



TWENTY YEARS

PUSHING BOUNDARIES
ADVANCING SUSTAINABILITY

MALAYSIAN TIMBER CERTIFICATION COUNCIL

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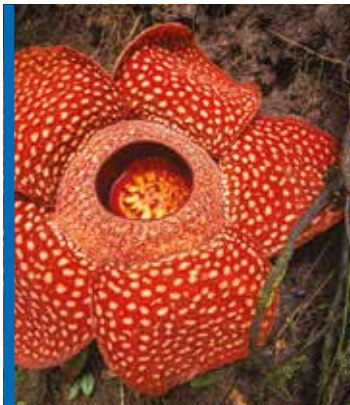
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First of all, I would like to express my gratitude and congratulate the Malaysian Timber Certification Council (MTCC) on its 20th Anniversary.

MTCC was established in 1998 as an independent organisation to develop and operate the Malaysian Timber Certification Scheme (MTCS) towards promoting sustainable forest management in Malaysia. Over the past 20 years, MTCC has played a significant role in ensuring the sustainable management of Malaysia's natural forest and forest plantations. It also ensures the supply of sustainable timber to meet the demand for certified timber and timber products through the implementation of the MTCS.

Since 2002, we have exported 1.96 million m³ of certified timber and timber products to 66 destinations. The Ministry of Primary Industries will continue its support towards the development of the timber industry, without compromising the delicate balance between the economic, social and environmental aspects.

The MTCS is the leading tropical scheme in Asia Pacific, validated by the Programme for the Endorsement of Forest Certification (PEFC) and has gained international recognition and acceptance. I am happy to note that the implementation of the MTCS has also contributed towards achieving our national sustainability agenda.

In line with the tagline "Pushing Boundaries Advancing Sustainability" for its 20th Anniversary celebration, I am optimistic that MTCC will continue to excel in its efforts to promote the implementation of sustainable forest management through certification in Malaysia.

I wish MTCC all the best for many more successful years ahead.

YB Teresa Kok
Minister of Primary Industries, Malaysia



I would like to congratulate the Malaysian Timber Certification Council (MTCC) on the occasion of its 20th Anniversary.

It is heartening for me to note how the MTCC has grown from an organisation that was fraught with so many uncertainties at the beginning, to become an organisation of international standing today.

The adoption of the tagline: “Pushing Boundaries Advancing Sustainability” for its 20th Anniversary celebration is most appropriate as it aptly describes the journey of the MTCC in pushing the various boundaries for sustainability agenda in Malaysia. These boundaries are described in this MTCC’s 20th Anniversary Commemorative Book.

Twenty years is a significant milestone for any organisation. The Council must not rest on its laurels and drop its vigilance in implementing the Malaysian Timber

Certification Scheme (MTCS). The scheme should continue to meet international sustainability benchmarks and receive international recognition and acceptance.

The implementation of the MTCS is important as it showcases Malaysia’s commitment to sustainable forest management and opens the doorway for Malaysia to contribute to the trade in sustainable timber and timber products in the international markets.

I am confident that MTCC will remain relevant for many years to come.

Dato’ Dr. Tan Yew Chong

Secretary General,
Ministry of Primary Industries



It is encouraging to note that MTCC has overcome many challenges to successfully plan, develop and operate the Malaysian Timber Certification Scheme (MTCS). A significant milestone was achieved in 2009 when the MTCS became the first certification scheme for tropical forests in the Asia Pacific to be endorsed by the Programme for the Endorsement of Forest Certification (PEFC), the world's largest forest certification system.

The achievement of MTCC brought to fruition the vision and foresight of Tun Dr. Lim Keng Yaik, the then Minister of Primary Industries, who was responsible for establishing MTCC as an independent organisation to implement a credible and internationally recognised national timber certification scheme. The political commitment to implement certification has been sustained over the last 20 years and I would like to acknowledge the strong support from YB Teresa Kok, the Minister of Primary Industries and her predecessors in this endeavour.

The MTCC's 20th Anniversary celebration logo and tagline: Pushing Boundaries Advancing Sustainability has aptly encapsulated the undertaking of MTCC over the last two decades and sets the tone for MTCC's future endeavours. The occasion also provides an excellent opportunity for MTCC to rethink and realign its Vision and Mission to take our commitment towards sustainability to the next level, as follows:

Vision: *A nation that appreciates and internalises the full value and contribution of forest towards global sustainability.*

Mission: *MTCC is committed to strengthen the MTCS to realise the full value and contribution of forest through sustainable forest management and chain of custody certification.*

MTCC appreciates the pivotal role played by the members of the Board of Trustees, both past and present, in guiding and providing policy directions to MTCC. A special thank you is in order for my predecessors, Dato' Dr. Freezailah Che Yeom, the founding Chairman, and Datuk Himmat Singh for their significant contributions.

MTCC wishes to acknowledge the contributions and support of the environmental, social and economic stakeholder groups, the relevant government agencies and certification bodies in particular during the various multi-stakeholder consultation processes related to the development and review of certification standards.

The next phase of MTCC's journey will be to plan, develop and implement programmes and activities which are in line with its revised Vision and Mission.

Datuk K. Yogeesvaran
Chairman



I joined MTCC in November 2001 when the organisation was still in its infancy, having started its operation in 1999. I remember seeking advice to join MTCC and was told rather frankly that the organisation may not last, as certification was a new concept then, and nobody could be assured of how it would play out ultimately.

In this regard, I am happy to testify that the organisation has not only lasted but grown to become an organisation that is credible and internationally recognised. But has the journey been easy? Definitely not. As timber certification was a new concept, the need for certification was questioned and the cost regarded as burdensome and prohibiting. Additionally, timber certification mandates third party audit which was a new invention and not well received by the forestry and timber sector. Furthermore, the need for multi-stakeholder participation to develop certification standards was a totally new experience for all parties involved. All these uncharted territories demanded innovative approaches and posed as a steep learning curve for MTCC.

The journey could be effectively summed up by the tagline that MTCC has adopted to celebrate its 20th Anniversary: "Pushing Boundaries Advancing Sustainability." The efforts taken by MTCC in pushing the various key boundaries over the last two decades are succinctly described in this MTCC's 20th Anniversary Commemorative Book.

MTCC gratefully acknowledges the understanding, support and contributions from all stakeholder groups which were instrumental in the growth and development of MTCC and the effective operation of the MTCS.

My heartfelt gratitude to the small but effective MTCC team, both past and present, who have worked so hard to transform the organisation. In particular, I must not fail to accord special appreciation to my predecessor Mr Chew Lye Teng for his tremendous contributions in ably leading and building the organisation in its formative years over a 13-year period from 1999 to 2012.

Looking to the future, we will leverage our strengths and continue to work closely with our Board of Trustees, members and stakeholders to continue our collaborative effort to advance the implementation of sustainable forest management and to realise our revised Vision to see Malaysia as "A nation that appreciates and internalises the full value and contribution of forest towards global sustainability."

Yong Teng Koon
Chief Executive Officer

Chapter

1

INTRODUCTION



Photo by Yeap Ching Yeok

In his Message in *The First Ten Years*, the book which commemorated the first decade of the establishment and operation of the Malaysian Timber Certification Council (MTCC), founding Chairman, Dato' Dr. Freezailah Che Yeom wrote that on Malaysia's journey towards the sustainable management of its mega-biodiverse forests, "... the establishment of MTCC, a decade ago, was a defining milestone which has contributed in placing Malaysia in the forefront of tropical forestry."

The beginning of MTCC's operation in 1999 was indeed an important step taken by Malaysia, a developing tropical country which was then still struggling to cope with the effects of the 1997 Asian financial crisis. Malaysia took the first step to embark on the long and difficult journey towards promoting sustainable forest management (SFM) through timber certification two years after the Earth Summit was held in Rio de Janeiro in 1992. Achieving SFM in Malaysia is a very challenging task in view of the constraints in human and financial resources required, coupled with the rich biological diversity and complex

Dato' Dr. Freezailah delivering his Welcome Remarks at MTCC's 10th Anniversary Dinner



ecosystems in its tropical natural forests, as well as the presence of indigenous communities which live within and adjacent to these forests.

With a mandate to assess and encourage efforts in implementing SFM practices through its certification scheme, MTCC was guided by its Vision: *To be recognised as the leading timber certification organisation for tropical forests* and its Mission: *To establish and operate a credible and internationally recognised national timber certification scheme towards promoting sustainable forest management in Malaysia.*

As timber certification was at that time still a rather new concept, many stakeholders viewed it with concern, scepticism and uncertainty. Its need was questioned, its procedures were considered cumbersome and its cost perceived as burdensome, amongst others.

In addition, the Forest Stewardship Council (FSC) scheme, which was created in 1993 and strongly supported by international environmental non-governmental organisations (NGOs) like the World Wildlife Fund (WWF) and Greenpeace was being promoted by these

Malaysia to label its timber products

By FADZIL GHAZALI

IN proposing to introduce its own timber certification process, Malaysia is opening a new chapter in its struggle to champion sustainable forest management.

The decision to label Malaysian-made timber products as coming from sustainably-managed forests was approved by the National Forestry Council yesterday.

Acting Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said in line with the initiative, a national timber certifica-

tion council (NTCC) will be established.

It is understood that the NTCC will take the form of a limited company.

"Now that it (timber certification) has been approved by the council, the Primary Industries Ministry will do the necessary to work out the details," he told reporters after chairing the two-hour meeting in Kuala Lumpur.

Primary Industries Minister Datuk Seri Dr Lim Keng Yaik said the proposed timber certification will be based on criteria and indicators of the International Tropical Timber

Organisation (Itto).

On the timeframe for its implementation, Dr Lim said: "There is no hurry after all the Itto's sustainable forest management

deadline is the year 2000." Furthermore, Malaysia needs to secure the acceptance of the international market before it can be implemented effectively.

"What is the point of issuing a certificate if the people in the industry do not accept it?" Dr Lim said, adding that wide acceptance is needed to make certification an effective instrument.

Anwar said timber cer-

tification has been identified as a good way to promote sustainable forest management and tap environment-sensitive consumer markets.

He also said that the council called for a stronger commitment from state governments in utilising their allocations, which are sourced from the timber export levy, to implement reforestation programmes.

"The guidelines on the use of the special allocations are there. We may not have issued a stern directive, but the intention and purpose of the fund must be fully respected and ob-

served, that is, only for reforestation programmes," he added.

Anwar said the Government's policies on reforestation and sustainable forest management will be relentlessly pursued.

"We will continue to increase our forest area. It is estimated that the overall expenditure to achieve sustainable forest management by the year 2000 is RM1.7 billion," he added.

The bulk of this expenditure will be funded by proceeds from the timber export levy, which is why the Government is emphas-

See Back Page, Col. 5

National timber council to be operational next year

By HANIM ADNAN and JACQUELINE ANN SURIN

THE National Timber Certification Council Malaysia (NTCC) is expected to be operational early next year, Malaysian Timber Industry Board (MTIB) development division director Chew Lye Teng said.

The NTCC would be responsible for the certification activities related to sustainable forest management as well as timber and its related products nationwide.

Chew told reporters after the Pilot Study on Timber Certification seminar in Kuala Lumpur yesterday that the board was in

the advanced stage of registering NTCC as a company with the Registrar of Companies.

NTCC, which is under the auspices of the Primary Industries Ministry, would be an independent company limited by guarantee with no shareholding.

Its main function would be to register forest auditors and certifiers who plan to do certification on Malaysian logs.

Primary Industries Minister Datuk Seri Dr Lim Keng Yaik, who officiated at the seminar, said the Malaysia-Netherlands pilot project on timber certification would be expanded to five new states after an initial project in Selangor, Pahang and Tereng-

ganu had proven successful.

The project, which audited timber from sustainably managed forests, would be extended to Kedah, Perak, Johor, Negri Sembilan and Kelantan following "positive feedback" from the timber trade in Malaysia and the Netherlands.

Lim said the certification exercise in the five states would cost RM600,000.

The pilot project, which began in 1996 in the first three states, subjected three timber products — sawn timber, plywood and mouldings — to a certification process after which the products entered the Keurhout Hallmark system in the Netherlands which

tracked them to the end-user.

As of July this year, Lim said, a total of 8,996 cu m sawn timber had been shipped to the Netherlands under the pilot study.

"We hope to see an increase in exports of such audited timber products to the Netherlands as we move towards the year 2000," he said, adding that Malaysia's timber exports to Europe had dropped by 50% because of the anti-tropical timber lobby.

Lim said Malaysia had urged the Keurhout Foundation and the Dutch government to promote the hallmark system to the other European Union member countries which wanted timber certification implemented.

Timber goods to be labelled

FROM PAGE ONE

sising the importance of using the allocations according to the set objective and procedures.

The council has also decided to go ahead with its plan to withdraw the licences of sawmilling operations that have been inactive for more than two years, he said.

"The Primary Industries Ministry has explained this to the various state governments and asked them to adhere to this decision. It does not make any sense to maintain the inactive sawmills in view of the country's dwindling logging areas," he added.

Anwar also briefed the meeting, which was attended by Menteri Besar and Chief Ministers, on Malaysia's position towards international forestry legislation.

"The country presented at a recent United Nations meeting its stand, that is, Malaysia supports sustainable management efforts for all types of forests.

"Unfortunately, our strong stand to champion sustainable forest management for all forests was not agreed to by the West. This goes to show that they are inconsistent. They only want the developing countries to be involved in forest management," he added.

organisations in the key markets for Malaysian timber products such as Europe. These efforts had resulted in the formation of so-called 'buyer groups' such as the WWF1995+ Group, comprising retailers (such as Sainsbury's) and do-it-yourself retail chains (such as B&Q), which only accepted timber products certified under the FSC scheme.

MTCC initiated the uncharted process of standard-setting through open and transparent multi-stakeholder consultations involving representatives from the social, environmental and economic stakeholder groups, as well as from the relevant government agencies — which was at that stage a relatively new approach and experience — with the hope that such a process would be understood, accepted and supported by all stakeholders. The implementation of forest management (FM) certification by MTCC using a phased approach was also proposed as a practical step to acknowledge the many challenges faced by the forest managers in meeting the requirements of the certification standard used, despite objections from certain stakeholders. In addition, the authorities concerned had to be convinced of the need to amend the institutional arrangement of the Malaysian Timber Certification Scheme (MTCS), the scheme operated by MTCC, in order to strengthen its governance and comply with internationally accepted norms and practices.

In many respects, MTCC had to start from scratch in building the foundation for timber certification in Malaysia. Naturally, this involved a steep learning curve for MTCC in understanding, adopting and adapting concepts, systems, approaches, organisational set-ups and experiences

Meetings of National Steering Committee (NSC) to formulate forest management certification standard



Chew Lye Teng making a presentation at the WWF Millennium Forests for Life Conference, United Kingdoms, 6-7 June 2000



relating to FM and chain of custody (CoC) certification which were derived mainly from similar work for temperate and boreal forests in developed countries.

Consequently, over the past two decades, MTCC has taken on the arduous task of planning, creating awareness, training as well as building trust and confidence amongst and between the various stakeholder groups, and in operating a credible timber certification scheme.

Reflecting on the amount of work and the achievements of MTCC over the last 20

years, timber certification in Malaysia has definitely come a long way. Today, timber certification is increasingly accepted as an independent and effective means of assessing and demonstrating the implementation of good forest management practices. It has also become an important platform for the various stakeholder groups to provide their comments and feedback pertaining to SFM practices, and the means of assessing the level and effectiveness of their implementation in the field.

The confidence in the level of compliance with international requirements and

standards led MTCC to submit the MTCS to the Programme for the Endorsement of Forest Certification (PEFC), the world's largest forest certification scheme, for its endorsement in 2008. The MTCS achieved a significant milestone when it was endorsed by PEFC in May 2009. The scheme was re-endorsed by PEFC in July 2014.

On 16 July 2002, the first shipment of 75 cubic metres of MTCS-certified sawn timber to The Netherlands was made. By 2018, the annual export of PEFC-endorsed MTCS-certified products have increased significantly to 348,802 cubic metres,

Certificate of Endorsement by
PEFC – 1 May 2009



Certificate of Endorsement by
PEFC – 29 July 2014



comprising a wider range of timber products such as sawn timber, plywood, mouldings, doors, builders' carpentry and joinery, furniture and furniture parts, finger-jointed timber, veneer and flooring. As of December 2018, a cumulative total of 1,959,052 cubic metres of MTCS-certified timber and timber products had been exported and shipped to 66 destinations.

MTCC's 20th year of operation in 2019 marks another important milestone in the history of the organisation's growth and development. The occasion also presents an excellent opportunity for MTCC to reflect

on its achievements and what needs to be done to ensure its continuous relevance and contribution to SFM and environment protection in Malaysia.

In sync with the tagline *Pushing Boundaries Advancing Sustainability* of MTCC's 20th Anniversary celebrations, this book recounts and narrates MTCC's efforts to advance SFM in Malaysia, the challenges faced and how it has managed to push the boundaries in many of the key aspects related to the establishment, operations, governance, credibility, acceptance and international recognition of the MTCS.

First shipment of MTCS-certified timber
exported to The Netherlands in July 2002



Chapter

2

STRENGTHENING INSTITUTIONAL
ARRANGEMENT



MTCC's genesis can be traced back to the *Seminar on Trade of Timber from Sustainably Managed Forest* jointly organised by the Ministry of Primary Industries (MPI) and the Malaysian Timber Council (MTC) (then known as the Malaysian Timber Industry Development Council) on 5 to 6 April 1994, following which the Malaysian Timber Industry Board (MTIB) was given the task to work towards the establishment and operation of a timber certification scheme in Malaysia.

Dato' Seri Dr. Lim Keng Yaik officiated the Seminar on Trade of Timber from Sustainably Managed Forest in 1994, and launched the MTCC Scheme in 2002



NTCC Malaysia renamed as MTCC on 30 June 2001



Following a series of meetings, the National Timber Certification Council (NTCC) was incorporated on 29 October 1998 as National Timber Certification Council, Malaysia (NTCC Malaysia), an independent and non-profit company limited by guarantee and not having a share capital. Commencing its operations on 1 January 1999, NTCC Malaysia was subsequently re-named as MTCC on 30 June 2001.

After nearly three years of preparations, which included the convening of multi-stakeholder consultations to develop the certification standards, field-testing of the standards, development of assessment procedures, training of auditors, registration of independent assessor companies, registration of peer reviewers, formulation of rules governing the use of the MTCC logo, appeals mechanism, and familiarisation of potential certification applicants on the scheme and its certification requirements, it was decided that the MTCC scheme (renamed as the MTCS in 2008) would be implemented in October 2001 using a phased approach.

When the MTCS was implemented in October 2001, MTCC played the role of both the National Governing Body (NGB), being overall in charge of the scheme, as well

Field test of MC&I: Perak



Field test of MC&I: Sabah



Field test of MC&I: Sarawak





Photo by Abdul Hafiz Ab Hamid

as the role of the certificate-issuing body. MTCC received and processed applications for FM and CoC certification, arranged for audits to be carried out by its registered independent assessors, and decided on all such applications based on the audit reports submitted by the assessors. Forest Management Units (FMUs) or timber companies which were assessed to have complied with the requirements of the certification standard were issued with the MTCC certificates.

However, MTCC subsequently found it necessary to implement a new institutional arrangement for the MTCS on 1 July 2008

in order to strengthen its governance and enhance the acceptance of the MTCS in the international market. It was also part of its preparations for the submission of the MTCS for endorsement by PEFC.

Under the new institutional arrangement, which is also the current arrangement (**Figure 1**), MTCC continues with its role as the NGB, while the independent assessors become the Certification Bodies (CBs) which have to obtain accreditation from Department of Standards Malaysia (STANDARDS MALAYSIA) – the national accreditation body (AB) – to carry out FM or CoC certification under the MTCS.

Training of auditors – forest management



Training of auditors – chain of custody



Training of peer reviewers



Figure 1: Institutional Arrangement for MTCS

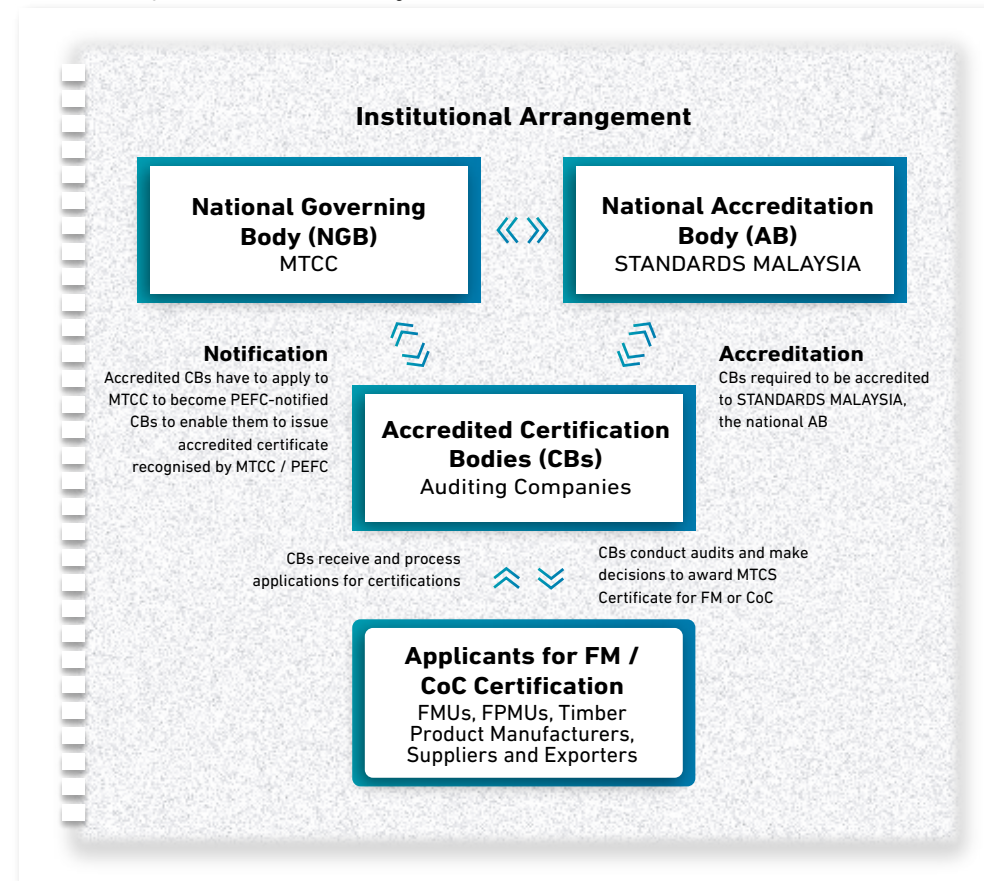


Photo by Ho Sin See



Photo by Chew Chun Hian

As the NGB, MTCC is also responsible for the notification of CBs, enabling the accredited CBs to issue accredited certificates recognised by MTCC and PEFC. MTCC is also responsible for issuing logo usage licences to certified FMUs and companies.

The implementation of the new institutional arrangement was a major change in the MTCS, as it required MTCC to make an internal transformation to relinquish the important role of making the certification decision and issuing the certificate to the independent CB. The process of

registration of the CBs by MTCC was also replaced by the accreditation of the CBs by STANDARDS MALAYSIA.

The above transformation would not be possible without the understanding and support given by the authorities concerned and the stakeholder groups when the changes in the institutional arrangement of the MTCS were proposed. The current arrangement which is in line with international norms has facilitated its endorsement by PEFC and enhanced the acceptance of the scheme in the international market.

Accredited CBs for forest management and chain of custody certification



Chapter

3

CHANGING MINDSETS



When MTCC started its operation in 1999, the main players in the forestry and timber industry, which were the forest managers and the various timber-processing and exporting sectors, were still not familiar with timber certification and its requirements. Initially, the forest managers, regardless of whether they were the officers and staff of the Federal and State Forestry Departments in Peninsular Malaysia or the managers and staff of the forest concessionaires in Sabah and Sarawak, had difficulty in accepting the idea of having their activities and operations being subject to scrutiny and regular annual audits by external parties. To a lesser extent, timber product manufacturers, suppliers and exporters were concerned about their operations being subject to third-party audits, although many were already under pressure due to demands for certified products from their importers, particularly in Europe. There were also concerns that certification procedures would be cumbersome and lead to unacceptable increase in costs.

Group photo – Briefing to forest rangers in Kelantan



Briefing to forest rangers in Pahang



Interactive session with forest rangers in Kedah



Interactive session with forest rangers in Perak



Briefing to forest rangers in Negeri Sembilan



At that juncture, it would be fair to say that the aims of forest management practices were focused on sustained yield rather than on the environmental and social aspects. Therefore, when these aspects were given increasing emphasis in the certification standards used in the MTCS as compared with the existing practices, the forest managers were put under pressure to ensure that their staff were familiar with the additional and new requirements, and to consistently implement them in the field. This challenging situation was further aggravated as the forest managers continued to face constraints in terms of human and financial resources.

Furthermore, forest resources of the respective states in Malaysia are a major source of revenue, and any activities that may result in a restriction on forest-harvesting activities, such as some of the measures needed to achieve SFM, became a deterrent to the uptake of timber certification by the State governments. Revenue from eco-tourism activities involving natural forests are currently not sufficient to compensate for loss of income if forest-harvesting activities are curtailed or halted. In the case of private sector forest concessionaires in Sabah and Sarawak, a reduction in the log production volume of the licensed forest area due to



Photo by Chai Tak Sun

Auditors conducting forest management audit



Auditors conducting chain of custody audit



Consultative session with environmental NGOs



reduced forest-harvesting activities is something to be avoided, if possible. The need to balance this consideration against the requirement to implement measures to achieve SFM puts additional pressure on forest managers.

In this connection, the regular certification and surveillance audits conducted by the CBs, as well as the awareness and capacity-building activities organised by MTCC have resulted in positive impacts. There is now greater awareness and appreciation among the stakeholders, especially the forest managers and the timber industry, about SFM-related issues which are of concern and interest to other stakeholder groups, and needed to be addressed by them in their daily operations using the FM or Forest Plantation Management (FPM) certification standard as the reference point. The operation of the MTCS has therefore helped in changing the mindsets of these stakeholders on the need for the improvement of forest management and trade practices in striving to implement SFM through certification.

Resulting from active involvement and input from the social NGOs (workers' unions and indigenous people groups) as well as the environmental NGOs such as WWF Malaysia (WWFM), Wildlife Conservation Society, Malaysia Program (WCS) and Malaysian Nature Society (MNS) during the stakeholder consultation process, the social and environmental requirements of the Principles, Criteria and Indicators in these standards have been strengthened. This ensures that the forest managers take

Consultative session with Malaysian Nature Society (MNS)



Consultative session with Jaringan Orang Asal seMalaysia (JOAS)



Consultative session with Building and Wood Workers' International (BWI)





Photo by Redzuan Bohari

into consideration and implement these requirements in order to be regarded by the CBs as complying with the standards, and consequently qualified for certification.

The need for forest managers to improve their documentation and practices to meet the requirements specified in the various Principles, Criteria and Indicators in the forest management certification standards, and to monitor the social and environmental impacts of their activities, have to a large extent been effective in bringing about better and more sustainable forest management practices.

Another issue which was often raised by the forest managers and the timber industry was the need for a 'green premium' in the form of better prices for certified timber products, in view of the additional work

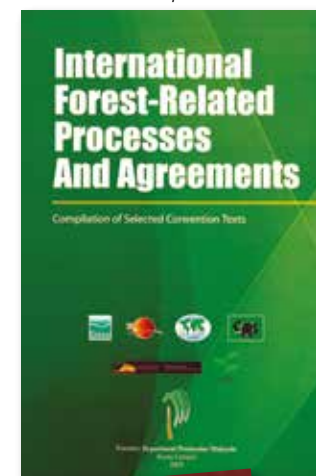
and cost involved in managing the forest to meet the requirements of the certification standard. The absence of a significant and consistent green premium for certified timber products has often been cited by some forest managers and timber industry players as an excuse for not submitting their forest area or company to be audited for certification.

The experience from the past 20 years has shown that the timber industry is in a better position to appreciate the need for timber certification since Malaysian timber products are largely destined for the export market, including the environment-sensitive markets such as Europe, USA and Australia. These markets have public procurement policies, as well as private sector companies which specify only the supply of certified timber products. To the

Manual Perhutanan



Compilation of forest laws



timber industry, it has become increasingly clear that the issue of market access is more crucial than the expectation of a green premium when they decide to undergo CoC certification for the purpose of manufacturing and/or exporting certified timber products.

While the expectation of the green premium is not so frequently raised by the forest managers nowadays, it should be recognised that among the forest managers – as the party bearing the main burden in implementing the requirements of the forest management certification standard – the full acceptance of the need for FM/FPM

certification is still an ongoing and gradual process. Therefore, MTCC needs to continue its efforts in informing and building capacity among the staff of the forest managers in order to make further progress in nurturing a more positive mindset towards timber certification. Achievement of the breakthrough in changing the mindset of the forest managers would be when they acknowledge and embrace timber certification as an activity which actually helps in sustainably managing the priceless forest areas entrusted to them and not see certification as an additional burden and cost.

However, the bigger and more difficult challenge that remains is in securing political commitment of the State governments to avoid and minimise any further encroachment into the Permanent Forests located in the MTCS-certified FMUs while taking cognizance of the need of these states for socio-economic development. In this connection, the decision of the state of Selangor to mandate public consultation prior to any proposed de-gazettement of its Permanent Reserved Forests is commendable and a step in the right direction.



Photo by Mohd Shahjehan Maamin

Securing political commitment

MTCC CEO joined Minister Teresa Kok in meeting and briefing Chief Minister and Menteri Besar:

Johor Menteri Besar – YAB Dato' Dr. Sahrudin Jamal (28 July 2019)



Kedah Menteri Besar – YAB Dato' Seri Mukhriz Tun Mahathir (16 July 2019)



Terengganu Menteri Besar – YAB Dato' Seri Dr. Ahmad Samsuri Mokhtar (18 August 2019)



Sarawak Chief Minister – YAB Datuk Patinggi Abang Zohari Tun Openg (5 December 2018)



Perak Menteri Besar – YAB Dato' Seri Ahmad Faizal Dato' Azumu (27 August 2019)



Chapter

4

ENHANCING STAKEHOLDER
CONSULTATION AND ENGAGEMENT

Photo by Mohd Nazri Sulaiman



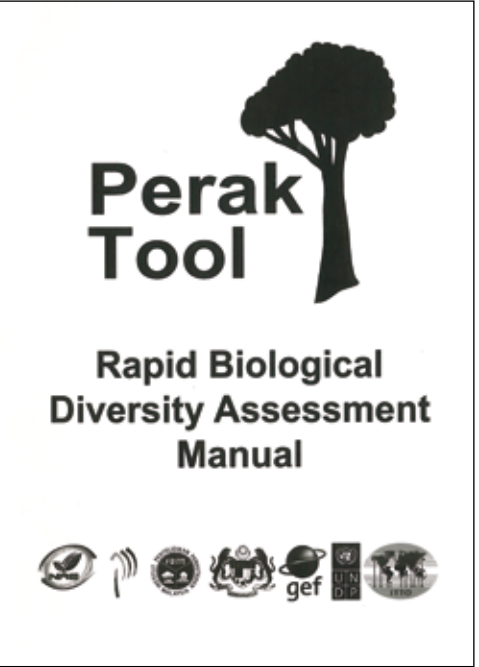
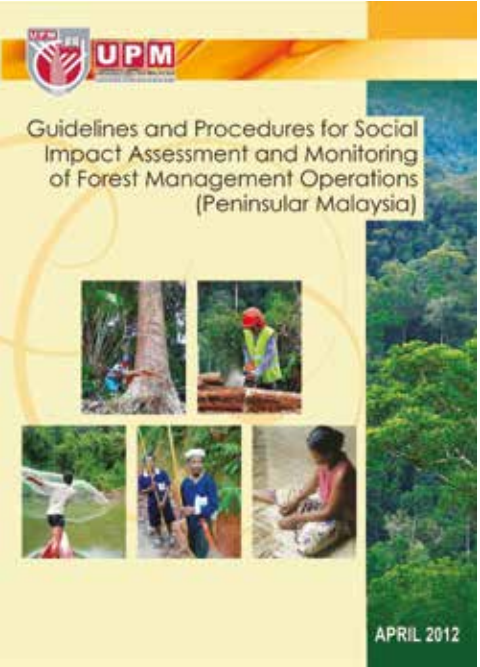
Photo by Ho Sin See

As the NGB, MTCC has overall responsibility for the smooth and efficient operation of the MTCS. It supports the crucial standard-setting process of the certification standards including doing periodic reviews, planning the process and schedule, as well as serving as the secretariat for public reviews and multi-stakeholder consultations, which are pivotal activities.

The multi-stakeholder consultations conducted in the development and review of standards, which engage economic, environmental and social groups and the relevant government agencies continue to be a very challenging activity as it involves a diverse group of organisations and individuals representing different interests and often varying levels of understanding and expectations of the standards and the certification process.

The nature of this type of consultation process is quite different from the process in developing other technical standards which usually takes a top-down approach involving subject and technical experts on the matter being discussed with minimum involvement, if any, of other stakeholders.

Outputs of collaboration with stakeholders



In view of the many challenges faced in coordinating and managing the multi-stakeholder consultations, MTCC has carried out many projects and activities to further engage and promote better rapport and trust with, and between, the various stakeholder groups. Examples of such

projects and activities include a project on biodiversity conservation, application of International Labour Organisation (ILO) Core Conventions in forestry and timber industry, formulation of guidelines and procedures for social impact assessment, a forum on forest, land and indigenous

people, as well as a forum on code of conduct for the timber Industry.

Compared to the situation before the implementation of timber certification, the participation of stakeholders, especially among the social and environmental

Representatives from WWF Malaysia visited MTCS-certified forest in Pahang



Meetings of the Dutch Minister of Economic Affairs, Sharon Dijksma with stakeholders:

Environmental NGOs



Indigenous people groups



Meetings of the Standards Review Committee:



stakeholders in forest management process has increased significantly. And this was reflected through their participation in briefings, dialogues and multi-stakeholder consultations during the standard-setting or review process, as well as when their views and feedback were sought by the independent CBs during the assessment of the FMUs/Forest Plantation Management

Units (FPMUs). As a result, the stakeholders are now in a better position to voice their views and influence the forest management practices to a greater degree than before. The positive impact of the standard-setting and review process in raising the level of understanding, trust and respect among the stakeholders has been acknowledged by the stakeholders themselves.

There is increased confidence in forest governance in Malaysia as more FMU/ FPMUs obtained certification under the MTCS. Through their participation in the MTCS stakeholder consultation process, stakeholders are made aware that (i) the forest management certification standards used in the MTCS are developed through the consideration of divergent views

Participation in Malaysian Forest Dialogue



and proposals of stakeholders covering the economic, social and environmental dimensions in managing the forests in a balanced manner, and that these standards are subject to review once in every five years; (ii) the MTCS is internationally endorsed by PEFC and needs to be assessed for re-endorsement once in every five years; and (iii) the certified FMU/FPMUs are required to undergo audits and annual surveillance audits by independent CBs who have to be accredited to STANDARDS MALAYSIA.

To reflect the multi-stakeholder approach taken in its various discussion fora, the MTCC Board of Trustees ('Board') itself is a multi-stakeholder governing body which determines MTCC's overall policy direction. The Board comprises a Chairman and ten members, with two members each from the economic, social and environmental stakeholder groups, research/academic institutions and government agencies. The composition of the Board also takes into account the need to have representation from the three geographical regions of Malaysia.

With their wealth of experience and knowledge in their respective fields, the Board members have provided valuable support and guidance with regard to policy directions, ideas and networking, contributing to the effective, efficient and pragmatic operation of the MTCS by MTCC. Invaluable contributions from its former and current Trustees have also enhanced the development and growth of the MTCS. MTCC's former Chairman, Dato' Dr. Freezailah had described the Board as the 'green compass' in providing its policy direction and striking a judicious

balance between stakeholder concerns and making progress to strengthen both the certification standards and the operation of the MTCS.

Due to MTCC's affiliation with PEFC, and through the PEFC endorsement processes, stakeholder consultation on the MTCS also occurs at the global level, thus ensuring that its standards meet global benchmarks and expectations. While this further enhances MTCC's consultation and engagement with stakeholders in connection with the MTCS, an emerging issue now is how to balance the different viewpoints of the local and international stakeholders in certain requirements of the certification standards.

Multi-stakeholder MTCC Board of Trustees



Photo by Muhamad Muzairi Mustapa

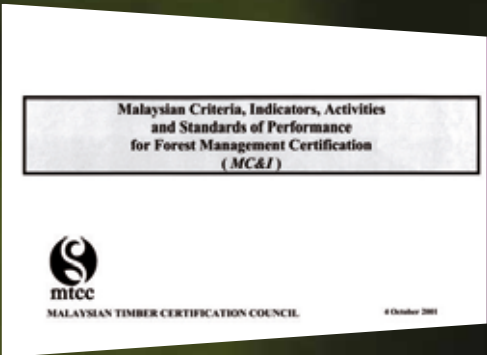
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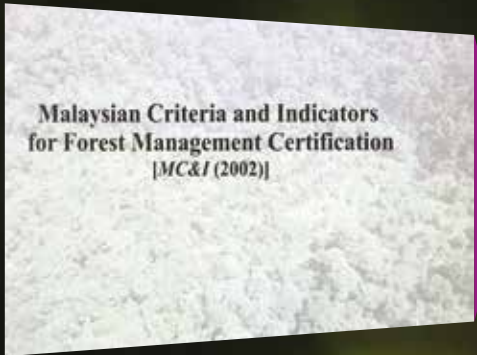
Forest Management Certification

In view of the complex ecosystem and rich biological diversity in Malaysia’s tropical forests and the presence of native and local communities within and adjacent to the forests, MTCC pragmatically decided to take a phased or stepwise approach in implementing the MTCS. During the initial phase, the FMU undergoing FM certification was required to comply with a smaller set of Criteria and Indicators (C&I). Under such an approach, the FMU manager was given the time and opportunity to gain experience, improve its documentation and practices, as well as build its capacity for implementation of the requirements before being subjected to compliance with a more stringent set of C&I.

Forest Management Certification Standards for Natural Forest and Forest Plantation



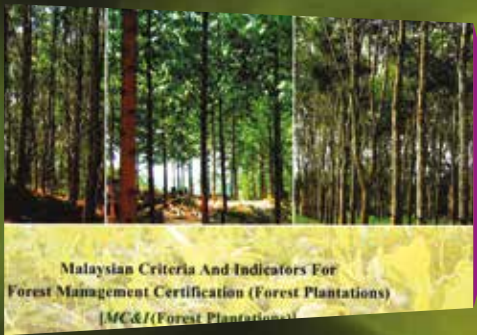
MC&I (2001)



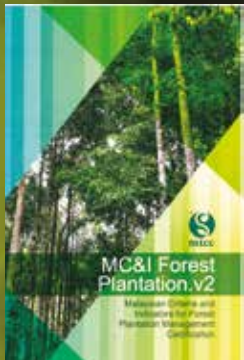
MC&I (2002)



MC&I (Natural Forest)



MC&I (Forest Plantations)



MC&I Forest Plantation.v2

Dato’ Shaharuddin Mohammad Ismail from LESTARI moderated the MTCC Stakeholder Dialogue 2015



Participants of the Dialogue (1)



In the implementation of the phased approach for FM certification, the MTCS started operating in October 2001, using the *Malaysian Criteria, Indicators, Activities and Standards of Performance for Forest Management Certification [MC&I(2001)]* which contained 29 Indicators.

In line with the phased approach, the FM certification standard used in the MTCS was subsequently strengthened with the revision of the *MC&I(2001)* so as to be compatible with the FSC Principles and Criteria template. This resulted in the *Malaysian Criteria and Indicators for Forest Management Certification [MC&I(2002)]*, which was used in the MTCS starting October 2005.

The successful transition of the FMUs from meeting the requirements of the *MC&I(2001)* to the more stringent *MC&I(2002)* was a clear testimony that the adoption of a

phased approach in applying the FM certification standard under the MTCS was successful. The approach has enabled and encouraged the FMU managers to improve their forest management practices and documentation, as well as build the capacity of their human resources towards managing their forest resources in a sustainable manner.

Having used the *MC&I(2002)* as the FM certification standard since 2005, the year 2009 saw MTCC initiating work to review the standard in line with international practices. The review process to revise and strengthen the *MC&I(2002)* was completed on 6 December 2011. On 1 June 2013, the mandatory use of the revised standard, re-named as *Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)* or *MC&I(Natural Forest)* as the FM certification standard was implemented.

Participants of the Dialogue (2)





Photo by Teoh Wen Chong

Invited guest speaker – PEFC CEO Ben Gunnerberg



Forest Plantation Management Certification

In a similar manner, the certification standard for forest plantations used under the MTCS has been developed and subsequently reviewed through multi-stakeholder consultations to revise and strengthen the standard to take into account the latest developments, emerging issues and research findings relevant to FPM certification.

The first FPM certification standard, the *Malaysian Criteria and Indicators for Forest Management Certification (Forest*

Plantations) or MC&I(Forest Plantations) was adopted and implemented on 17 February 2009. Following the review process initiated in September 2012 a revised standard, the *Malaysian Criteria and Indicators for Forest Plantation Management Certification or MC&I Forest Plantation.v2* was adopted and implemented beginning 1 July 2015.

Merging of MC&I(Natural Forest) and MC&I(Forest Plantations)

Since February 2009, two different certification standards have been used under the MTCS, namely the *MC&I(Natural Forest)* for natural forests, and the

Yong highlighting the need for merging of standards



MC&I(Forest Plantations) for forest plantations. Both standards were developed through lengthy multi-stakeholder consultations.

Besides the need to review certification standards once every five years, the MTCS being a PEFC-endorsed scheme, is also required to submit any revised standard for assessment and endorsement by PEFC before the revised standard is applied to ensure that the PEFC Sustainability Benchmarks and requirements are complied with. The process involves cost as the assessment would be conducted by an independent consultant appointed by PEFC.

Meeting of 3rd & 4th Standards Review Committee



Additionally, activities to raise awareness and training for auditors, peer reviewers and forest managers on the respective standards need to be conducted to fulfil the requirements of the AB.

MTCC has found the maintenance of two separate certification standards both costly and time-consuming, in view of the requirement for a review every five years and the need for endorsement by PEFC. Therefore, in 2015, MTCC started to explore the possibility of merging the two standards, taking into account that both standards share common Principles and Criteria from Principles 1 to 9.

For this purpose, MTCC appointed a consultant to explore in more detail the possibility of merging the two certification standards and if found feasible, to propose

an overall framework and prepare a Working Draft indicating how these two standards could be merged.

The consultant's report concluded that the two standards could be merged into a single document without any serious difficulty. The results of this consultancy were reported and discussed during the MTCC Stakeholder Dialogue held in Kuala Lumpur on 28 July 2015. Realising the repetitive and lengthy procedures involving stakeholder groups in the standard review process as well as the benefits of merging, the participants agreed with the proposal to merge the two standards.

On 8 October 2015, the review process of the *MC&I(Natural Forest)* was announced by MTCC to the stakeholder groups. However, the 71st Board Meeting on 7

March 2017 agreed to put the review of the MC&I(Natural Forest) on hold taking into account the ongoing review of the PEFC standards and technical documents scheduled to be completed by the end of 2017 – since the outcome could affect the review of the *MC&I(Natural Forest)*.

The review process was resumed following the decision of the 75th Board Meeting held on 6 March 2018. Two meetings of the Standards Review Committee (SRC) were held on 17 – 18 July 2018 and 18 – 20 February 2019 to finalise an Enquiry Draft of the revised standard, which would be subjected to a public consultation in May – July 2019. It is expected that the standard will be finalised and adopted by the end of 2019.

Chain of Custody Certification

As with the case of forest management certification standards, the CoC certification standard used in the MTCS has undergone regular review to update and strengthen the standard. When the MTCS started operating in October 2001, the CoC certification standard applied was the *Requirements and Assessment Procedures for Chain-of-Custody Certification (RAP/COC)* Rev. 4, which was finalised in May 2001.

In February 2004, MTCC initiated work to review the *RAP/COC* and proposed that the *RAP/COC* be re-issued as two separate documents, i.e. *Requirements for Chain-of-Custody Certification* as the standard, and *Assessment Procedures for Chain-of-*

Custody Certification to deal with general procedures for auditors to follow in conducting assessments and surveillance for CoC certification.

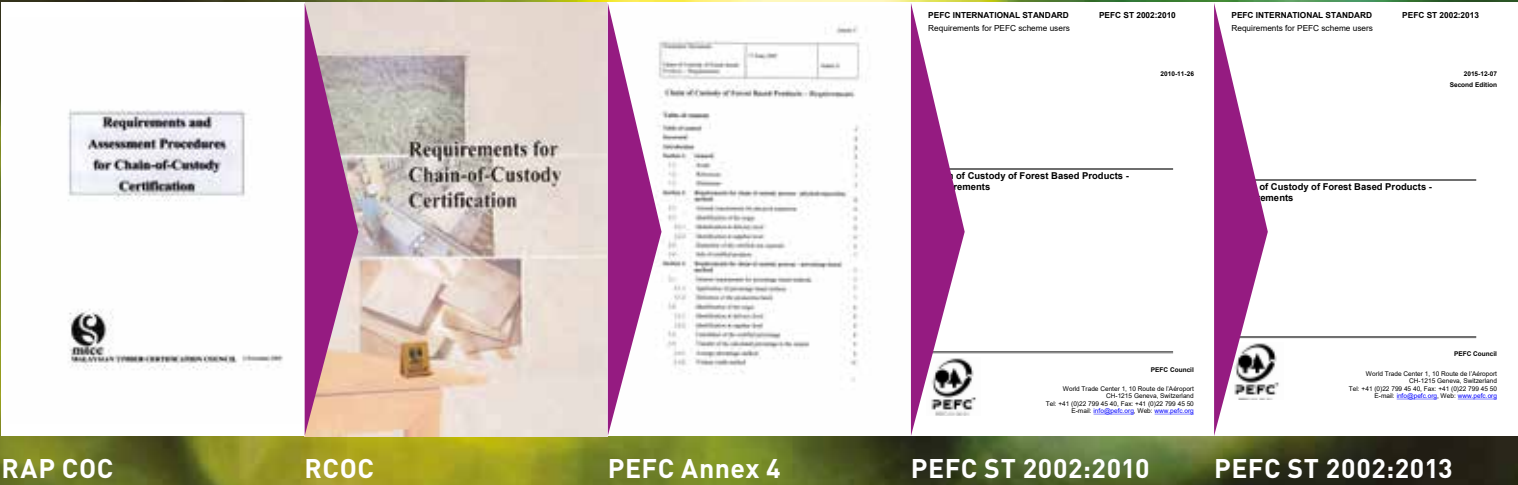
As MTCC had become a PEFC member on November 2002, this review process was conducted in compliance with the PEFC requirements at that time. The review process resulted in a new standard entitled *Requirements for Chain-of-Custody Certification* which was used under the MTCS beginning 1 January 2006.

In line with the new institutional arrangement beginning 1 July 2008, MTCS-notified CBs started to issue the CoC certificate against the new standard, i.e. *PEFC Technical Document Annex 4: Chain of Custody of Forest Based Products – Requirements*.

On 12 November 2010, PEFC adopted the revised international CoC certification standard *PEFC ST 2002:2010 Chain of Custody of Forest Based Products – Requirements (PEFC ST 2002:2010)* to replace *PEFC Technical Document Annex 4* with effect from 26 November 2011.

In 2013, PEFC announced the adoption of a revised international CoC certification standard *PEFC ST 2002:2013 Chain of Custody of Forest Based Products – Requirements* dated 24 May 2013 to replace *PEFC ST 2002:2010*, which was withdrawn on 24 February 2014. The revised standard offers an efficient mechanism for PEFC CoC certificate holders to demonstrate compliance with the requirements of the EU Timber Regulations.

Chain of Custody Certification Standards



Chapter

6

INCREASING EXTENT OF CERTIFICATION AND
EXPORT OF CERTIFIED PRODUCTS



Photo by Tan Ee long

At the official launch of the MTCS on 31 January 2002, the pioneer group of certificate recipients comprised three FMUs for the FM certificate (accounting for a total natural forest area of 2.31 million hectares) and 16 timber product companies for the CoC certificate. By the end of 2013, the number of certified FMUs had increased to 10 (with a total area of 4.65 million hectares) while the number of CoC-certified companies had increased to 275.

In this connection, it should be pointed out that presently the certification of FMU for natural forests in Peninsular Malaysia is set at the state level by Forestry Department Peninsular Malaysia and confined to the eight timber-producing states.

In 2014, another milestone was achieved when the first two forest plantations in Malaysia, i.e. Shin Yang Baram FPMU and Samling Segan LPF0014 FPMU, both

located in Sarawak and spanning a total area of 11,807 hectares, were certified under the *MC&I[Forest Plantations]* on 18 July 2014.

As of December 2018, the MTCS-certified forest areas totalled 15 FMUs covering 4.49 million hectares of natural forests, or some 35% of the total Permanent Forests in Malaysia, and six FPMUs covering 101,030 hectares of forest plantations.

Additionally, the number of CoC-certified timber companies had increased to 360, or about 10% of the total number of timber companies in Malaysia.

Figure 2 shows the number of certified FMUs and FPMUs as well as the total area certified, and **Figure 3** shows the number of CoC-certified companies since the operation of the scheme in 2001 until 2018.

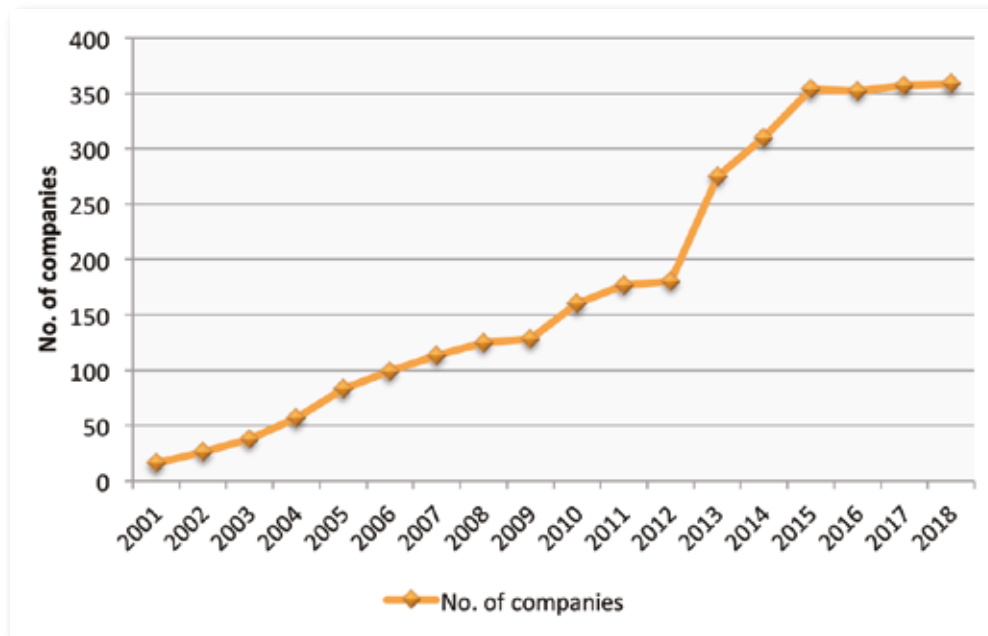
Figure 2: Certified FMU / FPMUs





Photo by Ezy Azhar bin Zamzuri

Figure 3: Certified Timber Companies



The consistent performance in increasing the number of CoC-certified timber companies received international recognition when MTCC was awarded the Certificate of Appreciation for being the second highest achiever among PEFC Member schemes in 2013, and for being the third highest in 2015.

The bigger number of CoC-certified timber companies has resulted in a wider range

of MTCS-certified products being exported to the international market. Starting with the export of 732 cubic metres of MTCS-certified sawn timber to The Netherlands in 2002, the annual export volume had increased by over 400-fold to 348,802 cubic metres of a wide range of certified timber products by 2018. At the same time, the total cumulative volume of MTCS-certified timber products exported had increased to 1,959,052 cubic metres.

Figure 4: Export of timber products certified under MTCS, July 2002 – December 2018



Figure 4 shows the increase in the volume of MTCS-certified timber products from 2002 to 2018, in terms of annual exports as well as the total cumulative volume for the period. In 2018, MTCS-certified timber products were exported to a total of 47 destinations.

PEFC-certified plywood products ready for shipment





Figure 5: Export of timber products certified under MTCS by product type, 2018

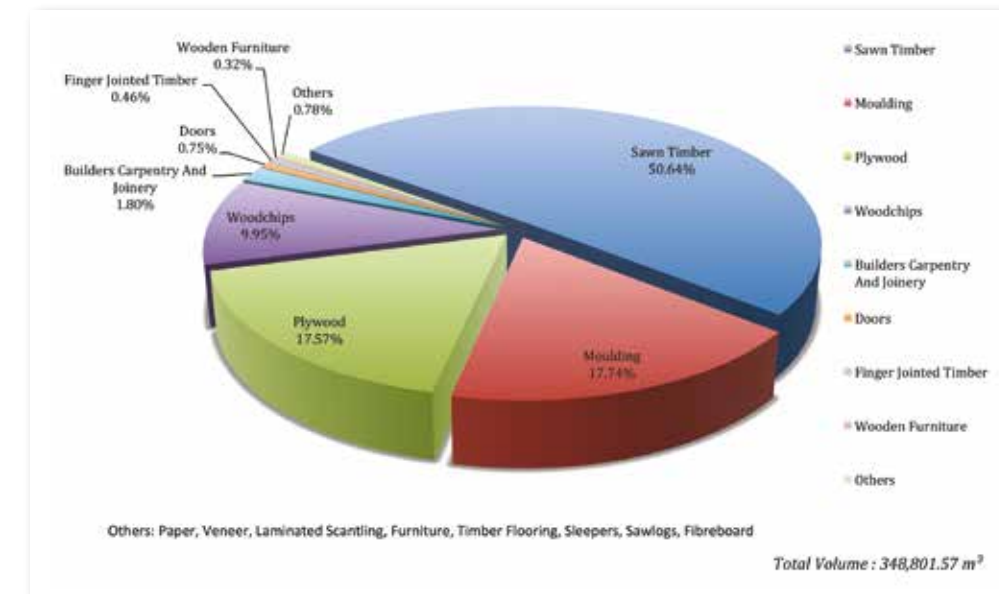


Figure 5 shows the details of the certified timber products exported in 2018 by product type. Sawn timber, mouldings and plywood continue to be the major MTCS-certified timber products exported.

Figure 6: Export of timber products certified under MTCS by destination, 2018

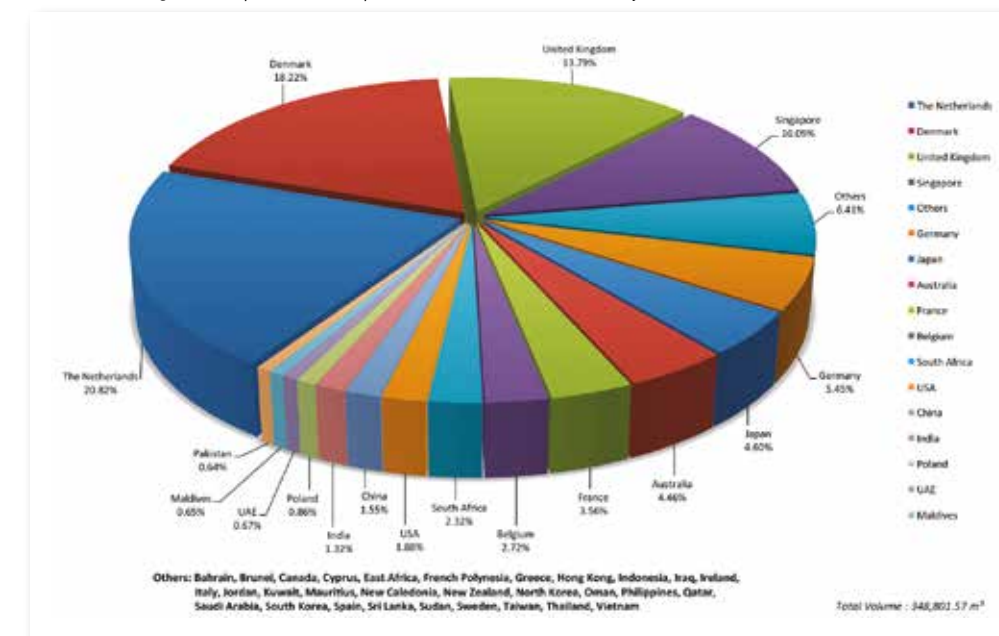


Figure 6 shows the details of the certified timber products exported in 2018 by destination. The Netherlands, Denmark and United Kingdom are currently the three major importers of MTCS-certified timber products

Chapter

7

GAINING RECOGNITION



The need for MTCC to carry out publicity and promotion programmes to make itself and the MTCS well known and accepted in the market was recognised from the onset of its operation in 1999, especially when at that juncture, the FSC scheme was being strongly promoted by environmental NGOs and buyers' groups in key markets for Malaysian timber products. In carrying out these promotion programmes, MTCC worked closely with MTC and was supported by its public relations agencies in Germany (Kaiser Communication) and The Netherlands (Weber Shandwick, and subsequently Smeets Stuger de Vries).

Ministerial missions:

Stockholm, 2003



Copenhagen, 2003



The Hague, 2006



Ministerial and technical missions:

USA, 2011



Myanmar 2012



The Netherlands, 2014



Brussels, 2014



In addition, the timber procurement policies of major do-it-yourself retail chains, and among many timber-importing countries, states and municipalities that require timber supplied for use in publicly-financed projects be certified under a recognised certification scheme, have been key drivers for the implementation of certification in timber-exporting countries, including Malaysia.

The consistent publicity and promotion programmes include participation in ministerial-level and technical missions, working visits and parliamentary evenings which involve discussions with ministries, federal, state and municipal authorities and selected individual Members of Parliament, as well as participation in conferences, seminars, meetings, dialogue sessions, and trade fairs and exhibitions in the key international markets. Other promotion activities include the conduct of briefing sessions, dissemination of the MTCC newsletter and brochures, MTCC website, advertisements, issuance of press

releases and information updates, as well as contribution of articles for publication in international, regional and local magazines and journals.

The media in Germany and The Netherlands are kept informed about MTCC and the MTCS through press releases issued by MTCC's public relations representatives in these two countries. A number of key print and online publications regularly publish editorials and special features on MTCC and the MTCS too.

In 2012, Kaiser Communication launched the MTCC German website to provide information about SFM practices in Malaysia and about MTCC, MTCS and PEFC for interested consumers, specifiers and experts in Germany.

As one of its early steps to gain recognition for MTCC and the MTCS from the international market, MTCC became a member of the PEFC in 2002. When the MTCS received the PEFC endorsement on 5

May 2009, it became the first tropical timber certification scheme in the Asia Pacific region to be PEFC-endorsed. In fact, the MTCS is the first operational scheme for tropical forests in the world to achieve this.

PEFC endorsement was a huge step forward for the MTCS, since it became mutually recognised with the other PEFC-endorsed schemes, especially in Europe and North America. MTCS-certified timber products were then able to gain access to countries, states and municipalities where their timber procurement policies had already recognised the PEFC scheme.

Timber Procurement Policies

As a result of MTCC's continuous efforts to promote and seek recognition of the MTCS, as well as through achieving the PEFC endorsement, the MTCS has been accepted in the timber procurement policies of an increasing number of authorities and organisations, as shown **below**.

Recognition of the MTCS by Timber Procurement Policies

2003

October

MTCC scheme accepted by Ministry of the Environment, Denmark in its *Purchasing Tropical Timber Environmental Guidelines*

November

Timber and Timber Products Procurement Policy Guidelines of the Ministry of Agriculture and Forestry, New Zealand, under which the MTCS was listed as one of the seven certification schemes accepted

2004

November

A report commissioned by the Central Point of Expertise on Timber (CPET), an expert group set up by Department for Environment, Food and Rural Affairs, United Kingdom (UK), continued to recognise the MTCS as providing assurance of legally harvested timber in the government's timber procurement policy. The 2008 review by CPET has acknowledged that since the MTCS was in the process of introducing revised requirements, it will be able to provide evidence of sustainability once these revisions are fully in place. In 2009, CPET undertook a review of the two major international schemes, PEFC and FSC to determine their compliance with the timber procurement policy and concluded that both schemes assure sustainability of timber in compliance with the policy. Since the MTCS had by then been endorsed by PEFC, MTCS-certified timber was therefore accepted as being sustainable by the UK Government

2005

May

Conservation and Environment Guidelines of the Royal Horticultural Society, UK, listed the MTCS as one of the seven recognised certification schemes

December

French National Timber Procurement Policy of the Ministry of Environment and Sustainable Development, and Ministry of Agriculture, Food and Rural Affairs, listed the MTCS as one of the acceptable certification schemes

2006

April

The MTCS was listed as one of the accepted certification schemes in the *Guideline for Verification on Legality and Sustainability of Wood and Wood Products* of the Forestry Agency, Ministry of Agriculture, Forestry and Fisheries, Japan

June

Recognition by the City of Hamburg, Germany, through the implementation of the MTCC-Hamburg Joint Project, allowing MTCS-certified products for use in public procurement activities and in building projects that are subsidised by the Hamburg authority. Based on the outcome of the Final Workshop of the joint project on 16 April 2008, full recognition will be granted when the MTCS was endorsed by PEFC, and this was achieved on 1 May 2009

2007

April

Ministry of Housing, Spatial Planning and Environment, The Netherlands, accepted the MTCS certificate as meeting the requirements for legal timber

Exhibition in Germany



Exhibition in The Netherlands



Editorial interview with Asian Timber Magazine



Snapshots of MTCC Newsletter



2009
March

Accepted under the *Keurhout Legal Origin (KH-LET)* in The Netherlands. In addition, eight certified FMUs and 12 CoC certificates under the MTCS were accepted under the *Keurhout Sustainable System (KH-SFM)*

2010
19 March

As a PEFC-endorsed scheme, MTCS was recognised as meeting the requirements for legal and sustainable timber under the revised *Guidelines on Public Procurement of Legal and Sustainable Timber* of the Ministry of the Environment, Denmark

Green Building Regulations and Specifications issued by the Dubai Government (United Arab Emirates) listed PEFC, including MTCS, as one of the accepted schemes for certified/accredited sources. The Dubai Municipality is the authority that oversees the implementation of public procurement policies and controls the licensing and issuance of building permits in Dubai

MTCS was accepted under the national timber procurement policies of Finland, Belgium and Switzerland

2014
2 June

A two-year conditional acceptance of the MTCS as meeting the requirements of the *Dutch Timber Procurement Policy for Sustainable Timber* was announced, after a lengthy and difficult assessment by the Timber Procurement Assessment Committee (TPAC)

2016
December

Full recognition of the MTCS by the government of The Netherlands under the *Dutch Public Procurement Policy for Sustainable Timber*, acknowledging Malaysia's commitment and ongoing efforts in promoting and implementing SFM

2017

The Tokyo Organising Committee of the Olympic and Paralympic Games 2020 accepted the MTCS under its *Sustainable Sourcing Code for Timber* for construction of the upcoming Tokyo Olympic facilities

PEFC consultant Hanna Nikinmaa assessing MTCS for endorsement in 2008



Participation in Parliamentary Evenings:

Berlin, 2014



The Hague, 2005



Berlin, 2005



Green Building Systems

As a PEFC-endorsed scheme, the MTCS is recognised under several green building schemes such as in Australia, Italy, Singapore, The Netherlands, UK [Building Research Establishment Environmental Assessment Method (BREEAM)], USA

[Leadership in Energy and Environmental Design (LEED) under the US Green Building Council (USBC)], Canada, Japan [Comprehensive Assessment System for Built Environment Efficiency (CASBEE)] and Abu Dhabi [Pearl Rating System for *Estidama* – which means sustainability in Arabic].

On the local front, the Green Building Index in Malaysia has recognised the MTCS under its Sustainable Timber criteria since April 2010. In addition, the MyHIJAU Mark has accepted the MTCS under its programme on 19 March 2015; this enables CoC certificate holders under the MTCS to register their certified products for the



Photo by Neoh Choo Hoon

MyHIJAU Mark directory for the sourcing of green technology products and services in Malaysia.

The recognition and acceptance of the MTCS under the procurement policies for timber products and green building systems in many environmentally sensitive markets especially in the EU, USA and Australia have enabled PEFC-certified timber products under the MTCS to gain access to these markets which are also able to offer better prices. Availability of PEFC-certified products under the MTCS has also enabled Malaysian manufacturers and exporters to meet the requirements for due diligence which are enforced in some of these markets.

Domestic Market

MTCC's efforts in promoting the supply and use of more MTCS-certified timber products in the domestic market received a good boost in 2017 when three reputable brands, the iconic Royal Selangor, Signature Manufacturing Sdn. Bhd. and Setia-Wood Industries Sdn. Bhd. (Setia-Wood), a subsidiary of SP Setia Bhd. (SP Setia), obtained CoC certificates under the MTCS. With this achievement, SP Setia became the first property developer to showcase its support for SFM through certification in the country. MTCC understands that SP Setia aims to progressively increase the use of PEFC-certified timber flooring from the MTCS for its residential projects.

The extensive and positive coverage of these developments have helped to further increase the visibility of the MTCS in the domestic market and hopefully will motivate other local companies to embrace ethical and sustainable sourcing of their raw materials.

The following year saw one more company obtaining the CoC certificate, namely One-Tech (M) Sdn. Bhd., the first manufacturer of PEFC-certified homeware under its brand name DAPO. The CoC certification enables One-Tech to label its certified homeware, consequently raising the profile of the MTCS in the local market.

Regional and International Interest in the MTCS

Based on its track record over the past 20 years, and particularly after its endorsement by the PEFC, the MTCS is now recognised as one of, if not the leading timber certification scheme for tropical forests. In addition, MTCC's role as the lead agency for the *Working Group on a Pan ASEAN Timber Certification Initiative (WG-PATCI)* has helped to make the MTCS better known to the forestry and timber authorities in the ASEAN Member Countries and other developing countries. This has resulted in keen interest from the forestry and/or timber authorities in a number of Asian and ASEAN countries, as well as from outside the region, to send teams or delegations to visit and obtain more details regarding the

establishment and operation of the MTCS. Over the years, MTCC has welcomed such groups from Vietnam, Thailand, Philippines, Singapore, Myanmar, Cambodia, Lao PDR, China, India, Pakistan, Japan, South Korea, Bangladesh, Bhutan, Sri Lanka, Ghana, Nigeria, the Congo, Madagascar, Fiji, Mexico and Guyana.

At the same time, representatives of MTCC have been invited to make presentations regarding the MTCS at seminars and meetings organised in Myanmar, Indonesia, Thailand, Vietnam, Singapore, India, China, Dubai and Papua New Guinea.

Such interactions and exchange of views and information have helped MTCC to build good rapport with the authorities in these countries and also provide encouragement

for their efforts towards developing C&I for SFM, including implementation of certification for SFM or verification of legality (as part of a phased approach). PEFC's endorsement of the MTCS has also encouraged some of these countries to consider becoming PEFC members with a view to submit their national schemes for endorsement.

Contribution to National Sustainability Policies

In general, the operation and results achieved by the MTCS has helped to maintain Malaysia's image as a leading tropical country in implementing SFM and conservation of biological diversity. It helps fulfil Malaysia's commitment to the international conventions and

MTCC is the lead agency for Malaysia for Pan ASEAN Timber Certification Initiative



Participation in ASEAN Working Group – Forest Product Development



Meeting of Malaysia – Australia Agricultural Cooperation Working Group



Receiving delegations from:

Singapore



Thailand



South Korea



treaties in which it is a party, such as that related to the ILO, Convention on Conservation of Biological Diversity and the United Nations Framework Convention on Climate Change (UNFCCC). The MTCS also contributes towards achieving both the United Nations' and Malaysia's Roadmap towards Sustainable Development Goals (SDG) 2030.

In this context, the National Policy on Biological Diversity (2016-2025) has set a target to achieve 100% of all timber and timber products from sustainably managed sources by 2025 (i.e. certified under schemes such as the MTCS).

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

Malaysia's Roadmap (2016-2020) to attain the 2030 SDGs has also targeted to have all Permanent Forests certified under the MTCS.

As pointed out by MTCC's current Chairman, Datuk K. Yogeesvaran in his Chairman's Statement for the 2017 Annual Report, "These developments complement the efforts of the MTCC in promoting forest certification initiatives in Malaysia. MTCC is certain that such developments will promote and increase the uptake of certification in Malaysia, which has been hovering around 30% of the permanent reserved forest for the past five years."

Malaysia hosted the PEFC Forest Certification Week and General Assembly in Kuala Lumpur, 2013



Chapter

8

CHARTING FUTURE DIRECTIONS

Photo by Muhamad Hamirul Shah Ab Razak

More than two decades after the Earth Summit in 1992 which proposed certification as a market-linked tool to promote the implementation of SFM, only 495 million hectares, or 12% of the world’s forests are certified for SFM. Of this total area, only 44 million hectares or 8.8 % are from tropical forests i.e. only 1% of the global tropical forests are certified. In this connection, it is heartening to note that the MTCS contributed 4.49 million hectares or 10.2% of the total tropical forests certified in the world. Nevertheless, within Malaysia the MTCS-certified area currently accounts for only 35% of the total Permanent Forests.

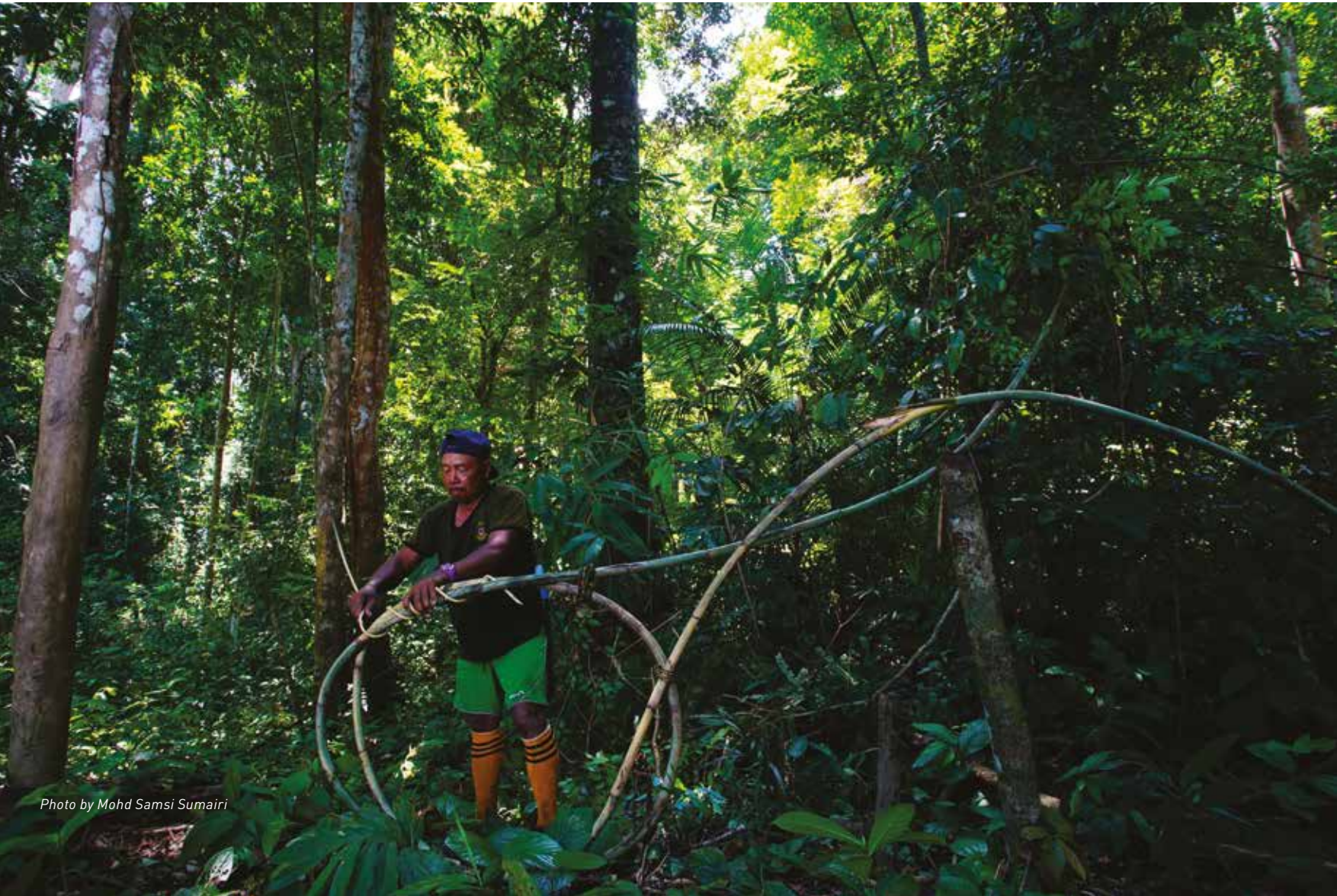
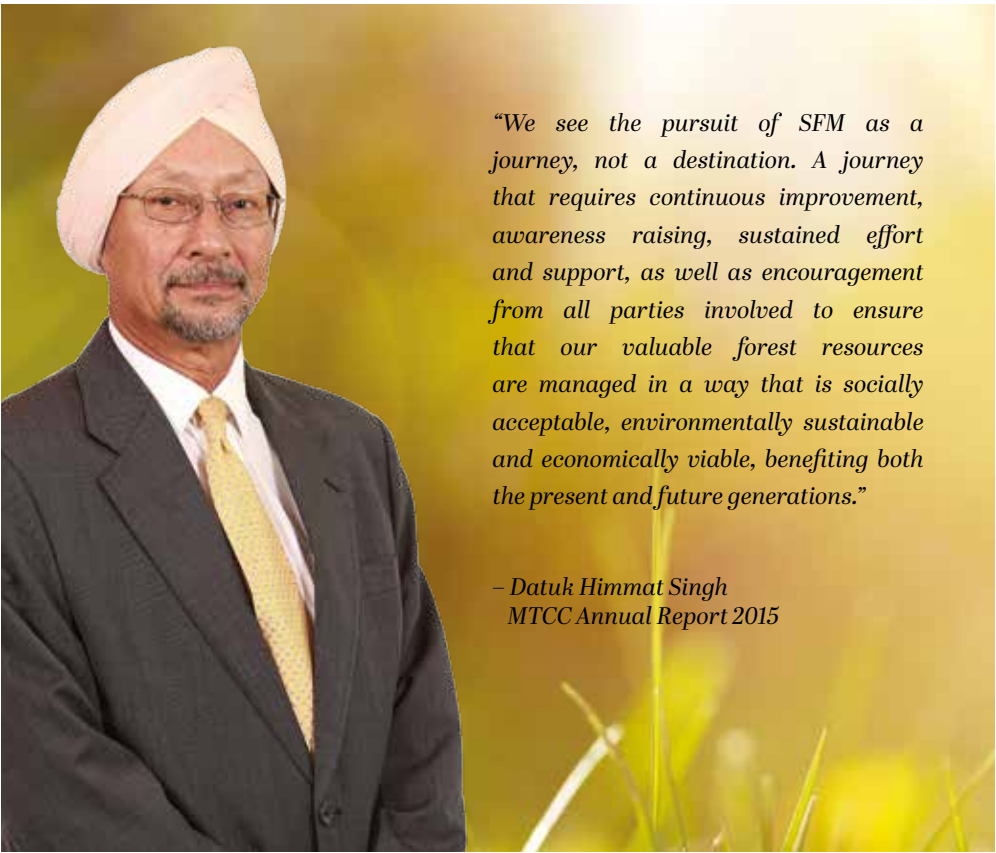


Photo by Mohd Samsi Sumairi



“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 our valuable forest resources are managed in a way that is socially acceptable, environmentally sustainable and economically viable, benefiting both the present and future generations.”

– Datuk Himmat Singh
MTCC Annual Report 2015

Since its establishment in October 1998, MTCC has been pushing boundaries to advance the sustainability of forest and forest plantation notably in changing the mindsets of the forest-related stakeholders; increasing stakeholder engagement, confidence and trust; strengthening the governance of the MTCS; developing and improving certification standards; expanding the extent of certified forest and forest plantation areas and number of timber companies; increasing exports of certified products; and gaining wider recognition for the MTCS.

Upon arriving at the important milestone of its 20th year of operation, the occasion presents an excellent opportunity for MTCC to reflect on its development and growth as well as its achievements and shortcomings, and what needs to be done to ensure its continuous relevance and contribution to the efforts towards achieving SFM in Malaysia.



MTCC Strategic Planning Workshop, 2018

MTCC Strategic Planning Workshop
22-23 October 2018, Port Dickson

The open space concept sessions encourage free movement and flow of ideas and deliberations



In doing so, MTCC is taking into account the current international and domestic concerns and debates about conservation of the Earth's threatened biological diversity, deforestation, forest degradation, the multi-faceted effects of climate change and the problems faced by the forest-dependent indigenous peoples while remaining alert to new developments and requirements. At the same time, at the international and regional level, MTCC will continue to be one of the leading voices on the challenges and constraints in terms of human and financial resources faced by developing tropical forest countries in implementing SFM and timber certification, and therefore the need for better understanding by all stakeholders in SFM discussions and debates.

In order to address these and other key questions and to chart its future growth and direction, MTCC held a *Strategic Planning Workshop* on 22 – 23 October 2018 with a good representation of key stakeholders and experts to review and plan its future strategic directions. The Workshop generated many useful ideas and suggestions, which were subsequently consolidated and translated by MTCC into its Strategy 2020-2025, and the long term revised Vision and Mission to guide MTCC as it plans, develops and implements its future programmes.



Vision

A nation that appreciates and internalises the full value and contribution of forest towards global sustainability

Mission

MTCC is committed to strengthen the MTCS to realise the full value and contribution of forest through sustainable forest management and chain of custody certification





From Left: Datuk K. Yogeesvaran, Eleine Juliana Malek, Dato' Wan Mazlan Wan Mahmood & Prof. Dr. Ismail Jusoh



From Left: Dr. Elizabeth Philip, Chua Yeong Perng, Low Ching Cheong & Dato' Suki Mee



From Left: Prof. Dr. Ahmad Ismail, Mohamad Ali Yacob & Datuk Haji Zainie Abdul Aucasa

The Board of Trustees, comprising the Chairman and ten members, is the governing body which decides the overall policies and directions in carrying out MTCC's activities. The members comprise representatives from the academic or

research and development institutions, private sector (timber industry associations), non-governmental organisations (social and environmental interests) and the government.



Photo by Abdullah Mohd Yusof

Board of Trustees

1998

Datuk Haron Siraj (MPI),
Dato’ Haji Abdul Rashid Mat Amin (MTIB)

1999

Dato’ Dr. Freezailah Che Yeom, Chan Lai Har (MPI), Dato’ Cheah Kong Wai (MOSTE), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Assoc. Prof. Dr. Rusli Mohd (UPM), Sanar Kumaran (WWFM), Chen Hin Keong (MNS), Henry Ng Kok Guan (TEAM), Barney Chan (STA)

2000

Dato’ Dr. Freezailah Che Yeom, Chan Lai Har (MPI), Dato’ Cheah Kong Wai (MOSTE)(up to 23 May), Ng Kam Chiu (MOSTE)(w.e.f. 17 July), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Assoc. Prof. Dr. Rusli Mohd (UPM), Sanar Kumaran (WWFM)(up to 16 July), Balu Perumal (WWFM) (w.e.f. 17 July), Chen Hin Keong (MNS), Henry Ng Kok Guan (TEAM), Barney Chan (STA)

2001

Dato’ Dr. Freezailah Che Yeom, Chan Lai Har (MPI), Datuk Ng Kam Chiu (MOSTE)(up to 28 December), Dato’ Leong Ah Hin (MOSTE)(w.e.f. 28 December), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Assoc. Prof. Dr. Rusli Mohd (UPM) (up to 15 May), Prof. Dato’ Dr. Nik Muhamad Abdul Majid (UPM)(w.e.f. 15 May), Balu Perumal (WWFM)(up to 15 May), Hiew Wai Phang (WWFM)(w.e.f. 15 May), Chen Hin Keong (MNS)(up to 15 May), Haji Jamaluddin Mohd Isa (KPHMMB)(w.e.f. 15 May), Henry Ng Kok Guan (TEAM)(up to 15 May), Goh Chee Yew (MWIA) (w.e.f. 15 May), Barney Chan (STA)(up to 3 August), Datuk Leo Chai (STA)(w.e.f. 3 August)

2002

Dato’ Dr. Freezailah Che Yeom, Chan Lai Har (MPI)(up to 16 July), Haji Mohd. Yusoff Mydin (MPI)(w.e.f. 16 July), Dato’ Leong Ah Hin (MOSTE), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Prof. Dato’ Dr. Nik Muhamad Abdul Majid (UPM), Hiew Wai Phang (WWFM)(up to 15 April), Haji Jamaluddin Mohd Isa (KPHMMB), Goh Chee Yew (MWIA), Datuk Leo Chai (STA)

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Dato’ Dr. Freezailah Che Yeom, Haji Mohd. Yusoff Mydin (MPI), Dato’ Leong Ah Hin (MOSTE), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Prof. Dato’ Dr. Nik Muhamad Abdul Majid (UPM)(up to 23 June), Prof. Dr. Aminuddin Mohamad (UMS)(w.e.f. 23 June), Haji Jamaluddin Mohd Isa (KPHMMB), Goh Chee Yew (MWIA)(up to 23 June), Dato’ Sheikh Othman Sheikh Abdul Rahman (MPMA)(w.e.f. 23 June), Datuk Leo Chai (STA)

2004

Dato’ Dr. Freezailah Che Yeom, Hajjah Fatimah Raya Nasron (MPIC)(w.e.f. 1 August), Dato’ Leong Ah Hin (MOSTE)(up to 31 May), Haji Mohd. Yusoff Mydin (MPI/MNRE), Dato’ Dr. Abdul Razak Mohd Ali (FRIM), Prof. Dr. Aminuddin Mohamad (UMS), Haji Jamaluddin Mohd Isa (KPHMMB), Dato’ Sheikh Othman Sheikh Abdul Rahman (MPMA), Datuk Leo Chai (STA)

2005

Dato’ Dr. Freezailah Che Yeom, Hajjah Fatimah Raya Nasron (MPIC), Haji Yusoff Mydin (MNRE) (up to 5 September), Aziyah Mohamad (MNRE) (w.e.f. 5 September), Dato’ Dr. Abdul Razak Mohd Ali (FRIM)(up to 5 September), Prof. Dr. Aminuddin Mohamad (UMS), Jayl Langub (UNIMAS)(w.e.f. 5 September), Haji Jamaluddin Mohd Isa (KPHMMB)(up to 5 September), Anthony Sebastian (MNS)(w.e.f. 5 September), Dato’ Peter Minos (SDNU)(5 September to 13 October), Ding Seling (OUNA)(w.e.f. 14 November), Dato’ Sheikh Othman Sheikh Abdul Rahman (MPMA)(up to 5 September), William Yeoh Keat Hin (MWMJC) (w.e.f. 5 September), Datuk Leo Chai (STA)

2006

Dato’ Dr. Freezailah Che Yeom, Hajjah Fatimah Raya Nasron (MPIC)(up to 10 March), Mohd Aminuddin Hashim (MPIC)(w.e.f. 10 March), Aziyah Mohamad (MNRE), Prof. Dr. Aminuddin Mohamad (UMS), Jayl Langub (UNIMAS), Anthony Sebastian (MNS), Ding Seling (OUNA), William Yeoh Keat Hin (MWMJC), Datuk Leo Chai (STA)

2007

Dato’ Dr. Freezailah Che Yeom, Mohd Aminuddin Hashim (MPIC)(up to 29 August), Nurmal Abd. Rahim (MPIC)(w.e.f. 30 August), Aziyah Mohamad (MNRE)(up to 27 November), Letchumanan Ramatha (MNRE)(w.e.f. 28 November), Prof. Dr. Aminuddin Mohamad (UMS)(up to 29 August), Dato’ Dr. Abdul Razak Mohd Ali (FRIM)(w.e.f. 30 August), Jayl Langub (UNIMAS), Anthony Sebastian (MNS)(up to 29 August), Tan Chin Tong (MNS)(w.e.f. 30 August), Ding Seling (OUNA), Dr. Henry Chok (SEPA)(up to 30 August), Dr. Banabas Tapin (KDCA)(w.e.f. 30 August), William Yeoh Keat Hin (MWMJC) (up to 29 August), Ir. Haji Wahid Jaafar (PEKA) (w.e.f. 30 August), Datuk Leo Chai (STA)(up to 29 August), Datuk James Hwong (STIA)(w.e.f. 30 August)

2008

Dato’ Dr. Freezailah Che Yeom, Nurmal Abd. Rahim (MPIC), Letchumanan Ramatha (MNRE) (up to 22 September), Azhar Noraini (MNRE) (w.e.f. 23 September), Dato’ Dr. Abdul Razak Mohd Ali (FRIM)(up to 25 April), Dato’ Dr. Abdul Latiff Mohmod (FRIM)(w.e.f. 26 April), Jayl Langub (UNIMAS), Tan Chin Tong (MNS), Ding Seling (OUNA), Dr. Henry Chok (SEPA), Dr. Banabas Tapin (KDCA), Ir. Haji Wahid Jaafar (PEKA), Datuk James Hwong (STIA)

2009

Dato’ Dr. Freezailah Che Yeom, Nurmal Abd. Rahim (MPIC), Azhar Noraini (MNRE)(up to 12 May), Abdul Wahid Abu Salim (MNRE)(w.e.f. 13 May), Dato’ Dr. Abdul Latiff Mohmod (FRIM), Jayl Langub (UNIMAS)(up to 30 July), Emeritus Prof. Dato’ Dr. Abdul Latif Mohamad (UKM) (w.e.f. 31 July), Tan Chin Tong (MNS), Ding Seling (OUNA)(up to 30 July), Elbson Marajan Pengeran (SDNU)(w.e.f. 31 July), Dr. Henry Chok (SEPA), Dr. Banabas Tapin (KDCA), Ir. Haji Wahid Jaafar (PEKA)(up to 30 July), Low Ching Cheong (TEAM)(w.e.f. 31 July), Datuk James Hwong (STIA)

2010

Dato’ Dr. Freezailah Che Yeom, Datin Paduka Nurmal Abd. Rahim (MPIC), Zurinah Pawanteh (MNRE), Dato’ Dr. Abdul Latif Mohmod (FRIM), Emeritus Prof. Dato’ Dr. Abdul Latiff Mohamad (UKM), Tan Chin Tong (MNS)(up to 2 May), Dr. Melvin Gumal (WCS)(w.e.f. 3 May), Dr. Henry Chok (SEPA), Elbson Marajan Pengeran (SDNU), Dr. Banabas Tapin (KDCA), Low Ching Cheong (TEAM), Datuk James Hwong (STIA)

2011

Dato' Dr. Freezailah Che Yeom, Datin Paduka Nurmala Abd. Rahim (MPIC)(up to 3 May), M. Nagarajan (MPIC)(w.e.f. 3 May), Zurinah Pawanteh (MNRE), Dato' Dr. Abdul Latif Mohmod (FRIM)(up to 10 August), Prof. Dr. Mohd. Hamami Sahri (UPM)(w.e.f. 10 August), Emeritus Prof. Dato' Dr. Abdul Latiff Mohamad (UKM), Dr. Melvin Gumal (WCS), Dr. Henry Chok (SEPA), Elbson Marajan Pengeran (SDNU), Dr. Banabas Tapin (KDCA), Low Ching Cheong (TEAM)(up to 10 August), Ng Kay Yip (MWIA) (w.e.f. 10 August), Datuk James Hwong (STIA), Mohd. Khalid Atan (TEUPM)(w.e.f. 5 August)

2012

Dato' Dr. Freezailah Che Yeom, M. Nagarajan (MPIC), Zurinah Pawanteh (MNRE)(up to 14 September), Wan Hasmah Wan Mohd. (MNRE) (w.e.f. 14 September), Prof. Dr. Mohd. Hamami Sahri (UPM), Emeritus Prof. Dato' Dr. Abdul Latiff Mohamad (UKM), Dr. Melvin Gumal (WCS), Elbson Marajan Pengeran (SDNU), Dr. Banabas Tapin (KDCA), Ng Kay Yip (MWIA), Datuk James Hwong (STIA), Mohd. Khalid Atan (TEUPM)

2013

Dato' Dr. Freezailah Che Yeom, M. Nagarajan (MPIC), Wan Hasmah Wan Mohd. (MNRE), Prof. Dr. Mohd. Hamami Sahri (UPM)(up to 19 July), Dr. Rasmina Halis (UPM)(w.e.f. 20 July), Emeritus Prof. Dato' Dr. Abdul Latiff Mohamad (UKM)(up to 19 July), Dr. Liew Kang Chiang (UMS)(w.e.f. 20 July), Dr. Melvin Gumal (WCS), Elbson Marajan Pengeran (SDNU)(up to 19 July), Gerawat Gala (FORUM)(w.e.f. 20 July), Dr. Banabas Tapin (KDCA), Ng Kay Yip (MWIA) (up to 19 July), Ho Khoy Lim (MPMA)(w.e.f. 20 July), Datuk James Hwong (STIA), Mohd. Khalid Atan (TEUPM)

2014

Dato' Dr. Freezailah Che Yeom, Datuk M. Nagarajan (MPIC), Wan Hasmah Wan Mohd. (MNRE)(up to 1 August), Dr. Rasmina Halis (UPM), Dr. Liew Kang Chiang (UMS), Dr. Melvin Gumal (WCS), Gerawat Gala (FORUM), Dr.(H) Banabas Tapin (KDCA), Ho Khoy Lim (MPMA), Datuk James Hwong (STIA), Mohd. Khalid Atan (TEUPM)

2015

Dato' Dr. Freezailah Che Yeom, Datuk M. Nagarajan (MPIC), Dr. Megat Sani Megat Ahmad Supian (MNRE)(w.e.f. 12 February), Dr. Abd Rahman Kassim (FRIM)(w.e.f. 30 July), Dr. Liew Kang Chiang (UMS), Dr. Melvin Gumal (WCS), Dato Gerawat Gala (FORUM), Low Ching Cheong (TEAM)(w.e.f. 30 July), Dato Henry Lau Lee Kong (STA)(w.e.f. 30 July), Mohd. Khalid Atan (TEUPM)

2016

Dato' Dr. Freezailah Che Yeom (up to 15 May), Datuk Himmat Singh (w.e.f. 16 May), Datuk M. Nagarajan (MPIC)(up to 31 August), Zurinah Pawanteh (MPIC)(w.e.f. 1 September), Dr. Megat Sani Megat Ahmad Supian (MNRE), Dr. Abd Rahman Kassim (FRIM), Dr. Liew Kang Chiang (UMS), Dr. Melvin Gumal (WCS), Dato Gerawat Gala (FORUM), Low Ching Cheong (TEAM), Dato Henry Lau Lee Kong (STA), Mohd. Khalid Atan (TEUPM)(up to 26 January)

2017

Datuk Himmat Singh, Zurinah Pawanteh (MPIC)(up to 30 September), Wan Saifulikhmal Wan Abdul Rahman (MPIC)(w.e.f. 1 October), Dr. Megat Sany Megat Ahmad Supian (MNRE), Dr. Abd Rahman Kassim (FRIM)(up to 19 July), Dr. Samsudin Musa (FRIM)(w.e.f. 20 July), Dr. Liew Kang Chiang (UMS)(up to 19 July), Dr. Khamurudin Mohd. Noor (UPM)(w.e.f. 20 July), Dr. Melvin Gumal (WCS), Dato Gerawat Gala (FORUM)(up to 19 July), Dato' Suki Mee (POAP) (w.e.f. 20 July), Datuk Ang Chin Tat (PPPM) (w.e.f. 20 July), Low Ching Cheong (TEAM), Dato Henry Lau Lee Kong (STA), Nor Azlan Yaacob (TEUPM)(w.e.f. 20 July)

2018

Datuk Himmat Singh (up to 15 May), Datuk K. Yogeesvaran (w.e.f. 27 July), Wan Saifulikhmal Wan Abdul Rahman (MPI), Dr. Megat Sany Megat Ahmad Supian (MNRE)(up to 1 October), Dato' Wan Mazlan Wan Mahmood (MWLNR) (w.e.f. 11 October), Dr. Samsudin Musa (FRIM), Dr. Khamurudin Mohd. Noor (UPM), Dr. Melvin Gumal (WCS), Datuk Ang Chin Tat (PPPM)(up to 28 May), Datuk Haji Zainie Abdul Aucasa (SWCS) (w.e.f. 3 September), Dato' Suki Mee (POAP), Low Ching Cheong (TIF), Dato Henry Lau Lee Kong (STA), Nor Azlan Yaacob (TEUPM)

2019

Datuk K. Yogeesvaran, Wan Saifulikhmal Wan Abdul Rahman (MPI) (up to 19 July), Eleine Juliana Malek (MPI) (w.e.f. 20 July), Dato Wan Mazlan Wan Mahmood (MWLNR), Dr. Samsudin Musa (FRIM) (up to 19 July), Dr. Elizabeth Philip (FRIM) (w.e.f. 20 July), Dr. Khamurudin Mohd. Noor (UPM) (up to 19 July), Dr. Melvin Gumal (WCS) (up to 19 July), Datuk Haji Zainie Abdul Aucasa (SWCS), Dato' Suki Mee (POAP), Low Ching Cheong (TIF), Dato Henry Lau Lee Kong (STA) (up to 19 July), Nor Azlan Yaacob (TEUPM) (up to 19 July), Prof. Dr. Ismail Jusoh (UNIMAS) (w.e.f. 20 July), Mohamad Ali bin Yacob (UFES) (w.e.f. 20 July), Chua Yeong Perng (STIA) (w.e.f. 20 July), Prof. Dr. Ahmad Ismail (MNS) (w.e.f. 20 July)



Photo by Pang Siew Peng

Past Trustees

Dato' Dr. Freezailah
Che Yeom



Datuk Himmat Singh



Datuk Haron Siraj



Dato' Haji Abdul Rashid
Mat Amin



Chan Lai Har



Mohd Aminuddin
Hashim



Datuk Haji Jamaluddin
Mat Isa



Goh Chee Yew



Datuk Wira Sheikh Othman
Sheikh Abdul Rahman



Datuk Aziyah Mohamad



Dato' Cheah Kong Wai



Dato' Dr. Abdul Razak
Mohd Ali



Assoc. Prof.
Dr. Rusli Mohd



Sanath @ Sanar Kumaran



Chen Hin Keong



Anthony Sebastian



Dato' Peter Minos



Ding Seling



Datuk Seri Nurmala
Abd Rahim



Letchumanan Ramatha



Henry Ng Kok Guan



Barney Chan



Datuk Ng Kam Chiu



Balu Perumal



Dato' Leong Ah Hin



Tan Chin Tong



Dr. Banabas Tapin



Ir Haji Wahid Jaafar



Datuk James Hwang



Azhar Noraini



Prof. Dato' Dr. Nik Muhamad
Abdul Majid



Kevin Hiew Wai Phang



Datuk Leo Chai



Prof. Dr. Aminuddin
Mohamad



Jayl Langub



Dato' Dr. Abdul Latif
Mohmod



Dr. Henry Chok



Elbson Marajan Pengeran



Abdul Wahid Abu Salim




Emeritus Prof. Dato'
Dr. Abdul Latif
Mohamad




Past Trustees


Prof. Dr. Mohd. Hamami Sahri




Datuk M. Nagarajan




Datuk Zurinah Pawanteh




Dr. Melvin Gumal




Ng Kay Yip




Hajjah Fatimah Raya Nasron




Haji Mohd Yusoff Mydin




William Yeoh Keat Hin




Mohd Khalid Atan




Dr. Abd Rahman Kassim




Wan Hasmah Wan Mohd




Dr. Rasmina Halis




Ho Khoy Lim




Dr. Liew Kang Chiang




Dato Gerawat Gala




Dr. Megat Sani Megat Ahmad Supian




Datuk Ang Chin Tat




Wan Saifulikmal Wan Abdul Rahman




Dato Henry Lau Lee Kong



Dr. Samsudin Musa



Dr. Khamurudin Mohd Nor



Nor Azlan Yaacob






Photo by Leong Chee Onn



Yong Teng Koon
Chief Executive Officer



Noor Eshah Yat
Senior Manager
(Admin & Finance)



Siti Syaliza Mustapha
Senior Manager
(Forest Management)



Sabrina Mawasi
Manager
(Product)



Melvin Ku
Senior Executive
(Forest Management)



Akmal Saarani
Senior Executive
(Product)



Aznira Kasim
Executive
(Account)



Muhammad Hasif Azizan
Executive
(PR & Marketing)



Haniff Salleh
Executive
(Forest Management)



Adibah Mohamad Aris
Executive
(Product)



Rasyidah Abdul Rahman
Secretary



Ahmad Muzhaffar Razali
Admin
(ICT & Maintenance)



Syafiqah Aslah Sohaimi
Clerk
(Certification)



Norashida Md Zin
Clerk
(Administration)



Veerappan Narayanasamy
Driver & Office Assistant



Photo by Choi Han Chi

1998

- Incorporation of NTCC Malaysia – 29 October
- Appointment of Datuk Haron Siraj and Dato' Abdul Rashid Mat Amin as MTCC founding Members and Trustees – 29 October
- First Board Meeting of NTCC Malaysia which made the decision to start the operation of NTCC Malaysia on 1 January 1999 – 13 November



1999

- MTCC started operations – 1 January
- Appointment of Mr. Chew Lye Teng as the first MTCC Chief Executive Officer – 1 January
- MTCC took over the role as

Malaysian focal point for the cooperation on timber certification under Malaysia-The Netherlands JWG on Forestry – March

- Appointment of Trustees by the Interim Chairman, Datuk Haron Siraj – 1 April
- Appointment of Dato' Dr. Freezailah Che Yeom as the first MTCC Chairman – 17 May
- Development and adoption of *MC&I for Forest Management Certification (Forest Management Unit Level)* dated 29 December 1999 containing 50-Indicators – October



2000

- MTCC started registration of independent assessors – January
- Start of discussions to develop the *Requirements and Assessment Procedures for Chain of Custody Certification (RAP/COC)*, the standard for CoC certification – January
- *First Assessor Training Programme on Forest Certification for Southeast Asian Countries* jointly organised by MTCC, Smartwood Programme and GTZ – 20 to 24 March
- MTCC launched its website – March
- *Assessment Procedures in Using the MC&I for Forest Management Certification* finalised – May
- Assessment of Pahang, Selangor and Terengganu FMUs under the Malaysia-The Netherlands JWG on Forestry using the *MC&I for Forest Management Certification (Forest Management Unit Level)*, *Peninsular Malaysia (Malaysia-The Netherlands Ad-Hoc Working Group)* dated 23 December 1999 containing 29-Indicators – June to August
- Field-testing using the *Assessment Procedures* together with the 50-Indicator MC&I – August
- *RAP/COC* further refined under GTZ project – October
- *MTCC-FSC Workshop on Forest Certification* – 6 to 7 December



2001

- First meeting of multi-stakeholder National Steering Committee (NSC) – 24 April
- Finalisation of the *RAP/COC* as the CoC certification standard – May
- NTCC Malaysia re-named as MTCC – 30 June
- MTCC Board's decision to start operation of the timber certification scheme using a phased approach, with the 29-Indicator *MC&I*, which was re-named as *MC&I(2001)* – 4 October
- MTCC's Certification Committee held its first meeting and issued *Certificate for Forest Management* to Pahang, Selangor and Terengganu FMUs and *Certificate for Chain of Custody* to 16 companies – 11 December



2002

- Launching ceremony of the MTCC scheme officiated by Dato' Seri Dr. Lim Keng Yaik, Minister of Primary Industries and presentation of certificates to the first three FMUs and 16 timber companies – 31 January
- First shipment of MTCC-certified timber products exported to The Netherlands – 16 July
- National-level Consultation finalised and adopted the draft *MC&I* using the FSC P&C as the template, henceforth titled *MC&I(2002)* – 28 to 30 October
- National Workshop on Standard for Certification of Plantation Forests – 31 October
- MTCC became a member of PEFC – 22 November
- First Meeting of the *Ad-Hoc Working Group on a Pan ASEAN Timber Certification Initiative (WG-PATCI)* – 17 to 19 December



2003

- MTCC scheme accepted by Ministry of the Environment, Denmark in its *Purchasing Tropical Timber Environmental Guidelines* – October
- MTCC scheme accepted by Ministry of Agriculture & Forestry, New Zealand in its *Timber and Timber Products Procurement Policy Guidelines* – November



2004

- National-level Consultation on the *Review of RAP/COC* and finalisation of the new standard, the *Requirements for Chain of Custody Certification (RCOC)* – 25 to 26 August
- MTCC scheme accepted by Central Point of Expertise on Timber (CPET), United Kingdom, as providing assurance of legally harvested timber – November



2005

- *Assessment Procedures in using the Requirements for Chain of Custody Certification (RCOC)* finalised – January
- MTCC scheme accepted by Royal Horticultural Society, UK, in its *Conservation & Environment Guidelines* – May
- MTCC Certificate accepted under the Keurhout Protocol for Legal Origin in The Netherlands – September
- Use of *MC&I(2002)* as the standard for FM certification in the MTCC scheme – October
- MTCC scheme accepted by Ministry of Environment & Sustainable Development, and Ministry of Agriculture, Food and Rural Affairs, France in the *French National Timber Procurement Policy* – December



2006

- Use of RCOC as the CoC certification standard in the MTCC scheme – 1 January
- MTCC scheme accepted by Forestry Agency, Ministry of Agriculture, Forestry and Fisheries, Japan in the *Guideline*

for Verification on Legality and Sustainability of Wood and Wood Product – February

- Conditional recognition of MTCC scheme by the Hamburg Authority and commencement of MTCC-Hamburg Project – 1 June
- First Meeting of TWG for Development of *MC&I(Forest Plantations)* – 5 to 6 July
- First issue of newsletter, *MTCC News* published – 31 August
- Expansion of the MTCC Board of Trustees from 9 to 11 members – October
- First review of the MTCC scheme by CPET, UK. All MTCC-certified timber products considered to meet the requirements for legality – 18 December



2007

- Inception Workshop on MTCC-Hamburg Project – 9 January
- MTCC scheme accepted by Ministry of Housing, Spatial and Environment, The Netherlands in its public procurement policy as meeting

the requirements for legal timber – April

- Negeri Sembilan became first FMU to be awarded the new *Certificate for Forest Management under the MC&I(2002)* – 30 August
- Forest management certification accreditation programme under STANDARDS MALAYSIA started – October



2008

- MTCC scheme re-named as the Malaysian Timber Certification Scheme (MTCS) – January
- MTCS submitted for endorsement by PEFC – 28 March
- Two FMUs accepted under Keurhout Protocol for Sustainable

Forest Management in The Netherlands – April

- Final Workshop on MTCC-Hamburg Project – 16 April
- Implementation of new institutional arrangement for the MTCS – 1 July
- Use of PEFC international CoC standard, *Technical Document Annex 4*, under MTCS – 1 July
- Second review of the MTCS by CPET, UK. CPET continues to recognise the MTCS as providing assurance of legality – October
- NSC adopted *MC&I(Forest Plantations)* as the standard for certification of forest plantations – 25 November



2009

- MTCC Board approved the use of the *MC&I(Forest Plantations)* as the standard for certification of forest plantations – 17 February
- Issuance of revised *Dispute Resolution Procedures (DRP1/2009)* – 17 February

- MTCS accepted under the Keurhout Legal System in The Netherlands – 10 March
- Review of *MC&I(2002)* started – 1 April
- MTCS became the first tropical timber certification scheme in the Asia-Pacific region to be endorsed by PEFC – 1 May
- CPET undertook a review of the two major international schemes, PEFC and FSC to determine their compliance with the timber procurement policy and concluded that both schemes assure sustainability of timber in compliance with the policy. As a PEFC-endorsed scheme, MTCS-certified timber was therefore accepted as being sustainable by the UK Government
- Full recognition of the MTCS by Hamburg, Germany – 1 May
- *ASEAN Guidelines on Phased Approach to Forest Certification* and the *ASEAN Criteria and Indicators for Legality of Timber* finalised and approved by WG-PATCI – 9 April
- SIRIM QAS became the first PEFC-notified CB for CoC and FM certification, becoming eligible to issue accredited certificates which are recognised as PEFC certificates – 2 September (CoC)/22 December (FM)
- Segaliud-Lokan became the first FMU to be awarded the accredited *Certificate for Forest Management (Natural Forest)* making the MTCS-certified logs produced to be eligible to use the PEFC logo – 3 December
- MTCC 10th Anniversary Celebration Dinner and Launching of Commemorative Book *The First Ten Years* – 4 December



2010

- *MC&I(Forest Plantations)* submitted for assessment by the PEFC for inclusion in the endorsed MTCS – January
- As a PEFC-endorsed scheme, MTCS recognised as meeting the requirements for legal and

sustainable timber under the revised *Guidelines on Public Procurement of Legal and Sustainable Timber* of the Ministry of the Environment, Denmark – 19 March

- MTCS accepted under the national timber procurement policies of Finland, Belgium and Switzerland
- MTCS recognised under Sustainable Timber criteria of Green Building Index, Malaysia – April
- *ASEAN Chain of Custody Guidelines for Legal Timber and Sustainable Timber* finalised and approved by WG-PATCI – 8 May
- MTCC relocated to its own office premises – 31 May
- First PEFC Stakeholder Dialogue in ASEAN and Asia-Pacific regions jointly organised by MTCC and PEFC International – 16 to 18 June
- First shipment of PEFC-certified sawn timber under the MTCS to Belgium – September
- *Green Building Regulations and Specifications* issued by the Dubai Government (United Arab Emirates) lists PEFC, including MTCS, as one of the accepted schemes for certified/accredited sources



2011

- All nine certified FMUs obtained PEFC FM certificates – February
- *MC&I(Forest Plantations)* re-submitted for assessment by PEFC based on the new standard *PEFC ST 1003:2010* – 20 July
- Finalisation and adoption of the revised FM certification standard, *MC&I(Natural Forest)* by SRC – September
- Commencement of CoC audits using the revised international standard *PEFC ST 2002:2010* – 26 November
- Use of the *MC&I(Natural Forest)* as the FM certification standard approved by the MTCC Board – 6 December



2012

- Commencement of 17-month transition period from the use of the *MC&I(2002)* to *MC&I(Natural Forest)* – 1 January
- Submission of the *MC&I(Natural Forest)* as the new FM certification standard under the MTCS to the PEFC Council – 16 April
- Cessation of on-product use of MTCC logo on MTCS-certified products – 30 June
- Endorsement of the *MC&I(Forest Plantations)* by PEFC for inclusion into the endorsed MTCS – 20 July
- Finalisation of *Guidelines and Procedures for Social Impact Assessment and Monitoring of Forest Management Operations (Peninsular Malaysia)* – 7 September
- MTCC Board approved process and schedule for review of *MC&I(Forest Plantations)* – 26 September
- Approval by PEFC for inclusion of the *MC&I(Natural Forest)* as the FM certification standard under the MTCS – 5 October
- MTCC German website launched – 1 September



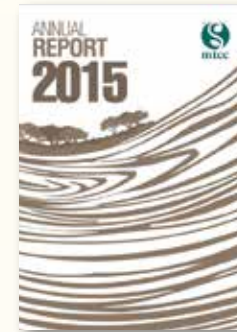
2013

- Appointment of Mr. Yong Teng Koon as MTCC CEO – 1 January
- Commencement of review of *MC&I(Forest Plantations)* – 15 January
- Use of *MC&I(Natural Forest)* as the FM certification standard under the MTCS – 1 June
- Hosted 12th Meeting of WG-PATCI in Kuala Terengganu – July
- Anap Muput FMU became the first FMU in Sarawak to be awarded the PEFC FM certificate – 25 July
- Submission of MTCS for re-endorsement by the PEFC Council – 5 August
- Co-hosted PEFC Forest Certification Week and 18th PEFC General Assembly in Kuala Lumpur – 11 to 15 November
- MTCC awarded PEFC Certificate of Appreciation for 2nd greatest increase in number of CoC certificate – 13 November



2014

- Use of *PEFC ST 2002:2013* as the CoC certification standard under the MTCS – 24 February
- Two-year conditional acceptance of the MTCS as meeting the requirements of the Dutch Timber Procurement Policy for Sustainable Timber – 2 June
- MTCS re-endorsed by PEFC – 29 July
- First two FPMUs certified under *MC&I(Forest Plantations)*, i.e. Shin Yang Baram FPMU and Samling Segan LPF0014 FPMU – 18 July
- SRC approved revised standard for forest plantations which was re-named as *MC&I Forest Plantation.v2* – 31 October
- Review of *MC&I(Natural Forest)* starts – 16 November
- MTCC Board approved *MC&I Forest Plantation.v2* as FPM certification standard – 19 December



2015

- *MC&I Forest Plantation.v2* submitted to PEFC for inclusion in endorsed MTCS – 9 February
- MTCS accepted under the MyHijau Mark – 19 March
- *MC&I Forest Plantation.v2* used as FPM certification standard under the MTCS – 1 July
- MTCC Stakeholder Dialogue and Appreciation Dinner – 28 July
- Review of *MC&I(Natural Forest)* announced by MTCC – 8 October
- MTCC awarded PEFC Certificate of Appreciation for 3rd greatest increase in number of CoC certificates – 19 November



2016

- Appointment of Datuk Himmat Singh as MTCC Chairman – 16 May
- *MC&I Forest Plantation.v2* endorsed by PEFC for inclusion in endorsed MTCS – 13 June
- Inaugural MTCC Academic Award presented to three undergraduates, one from Universiti Malaysia Sabah and two from Universiti Putra Malaysia – 29 November/8 December
- Full endorsement of MTCS under the Dutch Public Procurement Policy for Sustainable Timber – December



2017

- CoC certificate awarded to Royal Selangor – 9 August
- Inaugural MTCC Media Familiarisation Programme – 12 to 13 September
- Inaugural MTCC Photography Contest – 25 October
- CoC certificate awarded to Setia-Wood Industries Sdn. Bhd. (first property-related company) – 16 November;
- CoC certificate awarded to Signature Manufacturing Sdn. Bhd. (first kitchen and wardrobe system company) – 6 December
- MTCS accepted by Tokyo Organising Committee of the Olympic and Paralympic Games 2020 under its *Sustainable Sourcing Code for Timber* in the construction of the Tokyo Olympic facilities



2018

- Ravenscourt Forest Management Unit (FMU) became the first Forest Reserve located in the Heart of Borneo (HoB) to be certified under the MTCS – 4 June
- CoC certificate awarded to One-Tech Sdn Bhd (first homeware company) – 26 April
- Appointment of Datuk K. Yogeesvaran as MTCC Chairman – 27 July

AB	Accreditation Body
ASEAN	Association of South East Asian Nations
Bhd	Berhad (Limited)
Board	MTCC Board of Trustees
C&I	Criteria and Indicators
CB	Certification Body
CEO	Chief Executive Officer
CoC	Chain of Custody
CPET	Central Point of Expertise (UK)
EU	European Union
FDPM	Forestry Department Peninsular Malaysia
FM	Forest Management
FMU	Forest Management Unit
FORUM	Federation of Orang Ulu Associations, Sarawak, Malaysia
FPM	Forest Plantation Management
FPMU	Forest Plantation Management Unit
FR	Forest Reserve
FRIM	Forest Research Institute Malaysia
FSC	Forest Stewardship Council
ILO	International Labour Organisation
KDCA	Kadazandusun Cultural Association
KPHMMB	Malay Forest Officers Union, West Malaysia
MC&I	Malaysian Criteria and Indicators

MC&I(2001)	<i>Malaysian Criteria, Indicators, Activities and Standards of Performance for Forest Management Certification</i> dated 4 October 2001
MC&I(2002)	<i>Malaysian Criteria and Indicators for Forest Management Certification</i> dated 11 August 2004
MC&I(Forest Plantations)	<i>Malaysian Criteria and Indicators for Forest Management Certification (Forest Plantations)</i> dated 25 November 2008
MC&I Forest Plantation.v2	<i>Malaysian Criteria and Indicators for Forest Plantation Management Certification</i> dated 16 February 2015
MC&I(Natural Forest)	<i>Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)</i> dated 13 January 2012
MNRE	Ministry of Natural Resources and Environment
MNS	Malaysian Nature Society
MOSTE	Ministry of Science, Technology and the Environment
MPI	Ministry of Primary Industries, Malaysia
MPIC	Ministry of Plantation Industries and Commodities, Malaysia
MPMA	Malaysian Panel-Products Manufacturers’ Association
MTC	Malaysian Timber Council
MTCC	Malaysian Timber Certification Council
MTCS	Malaysian Timber Certification Scheme
MTIB	Malaysian Timber Industry Board

MWIA	Malaysian Wood Industries Association
MWLNR	Ministry of Water, Land and Natural Resources
MWMJC	Malaysian Wood Moulding & Joinery Council
NDC	Nationally determined contributions
NGB	National Governing Body
NGOs	Non-Governmental Organisations
NSC	National Steering Committee
NTCC	National Timber Certification Council
NTCC Malaysia	National Timber Certification Council, Malaysia
OUNA	Orang Ulu National Association
PEFC	Programme for the Endorsement of Forest Certification
PEKA	Persatuan Pengusaha-Pengusaha Kayu-Kayan dan Perabot Bumiputra Malaysia
POAP	Persatuan Orang Asli Perak
PPPM	Persatuan Penggerak Perpaduan Malaysia
RAP/COC	Requirements and Assessment Procedures for Chain-of-Custody Certification (COC) Rev.4, May 2001
SEPA	Sabah Environmental Protection Association
Setia-Wood	Setia-Wood Industries Sdn. Bhd.
SDG	Sustainable Development Goal
Sdn. Bhd.	Company Limited
SDNU	Sarawak Dayak National Union

SFM	Sustainable Forest Management
SP Setia	SP Setia Bhd.
SRC	Standards Review Committee
STA	Sarawak Timber Association
STANDARDS MALAYSIA	Department of Standards Malaysia
STIA	Sabah Timber Industries Association
SWCS	Sabah Wetlands Conservation Society
TEAM	Timber Exporters’ Association of Malaysia
TEUPM	Timber Employees Union Peninsular Malaysia
TIF	Malaysian Timber Industry Forum Association
UFES	Sarawak Forestry Department Employees Union
UK	United Kingdom
UKM	Universiti Kebangsaan Malaysia
UMS	Universiti Malaysia Sabah
UNFCCC	United Nations Framework Convention on Climate Change
UNIMAS	Universiti Malaysia Sarawak
UPM	Universiti Putra Malaysia
USA	United States of America
WCS	Wildlife Conservation Society Malaysia Program
WG PATCI	Working Group on a Pan ASEAN Timber Certification Initiative
WWF	World Wildlife Fund
WWFM	WWF Malaysia



MALAYSIAN TIMBER CERTIFICATION COUNCIL



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