



Malaysian Timber Certification Council

News

Volume 1, Issue 8, April 2007

MTCC scheme included in Dutch Public Procurement Policy

The Dutch Ministry of Housing, Spatial Planning and Environment (VROM) has accepted the MTCC certificate as meeting the requirements for legality of timber. An article related to this decision was issued on 18 April 2007 entitled "Timber" by SenterNovem, a government agency which promotes sustainable development and innovation. The article states that timber is verifiably "legal" if it carries evidence that meets the legality criteria as drawn up by the Central Point for Expertise on Timber (CPET) in the United Kingdom.

As stated in the article, this means that the timber importer must be able to guarantee that the logging contractor that harvested the trees that produced the timber supplied under the terms of the contract has legal operating rights for the forest in question, maintains a register of all local legislation and codes of behaviour relating to forestry and forest exploitation, complies with all relevant local and national legislation, and has paid all royalties and taxes due.

According to VROM, the MTCC certificate meets these conditions. Other certificates that have been also recognized include those issued by PEFC, CSA, SFI and FSC. Responding to this news, MTCC CEO Chew Lye Teng believes that with this recognition, more Dutch importers of tropical timber products will now source for MTCC-certified timber products so as to provide the assurance to their customers, especially government bodies, that the timber products supplied by them come from verified legal sources.

Tax Deduction allowed on expenses incurred in obtaining MTCC Chain-of-Custody Certificate

During the Ministry of International Trade and Industry (MITI) annual dialogue 2005, Malaysian Timber Council (MTC) had on behalf on the timber industry submitted a proposal for tax deduction on expenses incurred by Malaysian timber companies in obtaining chain-of-custody certification under the MTCC scheme.

As a result of the MTC initiative, MTCC is pleased to inform that in March 2007, the Ministry of Finance, in line with section 154(1)(b) of the Income Tax Act 1967 has agreed that all expenses incurred by companies in obtaining the MTCC COC certificate will be eligible for tax deduction beginning assessment year 2007. For this purpose, the Ministry of Finance is now preparing the procedures for the implementation of this decision.



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Announcements

1. Draft MC&I(Forest Plantations) - Call for Public Comments

The development of the standard for certification of forest plantations was initiated by the multi-stakeholder National Steering Committee (NSC) using the Principles and Criteria of the Forest Stewardship Council (FSC) as the template. For this purpose, a Technical Working Group (TWG) was formed to develop the draft *Malaysian Criteria and Indicators for Forest Management Certification (Forest Plantations)* or in short *MC&I(Forest Plantations)*.

After a series of regional consultations, the draft *MC&I(Forest Plantations)* is now subject for public comments over a 60-day period, i.e. from 30 April – 30 June 2007.

Please log on to MTCC website at www.mtcc.com.my under “Latest News” to obtain a copy of the draft *MC&I(Forest Plantations)* as well as for further information relating to the development of the forest plantation standard. Kindly submit your comments to the NSC secretariat (Attn: Yong Teng Koon) either via e-mail: yongtk@mtcc.com.my, post or facsimile: 603-92006008. All comments received will be taken into consideration in the finalisation of the draft standard.

2. MTCC-Hamburg Project: Mid-term Workshop

Date: 26 & 27 June 2007 (Tuesday & Wednesday)
 Venue: Grand Seasons Hotel, Jalan Pahang, Kuala Lumpur

The objective of the workshop is to present the outcomes of the gap analyses of the *MC&I(2002)* specifically on aspects of forest management, social, concession and legality, and forest conservation by consultants engaged by the Joint Project Team (JPT). For further information relating to MTCC-Hamburg Project or the Mid-term Workshop, please contact Yong Teng Koon, Manager (Forest Management), e-mail: yongtk@mtcc.com.my.

CONDOLENCE

We express our deepest condolences to the family of the late

Y.Bhg. Dato' Ismail bin Awang
 (CEO of Malaysian Timber Council, July 1997 - January 2007)

on his demise on 25 March 2007



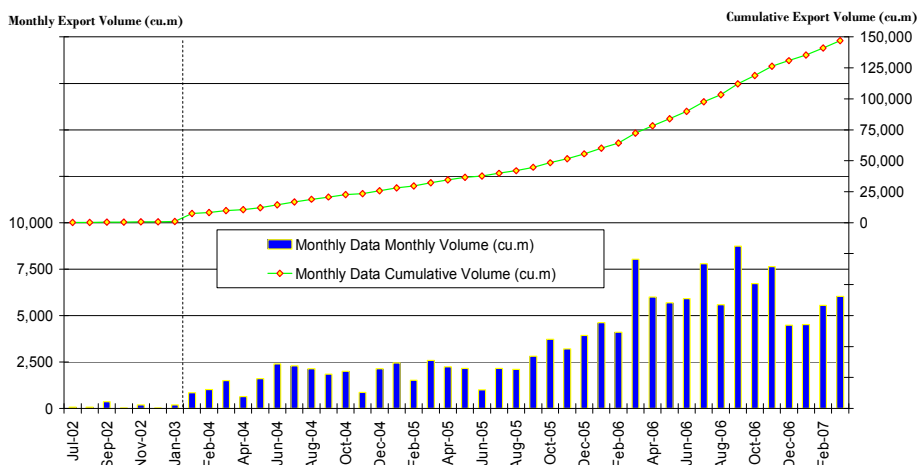
From

Chairman, Board and Management of Malaysian Timber Certification Council

Export of MTCC-Certified Timber Products

Monthly & Cumulative Exports

Source : MTIB / MTCC



Volume exported in March 2007: 6,035.28 cu.m

Cumulative volume exported since July 2002: 146,995.00 cu.m

Holders of Certificate for Forest Management: 9 Forest Management Units

Holders of Certificate for Chain-of-Custody: 101 Timber Companies (99 valid)

Details on the area and map of the Forest Management Units and contact information on MTCC certificate holders can be obtained at: www.mtcc.com.my

By Product (March 2007)

Product	Volume (cu.m)
Sawn timber	3,745.70
Plywood	2,095.07
Solid wood moulding	159.51
Finger-jointed moulding	35.00
Total	6,035.28

By Destination (March 2007)

Destination	Volume (cu.m)
The Netherlands	3,688.18
United Kingdom	1,631.87
Belgium	388.17
Germany	131.41
France	126.45
Denmark	69.20
Total	6,035.28