



# MALAYSIAN TIMBER CERTIFICATION COUNCIL

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## PRESS RELEASE

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## For Immediate Release

### **Basis of TPAC decision questioned by MTCC**

The Malaysian Timber Certification Council (MTCC) regrets the decision of the Dutch Timber Procurement Assessment Committee (TPAC) to change its Final Judgement on the Malaysian Timber Certification Scheme (MTCS) based on the objection lodged by several NGOs. "MTCC concludes that the outcome of this objection process is not helpful to the efforts to achieve sustainable forest management and timber certification, which is most challenging, especially for tropical developing countries. The basis of this decision not only lies outside the mandate of the MTCS, but also is outside the remit of TPAC in offering political advice on issues that affect the sovereign rights of Malaysia and the competence of its state governments," said Mr. Chew Lye Teng, CEO of MTCC.

The objection lodged by the NGOs has led the TPAC to alter its earlier positive Final Judgement, that the MTCS conforms to the Dutch procurement criteria, to a negative Judgement that the MTCS does not conform to these criteria. MTCC is of the view that the TPAC has erred in its judgement. The TPAC, after having assessed the MTCS for more than 18 months, apparently still does not fully understand the constitutional framework for forest management within Malaysia. "We fail to see why TPAC expects that a timber certification scheme, such as the MTCS, can avoid compliance with the Malaysian laws, particularly on matters regarding land ownership and use, which are state matters. The standards used in the MTCS, which are agreed among the different stakeholder groups through consultations, not only comply with internationally accepted criteria for sustainable forest management, but also have to respect the laws in Malaysia", according to Mr. Chew.

The MTCS started operating in 2001 as a scheme to conduct independent audits for forest management and chain of custody certification and award certificates for sustainably produced timber products. The recognition of the MTCS by the Dutch government under the Sustainable Sourcing programme would have been an important incentive to further strengthen the efforts to achieve sustainable forest management in Malaysia. The current decision by TPAC sends a wrong signal to the Malaysian timber industry on the market benefits of manufacturing and exporting MTCS-certified products.

The Netherlands is the largest market for Malaysian timber and related products in the EU and accounts for about 49% of the cumulative exports of MTCS-certified timber products. In contrast to the decision by TPAC that MTCS does not conform to the Dutch procurement criteria, the Danish, British, German and French governments and the German municipality of Hamburg have recognised the MTCS as providing assurance of sustainable timber. In addition the Keurhout system in The Netherlands has accepted the MTCS under the Protocol for Legal Origin, and specific certificates under the Protocol for Sustainable Forest Management.

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**Editor Notes:**

**Malaysian Timber Certification Council (MTCC)**

MTCC was established to develop and operate a voluntary national timber certification scheme, the Malaysian Timber Certification Scheme (MTCS), in order to provide independent audits of forest management practices to ensure sustainable forest management in Malaysia as well as to meet the market demand for certified timber products. Currently, nine Forest Management Units (FMUs) covering a total area of 4.60 million hectares of permanent forests in Malaysia are certified under the MTCS. 175 timber manufacturers and exporters have been awarded the chain of custody certificate which qualifies them to supply MTCS-certified timber products to the market. In May 2009, the MTCS was endorsed by the Programme for the Endorsement of Forest Certification schemes (PEFC), the largest forest certification programme in the world.