Chain of Custody for Timber Products Exported from Sarawak

Presented by:

Mr. MOHD HINRI ABDULLAH
Assistant General Manager, Preventive & Enforcement, Sarawak Timber Industry Development Corporation

3rd December 2007
Yokohama, Japan
Scope

- Sarawak Timber Industry Development Corporation (STIDC)
- Timber industry in Sarawak
- Chain of Custody
- Illegal Timber
Sarawak Timber Industry Development Corporation (STIDC)
Ministry of Planning & Resource Management, Sarawak

- Land Custody & Development Authority
- Sarawak Timber Industry Development Corporation (STIDC)
- Land & Survey Department
- Sarawak Biodiversity Centre
- Forest Department
- Natural Resources & Environment Board
- Sarawak Forestry Corporation (SFC)
SARAWAK TIMBER INDUSTRY DEVELOPMENT CORPORATION (STIDC)

Established in June 1973 following the recommendation of the FAO, UN which conducted a comprehensive forest inventory in 1968-1972

STIDC is a State Government agency formed to stimulate by all possible means the planned expansion of wood-based industries in Sarawak at a rate consistent with the overall interest of the economy, the availability of capital and technical expertise and effective management of the forest resource.
Timber Industry in Sarawak
## SARAWAK: MAJOR EXPORT COMMODITIES 2005 - 2006

<table>
<thead>
<tr>
<th>YEAR</th>
<th>LNG (RM MILLION)</th>
<th>CRUDE PETROLEUM &amp; PET. PRODUCTS (RM MILLION)</th>
<th>TIMBER &amp; TIMBER PRODUCTS (RM MILLION)</th>
<th>AGRIC. PRODUCTS (RM MILLION)</th>
<th>UREA &amp; AMMONIA (RM MILLION)</th>
<th>OTHER PRODUCTS (RM MILLION)</th>
<th>TOTAL (RM MILLION)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>20,790</td>
<td>15,094</td>
<td>7,234</td>
<td>2,301</td>
<td>497</td>
<td>5,547</td>
<td>51,464</td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>29%</td>
<td>14%</td>
<td>4%</td>
<td>1%</td>
<td>10%</td>
<td>100%</td>
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<td>2006</td>
<td>23,285</td>
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<td>8,773</td>
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<td>5,921</td>
<td>61,940</td>
</tr>
<tr>
<td></td>
<td>38%</td>
<td>33%</td>
<td>14%</td>
<td>5%</td>
<td>1%</td>
<td>9%</td>
<td>100%</td>
</tr>
</tbody>
</table>
FOREST RESOURCE BASE

TOTAL LAND AREA : 12.3 MILLION HA.

PERMANENT FOREST ESTATE (PFE) : 6.0 MILLION HA. (70%)

TOTALLY PROTECTED AREA (TPA) : 1.0 MILLION HA. (12%)

STATE LAND : 1.5 MILLION HA. (18%)

TOTAL FOREST AREA : 8.5 MILLION HA. (69%)
SARAWAK: LOG PRODUCTION TREND

1991 - 19.41 Million m³
2005 - 12.04 Million m³
2006 - 11.86 Million m³
### Status of Wood-Based Industry in Sarawak

<table>
<thead>
<tr>
<th>MILL TYPE</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plywood</td>
<td>32</td>
<td>34</td>
<td>31</td>
</tr>
<tr>
<td>Sawmill</td>
<td>217</td>
<td>213</td>
<td>193</td>
</tr>
<tr>
<td>Veneer</td>
<td>23</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>MDF/Fibreboard</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Laminated Board</td>
<td>13</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Mouldings/Dowels</td>
<td>26</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Particle Board</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Woodchips</td>
<td>2</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Furniture</td>
<td>365</td>
<td>389</td>
<td>397</td>
</tr>
<tr>
<td>Charcoal Briquette</td>
<td>5</td>
<td>7</td>
<td>7</td>
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</table>
### SARAWAK: INSTALLED & UTILISED CAPACITY OF MILLS - 2006

<table>
<thead>
<tr>
<th>MILL TYPE</th>
<th>INSTALLED CAPACITY (MILLION M3/YEAR) *</th>
<th>UTILISED CAPACITY (MILLION M3/YEAR) (8 HRS/SHIFT PER DAY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAWMILL</td>
<td>5.45</td>
<td>2.58</td>
</tr>
<tr>
<td>PLYWOOD</td>
<td>3.66</td>
<td>5.61</td>
</tr>
<tr>
<td>VENEER</td>
<td>0.78</td>
<td>0.57</td>
</tr>
</tbody>
</table>

* 1 shift 8 hour/day
## SARAWAK: MAJOR EXPORT COMMODITIES 2005 - 2006

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</tr>
</tbody>
</table>
### SARAWAK: EXPORT OF MAJOR TIMBER PRODUCTS

<table>
<thead>
<tr>
<th>PRODUCTS</th>
<th>2005 M3</th>
<th>2005 RM (‘000)</th>
<th>2006 M3</th>
<th>2006 RM (‘000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLYWOOD</td>
<td>2,933,151</td>
<td>3,601,594</td>
<td>3,488,665</td>
<td>5,173,410</td>
</tr>
<tr>
<td>LOGS</td>
<td>4,200,609</td>
<td>1,779,884</td>
<td>3,456,661</td>
<td>1,641,371</td>
</tr>
<tr>
<td>SAWN TIMBER</td>
<td>1,112,429</td>
<td>961,348</td>
<td>1,070,756</td>
<td>967,465</td>
</tr>
<tr>
<td>VENEER</td>
<td>360,263</td>
<td>321,155</td>
<td>322,454</td>
<td>339,572</td>
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<tr>
<td>MDF/FIBREBOARD</td>
<td>173,541</td>
<td>165,881</td>
<td>207,086</td>
<td>224,519</td>
</tr>
<tr>
<td>LAMINATED BOARD</td>
<td>22,253</td>
<td>52,355</td>
<td>19,136</td>
<td>75,136</td>
</tr>
<tr>
<td>MOULDINGS</td>
<td>26,319</td>
<td>58,330</td>
<td>29,326</td>
<td>65,070</td>
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<tr>
<td>DOWELS</td>
<td>7,256</td>
<td>16,825</td>
<td>6,150</td>
<td>14,698</td>
</tr>
<tr>
<td>PARTICLEBOARD</td>
<td>111,805</td>
<td>41,715</td>
<td>122,785</td>
<td>53,915</td>
</tr>
<tr>
<td>LAM.VENEER LUMBER</td>
<td>78,475</td>
<td>114,472</td>
<td>95,643</td>
<td>132,998</td>
</tr>
<tr>
<td>WOODCHIPS (TONNE)</td>
<td>292,603</td>
<td>31,582</td>
<td>193,800</td>
<td>25,351</td>
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<tr>
<td>OTHER PRODUCTS</td>
<td>89,312</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>7,234,453</td>
<td></td>
<td>8,772,655</td>
<td></td>
</tr>
</tbody>
</table>

% EARNINGS OF TIMBER PRODUCTS OVER SARAWAK EXTERNAL EARNINGS

|                | 14 | 14 |
EXPORT TREND OF MAJOR TIMBER PRODUCTS FROM SARAWAK

Volume M3

- Logs
- Sawn timber
- Plywood
- Veneer
- Dowels/mouldings
- Laminated board
- Particleboard
- MDF

Year:
- 1995
- 1996
- 1997
- 1998
- 1999
- 2000
- 2001
- 2002
- 2003
- 2004
- 2005
- 2006
SARAWAK: EXPORT OF LOGS BY DESTINATION

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume (Million M3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>0.98</td>
</tr>
<tr>
<td>2002</td>
<td>0.98</td>
</tr>
<tr>
<td>2003</td>
<td>1.28</td>
</tr>
<tr>
<td>2004</td>
<td>1.21</td>
</tr>
<tr>
<td>2005</td>
<td>1.41</td>
</tr>
<tr>
<td>2006</td>
<td>1.25</td>
</tr>
</tbody>
</table>

Destinations:
- VIETNAM
- KOREA
- HONG KONG
- TAIWAN
- CHINA
- JAPAN
- INDIA
SARAWAK: EXPORT OF PLYWOOD BY DESTINATION - 2006

VOLUME M3

- OTHERS
- INDIA
- EU
- TAIWAN
- CHINA
- MIDDLE EAST
- KOREA
- USA
- JAPAN
POLICY: RESOURCES

- Sustaining the momentum of growth by ensuring adequate long term raw material supply.

- Production - 9.2 million m³ annually from Permanent Forest Estate as recommended by ITTO.

- Log Quota Policy - 60% of log production for local processing mills & 40% export.
**FUTURE RAW MATERIAL SUPPLY**

**FOREST PLANTATION**

- Sarawak Government in collaboration with private sectors have embarked on large scale forest plantation. Establishment of forest plantation to ensure sustainable supply of timber in the long term.

- Target: About 1.0 million hectares of planted forests within the 15-20 years to produce 20 million m³ of fast growing timber species annually.

- Species planted include species such as *Acacia Mangium*, *Albizia falcataria*, *Shorea macrophylla*, *Durio zibethinus* and *Hevea braziliensis*.
CHAIN - OF - CUSTODY
Laws & regulations relating to timber industry
<table>
<thead>
<tr>
<th>ORGANIZATIONS</th>
<th>LAWS/ORDINANCES</th>
</tr>
</thead>
</table>
| FOREST DEPARTMENT, SARAWAK | • Forests Ordinances, 1954 (Cap.126)  
  • Wild Life Protection Ordinance (Cap. 26), 1998  
  • National Parks and Nature Reserves Ordinance (Cap.27), 1998  
  • The Ramin Logs (Prohibition of Export) Order, 1980  
  • The Ramin Shorts and Ramin Squares (Prohibition of Export) Order, 1991  
  • The Sepetir Timber (Export Restriction) Order, 1980  
  • The Forest Rules 1962 |
| SARAWAK FORESTRY CORPORATION (SFC) | • Sarawak Forestry Corporation Ordinance, 1995 |
| SARAWAK TIMBER INDUSTRY DEVELOPMENT CORPORATION (STIDC) | • The Sarawak Timber Industry Development Corporation Ordinance, 1973  
  • The Sarawak Timber Industry (Registration) Regulations, 1999  
  • The Timber Grading Regulations, 1975 (Amendment 1983) |
| CUSTOMS DEPARTMENT | • Customs Act 1967, Customs (Prohibition of Export) Order 1988  
  • Customs Act 1967 Customs (Prohibition of Import) Order 2006 |
<p>| LAND AND SURVEY DEPARTMENT | • Land Code, 1958 (Cap.81) |
| NATURAL RESOURCES AND ENVIRONMENTAL BOARD (NREB) | • The Natural Resources and Environment (Amendment) Ordinance, 1997 |
| DEPARTMENT OF AGRICULTURAL (DOA) | • Plant Quarantine Act 1976 |</p>
<table>
<thead>
<tr>
<th>ORGANIZATION POINT</th>
<th>FOREST LICENSE</th>
<th>FOREST (LANDING)</th>
<th>TRANSIT CAMP</th>
<th>LOG POND</th>
<th>MILL</th>
<th>EXPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest Department</td>
<td>• Approve Forest License • Issuance of Forest License</td>
<td>• General Harvesting Plan (GH) • Detailed Harvesting Plan (DP) • Permit to Enter Coupe (PEC)</td>
<td>• Timber Harvesting • Marking &amp; Tagging</td>
<td>• Scaling, Grading &amp; Sorting • Property Mark</td>
<td>• Re-trim, re-scale, re-grade • Sort-export/mill • Tagging logs serial no • Prepare log specs • Apply royalty marking</td>
<td></td>
</tr>
<tr>
<td>Logging Company/ Licensee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sarawak Forestry Corporation (SF &amp; C)</td>
<td>• Royalty Assessment • FD Hammer Marking • Issuance of Removal Pass (Royalty)</td>
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<td></td>
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</tr>
<tr>
<td>Harwood Timber Sdn.Bhd</td>
<td>• Inspection before Removal • Issuance of TRP</td>
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<tr>
<td>Sarawak Forestry Corporation (SAPU)</td>
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<tr>
<td>Timber Industry</td>
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<tr>
<td>STIDC</td>
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<tr>
<td>Customs Dept</td>
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<td></td>
</tr>
</tbody>
</table>

FOR LOGS EXPORT

FOR MILLING LOGS

• Inspection of Logs on arrival at Mill
• Inspection of Logs • Issuance of Export Clearance Certificate (EXCC)

• Checking of Incoming Log • Records verified

• Process & Verify Application • Inspection of Timber Products • Issuance of Export License

Customs Clearance & Endorsement
SARAWAK TIMBER INDUSTRY DEVELOPMENT CORPORATION
Process Flow Chart for Export Permit

APPLICANT/EXPORTER

START

SUBMIT APPLICATION

EXPORTER

INSPECTION & VERIFY

• STIDC Grading Certificate (for Sawntimber except Ramin)
• Exemption from Grading Certificate (Ramin sawntimber)
• CITES Certificate from FD (Ramin sawn & timber Products)
• Permit to Export Sepetir from FD
• Shipping Order
• Invoice
• Packing List
• Log Specification (Log Export)
• Removal Pass (TRP from FD) (Logs Export)
• Declaration of Source of Supply of Timber Products
• Log Quota Compliance Report

APPROVE

STIDC

YES

REGISTER

HARWOOD TIMBER SDN.BHD.

NO

CUSTOMS

SFC

CUSTOMS

ACKNOWLEDGE

SUPPORTING DOCUMENTS

CUSTOMS

EXPORT

ENDORSE & GOODS CLEARANCE

CUSTOMS

EXPORT POINT

YES

INSPECTION & VERIFY

• Inspection by SFC for Export of Ramin timber Product
• Joint Inspection by Harwood Timber Sdn.Bhd & SFC (for logs Export)

APPROVED EXPORT LICENSE

• Print Export License at the back of CDF No. 2
• Authorized Signatory

EXPORTER

APPROVED & STIDC Produce Export License

End
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>HIDING (#)</td>
<td>50</td>
<td>1,159.35</td>
<td>57,967.25</td>
</tr>
<tr>
<td>2</td>
<td>HANGING (#)</td>
<td>170,440</td>
<td>7,18.15</td>
<td>1,224,540</td>
</tr>
<tr>
<td>3</td>
<td>44H (#)</td>
<td>12,306.30</td>
<td>3,95.15</td>
<td>48,455.55</td>
</tr>
</tbody>
</table>

Note: The values have been rounded for simplicity.
IMPORT
**POLICY**  
Ban on log import from Indonesia

- Ban on import of sawn timber of size 60 sq.inches and above from Indonesia
- Log import from other countries approved on case by case basis

**Issuance of Import Permit**

- Approval of Import by Ministry of Planning & Resource Management
- Approval of Import Permit by STIDC
- Custom Declaration
- Inspection by STIDC, and Dept of Agriculture (Plant & Quarantine Division)
  - Hammer Marking
  - Tagging
  - Removal Pass
  - Inspection at mill
IMPORT OF SAWN TIMBER FROM INDONESIA
Authorized entry points for import of sawn timber from Indonesia

- SEMATAN
- BIAWAK
- TEBEDU
- LUBOK ANTU
- BATU LINTANG
Procedure for import of sawn timber from Indonesia

**IMPORTER**

- **STIDC**
  - **CUSTOMS DEPT**
    - **HARWOOD TIMBER S/B**
      - **STIDC**
        - **DESTINATION**

**DOCUMENTS**

- Customs Form No.1
- STIDC Inspection Note
- PEB/SKSHH from Indonesia
- CITES Certificate from Indonesia (Ramin)
- Discharge timber at Harwood Timber Depots
- Customs Form No.1
- Tallying & Bundling
- Receipt Note & Despatch Note
- Customs Form No.1 & Harwood Receipt Note
- CITES Certificate from Indonesia (Ramin)
- Form A (Hammer Marking)
- Form B (Removal Pass)

- Physical Inspection (Ramin?)
DEVELOPMENTS
Review of Chain of Custody

Study conducted by: URS AUSTRALIA PTY. LTD. (consultant engaged by the state government of Sarawak)

Recommendations

To strengthen existing Chain of Custody System

Logs for export & processing (CoC from log pond and mill/log export point)

> One agency to maintain log and timber product database to reduce duplication and improve efficiency across agencies involved

> Pre-harvest inventory with SFC auditing

> 100% tree marketing or Tree/Log production No. to commence at forest landing

> Log Production No. to be carried through the entire supply chain (including in batching for mill CoC)

> Introduction of an Internal Audit Systems to facilitate 3rd party audit which would assist with credibility

> Documented audits at logs ponds by Sarawak Forestry Corporation and Harwood Timber Sdn Bhd
Timber Processing (Introduce CoC into all mills)

> Develop simple and robust CoC system based on those currently in use

> Ensure Log Production No. is used throughout the process

> Utilise the detailed electronic data kept by most mills to avoid duplication

> Centralised database will enable all logs and timber products to have ‘origin’ identified if required

Export point – ship

> More STIDC staff allocated where ‘midstream’ loading is involved

> STIDC and SFC staff work in shifts on a 24-hour basis to better monitor ship movements and loading

Database for CoC & Reporting

> STIDC and Harwood Timber map out each point in data collection, responsibilities and data format to identify how these can be linked and shared

> Develop a single section within Harwood Timber devoted exclusively for management

> Linking of enumeration data (from companies) to harvest date (collated by companies and Harwood Timber)

> Linking STIDC Export Permit (ePermit) to Harwood log tracking systems (HENDIS)

> Linking or sharing data in STIDC ePermit with Customs or Port Authorities
Briefing on “Japan’s Green Procurement Policy”
by Mr. Kazuyuki Morita, Director of Wood Products Trade, Ministry of Forestry & Fisheries, Japan
5th April 2007, STIDC Head Office, Kuching, Sarawak
Datu Haji Len Talif Salleh, General Manager of STIDC handing over publications to Mr. Kazuyuki Morita
ILLEGAL TIMBER
Illegal Logging

Illegal Logging is most referred to in the literature as when timber is harvested, transported, bought or sold in violation of national laws.

Issues of Illegal Timber

- Harvesting without authority in designated national parks or forest reserves
- Harvesting without authorization or excess of concession permit limits
- Failing to report harvesting activity to avoid royalty payments or taxes
- Violating international trading rules or agreements, such as export bans or CITES

Seneca Creek Associates & Wood Resources International, Nov. 2004
ILLEGAL TIMBER IN SARAWAK CONTEXT

- Harvesting without valid licence
- Harvesting in National Parks or Forest Reserves
- Harvesting in excess of concession permit limits & outside boundary coupe
- Failing or avoid royalty payments
- Export & Import without permits
- Not registered with STIDC
Regulation 3(1)

Notwithstanding any other written laws, no person shall be engaged in or associated with:-

a) The manufacture of timber; or

b) The sale, distribution or marketing of timber.

Unless he is registered under these Regulations.
Section 49(1)

“The taking of forest produce in forests reserves and protected forests shall be controlled and regulated by the Director who may -

a) Issue such licences or permits in such form and under such conditions as he may deem expedient

b) Call for tenders for the right to take forest produce from a specified area

c) Fix the fees, royalties, premia or other payments to be made in respect of such forest produce in any particular case

d) Permit any other works that he may deem necessary for the taking of such forest produce or for the management of the forest”
ACTIONS TO COMBAT ILLEGAL LOGGING
ABDULLAH LUMPUR: There will be more stringent enforcement of industry regulations with a view to tackling the problem of illegal logging, Prime Minister Datuk Seri Abdullah Ahmad Badawi said.

He said the government would not tolerate any illegal logging as it also threatens the environment.

“We’ll not tolerate anyone involved in illegal logging. We’ll show no mercy,” he said after opening the Malaysian International Commodity Conference and Showcase here.

Abdullah was commenting on measures taken by the government to deal with illegal logging which he said also threatens the environment.

He noted that in areas where logging was allowed, it should not be excessive as the emphasis should be on sustainable extraction of timber.

“You’re not supposed to cut down big or small trees indiscriminately. You can’t do that,” he said.

Abdullah said state governments should understand policies relating to forestry and logging formulated by the federal government.

“At the next meeting of ministers and chief ministers, I’ll stress on the need for stricter enforcement of these laws,” he added. When asked whether illegal logging activities had reached a critical level, Abdullah said: “(Whether) it’s critical or not...that’s not an issue.”

According to him, reforestation efforts would need to be conducted in areas where trees had been harvested. Through research, he said, trees that could grow at a faster rate could be developed. — Bernama
Taib: Be wary of people out to destroy State’s forests

KUCHING: Chief Minister Pehin Sri Abdul Taib Mahmud yesterday cautioned environmentalists to be wary of ‘activists’, who could be manipulated by gangsters intent on destroying the State’s forest.

“The environmentalists should now think very deeply to see that they do not lend themselves to support activitists, who may in fact support or be used by gangsters to destroy our national parks and animal sanctuaries,” he told reporters after a function here.

The Chief Minister disclosed that three illegal logging operations had recently been busted.

The activities, he said, were found near an animal sanctuary in Sematan.

However, he did not have the full details.

Taib, who brought to light the involvement of gangsters in illegal logging in Sarawak in March this year, said the police and the enforcement unit of the Sarawak Forestry Corporation were going all out to catch the illegal loggers.

To a question, he said it was true that illegal logging activities were mainly controlled by gangsters because only they could organise

Taib was particularly pleased with the commitment shown by the police.

He said: “I am very happy with the police. They have done a good job. The last few months have been quite difficult for operations, a lot of heavy rain, and yet you can see their commitment. The police are not in anyway affected by it. Congratulations to them.”

Among one of the recent illegal logging busts made by the police was last Wednesday’s, when they arrested a 44-year-old man from Peninsular Malaysia who was believed to have been responsible for illegal logging operations near Gunung Santubong.

The suspect was arrested when he arrived at a coffeeshop in Buntal by a police team that was waiting for him.

It is learnt that the man previously lived in Sabah but had moved to Lundu recently.

Earlier on Tuesday night, police arrested a 45-year-old boat operator from Kampung Buntal who is believed to be responsible for transporting the illegal logs.

This brings the total number of those arrested
By Patrick Joseph

EINDULL: The police here have seized 95 logs, believed to be illegal, and seven lorries worth a total of RM4.5 million in an operation on Sunday night.

The seizure was described as the biggest in the division so far this year.

Royalty due on the timber was said to be in the region of RM9,000.

Rear Admiral police chief Superintendent Sulaiman Abdul Hamid, in conferring the seizure yesterday, outlined how the police unravelled the sordid plot.

At 7.15pm yesterday, a group of policemen led by State Public Order chief assistant Sarpil Naumal, who is also the State Executive Officer, drove to the scene where the lorries were parked.

While they were setting up the operation, they stopped seven lorries transporting logs.

Upon checking, the lorries, described as 'Sarawak', were found to be without registration plates and road tax discs.

The drivers of the lorries were unable to furnish the policemen with the relevant documents including documents permitting them to transport the logs.

After questioning, the policemen collected the identity cards and driving licences of all the seven drivers and a co-driver.

However, a sudden heavy downpour at that juncture forced the policemen to group the suspects in a lorry before they could drive the vehicle away and stopped near the site where the eight men were waiting.

As a result, the policemen boarded the vehicle and freed the suspects. The police gave chase but failed.

"The suspects escaped, but they left behind their personal documents," Sulaiman said.

"We later interviewed the suspects and asked for reconciliation from the Brunei Police Department, and a team of 18 led by Sulaiman himself searched the scene.

"We found 95 logs, so we asked the policemen to assess the situation, and then they confirmed that all the logs were genuine 'duty paid'.

"The lorries were on their way to the Tawau area, where they were

Meanwhile, police were now looking for the drivers of the seven lorries who escaped from the police yesterday.
Suspected log thieves further remanded

By Patrick Joseph

BINTULU: Eight suspects, who allegedly stole timber logs here, were yesterday remanded under police custody for three days, pending investigation.

Investigating officer, probationary inspector, Zakaria Kirinu applied to remand the suspects for eight days to help with police investigation.

He told the court that the eight, who were driving seven lorries loaded with timber logs, were stopped by a police party at Mile 30 of the Bintulu-Tarau road at 7.15am last Sunday for checking.

The suspects however, left the scene in a 4WD before the police could summon them for traffic offences like overloading, failing to display the registration plate number and road tax.

RM49,000 on the seized timber logs had not been paid.

Zakaria said the eight were arrested by CID chief, ASP Azmi Aiz after they surrendered to the police at about 8.30am on Monday.

Meanwhile, counsel for the eight, Hii Chee Wong urged the court to allow a shorter period of remand as his clients had given their full cooperation to the police and all statements had also been recorded from them since their arrests.

Hii also clarified that his clients had no intention to flee from the scene as reported as there was no instruction from the police for them to remain at the scene.

“They later sought legal advice before telephoning to the police who told them to turn up at Central Police Station the following morning,” Hii said.

He said his clients comprising...
BLOW TO GANGLAND

Police stepped up their action against criminals, arresting two kingpins in Selangor and Sarawak. Johor is next, write DESMOND DAVIDSON and LEE SHI-IAN

KUCHING: Police struck another blow against organised crime in Sarawak when they arrested one of the biggest illegal loggers yesterday.

The suspect, in his 50s, was having a drink at a coffee shop in Bintulu around 11am when a special team from the state police headquarters arrested him.

Federal CID director Datuk Christopher Wan confirmed the arrest of the top gangster but declined to elaborate.

"The operation had been well-planned and executed by the Special Action Unit from Bukit Aman," a source said.

Such was the suspect’s notoriety that armed policemen were seen patrolling the compound, as well as the main gates.

About 8am, the suspect was escorted under heavy guard onto a plane bound for Kuching.

According to sources, the suspect was involved in every illegal activity in the oil and gas town and was feared by many.

"Gambling, illegal gambling, money lending, prostitution — he was involved in everything.

But the main source of his ill-gotten gains is from illegal logging."

His thugs were feared by businessmen who paid protection money.

"The gangster was ruthless," the source said.

The arrest came less than 24 hours after Sarawak Chief Minister Datuk Seri Abdul Taib Mahmud blamed gangsters for illegal logging in wildlife sanctuaries and areas along the Sarawak-Kalimantan border.

Last Monday, Inspector-General of Police Tan Sri Musa Hassan said a total of 146 kingpins and key gang members had been arrested under Ops Cantas Kungkungan.

Of the figure, 138 were charged for extortion, rioting and criminal intimidation. The operation was launched following allegations that gangsters were running wild in Sarawak.

Police had also identified 17 secret societies active in the state. Besides the arrests and prosecution, another eight suspects were held under preventive laws.
Suspected leader in illegal logging operation nabbed

KUCHING: The man believed to be responsible for the illegal logging operation near Gunung Santubong was arrested by police yesterday afternoon.

The 44-year-old from Peninsular Malaysia was arrested as he arrived at a coffeshop in Buntal by a police team that was waiting for him. It is learnt that the man previously lived in Sabah but had moved to Lundu recently.

Earlier on Tuesday night, police arrested a 45-year-old boat operator from Kampung Buntal who is believed to be responsible for transporting the illegal logs.

This brings the total number of those arrested in connection with the incident to six persons.

Police had earlier on detained four workers at the site.

In a related development, Forest Department director Paul Ng yesterday refuted earlier reports that the site where the illegal logging took place was close to the Sarawak Cultural Village.

“The site where this thing took place is called Tanjung Binyu and it is near Buntal, not the Cultural Village,” he said in a telephone interview with The Borneo Post.

He also disputed claims that a second shipment of logs was ready to be sent out.

“There was no second shipment of 21 logs,” he said.

“In fact, my men on the ground said that there were only seven to eight logs on the ground, but the rest were ‘batak’ or rough-sawn timber.

“Altogether, we seized a total of 23 pieces of ‘batak’ from the site,” he added.

He did, however, stressed that what had happened
Sarawak formulated and implemented a reliable legal framework and regulatory system to manage the forest and timber industry.

The implementing agencies and stakeholders alike uphold dutifully to the system implemented.

Administrative system is multi-agencies linked to ensure continuous auditing along the supply chain.

Implementing agencies certified core functions under ISO 9001:2000 quality management systems.

Third party audit and continuous improvement are important elements to adhere in ISO:9001:2000 system.

Sarawak government allow transparency by inviting and allowing external credible parties to evaluate the system implemented.

Consumers can procure without doubts that timber issued with export permit issued by STIDC is “legal”
Thank You