



**Australian Government**  
**Department of Agriculture,  
Water and the Environment**



**Malaysian Government**  
**Ministry of Plantation  
Industries & Commodities**

# **Country Specific Guideline for Malaysia**

## **Part 2 of 3: Sabah**

This guideline has been prepared by the Australian Government and the Malaysian Government. It is intended to assist businesses importing regulated timber products from Malaysia into Australia in understanding the regulatory framework in Malaysia in order for them to carry out their due diligence obligations under the Illegal Logging Prohibition Regulation 2012, which supports the Illegal Logging Prohibition Act 2012.

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## 1 What is required under Australia's Illegal Logging Laws?

Australia's Illegal Logging Prohibition Regulation 2012 (the Regulation) prescribes due diligence for businesses importing 'regulated timber products' and for Australian processors of domestic raw logs. Under the Regulation, importers and processors have to undertake due diligence to minimise the risk of sourcing illegally logged timber.

The due diligence requirements for importers include the following steps:

- Step 1:** Establish and maintain a due diligence system.
- Step 2:** Gather information about the timber in the product that is being imported.
- Step 3:** Assess the risk (using one of the three methods outlined in the Regulation).
- Step 4:** Risk mitigation (if required).
- Step 5:** Keep records.

Further information about the Regulation and the due diligence requirements is available at the Australian Government Department of Agriculture, Water and the Environment website ([www.agriculture.gov.au/illegallogging](http://www.agriculture.gov.au/illegallogging)).

## 2 How to use the Country Specific Guideline (CSG)

The forestry and timber industry in Malaysia is governed by laws, regulations and institutional arrangements in the three regions; Peninsular, Sabah and Sarawak. Therefore, the CSG is divided into three separate parts:

Part 1: Peninsular

Part 2: Sabah

Part 3: Sarawak

This three-part CSG is intended to assist an importer of regulated timber products from Malaysia to Australia to comply with the due diligence requirements of the Regulation.

An importer must gather information about the product in accordance with section 10 of the Regulation, this includes gathering information or evidence contained in this CSG.

Information listed in this CSG is not an exhaustive list of evidence or documentation required to satisfy the due diligence requirements under the Regulation.

The information gathered by applying this CSG, along with any other information gathered in accordance with the Regulation, needs to be assessed in accordance with the processes outlined in section 12 of the Regulation (including considering any other information the importer knows, or ought reasonably to know, but is not contained in the CSG), to identify the risk that a regulated timber product is, is made from, or contains illegally logged timber. All data included in this document is the most current as available at time of publishing.

## 2.1 Development of the CSG

The development of the CSG was undertaken by a working group which comprised members from the following Ministries, departments, agencies and councils, and trade associations.

Ministries
Ministry of Primary Industries and Commodities (MPIC) Ministry of Water, Land and Natural Resources (KATS) [Formerly known as Ministry of Natural Resources and Environment (NRE)] Ministry of International Trade and Industry (MITI) Ministry of Urban Development and Natural Resources (MUDeNR), Sarawak [Formerly known as Ministry of Resource Planning and Environment, Sarawak]
Departments, Agencies and Councils
Forestry Department Peninsular Malaysia (FDPM); Sabah Forestry Department (SFD); Forest Department Sarawak (FDS); Malaysian Investment Development Authority (MIDA); Malaysian Timber Industry Board (MTIB); Sarawak Timber Industry Development Corporation (STIDC); Malaysian Timber Council (MTC); Malaysian Timber Certification Council (MTCC); Sarawak Forestry Corporation (SFC); and Harwood Timber Sdn. Bhd. (HTSB).
Trade Associations
Malaysian Panel-Products Manufacturers' Association (MPMA); Malaysian Wood Industries Association (MWIA); Malaysian Furniture Council (MFC); Association of Malaysian Bumiputera Timber and Furniture Entrepreneurs (PEKA); The Timber Exporters' Association of Malaysia (TEAM); Malaysian Wood Moulding and Joinery Council (MWMJC); Malaysia Pulp and Paper Manufacturers Association (MPPMA); Sarawak Timber Association (STA); Sabah Timber Industries Association (STIA); and Timber Association of Sabah (TAS).

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The CSG has been subjected to several consultations with relevant stakeholders groups in Malaysia at national and regional levels.

Malaysia and Australia have agreed in bilateral discussions that the CSG forms the basis for compliance with the due diligence requirements as set out in the Regulation.

### **3 Scope of the CSG for Malaysia**

This CSG provides detailed information on the control of pathways for timber harvested and then processed/ manufactured in Malaysia and informs Australian importers of what is considered legal timber. It is also only applicable for timber products with a Malaysian origin of harvest, directly exported from Malaysia to Australia.

#### **3.1 Timber harvested outside of Malaysia**

There may be timber, forest products or products which contain timber, wholly or in-part, which was harvested in another country, before it was imported into Malaysia. Any product that contains timber that was harvested, processed, manufactured, or exported outside of Malaysia is out of scope of the CSG.

While these products are not in-scope of this CSG, the information contained in this document may assist importers in conducting due diligence using either the timber legality framework or the regulated risk factors pathways detailed in section 11 and section 13 respectively of the Regulation.

## 4 Overview of Forest Management in Malaysia

Malaysia is a tropical country that covers an area of about 33 million hectares consisting of 3 regions: Peninsular Malaysia, the state of Sabah and Sarawak. Malaysia regards its natural forest resources as an important and valuable resource that contributes significantly towards the country's economy and environmental well-being. As such, Malaysia is committed to ensure at least 50% of her land area remain as forest and adhered to the Principle of Sustainable Forest Management (SFM). In addition, Malaysia encourages SFM through forest certifications which among others include the Malaysian Timber Certification Scheme (MTCS), Programme for the Endorsement of Forest Certification (PEFC) and other internationally recognised schemes. These schemes continuously support the trade in timber and timber products that use wood originating from sustainable and legal sources that take into account the environmental, social and economic aspects of SFM.

Generally, there are 3 categories of forest: Permanent Reserved Forest (PRF)/ Permanent Forest Estates (PFE), state land forest and alienated land. The management of the forestry sector is governed under the National Forestry Policy and laws which has stringent forest laws and regulation to monitor and enforce forest related activities.

In Peninsular Malaysia, the Forestry Department Peninsular Malaysia (FDPM) and respective state forestry departments are responsible for the management of PRF. The state forestry departments have control over the removal of timber from state land and alienated land forest. This is regulated by the National Forestry Act 1984 and guided by the National Forestry Policy 1978 (revised 1992). The Malaysian Timber Industry Board (MTIB) is the licensing authority for Peninsular Malaysia in issuing export and import licence for timber and timber products.

In Sabah, the Sabah Forestry Department (SFD) is responsible for forest management, control of harvesting operations, royalty payment requirements as well as issuance of export and import licence in line with the Forest Enactment 1968, Forest Rules 1969, Forest Timber Enactment 2015 and Forest (Timber) (Registration) Regulations 2017.

In Sarawak, the Forest Department Sarawak (FDS) and the Sarawak Forestry Corporation (SFC) are responsible for forest management. This is regulated by the Forests Ordinance, 2015 (Cap. 71). Sarawak Timber Industry Development Corporation (STIDC) is the licensing authority to issue export and import licences for timber and timber products in Sarawak.

MTIB, SFD and STIDC are the respective licensing authorities for Peninsular, Sabah and Sarawak for issuing export and import licences for timber and timber products, as provided for under Schedule 2 of the Customs (Prohibition of Exports) Order 2017 and Customs (Prohibition of Imports) Order 2017. For timber products listed by the *Convention of International Trade in Endangered Species of Wild Fauna and Flora* (CITES), a CITES export or re-export permit issued by MTIB for Peninsular and Sabah, and FDS for Sarawak, can be considered as having fulfilled the applicable national and CITES requirements.



## 5 Timber products exported to Australia

Australia is one of Malaysia's most important markets for timber and timber products. [Table 2.1](#) provides a list of regulated timber products. These span across four Customs HS codes: namely 44, 47, 48 and 94. For the full list of regulated timber products subject to due diligence requirements refer to [Schedule 1 to the \*Illegal Logging Prohibition Regulation 2012\*](#).

**Table 2.1 - List of Regulated Timber Products exported from Malaysia to Australia (HS Code)**

Chapters	Headings	Description
44 – Wood and articles of wood	4407	Wood sawn or chipped lengthwise
	4408	Sheets for veneering
	4409	Wood, continuously shaped, not assembled
	4410	Particleboard
	4411	Fibreboard
	4412	Plywood, veneered panels and similar laminated wood
	4413	Densified wood
	4414	Wooden frames
	4418	Builders' joinery and carpentry, assembled wood panel
47 – Pulp of wood or of other fibrous cellulosic material	4701	Mechanical wood pulp
	4702	Chemical wood pulp, dissolving grades
	4703	Chemical pulp, soda or sulphate
	4704	Chemical wood pulp, sulphite
48 – Paper and paperboard; articles of paper pulp, of paper or of paperboard	4801	Newsprint, in rolls or sheets
	4802	Uncoated paper and paperboard
	4809	Carbon paper, self copy paper
	4811	Paper, paperboard
	4813	Cigarette paper
	4817	Envelopes, letter cards, plain postcards and correspondence cards

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Chapters	Headings	Description
	4818	Toilet paper, handkerchiefs, cleansing tissues towels tablecloths, serviettes, napkins for babies, tampons bed sheets, sanitary or hospital articles
	4819	Cartons, boxes, cases, bags and other packaging
	4820	Registers, account books, note books, order books, receipt books, letter pads, memorandum pads, diaries, and similar articles, exercise books
	4823	Other paper, paperboard
94 – Furniture & prefabricated buildings	9401	Furniture
	9403	
	9406	Prefabricated buildings

## 6 Law and regulations governing harvesting

### 6.1 Legal requirements for timber harvesting

Timber harvesting in PFE, state land and alienated land is regulated by the following regulations:

- (i) Forest Enactment, 1968; and
- (ii) Forest Rules, 1969.

### 6.2 Approval of harvesting area

In order for an organisation or company to obtain the right to harvest, it must fulfil the following requirements:

- (i) An organisation or company shall obtain an approval of harvesting rights for the specified area.
- (ii) The area under the license for harvesting shall not include areas with Native Customary Rights.

### 6.3 Alienated land

For alienated land, an organisation or company must fulfil the following requirements:

- (i) The organisation or company shall have a valid land title or a letter of confirmation on the status of the land application from the Assistant Collector of Land Revenue.
- (ii) The organisation or company shall have receipt of payment of land premium.

### 6.4 Harvesting licence

Prior to issuing a harvesting licence, the following requirements must be fulfilled:

- (i) The organisation or company shall obtain a letter of approval from the Natural Resources Office (NRO) for issuing a harvesting licence.
- (ii) The organisation or company shall have a valid harvesting licence or coupe permit.

Harvesting licence can be in a form of **Sustainable Forest Management Licence Agreement (SFMLA)** or **Long Term Licence Agreement (LTL)** (see [Attachment 2.1](#)), **Form I Licence** (see [Attachment 2.2](#)), or **Form IIB** in the case of timber from alienated land (see [Attachment 2.3](#)).

### 6.5 Annual Work Plan and Comprehensive Harvest Plan (CHP)

PFE are subject to the following requirements:

- (i) The licensee (SFMLA/LTL) shall have an approved Annual Work Plan (AWP) containing maps and description of the areas and types of operations to be carried out during the year and approved by SFD.
- (ii) The licensee shall have a Comprehensive Harvesting Plan (CHP) containing the total and net production areas; harvesting volumes, diameter, limits, species and protected areas approved by SFD.

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- (iii) CHP shall comply with the Reduced Impact Logging (RIL) Operation Guide Book requirements for harvesting and operations (roads, skid trails and log landings density and location, harvestable tree marking and stream buffer zones identification).
- (iv) The CHP shall be developed by a registered CHP contractor.

## 6.6 Control of harvesting operations

There are various controls over timber harvesting operations in Sabah depending on the land status. For timber extracted from a licence involving PFE, state land and alienated land, all licensees must adhere to the following conditions as stipulated in the licence conditions:

- (i) A licensee must register a Property Hammer Mark (PHM), with the PHM stamped at the end of each log produced.
- (ii) A licensee must incise each extracted log with a serial number.
- (iii) A logging contractor must be registered with the SFD prior to commencing operations.

For an area involving PFE and state land, only a licenced area is allowed for timber harvesting. For alienated land, timber can be felled for land clearance for agricultural purposes as the land is alienated land, but no timber can be removed without royalty payment and with proper markings and thereafter issuance of Form IIB licence.

For timber extracted from Forest Reserves, additional harvesting control is imposed on the employment of Reduced Impact Logging (RIL). The operation will be guided by the approved Comprehensive Harvesting Plan (CHP) which guide on meeting road alignment and construction, directional felling and the mapping of trees to be harvested.

Other harvesting operation controls include:

- (i) The requirement to prepare daily harvesting records.
- (ii) Submission of Quarterly Logging Progress Report and Closing Inspection Report.
- (iii) Prohibition of timber harvesting in steep slopes (25° and above) and buffer zones as stipulated in the licence conditions.

## 6.7 Prohibition and restrictions of harvesting of certain species

The **conditions of harvesting licence** stipulate several protected species of timber that are prohibited from being harvested in PFE or Natural Forest Management Areas (see [Attachment 2.4](#)).

## 6.8 Statutory charges

### 6.8.1 Harvesting charges

- (i) Royalty payment

The requirement of royalty payment for all harvested timber is covered under Section 24C of the Forest Enactment 1968, and Rule 12 (1) of the Forest Rules 1969, that all logs to be transported to the final destination must be royalty paid first prior to leaving the licenced area or approved royalty assessment area.

The licensee must apply for royalty assessment for their logs to the District Forestry Officer (DFO) and shall include supporting documents such as a Log Summary and Log List showing the timber species, log dimension and volume. The DFO will conduct field inspections and will verify the company's log

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list based on the Guideline for Measurement of Timber for Royalty Assessment and assess royalty payment based on the applicable royalty rates of timber.

Prior to the royalty assessment the following are checked:

- a. Logs bear a Property Hammer Mark.
- b. Logs bear a Forestry Department Inspection Mark.
- c. All logs have a species symbol and serial number incised at both ends of the logs, and the logs' details and volume correspond to the company's log list and log summary volume.

Upon satisfaction of these procedural requirements, the company will pay royalty based on the assessment made by the DFO and a receipt of royalty payment will be issued.

Royalty paid logs will have the following documents or markings:

- a. Logs bear a Property Hammer Mark.
- b. Logs bear a Forestry Department Inspection Mark.
- c. Logs bear a Forestry Department Revenue Hammer Mark.
- d. All logs have a species symbol and serial number incised at both ends of the logs.
- e. Timber Disposal Permit (TDP) (see [Attachment 2.5](#)) which provide all the details of logs including: the license where the logs were extracted from; the serial number; log specifications by species; diameter and length; date of scaling; and reference of the royalty payment receipt.

### (ii) Movement of Logs

Movement of timber is regulated by Rule 15(1) of the Forest Rules 1969, whereby all timber to be transported out must be accompanied by a **Removal Pass** (RP) (see [Attachment 2.6](#)) upon payment of royalty to the Government, or a Transit Pass for the transportation of logs from the extraction area to the royalty assessment area. In addition, all logging trucks must also be registered with the SFD.

Prior to the transportation of logs to the final destination, the following are checked by the SFD:

- a. Logs bear a Property Hammer Mark.
- b. Logs bear a Forestry Department Inspection Mark.
- c. Logs bear a Forestry Department Revenue Hammer Mark.
- d. All logs have a species symbol and serial number incised at both ends of the logs.
- e. All royalty paid logs are supported by TDP, which provide all the details of logs including the license where the logs were extracted from, the serial number, the logs' dimensions, and reference of the royalty payment receipt.

A RP (one per truck) will be issued upon satisfaction of all the above. The RP will indicate TDP numbers covered by the RP and the name of the receiving mill in the final destination.

Upon reaching the mill, logs and truck records and the/RP are recorded in the log Arrival Book kept at the mill by the SFD, and the used RP is stamped as "Used Removal Pass".

### 6.8.2 Export royalty

An exporter of round logs, timber and timber products, listed in [Table 2.2](#) must pay the relevant export royalty as provided for in the Forest Rules, 1969.

**Table 2.2: List of royalty payable timber and timber products**

No.	Wood Items	Customs HS Code
1.	Logs (including baulks and roughly squared) except those planted from alienated lands.	4403
2.	Railways or tramway sleepers	4406
3.	Sawn timber	4407
4.	Veneer sheets	4408
5.	Moulding	4409
6.	Particleboard, Chipboard	4410
7.	Plywood, veneered panel and similar laminated wood, blockboard	4412

## 6.9 Special provisions for indigenous people

Community benefits and rights to occupy land and native users' right to forest resources are recognised, subject to the following requirements:

- (i) Meeting legislative requirements covering customary rights relevant to forest harvesting activities including requirements covering the sharing of benefits and tenure rights.
- (ii) Meeting legislative requirements covering "free, prior and informed consent" in connection with the transfer of forest management rights and customary rights to the organisation in charge of the harvesting operation.
- (iii) Meeting legislative requirements that regulate the rights of indigenous people in relation to forestry activities. Other aspects that may need to be considered are land tenure, the right to use certain forest related resources or practice traditional activities on forest lands.

## 6.10 Production and manufacture of rubberwood products

Rubberwood (*Hevea brasiliensis*) is produced from logs harvested from rubber plantations (state land and alienated land) and PFE (Industrial Tree Plantation Zone of the SFMLA). Rubber trees are planted for latex production, in the case of state land and alienated land, and for both latex and timber production in the case of SFMLA. The trees are usually felled when their life span for the production of latex (approximately 15 to 20 years) is no longer economical and replanting is necessary.

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The harvesting of rubberwood logs from alienated land only requires the consent of the rubber smallholding or estate owner. SFMLA production of rubberwood logs however, is subject to the same requirements as those imposed on any other timber products from PFE. Irrespective of the source of rubberwood logs, all logs are subject the issuing of RP from the SFD to ascertain their legality. Rubberwood logs produced from alienated land in Sabah are royalty exempted if processed domestically, while rubberwood logs produced from PFE (Industrial Tree Plantation Zone of SFMLA) are subject to royalty payment.

## 7 Relevant laws relating to legal timber

Apart from the Forest Enactment, 1968 and the Forest Rules, 1969, other relevant laws in Sabah that govern or are applicable to timber legality are:

- (i) Land Ordinance (Sabah Cap. 68);
- (ii) Wildlife Conservation Enactment 1977 (Section 38);
- (iii) Environment Protection Enactment 2002;
- (iv) Environment Protection (Environment Impact Assessment) Order, 2012;
- (v) Industrial Co-ordination Act 1975;
- (vi) Custom Act 1967;
- (vii) The Customs (Prohibition of Exports) Order 2017;
- (viii) The Customs (Prohibition of Imports) Order 2017;
- (ix) International Trade In Endangered Species Act 2008 (Act 686);
- (x) Fees Enactment 1981 [The Fees (Forestry Department) Service of Inspection and Certification Order, 1999].

Legal timber is also produced or harvested from either state land or alienated land, which are also governed by the Land Ordinance (Sabah Cap. 68). Before an organisation or company can proceed with timber harvesting on state land, an organisation or company should obtain a letter of approval from Natural Resources Office (NRO) which issues approval prior to the issuance of harvesting licence and Lands and Surveys Department for a Temporary Occupation Lease (TOL). For alienated land, an organisation or company must have a letter confirming the status of land and a valid land title issued by the Registrar of Titles. A harvesting licence is issued by the SFD upon satisfaction of all requirements.

Under the Wildlife Conservation Enactment 1977 (Section 38), it is a requirement that the licensee of any area must first notify the Director of Wildlife Department one month prior to harvesting.

For wood manufacturing mills, mills shall not operate without a manufacturing licence issued by the Ministry of Trade and Industry (MITI), unless otherwise exempted under Section II of the Industrial Co-ordination Act 1975.

Timber exports are regulated by the Customs Act 1967, the Customs (Prohibition of Exports) Order 2017.

Under the International Trade In Endangered Species Act 2008 (Act 686), all forest produce listed under Appendix I and II of CITES which are to be exported outside the country must obtain a CITES export permit from the Management Authority (MA) prior to export.

The Fees Enactment 1981 [The Fees (Forestry Department) Service of Inspection and Certification Order, 1999] requires that imports of logs, veneer and sawn timber be inspected by the SFD upon arrival, and are subject to payment of an inspection fee prior to sending to domestic mills for further processing.

### 7.1 Timber harvesting

Relevant laws relating to timber harvesting include:

- (i) Forest Enactment 1968 (Section 15, 24,28(A));
- (ii) Forest Rules 1969, Rule 12 (3);
- (iii) RIL Operation Guide Book-Code of Practice For Harvesting in Sabah;



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- (iv) Environment Protection Enactment 2002; and
- (v) Wildlife Protection Enactment 1997 (Section 38).

## 7.2 Timber processing

### 7.2.1 Timber and timber products (including furniture, pulp and paper products)

Relevant laws relating to timber and timber products include:

- (i) Forest Enactment 1968, Section 42 (e);
- (ii) Forest Rules 1969, Rule 19(1);
- (iii) Industrial Co-ordination Act 1975 (Act 156); and
- (iv) Licensing Guidelines for the Wood-Based Industry in Sabah-Version 2, 2012.

## 7.3 Export of timber and timber products

### 7.3.1 Timber and timber products under Customs HS code 44 and 94

Any company or person engaged in the export of timber and timber products falling under these codes must be registered by SFD. Registered companies or persons are issued with a **registration certificate** (see [Attachment 2.7](#)). Registered companies or persons are allowed to export timber and timber products with an **export licence** (see [Attachment 2.8](#)) issued by SFD, upon satisfaction of all timber and timber products export requirements.

Laws related to the export of these products include:

- (i) Customs Act 1967 (Act 235), Customs (Prohibition of Exports) Order 2017;
- (ii) Forest Enactment, 1968; and
- (iii) Forest Rules, 1969.
- (iv) Forest (Timber) Enactment 2015.
- (v) Forest (Timber) (Registration) Regulations 2017.

The Second Schedule of the Customs (Prohibition of Exports) Order 2017 lists timber and timber products that require an export licence from SFD prior to export. The list of products that require an export license is as shown in [Table 2.3](#).

### 7.3.2 Timber and timber products under Customs HS code 47 and 48 (pulp and paper products)

Exporters of products under HS Codes 47 and 48 must make an appropriate declaration using **Customs Export Declaration Form (K2)** (see [Attachment 2.9](#)) and submit it to the Customs Department for final export clearance.

Laws related to the export of these products include:

- (i) Customs Act 1967 (Act 235), Customs (Prohibition of Exports) Order 2017;
- (ii) Forest Enactment, 1968; and
- (iii) Forest Rules, 1969.
- (iv) Forest (Timber) Enactment 2015.
- (v) Forest (Timber) (Registration) Regulations 2017.

**Table 2.3: List of products that require export licence**

No.	Wood Items	Customs HS Code
1.	Wood in chip or particle	4401.21 000, 4401.22 000
2.	Wood charcoal	4402.90 000
3.	Logs (including baulks and roughly squared)	4403
4.	Hoopwood	4404
5.	Wood wool ; Wood flour	4405.00
6.	Railways or tramway sleepers	4406
7.	Sawn timber	4407
8.	Veneer sheets	4408
9.	Moulding	4409
10.	Particleboard	4410
11.	Fibreboard	4411
12.	Plywood, veneered panel and similar laminated wood	4412
13.	Densified wood	4413.00 000
14.	Wooden frames	4414.00 000
15.	Cask, barrels, vats, tub and other coopers products, of wood, including staves	4416.00 000
16.	Tool, broom and brush bodies and handles, of wood	4417.00 000
17.	Builders joinery and carpentry, of wood	4418
18.	Tableware and kitchenware, of wood	4419.00 000
19.	Articles of wooden furniture	4420.90.200
20.	Other articles of wood	4421
21.	Seats of bamboo or rattan and other seats, with wooden frames	9401.51 000, 9401.61 000 9401.69 000
22.	Wooden furniture	9403.30 000, 9403.40 000 9403.50 000, 9403.60 100 9403.60 200, 9403.60 900
23.	Prefabricated buildings, of wood	9406.00 200

## 7.4 Import of timber and timber products

All products listed in the Customs (Prohibition of Imports) Order 2017 require an **Import Licence** (see [Attachment 2.10](#)) from SFD prior to their importation into Sabah. Any company or person engaged in the importation of timber and timber products listed under the Customs (Prohibition of Imports) Order 2017, must be registered by SFD (see [Attachment 2.11](#)). Registered companies or persons are allowed to import timber and timber products with an import licence issued by SFD, upon satisfaction of all timber and timber products import requirements. For the importation of logs, it is a requirement that prior written approval from the Chief Conservator of Forests be obtained before an import licence may be issued.

For other timber products, an importer is required to make appropriate declaration using **Customs Import Declaration Form (K1)** (see [Attachment 2.12](#)) and seek clearance from the Customs Department prior to importation.

## 7.5 Trade in CITES-listed timber species

Currently, MTIB as the Management Authority of the CITES for timber products in Sabah, is responsible for issuing **export, import and re-export permits** (see [Attachment 2.13](#)) for any timber species listed under CITES.

Laws related to trade in CITES listed timber species include:

- (i) Customs Act 1967 (Act 235), Customs (Prohibition of Exports) Order 2017; and
- (ii) International Trade in Endangered Species Act 2008 (Act 686).

## 8 Identifying legal products

The export of all forest products must be covered by an **export licence** (see [Attachment 2.8](#)) issued by the SFD and issued with a **Customs Export Declaration Form (K2)** (see [Attachment 2.9](#)).

As a procedural requirement, all exports must be inspected and verified that the exported timber is legal and has fulfilled the various legal requirements in the supply chain including royalty payment. Upon satisfying all requirements, the SFD issues export licence. The export licence amongst others shows –exporter’s registration certificate number and the registration certificate’s validity, export licence validity, export approval reference number, type of product, volume, royalty payment and payment receipt number unless exempted. The final export endorsement will be made by the RMCD.

For CITES-listed products, a **CITES export or re-export permit** (see [Attachment 2.13](#)) issued by MTIB may be considered as having fulfilled the applicable national and CITES requirements.

## 9 Legality of manufactured timber products

### 9.1 Traceability of domestic sources

Compliance with legal requirements at critical points in the supply chain are checked by the SFD and supported by documents as evidence of compliance. It is also mandatory that all timber to be manufactured domestically irrespective of their source can only be processed in a mill licensed by the SFD. All wood manufacturers are required to obtain a **sawmill license** (see [Attachment 2.14](#)) under Rule 19 (1), of the Forest Rules 1969.

Any timber arriving at the mill gate (including royalty exempted timber, such as rubberwood and planted timber from alienated lands) must also be accompanied by a RP and timber details are recorded in a Log/Timber Arrival Book.

### 9.2 Traceability of import sources

Customs (Prohibition of Imports) Order 2017 provides the authority to SFD to exercise control over the list of products as given in [Table 2.4](#) below. Importers of these products must obtain an import licence, as described in [Section 7.4](#).

**Table 2.4: List of products that require import licence**

No.	Wood Items	Customs HS Code
1.	Logs; wood in the rough, whether or not stripped of its bark or merely roughed down; wood roughly squared or half-squared but not further manufactured; and baulks	4403
2.	Poles and piles of Mangroves ( <i>Rhizophora spp</i> )	4403.99 515
3.	Plywood, veneered panel and similar laminated wood	4412

It is mandatory that all importers of timber and timber products be registered as importers with the SFD, so that traceability is assured. All imports of logs, veneer and sawn timber must also be inspected by the SFD under the Fees Enactment, 1981 [The Fees (Forestry Department) Service of Inspection and Certification Order, 1999]. As with other timber sourced domestically, all imported timbers movement from the Port of Discharge must also be covered by Removal Pass to mills licenced by the SFD. Details of imported timber are recorded in a Log/Timber Arrival Book.

## 10 Who should I contact for further information



**Australian Government**  
**Department of Agriculture,  
Water and the Environment**



Australian Government  
Department of Agriculture, Water and the  
Environment  
GPO Box 858  
Canberra ACT 2601  
Phone: +61 (0) 2 6272 3933  
Web: [www.agriculture.gov.au/illegallogging](http://www.agriculture.gov.au/illegallogging)  
Email: [illegallogging@agriculture.gov.au](mailto:illegallogging@agriculture.gov.au)

Malaysian Government  
Sabah Forestry Department  
Locked Bag 68  
90009 Sandakan  
Sabah, Malaysia  
Phone: +6089-660811/242500  
Fax: +6089-671303/672579  
Web: [www.forest.sabah.gov.my](http://www.forest.sabah.gov.my)  
Email: [mmsg.sabah@sabah.gov.my](mailto:mmsg.sabah@sabah.gov.my)

### Disclaimer

While reasonable efforts have been made to ensure that the contents of this guideline and the associated quick reference guide are factually correct, the Commonwealth of Australia does not accept responsibility for the accuracy or completeness of the contents and expressly disclaims liability for any loss or damage, however caused, that may be occasioned directly or indirectly through the use of, or reliance on, the contents of this guideline or associated quick reference guide.

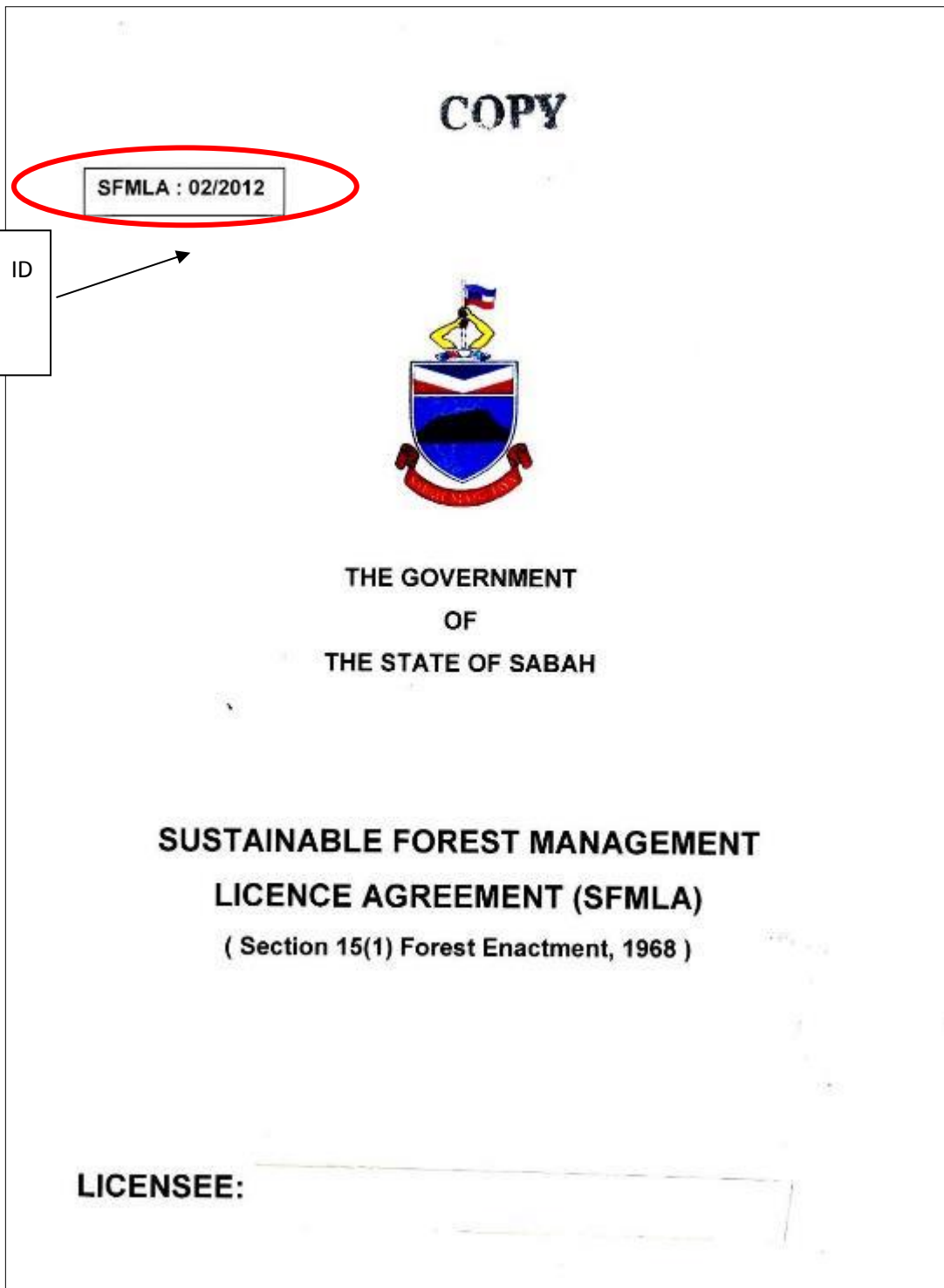
This guideline and its associated quick reference guide is made available on the understanding that the Commonwealth of Australia is not providing professional advice. Before relying on this guideline or its associated quick reference guide, readers should obtain appropriate professional advice suitable to their particular circumstances.

Readers should also confirm that this is the most up-to-date available guideline by referring to the Department of Agriculture, Water and the Environment website.

## 11 Attachments - List of sample documents

No.	Name of Sample Document	Attachment
1.	Sustainable Forest Management Licence (SFMLA)/Long Term Licence Agreement (LTL) issued by SFD	2.1
2.	Form I Licence issued by SFD	2.2
3.	Form IIB Licence issued by SFD	2.3
4.	List of Prohibited Species in PFE or Natural Forest Management Area	2.4
5.	Timber Disposal Permit issued by SFD	2.5
6.	Removal Pass issued by SFD	2.6
7.	Exporter Registration Certificate issued by SFD	2.7
8.	Export Licence issued by SFD	2.8
9.	Customs Export Declaration Form (K2)	2.9
10.	Importer Registration Certificate issued by SFD	2.10
11.	Import Licence issued by SFD	2.11
12.	Customs Import Declaration Form (K1)	2.12
13.	CITES Export Permit issued by MTIB	2.13
14.	Sawmill licence issued by SFD	2.14

## Attachment 2.1 Sustainable Forest Management Licence (SFMLA)/Long Term Licence Agreement (LTL) issued by SFD



SAMPLE

## Attachment 2.2 Form I Licence issued by SFD

LICENCE TO TAKE FOREST PRODUCE  
FORM I  
PUNYAN I LICENSUR

LICENCE NO: JP(TTO)082/98(F1)

-----

This licence authorises : BUGAYA FORESTS SDN BHD

Modification of [REDACTED]

of : LOCKED BAG NO.29  
91009 TAWAU  
SABAH

to take, within the area specified below, and subject to the conditions specified hereinafter and annexed hereto and the provisions of the Forest Enactment 1968 and Forest Rules 1969, produce : ROUND LOGS ONLY

[REDACTED] : As delineated by a red outline on the plan in Schedule A and registered vide FD No. : \_\_\_\_\_

Compartment No. : 772, 773, 808, 809,

Size of Area : Approximately 11868.20 hectares

Type of Land : FOREST RESERVE (CLASS II)


Locality : SUNGAI AGISAN & SUNGAI SEBUDA (SAPULUT FOREST RESERVE)

Forest Region/District : TAWAU/TIBOW

Effective Date : 06/10/1998

Date of Expiry : 31/12/1999

Issued this 6 day of October, 1998.



ACTING DIRECTOR OF FORESTRY/  
AUTHORISED OFFICER  
(06/10/1998)

SAMPLE



### Attachment 2.3 Form IIB Licence issued by SFD

SAMPLE

JP 662254

**KERAJAAN NEGERI SABAH, MALAYSIA.**  
RESIT FORM IIB  
Forests Rules 1969  
[ Rule 3 ]

2B307688

**LICENCE TO TAKE FOREST PRODUCE ON  
PREPAYMENT OF ROYALTY**

-----  
Lesen untuk mengambil TIMBER FOR PROCESSING  
(licence to extract)  
dengan dibayar dahulu bagi cukai itu.  
(and prepayment of royalty)  
Lesen ini membenarkan BNCIK CHAU KOK CHUNG  
(licence for)  
tempat tinggal SANDAKAN  
(address)  
-----  
memotong mengambil dan memindahkan barang hutan seperti yang tersebut di sini  
( i, take and move forest products as shown below )


Butir-Butir (details)	Jumlah(RM)
SPECIES (BL) = 19 BATANG/25.02M3 X RM80.00/M3	2,001.60
DP NO. 109183 (BILL NO. SS121217247P)	0.00
RUJ RT PPM AM NO. 326778 = RM50.04 BTH 26.12.2012	0.00
RUJ JPHTN/SDK 700-2/1(KLT.6)/33 BTH 21.12.2012	0.00
KELUASAN = 14.78 EKAR	0.00
STATUS TANAH : CL 075350873	0.00
	0.00
	0.00

dari KAWASAN LESEN dalam SANDAKAN daerah  
(from)----- (in) ----- (district)  
di dalam bulan DISEMBER sahaja  
(for month) ----- (only)  
dengan syarat hendaklah cukai itu dibayar terlebih dahulu :-

Kod Hasil :800 120 150801 00000000000000 71401 Ispadu(M3) : 25.02  
(Code) ----- (volume)  
nggit : DUA RIBU SATU DAN SEN ENAM PULUH SAHAJA.  
(MYR) -----

-----  
bayar RM2,001.60  
(Amount) -----  
Perkataan : TUNAI Rujukan : TUNAI  
(mode) ----- (reference) -----

Tarikh : 26/12/2012 Bagi : 0114-SS-PRP DAERAH SANDAKAN  
(date) ----- (for) -----

-----  
  
Juruwang  
b.p. Pengarah Perhutanan

( N.B. This form is an official receipt form of Government )

Key ID  
Features

Key ID  
Features

## Attachment 2.4 List of Prohibited Species in PFE or Natural Forest Management (NFM) Area (Unless Specified)

Scientific Name	Local Name	Purpose
<i>Shorea macrophylla</i> , <i>Shorea gysbertinana</i> , <i>Shorea pinangah</i>	All Tengkawang/Kawang species	Fruit
All <i>Mangifera</i> species	All Asam family-Mangga or Macang Hutan	Fruit
All <i>Durio</i> species	Durian	Fruit
<i>Triomma</i> spp., <i>Daryodes</i> spp. and <i>Santiria</i> spp., except <i>Canarium</i> spp.	All Kedondong species	Fruit
All <i>Drancontomelon</i> spp.	Sengkuang	Fruit
All <i>Lansium</i> spp.	Langsat	Fruit
All <i>Bacaurea</i> spp.	Tampoi, Rambai and Belimbing Hutan	Fruit
All <i>Artocarpus</i> spp.	Terap, Buruni, Pulutan/Cempedak	Fruit
All <i>Nephelium</i> spp.	Meritam and Rambutan	Fruit
All <i>Paranephelium</i> spp.	Mata Kuching	Fruit
<i>Gonystylus bancanus</i>	Ramin	Conservation
All <i>Aquilaria</i> spp.	Gaharu	Conservation (prohibited in Forest Reserves and state land, unless specified)
All <i>Koompassia</i> spp.	Mengaris/Tualang	Depository of wild honey
<i>Eusideroxylum zwageri</i>	Belian	Conservation
<i>Protoxylon malagangai</i>	Belian Malagangai	Conservation
<i>Intsia palembanica</i> and <i>Sympetalandra borneensis</i>	All Merbau species including Merbau Lalat	Conservation
All <i>Litocarpus</i> spp.	Mempening	Conservation
All <i>Castanopsis</i> spp.	Berangan	Conservation

Country Specific Guideline for Malaysia (Sabah)

Scientific Name	Local Name	Purpose
All mangrove species	All mangrove species	Conservation-unless for use by Natives and Charcoal factories
Any trees marked by the Director for retention	Any trees marked by the Director for retention	Conservation and seeds (mother trees)
	Any trees from the genera stipulated in Schedule I - Forest Rules 1969, if the diameter is less than the specified limit except if marked by the Conservator of Forests for felling.	Conservation
	All trees below 60cm dbh or above 120cm dbh unless authorized by the Conservator of Forests for felling.	Conservation

### Attachment 2.5 Timber Disposal Permit issued by SFD

# F.R

FORM V  
FOREST RULES 1969  
(RULE 15(1))

## DISPOSAL PERMIT FOR ROUND LOGS

AN - 04

SAMLA 09/07 KGU.04/09 Y42/06(3) CRT. 323  
(Licence No./Coupe Permit No.)

\_\_\_\_\_ is hereby authorised to cut/extract/remove the following  
(Name of Company/Contractor/Licensee)  
timber from the area(s) under the above-stated Licence/Permit.

Original

CODE				
DP. No.	121553			
No. of Trees				
Scaling Order Date	18042012			

Serial No.	Log No.	Species Symbol	Dimensions			Symbol	Defect		Remark
			Length (M)	Diameters			Length	Dia.	
				D1 CM	D2 CM				
1	119	SB	29.8	62	56	49			
2	12	SB	13.8	54	49	56			
3	116	SB	19.6	61	52	50			
4	153	SB	26.4	65	63	57			
5	277	SB	16.3	71	62	56			
6	279	SB	11.4	69	63	59			
7	174	SB	19.2	66	59	62			
8	203	SB	25.4	62	57	57			
9	128	SB	22.8	75	57	63			
10	147	SB	26.4	76	62	59			
11	148	SB	8.6	69	57	63			
12	152	SB	17.6	60	62	57			
13	187	SB	23.6	66	62	55			
14	204	SB	20.0	60	60	50			
15	212	SB	19.0	60	62	57			
16	227	SB	21.2	60	62	58			
17	231	SB	19.2	66	63	60			
18	259	SB	32.8	81	60	66			
19	270	SB	22.8	60	67	64			
20	283	SB	20.0	66	65	56			

Place of Scaling STUMPING LAWASAN UBIN

Licence Account No. \_\_\_\_\_

Date Scaled 19/04/2012

Name of Scalers \_\_\_\_\_

Registered Property Hammer Mark \_\_\_\_\_

Owner of Property Hammer Mark \_\_\_\_\_

FD RP Number FD 829 / RTJ 942

Scaling Order No. SO 2012 0009 - 2

Buyer \_\_\_\_\_

Royalty Receipt No. PH 734 182

L.U./Cashier Order No. AG 000 104

L.U./Cashier Order Expiry \_\_\_\_\_


L.U./Cashier Order Issuing Bank \_\_\_\_\_

This permit expires on \_\_\_\_\_

These logs are certified for

(i) Export

(ii) Local processing



SAMPLE

Key ID Features

Key ID Features

Attachment 2.6 Removal Pass issued by SFD

**KAWASANTIP**  
SABAH, MALAYSIA

**SAMPAI**

- 1 JAN 2013

**SINORA S/B**

FORM IV  
FOREST RULES, 1969  
(Rule 15)

ASAL

No. A 366527

**DISPOSAL PERMIT FOR FOREST PRODUCE**  
(PERMIT MENGELUARKAN KELUARAN HUTAN)

I hereby authorise to [redacted] [redacted]  
 ngan ini telah dibenarkan untuk  
 the following forest produce taken under Licence No. Tuon: 29/06  
 keluaran hutan berikut yang diambil di bawah No. Lesen  
 in the name of [redacted] issued at Pangkajene 44.  
 atas nama [redacted] dikeluarkan di LA KUBUNG

Permit expires on 03 **DI TEBAL DIGUNAKAN**  
 Permit ini tamat tempohnya pada

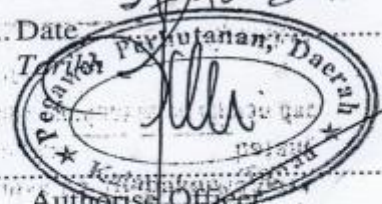
Quantity Kuantiti	Species Spesies	Dimensions Ukuran	Class Kelas	NAMA PENJAH Volume TARIKH Isipadu	Rate per m <sup>3</sup> Kadar semeter padu	Royalty Kadar sen
1561	MIXED			255.08 m <sup>3</sup>		
BK4	TOP RD:					RH 863746-47
	193314 - 347					RH 863743
	193401	445				11/12.12.12
	LA 2001264P	1113P				Rm 44,901.8P

PEJABAT PERHUTANAN DAERAH, KALABAKAN

Place ..... Date 27.12.2012

NO. RESIT	Rm 877847
BAYARAN RP	
NO. FD	916
NO. FD RP	949
TANDA TUKUL	(JRI/aga)

PK 021 (L) - 2009



Authorise Officer  
(Pegawai Berkuasa)

**SURIANSIA KADIR (BSK)**

Key ID Features

SAMPLE

## Attachment 2.7 Exporter Registration Certificate issued by SFD

SAMPLE

**FIRST SCHEDULE**  
[Regulation 5]



**FOREST (TIMBER) (REGISTRATION) REGULATIONS 2017**  
**CERTIFICATE OF REGISTRATION**

**THIS IS TO CERTIFY THAT**

[REDACTED] (V) of Lot No.5, Phase 1, Kedai LPPB, Pekan  
Sipitang, P.O. Box 33, 89857 Sipitang, Sabah has been registered as:

Type of activity	Registration number	Approved category of product by product category code
<b>EXPORTER</b>	<b>FDS(SG(E)147/2018</b>	<b>A2</b> <b>A5H, A5K</b>
<b>FOR PRODUCT CATEGORY A2: (Plantation Logs)</b>		

Supply Contract with [REDACTED]  
Licence Number : JPKSG108/98 Valid until 31/12/2094  
JP(KSG)107/96 Valid until 31/12/2094  
Port of Loading : Kota Kinabalu

Under section 7 of the Forest (Timber) Enactment 2015 and in accordance with the Forest (Timber) (Registration) Regulations 2017 for **1(One) year** from **17 January 2018** to **16 January 2019** subject to the conditions and restriction contained in or attached to this certificate.

Fees (RM) : 2,500.00  
Receipt number : AM 132632 (17/01/2018)  
Date : 17/01/2018

[REDACTED]  
**CHIEF CONSERVATOR OF FORESTS**



Serial No.: A 0151

Key ID Features

FDS(SG(E)147/2018

Key ID Features

Country Specific Guideline for Malaysia (Sabah)

CONDITIONS AND RESTRICTIONS:

Please refer to JPHTN/ELS 700-2/0/2/580(JII, ID 1)/14 dated 17 January 2018

Product Code/s Description:

- A2 : Logs (Plantation Logs)
- A511 : Sawn Timber
- A5K : Rotary Cut Veneer

\*Note: Renewal of Registration Certificate for A2 (Plantation Logs) is subject to submission of renewed contract with Sabah Forest Industries Sdn. Bhd.

SAMPLE

Table with multiple columns and rows, containing repetitive text and a small table at the bottom left.

PK	10	1-20
----	----	------

## Attachment 2.8 Export Licence issued by SFD

SAMPLE

Date Of Registration: 10-Apr-2018

Serial No: 5000257042018E

**SABAH FORESTRY DEPARTMENT**  
**DISTRICT FORESTRY OFFICE**  
**EXPORT LICENSE**

**Key ID Features**

PART A [ EXPORT INFORMATION ]			
Export License Approval No	5000257/2018	Validity Of License	01-Apr-2018
Date Of Export	17-Apr-2018	MSC No (For logs only)	
Port Of Loading	SANDAKAN	Validity Of MTIB's Registration	01-Jan-1900 To 01-Jan-1900
Exporter Name	[REDACTED]	FD Export Registration No	1001004/0010010
Name Of Vessel	OCEAN GLORY V.2	Validity Of SFD's License	01-Jan-2018 To 31-Dec-2018
Name Of Buyer	[REDACTED]		
PART B [ PRODUCT INFORMATION ]			
Product	PLAIN/ORDINARY PLYWOOD		
Product Code (SITP)	EU1	Product Code (HCS)	9417
No Of Crates/Brimblex /Pieces/Botong	522 CRATES	Volume	590.8860 m3
FOB Value (RM)	1037960.0000	Destination	JAPAN
Export Royalty (RM)	5988.8600	Royalty Payment Exempted	No
Export Royalty Payment Receipt	AM312346		
Name of Data Entry Officer	[REDACTED]	Name of Verifier	[REDACTED]

**Key ID Features**

**Key ID Features**

Conditions:

- 1) No loading is allowed between 7:00 pm - 7:00 am unless allowed or within the approved bonded area.
- 2) Short shipped / short out cargo / change of vessel must be declared within 24 hours.
- 3) All timber Product to be exported must be accompanied with a Removal Pass.
- 4) Declaration of Export NOT ALLOWED if license validity is less than 3 weeks.
- 5) Either MTIB or SFD valid license date shall be accepted.

Date Of Approval: 10-Apr-2018

District: Sandakan

**PENDIRIANG PEGAWAI PERHUTANAN NEGARA**

**for Director General of Customs**

Section 10 and Section 33 Customs Act 1967 [Act 235]





## Attachment 2.10 Import Licence issued by SFD

Date Of Registration: 07-Mar-2018

Serial No: 500005032018M

**SABAH FORESTRY DEPARTMENT**  
IMPORT LICENCE

**PART A [ IMPORT INFORMATION ]**

Import License Approval No	SKN0005/2018M	Validity Of Import License	28-Mar-2018
Date Of Import	18-Mar-2018	Validity Of Registration Certificate	15-Apr-2017 To 12-Apr-2018
Port Of Unloading	SANDAKAN	Name of Seller	[REDACTED]
Importer Name	[REDACTED]	Name Of Vessel	MV MITI TAWADU 181W119F
FD Import Registration No	KONIMP-SD001/2011		

**PART B [ PRODUCT INFORMATION ]**


Product	ROTARY VENEER	Product Code (FTRR)	45K
Product Code (SJHP)	D01	Product Code (HCS)	440B
No Of Crates/Bundles/Pieces/Batching	221 CRATES	Volume	553.2459 M3
FOB Value (RM)	497983.0300	Country Of Origin	NEW ZEALAND
Inspection Fee	5532.4600	Inspection Fee Exempted	No
Inspection Fee Receipt	AMS11930		
Name of Data Entry Officer	MIMAH @ LAINAH BTE ALOYSIUS @ LISIS	Name of Verifier	RAYMUND WONG

Conditions:

- 1) No unloading is allowed between 7:00 pm - 7:00 am unless allowed or within the approved bonded area.
- 2) Any change of estimated arrival of vessel must be notified to the Sabah Forestry Department at least 3 days in advance.
- 3) All timber Product must be accompanied with a Removal Pass/Transit Pass prior to the final destination/Inspection Area.
- 4) Declaration of Import is NOT ALLOWED if the Registration Certificate as an Importer is less than 3 weeks.

Date Approved: 08-Mar-2018  
District: Sandakan

**PENOLONG PEGAWAI PERHUTANAN 629**  
for Director General of Customs  
Section 10 and Section 31, Customs Act 1967 [Act 235]



Key ID Features


Key ID Features

Key ID Features

SAMPLE

# Attachment 2.11 Importer Registration Certificate issued by SFD

**FIRST SCHEDULE** Serial No. **A 0231**  
**[Regulation 5]**



**FOREST (TIMBER) (REGISTRATION) REGULATIONS 2017**

**CERTIFICATE OF REGISTRATION**

**THIS IS TO CERTIFY THAT**

**[Redacted]** of **No.2, Lot SB 101, Lorong Sierra 10/B, Bandar Sierra, 88450 Kota Kinabalu, Sabah** has been registered as:


Type of activity	Registration number	Approved category of products by product category code
<b>IMPORTER</b>	<b>FDS(KKH1)227/2018(M)</b>	<b>ASH</b>

**Country of Origin** : Hong Kong  
**Entry Point/Port** : Kota Kinabalu

Under section 7 of the Forest (Timber) Enactment 2015 and in accordance with the Forest (Timber) (Registration) Regulation 2017 for **1(One) year** from **05 April 2018 to 04 April 2019** subject to the conditions and restriction contained in or attached to this certificate.

**Fees (RM)** : 500.00  
**Receipt number** : AM132979 (14/03/2018)  
**Date** : (05/04/2018)

**[Redacted]**



**CHIEF CONSERVATOR OF FORESTS**

Key ID Features

Key ID Features

SAMPLE

Import

**CONDITIONS AND RESTRICTIONS:**

Please refer to JPHTN/EIS 700-2/0/2/474(JLD.1)47 dated 05 April 2018

**Product Code/s Description:**

**ASH : Sawm Timber (Kiln Dried Timber)**

SAMPLE



## Attachment 2.13 Export/Import/Re-Export CITES Permit issued by MTIB

**Original**  
Permit to Malaysia and Foreign  
Countries as export/re-export/import

**KERAJAAN MALAYSIA**  
GOVERNMENT OF MALAYSIA

**PERMIT / SIJIL NO: 011228**  
PERMIT / CERTIFICATE NO.

**CITES** KONSVENYEN PERDAGANGAN ANTARABANGSA MENGENAI SPESIES FAUNA DAN FLORA TERANCAM  
CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA

EKSPORI / EXPORT  
 EKSPORT SEMULA / RE-EXPORT  
 IMPORT / IMPORT  
 LAIN-LAIN / OTHERS

2. Sah sehingga / Valid until

3. Pengimport (nama dan alamat)  
Importer (name and address)

4. Pengekspor (nama dan alamat)  
Exporter (name and address)

3a. Negara Pengimport  
Country of Import

Tandatangan Pemohon  
Signature of the applicant

5. Syarat-Syarat Khas / Special conditions

6. Nama, alamat, cop rasmi dan negara Pihak Berkuasa Pengurusan  
Name, address, national seal/stamp and country of Management Authority

**MTIB**  
LEMBAGA PERINDUSTRIAN KAYU MALAYSIA  
(Malaysian Timber Industry Board)

5a. Tujuan Urusniaga  
Purpose of transaction

5b. No. Setem / Security Stamp No.

7.8 Nama Sainsik dan Nama Biasa Scientific Name and Common Name	9. Pedas Spesimen termasuk tanda pengenal / nomor, umur (jantina jika hidup) Description of specimen, including identifying mark or number (age/sex if live)	10. No. Apendik/ sumber Appendix No./Source	11. Isipadu (meter padu) Volume (cubic meter)	11a. Jumlah telah diekspor / Kuota Total Exported / Quota			
7.8	9.	10.	11.	11a.			
A	12. Negara Asal * Country of origin *	No. Permit Permit No.	Tarikh Date	12a. Negara Pengekspor semula Country of Last Re-export	No. Sijil Certificate No.	Tarikh Date	2b. No. operasi pembikaran ** / Tarikh pembikaran * No. of breeding operation ** / date of acquisition *
7.8	9.	10.	11.	11a.			
B	12. Negara Asal * Country of origin *	No. Permit Permit No.	Tarikh Date	12a. Negara Pengekspor semula Country of Last Re-export	No. Sijil Certificate No.	Tarikh Date	2b. No. operasi pembikaran ** / Tarikh pembikaran * No. of breeding operation ** / date of acquisition *
7.8	9.	10.	11.	11a.			
C	12. Negara Asal * Country of origin *	No. Permit Permit No.	Tarikh Date	12a. Negara Pengekspor semula Country of Last Re-export	No. Sijil Certificate No.	Tarikh Date	2b. No. operasi pembikaran ** / Tarikh pembikaran * No. of breeding operation ** / date of acquisition *

\* Negara di mana spesimen diperoleh (bagi eksport semula)  
\* Country in which the specimens were taken (only in case of re-export)

\*\* bagi spesimen di bawah Apendik I yang dibesarkan / pembikaran hensem berdasarkan komersial  
\*\* for specimens of Appendix I species bred in captivity or artificially propagated the commercial purposes  
spesimen pra-konvensyen (for pre-Convention specimens)

SIJIL INI DIKELUARKAN OLEH:  
PERMIT / CERTIFICATE IS ISSUED BY:

Selain Keawaman, sandalangan dan cop rasmi  
Besides Security Stamp, signature and official seal

15. No. bil. muatan / no. bil. udara  
No. of loading / Air Waybill Number

Tempat Pengeksportan Port of Export	Tarikh Date	Tandatangan Signature	Cop dan Jawatan Pegawai Official Stamp and title
A			
B			
C			

Copy File Management Unit of Logging Centre

SAMPLE

Key ID Features

Key ID Features - CITES number will be on the CITES Stamp

### Attachment 2.14 Sawmill Licence issued by SFD

**ORIGINAL**

AUTHORITY: **PERMIT/EIS 100-24/3/1/2/29 Dated 16.8.2000**

PERMENCE NO: **JP(S)SS 001/00(X24)R**

SABAH MALAYSIA  
**FORM VIII**  
**FOREST RULES, 1969**  
**(RULE 19)**

**LICENCE TO ERECT AND/OR OPERATE SAWMILL / PLYWOOD / VENEER /  
BLOCKBOARD / MOULDING AND FURNITURE MILL**

This licence authorises [redacted] of PPM 367, ELOPURA, [redacted] SAN [redacted] to erect and/or operate a Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill at / CL 075353454, 075367 [redacted], 075379869 & 075379823, SEGUNTOR, OFF MILE II, JALAN LABUK SANDAKAN to be known as the SAMAWANG SAWMILL SDN BHD Plywood / Veneer / Blockboard / Moulding and Furniture Mill for the period or periods specified in Appendix A hereto, subject to the provisions of any written law relating to machinery and to the following conditions:

1. This licence may not be transferred or assigned.
2. The Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill shall comprise the buildings and machinery detailed in Appendices B and C hereto, and no building or machinery shall be added to or removed from the Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill without the written permission of the Director.
3. Unhindered access to all parts of the Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill building grounds shall be allowed to any forest officer at any time for the purpose of inspection.
4. Sawing and conversion shall be maintained to such standards as may be considered reasonable by Director, and the licensee shall comply with such instructions as may be issued by the Director regarding the proper adjustment of the machinery and the method of operation thereof.
5. (Such special conditions may be added by the Director).

**Key ID**  
**Features**

**Key ID**  
**Features**

SAMPLE

## ORIGINAL

**SPECIAL CONDITIONS ATTACHED TO THE SAWMILL / PLYWOOD / VENEER / BLOCKBOARD / MOULDING AND FURNITURE MILL LICENCE**

**LICENCEE: SAMAWANG SAWMILL SDN BHD**

**LICENCE NO: JP(S)SS 001/00(X24)R**

**AUTHORITY REFERENCE NO: JPHTN(EIS)100-24/3/1/2/29 DATED 16.8.2000**

- a) The installation of this **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** is entirely at the licensee's own risk.
- b) The Government does not in any way guarantee issuance of a timber licence or otherwise supply logs for the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill**
- c) No Logs shall be brought into the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** or **Sawmill** yard unless they bear a Government-hammer mark indicating that they have been assessed for royalty.
- d) Transportation of any logs to the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** yard must be accompanied by a Removal Pass and Timber Disposal Permit (TDP).
- e) The licensee shall keep a full and accurate record of daily logs/flitches/sawn timber arrival and removal of processed timber. This record shall be made available to the Director of Forestry or any of his authorized officer as he may require.
- f) The licensee shall keep a record of all the original measurements and the TDP serial number of logs sawn as well as the corresponding out turn and shall report the number and volume of the logs sawn and the corresponding out turn to the District Forestry Officer not later than 15<sup>th</sup> of each month.
- g) **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** production statistics according to Appendix **One, Three, Seven** is to be submitted monthly, by the 15<sup>th</sup> of the following month for the proceeding month's production, direct to the Director of Forestry with a copy each to the District Forestry Officer.
- h) Delays in the submission of production returns shall results in the payment of a late submission fee of RM500.00 per monthly report effective from the date when the returns are supposed to have been submitted.
- i) Logs brought to the mill must have log serial number and the supplier's property mark. Log number must be incised on both ends of each log. If a log is

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**ORIGINAL**

subsequently cross-cut, the same serial number must be incised on both cross cut logs. Failure to do so will result in an imposition of a fine of RM20/log.

- j) The transportation of logs to the mill without payment of royalty is an offence and the penalty shall be:
- i. A fine of RM500.00 per log
  - ii. Royalty payment based on the export rate
  - iii. Cancellation of the Export Licence
  - iv. Cancellation of the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill Licence**
- k) This **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** shall not be operating without a manufacturing licensee issued by the Ministry of Trade & Industry Malaysia (Malaysian Industrial Development Authority - MIDA) unless otherwise exempted under section II of the Industrial Co-ordination Act 1975.
- l) All beltings and drives shall be provided with safety device guards.
- m) All workers must be registered with the Forestry Department for the issuance of a "Certificate of Identity".
- n) The surrounding area of the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** shall be beautified by planting trees of fast growing species.
- o) Cleanliness is to be preserved at all times in both inside and outside of the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** compound including labourers quarters.
- p) Office as well as quarters for Forestry Department staff overseeing the mill are to be provided for.
- q) The usage of an incinerator is compulsory for the disposal of logs waste/sawn timber waste. No open burning is allowed. The licensee shall not dispose any waste, including sawdust, wood off-cuts, fuel or lubricants into any water causes (river, creeks, drainage, etc).
- r) Vehicles such as pay-loaders used in the **Sawmill / Plywood / Veneer / Blockboard / Moulding and Furniture Mill** compound are to be registered with the Forestry Department.

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**ORIGINAL**

LICENCE NO: JP(S)SS 001/00(X24)R  
AUTHORITY REFERENCE NO: JPHTN(EIS)100-24/3/1/2/29  
DATED 16.08.2000

**CERTIFICATION:-**

I/We certify that the special terms and conditions of this licence have been fully explained to me by the District Forestry Officer and I/We fully agree to abide by them.

26 AUG 2008

Date of issue \_\_\_\_\_



Fadzil Hj. Yahya

(FOR DIRECTOR OF FORESTRY)

  
ASRAN ASA

WITNESS



LICENSEE

26 AUG 2008

DATE

26 AUG 2008

DATE

SAMPLE