SEEDLINKS

THE NEWS PULSE OF MALAYSIAN TIMBER CERTIFICATION COUNCIL



► Page 3 MTCC WELCOMES NEW CHAIRMAN

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► Page 7 SPECIAL REPORT: THE IMPACT OF MCO ON HOLDERS OF FMC AND COC CERTIFICATE UNDER THE MTCS

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Page 6 REVISED MTCS TECHNICAL DOCUMENTS 2020

MTCC Board of Trustees approved five revised Technical Documents of the MTCS at its 83rd Meeting on March 5, 2020.



MTCC PAYS COURTESY VISIT TO MINISTER OF PLANTATION INDUSTRIES AND COMMODITIES

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MTCC Chairman, Tuan Kamaruzaman Mohamad led the MTCC management team to pay a courtesy visit to the Minister of Plantation Industries and Commodities, YB Dato' Dr. Mohd Khairuddin Aman Razali at his office in Putrajaya on June 17.

SEEDLINKS is a quarterly e-newsletter published by MTCC and is available for download at www.mtcc.com.my



A NOTE FROM THE CEO

Dear Reader,

As a Malaysian, did it ever cross your mind that one day in the year 2020, Hari Raya Aidilfitri (Eid Mubarak) would be celebrated in a new manner – with face mask, hand sanitiser and social distancing in place - and with the "balik kampung" tradition totally prohibited?

Interstate travel ban was among the restrictions maintained during the Conditional Movement Control Order (CMCO) which came into force on May 4 until June 9. The CMCO that was implemented after the second phase of the MCO (which began on April 1) was extended twice (April 15 to April 28 and April 29 to May 12). In the announcement on CMCO on Labour Day, Prime Minister Tan Sri Muhyiddin Yassin said while continuing efforts to flatten the COVID-19 curve, the CMCO eased up regulations to allow for re-opening of the country's economic sectors, subject to stringent health standard operating procedures (SOPs).

The relaxed regulations saw almost all businesses resuming operations. However, the MCO has abruptly changed the way things were done previously, the forestry and timber industry sector included. In this connection, MTCC conducted an online survey from April 10 to April 20 to obtain an initial insight on MCO's ramifications on forest management and chain of custody certificate holders under the Malaysian Timber Certification Scheme (MTCS) (Report on page 6). The survey findings might be too early to paint the real picture of the pandemic impact on the industry as a whole. But, they clearly pinpoint the need for industry players to be prepared to change and consequently embrace the new normal in doing business especially when a bleak outlook is predicted for the coming year.

With Malaysia currently in the Recovery Movement Control Order (RMCO) phase until August 31, hopefully all of us are slowly accepting and adapting to the changed norm. The key to stay afloat in this challenging time is resilience. Nature is the best teacher when it comes to being resilient and adaptive to changing conditions. Just take time to watch, ponder and learn.

Last but not least, I am pleased to announce the appointment of Yang Berusaha Tuan Kamaruzaman Mohamad as the MTCC Chairman effective May 11. We look forward to working closely with him and believe that his fresh viewpoint would help propel the Council to greater heights in spearheading the sustainable forest management agenda in this country.

On behalf of the MTCC Board and management, I would like to place on record our deepest appreciation to Datuk K. Yogeesvaran whose tenure as Chairman of the MTCC Board ended on March 31, for his significant contributions to MTCC. We wish him well in all his future endeavours.

Keep safe and stay healthy, everyone!

Yong Teng Koon
Chief Executive Officer



MTCC WELCOMES NEW CHAIRMAN

Yang Berusaha Tuan Kamaruzaman Mohamad is the new Chairman of MTCC effective May 11. He succeeds Datuk K. Yogeesvaran who held the post from July 27, 2018 to March 31, 2020.



Kamaruzaman holds a Bachelor of Science in Education (Honours) (1997) and a Master of Science in Management Information System (2000) from Universiti Putra Malaysia. He began his career as an IT lecturer at a

private college in 2000. He then moved on to join the IT industry for 3 years and several other service industries in the private sector, mainly takaful insurance. Among the positions he had held included Head of Web Integration Division and Head of Management Information System. He honed his skills and expertise in sales and services as well as people management when he managed a takaful and unit trust agency in 2007. Armed with his experience and a flair for entrepreneurship, he started running a business in the oil and gas industry in 2010 until present.

MTCC is honoured to have Kamaruzaman on board. With his knowledge and experience in services industry and people management, Kamaruzaman is poised to provide exemplary leadership to the MTCC Board of Trustees and management team. We look forward to working closely with him in spearheading the sustainable forest management agenda through the implementation of the MTCS.



MTCC also welcomes the appointment of Puan Norsham Abdul Latip from the Ministry of Energy and Natural Resources (KeTSA) as a new Member of the MTCC Board of Trustees

with effect from June 15. Norsham replaces Dato' Wan Mazlan Wan Mahmood whose tenure ended when he was transferred to the Prime Minister's Department on February 3.

MTCC CHAIRMAN'S DEBUT VISIT TO MTCC

The new MTCC Chairman, Tuan Kamaruzaman Mohamad made his debut visit to the MTCC office in Kuala Lumpur on May 29.

During the visit, Kamaruzaman was briefed by MTCC CEO, Yong Teng Koon on the roles and functions of MTCC and an update on the implementation of the MTCS it operates. The Chairman expressed great interest in the work of MTCC and spent almost four hours at the MTCC office to understand better the role of MTCC in implementing the MTCS.

Also present were Senior Manager (Finance and Administration), Noor Eshah Yat, Senior Manager (Forest Management), Siti Syaliza Mustapha, and Manager (Product), Sabrina Mawasi.



Briefing in progress

MTCC PAYS COURTESY VISIT TO MINISTER OF PLANTATION INDUSTRIES AND COMMODITIES

MTCC Chairman, Tuan Kamaruzaman Mohamad led the MTCC management team to pay a courtesy visit to the Minister of Plantation Industries and Commodities, YB Dato' Dr. Mohd Khairuddin Aman Razali at his office in Putrajaya on June 17.

Despite his busy schedule, YB Dato' Dr. Mohd Khairuddin graciously spent an hour with the team and was briefed by MTCC CEO, Yong on the role and functions of the Council, and the latest update on the implementation of the MTCS, including issues and challenges involved.

The meeting also saw the Minister presenting the chairmanship appointment letter to Kamaruzaman who took office on May 11.





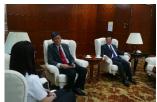
Briefing to Minister in progress

The visit was joined by Senior Manager (Finance and Administration), Noor Eshah Yat, Senior Manager (Forest Management), Siti Syaliza Mustapha, Manager (Product), Sabrina Mawasi and Senior Executive (Public Relations and Marketing), Muhammad Hasif Azizan.

BRIEFING TO DEPUTY MINISTER YB DATO' SRI DR WEE JECK SENG

On June 10, MTCC CEO Yong paid a courtesy visit to the Deputy Minister of Plantation Industries and Commodities, YB Dato' Sri Dr. Wee Jeck Seng at his office in Putrajaya. YB Deputy Minister was briefed on the role and functions of MTCC and the latest update on the MTCS implementation.





CEO Yong updating the Deputy Minister

DEPUTY MINISTER YB TUAN WILLIE MONGIN VISITED MTCC

Deputy Minister of Plantation Industries and Commodities, YB Tuan Willie Mongin visited MTCC on June 30.

YB Tuan Willie and his entourage from the Ministry of Plantation Industries and Commodities (MPIC) was received on arrival by MTCC Chairman, Tuan Kamaruzaman Mohamad and CEO Yong.

YB Deputy Minister was briefed by MTCC CEO on the Council and its operations including the various challenges and issues faced in implementing the MTCS.

Also present were Senior Under Secretary, Timber, Tobacco and Kenaf Development Division (KTK), MPIC, S. Letchumanan Shanmugam, and Senior Principal Assistant, KTK Division, Eleine Juliana Malek.





Arrival of YB Tuan Willie Mongin



From left: S. Letchumanan Shanmugam, Kamaruzaman Mohamad, YB Willie Mongin, Yong, Eleine Juliana Malek



NEW CERTIFICATE FOR FOREST MANAGEMENT (NATURAL FOREST)

No.	Company	Certficate No.	Certified Area	Contact
1	Samling Plywood (Miri) Sdn Bhd – Gerenai FMU	FMC-NF 00125	148,305.00 ha	marsdend@samling.com.my

NEW CERTIFICATE FOR CHAIN OF CUSTODY

No.	Company	Certficate No.	Product scope	Contact
1	Ws Capital Sdn. Bhd.	PSV-MTCC- 101040	Purchase PEFC Certified Logs, Outsourcing Sawmilling and Sales of PEFC Certified Sawn Timber and Sawmill Waste (Wood Chips, Off-Cut & Sawdust)	+6017 936 3773 wscapital.sb@gmail.com
2	Gaya Murni Sdn. Bhd.	T1013388	Scope 1: Purchase of PEFC Certified Materials Sourced from PEFC Certified Suppliers and Manufacturing and Sales of PEFC Certified and PEFC Controlled Source Fire Rated Doors/ Fire Resistance Doors Scope 2: Purchase and Sales of PEFC Certified and PEFC Controlled Source Fire Rated Doors / Fire Resistance Doors	+603 8070 7373 henrywong@gayamurni.com
3	Nilam Makmur Sdn. Bhd.	SGS-PEFC/COC- MY20/1811030337	Purchase of PEFC certified plywood, MDF and Controlled Sources impregnated paper, manufacture and sales of PEFC certified (plain and laminated) plywood and MDF	+604 922 2960 info@nilam-makmur.com
4	Craft Master Timber Products Sdn. Bhd.	BVC-PEFC- 000013	Purchase of 100% PEFC Certified and PEFC Controlled Sources Wood Chip, Manufacture and Sales of 100% PEFC Certified and PEFC Controlled Sources Wood Pellet	+607 454 1933 hafiz@efb.com.my
5	Unikarya Wood Processing Sdn. Bhd.	T1014288	Purchase of PEFC Certified Materials, Production and Sales of PEFC Certified Sawn Timbers	+6010 982 9608 unikaryawoodsb@gmail.com
6	Bounty Millions Sdn. Bhd.	PSV-MTCC- 101058	Purchase of PEFC Certified Logs, Sawmilling and Sales of PEFC Certified Sawn Timber and Sawmill Waste (Slabs, Off-Cuts and Sawdust)	+609 3292 527/ 3291 623 leoboonloong@gmail.com
7	Ching Hin Timber Trading Sdn. Bhd.	PSV-MTCC- 101059	Purchase of PEFC sawn timber and sales of PEFC certified sawn timber and moulding products	+603 3325 1092 nelson@hchtimber.com

REVISED MTCS TECHNICAL DOCUMENTS

Five technical documents of the MTCS had been revised to ensure that they stay abreast with the latest organisational, procedural and technical developments related to the MTCS. The technical documents were approved by the MTCC Board of Trustees at its 83rd Meeting held on March 5, 2020.

The revised MTCS Technical Documents are as follows:

- 1. SSP 4/2020 Standard Setting Procedures for Development of Forest Management Certification Standards
- 2. GFMC 3/2020 Group Forest Management Certification Requirements
- 3. NCB 7/2020 Procedure for PEFC Notification of Certification Bodies Operating Forest Management System or Chain of Custody Certification
- 4. LG 8/2020 Procedure for Issuance of PEFC Trademarks by MTCC
- 5. MTCS 10/2020 The Malaysian Timber Certification Scheme (MTCS) and Its Implementation Arrangement

The amendments also took into account the revision made by the Programme for the Endorsement of Forest Certification (PEFC) on its corresponding standards and technical documents.

UPDATED GUIDANCE FOR FOREST MANAGEMENT CERTIFICATION DUE TO COVID-19 OUTBREAK

The PEFC Council had issued the second version of the guidance for Forest Management Certification (FMC) auditing activities by Certification Bodies (CBs) following travel and medical restrictions caused by the COVID-19 pandemic.

The guidance provides methods to ease the consequences of travel restrictions and the implementation of remote audits, and where this is not sufficient, the extension of certificate validity until travel and medical restrictions are lifted.

The full guidance can be downloaded here.

The guidance enters into force and can be applied by the CBs from the day of its publication (May 11, 2020), and is applicable until PEFC Council revokes it.

SOP FOR CONDUCT OF CERTIFICATION ACTIVITY APPROVED

Since the imposition of the MCO on March 18, certification activity by the agri-commodity sector which included the MTCS was prohibited to curtail the COVID-19 pandemic.

However, as Malaysia enters the RMCO phase from June 10 - August 31 where travel restriction has been lifted and a majority of activities allowed to be conducted, the SOP for the conduct of certification activities for the agricommodity sector has been developed and approved by the Director General of Health on June 12. This essentially means that subject to restrictions imposed by local authorities, all certification activities can be resumed as normal, with strict adherence to the SOP for the sector.

All MTCS-notified CBs as well as Standards Malaysia have been informed of the SOP on June 17.



SPECIAL REPORT

THE IMPACT OF MCO ON FMC AND COC CERTIFICATE HOLDERS UNDER THE MTCS

MTCC conducted an online survey from April 10 to April 20 to obtain an initial insight on MCO's ramifications on Forest Management and Chain of Custody certificate holders under the MTCS. A total of 17 FMC and 55 CoC holders responded to the survey with the summary of the findings as presented below. The full report is available for download in Bahasa or English version.



THE IMPACT ON FOREST MANAGEMENT CERTIFICATE (FMC) CERTIFICATE HOLDERS



100% allowed operations in Sabah & Sarawak:

- 35% operating as usual
- 54% operating with minimum labour & depending on weather conditions

100%

Continue operating forest management activities

59%

MCO affecting the price of certified logs

53%

MCO affecting surveillance audit/reassessment

41.2%

No new order of certified logs

Company benefitting from any of the government stimulus package

- Wage subsidy
- 6 month moratorium

17%

FMU unable to sustain without operation if MCO extended more than a month



THE IMPACT ON **CHAIN OF CUSTODY (COC) CERTIFICATE HOLDERS**



Allowed operations:

- 64% operating with half manpower
- 36% operating with reduced hours/ in alternate day

36% MCO affecting surveillance audit/ reassessment

No purchase of imported raw materials during MCO

49% Labour shortage

56%

Insufficient raw material supplies to operate the line

53%

No new order of certified products

Difficulties in exporting shipment

Countries that still demand for certified timber during MCO

Europe 69 %	Asia Z/%	
North America 2%	Oceania 2%	

75%

MCO affecting the price of certified products

42%

Company benefitting from any of the government stimulus package

Company unable to sustain without operation if MCO extended more than a month

MEETINGS & WEBINARS

ONLINE MEETINGS, WEBINARS

The first week of May saw MTCC opening up its office with the staff required to work on shift and observe the new normal by strictly adhering to the SOPs relating to the COVID-19 pandemic. Prior to that, the MTCC office was closed starting March 18 in compliance with the MCO imposed by the Malaysian government throughout the country to contain the outbreak.

During this period, while working from home, MTCC staff have been leveraging on online platforms to attend meetings or participate in webinars. The meetings/webinars attended by the staff included the following:

Online Meetings

- 1. PEFC Members Meeting, March 30
- 2. MTCC staff meeting, April 1 & 28
- 3. Asia Pacific Coordination Hub, April 1
- 4. EU Affairs Collaborative Cluster, April 1
- 5. PEFC International updates, April 3
- Beyond RADIX the PEFC Information & Registration System, April 6
- 7. Chain of Custody reaching out, April 7
- 8. Label Generator the next generation, April 17
- 1-to-1 Discussion on Certified Paper & Packaging Sector, April 30
- 10. Paper & Packaging Cluster, May 5
- 11. Furniture Cluster, May 8
- 12. Meeting with Ben Gunnerberg, June 2
- 13. PEFC CoC Pool of Expert, June 8-12
- Kajian Semula Pelan Induk Rangkaian Ekologi Central Forest Spine (CFS), June 15

Webinar

- Good Regulatory Practice (GRP): Understanding Malaysian Regulations Part 1, April 16
- 2. Good Regulatory Practice (GRP): Understanding Malaysian Regulations Part 2, April 23
- 3. Customer Relationship Management, April 24
- 4. Brandwatch: Monitoring social media, May 8
- 5. Designing infographs with Canva.com & social media basics, May 15
- Webinar on Forest Certification by NCCF (Network for Certification and Conversation of Forests), May 19
- 7. Webinar Biodiversiti Kebangsaan, May 21
- 8. Project REDD+, Green Climate Fund: REDD Plus Safeguards, May 28
- 9. Improve your online presentation skills!, June 10
- 10. PEFC database mockup discussion, June 15
- 11. Study on Certification and Verification Schemes in the Forest Sector and for Wood-based Products, June 18
- 12. Creating Impact Through Responsibly Sourced Packaging, June 23
- 13. MyHijau Mark Online Business Clinic, June 24
- 14. Wildlife Study Group Webinar Should indigenous people be allowed to hunt Wildlife?, June 25



PEFC International Updates, April 3



Beyond RADIX – the PEFC Information & Registration System, April 6



Chain of Custody – reaching out, April 7



MTCC staff meeting, April 28



MALAYSIAN TIMBER INDUSTRY MOVES QUICKLY TO PUSH PAST COVID-19

As many industries were contemplating a shutdown due to COVID-19 pandemic, the timber sector gets the Malaysian government's green light to operate under strict adherence to the SOPs during the MCO period. The Malaysian Timber Council (MTC) teams up with many public and private sector organisations to smoothen the operation of the timber sector by analysing and channelling feedback from industry players to the government through consultations.

Full article: https://www.timberbiz.com.au/malaysian-timber-industry-moves-quickly-to-push-past-covid-19/

FRANCE SUPPORTS SUSTAINABLE MANAGEMENT IN FOUR ASEAN COUNTRIES

French Development Agency (AFD) and the French Center for International Cooperation in Agronomic Research for Development (Cirad) signed an agreement with four 4 Asean countries including Malaysia to promote training on sustainable management of agricultural and forest plantations. The cooperation aims at training new generations of manager through innovative approaches to promote the productivity and sustainability of plantations.

Full article:

https://www.nst.com.my/opinion/letters/2020/06/60137 0/france-supports-sustainable-management-fourasean-countries

HOW WILL MALAYSIA'S ENVIRONMENT FARE AFTER THE LIFTING OF COVID-19 RESTRICTIONS?

While the environment is experiencing magnificent recovery resulting from the impact of Malaysia's MCO imposed to curb the spread of COVID-19, the country's economic state seems heading towards an uncertain future. Thus, the government is taking numerous actions including the implementation of COVID-19 stimulus package to help weather the uncertainty.

Full article:

https://www.channelnewsasia.com/news/asia/malaysia-environment-post-movement-control-order-budget-deficit-12715506

ARCHITECTONIC & STRUCTURAL POSSIBILITIES OF LOG WOOD

With wood described as the material of the future in line with technological innovations, the significance of log wood and its structural properties is widely 'celebrated' and highly demanded in building and construction industries. Apart from being a long-lasting material, log wood is relevant to sustainability because it generally originated from reforested tree species.

Full article:

https://www.archdaily.com/938814/architectonic-andstructural-possibilities-of-log-wood





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