

**NATIONAL REPORT TO THE THIRD SESSION OF  
THE UNITED NATIONS FORUM ON FORESTS**

**MALAYSIA**

**14 March 2003**

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## **II. Progress and issues related to implementation of IPF/IFF Proposals for Action**

### **General**

In Malaysia, national forest programme is part and parcel of the national sustainable development strategy, as well as an integral component of the national integrated land management strategy. Effective mechanisms are in place to harmonize cross- sectoral policies related to forests through the formation of consultative councils such as National Forestry Council (NFC) and the National Land Council (NLC). The NFC, established in 1971 under the NLC and chaired by the Deputy Prime Minister of Malaysia, is empowered to promote and control the use of land for mining, agriculture and forestry. All decisions of the NFC must be endorsed by the NLC and be implemented by the State Governments unless the decisions are within the authority of the Federal Government. The Ministry of Primary of Industries, Malaysia, monitors their implementation.

At the end of 2001, forests in Malaysia were estimated to be 20.20 million hectares or 61.5% of its total land area, of which, 14.45 million hectares have been designated as Permanent Reserved Forests in the Permanent Forest Estate (PFE) with 10.64 million hectares being production forests and the remaining 3.81 million hectares as protection forests. Malaysia has also 2.15 million hectares of conservation areas which are totally protected by legislation. Of these, 1.83 million hectares are located outside the PFE, whilst another 0.32 million hectares are located within the Estate. Hence, with the protection forests of the PFE, the totally protected areas designated for the conservation of biological diversity are now estimated to be 5.64 million hectares, representing 27.9% of its total forested land or 17.2% of its land area.

The inland forests of Malaysia are selectively harvested which are based on prescribed minimum cutting limits with cutting cycles varying from 25 to 55 years, while mature trees in mangrove forests are clear-felled. Harvesting of the inland forests in Malaysia is generally carried out by a combination of crawler tractor-winch lorry and currently reduced impact logging (ground skidding) is also being carried out in a number of forested areas in Peninsular Malaysia and in the state of Sabah, while low impact logging (helicopter logging) is being carried out in the state of Sarawak. Of the logged-over forests in the PFE, a total of 2.01 million hectares had been silviculturally treated at the end of 2001, while an area of 42,256 hectares had been enriched with indigenous tree species. Malaysia had also established 258,859 hectares of forest plantations at the end of 2001, mainly with fast-growing hardwood species; and efforts are currently being taken to conserve and establish medicinal plants.

In terms of forest harvesting, Malaysia has pioneered a number of practices aiming at reducing logging damage on forest stand. They include tree marking for felling, timber tagging for identification and log removal, and directional felling to reduce the negative impacts of logging on the residual stand. All these practices are clearly imposed as important conditions in the forest management and harvesting plans for each individual compartment or area of Permanent Reserved Forests (PRFs) opened for logging. To supplement the forest management and harvesting plans, various regulations and guidelines with special emphasis on environmental conservation measures for forest harvesting have also been adopted and applied. They are:-

- i. Standard Road Specifications and Forest Harvesting Guidelines;
- ii. Guidelines on Pre-felling forest inventory;

- iii. Guidelines on interpretation of pre-felling forest inventory results;
- iv. Guidelines on post-felling forest inventory;
- v. Guidelines on interpretation of post-felling forest inventory result;
- vi. Guidelines on determination of cutting limits based on pre-felling forest inventory results;
- vii. Handbook on enrichment planting;
- viii. Record of trees marked for felling.

Management prescriptions have also been formulated for rattan and naturally-occurring bamboo forests, mostly in Peninsular Malaysia. However, the inventory of non-wood forest produce is often problematic and tedious, making it difficult to implement these prescriptions (particularly for rattan). The Industrial Master Plan 2 (1996 - 2005) gives priority to processing industries producing higher value-added timber products. Export performance of these industries, particularly for furniture, has exceeded targets.

To facilitate the implementation and assessment of progress in the implementation of the IPF/IFF Proposals for Action at the national and sub-national levels, the Malaysian Assessment on the Implementation of IPP/IFF Proposals for Action was initiated in April, 2001 and completed in January, 2002. A Working Committee comprising members from the Ministry of Primary Industries, Malaysia; Forestry Departments of Peninsular Malaysia, Sabah and Sarawak; and the Forest Research Institute Malaysia undertook the work.

The IPF and IFF Reports containing the Proposals for Action as in documents E/CN.17/1997/12 and E/CN.17/2000/14 respectively were the primary reference materials used by the Working Committee in assessing the implementation of IPP/IFF Proposals for Action. In addition, two other documents, namely (i) The Proposals for Action submitted by the Intergovernmental Panel on Forests and the Intergovernmental Forum on Forests – in the Swedish Context, and (ii) Australia's IPF and IFF Summary of Proposals for Action – A tool to assist countries to measure progress and establish priorities for sustainable forest management were also used as guides by the Malaysian Working Committee.

The Malaysian Assessment on the Implementation of IPP/IFF Proposals for Action had taken into consideration the need to adopt an internationally agreed format to facilitate assessment and reporting to the UNFF. Hence, Malaysia had categorized and clustered the IPF/IFF Proposals for Action into 16 elements based on the proposal in the Plan of Action adopted at the UNFF First Session which are as follows:-

- i. Formulation and implementation of national forest programmes;
- ii. Promoting public participation;
- iii. Combating deforestation and forest degradation;
- iv. Traditional forest-related knowledge (TFRK);

- v. Forest-related scientific knowledge;
- vi. Forest health and productivity;
- vii. Criteria and indicators of sustainable forest management;
- viii. Economic, social and cultural aspects of forests;
- ix. Forest conservation and protection of unique types of forests and fragile ecosystems;
- x. Monitoring, assessment and reporting, and concepts, terminology and definitions;
- xi. Rehabilitation and conservation strategies for countries with low forest cover;
- xii. Rehabilitation and reforestation of degraded lands, and the promotion of natural and planted forests;
- xiii. Maintaining forest cover to meet present and future needs;
- xiv. Financial resources;
- xv. International trade and sustainable forest management; and
- xvi. International co-operation in capacity building and access to, and transfer of environmentally sound technologies to support sustainable forest management.

The IPF/IFF Proposals for Action suggested measures to be taken at international, regional and particularly at national level. However, it is not evident by which ways and means countries should use to give effect to the Proposals for Action and turn them into country-specific action, as well as their effectiveness in planning and implementation. In addition, difficulties were also encountered in the categorization and clustering of the IPF/IFF Proposals for Action as:-

- i. the Proposals for Action are clustered around thematic “elements” and “sub-elements” and as such there is frequent repetition of issues and actions under various headings;
- ii. the Proposals for Action show great differences in nature, e.g. basic principles, general guidelines, and operational recommendations;
- iii. the text of the IPF/IFF Reports are quite often elaborate, but does not always clearly identify issues in question and that the level of intervention is also not always clearly spelt out;
- iv. the addressees are not sufficiently identified, particularly for national level implementation; and
- v. the chosen categorization of the Proposals for Action does not clarify all the necessary inter-linkages between the Proposals.

In view of the constrains, the following principles were applied by Malaysia in the categorization and clustering of Proposals of Action into the various elements:-

- i. capture the important aspects or intent of each Proposal for Action;
- ii. group similar or related IPF and IFF Proposals for Action into one summarized Proposal for Action;
- iii. separate large complex Proposals for Action into meaningful components;
- iv. avoid duplication of any Proposals for Action unless the action is directed to different parties; and
- v. group all related summarized Proposals for Action under the most relevant element.

Of the some 270 IPF/IFF Proposals for Action, a total of 186 Proposals for Action was found to be relevant to Malaysia. The assessment covers Malaysia's progress in the implementation of the IPF/IFF Proposals for Action in terms of priority of importance and the status of implementation, as well as Malaysia's capacity in implementing the IPF/IFF Proposals for Action during the mandate of the UNFF.

Furthermore, for those IPF/IFF Proposals for Action that require international co-operation for their effective implementation at the international, regional and sub-regional levels, the assessment of priority of importance for their implementation has been viewed from a Malaysian perspective in ensuring that the means are made available for their realization by countries, especially developing countries, and that forest and forest-related matters are treated in an holistic and integrated manner as agreed at UNCED.

For each summarized Proposal for Action, the relevant IPF and IFF Proposals for Action related to it as contained in the IPF and IFF Reports - E/CN.17/1997/12 and E/CN.17/2000/14, respectively were indicated and they should be referred to for any further clarification in interpreting the summarized Proposals for Action. The Malaysian Assessment on the Implementation of the IPF/IFF Proposals for Action will be further discussed with interested parties through multi-stakeholder dialogues.

As the government owns the bulk of all forested lands in Malaysia, the issue of provision of compensation for forest owners who provide non-market environmental benefits to society does not arise. However, customary and traditional rights, including the right to land and land tenure of indigenous people, local communities, forest dwellers and forest owners are being addressed within the Malaysian legal and regulatory frameworks and wherever appropriate they are protected through expressed legal provisions and duly gazetted, as well as taken into account in all its decisions with regard to the management, conservation and sustainable development of its forest resources. Towards this end, Malaysia is committed to improve the livelihoods of the indigenous people and incorporating them into the mainstream of development.

In addition, being a multi-racial, multi-religious and democratic country, consultation and consensus building is a way of life in Malaysia. This is best reflected in the formation of consultative committees at the village, district, state and federal levels to discuss and resolve all matters pertaining to resources development. Recently, Malaysia has also implemented a Client's Day for the general public, including non-governmental organizations (NGOs), to meet senior officials of the Forestry Departments to discuss and resolve forest and forest-related matters that are of interest to them. For example, The NGOs had played a significant role in the finalization of the Malaysian Criteria, Indicators and Activities for Sustainable Forest Management where at the national level consultation a total of 111 participants from 85 organizations and companies representing the timber industry, social and environmental NGOs, trade unions, women's organizations, academic/research institutions and government agencies participated. In

fact, formal and informal consultations with local communities on forestry matters are also being undertaken by logging operators, district officers and staff of the Forestry Departments.

### **Economic aspects of forests, including trade**

Some efforts have been made to ascertain the economic value of a few of the non-wood forest products (NWFPs) in Malaysia, such as rattan, bamboo, forest fruit trees, medicinal plants, forest recreational areas, protected areas, wildlife, local communities who are dependent on NWFPs and others.

Current activities undertaken by Malaysia through its Forestry Departments include economic analysis on reduced impact logging, review of forest charges, formulate procedures and guidelines for forest resource accounting, and develop management options for recreational services provided by forests.

In this context, a number of reports had been published based on economic studies conducted, namely:-

- i. The Economic Value of *Parkia speciosa*;
- ii. Economic Significance of Medicinal Plants in Peninsular Malaysia;
- iii. Valuation and Analysis of Consumer Demand For Forest Recreation Areas in Peninsular Malaysia;
- iv. A Study on the Economics of the Rattan Industry in Peninsular Malaysia;
- v. Bamboo Industry in Peninsular Malaysia;
- vi. The Economics of *Cinnamomum iners* Industry in Peninsular Malaysia;
- vii. Sustainable Management of Peat Swamp Forests in Peninsular Malaysia (Volumes 1 and 2); and
- viii. Study on Extraction and Processing of Forest Residues and Small Dimension Logs (Volumes 1 and 2).

There are also recent studies made by other forestry related institutions/universities. These include:-

- i. A Model Project for Cost Analysis to Achieve Sustainable Forest Management ( Volumes 1 and 2 );
- ii. Assessment of Biological Diversity in Malaysia;
- iii. Malaysia's National Ecotourism Plan ( 6 volumes including annexes);
- iv. Bioecological Zoning of Sarawak;
- v. Tree Flora of Sabah and Sarawak (Volumes 1 – 4); and
- vi. The Traditional Medicines of Sarawak.

A few lessons were learned from the studies which can be summarized as follows:-

- i. non-market benefits are significant, and the total economic values of forests have been understated;
- ii. awareness created on the wasteful exploitation of the valuable NWFPs;
- iii. need to develop and apply effective low-cost valuation methodologies and techniques other than the market-based approach; and
- iv. need for formalized and routine data collection activity on important NWFPs.

A number of constraints were also encountered which may be listed as follows:-

- i. lack of skilled manpower to undertake economic valuation studies;
- ii. need for capacity building to use new valuation methodologies and techniques;
- iii. need for additional finance resources; and
- iv. lack of data and information of NWFPs due to the informal nature of trade of these products.

As such, Malaysia has planned a few new initiatives which are :-

- i. enhanced co-operation with local universities and research institutions to undertake economic valuation studies;
- ii. establish a database on the economic values of forest resources, and in the further identification of forest resources which are of economic and social values;
- iii. capacity building and training of personnel through direct involvement in valuation studies; and
- iv. develop manuals on forest resource valuation methodologies and techniques, especially on the more important NWFPs.

Malaysia also appreciates the role of co-operation and collaborative projects in the enhancement of sustainable forest management. There are a few bilateral collaborative projects with various international agencies that are currently being implemented in Malaysia, as follows:-

- i. GTZ project on Sustainable Forest Management and Conservation in Peninsular Malaysia, Phase III (2001-2004);
- ii. Danida project on the Management for Conservation and Sustainable use of Peat Swamp Forests and Associated Hydrological Regimes in Malaysia (2002 – 2005);
- iii. GEF project on the Conservation and Sustainable use of Tropical Peat Swamp Forests and Associated Wetland Ecosystem (2002 – 2007);
- iv. ITTO project on Model Forest Management Area (MFMA), Phase III (2003 – 2005); and

- v. The Netherlands project on the Sustainable Management of Peat Swamp Forests of Sarawak with special reference to Ramin (*Gonystylus bancanus*) (2001 – 2004).

Furthermore, to relieve pressure on over-harvesting the natural forests and the loss of biological diversity, Malaysia is promoting the involvement and investment of the private sector in plantation forestry by granting full tax exemption under the Pioneer Status for ten years, or 100 percent tax exemption under the Investment Tax Allowance for five years. Privatization of existing forest plantations is also encouraged, particularly in Peninsular Malaysia.

In terms of forest certification and timber labelling schemes, Malaysia in 1998 had established the Malaysian Timber Certification Council (MTCC) to plan and operate timber certification and to ensure sustainable forest management in Malaysia, as well as to facilitate the timber trade. Through the MTCC, Malaysia had revised its Malaysian Criteria and Indicators (MC&I) for sustainable forest management in accordance with the latest International Tropical Timber Organization (ITTO) 'Criteria and Indicators for Sustainable Management of Natural Tropical Forests'. At the national level, they comprise 7 criteria, 64 indicators and 200 activities; while at the forest management unit (FMU) level, they contain 7 criteria but with only 56 indicators and 171 activities. Standards of performance were also formulated for each of the indicators at both the national and FMU levels. For example, in Peninsular Malaysia at the national level there are 170 standards of performance while at the FMU level they are 150.

Malaysia has also developed internal assessment procedures for monitoring and evaluating sustainable forest management practices based on the MC&I. This was jointly undertaken with the support of the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) of Germany in 1999 and is now fully operational.

Since the mid-1996 Malaysia has embarked on forest management certification through independent third party assessors in the overall context of timber certification by using a core set of the MC&I to assess sustainable forest management practices in three forest management units in Peninsular Malaysia, namely, the states of Selangor, Pahang and Terengganu under the Netherlands's Keurhout Hallmark Programme; and currently an additional five forest management units in Peninsular Malaysia, namely, the states of Johor, Kedah, Kelantan, Negeri Sembilan and Perak have also undergone such certification.

In the state of Sabah, a forest management certification exercise was also conducted by an independent third party assessor where the forest management model area covering 55,083 hectares in the Deramakot Forest Reserve was certified in July 1997 as being a 'well-managed forest' under the Forest Stewardship Council's Principles and Criteria for Forest Management (FSC P&C). The management concept and practices in Deramakot are also in full compliance with the MC&I and hence the ITTO's criteria and indicators for sustainable forest management. Besides, a forest concessionaire, the Perak Integrated Timber Complex (ITC) Sdn. Bhd. in the state of Perak had its area of 9,000 hectares also certified under the FSC P&C in July 2002.

Furthermore, the MTCC, based on a phased approach, had launched its Timber Certification Scheme in October 2001 using the MC&I for forest management certification. As of December 2001, the MTCC has issued Certificates for Forest Management to three forest management units, namely, the states of Pahang, Selangor and Terengganu which were based on independent third party certification, and Certificates for Chain-of-Custody to 16 companies in Malaysia.

Malaysia, through the MTCC, has held discussion with the FSC since 1999 to promote co-operation, including FSC's participation in the formulation of a national standard for forest management certification to ensure that the standard is compatible not only with the ITTO's criteria and indicators but also with the FSC P&C.

After numerous consultations with interested parties at the sub-national level, a national-level consultation was held in October 2002 and had adopted a set of MC&I entitled “*Malaysian Criteria and Indicators for Forest Management Certification (MC&I)*” dated 30 October 2002 which was technically compatible with the FSC P&C as it had followed the structure and format of the FSC P&C.

Malaysia, through the MTCC, has also held discussion with the Pan European Forest Certification (PEFC) Council and on 22 November 2002 at its General Assembly, MTCC’s application for membership was considered and approved by PEFC Council. MTCC intends to submit its timber certification scheme to be considered for endorsement and inclusion in the PEFC framework of mutual recognition.

Currently, following a decision by the 5<sup>th</sup>. Meeting of the Association of South-East Asian Nations (ASEAN) Senior Officials on Forestry held from 15 – 16 July 2002 in Chiang Mai, Thailand; Malaysia is leading the process to develop a Pan ASEAN Timber Certification Scheme based on the ASEAN Regional Criteria and Indicators for Sustainable Management of Natural Tropical Forests and had held its first meeting from 17 - 18 December 2002. The ASEAN Regional Criteria and Indicators for Sustainable Management of Natural Tropical Forests was endorsed by the ASEAN Ministers on Agriculture and Forestry (AMAF) at its 23<sup>rd</sup>. Meeting held in Phnom Penh, Cambodia from 26 – 27 October 2000. These criteria and indicators were developed and based on the ITTO Criteria and Indicators for Sustainable Management of Natural Tropical Forests.

There are a number of lessons learned by Malaysia in applying criteria and indicators for sustainable forest management and forest management certification, as follows:-

- i. the application of criteria and indicators in assessing sustainable forest management at both the national and forest management unit levels has created greater awareness among forest managers and forest workers of their social responsibility in minimizing the loss of biological diversity and in protecting the environment during forest harvesting. It has also brought about a shift in focus from the traditional system of sustained-yield management which is based on the concept of an equilibrium or a balance between growth and harvest that can be sustained in perpetuity to a new paradigm of multi-resource forest management which simultaneously produces a multitude of both tangible and intangible forest goods and services;
- ii. the development of criteria and indicators through multi-stakeholders dialogues has enhanced a better understanding among the many stakeholders or interested parties who are concerned with the sustainability of the forest resources, especially the environmental non-governmental organizations, on the need to balance protection and conservation of the forest resources with economic uses as the wealth generated has enable Malaysia to develop economically and socially in its quest to achieve sustainable development. Forest lands that are cleared for higher economic uses have helped to settle the landless and, thus, arresting the spread of shifting cultivation in Malaysia;
- iii. the information generated through the use of criteria and indicators in assessing the state of the forests has helped policy and decision-makers to communicate the status of sustainable forest management more effectively to the public. It has also assisted in developing policies and strategies for sustainable forest management, acted as ingredients for the preparation of forest management plans, as well as in focusing research efforts where knowledge is still lacking and deficient, in particular, the changes in biological diversity and water quality of streams of the production forests after forest harvesting, and

their long-term effects on the integrity of the forest ecosystem; and in identifying those areas which are in special need of international assistance and co-operation; and

- iv. the current proliferation of forest management certification schemes using different sets of criteria and indicators to define sustainable forest management has exacerbated the need for a set of internationally agreed criteria and indicators for assessing sustainable forest management practices at the forest management unit level, taking cognizance of the different level of socio-economic development of countries and their existing cultural and traditional values, or at the very least an international framework for their mutual recognition, including forest management certification schemes, in the overall context of timber certification and products labelling.

In its efforts to reduce illegal trade in wood products, Malaysia has imposed a ban on the importation of logs from Indonesia, effective June 2002. It is hoped that the ban will contribute towards alleviating the problem of illegal trade of wood products in Malaysia and that this importation ban will eradicate any misconception that Malaysia is involved with trade in illegal timber.

### **Forest Health and productivity**

Malaysia is one of the 11 member countries of the Acid Monitoring Network in East Asia (EANET) which was established in 1998. The objective of EANET is to forge understanding and co-operation in relation to the acid deposition problems in the East Asia Region.

In the past, acid deposition monitoring activities undertaken by EANET were mainly confined to urban areas. However, in 2002 the Acid Deposition and Oxidant Resource Centre (ADORC), Japan, which is the networking centre for EANET had invited Malaysia to hold a workshop with regard to monitoring the effects of acid deposition on forests in the region. Subsequently, a workshop entitled 'Elaboration and Development of Forest Monitoring on Acid Deposition in East Asia' was held in December 2002 in Malaysia with inputs from the International Co-operative Programme on Assessment and Monitoring of Air Pollution Effects on Forests, Germany, which has been actively involved in monitoring the effects of air pollution on European forests under the Convention on Long-range Trans-boundary Air Pollution (CLRTAP) of the United Nations Economic Commission for Europe (UNECE). In this context, currently the damage to forests from air pollution is not critical in Malaysia and generally it is not an issue for sustainable forest management and could be addressed through the combined use of legal and administrative tools.

Malaysia is also actively involved in the activities of the ASEAN Agreement on Trans-boundary Haze Pollution, Immediate Action Plans (IAPs), Activities on Public and Community Awareness, Legal and Law Enforcement Programmes, Monitoring of Fire and Haze, and Smoke and Haze – the ASEAN Response Strategy.

Various other related activities within ASEAN had also been undertaken including GIS Database for Malaysia, Kalimantan and Sumatra in Indonesia, ASEAN Fire Danger Rating System (FDRS) and Video Conferencing Facility.

### **Maintaining forest cover to meet present and future needs**

The current 14.45 million hectares that have been gazetted as Permanent Reserved Forests in the Permanent Forest Estate will be maintained and any excision for non-forestry uses would only be

undertaken if they are required for economic uses higher than that for which they are being utilized, and that wherever possible the excised Permanent Reserved Forests would be replaced with areas of approximately equal extent as provided for under the National Forestry Act, 1984. Actions are also currently being taken to identify forest lands that have yet to be earmarked for permanent non-forestry uses to be gazetted as Permanent Reserved Forests, especially for soil and water conservation and in protecting the environment.

Malaysia, through the Forestry Departments, has also set aside pockets of virgin forest. These pockets, known as Virgin Jungle Reserves (VJRs), were established to serve as permanent nature reserves and natural arboreta, as controls for comparing harvested and silviculturally treated forests and as undisturbed natural forests for general ecological and botanical studies. Since its inception in the 1950s, a total of 87 VJRs covering 23,002 hectares were established throughout Peninsular Malaysia while in the state of Sabah, a total of 48 VJRs had also been established covering an area of 90,442 hectares. These VJRs represent samples of the many types of virgin forest found in the country which are located in Permanent Reserved Forests. Represented forest types include Mangrove Forest, Heath Forest, Peat Swamp Forest, Lowland Dipterocarp Forest, Hill Dipterocarp Forest, Upper Dipterocarp Forest and Montane Forest. Furthermore, in its efforts to further conserve biological diversity, steps are being taken to identify additional VJRs so as to ensure that the network of VJRs would be representative of the various forest and ecological types found in the country.

Malaysia also has established two Genetic Resource Areas (GRAs) for demonstrating the feasibility of systematic observation of forest genetic resources. The two GRAs are in the Ulu Sedili Forest Reserve, Johor covering 4,806 hectares and the other one in the Semengoh Forest Reserve in Sarawak. The GRAs in Johor and Sarawak have initially targeted 8 and 14 commercial species respectively for genetic conservation. These species are by no means exclusive and research is in progress to identify additional species for genetic conservation.

Malaysia has taken an active part in collaborative forestry projects through international, regional and bilateral arrangements with various funding agencies. These projects have enhanced the skill and capabilities of Malaysian foresters in resource planning, development, conservation and management, as well as enable the transfer of appropriate technology which have facilitated the implementation of some of the IPF/IFF Proposals for Action that are relevant to Malaysia. Bilateral projects that are being implemented include those funded by ITTO on sustainable forest management, watershed management, forest rehabilitation, sanctuary for wildlife, and the conservation of the genetic resources of commercial tree species; GTZ supported project on sustainable forest management and conservation of inland forests; Danida supported project on the sustainable management of peat swamp forests; and the Netherlands supported project on the sustainable management of *Gonystylus bancanus*.

Although Malaysia is not affected by desertification, there are mechanisms and programmes in place within the government agencies at both the state and federal levels to deal with emergencies related to severe drought conditions and associated problems including forest fires and diminished water supplies. During periods of severe drought, special emergency programmes are activated to address the immediate concerns. These programmes are organized and implemented through the various existing government agencies.

In 1998, the Government of Malaysia had directed the National/Central Committee for Disaster which is co-ordinated by the Security Division of the Prime Minister's Department to include forest fire under its jurisdiction in addition to its existing responsibilities for the control of flood, urban fires and industrial and other natural disasters. The Committee has formulated a set of Standard Operating Procedures (SOPs) in line with the Malaysian National Haze Action Plan, which is a component of the ASEAN Regional Haze Action 2000 and was implemented in 2001. The SOPs provide guidelines on the

responsibilities of the various government agencies and chain-of-commands in response to large-scale forest fires.

As the Forestry Departments and the local Fire Departments are responsible for putting out forest fires in the Permanent Reserved Forests and other forested lands, Forest Fire Action Plan has been formulated by each of the State Forestry Departments. The plan serves as a manual and guideline for the Forestry Departments and other relevant agencies in preventing the occurrence of forest fire and in combating the fire. This action plan is vital as it establishes an immediate and co-ordinated response system to combat fire in the Permanent Reserved Forests and plantation forests. The pertinent information included in the Forest Fire Action Plan is site information, fire combating tools and techniques, investigation report and early warning system.

In this context, fire fighting teams have been formed in all the states under the supervision of a specially appointed Fire Control Officer (FCO). The FCO will mobilize the required resources to combat any outbreak of forest fire within the state. The number of personnel involved would vary with the extent and intensity of the fire.

### **Other information and emerging issues**

Malaysia has recognized a number of emerging issues that need to be addressed at both the national and/or global level, namely:-

- i. consumers who demand that timber and timber products be certified as emanating from sustainably managed forests should be willing to pay a higher price (green premium) for such products;
- ii. the application of traditional forest-related knowledge (TFRK) within patents and intellectual property rights systems in the overall context of trade liberalization;
- iii. the need for additional financial resources during the transition period to enable developing countries, including Malaysia, to achieve sustainable forest management;
- iv. the long-term impacts of trans-boundary airborne pollutants on the sustainability of tropical forest resources in meeting future needs of society;
- v. the potential competition between wood and non-wood substitutes, including their substitution effects and impacts on sustainable forest management;
- vi. the short and medium terms effects of full cost internalization of wood products and non-wood substitutes on the sustainability of forest resources; and
- vii. the linkage between the use of criteria and indicators for assessing sustainable forest management and timber certification and the potential role of certification in promoting sustainable forest management.

### **III. Preparation of the report**

This report was prepared in consultation with various government agencies that are responsible for forestry, the environment and trade. Views from other stakeholders were also taken into consideration.

Malaysia's Summary of IPF/IFF Proposals for Action relevant to each of the three substantive issues on the agenda of the third session one UNFF is shown in **Annex I**.

**Malaysia's Summary of IPF/IFF Proposals for Action relevant to each of the three substantive issues on the agenda of the third session on UNFF**

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<b>UNFF 3 substantive issue</b>	<b>Type of action called for</b>	<b>IPF Proposal(s) for action</b>	<b>IFF Proposal (s) for action</b>
<b>Economic social and cultural aspects of forests</b>	Assess, develop and implement appropriate regulations, economic instrument and tax policies aimed at creating a favourable environment to attract domestic and foreign private sector investments, including the use of forest charges and revenue for sustainable forest management.	69d	115a 115b 115c
	Develop and implement appropriate policies and mechanisms relating to land tenure, tax policies, access to and the use of forest resources within national and sub-national legal frameworks by promoting the involvement of the private sector, indigenous people, forest owners, and local communities to support sustainable forest management and the sustained production of forest goods and services.	29c	64c 64d 115d 122b
	Develop and implement policies that promote sustainable production of wood and non-wood forest goods and services including the equitable sharing of benefits arising from their commercialisation among those who manage the resource.		122d

UNFF 3 substantive issue	Type of action called for	IPF Proposal(s) for action	IFF Proposal (s) for action
	<p>Improve the valuation of all forest goods and services in collaboration with international organisations, in particular rapid and low-cost valuation methods that incorporate a wide range of values, <i>inter alia</i>, economic, social and environmental impacts of changes in forest use, including ways to internalise externalities.</p> <p>Strengthen outreach programmes targeted at women in areas of education, training and microcredit that are related to community development programme and the use of wood as energy.</p>	104a	<p>107a 107b</p> <p>56n</p>
<b>International trade and sustainable forest management</b>	<p>Develop and implement voluntary codes of conduct to encourage private sector activities for promoting sustainable forest management within national and sub-national legal frameworks, <i>inter alia</i>, to promote trade in forest products.</p> <p>Develop long-term strategies for sustainable forest management that minimise negative effects of short-term market changes.</p> <p>Promote public and private sector policies and programmes to meet increasing demands for wood and non-wood forest products and services, through sustainable forest management, including planted forests and trees outside forests.</p>	69a 128c	<p>41g</p> <p>122a 122b</p>





<b>UNFF 3 substantive issue</b>	<b>Type of action called for</b>	<b>IPF Proposal(s) for action</b>	<b>IFF Proposal (s) for action</b>
<b>Forest health and productivity</b>	<p>Provide factual information about trans-boundary air pollution and develop national assessment and monitoring methods, including national level criteria and indicators for airborne pollutants, and regional programmes for monitoring their impacts.</p> <p>Adopt a preventative approach to the reduction of damaging air pollution in national strategies for sustainable development.</p>	<p>27c 50c 50d</p> <p>50a</p>	
<b>Maintaining forest cover to meet present and future needs</b>	<p>Assess long-term trends in the supply and demand for wood, taking cognisance of its sustainability in meeting demand and the investment required for sustainable forest management, including forest plantations.</p>	<p>28a</p>	