



mtcc

**ANNUAL  
REPORT  
2020**

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## 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

## CORPORATE PROFILE

The Malaysian Timber Certification Council (MTCC) is an independent organisation and commenced its operations in January 1999 to develop and operate the voluntary Malaysian Timber Certification Scheme (MTCS). MTCC was incorporated under the Companies Act 1965 as a company limited by guarantee and is governed by a Board of Trustees.

As the National Governing Body (NGB), MTCC is responsible for the implementation of the MTCS to carry out the following main activities:

- support the standard setting process by serving as the secretariat to the appropriate standard setting body in formulating standards related to timber certification and keeping them under review periodically
- process applications for MTCS notification of Certification Bodies (CBs) operating forest management system and/or chain of custody (CoC) certification, and the issuance of logo usage licences to certificate holders
- implement the procedure for the investigation and resolution of disputes, complaints and appeals related to its role as the NGB
- liaise closely with the national accreditation body and other certification organisations in matters related to timber certification
- coordinate with national, regional and international bodies related to timber certification to facilitate cooperation and mutual recognition arrangements
- conduct programmes to promote and publicise the MTCS both locally and internationally.

# ORGANISATION OF MTCC

MTCC is organised as shown in the structure below for the performance of its various roles and functions, and achievement of its organisational objectives.



## CHAIRMAN



**Datuk K. Yogeesvaran** **Kamaruzaman Mohamad**  
*(up to 1 April 2020)* *(w.e.f 11 May 2020)*

## BOARD OF TRUSTEES

The Board of Trustees, comprising the Chairman and 10 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.

## MEMBERS



**Ministry of Plantation Industries and Commodities (MPI)**  
 Eleine Juliana Malek  
*(up to 31 August 2020)*



**Ministry of Plantation Industries and Commodities**  
 Pubadi Govindasamy  
*(w.e.f 1 September 2020)*



**Ministry of Water, Land and Natural Resources (KATS)**  
 Dato' Wan Mazlan Wan Mahmood  
*(up to 2 March 2020)*



**Ministry of Energy and Natural Resources**  
 Norsham Abdul Latip  
*(w.e.f 15 June 2020)*



**Malaysian Timber Industry Forum Association**  
 Low Ching Cheong



**Sabah Timber Industries Association (STIA)**  
 Chua Yeong Perng



**Forest Research Institute Malaysia (FRIM)**  
 Dr. Elizabeth M.P. Philip



**Universiti Malaysia Sarawak (UNIMAS)**  
 Prof. Dr. Ismail Jusoh



**Union of Forestry Employees Sarawak (UFES)**  
 Mohamad Ali Yacob



**Malaysian Nature Society (MNS)**  
 Prof. Dr. Ahmad Ismail



**Sabah Wetlands Conservation Society (SWCS)**  
 Datuk Haji Zainie Abdul Aucasa



**Persatuan Orang Asli Perak (POAP)**  
 Dato' Suki Mee

# BOARD MEETING

The Board of Trustees met four times in 2020

01

**Eighty-Third Meeting**  
5 March, Bintulu, Sarawak



03

**Eighty-Fifth Meeting**  
1 October, Kuala Lumpur



02

**Eighty-Fourth Meeting**  
2 July, Kuala Lumpur

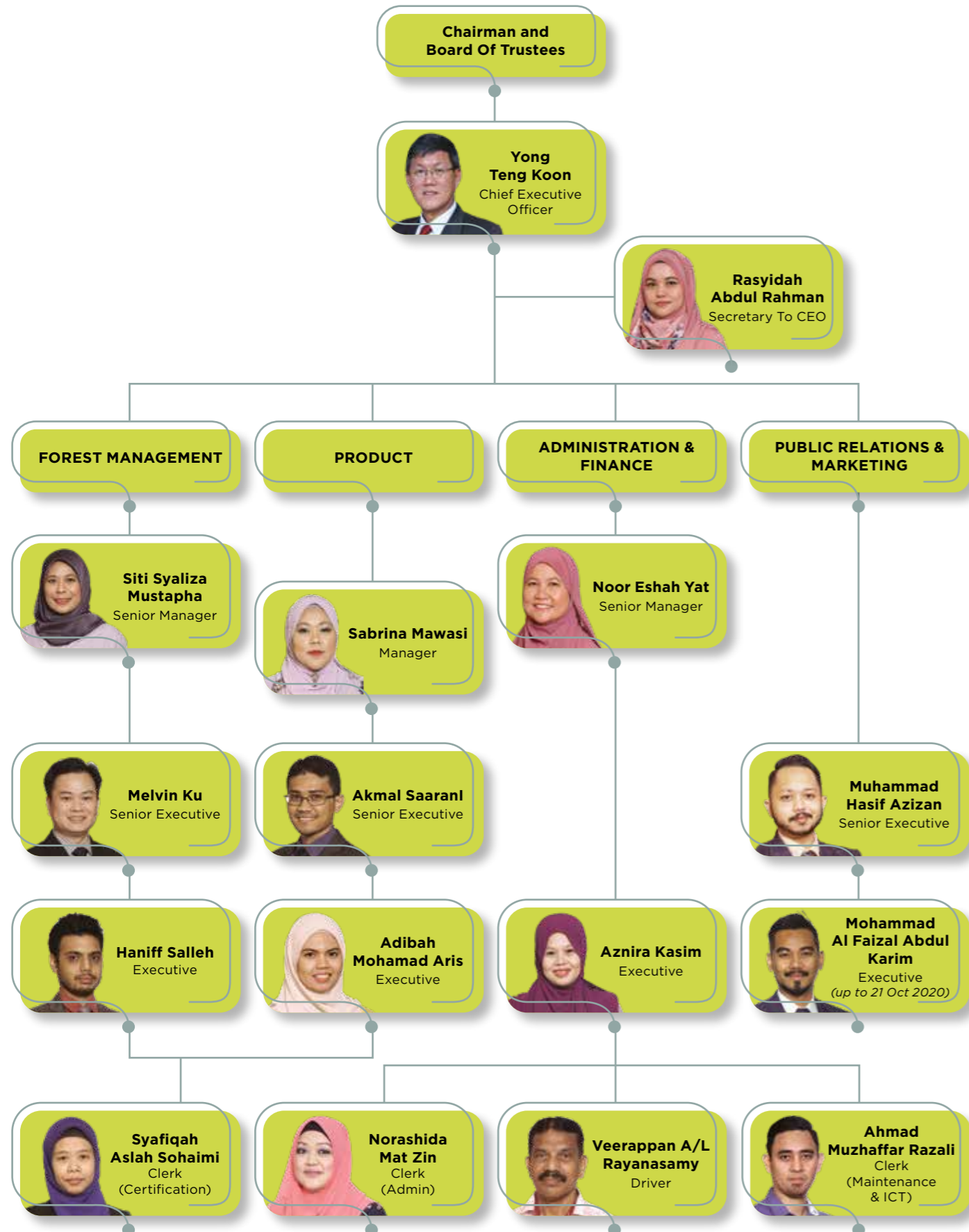


**Eighty-Sixth Meeting**  
10 December, Kuala Lumpur

04



# MANAGEMENT TEAM AND SUPPORT STAFF



# INVESTMENT COMMITTEE

The Investment Committee is responsible for the formulation of policies and procedures on matters related to the establishment and management of the Endowment Fund. The Committee oversees the overall implementation of MTCC's investment policies. The Investment Committee met twice on 30 January and 10 September.

## Member of the Investment Committee:

**Datuk K. Yogeesvaran**  
Chairman, MTCC (up to 1 April)

**Kamaruzaman Mohamad**  
Chairman, MTCC (w.e.f 11 May)

**Eleine Juliana Malek**  
Ministry of Plantation Industries and Commodities (up to 31 August)

**Pubadi Govindasamy**  
Ministry of Plantation Industries and Commodities (w.e.f 1 September)

**Yasmin Banu Yusuf**  
Ministry of Finance

**Yong Teng Koon**  
CEO, MTCC

# DISPUTE RESOLUTION COMMITTEE

An independent five-member Dispute Resolution Committee (DRC) appointed by MTCC Board deals with any dispute submitted to MTCC related to its role as the NGB. There were no disputes or complaints received in 2020.

## Members of the Dispute Resolution Committee:

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



Dr. Ramy Bulan



**From left:**  
Dato' Shaharuddin Mohamad Ismail,  
Tan Sri Dato' Seri Dr. Salleh Mohd Nor,  
Dato' Dr. Baharuddin Hj. Ghazali and Chew Lye Teng

## IN-HOUSE INVESTMENT COMMITTEE

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

### MEMBERS OF THE IN-HOUSE INVESTMENT COMMITTEE

- Yong Teng Koon (Chairman)
- Siti Syaliza Mustapha
- Sabrina Mawasi
- Noor Eshah Yat (Secretary)

## NOTIFICATION COMMITTEE

The Notification Committee, which is responsible for the notification of certification bodies (CBs) and issuance of logo usage licences to certificate holders under the MTCS, met seven times in 2020 as follows:

- 95th Meeting on 30 February
- 96th Meeting on 20 April
- 97th Meeting on 18 June
- 98th Meeting on 3 July
- 99th Meeting on 11 August
- 100th Meeting on 20 October
- 101th Meeting on 14 December

### MEMBERS OF THE NOTIFICATION COMMITTEE

- Yong Teng Koon (Chairman)
- Siti Syaliza Mustapha
- Sabrina Mawasi

## COMPANY SECRETARY

**Zainal Abidin Pit (MAICSA 7014057)**  
**ZAP Management Services Sdn. Bhd.**  
15B, 2nd Floor  
Jalan Tengku Ampuan Zabedah F9/F  
40100 Shah Alam, Selangor

## COMPANY AUDITORS

**Mazars (No. AF: 1954)**  
**Wisma Selangor Dredging**  
7th Floor, South Block, 142-A, Jalan Ampang  
50450 Kuala Lumpur



## ANNUAL GENERAL MEETING

The Twenty-First Annual General Meeting was held on 28 July in Kuala Lumpur during which the Audited Accounts for the Financial Year ended 31 December 2019, Reports of the Trustees and Auditors, and the Annual Report for the year 2019, were tabled and adopted by the Members.



**KAMARUZAMAN  
MOHAMAD**  
Chairman  
14 August 2020

## CHAIRMAN'S STATEMENT

On behalf of the Board of Trustees of the Malaysian Timber Certification Council (MTCC), I am pleased to present to you the Annual Report and the Audited Accounts of the Council for the financial year ending 31 December 2020.

The year 2020 is a year like no other. The outbreak of COVID-19 across the globe has caught everyone by surprise. The unprecedented impact of the pandemic has literally shut down the world, with lockdown orders put in place to curb the wave of infections. It has totally changed our lives and the way we do business, compelling us to accept and adapt to the new normal in order to stay safe and resilient.

However, it is heartening for me to note that the workflow disruptions during the pandemic have not prevented MTCC to continue making progress. With regard to the uptake of certification under the Malaysian Timber Certification Scheme (MTCS), seven new Forest Management Units (FMUs) (mainly in Sarawak) have been certified, adding up the total number of certified FMUs and FPMUs to 30 and the total certified areas to 5.2 million ha. At the end of 2020, 37 new companies have been certified under the chain of custody (CoC) certification, bringing up the total number of certified companies to 381. In addition, there has been an 8% increase in the export of certified timber products in 2020 compared to the previous year.

Thanks to the synergistic effort and hard work from forest managers and stakeholders in managing the forests under the MTCS, MTCC was awarded the Gold Award from the Programme for the Endorsement of Forest Certification Scheme (PEFC) for the greatest increase in PEFC-certified forest area at the virtual PEFC Awards Ceremony on 11 November. The recognition was given to MTCC for the marked increase of 957,583 ha of MTCS/PEFC-certified forest area from September 2019 to September 2020. The total certified forest area has increased from 4,315,151 ha in 2019 to 5,272,734 ha in 2020 with the certification of 10 forest management units (FMUs) in Johor, Sabah and

Sarawak. This is in addition to the existing 20 FMUs, many of which have been maintaining their certification for over 10 years such as the FMU for the states of Negeri Sembilan, Pahang, Perak, Selangor and Terengganu, Anap-Muput FMU in Sarawak and Segaliud Lokan FMU in Sabah.

With regard to MTCC's effort in increasing the uptake of certification, one significant event that I wish to highlight was the briefing to the Kelantan State Forestry Committee (JKKP) on the MTCS on 22 September. The JKKP, led by the Menteri Besar of Kelantan, Dato' Ahmad Yakob, was briefed on Kelantan's latest status on forest management certification and the requirements of the MTCS. Ensuing from the event and follow-up discussion, the JKKP reiterated its commitment to implement sustainable forest management and reobtain forest management certification under the scheme.

Apart from the usual routine of monitoring certification and conducting various activities to promote the MTCS, MTCC also participated actively (mainly via online platforms) in both regional and international forums related to forest certification, particularly PEFC related activities.

Before I conclude, I would like to place on record my appreciation to my predecessor Datuk K. Yogeessvaran for his dedication and vast contributions to MTCC during his tenure as the Chairman of the MTCC Board from 27 July 2018 to 1 April 2020. I would also like to express my gratitude to the Board of Trustees for their wise counsel and guidance since I took the office on 11 May.

My heartiest appreciation goes to the dedicated MTCC management and supporting staff for their tireless commitment and diligence in navigating the Council to successfully sailed through the ups and downs of the year 2020. Last but not least, my gratitude goes to the Board of Trustees and the MTCC management team again for being committed in implementing the sustainability agenda in line with the country's and the global's commitment.



**SITI SYALIZA MUSTAPHA**  
Chief Executive Officer  
14 August 2020

## REVIEW OF OPERATIONS

The unprecedented events that unfolded in the first quarter of 2020 affected every aspect of work procedures and life in general. It tested our resilience and stretched our flexibility to ensure that the operations for forest management and chain of custody (CoC) certification under the MTCS would persist and disruptions minimised as much as possible.

Following the imposed Movement Control Order (MCO) by the Malaysian government to curb the COVID-19 outbreak, the operations of forest management certification activities conducted from 18 March 2020 until the end of the year were guided by the 'Sustainable Forest Management auditing of PEFC certified entities affected by restrictions due to COVID-19 - guidance' issued by PEFC on 9 April and the subsequent revised versions issued throughout the year.

The extend of certified forests under the MTCS increased from 4.3 million ha in 2019 to 5.2 million ha in 2020. The increase was attributed to the addition of six new certified FMUs mainly in Sarawak and one FPMU in Sabah, following certifications audits conducted in the previous year. With these new additions, there are 22 FMUs and eight FPMUs in Malaysia as of 31 December 2020.

For CoC certification, a total of 37 new certificates were issued in 2020. However, the year saw the withdrawal of 24 certificates, expiry of eight certificates and the suspension of five certificates, resulting in zero net increase in the number of certificate holders for the year. The total number of CoC certificate holders as of December 2020 stands at 381.

The export of timber products certified under the MTCS increased by 8% from 243,366.81 m<sup>3</sup> in 2019 to 263,000.78 m<sup>3</sup> in 2020. The Netherlands remained the highest importing country with a 28% market share, followed by Japan (19%), United Kingdom (9%), Australia (6%), Germany (5%) and Saudi Arabia (4%). Bangladesh, Yemen and Fiji became the latest three destinations for the MTCS certified timber products in 2020.

The various restrictions due to the pandemic situation resulted in lesser number of promotional and outreach activities held by MTCC. However, it steered us to experiment and make the best

out of the Internet of Things (IoT) in our daily work such as conducting trainings, meetings and events via online platforms. For instance, the announcement of winners of the MTCC Photography Contest 2020 was a live-streamed affair, and the winning photographs were exhibited at the month-long virtual gallery of the Kuala Lumpur Photography Festival in September. Other significant promotional programme was a webinar on Malaysia-Germany's Timber Trade 2020 which attracted 82 participants from both countries.

With regard to outreach programmes to university students, the early part of the year saw MTCC presenting the MTCC Academic Award on Sustainable Forest Management and Timber Certification (MTCC Academic Award) to two graduating students from the Faculty of Forestry of Universiti Putra Malaysia for their overall academic performance and final year projects on environmental issue and the country's furniture industry.

As the MTCS is a PEFC endorsed scheme, MTCC participated actively in relevant PEFC activities which included the PEFC Members Meeting, Technical Working Group meetings for both forest management and CoC as well as the PEFC Annual General Assembly. MTCC has also been active in supporting PEFC for its development in the ASEAN region. Apart from ensuring that the voice of developing tropical countries is heard, MTCC's participation is imperative to protect the interest of the MTCS as well as to ensure that it continues to meet international sustainability benchmarks.

On behalf of MTCC, I would like to thank our Board of Trustees, stakeholders in the forestry and timber industry sector - the forest managers, timber companies, environmental and social groups, as well as the various relevant agencies and certification and accreditation bodies - for their continued cooperation and support towards achieving the common objective of managing our forest resources sustainably. MTCC looks forward to continue working with all parties concerned especially with the MTCS being assessed to maintain PEFC's endorsement for another term.

Last but not least, I would like to thank the MTCC team for their wonderful work and swift adaptability to the new normal amidst the tough challenges faced throughout the year.

The image features a landscape at sunset. On the left, a large tree is silhouetted against the bright orange and yellow sky. The background shows rolling hills and a valley with some mist. On the right side, there is a large, colorful geometric overlay consisting of several overlapping triangles in shades of purple, yellow, and dark purple. The word "OPERATIONS" is written in white, uppercase letters across the center of the image, with a slight reflection effect below it.

# OPERATIONS

## OPERATIONS

# FOREST MANAGEMENT CERTIFICATION

To contain the spread of COVID-19 outbreak, the Government imposed the Movement Control Order (MCO) starting from 18 March throughout the country. This had affected auditing activities of certification bodies as well as the operations of certified Forest Management Units (FMUs). The operations of forest management certification activities conducted from this date until the end of the year were guided by the 'Sustainable Forest Management auditing of PEFC certified entities affected by restrictions due to COVID-19 - guidance' issued by PEFC on 9 April and the subsequent revised versions issued throughout the year.

The first document released provided guidance on general procedures, specific rules for initial and re-certification audits, surveillance audits and internal monitoring programmes for group organisations. The second version of the guidance released on 11 May provided methods to ease the consequences of travel restrictions and the implementation of remote audits, and where this is not sufficient, the extension of validity of certificates until travel and medical restrictions are lifted. Version three of the guidance issued on 18 December provided updates on auditing, including the introduction of a hybrid conduct of on-site and remote audits, and the possibility of postponing external surveillance

audits and the annual internal monitoring programme for a maximum of six months.

Notwithstanding the above, the majority of the following updates, especially on the issuance of new certificates were the outcome of audits conducted within the second half of 2019.

### NATURAL FOREST

In Peninsular Malaysia, five FMUs have maintained their certification i.e. Negeri Sembilan, Pahang, Perak, Selangor and Terengganu FMUs after undergoing successful surveillance audits against the MC&I(Natural Forest) by SIRIM QAS International Sdn. Bhd.. Additionally, following a successful Stage-2 audit, Johor FMU re-obtained its certification on 3 July.

In Sarawak, six new certificates were awarded by SIRIM QAS International Sdn Bhd to Pasin Sdn. Bhd. (Pasin FMU), Samling Plywood (Miri) Sdn. Bhd. (Gerenai FMU), Billion Venture Sdn. Bhd. (Gaat-Mengiong FMU), Interglobal Empire Sdn. Bhd. (Entulu-Melatai FMU), Shin Yang Sdn. Bhd. (Danum FMU) and Subur Tiasa Holdings Bhd. (Mujong-Melinau FMU). However, the certificate for Bahau-Kahei FMU (Jaya Tiasa Holdings Bhd.) was suspended on 11 September due to failure to

accommodate the conduct of its surveillance audit during the year.

All three FMUs in Sabah namely KTS Plantation Sdn. Bhd. (Segaliud Lokan FMU - FMU 19B), Bornion Timber Sdn. Bhd. (FMU 11), and Sapulut Forest Development Sdn. Bhd. (Sapulut FMU - FMU14) maintained their respective certification following successful surveillance audits.

### FOREST PLANTATION

For certification of forest plantation management unit (FPMU), a new certificate against the MC&I

Forest Plantation.v2 was awarded to Sapulut Forest Development Sdn. Bhd. (Sapulut FPMU14). Four FPMUs, namely Bornion Timber FPMU, Segan FPMU, Lana FPMU and Kejin Long Lama FPMU have their certificates renewed following successful recertification audits while three other FPMUs i.e. Penyuan FPMU, Masama FPMU and Marudi FPMU were successful in maintaining their certification for the year.

Details regarding the PEFC certified FMUs and FPMUs are as shown in **Table 1** and **Table 2**, respectively:

**Table 1: Details of PEFC Certified FMUs (NATURAL FOREST)**

NO.	FMU	CERTIFICATION BODY	CERTIFICATE NUMBER	VALIDITY OF CERTIFICATE	AREA (ha)
1	Johor	SIRIM QAS International Sdn. Bhd.	FMC-NF 00126	3 July 2020 to 2 July 2025	285,292.87
2	Negeri Sembilan	SIRIM QAS International Sdn. Bhd.	FMC 0002	28 December 2018 to 27 December 2023	155,548.68
3	Pahang	SIRIM QAS International Sdn. Bhd.	FMC-NF 00008	1 June 2019 to 31 May 2024	1,504,407.35
4	Perak	SIRIM QAS International Sdn. Bhd.	FMC-NF 00004	11 July 2019 to 31 May 2024	988,603.94
5	Selangor	SIRIM QAS International Sdn. Bhd.	FMC-NF 00007	1 June 2019 to 31 May 2024	238,747.00
6	Terengganu	SIRIM QAS International Sdn. Bhd.	FMC-NF 00115	19 April 2019 to 31 March 2024	540,308.80
<b>Total Certified Natural Forest (Peninsular)</b>					<b>3,712,908.64</b>
7	Segaliud Lokan (FMU 19B)	SIRIM QAS International Sdn. Bhd.	FMC-NF 00001	2 December 2018 to 1 December 2023	57,247.00
8	Bornion Timber (FMU 11)	SIRIM QAS International Sdn. Bhd.	FMC-NF 00009	21 October 2019 to 20 October 2024	40,924.72
9	Sapulut Forest (FMU 14)	SIRIM QAS International Sdn. Bhd.	FMC-NF 00117	11 June 2018 to 10 June 2021	54,643.00
<b>Total Certified Natural Forest (Sabah)</b>					<b>152,814.72</b>

**Table 1: Details of PEFC Certified FMUs (NATURAL FOREST)**

NO.	FMU	CERTIFICATION BODY	CERTIFICATE NUMBER	VALIDITY OF CERTIFICATE	AREA (ha)
10	Anap Muput	SIRIM QAS International Sdn. Bhd.	FMC-NF 00006	25 July 2019 to 24 July 2024	83,535.00
11	Ravenscourt	SIRIM QAS International Sdn. Bhd.	FMC-NF 00116	4 June 2018 to 3 June 2021	117,941.00
12	Kapit	SIRIM QAS International Sdn. Bhd.	FMC-NF 00118	11 June 2018 to 10 June 2021	149,756.00
13	Linau	SIRIM QAS International Sdn. Bhd.	FMC-NF 00119	16 July 2018 to 15 July 2021	72,685.00
14	Ulu Trusan	SIRIM QAS International Sdn. Bhd.	FMC-NF 00120	19 December 2018 to 18 December 2023	92,751.00
15	Raplex	SIRIM QAS International Sdn. Bhd.	FMC-NF 00122	28 June 2019 to 27 June 2024	63,993.00
16	Melatai Para	SIRIM QAS International Sdn. Bhd.	FMC-NF 00123	27 November 2019 to 26 November 2024	49,524.00
17	Pasin	SIRIM QAS International Sdn. Bhd.	FMC-NF 00124	16 March 2020 to 15 March 2025	132,151.00
18	Gerenai	SIRIM QAS International Sdn. Bhd.	FMC-NF 00125	12 April 2020 to 11 April 2025	148,305.00
19	Gaat-Mengiong	SIRIM QAS International Sdn. Bhd.	FMC-NF 00127	10 July 2020 to 9 July 2025	66,190.00
20	Entulu-Melatai	SIRIM QAS International Sdn. Bhd.	FMC-NF 00128	24 July 2020 to 23 July 2025	55,112.00
21	Danum	SIRIM QAS International Sdn. Bhd.	FMC-NF 00129	8 August 2020 to 7 August 2025	200,383.00
22	Mujong-Melinau	SIRIM QAS International Sdn. Bhd.	FMC-NF 00130	24 August 2020 to 23 August 2025	41,696.00
<b>Total Certified Natural Forest (Sarawak)</b>					<b>1,274,022.00</b>
<b>Total Natural Forest: 5,139,745.36 ha</b>					

**Table 2: Details of PEFC Certified FPMUs (FOREST PLANTATION)**

NO.	FMU	CERTIFICATION BODY	CERTIFICATE NUMBER	VALIDITY OF CERTIFICATE	AREA (ha)
1	Bornion Timber (FPMU 11)	SIRIM QAS International Sdn. Bhd.	FMC 00113	13 January 2020 to 12 January 2025	25,536.71
2	Sapulut FPMU 14	SIRIM QAS International Sdn. Bhd.	FMC-FP 00118	3 July 2020 to 2 July 2025	12,486.42
<b>Total Certified Forest Plantation (Sabah)</b>					<b>38,023.13</b>
3	Segan (LPF/0014)	SIRIM QAS International Sdn. Bhd.	FPMC 0002	18 July 2020 to 17 July 2025	10,332.00
4	Masama (LPF/0019)	SIRIM QAS International Sdn. Bhd.	FPMC 0003	30 December 2019 to 11 August 2024	11,946.00
5	Penyuan (LPF/0018)	SIRIM QAS International Sdn. Bhd.	FMC-FP 00004	18 October 2019 to 20 October 2024	15,261.00
6	Lana (LPF/0006)	SIRIM QAS International Sdn. Bhd.	FMC-FP 00116	12 May 2020 to 11 May 2025	9,393.00
7	Marudi (LPF/0008)	SIRIM QAS International Sdn. Bhd.	FMC-FP 00117	15 January 2019 to 14 January 2024	19,941.00
8	Kejin Long Lama (LPF/0017)	SIRIM QAS International Sdn. Bhd.	FMC-FP 00114	21 September 2020 to 2 February 2025	28,093.35
<b>Total Certified Forest Plantation (Sarawak)</b>					<b>94,966.35</b>
<b>Total Forest Plantation: 132,989.48 ha</b>					
<b>Grand Total (Natural Forest &amp; Forest Plantation): 5,272,734.84 ha</b>					



## CHAIN OF CUSTODY CERTIFICATION

In 2020, a total of 37 companies were awarded the PEFC Certificate for Chain of Custody (CoC) by six PEFC notified certification bodies (CBs) as shown in **Table 3**.

CERTIFICATION BODY	NUMBER OF CERTIFICATE ISSUED
Platinum Shauffmantz Veritas Sdn. Bhd.	19
SIRIM QAS International Sdn. Bhd.	8
SGS (Malaysia) Sdn. Bhd.	5
Bureau Veritas Certification (M) Sdn. Bhd.	2
Intertek Certification International Sdn. Bhd.	2
Control Union Certifications B.V.	1
<b>Total</b>	<b>37</b>

However, the year also saw the withdrawal of 24 certificates, expiry of eight certificates, and the suspension of five certificates. As a result, there was no net increase in the number of PEFC Certificate for Chain of Custody holders

for the year, and the total number of PEFC CoC certificate holders as at 31 December stands at 381. The full list of PEFC CoC certificate holders for chain of custody is available on the PEFC website at <https://www.pefc.org/find-certified>

## NOTIFICATION OF CERTIFICATION BODIES

On 11 August, two CBs were issued with PEFC notification to operate CoC certification under the MTCS, namely Double Helix Tracking Technologies Pte. Ltd. and TÜV SÜD Czech s.r.o. Double Helix Tracking Technologies is an existing PEFC notified CB based in Singapore, while TÜV SÜD Czech is an existing PEFC notified CB based in Czech Republic.

With the above addition, the total number of PEFC notified CBs operating CoC certification had increased to 19, while the number of CBs operating forest management certification remained at 1.

TYPE OF CERTIFICATION	PEFC-NOTIFIED CB	NOTIFICATION DATE
Forest Management Certification	1. SIRIM QAS International Sdn. Bhd.	10 December 2009
	1. SIRIM QAS International Sdn. Bhd.	2 September 2009
CoC Certification	2. Japan Gas Appliances Inspection Association	2 October 2009
	3. SGS South Africa Pty Ltd - Qualifor Programme	2 October 2009
	4. SGS (Malaysia) Sdn. Bhd.	24 December 2009
	5. Intertek Certification International Sdn. Bhd.	20 August 2010
	6. Scientific Certification Systems	20 August 2010
	7. Warringtonfire Testing and Certification Ltd T / A BM Trade	14 September 2012
	8. Holz und Wald Zertifizierungsgesellschaft GmbH	14 September 2012
	9. Bureau Veritas Certification France	17 May 2013
	10. Bureau Veritas Sverige AB	6 September 2013
	11. Bureau Veritas Certification (Malaysia) Sdn. Bhd.	26 March 2015
	12. Control Union Certifications B.V.	16 October 2015
	13. NEPCon OÜ (Estonia)	25 November 2015
	14. DQS CFS GmbH	24 June 2016
	15. Platinum Shauffmantz Veritas Sdn. Bhd.	4 July 2017
	16. SGS Société Générale de Surveillance SA	11 July 2017
	17. DIN CERTCO GmbH	8 July 2019
	18. Double Helix Tracking Technologies Pte. Ltd.	11 August 2020
19. TÜV SÜD Czech s.r.o.	11 August 2020	

## NOTIFICATION FEE

MTCC revised the Notification Fee for Forest Management Certification (FMC) following the approval by the Board of Trustees at its 82nd Meeting on 31 October 2019. The revised rate of RM 0.020 per ha of certified forest from the previous RM 0.018 per ha came into effect on 1 January 2020. No change was made to the Notification Fee for Chain of Custody Certification (CoC) as shown in **Table 5**.

**Table 5: Notification Fee for Forest Management and Chain of Custody Certification**

NOTIFICATION CATEGORY	SUBSET	ANNUAL FEE (RM)
A. Forest Management Certificate	Natural Forest and Forest Plantations	0.020 per ha of certified forest
B. CoC Certificate	Based on annual total turnover (RM):	
	Up to 5 Million	300.00
	Over 5 Million and up to 20 Million	500.00
	Over 20 Million and up to 50 Million	750.00
	Over 50 Million and up to 100 Million	1,000.00
	Over 100 Million	2,000.00



## EXPORT OF TIMBER PRODUCTS CERTIFIED UNDER MTCS

The export of timber products certified under the MTCS increased by 8% from 243,366.81 m<sup>3</sup> in 2019 to 263,000.78 m<sup>3</sup> in 2020. The Netherlands remained the highest importing country with 71,839.22 m<sup>3</sup> or 28% of the total export volume, followed by Japan (19%), United Kingdom (9%), Australia (6%), Germany (5%) and Saudi Arabia (4%) as the top six destinations. Bangladesh, Yemen and Fiji were the three latest importers, bringing the total number of destinations importing MTCS certified timber products to 72 since the operation of MTCS in 2001. (**Figures 1 and 2**).

An analysis of destinations showing significant volume changes indicated that Japan had the highest increase of export volume (269%) as shown in Table 6. This was attributed to the increase in export of plywood and wood pellets to the country. Similar trend was observed in Saudi Arabia with 100% increase of export volume solely of sawn timber export, from 5,150.27 m<sup>3</sup> in 2019 to 10,281.96 m<sup>3</sup> in 2020. The highest reduction of export volume was experienced by South Korea (80%) which was caused by the drop in export of wood pellets, followed by United States (71%) due to the decline in export of mouldings.

**Table 6: Export of MTCS Certified Timber Products by Destination**

COUNTRY	EXPORT VOLUME (M <sup>3</sup> )		
	2019	2020	Difference
Japan	13,291.78	49,085.48	35,793.70
Saudi Arabia	5,150.27	10,281.96	5,131.70
USA	20,658.65	5,984.22	-14,674.43
South Korea	18,012.44	3,570.67	-14,441.77

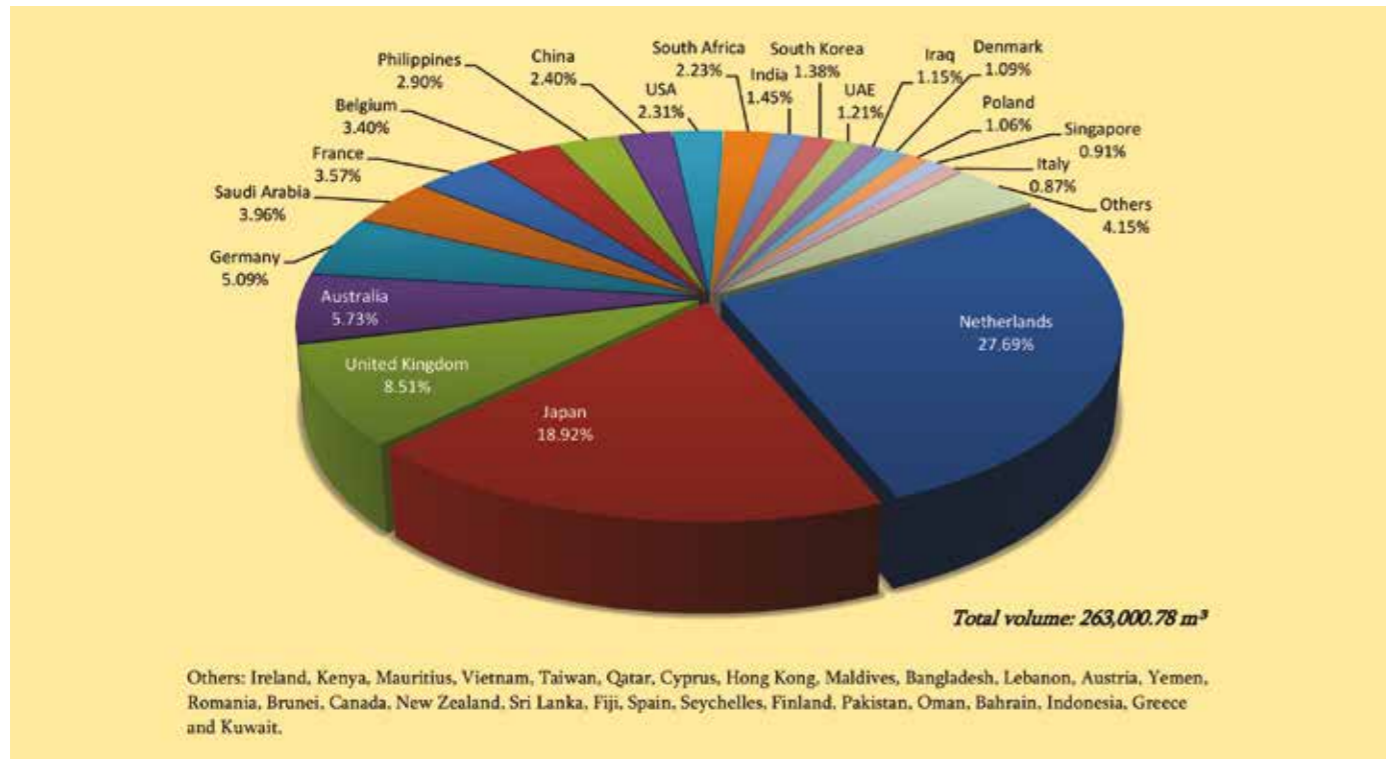
Sawn timber, mouldings and plywood remained the major product exports. Although sawn timber remained the dominant export commodity, its share in the overall export had slightly dropped from 46.75% in 2019 to 41.10% in 2020. Similar decrease was also observed for mouldings from 28.71% in 2019 to 22.86% on 2020. However, the share of plywood export jumped from 8.79% in 2019 to 24.40% in 2020. (**Figures 3 and 4**).

The introduction of PEFC controlled sources claim in the PEFC CoC System in 2013 had caught the interest of buyers from 20 countries, resulting in the increase in the export volume of PEFC

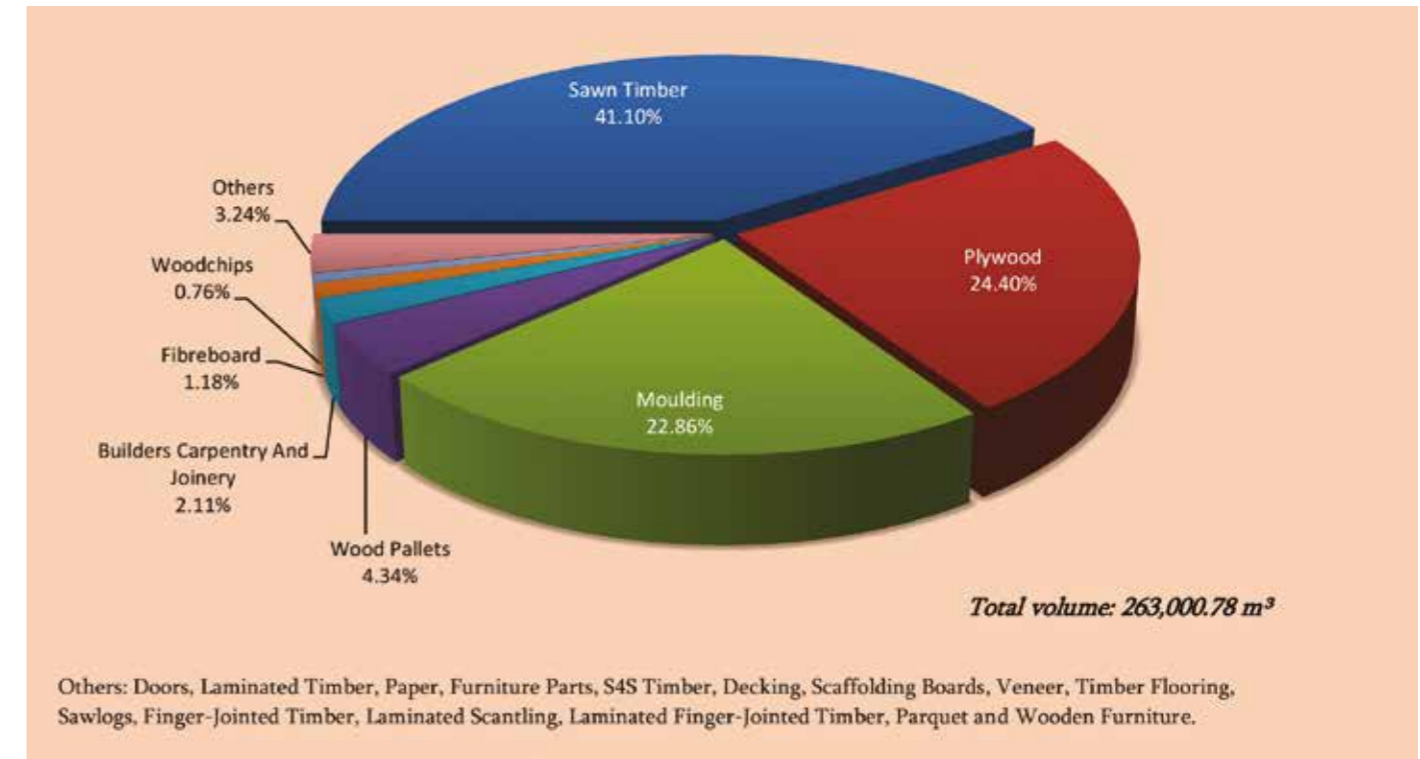
controlled sources products. In 2020, a total of 30,792.87 m<sup>3</sup> of PEFC controlled sources timber products were exported mainly to Japan and Australia amounting to 24,277.24 m<sup>3</sup> and 5,663.51 m<sup>3</sup>, respectively. Wood pellets and doors were the major products exported followed by wooden furniture, furniture parts and sawn timber. The products exported according to product type and destination are as shown in **Figures 5 and 6**.

The export performance in 2020 brought the cumulative export of MTCS certified timber products to 2,465,420.47 m<sup>3</sup>. (**Figure 7**).

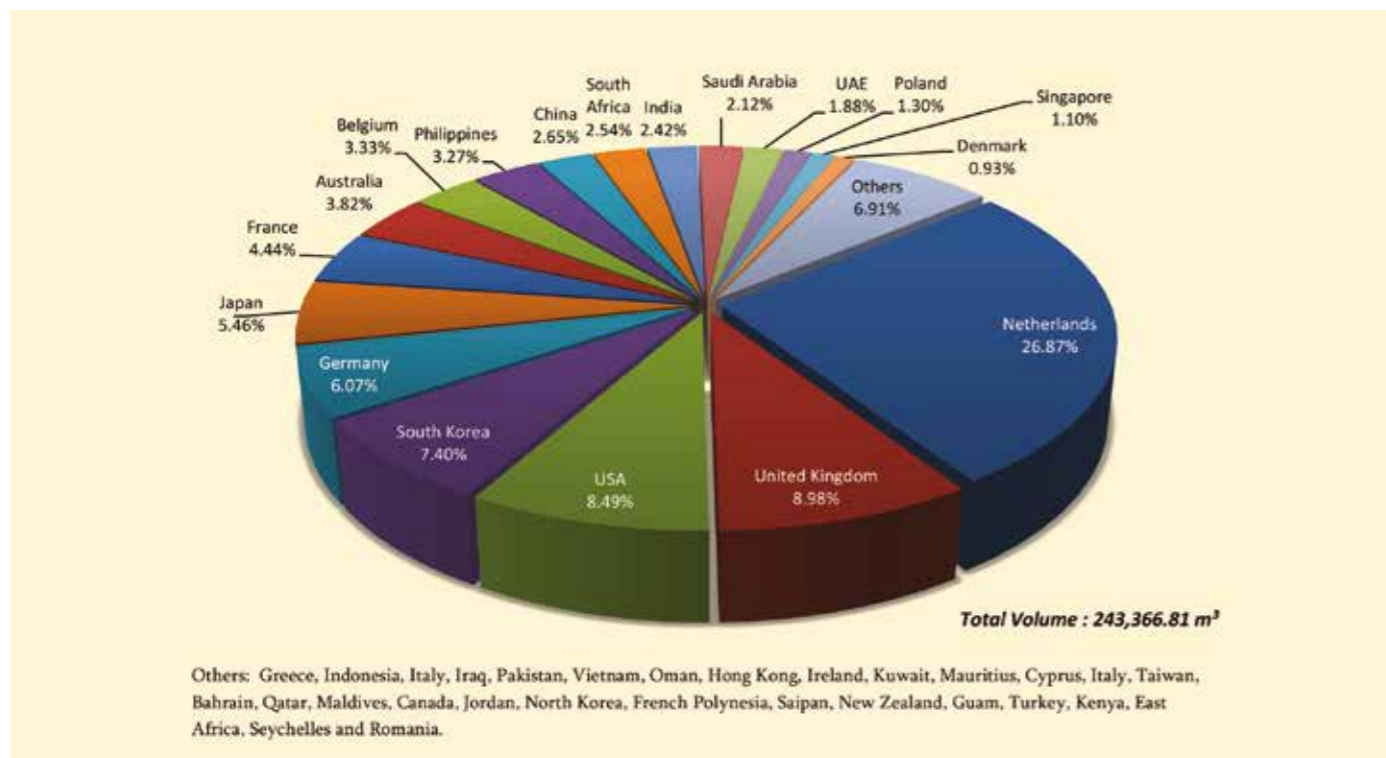
**Figure 1: Export of Timber Products Certified under MTCS by Destination, 2020**



**Figure 3: Export of Timber Products Certified under MTCS by Product Type, 2020**



**Figure 2: Export of Timber Products Certified under MTCS by Destination, 2019**



**Figure 4: Export of Timber Products Certified under MTCS by Product Type, 2019**

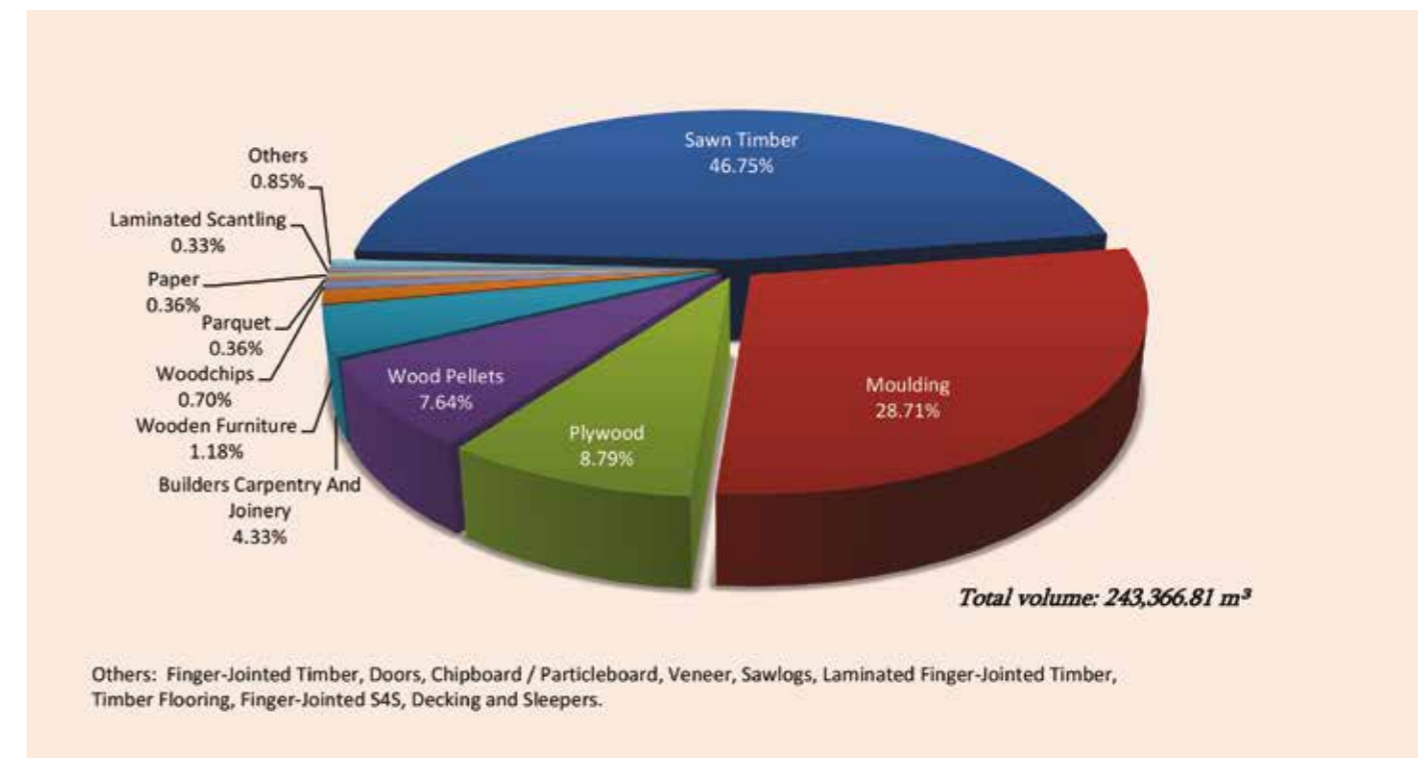


Figure 5: Export of PEFC Controlled Sources Timber Products under MTCS by Destination, 2020

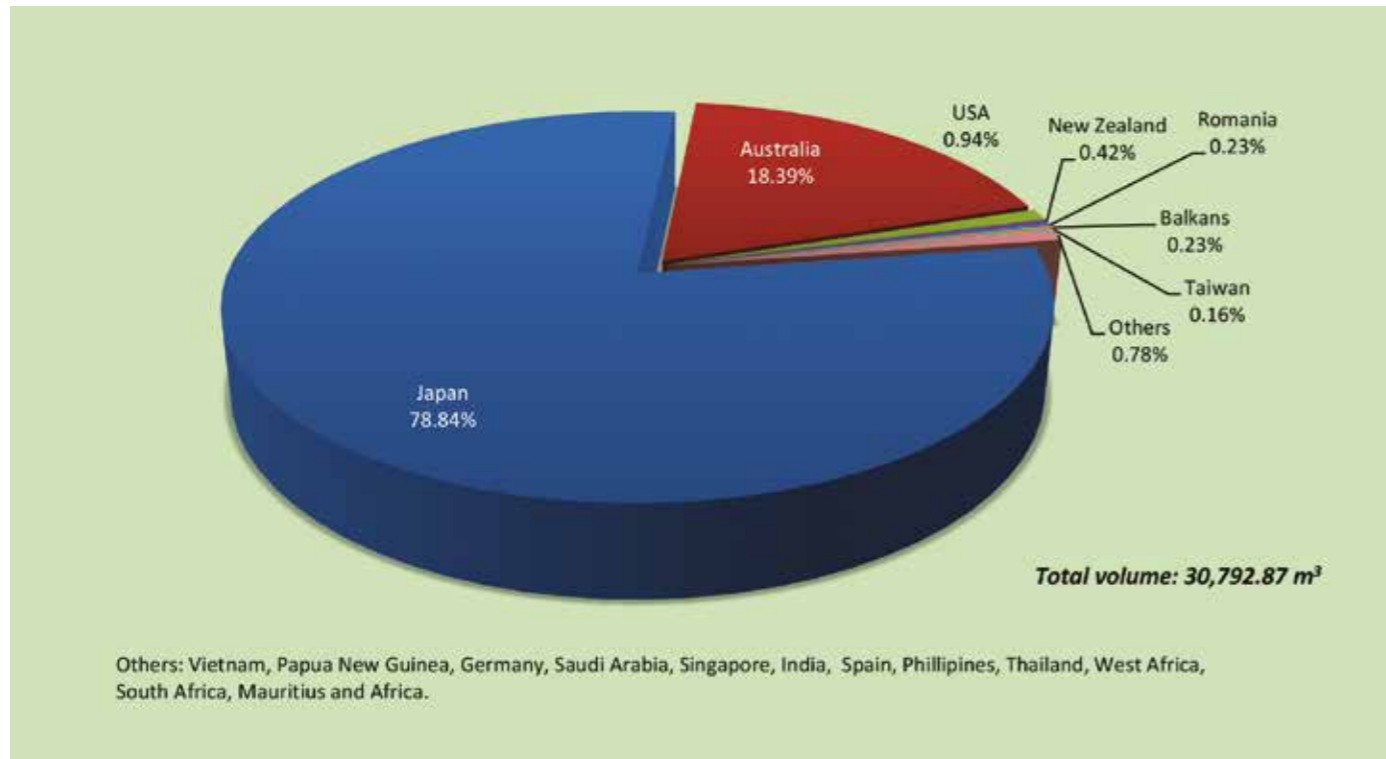


Figure 6: Export of PEFC Controlled Sources Timber Products under MTCS by Product Type, 2020

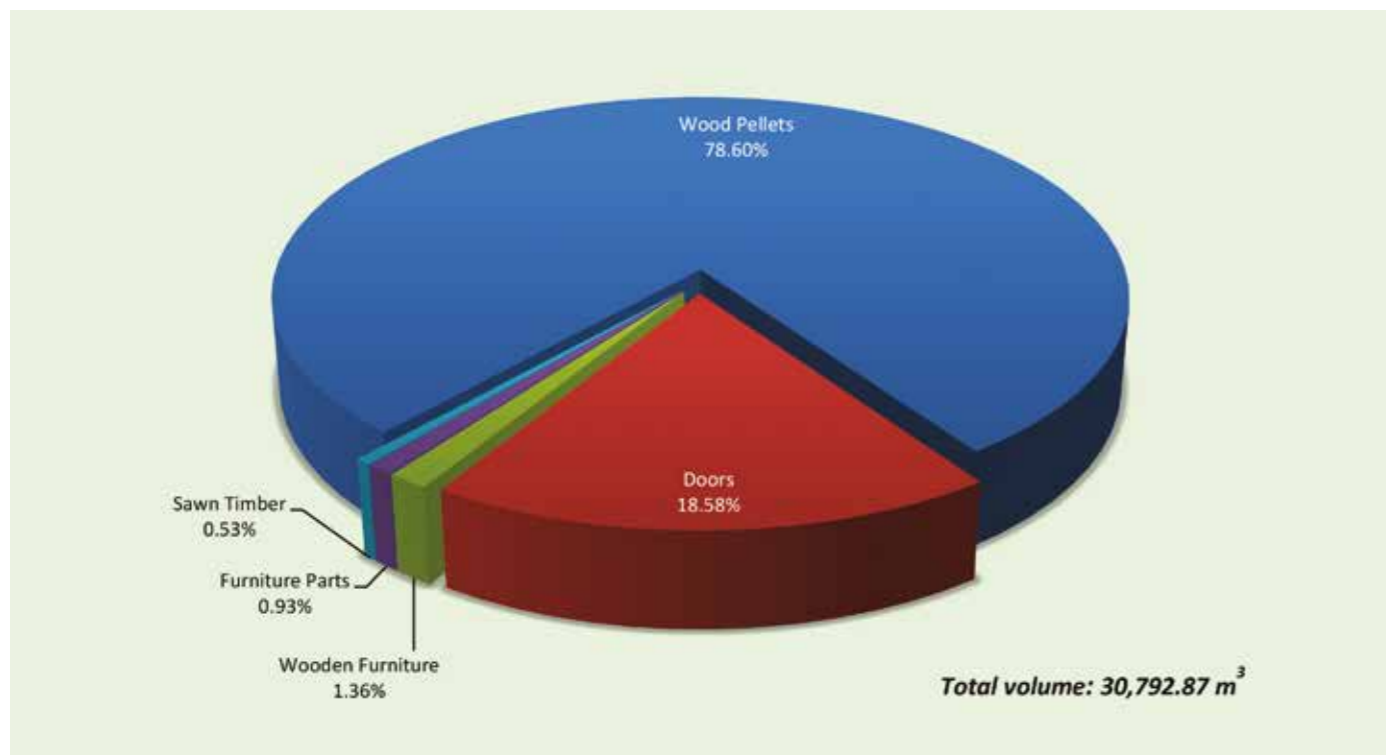
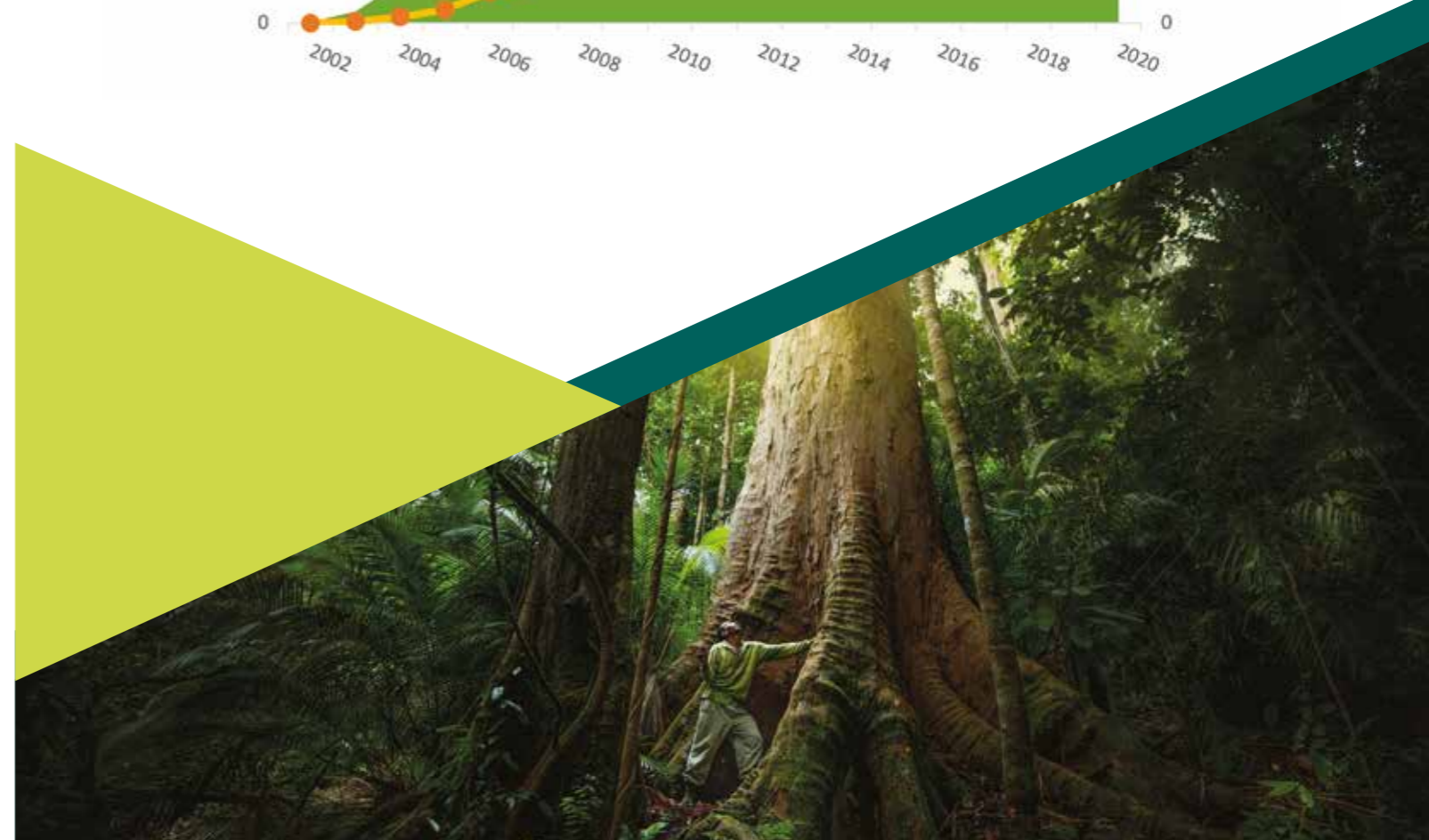
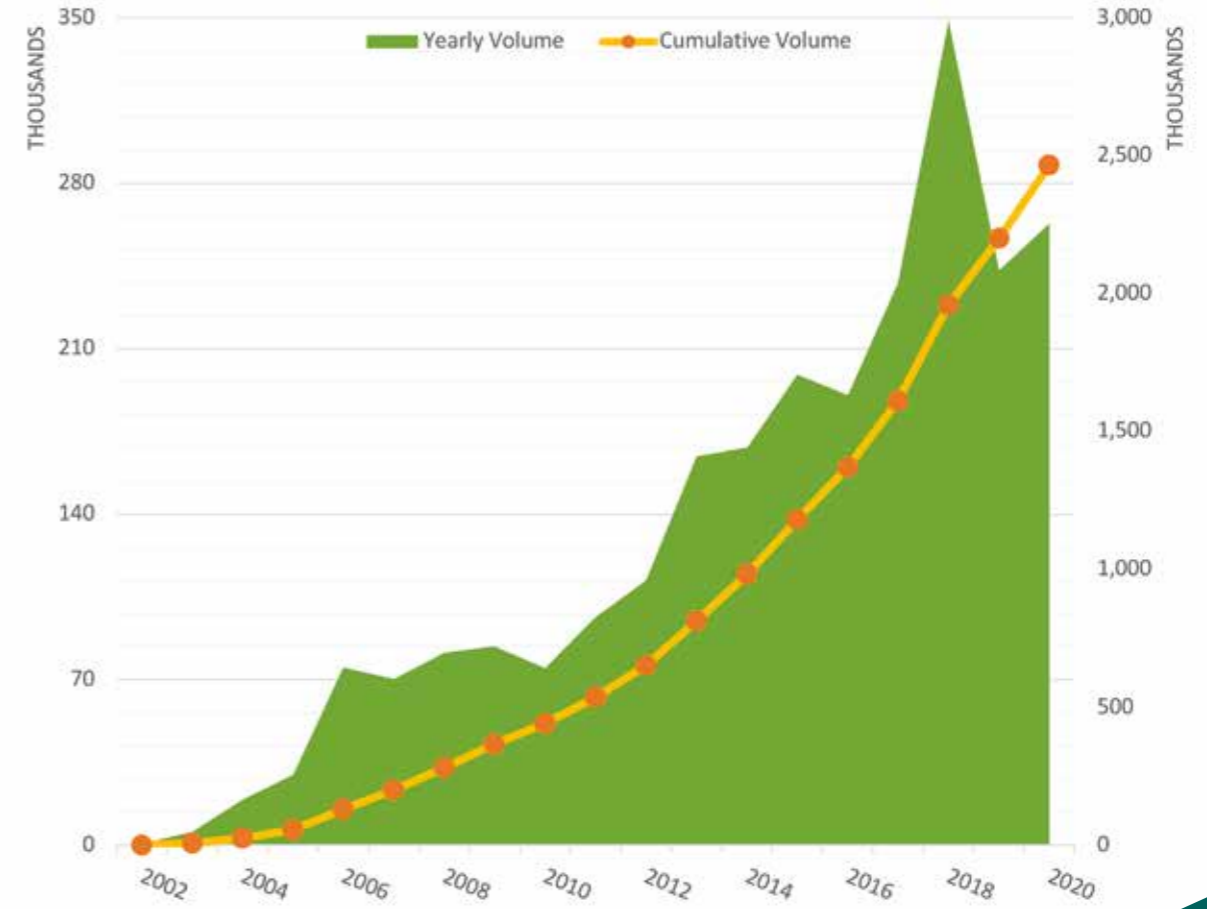


Figure 7: Export of Timber Products Certified under MTCS, July 2002 - December 2020



## PRESENTATION OF COC CERTIFICATE TO TEO SENG PAPER PRODUCTS SDN. BHD.

Johor-based Teo Seng Paper Products Sdn. Bhd. (Teo Seng Paper Products) stamped a mark in the local paper industry when it became the first company in Malaysia to obtain the Chain of Custody (CoC) Certification under the PEFC for its eco-friendly egg trays. Teo Seng Paper Products is a subsidiary of Teo Seng Capital Bhd., an investment holding company in which its principal businesses include poultry farming and marketing of chicken eggs, manufacturing and marketing of animal feeds, paper egg trays

and organic fermented fertiliser, as well as distribution of animal health products and solution provider.

The PEFC CoC Certificate enables the company to use the PEFC label on its egg trays as a mark of its compliance to the sustainability requirements of the PEFC CoC standard. The label would not only boost the company's competitive edge but also reflects its commitment in supporting national sustainability agenda.



*Cynthia S.L. Tan from Bureau Veritas Malaysia (third from left) presenting the MTCS CoC Certificate to Nam Hiok Yong, Director of Teo Seng Paper Products, and witnessed by MTCC CEO, Yong Teng Koon.*

The certificate was presented to Teo Seng Paper Products Director, Nam Hiok Yong by Bureau Veritas Malaysia (an independent Certification Body) Certification Manager, Cynthia S.L. Tan at the company's plant in Yong Peng on 12 March. The certificate presentation was witnessed by MTCC CEO, Yong Teng Koon.



*Visit to Teo Seng Paper Products factory*



Group picture of participants

## WORKSHOP ON FOREST CERTIFICATION PROCESS AND IMPLEMENTATION IN PENINSULAR MALAYSIA

A study titled The Impact of MTCS on Forest Management, Industry and Trade is currently being conducted to evaluate the impact of implementation of forest certification in Malaysia.

The study is a joint effort by the Institute of Environment and Development (LESTARI), Universiti Kebangsaan Malaysia (UKM), Malaysian Timber Industry Board (MTIB) and MTCC which is aimed at evaluating the effectiveness and impact of the MTCS on forest management practices, timber industry and trade among government agencies, certified forest and industry sectors, logging companies, primary and secondary timber processing companies and timber traders.

As part of the study, a two-day workshop was held at the Forestry Department Peninsular Malaysia (FDPM)'s Forestry Training Division in Kepong to obtain feedback from the participants on the process and implementation of forest

certification under the MTCS, identify challenges and constraints faced, as well as suggest options/proposals to enhance the implementation of forest certification in Malaysia. Organised jointly by MTCC and LESTARI, UKM on 28 and 29 September, the workshop was attended by 45 participants from FDPM Headquarters, Forestry Training Division and the various State Forestry Departments in Peninsular Malaysia.



Break-out group session in progress

## WEBINAR: INTRODUCTION TO MC&I SUSTAINABLE FOREST MANAGEMENT

A total of 140 participants representing government agencies, social and environmental interest groups, industry, certification bodies, academic institutions as well as students from throughout Malaysia attended a three-hour webinar on the introduction of the Malaysian Criteria and Indicators for Sustainable Forest Management (MC&I SFM) conducted by MTCC on 21 July.

In his welcoming remarks, MTCC CEO, Yong Teng Koon said the MC&I SFM was the outcome of an extensive standard review process which took place from 2015 to 2019. This 2-in-1 standard replaced the MC&I(Natural Forest) and MC&I Forest Plantation.v2 standards. As a scheme endorsed by the Programme for the Endorsement of Forest Certification (PEFC), the standard also incorporated relevant PEFC benchmarks for sustainable forest management. It was launched

by MTCC on 1 April 2020 and would come into force on 1 January 2021.

The presentation on the requirements of MC&I SFM was made by Senior Manager (Forest Management), Siti Syaliza Mustapha. She said the revised standard contained nine principles, 49 criteria, and 99 indicators for natural forest (NF) and 105 indicators for forest plantation (FP). She also enlightened the participants on the key changes to the standard and highlighted the inclusion of a number of new requirements related to the conversion of severely degraded forest to forest plantation, afforestation of ecological important non-forest ecosystem, interpretation for internal audit and management review, the need for continual improvement, and interpretation on requirements for communicating claims from certified area.



Participants of the webinar

# BRIEFING SESSIONS ON REVISED PEFC INTERNATIONAL 2020 STANDARDS

In February 2020, the PEFC Council adopted the revised Chain of Custody (CoC) standard titled PEFC ST 2002:2020 - Chain of Custody of Forest and Tree Based Products - Requirements, and PEFC ST 2001:2020 - PEFC Trademarks Rules - Requirements dated 14 February 2020. The former would replace the PEFC ST 2002:2013 Chain of Custody of Forest Based Products - Requirements Second Edition dated 7 December 2015. The latter would replace the PEFC ST 2001:2008 dated 26 November 2010. Both PEFC ST 2002:2013 and PEFC ST 2001:2008 documents would be withdrawn on 14 February 2022.

The revised PEFC ST 2002:2020 standard included an extension of the CoC scope to cover "trees outside forests" (e.g. "Agroforestry"). The definition of "controversial sources" was also expanded to incorporate additional sustainability requirements, requiring companies along the entire timber value chain to help promote responsible forestry.

Meanwhile, the revised PEFC ST 2001:2020 standard covers the usage of PEFC initials by PEFC trademark licence holders and changes to the technical requirements for the usage of trademarks for on and off product. It also provides users with a list of alternative promotional label messages.

With the aim to provide a better understanding on the revised PEFC ST 2020 standards, MTCC organised a half-day CoC Briefing to CoC certificate holders on 10 September. The briefing was conducted via Zoom and attended by 132 participants from various companies listed under the MTCS.

MTCC also conducted online briefing sessions on 21-25 September to ensure a smooth transition to the PEFC ST 2020 standards. Each day of the five-day briefing focused on a chapter of the CoC standard to ensure that certificate holders would be familiar and knowledgeable on the new requirements of the revised standards.

The briefings were conducted by Manager (Product), Sabrina Mawasi, Senior Executive (Product), Akmal Saarani and Executive (Product), Adibah Aris.



MTCC Manager (Product), Sabrina Mawasi conducting the briefing



Participants of the briefing



Training in progress



MTCC Senior Manager (Forest Management) Siti Syaliza Mustapha conducting the training

# ONLINE AUDITOR TRAINING COURSE ON FOREST MANAGEMENT CERTIFICATION

MTCC organised an online Auditor Training Course on Forest Management Certification on 13-15 October to introduce the MC&I SFM 1/2020, the revised certification standard for sustainable management of natural forest and forest plantation under the MTCS. The course, which was also part of the efforts to increase the pool of qualified auditors, was held online due to the sudden increase of COVID-19 cases in September.

The course was attended by 13 auditors from DIMA Certification Sdn. Bhd., Nesus Certification Sdn. Bhd. and Haza Eco Consultancy and Services, as well as independent auditors and representatives from the Forestry Department Peninsular Malaysia. It was conducted by in-house trainers from the MTCC Forest Management Unit, comprising Senior Manager, Siti Syaliza Mustapha, Senior Executive, Melvin Ku and Executive, Haniff Salleh. Two external experts, Dr. Samsudin Musa and Dr. Zahid Emby were also engaged to provide training and insights on specific auditing procedures relating to forest management practices and social aspects.



Besides learning about the MC&I SFM standard requirements, the attendees were also familiarised with the assessment processes involved in conducting an audit, requirements for group certification, use of the PEFC trademark logo, as well as the accreditation requirements for auditors to conduct audit under the MTCS.



Participants of the online training

# CHAIN OF CUSTODY TRAINING COURSE FOR PEFC NOTIFIED CERTIFICATION BODIES

MTCC organised a two-day Chain of Custody (CoC) Training Course for CoC auditors, reviewers and certification decision makers on 9 and 10 December. The training was conducted via Zoom and attended by 23 participants from various certification bodies including two from STANDARDS MALAYSIA.

The training was conducted to fulfil the training requirements as stipulated in para 6.1.2.1 and 6.1.1.4.3 of the PEFC ST 2003:2020 Requirements for Certification Bodies operating Certification. This training is important for the auditors, reviewers and certification decision makers to be familiar and knowledgeable of the revised CoC standard PEFC ST 2002:2020 Chain of Custody of Forest and Tree Based Products-Requirements and PEFC ST 2001:2020 PEFC Trademarks Rules - Requirements.

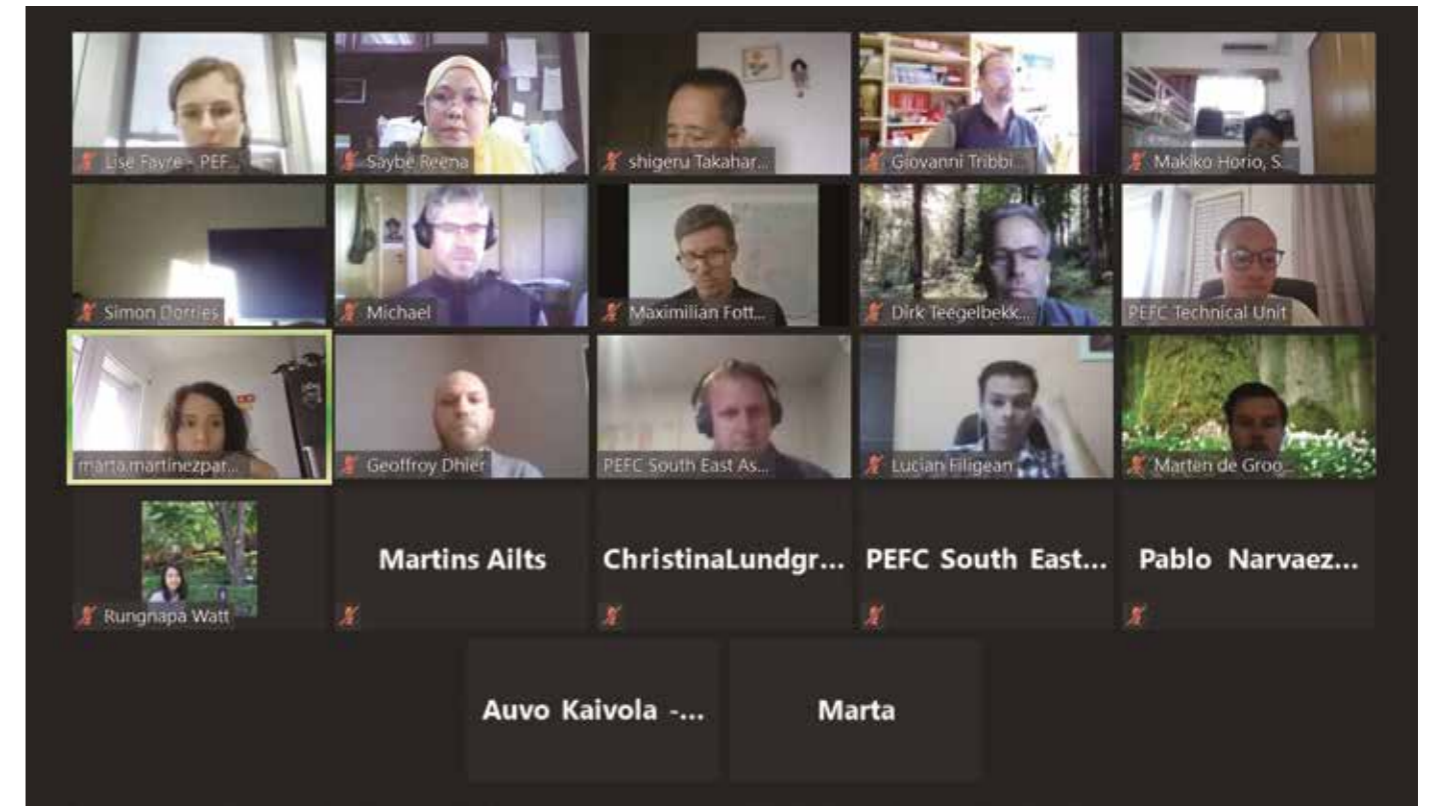
The training was conducted by MTCC Manager (Product), Sabrina Mawasi and Senior Executive (Product), Akmal Saarani who are both PEFC qualified CoC trainers/experts.



MTCC Senior Executive (Product), Akmal Saarani answering questions raised by participants



MTCC Manager (Product), Sabrina Mawasi conducting the briefing



## PEFC INTERNATIONAL COC POOL OF EXPERTS PROGRAMME

MTCC Manager (Product), Sabrina Mawasi and Senior Executive (Product), Akmal Saarani have been recognised as the PEFC International Technical Experts following their successful completion of the PEFC International Chain of Custody (CoC) Pool of Experts programme in 2020.

The PEFC CoC Pool of Experts is a voluntary continuous programme to enable experienced technical CoC experts to become part of the PEFC Pool of Experts. Participation in the Pool allows the experts to be in continuous coordination with CoC technical experts from other PEFC National Governing Bodies (NGBs), as well as benefit from the feedback collected at international level, and the tools and training materials developed by PEFC International.

The programme was held on 8, 9 and 12 June via Zoom with the aim to ensure that the experts were engaged in high-quality, harmonised CoC training coordinated at international level. After the training session, participants were required to undergo an online knowledge test prior to be recognised as PEFC International Technical Experts.

With the recognition given to Sabrina and Akmal, MTCC is now able to conduct its own PEFC CoC training recognised by PEFC International at the national and international levels.





PROMOTION



# SEMINAR ON MTCS ORGANISED BY SAMLING SDN BHD



Briefing to the State Forestry Committee in progress

## PROMOTION

# BRIEFING TO KELANTAN STATE FORESTRY COMMITTEE ON MTCS

MTCC Chairman, Kamaruzaman Mohamad accompanied by CEO Yong Teng Koon and Senior Manager (Forest Management) Siti Syaliza Mustapha had an audience with the Menteri Besar of Kelantan, Dato' Ahmad Yakob and members of the State Forestry Committee (JKKP) in Kota Bahru on 22 September to brief the latter on the MTCS.

The JKKP was briefed on the requirements of the MTCS, the importance of certification for the forestry and timber industry, as well as the latest status on forest management certification in Kelantan. Ensuing from the briefing and follow-up discussion, the JKKP reiterated its commitment to implement sustainable forest management and reobtain forest management certification under the scheme.



MTCC Chairman, Kamaruzaman Mohamad presenting a token of appreciation to the Kelantan Menteri Besar, Dato' Ahmad Yakob

MTCC participated in a seminar on "Communities and the Malaysian Timber Certification Scheme (MTCS)" organised by Samling Sdn Bhd on 25 September in Miri, Sarawak. The objective of the seminar was to create awareness on certification process and to provide a platform for an open discussion on how the requirements of certification standard could benefit the local communities.

The seminar was attended by 86 participants from 27 organisations including representatives from indigenous people associations/groups and NGOs such as Save Rivers, Keruan Organisation, Orang Ulu National Association (OUNA), Federation of Orang Ulu Association Sarawak Malaysia (FORUM), Rurum Kelabit Sarawak, Persatuan Kayan Sarawak, Persatuan Kebangsaan Kenyah Sarawak, Persatuan Saban Sarawak, Persatuan Bisaya Sarawak, Persatuan Lun Bawang Sarawak, Penipong Melawan Sarawak (Berawan)

and the Gerena Community Right Action Committee (GCRAC).

Six papers were presented at the one-day seminar. Apart from the roles and implementation of the MTCS, other presented topics included Sarawak state's policy on mandatory certification, third-party auditing process, as well as High Value Conservation Areas and social impact assessment. The indigenous peoples' concerns on the rights to manage their land were also shared at the event.

The seminar was concluded with a Q&A session. Overall, it provided a good platform for participants to gain further understanding on certification, particularly the MTCS, and the roles and functions of the various agencies involved in implementing sustainable forest management in Sarawak.



The panel of presenters at the seminar



MTCC Senior Manager (Forest Management), Siti Syaliza Mustapha giving her presentation on MTCC and the MTCS



The Q&A session in progress



Siti Syaliza Mustapha exchanging views with Peter Kallang of Save Rivers (left) and WWF-Malaysia Head of Sarawak Conservation Programme, Dr Jason Hon

# THIRD EDITION OF MTCC PHOTOGRAPHY CONTEST

MTCC and PCP Publications teamed up again to organise the third edition of the MTCC Photography Contest from 10 April to 6 July. The contest was aimed at raising public awareness on the beauty and benefits of Malaysia's tropical forests while promoting the importance of valuing the nature and managing the green wonders through certification to benefit future generations.

A total of 166 participants from throughout Malaysia took part in the contest themed "Experience Forest, Experience MTCS-PEFC", with 1,384 photographs and 19 short videos submitted to compete in five categories namely People & Forest, Forest & Forest Landscapes, Forest & Animals, Wonders & Sound of Nature (short video clips) and #fortheloveofnature (social media photograph category).

MTCC Chairman, Kamaruzaman Mohamad and the judging panel comprising MTCC CEO, Yong Teng Koon, PCP Publications General Manager and Editor-In-Chief, Jessica Chan announced the



Judges with contest winners



One of the winning photos showcased at the KLPF virtual gallery

49 winners at a live-streamed ceremony held at the MTCC office on 22 August. Reputable photographer and guest judge, Azul Adnan virtually joined the event which was set to the tone of the new normal and held as part of the online Kuala Lumpur Photography Festival 2020 (KLPF 2020) organised by PCP Publications.



The virtual prize-giving ceremony



# WEBINAR ON MALAYSIA-GERMANY'S TIMBER TRADE 2020

In light of the global health and economic strains due to the COVID-19 pandemic, MTCC organised a webinar titled "Timber Trade 2020: Malaysia and Germany - Status, Challenges, Perspectives" on 27 October. The webinar was held to give the latest update on timber trade in Malaysia and Germany to the industry players and stakeholders in both countries as well as to inspire them to prepare for change and embrace the new normal in doing business.

The webinar saw MTCC CEO, Yong Teng Koon highlighting the rising awareness among industry players in the EU markets on Malaysia's sustainable forest management efforts and

recognition of the MTCS implemented by MTCC. MTC Deputy CEO, Wong Kah Cane and Secretary General of the European Timber Trade Federation and GTTF Chief Executive Officer, Thomas Goebel talked about the current overview on timber trade between Malaysia and Germany and the market development amidst the pandemic situation, respectively. The presentations were followed by a Q&A session.

A total of 82 participants comprising the PEFC/MTCS CoC certificate holders, representatives of various timber associations, timber traders as well as lecturers and students from both countries joined the 90-minute webinar.



Participants of the webinar

# PUBLICATION

In 2020, MTCC issued the following web articles / information updates / press releases:

TITLE	PUBLISHING DATE
CEO's New Year Message	1 January
MTCC Recognises Outstanding Students in Forestry-Related Studies	5 March
Guidance on Auditing PEFC Certified Companies Due to Outbreak of COVID-19	14 March
Updated Guidance on Auditing PEFC Certified Companies Due to Outbreak of COVID-19	23 March
MC&I SFM - New Standard for SFM Certification Published	1 April
Use of Revised PEFC ST 2002:2020 Chain of Custody of Forest and Tree Based Products - Requirements	3 April
Revised PEFC ST 2003:2020 - Requirements for Certification Bodies Operating Certification Against the PEFC International Chain of Custody Standard and NCB 7/2020 - Procedure for PEFC Notification of Certification Bodies Operating Forest Management System or Chain of Custody Certification	3 April
Pasin FMU Awarded MTCS Certification	6 April
PEFC Guidance for Forest Management Certification Due to Outbreak of COVID-19	10 April
Survey: Impact of Movement Control Order (MCO) on Forest Management and Chain of Custody Certificate Holders	10 April
Gerenai FMU Certified Under MTCS	14 April
MTCC Photography Contest Returns This Year with More Prizes Up for Grabs	21 April
Teo Seng Paper Products Offers First PEFC Certified Egg Trays in Support of Sustainable Development Goals	30 April
Revised MTCS Technical Documents - 2020	6 May
Updated PEFC Guidance for Forest Management Certification Due to Outbreak of COVID-19	13 May
YBrS Tuan Haji Kamaruzaman Mohamad Appointed as MTCC Chairman	19 May
New MTCC Chairman's Debut Visit to MTCC	29 May
Contest Calls for Social Media Butterflies to Submit Their Best Shots on Protecting the Environment	15 June
MTCC Pays Courtesy Visit to Minister of Plantation Industries and Commodities	19 June
Extension of Transition Period for Chain of Custody (ST 2002) and PEFC Trademarks (ST 2001)	22 June
Deputy Minister of Plantation Industries and Commodities Visited MTCC	30 June

TITLE	PUBLISHING DATE
Consideration and Decision on Feedback Received During the Public Consultation on the Enquiry Draft - Review of MC&I (Natural Forest)	3 July
Introduction to MC&I Sustainable Forest Management Webinar	8 July
Giving A Voice to the People: How Forest Certification Improves Lives	13 July
Johor FMU and Sapulut FPMU Awarded MTCS Certification	14 July
MTCC Conducts Webinar on Revised Standard	22 July
Gaat-Mengiong and Entulu Melatai FMU Awarded MTCS Certification	24 July
MTCC 21st Annual General Meeting	28 July
Danum FMU Awarded MTCS Certification	12 August
Commentary: Processes Involved in Granting Certification Under the MTCS	13 August
3 Days to Go: MTCC Photography Contest 2020 Prize-Giving Ceremony Going Hybrid This Saturday	19 August
Contest Spreads the Love for Forests Among Nature-Loving, Photography Buffs	22 August
Briefing Session on Use of Revised PEFC International Chain of Custody Standard PEFC ST 2002:2020 - Chain of Custody of Forest and Tree Based Products - Requirements	1 September
Mujong-Melinau FMU Awarded MTCS Certification	2 September
Public Consultation on Re-Endorsement of the Malaysian Timber Certification Scheme by PEFC	3 September
Chain of Custody Training Course for PEFC Notified Certification Bodies Under the MTCS	8 September
MTCC Visits MTIB and MTC	8 September
Extension of Application Date of MC&I SFM and Plan for Transition	4 October
Update: Online Auditor Training Course on Forest Management Certification Under the Malaysian Timber Certification Scheme (MTCS)	5 October
Timber Trade 2020: Malaysia and Germany - Status, Challenges, Perspectives	14 October
MTCC Organises Webinar on Malaysian and German Timber Trade	28 October
MTCC Receives Award from World's Biggest Forest Certification Scheme for Outstanding Forest Certification Effort	12 November
Chain of Custody Training Course for PEFC Notified Certification Bodies Under the MTCS	19 November
PEFC Receives Highest Rating Against ASEAN RAI	30 November
PEFC Webinar: Building a Better Future with Certified Timber	3 December
Malaysia to Showcase the Role of its Forest in the Global Climate Battle at Expo 2020 Dubai	14 December
Revised PEFC Guidance for Forest Management Audit Due to COVID-19 Released	24 December

# SEEDLINKS

As part of PR efforts to reach out and keep the stakeholders updated on timber certification related information and industry developments, four quarterly e-newsletter titled SEEDLINKS have been published.



January - March



April - June



July - September



October - December

# MEDIA INTERVIEW

MTCC had two interview sessions with The Star as part of the media outreach efforts to publicise MTCC and the MTCS operation. The interviews resulted in four articles which were published in two batches, covering both print and online platforms.

The first article from the first batch titled "Ensuring a Sustainable Future for Forests and Timber" came out in print and published on The Star online on 23 December. The second article, "Pensijilan

Jadi Kunci Utama Ke Arah Keseimbangan Pemuliharaan Hutan dan Pembangunan Industri Kayu" was published on 29 December on mStar Online, the Bahasa Malaysia online portal of The Star media group. Both articles highlighted the views from the Minister of Plantation Industries and Commodities, Datuk Dr. Mohd Khairuddin Aman Razali and MTCC Chairman, Kamaruzaman Mohamad on how the MTCS and certification play a key role in finding the balance between forest conservation and timber industry development.



The Star, 23 December 2020

# MEDIA COVERAGE

The various PR initiatives have resulted in the publications of print and online media editorials and special feature reports on MTCC and the MTCS.

The positive contents delivered by the following media have helped MTCC in reaching out to its stakeholders and the public to foster a better understanding on the importance of certification in sustainable forest management.

## INTERNATIONAL PUBLICATIONS:

- BM Online
- Business & Diplomacy
- Business Presse
- Connektar
- Cripton24 De
- Eco Business
- Energie Pr Gateway
- Energy Forum
- Forstpraxis
- Holzforum Online
- Inar Presseportal

- IndustrieTreff
- International Forest Industries
- Internet Intelligenz
- News Hub Asia
- News Nachrichten
- News Ablage
- Open PR
- Orrisa International
- Panels and Furniture Asia
- Presseportal: Presse-Board
- Sjn De
- Umwelt Panorama
- Vanguard Weekly
- Zukunftinnovation

## Local Publications:

- 1Media.My
- Bebas News
- Bernama MREM
- EdisiViral.com
- Kita Reporters
- mStar Online
- Sin Chew Daily
- Suara Merdeka
- The Star
- Wilayah Ku



A photograph of a dense forest floor covered in thick green moss. Large, gnarled tree roots are prominent in the foreground and middle ground. The background shows a misty or hazy forest canopy with sunlight filtering through. The image is overlaid with a semi-transparent blue triangle in the top right and a semi-transparent green triangle in the bottom right. The text 'PEFC RELATED ACTIVITIES' is centered in white, bold, sans-serif font.

# PEFC RELATED ACTIVITIES

## PEFC RELATED ACTIVITIES

As the National Governing Body for the implementation of the MTCS which is a PEFC endorsed scheme, MTCC participates actively in PEFC related activities which included the PEFC Members Meeting, Technical Working Group meetings for both forest management and chain of custody as well as the PEFC Annual General Assembly. Apart from providing inputs to enrich the processes, participation in these meetings was crucial to ensure that the challenges and constraints faced by the MTCS were expressed so that they could be considered in the discussions on PEFC's policy, technical and guidance documents, and other administrative matters.

Participation in the above meetings also provided MTCC the avenue and forum for more interaction, communication and sharing of experiences between national members, as well as between PEFC International and the national members on any important issues that need further deliberation.

## PEFC MEMBERS MEETING

The PEFC Members Meeting, scheduled to be held in Geneva at the end of March, came in the beginning of the lockdown in many countries due to the COVID-19 pandemic. PEFC had to make drastic adjustment to move the meeting online and organised it from 31 March to 7 April. The online platform turned out to be a positive one as it enabled more employees of the members to attend the various sessions. The virtual Members Meeting also marked a successful start for PEFC to organise more online meetings in the context of the new normal.

Besides the usual PEFC International updates, members deliberated on matters related to Indicators to measure progress on PEFC Strategy, outreach for new Chain of Custody standard, as well as the development of a new PEFC Information and Registration System that would replace Radix system.

## PEFC FOREST CERTIFICATION WEEK AND GENERAL ASSEMBLY

In view of the global COVID-19 pandemic restricting travel and conduct of physical meeting, the PEFC Forest Certification Week and General Assembly which was initially scheduled to be held in Dublin, Ireland from 9 to 13 November 2020 was conducted virtually for the first time.

The pandemic had provided PEFC and its members the opportunity to explore new horizons for online presentations and meetings, and afforded more participants from each member country and International Stakeholder Members (ISMs) in the live announcement of the 2020 PEFC Photo Contest winners, trainings, discussions and virtual coffee break chats. The platform had drawn the PEFC alliance closer even though they were physically far apart.

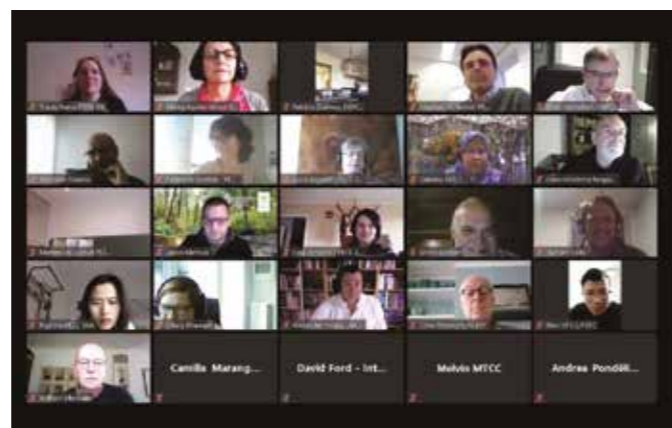
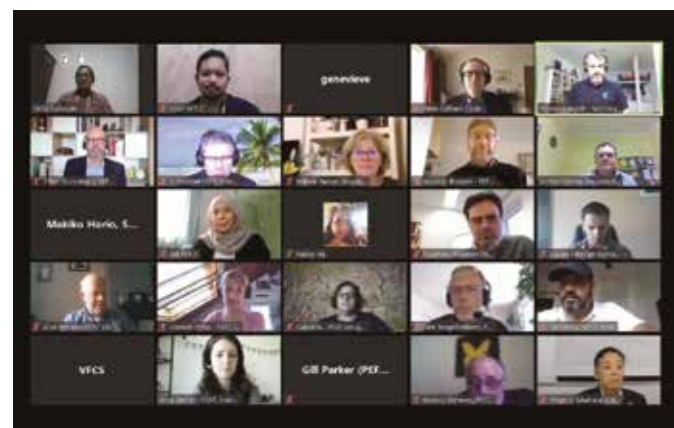
In this connection, it was a blessing in disguise for MTCC because the online platform had enabled the participation of MTCC Chairman Kamaruzaman Mohamad, CEO Yong Teng Koon and all executive staff as against the usual physical conduct where each organisation will be represented by only two participants.

Among the meeting's key highlights were the following achievements by MTCC:



All MTCC executive staff took part in the PEFC Forest Certification Week

- (i) **Photographer of the Year** - The winners of the 2020 PEFC Photo Contest were announced through Facebook Live on 10 November. The Photographer of the Year Award went to Keril Chairil for his beautiful image titled 'Morning Activities', taken at Situ Gunung Lake in West Java, Indonesia. The image captures the magical atmosphere at the forest lake in the early morning, and the link between humans and the forest. One of the MTCC Photo Contest winners, Tuan Aufa Tuan Othman was amongst the top 12 winners.



PEFC Members Meeting in progress



- (ii) **PEFC Awards** - MTCC took gold for the biggest increase in certified forest area, followed by NCCF (India) and KFCC (South Korea). The first place for chain of custody went to PEFC Spain, followed by PEFC Czech Republic and CFCC (China). The award was virtually received by MTCC Chairman.

## 25TH PEFC GENERAL ASSEMBLY (11 NOVEMBER 2020)

The 25th PEFC General Assembly (GA) was attended by 45 national members and 16 ISMs.

Prior to the commencement of the General Assembly, the President of the PEFC International Stakeholder Member, and Building and Wood Worker's International (BWI), Per-Olaf Sjöo, delivered a keynote speech on the challenges of the pandemic. Besides welcoming the social requirements, he highlighted a living wage recently added by PEFC to its standards, and the setting out of some new opportunities for development and cooperation on social issues, seen from the workforce perspective.

The GA made the following key decisions:

- (i) Approved the Budget and Membership Fees for 2021. Under the approved budget, MTCC is required to pay a total of **99,315 CHF** which is an increase of 3,365 CHF or 5.93% as compared to the budget for 2020.
- (ii) Approved the election of Riikka Joukio as PEFC 2nd Vice Chairman (2020-2023); re-election of Peter Crook (2020-2023) and Mohamed Nurudeen Iddrisu (2020-2023) as members of the Board; and Fatimah Mohammad (2020-2021), Lena Ek (2020-2023) and Sarah Khatib (2020-2023) as new members of the Board.
- (iii) Approved "the Association for Sustainable Forest Management, Forest Products and Services Certification" as the PEFC National Governing Body member for Turkey; "the Association of Private Forest Owners "Naša Šuma"" as the PEFC National Governing Body member for Bosnia and Herzegovina; and UPM Kymmene Corporation as a PEFC International Stakeholder Member.
- (iv) Agreed to hold the 26th PEFC GA in Dublin, Ireland on 17 November 2021.

## PEFC Working Group Meeting

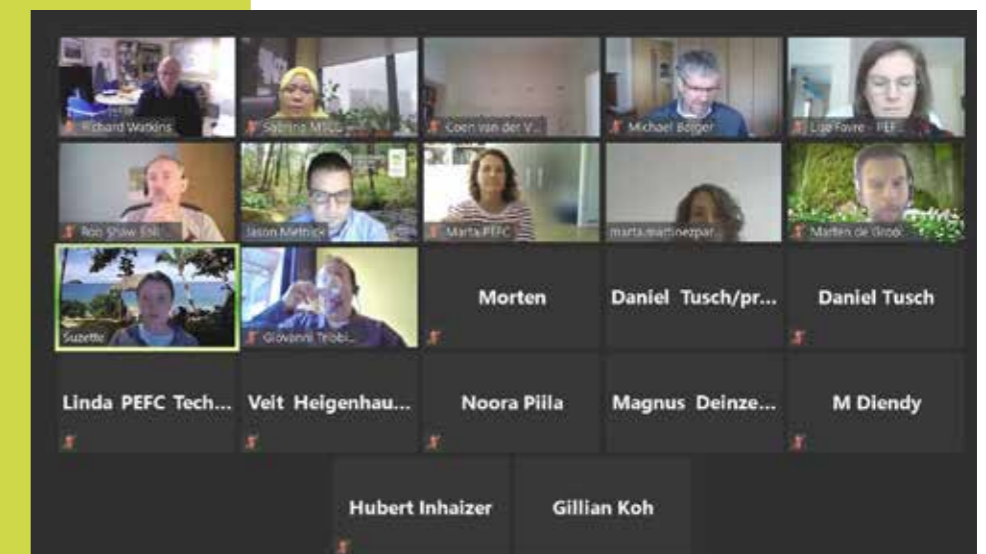
MTCC continued to participate actively in two working groups (WG) which pursued development and maintenance of international standards for sustainable forest management, chain of custody and PEFC trademark.

Following the approval of the PEFC ST 2001 Chain of Custody of Forest and Tree Based Products - Requirements and PEFC ST 2002 PEFC Trademarks Rules - Requirement (known as PEFC ST 2020 standards) by the PEFC General Assembly on 17 January, a new PEFC Chain of Custody and Trademark Usage Working Group (CoC and Trademark WG) was established by PEFC. The main objective of the CoC and Trademark WG is to provide guidance on the implementation and interpretation of PEFC 2020 standards and to continue the development of the CoC guidance document. MTCC Manager (Product), Sabrina Mawasi was appointed as a member of this WG and participated in its first meeting on 1-2 October via online.

MTCC Senior Manager (Forest Management), Siti Syaliza Mustapha continued to represent MTCC as a member of the WG on Sustainable Forest Management (WG SFM) and participated in the second meeting of the WG held via web conferencing on 7-8 December. The WG SFM was formed in 2019 to continue the development of PEFC's sustainable forest management approach and the provision of guidance on the implementation and interpretation of PEFC's benchmark standards for forest management certification, PEFC ST 1003, Sustainable Forest Management - Requirements and PEFC ST 1002, Group Forest Management Certification - Requirements.



Siti Syaliza Mustapha is MTCC's representative in the WG SFM



Sabrina Mawasi represents MTCC in the CoC and Trademark WG

A large, intricate spider web is the central focus, stretching across the frame. The web is composed of many fine, concentric spiral turns and radial lines, creating a complex geometric pattern. It is set against a background of lush green foliage, including large, heart-shaped leaves with prominent veins. A small, dark butterfly is perched on one of the leaves in the lower right quadrant. The lighting is soft and natural, highlighting the delicate structure of the web. The overall composition is layered with semi-transparent geometric shapes in shades of green and yellow, adding a modern, abstract feel to the natural scene.

COOPERATION

## COOPERATION

# SEVENTEENTH MEETING OF APEC'S EXPERT GROUP ON ILLEGAL LOGGING AND ASSOCIATED TRADE

The Asia-Pacific Economic Cooperation (APEC) Expert Group on Illegal Logging and Associated Trade (EGILAT) was created in 2011 with the goal to enhance the efforts of member economies in taking concrete steps to combat illegal logging and the associated trade, promote trade of legally harvested forest products and support capacity building activities.

EGILAT meets biannually and seeks to identify the various issues faced by private sector entities throughout the timber supply chain in trading legally harvested forest products and in particular:

- (i) The existing resources or materials that are available to help private sector entities in trading legally harvested forest products

- (ii) Potential actions that could be undertaken by APEC economies (on an individual and collective basis) and other parties (including the private sector, civil societies and international organisations) to support the trade of legally harvested forest products.

The 17th Meeting of EGILAT was held on 6-7 February in Putrajaya to discuss the progress on the implementation of a two-year policy themed "Advancing the trade and distribution of legally harvested forest products." Besides the 12 member economies, a number of Non-Member Participants (NMPs) including the International Tropical Timber Organisation (ITTO), International Wood Products Association (IWPA), European Forest Institute (EFI) and the Wildlife Trade Monitoring Network (TRAFFIC) were also present.



Participants of the workshop

The meeting was updated on the progress of activities implemented under the policy which included two workshops, a stakeholder's survey and the development of a compendium of resources, among others. The meeting was also updated by three economies namely Malaysia, South Korea and New Zealand on their respective domestic work to combat illegal logging. During a cross-fora information exchange with several regional and international organisations, MTCC CEO, Yong Teng Koon, on behalf of PEFC, shared on PEFC's capacity building activities which involved the APEC Secretariat and highlighted

the opportunities for APEC economies to utilise certification to promote legal timber trade.

A preceding workshop was held on 4-5 February in which MTCC provided an overview on certification as a mechanism to facilitate legal timber trade. The workshop concluded that there is a need to engage industry players in designing and implementing legality measures, as well as the importance of capacity building among small and medium-sized enterprises (SMEs) in order for them to understand and participate in legal timber trade.



MTCC CEO, Yong giving an update on the MTCS during the workshop



A person wearing a blue shirt, blue pants, a blue cap, and an orange backpack stands in a forest of tall, thin trees. The ground is covered in dry leaves. The text "SIGNIFICANT EVENTS" is overlaid in white, with a reflection effect below it. On the right side, there are two overlapping geometric shapes: a blue triangle pointing down and an orange triangle pointing up.

# SIGNIFICANT EVENTS



## SIGNIFICANT EVENTS

# KAMARUZAMAN MOHAMAD APPOINTED AS MTCC CHAIRMAN

MTCC welcomed Kamaruzaman Mohamad as the new Chairman of MTCC with effect from 11 May. He succeeds Datuk K. Yogeesvaran who held the post from 27 July 2018 to 1 April 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 three 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 CEO, Yong welcomed Kamaruzaman Mohamad's first visit to MTCC*

# COURTESY VISIT TO MINISTER OF PLANTATION INDUSTRIES AND COMMODITIES

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

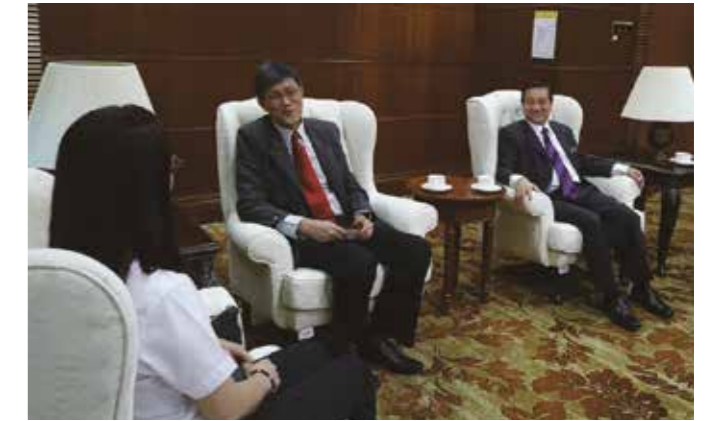
YB Dato' Dr. Mohd Khairuddin graciously spent an hour with the team and was briefed by MTCC

CEO, Yong Teng Koon 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.



MTCC CEO, Yong giving the briefing to YB Dato' Sri Dr. Wee Jeck Seng



# BRIEFINGS TO DEPUTY MINISTERS OF PLANTATION INDUSTRIES AND COMMODITIES

In June, the two Deputy Ministers of Plantation Industries and Commodities (MPIC) were briefed by MTCC on the roles and functions of the Council as well as the various challenges and issues faced in implementing the MTCS.

YB Dato' Sri Dr. Wee Jeck Seng was briefed by MTCC CEO, Yong Teng Koon during a courtesy visit by the CEO at the former's office in Putrajaya on 10 June.

YB Tuan Willie Mongin accompanied by an entourage from MPIC comprising Senior Under Secretary, Timber, Tobacco and Kenaf Development Division (KTK), S. Letchumanan

Shanmugam, and Senior Principal Assistant, KTK Division, Eleine Juliana Malek were given a briefing during their visit to the MTCC office on 30 June.



Briefing in progress



YB Minister presenting the chairmanship appointment letter to MTCC Chairman, Kamaruzaman Mohamad



Briefing in progress



From left: Senior Under Secretary, KTK Division, S. Letchumanan Shanmugam, MTCC Chairman, Kamaruzaman Mohamad, YB Tuan Willie Mongin, MTCC CEO, Yong and Senior Principal Assistant, KTK Division, Eleine Juliana Malek

# VISITS TO MTIB AND MTC

MTCC Chairman, Kamaruzaman Mohamad led the MTCC management team to visit the Malaysian Timber Industry Board (MTIB) and the Malaysian Timber Council (MTC) at Menara PGRM in Cheras, Kuala Lumpur on 8 September.

The visits were aimed at strengthening the relationships between MTCC, MTIB and MTC, as well as discussing the potential for further collaborations amongst the three agencies towards advancing the forestry sustainability agenda and timber sector in Malaysia.

During the visit to MTIB, the MTCC management team was briefed on MTIB's operations by its Director General, Mohd Kheiruddin Mohd Rani while at MTC, the team was welcomed by its Chairman, Mazli Zakuan Mohd Noor and enlightened on MTC's roles and functions by its acting CEO, Wong Kah Cane. The team also visited the MTC Timber Gallery during the trip.



One for the album: The MTCC team with the MTIB management team



A get-together with the MTC family



Briefing in progress



Meeting at MTC



MTCC Chairman, Kamaruzaman Mohamad leads the team during the visits



Visit to the MTC Timber Gallery



KTK Senior Under Secretary, Pubadi Govindasamy with MTCC CEO, Yong

# KTK Division Officers Visited MTCC

A management team from the Timber, Tobacco and Kenaf Development Division (KTK), Ministry of Plantation Industries and Commodities visited MTCC on 15 September.

Led by its Senior Under Secretary, Pubadi Govindasamy, the team also comprised Principal Assistant Secretary, Jackson Rao Devadas and Assistant Secretary, Emilia anak Gunggu.

The team's visit was aimed at understanding MTCC's roles and functions as well as strengthening working relationship between the two organisations. They were briefed by MTCC CEO, Yong Teng Koon on the Council and its operations as well as the various issues and challenges faced in implementing the MTCS.



MTCC CEO, Yong briefing the KTK team

## MTCC Organised / Coordinated the Following Local Events in 2020

EVENTS	DATE	VENUE
Briefing Session on Use of PEFC ST 2002 2013 to Fima Instanco Sdn. Bhd.	9 January	Bangi, Selangor
Presentation of CoC Certificate to Teo Seng Paper Products Sdn. Bhd.	12 March	Yong Peng, Johor
MTCC Photography Contest	10 April - 6 July	Kuala Lumpur
Webinar: Introduction to MC&I Sustainable Forest Management	21 July	Kuala Lumpur
MTCC Photography Contest: Winner Announcement and Virtual Gallery Tour	22 August	Kuala Lumpur
Briefing Sessions on Revised PEFC International 2020 Standards	10 September	Kuala Lumpur
Briefing Sessions on Revised PEFC International 2020 Standards: Chapter by Chapter	21 - 25 September	Kuala Lumpur
Briefing to Kelantan State Forestry Committee on MTCS	22 September	Kota Bharu, Kelantan
Workshop on Forest Certification Process and Implementation in Peninsular Malaysia	28 - 29 September	Kuala Lumpur
Online Auditor Training Course on Forest Management Certification	13 - 15 October	Kuala Lumpur
Webinar on Malaysia-Germany's Timber Trade 2020	27 October	Kuala Lumpur
Chain of Custody Training Course for PEFC Notified Certification Bodies	9 - 10 December	Kuala Lumpur

## MTCC Participated in the Following International Events in 2020

EVENTS	DATE	VENUE
EGILAT Workshop: Advancing Trade and Distribution of Legally Harvested Forest Products in the APEC Region	4 - 5 February	Putrajaya
Seventeenth Meeting of APEC's Expert Group on Illegal Logging and Associated Trade	6 - 7 February	Putrajaya
PEFC Members Meeting	31 March - 7 April	Online
Webinar on Forest Certification by NCCF (Network for Certification and Conversation of Forests)	19 May	Online
PEFC International CoC Pool of Experts Programme	8, 9, 12 June	Online
Study on Certification and Verification Schemes in the Forest Sector and for Wood-based Products	18 June	Online
Creating Impact Through Responsibly Sourced Packaging	23 June	Online
PEFC Chain of Custody and Trademark Usage Working Group Meeting	1 - 2 October	Online
Sustainable Forest Management Working Group Meeting	7 - 8 December	Online



### MTCC Participated in the Following Local Events in 2020

EVENTS	DATE	VENUE
Perbincangan berkenaan dengan cadangan Malaysian Sustainable Natural Rubber Guideline	13 January	Kuala Lumpur
Majlis Perasmian Melaka Wood & Lifestyle Fair 2020	16 January	Melaka
Mesyuarat Penyediaan Maklumat Bagi Penerbitan Buku "The State of Malaysia Forest"	30 January	Kuala Lumpur
Mesyuarat National Mirror Committee berkenaan Kayu (ISO/TC 2018) Bil. 1/2020	11 February	Cyberjaya
Taklimat Mengenai Cukai Jualan dan Perkhidmatan (SST) Kepada Pihak Industri Perindustrian Malaysia	17 February	Putrajaya
Seminar on National Actions Plans on Business and Human Rights	28 February	Kuala Lumpur
Mesyuarat Penetapan Hala Tuju Dan Program Pembangunan Kendiri Tahun 2020 MPI Dengan Kerjasama IMPAC	29 February - 1 March	Melaka
Mesyuarat Jawatankuasa Khas Bagi Menangani Kempen Antipersaingan Pasaran Produk Komoditi	13 March	Putrajaya
Webinar: Good Regulatory Practice (GRP): Understanding Malaysian Regulations Part 1	16 April	Online
Webinar: Good Regulatory Practice (GRP): Understanding Malaysian Regulations Part 2	23 April	Online
Webinar Biodiversiti Kebangsaan	21 May	Online
Project REDD+, Green Climate Fund: REDD Plus Safeguards	28 May	Online
Mesyuarat Jawatankuasa Teknikal Laporan Penemuan 1 - Kajian Semula Pelan Induk Rangkaian Ekologi Central Forest Spine (CFS)	15 June	Online
Mesyuarat Jawatankuasa Teknikal Projek TPIKM: Capacity Building for Compliance with Requirement for Certification Under MTCS. Bil. 1 Tahun 2020 (10)	23 June	Online
MyHijau Mark Online Business Clinic Year 2020	24 June	Online
Wildlife Study Group Webinar - Should indigenous people be allowed to hunt Wildlife?	25 June	Online
Sesi Konsultasi Dasar Perhutanan Malaysia Dan Dasar Perhutanan Semenanjung Malaysia 2020	29 June	Putrajaya
Sesi Perundingan Projek REDD Plus, Green Climate Fund: REDD Plus Safeguards	8 - 10 July	Putrajaya
Sesi Taklimat Mengenai Skim Authorised Economic Operator (AEO) Oleh Jabatan Kastam Diraja Malaysia	22 July	Online
Mesyuarat Kemajuan Pembangunan Indikator SDG Kluster 4 - Environment & Natural Resources	28 August	Putrajaya

### MTCC Participated in the Following Local Events in 2020

EVENTS	DATE	VENUE
Seminar Aplikasi Buluh Dalam Industri Pembinaan dan Majlis Menandatangani Memorandum Perjanjian (MOA) antara MTIB, Bamboo Jungle Adventures (BJA), Kerajaan Terengganu dan Golden Pharos Berhad (GP)	29 August	Terengganu
Majlis Pelancaran & Perasmian Program Perladangan Komoditi	7 September	Kuala Pilah, Negeri Sembilan
Lawatan Kerja dan Taklimat Mengenai Pelaksanaan Skim Pensijilan Kayu Malaysia (MTCS) Bagi Negeri Kelantan	22 September	Kota Bharu, Kelantan
Bengkel Konsultasi Dasar Agrikomoditi Negara	23 September	Putrajaya
Seminar on MTCS Organised by Samling Sdn. Bhd.	25 September	Miri, Sarawak
Mesyuarat Jawatankuasa Pemandu Kajian DAKN 2021-2030 Bil. 1/2020	29 September	Putrajaya
Mesyuarat Persediaan Pensijilan Pengurusan Hutan bagi FMU Kedah dan Kelantan	2 October	Kuala Lumpur
Discussion on United Kingdom due diligence on forest risk commodities	2 October	Putrajaya
Mesyuarat Berkenaan Joint Certification Assessment Tool (CAT) Analysis on Malaysian Criteria and Indicator for Sustainable Forest Management (MC&I SFM) and Malaysian Sustainable Palm Oil (MSPO)	8 October	Putrajaya
Mesyuarat Jawatankuasa Teknikal Laporan Penemuan II bagi Kajian Semula Pelan Induk Rangkaian Ekologi - Central Forest Spine (CFS)	14 October	Online
Sesi libat urus KPPK bersama Kementerian Tenaga dan Sumber Asli (KETSA) untuk kajian DAKN 2021-2030	20 November	Putrajaya
Mesyuarat Jawatankuasa Khas Bagi Menangani Kempen Antipersaingan Pasaran Produk Komoditi Bilangan 2 Tahun 2020	30 November	Online
Discussion on Issues Regarding Malaysian Wood-Based Industry	14 December	Kuala Lumpur
Mesyuarat Mengenai Isu Berkaitan Lesen dan Permit Perhutanan oleh MFC	18 December	Putrajaya
Mesyuarat Jawatankuasa Teknikal Projek TPIKM: Capacity Building for Compliance with Requirement for Certification under MTCS Bil. 2 Tahun 2020 (11)	23 December	Online

The image features a lush forest scene with a dirt path leading into the distance. Sunlight filters through the trees, creating a warm, golden glow. Two people are walking away from the viewer on the path, holding hands. The right side of the image is partially obscured by large, overlapping geometric shapes in shades of yellow, orange, and brown. The text 'FINANCIAL STATEMENT' is centered in the middle of the image, in a white, bold, sans-serif font with a slight reflection effect below it.

# FINANCIAL STATEMENT

# FINANCIAL STATEMENT

## Statement of Financial Position as of 31 December 2020

	2020 RM	2019 RM
<b>ASSETS</b>		
<b>Non-current asset</b>		
Property, plant and equipment	2,159,943	2,158,944
<b>Current assets</b>		
Trade and other receivables	117,239	116,491
Held for trading investments	87,512,433	80,720,642
Deposits	8,210,243	12,661,743
Cash and bank balances	1,294,945	383,934
<b>Total current assets</b>	<b>97,134,860</b>	<b>93,882,810</b>
<b>TOTAL ASSETS</b>	<b>99,294,803</b>	<b>96,041,754</b>
Endowment fund	84,000,000	84,000,000
Accumulated fund	14,039,571	10,717,520
<b>Total equity</b>	<b>98,039,571</b>	<b>94,717,520</b>
<b>Current liabilities</b>		
Sundry payables and accruals	397,108	558,979
Retirement benefit obligations	372,708	-
Current tax liability	-	18,988
<b>Total liabilities</b>	<b>769,816</b>	<b>577,967</b>
<b>Non-current liability</b>		
Retirement benefit obligations	485,416	746,267
<b>Total Liabilities</b>	<b>1,255,232</b>	<b>1,324,234</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>99,294,803</b>	<b>96,041,754</b>

## Statement of Profit or Loss and Other Comprehensive Income for the Year ended 31 December 2020

	2020 RM	2019 RM
Revenue	531,679	102,253
Direct costs	(1,119,347)	(1,079,509)
Gross loss	(587,668)	(977,256)
Other income	7,083,087	10,316,696
Administrative and general expenses	(3,139,104)	(3,426,835)
(Deficit) / Surplus before tax	3,356,315	5,912,605
Tax expense	(34,264)	-
<b>(Deficit) / Surplus for the year</b>	<b>3,322,051</b>	<b>5,912,605</b>
Other comprehensive income	-	-
Total comprehensive (deficit) / income for the year	3,322,051	5,912,605





**MALAYSIAN TIMBER  
CERTIFICATION COUNCIL**

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