



# **CERTIFICATION WORKSHOP 2013 - RESPONSIBLE PROCUREMENT & PURCHASING IN ASIA**



## **IMPLEMENTATION OF MTCS**

**by**

## **MALAYSIAN TIMBER CERTIFICATION COUNCIL (MTCC)**

**25 January 2013  
Kuala Lumpur**





# OUTLINE OF BRIEFING



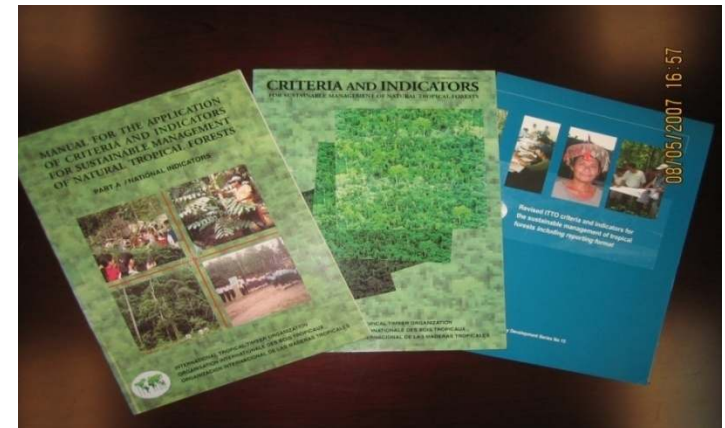
- ✿ Introduction
- ✿ Timber Certification
- ✿ Rationale for Implementation of Timber Certification in Malaysia
- ✿ Malaysian Timber Certification Council (MTCC)
- ✿ Malaysian Timber Certification Scheme (MTCS) & its operation
- ✿ Certified FMUs & timber companies
- ✿ Endorsement & Recognition of MTCS



# INTRODUCTION



- ✿ 1980s & '90s witnessed growing concerns about tropical forest degradation & deforestation
- ✿ Calls for bans/boycotts of use of tropical timber
- ✿ Measures found to be counter-productive:
- ✿ Realised efforts should be made to promote & encourage Sustainable Forest Management (SFM) as the way forward instead
- ✿ Need for SFM was taken up by a number of international initiatives
  - ✿ ITTO
  - ✿ UNCED
  - ✿ Led to development of C&Is for SFM





# INTRODUCTION



- ✿ **SFM needs to be demonstrated on the ground with implementation of sound forest management practices**
- ✿ **Forest certification proposed as market-linked tool to promote & encourage effective implementation of SFM**
- ✿ **Involves assessment & verification by independent third-party ass**





# TIMBER CERTIFICATION



**A process which results in a written statement (a certificate) attesting the origin of wood raw material, and its status following validation by an independent third party**

## Two Components of Timber Certification

- ✿ **Forest Management Certification (FMC)**
- ✿ **Chain of Custody Certification (CoC)**





# TIMBER CERTIFICATION



## Forest Management Certification

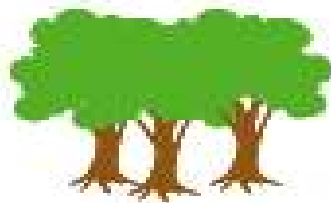
- ✿ A process of carrying out third party assessment of Forest Management Units (FMUs) in accordance with requirements of a prescribed standard, leading to an award of a certificate

## Chain of Custody Certification

- ✿ Involves verification by independent third-party assessor that wood products (including logs) purchased are actually derived from forests which have been certified. It involves tracking of timber products from forest of origin through processing to retail point leading to an award of a certificate



# TIMBER CERTIFICATION



Forest



Primary Processing



Secondary Processing



Final Products



Sawn Timber



Plywood



Forest Management Certification



Chain-of-Custody Certification



## RATIONALE FOR IMPLEMENTATION OF TIMBER CERTIFICATION IN MALAYSIA



### **Country-driven: National commitment towards ensuring sustainable forest management (SFM):**

- ✿ Increased awareness and concern among local stakeholder groups about urgent need for our forest resource to be sustainably managed for its goods and services – especially feedback from media and environmental & social NGOs**
- ✿ Status of Malaysia as one of 12 countries with mega-biodiversity**
- ✿ Environmental and social impacts of forest management**





## RATIONALE FOR IMPLEMENTATION OF TIMBER CERTIFICATION IN MALAYSIA



**Market-driven: Timber industry is **export-oriented** and is important source of foreign exchange:**

- ✿ Concern in key timber markets whether timber products from Malaysia are manufactured from materials sourced from sustainably managed forests
- ✿ Procurement policies in key importing countries – public and private
- ✿ Green building schemes
- ✿ Increasing demand for certified timber products
- ✿ Demand in **domestic market** is increasing with higher income levels and greater awareness of environmental issues



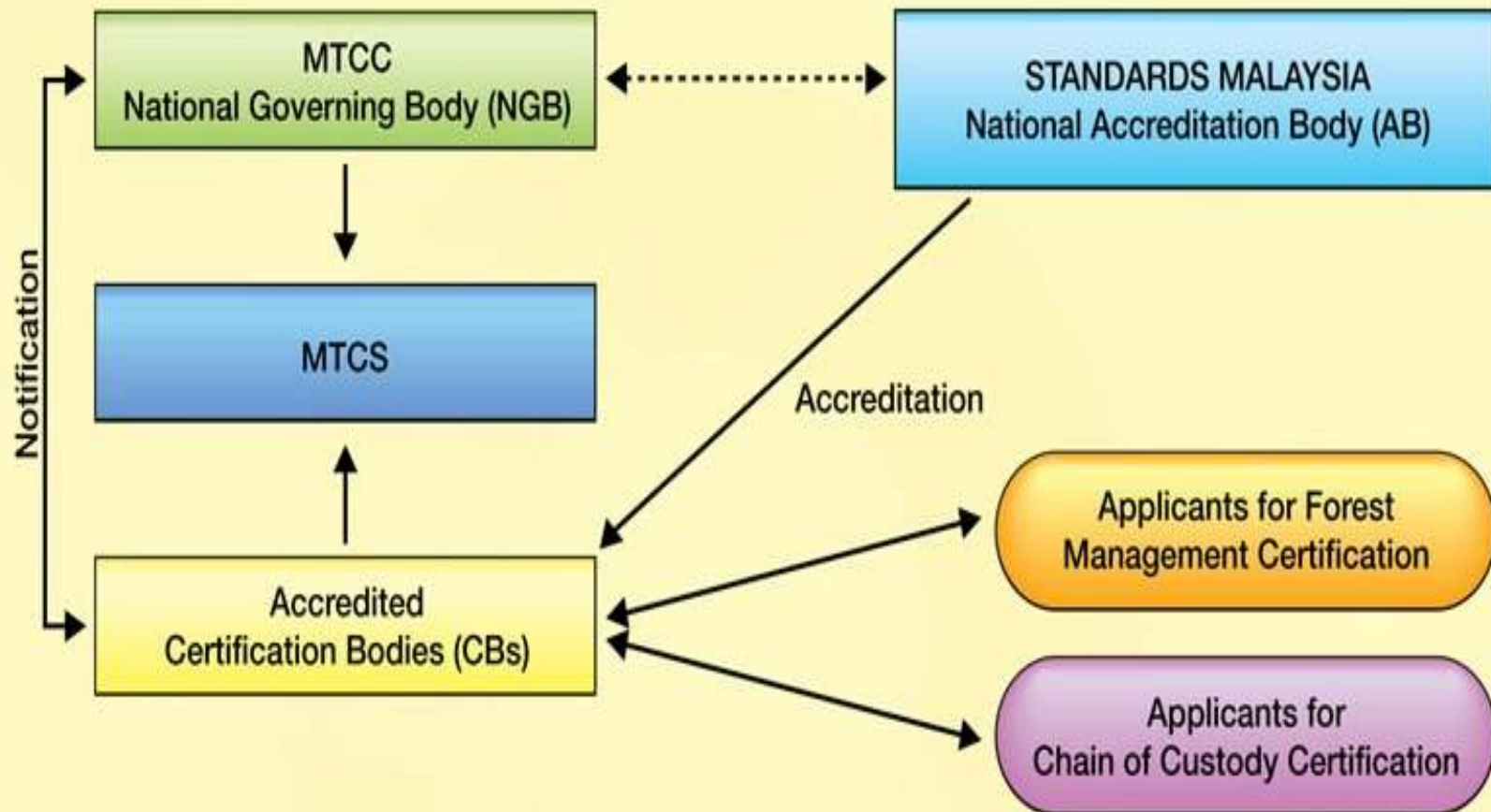
# MALAYSIAN TIMBER CERTIFICATION COUNCIL (MTCC)



- ✿ **MTCC started operations in January 1999**
- ✿ **Created to develop and operate a voluntary and independent Malaysian Timber Certification Scheme (MTCS) in Malaysia**
- ✿ **Governed by Board of Trustees (BOT) - representatives from timber industry, academic & research institutions, non-governmental organisations (NGOs) and government agencies**



# MALAYSIAN TIMBER CERTIFICATION SCHEME (MTCS) – INSTITUTIONAL ARRANGEMENT

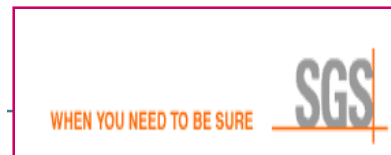




# MTCS - ROLE OF COMPONENTS



- **MTCC** is the National Governing Body (NGB) in Malaysia – overall operator of the scheme
- **Certification Bodies (CBs)** receive and process applications for certification
- CBs conduct audits and make decisions to award **MTCS Certificate for Forest Management** or **Certificate for Chain of Custody (CoC)**
- CBs are required to be accredited to **STANDARDS MALAYSIA**, the national **Accreditation Body (AB)**
- Accredited CBs have to apply to MTCC to become **PEFC-notified CBs** to enable them to issue accredited certificates recognised by MTCC/PEFC

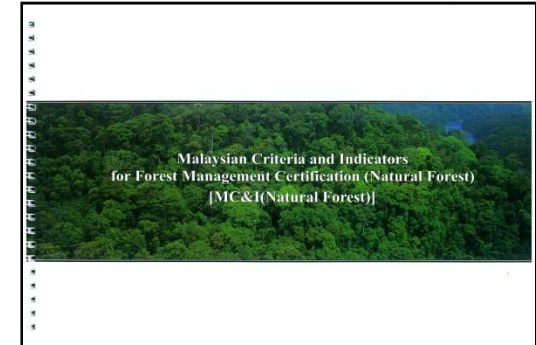




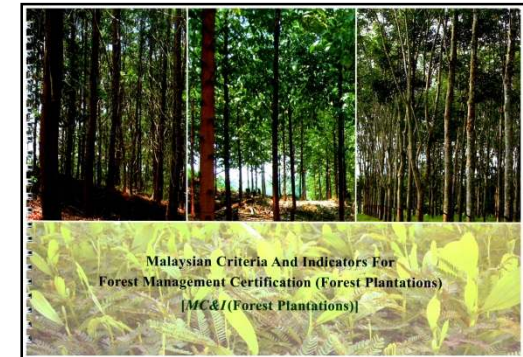
# STANDARD – FOREST MANAGEMENT CERTIFICATION



- Standard for natural forests is the **MC&I (Natural Forest)** –  
**9 Principles, 47 Criteria, 97 Indicators**



- For forest plantations, the standard used is the **MC&I (Forest Plantations)** - **10 Principles, 55 Criteria, 107 Indicators**

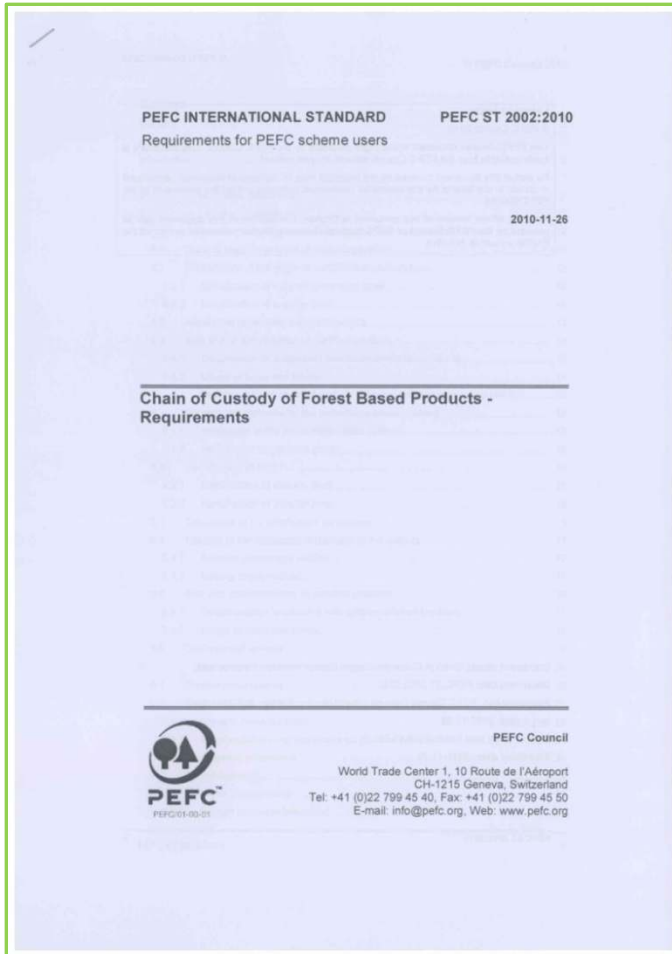


- Both standards deal with environmental, social and economic aspects of forest management





# STANDARD – CHAIN OF CUSTODY CERTIFICATION



## PEFC ST 2002:2010 Chain of Custody of Forest Based Products – Requirements



# WHAT IS CERTIFIED UNDER MTCS?

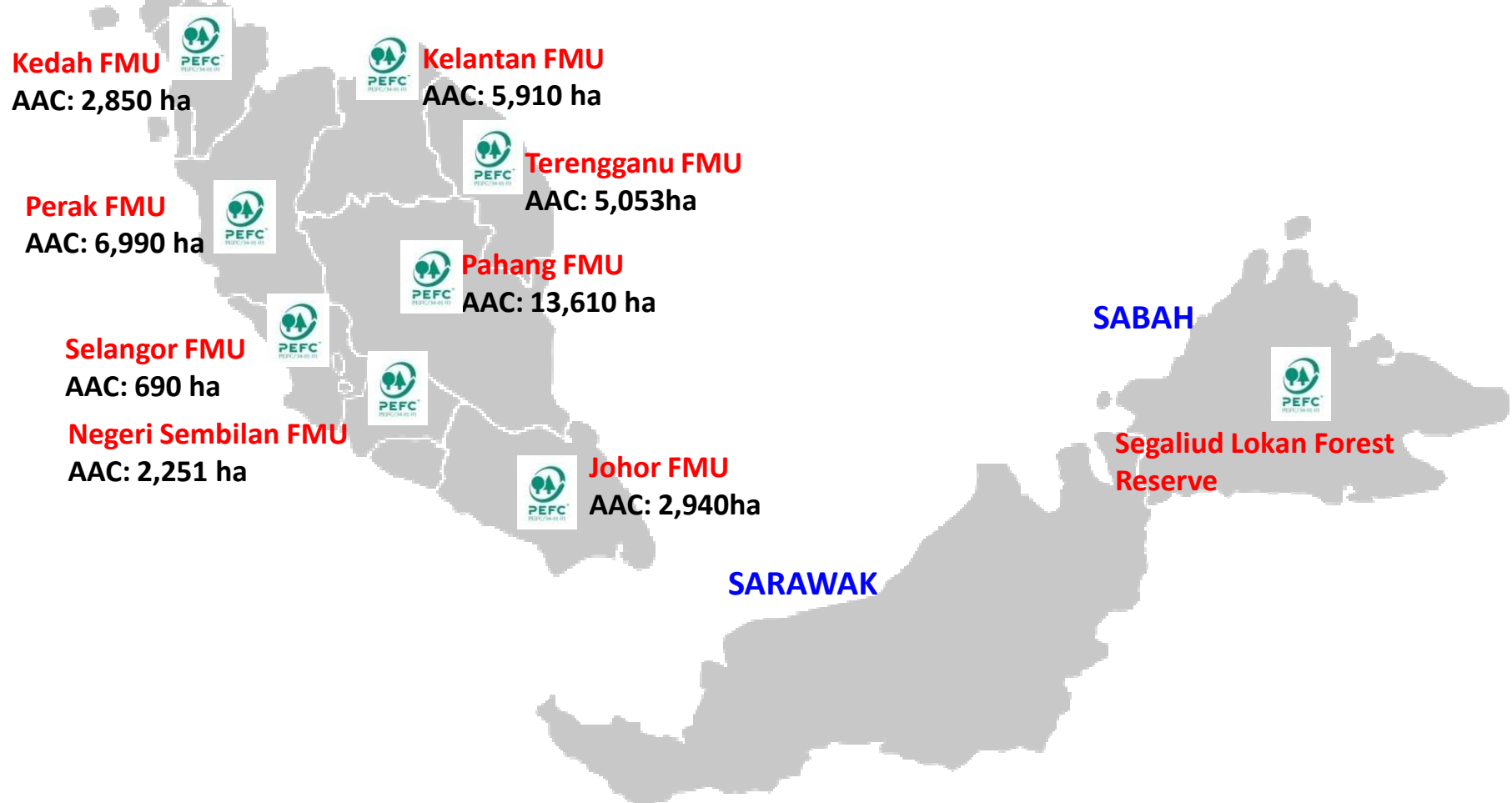




# PEFC-CERTIFIED FMUS IN MALAYSIA



## PENINSULAR MALAYSIA



\* 9 FMUs hold valid PEFC Certificate for Forest Management covering 4.65 million ha under MTCS







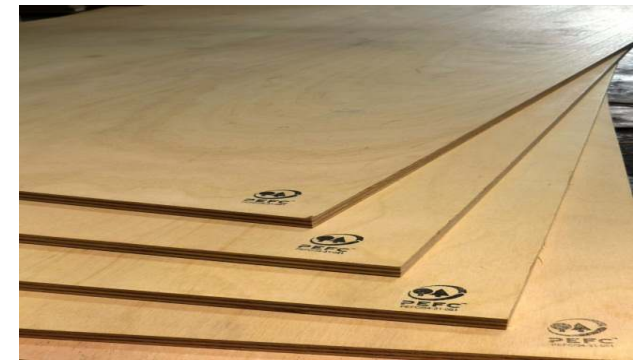
# PEFC-CERTIFIED TIMBER COMPANIES IN MALAYSIA



- ✿ **169 timber companies have been issued with PEFC *Chain of Custody Certificate***



PRODUCT	NO. OF COMPANIES*
Sawn Timber	118
Plywood	12
Veneer	3
S4S Timber	8
Solid Wood Moulding	49
F/J @ Laminated Moulding	15
F/J Timber	12
Furniture & Components	13
Flooring (Including solid wood parquet)	7
Door & Window components	5
Laminated Scantling/Veneer Lumber/timber/blockboard	7
Sawmill off-cuts/ waste	3
Bulders' carpentry and joinery/ Interior wood profiles	4
Particle Board / MDF Board	5
Paper/Paper Board/ printing	12
Wood Chip	2
Structural/beam	3



► \*Some companies are involved in more than one product type.



## **LIST OF PEFC-CERTIFIED PAPER PRODUCTS COMPANIES (13)**



- ✿ **Antalis (Malaysia) Sdn. Bhd. (SGS-PEFC/COC-0566)**
- ✿ **Behn Meyer International Trading Sdn. Bhd. (SGS-MTCS/COC-0122)**
- ✿ **Ho Printing (Malaysia) Sdn. Bhd. (SGS-PEFC/COC-1242)**
- ✿ **Chiat Hin Envelope Manufacturer Sdn. Bhd. (BMT-PEFC-1186)**
- ✿ **International Paper (M) Sdn. Bhd. (SGS-PEFC/COC-1388)**
- ✿ **Jinmei Industrial Sdn. Bhd. (SGS-PEFC/COC-0933)**
- ✿ **L.P. Pacifics Films Sdn. Bhd. (FCOC 059)**
- ✿ **Muda Paper Converting Sdn. Bhd. (BMT-PEFC-1160)**
- ✿ **Percetakan Zanders Sdn. Bhd. (SGS-PEFC/COC-1387)**
- ✿ **Sanrix Paper Sdn. Bhd. (FCOC 057)**
- ✿ **Spicers Paper (Malaysia) Sdn. Bhd. (FCOC 053)**
- ✿ **Tien Wah Press (M) Sdn. Bhd. (SGS-PEFC/COC-1404)**
- ✿ **Times offset (Malaysia ) Sdn. Bhd. (SGS-PEFC/COC-0593)**





# ENDORSEMENT & RECOGNITION OF MTCS



# PEFC Endorsement of MTCS

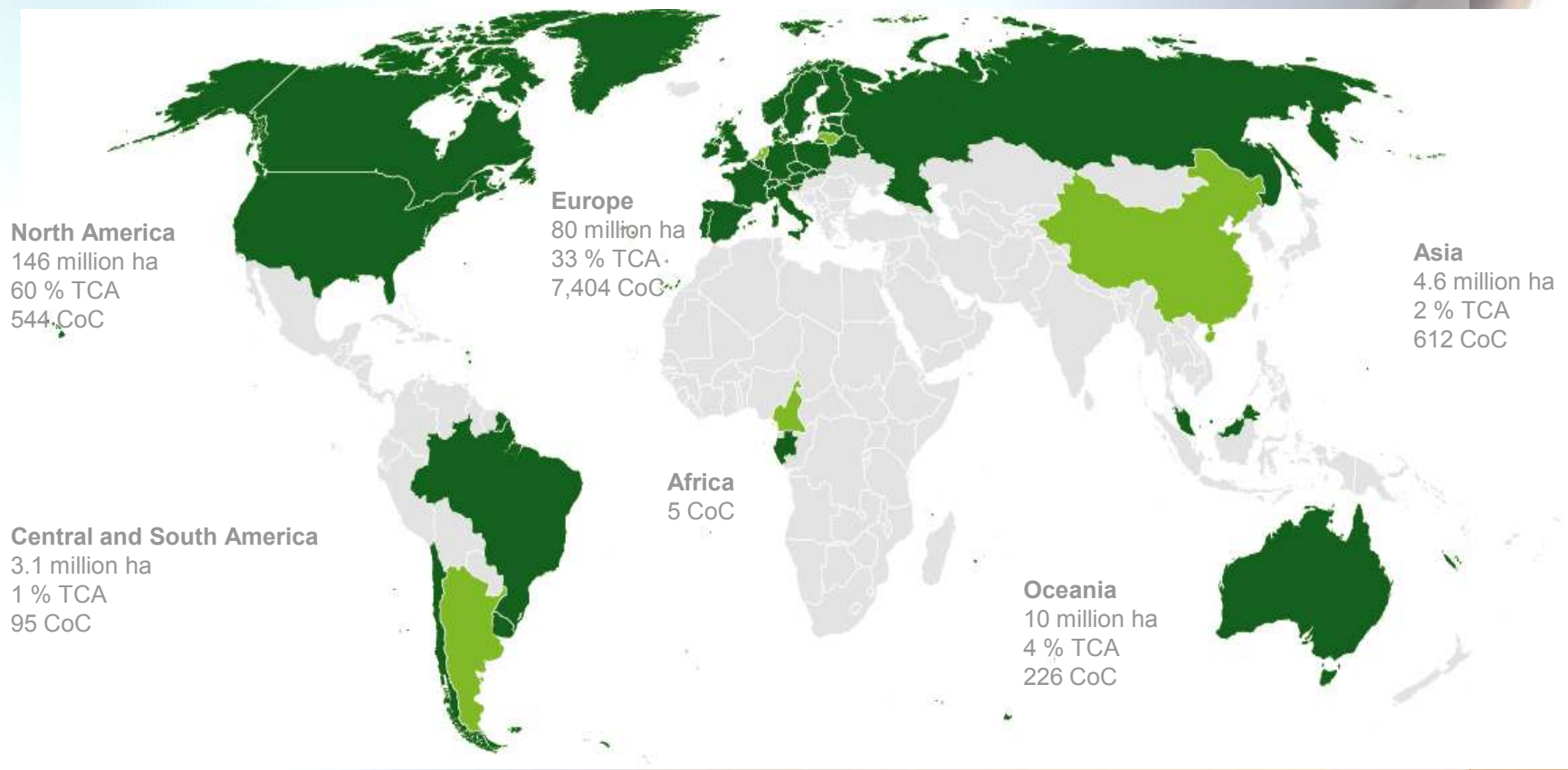


- *Programme for the Endorsement of Forest Certification schemes (PEFC)* is presently the largest forest certification organisation in the world
- MTCS was endorsed by PEFC on 1 May 2009 for a period of 5 years
- PEFC endorsement enables MTCS to be recognised internationally
- PEFC endorsement allows mutual recognition with 30 other PEFC endorsed schemes around the world
- MTCS-certified products are allowed to use the PEFC Logo





# PEFC Globally



- Endorsed national member
- Non-endorsed national member

\* ha - hectares  
CoC – Chain of Custody certificates  
TCA – Total Certified Area



# RECOGNITION OF MTCS



## PUBLIC PROCUREMENT POLICIES FOR TIMBER

As a PEFC – endorsed scheme, MTCS is accepted under the national timber procurement policies of **Denmark, United Kingdom, Germany, Finland, Belgium, Switzerland, France and New Zealand.**

In addition, a number of authorities and organisations, particularly in key markets for Malaysian timber products, have also accepted the MTCS :

### ✿**Japan:**

- MTCS is listed as one of the certification schemes in **Guideline for Verification on Legality & Sustainability of Wood & Wood Products** by the Forestry Agency, Ministry of Agriculture, Forestry & Fisheries, Japan



# RECOGNITION OF MTCS



## ✿ Germany:

- City of Hamburg in Germany has granted MTCS full acceptance in its procurement policy through the implementation of the MTCC-Hamburg Joint Project (December 2009)

## ✿ The Netherlands

- Keurhout
  - MTCS accepted under *Keurhout Protocol for Sustainable Forest Management (KH-SFM)*
- Government
  - The Dutch Ministry of Housing, Spatial Planning and Environment (VROM) accepted MTCS certificate as meeting the requirements for legality of timber



# RECOGNITION OF MTCS

## Green Building Schemes

- ✿ **As a PEFC – endorsed scheme, MTCS is recognised under several green building schemes such as in Australia, Italy, Singapore, The Netherlands, UK, Canada, Japan and Abu Dhabi, UAE**
- ✿ **In addition, Green Building Index (GBI) in Malaysia recognises the MTCS under its Sustainable Timber criteria**

# THANK YOU

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