun
- Utusan BorneoPress Reader
- New Straits Times

The Star

- Bernama
- The Borneo Post Online
- China Press
- Malaysia News
- Metro Post Online
- The Borneo Post E-Newspaper
- Oriental Daily News
- Timbernews.org
- Nanyang Siang Pau



PARTICIPATION IN CONFERENCES / SEMINARS / WORKSHOPS / COURSES / MEETINGS

MTCC participated in a number of international and local conferences, seminars, workshops, briefing sessions, courses and meetings during which presentation on the MTCS and other activities of MTCC were shared. These included the following:

- Kursus Pemantapan Kriteria dan Petunjuk MC&l Hutan Asli, 10-12 March, Kelantan
- PEFC International Conference on Forest Certification, 16 March, New Delhi
- Briefing Session on SME Green Development Programme and MyHijau Mark Registration, 21 April, Putrajaya, 30 April, Johor Bharu, 6 May, Penang, 14 May, Kuantan, 2 June, Sabah & 4 June, Sarawak
- Malaysian Green Growth Strategy: Lessons Sharing Conference, 21 – 22 April, Kuala Lumpur
- Strengthening Criteria and Indicators (C&I) for Sustainable Forest Management (SFM) Policy & Practice: Asia Regional

- Workshop by FAO and Department of Environment and Natural Resources, 28-30 April, Manila
- Fourteenth Meeting of the Working Group on a Pan ASEAN Timber Certification Initiative. 3 4 June. Manila
- 18th Meeting of The ASEAN Senior Officials on Forestry, 3-8 August, Yogyakarta
- ITTO First Regional Workshop on ITTO Voluntary Guidelines for the Sustainable Management of Natural Tropical Forests, 17-19 August, Kuala Lumpur
- Industry Briefing on TPIKM Project: Capacity Building for Compliance with Timber Certification under Malaysian Timber Certification Scheme (MTCS) by MTIB, 14 September, Kuala Lumpur
- Symposium on Nature and Biodiversity (ISNAC 2015), 21-23 September, Kuala Lumpur

RECOGNITION OF MTCS

PUBLIC PROCUREMENT POLICIES

As a PEFC-endorsed scheme, the MTCS continued to be accepted under the national timber procurement policies of Denmark, United Kingdom, Germany, Finland, Belgium, Switzerland, France, New Zealand and The Netherlands as meeting the requirements for sustainable timber.

The MTCS also continued to be accepted by the following:

- The Forestry Agency, Ministry of Agriculture, Forestry and Fisheries, Japan which lists MTCS in its Guideline for Verification on Legality and Sustainability of Wood and Wood Products (since April 2006)
- The Free and Hanseatic City of Hamburg, Germany which has granted full acceptance of the MTCS in its procurement policy (since December 2009)

GREEN BUILDING SYSTEMS

The PEFC-endorsed MTCS continued to be recognised under the green building schemes of Australia, Italy, Singapore, Netherlands, United Kingdom, Canada, United States of America, Japan and Abu Dhabi, UAE.

The Green Building Index, Malaysia has recognised the MTCS under its Sustainable Timber Criterion since April 2010.

The MyHIJAU Mark in Malaysia has accepted the MTCS under its programme, which enables chain of custody (CoC) certificate holders under the MTCS to register their certified products for the MyHIJAU Mark directory to promote the sourcing of green technology products and services in Malaysia.



COOPERATION

PEFC FOREST CERTIFICATION WEEK

MTCC participated in the PEFC Forest Certification Week held in Montreux, Switzerland from 7 to 11 December. MTCC was represented by its CEO, Yong Teng Koon and Siti Syaliza Mustapha, Manager (Forest Management). The Certification Week included the conduct of the following workshops:

- Making Group Certification Work for Everyone (7 December)
- PEFC Update (8 December)
- Identity & Branding (9 December)
- Making the Best Even Better: Revising PEFC's Sustainability Benchmarks (9 December)

The workshop on "Making Group Certification Work for Everyone" provided a platform for exchange and in-depth discussion on how to make group certification work. The need to meet ISO requirements, including the use of accredited CBs, annual internal monitoring programme and the intensity of sampling were some of the challenges highlighted in implementing group certification.

On "Identity & Branding", members agreed on a common approach towards a harmonised global identity and brand for PEFC for more effective marketing.

The workshop on "Making the Best Even Better: Revising PEFC's Sustainability Benchmarks" outlined the PEFC standard revision process involving the establishment of six working Groups (WG) as follows:

- a) Standard Setting WG Revision of Standard Setting Requirements (PEFC ST 1001:2010)
- b) SFM Requirements WG Revision of Sustainable Forest Management Requirements (PEFC ST 1003:2010)
- c) Endorsement Procedures WG Revision of Endorsement and Mutual Recognition of National Systems and their Revision (GD 1007:2012)
- d) Forest Management Certification Procedures WG Revision of Group Forest Management Certification – Requirement (PEFC ST 1002:2010) and Requirements for Certification Bodies (CBs) conducting PEFC FM certification (Annex 6 of PEFC Technical Document)
- e) CoC and Labelling Requirements WG Chain of Custody of Forest Based Products Requirements (PEFC ST 2002:2010)
- f) CoC CB Requirements WG Requirements for Certification Bodies operating certification against the PEFC International Chain of Custody Standard (PEFC ST 2003:2012)





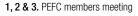


1 & 2. PEFC General Assembly 3. PEFC Chairman presenting award to Yong











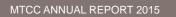
MTCC participated in the PEFC Council 20th General Assembly (GA) which was held on 10 December. It was attended by 130 delegates from 41 countries comprising PEFC Members [National Governing Bodies (NGBs) and International Stakeholders] and Extraordinary Members, invited guests and members of the Board of Directors of the PEFC Council.

Ben Gunnerberg, the CEO of PEFC International highlighted the important role of PEFC in achieving the Sustainable Development Goals (SDGs) in his opening remarks. The 17 Sustainable goals are an intergovernmental set of aspirational goals with 169 targets, with the objective to end poverty, fight inequality and injustice. They are part of the 2030 Agenda for Sustainable Development and were adopted by world leaders at the United

Nations Sustainable Development Summit on 25 September 2015. He stressed that stronger emphasis needs to be placed on non-wood products, trees outside forests and a landscape approach for sustainable livelihoods.

Ten non-member countries also attended the GA, including Thailand and Vietnam which are both working towards developing their own national forest certification schemes.

In conjunction with the meeting, MTCC was awarded the *Certificate of Appreciation* for the third greatest increase in chain of custody certification for 2015, after PEFC Spain and PEFC Sweden.



FOURTEENTH MEETING OF THE WORKING GROUP ON A PAN ASEAN TIMBER CERTIFICATION INITIATIVE

MTCC, as the lead agency for the Pan ASEAN Timber Certification Initiative, attended the Fourteenth Meeting of the Working Group on this Initiative which was held in Manila, the Philippines on 3 – 4 June. Hosted by the Department of Environment and Natural Resources (DENR), the meeting was attended by delegates from six ASEAN Member States, i.e. Cambodia, Lao PDR, Malaysia, Myanmar, Philippines and Thailand, and the ASEAN Secretariat. Representatives from the European Forest Institute (EFI) FLEGT Asia programme, Responsible Asia Forestry and Trade – The Nature Conservancy (RAFT-TNC) and GIZ-ASEAN German Programme on Climate Change (GIZ-GAP-CC) were also present at the open sessions of the meeting.

The 11-member delegation from Malaysia comprised representatives from the Ministry of Plantation Industries and Commodities (MPIC), Malaysian Timber Industry Board (MTIB), Sarawak Forestry Corporation (SFC), Malaysian Timber Council (MTC), Sarawak Timber Industry Development Cooperation (STIDC), Sarawak Timber Association (STA), MTCC and the Protem Secretariat of the Malaysia-EU FLEGT VPA. MTCC was represented by its CEO, Yong Teng Koon and Melvin Ku.

ASEAN Member States provided an update on the progress of implementation of Criteria and Indicators (C&I) for legality of timber, legality assurance systems, forest management certification, and the ASEAN CoC Guidelines in their respective countries. Based on the presentations, it was noted that only Malaysia and Indonesia currently have an operational national timber certification scheme. Myanmar, Thailand and the Philippines have established their national timber certification systems, with Thailand informing of her intention to apply for PEFC membership with the view to have its timber certification system endorsed by the PEFC.









- 1. Group Photo
- 2. The 14th PATCI Meeting in progress

The meeting regarded the study on the *Stock Taking Study on Existing Initiative for Ensuring Legal and Sustainable Timber in ASEAN*, as incomplete as only Cambodia and Thailand had provided their feedback on the study. The meeting therefore proposed that a more comprehensive analysis of the study be carried out including recommendations for the short and long-term based on new information to be obtained from the AMS.

There was also the exchange of information and experiences by Lao PDR, Malaysia, Myanmar, Philippines and Thailand on their respective on-going preparation and negotiations with the EU on a Voluntary Partnership Agreement (VPA) under the Forest Law Enforcement, Governance and Trade (FLEGT) process.

The representative from EU FLEGT Facility made two presentations; one presentation on "Potential Collaboration and

Support to ASEAN Cooperation in Forestry" and the other on the conduct of a "Regional Training Workshop on Timber Legality Assurance in ASEAN".

The representative from RAFT-TNC made a presentation on RAFT's strategic framework, objectives and opportunities for continued collaboration. The meeting noted the potential areas for collaboration include technical and advisory support for harmonisation of standards related to forestry and wood/paper products trade, sharing models and best practices in responsible forestry and trade from across ASEAN, capacity building support and outreach to major markets to strengthen incentives for responsible forestry and trade in the ASEAN region.

CAPACITY BUILDING FOR COMPLIANCE WITH REQUIREMENTS FOR CHAIN OF CUSTODY CERTIFICATION UNDER MTCS

The two-year duration for the project "Capacity Building for compliance with Requirements for Chain of Custody Certification under MTCS" ended in December 2015. However, in view of the positive impact of the project, MTIB had requested for a further 2-year extension until December 2017.

A briefing session was conducted for Persatuan Pengusaha Kayu-Kayan & Perabot Bumiputra, Malaysia (PEKA) members on 14 September to provide a better understanding of the PEFC CoC technical documents and details on obtaining PEFC CoC certification under the MTCS.

A total of 39 companies that have been provided with assistance under this project obtained PEFC Certificate for Chain of Custody in 2015.





SIGNIFICANT EVENTS

MTCC STAKEHOLDER DIALOGUE AND APPRECIATION DINNER

MTCC hosted a Stakeholder Dialogue themed "Experience Gained and the Way Forward for the MTCS" on 28 July in Kuala Lumpur. The Stakeholder Dialogue aimed to obtain feedback and recommendations from the Malaysian stakeholders regarding the development and operation of the MTCS. In conjunction with the Stakeholder Dialogue, an Appreciation Dinner was also held which served to network and accord appreciation to the local stakeholders for their significant contribution to the work of the MTCC and the operation of the MTCS.

MTCC Chairman, Dato' Dr. Freezailah delivered the welcoming remarks which was followed by a Keynote Address entitled "The Tipping Point for Asia," presented by the Secretary General of PEFC Council, Ben Gunneberg. Gunneberg paid tribute to Malaysia for inspiring certification effort in China, Indonesia,

Vietnam, Philippines, South Korea, Japan and Thailand, and pointed out that Malaysia has been instrumental in helping to achieve the "tipping point" to mainstream certification.

MTCC CEO, Yong Teng Koon presented a paper on "Experiences in the Implementation of the MTCS" highlighting the significant milestones, status of certification, recognition of the MTCS and the involvement and contribution of the Malaysian stakeholders in the MTCS processes.

Dr. Henry Chan from WWF Malaysia facilitated the First Session entitled "Feedback, Experiences and Recommendations of Stakeholder on MTCS" which was conducted in the form of a panel discussion, comprising seven panelists representing the social, environmental and economic interest groups, FMU manager and the certification body.











- 1. Left to right: Dato' Dr. Freezailah Che Yeom giving his welcoming remarks, Ben Gunnerberg delivering his keynote address, Yong Teng Koon giving a presentation
- 2. Session 1 panelists seated from left to right: Omar Abdul Kadir, MNS Sabah, Mohd. Khalid b. Atan, Timber Employees Union Peninsular Malaysia, Puan Shashiah bt Abdul Karim, FMU Manager, Peninsular Malaysia, Dr. Henry Chan, WWF (Moderator), Assoc. Prof. Dr. Ramy Bulan, Federation of Orang Ulu Association, Sarawak, Malaysia (FORUM), Richard Anning, Carl Ronnow (Malaysia) Sdn. Bhd., Dr. Yap Son Kheong, Lead Auditor, SIRIM QAS International Sdn. Bhd., Wong Ing Yung, FMU Manager, Sarawak
- 3. Participants during the Stakeholder Dialogue



















- 4. Session 2 speakers Siti Syaliza Mustapha (left), Chew Lye Teng (right), Dato' Shaharuddin Mohamad Ismail, Institute for Environment and Development (LESTARI) (Moderator) (middle)
- 5. Q&A Session Left to right: Representatives from the FMU, Dato' Sri Dr. Hj Abd Rahman Bin Hj. Abd. Rahim, Director General FDPM, Wong Ing Yung, Zedtee Sdn. Bhd., environmental sector, Francis Cheong, Wildlife Conservation Malaysia Program (WCS), timber industry, Annie Ting, Sarawak Timber Association, workers union, Apolinar Tolentino, Building & Woodworkers International and the private sector, Ar. Chan Seong Aun, GreenBuildingIndex Sdn. Bhd. speaking at the Stakeholder Dialogue session
- 6. Reita Rahim, Coordinator for Gerai OA manning the "Buy & Sell" corner at the





Left to right: Datuk Himmat Singh, Secretary General of MPIC delivering his speech on behalf of YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities during the appreciation dinner, Dato' Dr. Freezailah presenting a souvenir to Datuk Himmat while Yong looks on

The session concluded with a number of valuable feedback and recommendations. Among the key issues raised include: lack of premium price for certified timber, resource constraints to produce skilled manpower, challenges in meeting social requirement in particular the conduct of "Free, Prior and Informed Consent (FPIC)" and the importance of Removal Pass (RP) as a critical link document between forest and the supply chain. Participants also provided positive feedback on the standard review process in raising the level of understanding, trust and respect among the stakeholders. Additionally, certification under the MTCS/PEFC has helped the timber industry to access markets that require certification, including the requirement for Due Diligence System (DDS).

The session recommended that FMUs should be incentivised to undergo/maintain certification, effort be made to obtain green premium for certified timber, conduct outreach programmes

to raise awareness of sustainable forest management and certification, enforce stricter control on forest and ensure information contained in the RP is clear and precise.

Session 2 on "Streamlining standards for forest management certification under the MTCS" was moderated by Dato' Shaharuddin Mohamad Ismail from the Institute for Environment and Development (LESTARI). Siti Syaliza, Manager (Forest Management) of MTCC made a presentation on the 'Proposed Process and Timelines for the Review of MC&I(Natural Forest)' highlighting the key activities to be conducted during the 2-year review process.

Chew Lye Teng, the consultant appointed by MTCC presented the 'Proposal for Merging the Natural Forest and Forest Plantation Standards'. Chew concluded that the two standards could be

The presentation also highlighted several benefits of merging the two standards in terms of time, human and financial resources in the various activities related to the review of standards.







- 1. Dinner guest
- 2. Group photo of members of Standards Review Committee with the Certificate of Appreciation presented during the dinner
- 3. Multimedia presentation featuring the importance of stakeholder's contribution in the implementation of the MTCS

merged into a single standard as approximately 85% of the Indicators have Verifiers which are common to both natural forest and forest plantation. The presentation also highlighted several benefits of merging the two standards in terms of time, human and financial resources in the various activities related to the review of standards.

Noting the repetitive and lengthy procedures involving various stakeholder groups in the standard review process, as well as the benefits of merging the two standards, the participants agreed with the proposal to merge the two standards.

In conjunction with the Dialogue, MTCC hosted an appreciation dinner which was graced by Datuk Himmat Singh, Secretary General of the Ministry of Plantation Industries and Commodities representing YB Minister, Datuk Amar Douglas Uggah Embas.

YB Minister applauded MTCC and its diverse stakeholders for playing a significant role in implementing and promoting sustainable forestry in Malaysia. He assured that the Malaysian Government is committed to work with all stakeholders to ensure the country's forests will be managed in a sustainable manner to take into account the environmental, social and economic benefits they provide.



MTCC organised/coordinated the following events in 2015

Local Events	Date	Venue
Joint Technical Visit by Dutch Ministry of Economic Affairs and Ministry of Infrastructure and Environment to Malaysia:	19-21 January	Kuala Lumpur
 i. Meeting and Consultation with Certification Bodies (SIRIM QAS International & SGS Malaysia) ii. Meeting and consultation with indigenous peoples representatives (FORUM, POAP, KDCA, SUHAKAM, JOAS and Bar Council) iii. Meeting and consultation with Forestry Department Peninsular Malaysia (FDPM, MTC) iv. Meeting and consultation with worker's unions (BWI, TEUPM, UFES, STIEU) v. Meeting and consultation with timber industry representatives (Timber Associations) vi. Meeting and consultation with environmental NGOs (MNS, WWF Malaysia, WCS Malaysia Programme) vii. Meeting and consultation with MPIC 		
PEFC Chain of Custody Auditor Training	27-28 January	Melaka
Auditor Training Course on the requirements of the MC&I Forest Plantations	18 March	Kuala Lumpur
Dinner with YB Minister and MTCC Board of Trustees	24 March	Kuala Lumpur
Seminar on Sustainable Forest Management and Timber Certification under the Malaysian Timber Certification Scheme (MTCS) in collaboration with Malaysian Green Building Confederation (MGBC)	11 April	Kuala Lumpur
Briefing on MTCC and MTCS to Jaringan Orang Asal SeMalaysia (JOAS)	14 April	Petaling Jaya
Meeting with Malaysian Nature Society (MNS)	15 April	Kuala Lumpur
Field Visit to Forest Management Unit, T/3491, Kapit, Sarawak	11-14 May	Kapit
Roadshow to introduce MC&I Forest Plantation V.2	21 May	Sungai Siput
Eastern Zone, Peninsular Malaysia	25 May	Seremban
Northern Zone, Peninsular MalaysiaSouthern Zone, Peninsular Malaysia	27 May	Kuantan
Field Visit by Dutch delegation to Pahang FMU & Roundtable discussion with Indigenous People's Representatives	6 July	Pahang
Meeting with Environmental NGOs, briefing by FDPM and Second Meeting of the Malaysia – The Netherlands Joint Working Group on Timber and Commodities	7 July	Kuala Lumpur
MTCC Stakeholder Dialogue and Appreciation Dinner	28 July	Kuala Lumpur
UPM Annual Forestry Summer Camp	28 August	Selangor
Briefing Session on Due Diligence System (DDS) of PEFC ST 2002:2013 – Chain of Custody of Forest Based Products – Requirements	15 September	Selangor
Farewell Dinner for Harnarinder Singh	30 September	Kuala Lumpur
CEO Interview with Capital TV	19 October	Selangor
Peer Reviewer Training Course on MC&I for Forest Management Certification	26 November	Kuala Lumpur



DINNER WITH YB MINISTER AND MTCC BOARD OF TRUSTEES. 24 MARCH

Datuk Himmat Singh, Secretary General of MPIC addressing the MTCC Board of Trustees on behalf of YB Datuk Amar Douglas Uggah Embas, Minister of MPIC during a special dinner function on 24 March.

FAREWELL DINNER FOR HARNARINDER SINGH, 30 SEPTEMBER

Harnarinder Singh, Senior Manager (Product) retired from MTCC on 30 September after having served the organisation for more than 15 years. MTCC organised a farewell dinner for him and to celebrate his new appointment as the Chief Executive Officer of the Malaysian Palm Oil Certification Council (MPOCC).







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8. 2. Field visit to FMU T/3491, Kapit, Sarawak
 3. Meeting with MNS
 4. Briefing session to JOAS members

MTCC held discussions with the following visitors in 2015

T. S. C.	Dato
Interview/Meeting with Roland Berger Strategy Consultants: • John Low • Sulina Kaur • Skandesh Palanival	14 January
Officials from Ducth Ministry of Infrastructure & Environment (MI&E), Ministry of Economic Affairs (MEA), Dutch Agriculture Counsellor and representatives from Stichting Milieukeur (SMK) and the Dutch Embassy: • Koen de Snoo, Director of Sustainability, MI&E • Tjitske IJpma, Senior Policy Advisor, MI&E • Cor von Meijenfeldt, Head of Unit Nature & Biodiversity, MEA; • Laura de Pundert, Senior Policy Advisor, MEA; • Lucie Wassink, Counsellor for Agriculture accredited to Indonesia, Malaysia and Singapore, Dutch Embassy in Jakarta;	19 January
 Myrthe Haase, Programme Manager for TPAC, SMK; and Hoh Li Huan, Senior Officer for Agriculture, Dutch Embassy in Malaysia 	

Visitors	Date
Johan Vlieger, PEFC International	26 January
Yusri B. Ahon, Kampung Sg. Mai (JOAS)	23 March
Dario Lamperti from Italy	5 May
Mark Hopkins from New Zealand	o may
Sahudin Abdullah, Opal Reliances Sdn. Bhd.	
Goh Yen Song, Hang Tuan Furniture Sdn. Bhd.	
H.E. Harry Molenaar, Ambassador, Embassy of the Kingdom of the Netherlands, Kuala Lumpur	7 May
Lucie Wassink, Agricultural Counsellor accredited to Indonesia, Malaysia and Singapore.	
Hoh Li Huan, Senior Officer for Agriculture, Embassy of the Kingdom of the Netherlands, Kuala Lumpur	
Melissa Lee, Ethos & Company	15 May
Nazeem, Ethos & Company	
Ooi Tee Ching, Business Times, News Straits Times	20 July
Ms. Vanitha Nadaraj – Country Editor Malaysia for The Establishment Post, Singapore	13 August
Sebastien Bouvatier, French Agriculture Counsellor for Asean Countries	00.0.1.1
William Perciaux, Deputy Economic Counsellor, Embassy of France in Malaysia	23 October
Visitors from Cambodia (event coordinated by Forest Research Institute Malaysia):	30 October
Khorn Sart, Forestry Administration	
Dook Daro, SFM/UNDP	
Nhem Sovanna, SFM/UNDP/Forestry Administration	
Srey Marona, Ministry of Environment	
Toung Thirum, Forestry Administration	
Math Rofat, Ministry of Mines and Energy	
Ly Chou Beang, Forest Administration	
Chea Nareth, Forestry Admistration	
Hem Sophornneary, Forestry Administration	
Hong Vamuiravutey, Forestry Administration	
Nget Phou, Forestry Administration	
Hue Chenda, National Committee of Land Management and Urban Planning	
Nudu Chenda, SFM/UNDP Ismail Parlan, FDIM Vanana	
Ismail Parlan, FRIM, Kepong Perf Almand Ainstellin INTROP UPM	OC Navara I
Prof. Ahmad Ainuddin, INTROP, UPM	26 November
Datuk Dr. Abdul Rahim bin Nik, CEO, Malaysian Timber Council	17 December



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VISITORS TO MTCC IN 2015















Visitors from Cambodia
 Visitors from India
 MTC CEO Courtesy visit to MTCC
 Orang Asli Sg Mas visit to MTCC

5. PEFC meeting with workers union
6. Visitors from France
7. Meeting with Dutch Ambassador, H.E. Harry Molenaar

MTCC participated in the following international events in 2015

International Conferences/Seminars/Workshops/Meetings	Date	Venue
Webinar – PEFC Task Force on Forest Conversion/Conference Call	5 February	MTCC Office
PEFC Chain of Custody Working Group Meeting	19-20 February	Portugal, Spain
MIFF 2015 Official Opening Ceremony	3 March	Kuala Lumpur
Special Asean Senior Officials on Forestry Technical Meeting on Developing Strategic Plan Of Action in Forestry (2016-2025)	4-5 March	Phnom Penh, Cambodia
PEFC Event at New Delhi - International Conference on Forest Certification, India*	16 March	New Delhi
Webinar: Teleconference on COC Implementation Guide First Workshop	26 March	MTCC office
PEFC Event in Bangkok	30-31 March	Bangkok
International Conference on Access to Justice for Indigenous Peoples: Realisation of our inclusive and integrated human rights approach by Universiti Malaya	9-11 April	Selangor
Strengthening Criteria and Indicators (C&I) for Sustainable Forest Management (SFM) Policy & Practice: Asia Regional Workshop by FAO and Department of Environment and Natural Resources*	28-30 April	Manila, Philippines
Seminar on Forest Law Enforcement and Governance for Officials from Developing Countries	7–27 May	Beijing, China
Fourteenth Meeting of the Working Group on a Pan ASEAN Timber Certification Initiative WG-PATCI*	3–4 June	Manila, Philippines
Committee Meeting on Trade and Environment by World Trade Organization	22 June	Geneva, Switzerland
PEFC Members Meeting	24-27 June	London
18th Meeting of The Asean Senior Officials on Forestry*	5-8 August	Yogyakarta, Indonesia
ITTO First Regional Workshop on ITTO Voluntary Guidelines for the Sustainable Management of Natural Tropical Forests*	17-19 August	Kuala Lumpur
Fifty-First Session of the International Timber Tropical Council (ITTC)	16-21 November	Kuala Lumpur
International Conference on Wood Architectrue – "Art & Function" by MTC	24 November	Kuala Lumpur
PEFC Field Dialogue on Group Certification	3-4 December	Madrid - Segovia, Spain
PEFC Forest Certification Week	7-11 December	Montreux, Switzerland

^{*} MTCC made a presentation on the MTCS at the event

INTERNATIONAL EVENTS PARTICIPATED BY MTCC IN 2015







- 51st Session of ITTC
 YB Minister of MPIC visited MTCC exhibition booth held in conjunction with the 51st Session of ITTC

 3. Participation at International Day of Forests

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INTERNATIONAL EVENTS PARTICIPATED BY MTCC IN 2015







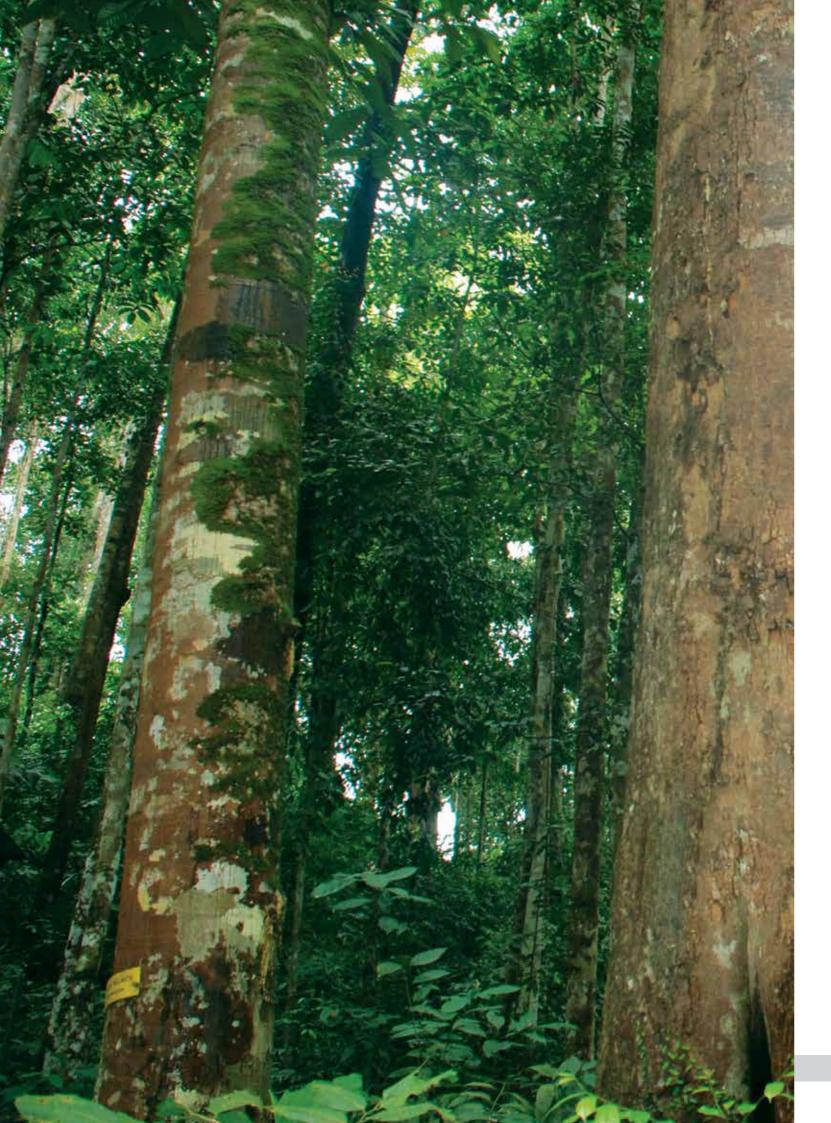




1 & 2. 14th Meeting of the Working Group on a Pan ASEAN Timber Certification Initiative 3 & 4. PEFC Event in Bangkok 5 & 6. C&l for SFM Policy & Practice: Asia Regional Workshop by FAO







MTCC participated in the following events within Malaysia in 2015

Local Conferences/Seminars/Workshops/Meetings	Date	Venue
Mindset Public Talk: The performance and status of protected areas by University of	26 January	Kuala Lumpur
Nottingham Kuala Lumpur Teaching Centre (KLCT)		
Pilot Study on Group Certification of Rubber Smallholdings under the MTCS Project Technical Committee (PTC) Meeting	29 January	Kuala Lumpur
Dialogue Session of Forestry Department Peninsular Malaysia with the timber industry in Peninsular Malaysia	10 February	Kuala Lumpur
Meeting on review of National Forestry Policy	26 February	Putrajaya
Official Ceremony of Export Furniture Exhibition (EFE) 2015	4 March	Kuala Lumpur
Kursus Pemantapan Kriteria dan Petunjuk MC&I Hutan Asli	10-12 March	Kelantan
Persidangan Pekebun Kecil dan Usahawan Komoditi Kebangsaan (NSCEC) 2015	18 March	Kuching
Majlis Sambutan Hari Hutan Antarabangsa Peringkat Kebangsaan Tahun 2015	22 March	Alor Setar
Workshop with Certification Body/Scheme Owner for MyHijau Mark	30 March	Putrajaya
Stakeholder Workshop and Consultation Session for the Feasibility Study on Branding of Sustainable Materials - Acacia and Oil Palm Trunks (OPT)	1 April	Putrajaya
Bengkel Konsultasi Stakeholders Bagi Kajian Sosio-Ekonomi terhadap Tenaga Buruh di dalam Sektor Perindustiran Tertier Kayu-Kayan di Semenanjung Malaysia	8 April	Petaling Jaya
Bengkel Konsultasi bagi Membincangkan Mengenai Strategi dan Pelan Tindakan Biodiversiti Kebangsaan Di Bawah Kajian Semula Dasar Kepelbagaian Biologi Kebangsaan Bersama Pihak Berkepentingan Di Semenanjung Malaysia	8 April	Putrajaya
Pilot Study on Group Certification of Rubber Smallholdings under the MTCS – Project Steering Committee (PSC) Meeting	10 April	Kuala Lumpur
Majlis Penyampaian Malaysia Good Design Mark 2014	14 April	Putrajaya
Sesi Debriefing dan Konsultasi untuk TPPA & ACFTA	17 April	Putrajaya
Sarawak Timber & SME's Expo 2015	19-21 April	Kuching
Briefing Session on SME Green Development Programme and MyHijau Mark Registration*	21 April 30 April 6 May 14 May 2 June 4 June	Putrajaya Johor Bharu Penang Kuantan Kota Kinabalu Kuching
Malaysian Green Growth Strategy: Lessons Sharing Conference*	21-22 April	Kuala Lumpur
National HCV Toolkit 2015 Steering Group Meeting	23 April	Kuala Lumpur
Konsultasi Stakeholder – Potensi Akasia Sebagai Sumber Bahan Mentah Alternatif bagi kegunaan Industri Perkayuan by MTIB	28 April	Kuala Lumpur

Local Conferences/Seminars/Workshops/Meetings	Date	Venue
Mesyuarat Jawatankuasa Pemandu Projek "Capacity Building for Compliance with Malaysian Timber Certification Scheme (MTCS)"	13 May	Kuala Lumpur
MTC Marketing Seminar "Recent Market Dynamics for Timber and Timber Products in China, India, Europe & USA" & MTC Annual Dinner	18 May	Kuala Lumpur
Majlis Perasmian Seminar on Bamboo Collaboration of MTIB-INBAR-ICBR	19 May	Kuala Lumpur
Mesyuarat Jawatankuasa Pemandu Kajian Semula Dasar Komoditi Negara	19 May	Kuala Lumpur
Mega Science – Malaysia 2050 Consultative Workshop (Mega Science 3.0 – Furniture Industry Sector	10 June	Kuala Lumpur
Briefing on "Market Research Visit To India"	10 June	Kuala Lumpur
National Seminar on Conversion of Oil Palm Trunk (OPT) into Sawn Timber & Plywood and its Application in Furniture	11 June	Kuala Lumpur
Seminar on Malaysian Standard (MS) on Timber Structure	16 June	Kuala Lumpur
Stakeholder Consultation Workshop on "Policy and Regulations Assessment for Implementing No Net Loss/Net Gain of Biodiversity in Sustainable Multiple-Use Forest Landscape"	16 June	Kota Kinabalu
Majlis Kolukium Institut Rimbawan Malaysia (IRIM) dan Mesyuarat Agong IRIM	17 June	Kuala Lumpur
Bengkel Pembangunan Garis Panduan Perolehan Hijau Kerajaan (Government Procurement Guideline)	23 June	Petaling Jaya
National HCV Toolkit 2015 Steering Group Meeting	29 June	Kuala Lumpur
Opening Ceremony of Malaysian Furniture & Furnishings Fair MF3	3 July	Kuala Lumpur
Mesyuarat membincangkan Kajian Semula Dasar Komoditi Negara berkaitan Sektor Perkayuan	8 July	Putrajaya
Marked Requirements for Timber and Timber Product Legality Affecting Sarawak, Forging the Path Forward Workshop	23 July	Kuching
Briefing by MTC Regional Directors on Timber Markets in Europe, Far East & Middle East	6 August	Kuala Lumpur
Continuing Professional Development (CPD) Joint Committee Meeting	7 August	Kuala Lumpur
National HCV Toolkit 2015 Steering Group Meeting	14 August	Kuala Lumpur
Sesi Konsultasi Akhir Bersama Dengan Pihak Berkepentingan Bagi Memuktamadkan Cadangan Dasar Perhutanan Negara 2015, Peringkat JPSM	25-26 August	Putrajaya
Clinic Session for MyHIJAU Mark Registration	27 August	Kuala Lumpur
Majlis Perasmian 16th International Anti-Corruption Conference (IACC)	2 September	Putrajaya
Green Financing Forum 2015	9 September	Kuala Lumpur
Majlis Anugerah Hak Asasi Manusia 2015 bersempena Ulangtahun ke-15 SUHAKAM	9 September	Kuala Lumpur
Official Opening Ceremony for IGEM 2015	12 September	Kuala Lumpur

Local Conferences/Seminars/Workshops/Meetings	Date	Venue
Industry Briefing on TPIKM Project: Capacity Building for Compliance with Timber Certification under Malaysian Timber Certification Scheme (MTCS)' by MTIB*	14 September	Kuala Lumpur
International Science & Nature Congress (ISNAC) 2015 Congress*	21-23 September	Kuala Lumpur
Meeting on Measurement, Reporting and Verification (MRV) for REDD++	9 October	Putrajaya
Mesyuarat Membincangkan Isu Berkaitan Industri Berasaskan Kayu	9 October	Putrajaya
Mesyuarat HCVF-DTC Bersama "Stakeholder" KPKKT – Laporan Projek 'Development of Specific Conservation Measures and Monitoring procedures to Maintain and Enhance the Conservation Attribute in Jerangau HCVF, Terengganu	22 October	Kuala Lumpur
Bengkel Konsultasi Stakeholder Ke Atas Rancangan Pengurusan Hutan Negeri Johor	19 November	Nusajaya
YBM Dialogue Session with Italian Journalists	27 November	Kuala Lumpur
Wood-based & Furniture Sectoral Technical Committee (STC) Meeting	30 December	Selangor

^{*} MTCC made a presentation on the MTCS at the event





FINANCIAL STATEMENTS

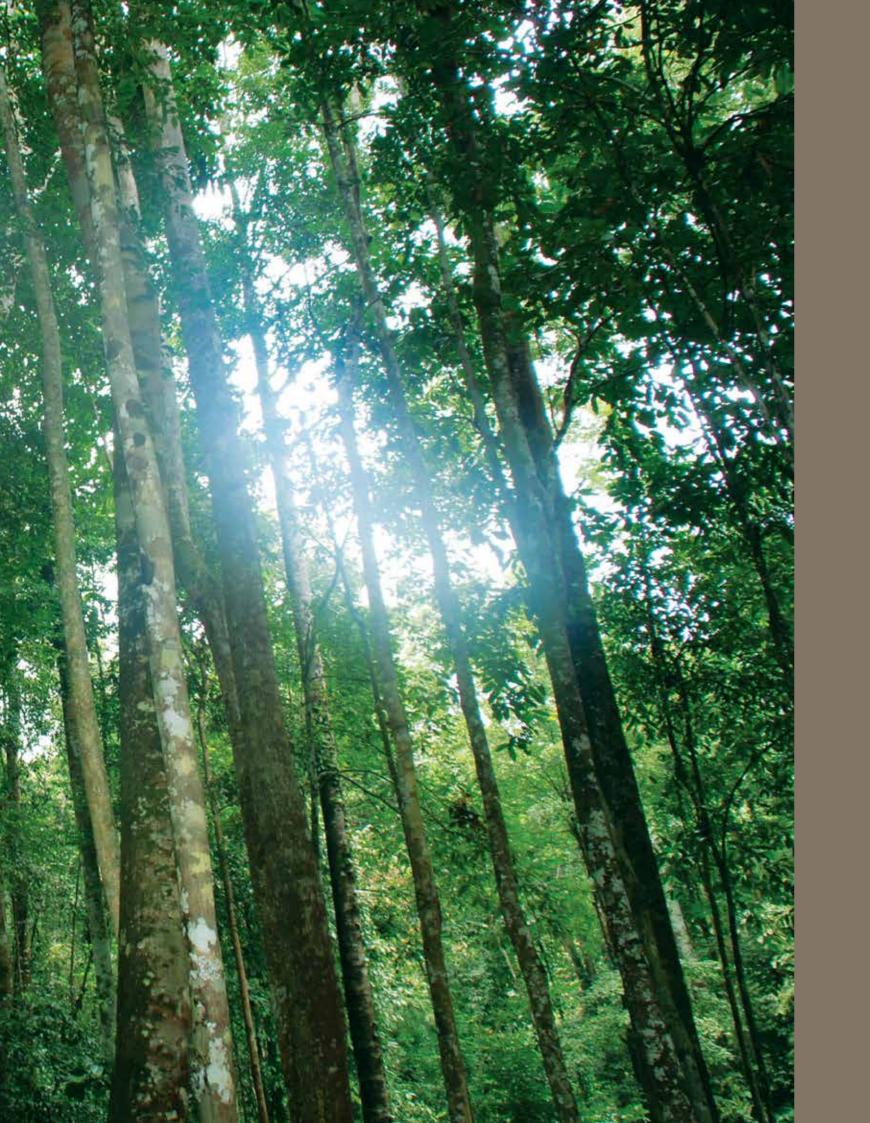
Statement of financial position as at 31 December 2015

	2015 RM	2014 RM
ASSETS		
Non-current asset		
Property, plant and equipment	2,379,903	2,496,840
Current assets		
Trade receivables	18,963	4,213
Sundry receivables and deposits	187,688	137,884
Held for trading investments	78,504,227	79,074,576
Deposits	7,753,774	7,953,650
Cash and bank balances	451,637	106,847
Total current assets	86,916,289	87,277,170
TOTAL ASSETS	89,296,192	89,774,010
Endowment fund	84,000,000	84,000,000
Accumulated fund	4,959,798	5,363,879
Total equity	88,959,798	89,363,879
Current liabilities		
Sundry payables and accruals	317,406	391,143
Current tax liability	18,988	18,988
Total liabilities	336,394	410,131
TOTAL EQUITY AND LIABILITIES	89,296,192	89,774,010

Statement of profit or loss and other comprehensive income for the year ended 31 December 2015

	2015 RM	2014 RM
Revenue	130,750	20,550
Direct costs	(865,182)	(925,420)
Gross loss	(734,432)	(904,870)
Other income	3,828,543	3,295,316
Administrative and general expenses	(3,498,192)	(3,383,846)
(Deficit)/Surplus before tax	(404,081)	(993,400)
Tax expense	-	-
(Deficit)/Surplus for the year	(404,081)	(993,400)
Other comprehensive income	-	-
Total comprehensive (deficit)/income for the year	(404,081)	(993,400)







MALAYSIAN TIMBER CERTIFICATION COUNCIL

Unit C-8-5, Block C, Megan Avenue 2, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia.

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

E-mail: info@mtcc.com.my Website: www.mtcc.com.my

