

Summary

Malaysia has made some progress in key policy areas to tackle illegal logging both at the federal and state level since the previous Chatham House forest policy assessment in 2013.¹ At the federal level, sustainable forest management and reduction of illegal logging are now included as key action areas in the National Reducing Emissions from Deforestation and Degradation REDD+ Strategy 2016-25. However, the government has not yet carried out a review of the causes and severity of illegal logging or adopted a national action plan to tackle the issue. Efforts by the government to date have focused on sustainable forest and timber certification.

A national task force to tackle illegal logging was established in 2011, mainly covering Peninsular Malaysia, however, its effectiveness is unclear. Sarawak and Sabah have also established task forces with the Sarawak Illegal Logging Task Force showing particularly promising results. All three regions have adopted timber legality verification systems to meet market requirements. However, Voluntary Partnership Agreement (VPA) negotiations with the European Union (EU) have stalled since 2014 due to reservations by the Sarawak state government.

The Malaysian Anti-Corruption Commission (MACC) has intensified efforts to curb corruption in the forestry sector. Furthermore, after the May 2018 general election, the government renewed its resolve to tackle corruption in the country. Transparency of information on the Malaysian forest sector has improved overall but transparency in the allocation of resources has broadly remained low.

Overall, more efforts are required to improve transparency and reduce corruption in the forestry sector. And, for the VPA to materialize, a cohesive national approach toward the negotiations with the inclusion of Sarawak is needed.

Figure 1: Summary table for Malaysia's forest policy assessment

	2008	2013	2018*
Overall policy score			
1. Legal & Institutional Framework			
1.1 High-level policy			
1.2 Legal & institutional framework			
1.3 International engagement			
2. Tenure & Resource Allocation			
2.1 Tenure & use rights			
2.2 Resource allocation procedures			
3. Regulating Demand			
3.1 Legislation & regulations on illegally sourced timber			
3.2 Policies & measures concerning demand for legal timber			
4. Transparency			
4.1 Institutional & legal transparency			
4.2 Resource allocation, management & enforcement			
4.3 Information & data management			
4.4 Financial management			
5. Rule of Law			
5.1 Checks & balances			
5.2 Timber tracking & chain of custody			
5.3 Law enforcement			



Key Forest Policies and Resources

National Forestry Act 1984, Act No.313 (amended 1993) available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC033376>

National Forest Policy of 1977 (amended 1992) (unavailable online).

Laws of Sarawak, Forest Ordinance 2015, available at: http://lawnet.sarawak.gov.my/lawnet_file/Ordinance/ORD_Cap.%2071%20Forest%20LawNet.pdf

Sabah Forest (Timber) Enactment of 2015, available at: <https://sagc.sabah.gov.my/sites/default/files/law/ForestTimberEnactment2015.pdf>

Sabah Forest (Timber)(Registration) Regulations 2017 and Sabah Forest (Timber) (Compounding of Offences) Regulations 2017, available at: <https://sagc.sabah.gov.my/?q=en/content/forest-timber-compounding-offences-regulations-2017>

¹ In Malaysia's political system, the states of Sarawak and Sabah have considerable autonomy from the seat of the federal government in Peninsular Malaysia. Land and forestry fall under jurisdiction of the individual states.

* A number of questions were added to the assessment in 2018 (noted in the list of questions below). Consequently, the overall scores for 2018 are not directly comparable with those of the previous assessments.

About

Chatham House is monitoring forest governance and legality to assess the effectiveness of government and private sector efforts to tackle illegal logging and trade. An assessment was undertaken of Malaysia's forest policy framework to evaluate the government's response to illegal logging and the related trade. A standard list of questions was used in the policy assessment and answers were scored against 3 criteria: if the policy exists (0-2), how well designed it is (0-5) and how well implemented it is (0-5). (See tables below).

Timeframe for the research

This assessment is based on the situation at the end of 2018 and the scores refer to this date. However, where there have been significant developments in 2019, these have been noted in the text. The research was undertaken in 2018-19 and finalized in June 2019.

Acknowledgements

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Acronyms and Abbreviations

CCP	Container Control Programme	MTIB	Malaysian Timber Industry Board
CDC	Collection and Distribution Centres	MUDeNR	Ministry of Urban Development and Natural Resources
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora	MY-WEN	Malaysian Wildlife Enforcement Network
CSO	Civil Society Organization	MYTLAS	Peninsular Malaysia Timber Legality Assurance System
EIA	Environmental Impact Assessment	Natfil	National Task Force
EITI	Extractive Industries Transparency Initiative	NGO	Non-governmental organization
FLEGT	EU Forest Law Enforcement, Governance and Trade	NLC	National Land Council
GFS	Global Forestry Services	NPDIR	National Policy on the Development and Implementation of Regulations
GGP	Government Green Procurement	NRE	Ministry of Natural Resources and Environment
GIS	Geographical Information System	PEFC	Programme for the Endorsement of Forest Certification
HTSB	Harwood Timber Sdn. Bhd	REVLOG	Sarawak Log Tracking and Forest Revenue System
INDC	Intended Nationally Determined Contributions	SALIS	Sabah Land Information System
JPW	Department for Women's Development	SFC	Sarawak Forestry Corporation
KATS	Ministry of Water, Land and Natural Resources	SFMLA	Sustainable Forest Management Licence Agreement
KeTTHA	Ministry of Energy, Green Technology and Water	SIRIM	Standards and Industrial Research Institute of Malaysia
KPWKM	Ministry of Women, Family and Community Development	SMEs	Small and medium-sized enterprises
KWKPK	Ministry of Welfare, Community Wellbeing, Women, Family, and Childhood Development Sarawak	STIDC	Sarawak Log Tracking and Forest Revenue System
MACC	Malaysian Anti-Corruption Commission	STLVS	Sarawak Timber Legality Verification System
MC&I	Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest)	TLAS	Timber Legality Assurance System
MESTECC	Ministry of Energy, Science, Technology, Environment and Climate	TLVS	Timber Legality Verification System
MPIC	Ministry of Plantation Industries and Commodities	UNODC	United Nations Office on Drugs and Crime
MTCC	Malaysian Timber Certification Council	VPA	Voluntary Partnership Agreement
MTCS	Malaysian Timber Certification Scheme	WCO	World Customs Organization

Table 1: Malaysia's Forest Policy Assessment

Legal and Institutional Framework

High-level policy	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
1. Does the country have high-level political and governmental mechanisms in place to tackle illegal logging?				
<i>a. Has a review of the causes and severity of illegal logging been conducted by the government?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	There is no publicly available government-conducted review of the causes and severity of illegal logging. Some of the forestry departments, NGOs and research institutions have done reviews which have reportedly been used by the state and federal governments in their internal discussions.
<i>b. Is there a national action plan in place for tackling illegal logging?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	There is no national action plan for tackling illegal logging.
<i>c. Does a formal process exist for high-level coordination of action on illegal logging across departments and sectors e.g. a parliamentary committee or inter-ministerial task force</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 3 2013: 3 2018: 3	The National Task Force (Natfil) meets quarterly. Natfil membership is comprised of chief ministers of the states as well as director-generals from various government departments and representatives of relevant ministries. In 2011, the federal government combined the Malaysian Wildlife Enforcement Network (MY-WEN) with Natfil in order to improve law enforcement through better coordination. Despite this, resources remain inadequate for the task force to be fully effective. Coordinated by the Ministry of Natural Resources & Environment (NRE), the agencies involved include state forestry departments, the Malaysian Royal Police, customs, the Maritime Enforcement Agency, port and airport authorities, the Anti-Corruption Commission and CITES authorities. Multi-agency task forces are in place for Peninsular Malaysia, Sarawak and Sabah. In Sabah, there is also a special committee, established under the chief minister's department, to oversee all logging-related activities in the state. After a number of years of inactivity, the committee was restored in 2018, in response to concern about illegal logging.
<i>d. Are there formal consultation processes in place for multi-stakeholder involvement in developing policy and legislation to tackle illegal logging? These processes should ensure that viewpoints of stakeholders affected by legislation are taken into consideration. (Such processes should take place at central and regional levels of policy development and implementation.)</i>	2010: 0 2013: 2 2018: 2	2010: n/a 2013: 3 2018: 3	2010: n/a 2013: 2 2018: 3	The use of multi-stakeholder consultations is outlined in the National Policy on the Development and Implementation of Regulations (NPDIR), launched in 2013, with accompanying Guidelines on Public Consultation Procedures with the aim of increasing consultation of stakeholders and their participation in the regulatory development process. The policy applies to all federal government ministries, departments, statutory bodies and regulatory commissions. It is voluntary for state governments and local authorities. The VPA process allowed for multi-stakeholder consultations in the development of the timber legality definition in Peninsular Malaysia and Sabah (Sarawak is not engaged in the VPA) but the negotiations have stalled since 2014. In addition, the development of the timber legality assurance systems in Peninsular Malaysia (MYTLAS – Peninsular Malaysia Timber Legality Assurance System) ² , and Sabah (Sabah TLAS) ³ , involved multi-stakeholder processes including representatives of NGOs, industry, workers' unions, academia and research organizations amongst others. The Sarawak Timber Legality Verification System (STLVS) ⁴ was developed through consultation with industry but not with NGOs or CSOs.

² MYTLAS – Peninsular Malaysia Timber Legality Assurance System, see: <http://www.mtib.gov.my/images/pdf/ILPA/mytlas.pdf>

³ Sabah Timber Legality Assurance System, see: <http://www.gfsinc.biz/wp-content/uploads/2012/09/G100-188a-TLAS-Sabah-Standard-v03-Dec-2011.pdf>

⁴ Sarawak Timber Legality Verification System, see: https://www.sarawaktimber.gov.my/modules/web/pages.php?mod=download&sub=download_show&id=109

High-level policy	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<i>e. Are there formal processes or policies in place aimed at ensuring a balanced participation of men and women in the development and implementation of forest policies? (Question added in 2018)</i>	2010: - 2013: - 2018: 0	010: - 2013: - 2018: n/a	2010: - 2013: - 2018: n/a	<p>The National Forestry Act, the Malaysian Timber Board Incorporation Act and the Sabah and Sarawak forestry legislation make no specific mention of gender and there is no requirement for balanced participation in forest policy decision-making. Overall participation of women in policymaking appears weak. Women hold 11 per cent of parliamentary seats and there are only 4 female ministers in the country. Since 2004, Malaysia has had the goal to have 30 per cent of decision-makers in government as women but this has not yet been met.</p> <p>The primary body for gender mainstreaming in Malaysia is the Ministry of Women, Family and Community Development (KPWKM). Its main implementing body is the Department for Women's Development (JPW) which is tasked with women's development planning, capacity building, coordination, monitoring and evaluation, guidance and counselling and management services. Its remit applies across all sectors but there is little evidence of this having been translated into balanced participation of men and women in the forest sector.</p> <p>The Ministry of Water, Land and Natural Resources (KATS) appears to have no organizational bodies dedicated to enhancing women's participation and there does not seem to be a gender focal person in the relevant departments in the forestry sector.</p>
<i>f. Is illegal logging considered in the country's climate change strategy e.g. INDC, REDD strategy or other climate change national policy? (Question added in 2018)</i>	2010: - 2013: - 2018: 2	2010: - 2013: - 2018: 3	2010: - 2013: - 2018: n/a	<p>In the National REDD+ Strategy 2016-2030⁵, sustainable forest management is one of the key action areas and one of the targets is to significantly reduce illegal harvesting and illegal trade of wildlife and plants by 2025 by strengthening enforcement. In addition, the Eleventh Malaysian Plan 2016-2020 commits to take measures to reduce illegal deforestation and forest degradation through stricter enforcement.⁶</p> <p>The National Policy on Climate Change 2009 does include forestry as a priority area for achieving a low carbon economy but it does not mention illegal logging.⁷ Malaysia's Intended Nationally Determined Contribution (INDC) (2015) identifies the forest sector as critical to reducing its greenhouse gas emissions. It notes that some initiatives are already underway aimed at ensuring sustainable forest management but does not reference illegal logging.</p> <p>The realization of these policies continues to rely on the existing implementation of the forestry procedures of Sabah, Sarawak and Peninsular Malaysia.</p>

⁵ National REDD+ Strategy 2016-2030, see: https://redd.unfccc.int/files/malaysia_national_redd_strategy.pdf

⁶ Eleventh Malaysian Plan 2016-2020, Economic Planning Unit, Prime Minister's Department, see: <https://policy.asiapacificenergy.org/sites/default/files/11th%20Malaysia%20plan.pdf>

⁷ National Policy on Climate Change, see: <https://www.pmo.gov.my/2019/07/national-policy-on-climate-change/>

Legal and Institutional Framework	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<p>2. Is forest legislation and regulation coherent and unambiguous? (Question added in 2018)</p>		<p>2010: 4 2013: 4 2018: 4</p>		<p>There is a separation of power between the federal and various state governments. Forestry matters are the prerogative of the respective states so they formulate forest policy and decide on forest resource use and allocation. The executive authority of the federal government only extends to the provision of advice and technical assistance to the states. The forestry departments of each state are responsible for regulating forest exploitation and management. The departments of the 11 states of Peninsular Malaysia come under the umbrella of the Forestry Department of Peninsular Malaysia.</p> <p>While the legislation of the three 'regions' (Peninsular Malaysia, Sabah and Sarawak) is largely coherent, discrepancies do exist.</p> <p>Forest policies must be in line with those formulated by the National Land Council (NLC). The NLC develops national policies to promote uniformity and conformity in policy, law and utilization of land and serves as a platform for federal and state agencies to discuss land and forestry issues to help ensure alignment and coherence in their policies. It reports to the cabinet.</p> <p>Unity on forestry matters is achieved through the National Forestry Act of 1984 (amended in 1993) and the National Forest Policy of 1977 (amended in 1992) which the states are encouraged to adopt through state enactments. Individual states are free to amend their state forestry enactments as they see fit. The National Forestry Act has been adopted by the individual states in Peninsular Malaysia but not wholly by Sabah and Sarawak.</p> <p>In Sarawak, the key legislation is the Forest Ordinance 1964 which was repealed and replaced by Sarawak Forest Ordinance (cap 71) in 2015. In Sabah, the Forest Enactment 1968 and Forest Rules 1969 were in force until 2015 when the Forest (Timber) Enactment was adopted. This is supported by the Forest (Timber) (Registration) Regulations 2017 and the Forest (Timber) (Compounding of Offences) 2017.</p> <p>Where relevant, this assessment considers the three regions of Peninsular Malaysia, Sabah and Sarawak separately owing to their different situations and approaches.</p>
<p>3. Is the legislation and regulation for artisanal and micro-scale enterprises coherent and unambiguous, or example, considering all relevant areas of law such as fiscal, rights of association, SMEs, forestry etc. (Question added in 2018)</p> <p>(Artisanal and micro-scale enterprises are defined respectively as those with 1-3 and 4-10 employees.)</p>		<p>2010: - 2013: - 2018: 4</p>		<p>There is no specific legislation or regulations for artisanal and micro-scale enterprises in the forest sector. However, laws on SMEs seem clear and coherent and efforts to strengthen the sector are fairly well-coordinated.</p> <p>The Companies Act 2016 regulates all companies including SMEs. There are additional national policies and strategies that are aimed at the growth of the SME sector. For example, under Malaysia's SME Masterplan (2012-2020), a number of initiatives have been introduced to support SMEs.</p> <p>SME Corp Malaysia is the agency responsible for formulating policies and strategies for SMEs and coordinating SME-related programmes across all relevant Ministries and agencies. It functions under the Ministry of Entrepreneur Development. A number of programmes aimed at improving the business environment for SMEs have been implemented. However, many SMEs still face challenges such as high costs of doing business and inadequate knowledge of the market.⁸</p> <p>These policies do not specifically target SMEs in the forestry sector. Specific policies and programmes in this sector only exist for the Bumiputera – the country's dominant ethnic group. In Peninsular Malaysia, the Department of Forestry and the Malaysian Timber Industry Board (MTIB) are supporting SMEs in timber processing and other value-added manufacturing.</p>

⁸ SME Corp. Malaysia, Secretariat to the National SME Development Council, (2018), SME Annual Report 2017-18, available at: <http://www.smecorp.gov.my/images/SMEAR/SMEAR2017/ENG/FULL.pdf>

Legal and Institutional Framework	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
4. Is there legislative and/or institutional coherence across sectors?				
<p><i>a. Are formalized forest laws and regulations consistent and harmonized with other laws and regulations affecting forests e.g. for land-use planning, agriculture, mining etc.</i> (Question added in 2018)</p> <p><i>(Formalized here is used to distinguish between laws designed and enacted by national government and customary practices/norms of indigenous peoples and local communities).</i></p>	<p>2010: 3 2013: 3 2018: 3</p>	<p>2010: 3 2013: 3 2018: 3</p>	<p>2010: - 2013: - 2018: 3</p>	<p>In general, forestry laws and policies are consistent with other sectoral laws such as those on agriculture and mining.</p> <p>In Peninsular Malaysia, there are contradictions between the different state forest legislation and the National Land Code. This has led to the allocation of timber concessions and development licences on customary land. Similarly, in Sarawak and Sabah, there are contradictions between the state forest legislation and Land Codes which have led to the allocation of timber concessions on customary land.</p>
<p><i>b. Is there a legal framework for selling or licensing of any timber resulting from forest clearance driven by activities in other sectors?</i> (Question added in 2018)</p>	<p>2010: - 2013: - 2018: 2</p>	<p>2010: - 2013: - 2018: 3</p>	<p>2010: - 2013: - 2018: 4</p>	<p>The three timber legality assurance systems, MYTLAS, Sarawak TLVS and Sabah TLVS, all cover the selling and licensing of timber from alienated lands where forest clearance and conversion is allowed. All timber extracted from such forests has to obtain a removal pass before it can be transported out of these forests for which the relevant taxes have to have been paid.</p> <p>Peninsular Malaysia The National Forestry Act of 1984 regulates the removal of forest products from alienated land, land held under a temporary occupation licence, reserved land and land for mining. This act states that forest products cannot be removed without a licence.</p> <p>Sabah Under the Forest (Timber) Enactment of 2015, Forest (Timber) (Registration) Regulations 2017 and Forest (Timber) (Compounding of Offences) 2017, a licence is required to remove forest products – including timber – from alienated lands. Licences may be issued by the chief conservator or any person authorized by him.</p> <p>Sarawak The Forest Ordinance 2015 states that licensing and procedures for the sale of forest products also apply to alienated land. Under the ordinance, the director is empowered to control the removal of products from alienated land and can issue licenses and calls for tender for such rights.</p>

Legal and Institutional Framework	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<p>c. Is there a legal framework for selling or licensing of timber produced by informal enterprises? (Question added in 2018)</p> <p>(Informal enterprises are defined as those that are owned and controlled by member(s) of a household(s), are unincorporated, are unregistered, their size falls below a certain threshold, do not have a complete set of accounts, produce goods that are meant for sale or barter etc.)</p>	<p>2010: - 2013: - 2018: 0</p>	<p>2010: - 2013: - 2018: n/a</p>	<p>2010: - 2013: - 2018: n/a</p>	<p>There is no such framework.</p> <p>In Peninsular Malaysia, under the National Forestry Act 1984 and the Malaysian Timber Board (Incorporation) Act 1973, forestry licenses may not be granted to unregistered businesses. One possible exception is for members of recognized aboriginal communities. The Aboriginal Peoples Act 1954 (amended 2006) states (Act 19 (1): 'The minister may make regulations for [...] permitting aborigines to take forest produce in aboriginal areas.'</p>
<p>d. Are there systems in place for cross-sectoral coordination between ministries and agencies responsible for planning and land-use allocation? (Question added in 2018)</p>	<p>2010: - 2013: - 2018: 2</p>	<p>2010: - 2013: - 2018:3</p>	<p>2010: - 2013: - 2018: 2</p>	<p>Peninsular Malaysia</p> <p>The National Land Code of 1965 (amended in 2016) defines and categorizes land into five groups – alienated, mining, reserved, forest reserve and state land.⁹ The National Land Council is the primary forum for ensuring the uniform application of policies for utilization and control of land in Peninsular Malaysia. A committee of the Ministry of Water, Land, and Natural Resources (KATS) has responsibility for geospatial mapping of land which enables cross-sectoral coordination.</p> <p>The National Land Council is chaired by the deputy prime minister and all the chief ministers sit on the council. The Forestry Council is a sub-committee within this council and decides on the annual allowable cuts for the next five years for each state. The council generally seems to function well, however, there have been situations where states have not replaced forest areas following the degazettement of forestry land. The National Forestry Act states that the state authority should replace excised permanent reserved forest wherever possible.</p> <p>Sabah</p> <p>The Sabah Lands and Surveys Department controls and monitors land use and is also responsible for solving land disputes. It manages the Sabah Land Information System (SALIS) and maintains various maps (e.g. the Gazette Map and maps of land cover, the land development plan and technical survey maps). These are available for access by authorized users.</p> <p>Sarawak</p> <p>The Ministry of Urban Development and Natural Resources (MUDeNR) coordinates the programmes and activities of those agencies responsible for planning and land-use allocation. The ministry is also mandated to provide direction on the government's policies concerning forestry, the development of land and natural resources, as well as planning of physical developments. The extent of coordination between this ministry and those for Modernization of Agriculture, Land and Surveys, Native Land and Regional Development in Sarawak is unclear and problems have been reported.</p>

⁹ National Land Code (Amended) Act 2016, see: http://www.federalgazette.agc.gov.my/outputaktap/20160909_A1516_BI_Akta%20A1516%20BI.pdf

Legal and Institutional Framework	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
5. Is gender considered within policy-making and implementation?				
<i>a. Is there a designated agency/ focal point with the mandate to ensure gender perspectives are mainstreamed in forest policies? (Question added in 2018)</i>	2010: - 2013: - 2018: 0	2010: - 2013: - 2018: n/a	2010: - 2013: - 2018: n/a	<p>The National Forestry Act and the Malaysian Timber Board Incorporation Act make no specific mention of gender and gender issues. The primary body for gender mainstreaming in Malaysia is the Ministry of Women, Family and Community Development (KPWK). Its main implementing body is the Department for Women's Development – Jabatan Pembangunan Wanita (JPW) – which is tasked with women's development planning, capacity-building, monitoring and evaluation and guidance. No information has been found on any actions taken by the JPW in the forest sector.</p> <p>In Sabah, the Sabah Women's Affairs Department seeks to promote women's rights, and in Sarawak, this role is met by the Ministry of Welfare, Community Wellbeing, Women, Family and Childhood Development (KWKPK). However, neither agency has engaged in any activities specific to the forestry sector.</p> <p>A law was passed in 2003 requiring Gender Focal Points to be established in all ministries but the extent of implementation of this requirement is unclear.</p>
<i>b. Are there processes or policies in place to assess gender impacts in the development and implementation of forest policies? (Question added in 2018)</i>	2010: - 2013: - 2018: 0	2010: - 2013: - 2018: n/a	2010: - 2013: - 2018: n/a	<p>The Department for Women's Development is tasked with monitoring and evaluation in all economic sectors but there are no known assessments in the forest sector.</p> <p>While gender has been identified as an important issue in the REDD+ process in Malaysia, the National REDD+ strategy does not include strategies or measures to assess gender impact nor measures to ensure equal participation of women in REDD+ activities.¹⁰</p>

¹⁰ National REDD+ Strategy 2016-2030, see: https://redd.unfccc.int/files/malaysia_national_redd_strategy.pdf

International engagement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
6. What level of international cooperation has been shown by the country?				
<i>a. Does the country have formalized trade or customs arrangements with major trading partners e.g. FLEGT VPAs or free trade agreements which include specific provisions on illegal logging?</i>	2010: 1 2013: 1 2018: 1	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	Malaysia began negotiating a VPA with the EU in 2007. However negotiations stalled in 2014 because of the position of the Sarawak State Government which does not want to join the negotiations.
<i>b. Does the country have a system in place for sending and receiving enforcement alerts regarding illegal shipments in transit to destination countries?</i>	2010: 0 2013: 1 2018: 1	2010: n/a 2013: 1 2018: 1	2010: n/a 2013: 1 2018: 1	<p>The Customs Department has procedures in place for species covered under CITES. In addition, Malaysia uses ENVIRONET, a real-time communication tool for information exchange on environmental crimes for customs administrations that are members of the World Customs Organization (WCO).</p> <p>Malaysia is also part of the WCO/UN Office on Drugs and Crime (UNODC) Container Control Programme (CCP) which aims to strengthen capacity for securing cargo supply chains. This has mostly focused on drugs, human trafficking and firearms, with some focus on animals, but the system is also being used for timber and seizures have been made by customs, for example, of red sanders(– an endangered species listed in the Appendix II CITES. WCO and UNODC began conducting CCP training workshops for customs on timber controls in 2019.</p>

Tenure and Resource Allocation

Tenure and use rights	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
7. Are property, use rights and tenure arrangements clearly defined, documented and secure including those of indigenous and local communities?				
<i>a. Does the law require that property, use rights and tenure arrangements are set out on publicly accessible maps and/or Geographical Information Systems (GIS) and demarcated at ground-level?</i>	2010: 0 2013: 1 2018: 1	2010: n/a 2013: 3 2018: 3	2010: n/a 2013: 2 2018: 2	<p>The demarcation of use rights on the ground is required as part of the licence and concession agreements. This is well implemented across Malaysia. There is no explicit legal requirement for setting out tenure and use rights on maps and such maps are not generally accessible to the public.</p> <p>For private property, and for Orang Asli reserves and Native Customary Lands, details can be obtained from searches carried out at the State Land Offices.</p>
<i>b. Are there formalized mechanisms in place for resolving conflicting or overlapping property rights?</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 2 2013: 2 2018: 3	<p>Formalized mechanisms are in place through the Village Development and Security Committees. If conflicts are not resolved here, they go to court.</p> <p>In Sabah and Sarawak there are Native Courts. In Sarawak, under the Native Courts Ordinance 1992, any claim or dispute over native customary land, to which there is no title issued by the Land Office, is heard in the first instance by the District Native Court and on appeal by the Native Court of Appeal – the latter being the highest appellate body for these cases. In Sabah, under the Land Ordinance (s. 40), Native Courts have jurisdiction in cases of land allocation involving Native Titles while Magistrates' and High Courts have jurisdiction over cases related to land acquired by the state under the Land Acquisition Ordinance 1950.</p> <p>Court processes are very lengthy particularly if decisions are appealed. Implementation of court decisions by the government has also been poor. For example, in 2016, a land dispute involving native customary rights between a community, three companies and the Sabah government was settled after 15 years.</p>
<i>c. Are there formalized mechanisms in place for accommodating customary rights in law and regulations?</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 2 2013: 2 2018: 2	<p>Customary rights are only partially recognized in state legislation.</p> <p>Peninsular Malaysia Under the National Forest Act 1984 and the Aboriginal People's Act 1954 (amended in 2006), aborigines can use forest produce from state land and alienated land only to support their livelihoods i.e. not for commercial purposes. If concessions include areas to which communities have native rights, forest management plans are required. Under the management plans, areas are zoned according to their planned use e.g. log production, conservation, use by forest dependent communities, industrial tree plantation etc. For Malaysian Timber Certification Council (MTCC) certification, the relevant clauses of the Aboriginal People's Act must be included in the licence. These include the requirement that resources are not diminished and that the rights of aboriginal peoples to their land are recognized. Since the majority of the states in Peninsular Malaysia require MTCC certification, these requirements apply. However, MTCC certification is voluntary and the certificates issued to some state forest management units have been revoked.</p>

Tenure and use rights	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
				<p>Sabah In Sabah, under the Forest Enactment, native communities have the right to collect forest products from state land for their personal and communal use only. Customary rights have to be included in the management plan for a Sustainable Forest Management Licence Agreement (SFMLA) and the plan is approved by the director of Sabah's Forestry Department. Under Principle 4 of the Sabah TLAS, the holder of a SFMLA or long term licence shall conduct a Social Baseline Survey of the licensed area and within 2kilometres of the licence boundaries, in order to prepare a 10-year forest management plan. Community areas are then to be identified and set aside in the licensed area as part of the plan.</p> <p>Sarawak The Sarawak Forest Ordinance 2015 states that any member of the native community may remove, free of royalty or fee, any forest produce for his own use and not for sale, barter or profit, subject to any conditions imposed in writing by the director or any forest officer authorized by him (under s.37). S.65 of this ordinance states that no licence for planted forests shall be granted over state land over which native customary rights have been lawfully claimed by native communities except with their written approval or unless such rights have been extinguished pursuant to section 5(3) of the Land Code 1958 (amended in 2018). This authorizes the minister to extinguish native customary rights over any land provided compensation or other land over which similar claims can be made is provided. Under the ordinance, the minister may, at the request of a community, constitute any state land, not being a forest reserve, protected forest or other government reserve, as a communal forest for this community's use.</p> <p>Furthermore, the ordinance states that gazetted communal reserves, or land subject to native customary rights, should be excluded from licences. However, the full extent of fishing and hunting grounds and of agricultural land subject to native customary rights is not fully recognized.</p>
<p><i>d. Does the legal and policy framework provide for gender-equal use rights and tenure? (Question added in 2018)</i></p>	<p>2010: - 2013: - 2018: 0</p>	<p>2010: - 2013: - 2018: n/a</p>	<p>2010: - 2013: - 2018: n/a</p>	<p>There are no such provisions. An amendment to Article 8(2) of the constitution passed in 2001 prohibits gender discrimination in any other law but no actions have been taken to ensure gender equality in the allocation or use of tenure rights.</p>

Resource allocation procedures	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
8. Do resource allocation regulations and procedures include measures consistent with good forest governance?				
<i>a. Is there a prequalification process which is designed to exclude inappropriate bidders from resource allocation awards?</i>	2010: 1 2013: 1 2018: 1	2010: 2 2013: 2 2018: 2	2010: 2 2013: 2 2018: 2	Companies reportedly need to be registered and there are reportedly internal procedures to exclude inappropriate bidders but these are not public. Some states require that bidders are citizens of the state.
<i>b. Is there a competitive award process which is designed to be open to all eligible bidders?</i>	2010: 2 2013: 2 2018: 2	2010: 2 2013: 2 2018: 2	2010: 1 2013: 1 2018: 1	Under s.16 of the National Forestry Act 1984, ¹¹ a licence to harvest forest products from a permanent reserved forest or state land shall be awarded through tender. In Sabah and Sarawak, the law does not stipulate competitive award processes.
<i>c. Does the law require prior informed consent procedures or stakeholder consultations for local communities with respect to logging interests and rights to be carried out?</i>	2010: 1 2013: 1 2018: 1	2010: 2 2013: 3 2018: 3	2010: 2 2013: 2 2018: 3	There is no legal requirement for free, prior and informed consent. Under criterion 2.2 of MTCC's Criteria and Indicators for Forest Management Certification (MC&I) 2012, a forestry operation in any forest area which is under local communities' legal or customary tenure or use rights shall be based on prior contractual agreement with local communities entered into with free, prior and informed consent although forest certification is voluntary. In Sarawak, under the STLVs 2018, licensees must identify all local native communities with claims associated to the licensed area and have written agreements related to forestry activities prior to logging operations in the affected area. In 2017, it was accounted that MTCC certification would become mandatory for all timber concessions in the state by 2022. Under the Sabah TLAS, the licensee is required to conduct a Social Baseline Survey and Social Impact Assessment of the licensed area as part of the preparation of a 10-year forest management plan in order to identify potential impacts and mitigation measures. However, prior informed consent is not a requirement.
<i>d. Are measures to protect and develop forest-based livelihood opportunities for local communities within concession areas built into concession contracts?</i>	2010: 1 2013: 1 2018: 1	2010: 2 2013: 2 2018: 2	2010: 2 2013: 2 2018: 2	There are no requirements to protect livelihoods in the concession contracts. However, there are such provisions for MTCC certification. Under MC&I 2012, measures shall be taken to prevent loss or damage affecting local communities' legal or customary rights, property, resources or livelihoods. In Sabah and Sarawak, such provisions are included in the timber licences, for example, allocation of jobs for local community members, ensuring access to forest products for local use and the maintenance of roads. However, their scope and level of implementation is variable.

¹¹ National Forestry Act 1984, Act No.313 (amended 1993) source: <http://extwprlegs1.fao.org/docs/pdf/mal3252.pdf>

Regulating Demand

Legislation & regulations on illegally sourced timber	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
9. Does the country have adequate legislation and regulations in place to prevent illegally sourced timber from being imported or sold?				
<i>a. Has the country analysed its existing legislation and regulations on preventing imports and sales of illegally sourced timber? (Question added in 2018)</i>	2010: - 2013: - 2018: 2	2010: - 2013: - 2018: 2		An analysis of the legislation and regulations was initiated as part of the VPA process as were negotiation of a legality definition and development of a timber legality assurance system. Analyses undertaken in Peninsular Malaysia and Sabah informed the development of MYTLAS and the Sabah TLAS respectively. A legal analysis undertaken in Sarawak also fed into the STLVS.
<i>b. Has additional legislation been enacted and regulations put in place to prevent illegally sourced timber from being imported or sold?</i>	2010: 0 2013: 0 2018: 1	2010: n/a 2013: n/a 2018: 3	2010: n/a 2013: n/a 2018: 3	<p>The Customs (Prohibition of Imports) Order 2017 bans imports from Indonesia of wood classified under the HS code 4403¹² i.e. wood in the rough, wood roughly squared or half-squared but not further manufactured and baulks. This is applicable to the whole country. The Customs Order, Second Schedule, Part 1 also stipulates the HS codes for which an import licence is required: HS4403 - logs and baulk, and poles and piles of mangrove, HS4412 - plywood, HS4407 – sawn timber, timber species specified in the Appendices of the Third Schedule in the Endangered Species Act 2008 i.e. CITES Appendix II and gaharu. Import licences are issued by MTIB and the Agriculture Department (for Peninsular Malaysia), the Sabah Forestry Department and the State Department of Agriculture for Sabah and the Forest Department of Sarawak and Sarawak Timber Industry Development Corporation (STIDC) for Sarawak.</p> <p>MTIB's Import Procedures for Timber and Timber Products of 2017 only apply to importers of logs – including poles – and baulks, sawn timber and plywood. For imports of baulks, importers are required to submit the following documents: company registration, completed import application form, copies of the sales agreement/supply contract from the overseas supplier, certificate of oath and certification by the Malaysian Embassy in the respective country in ASEAN nations – Cambodia, Laos, Papua New Guinea, Singapore, Thailand, East Timor and Vietnam– or by the authorities/agencies recognized by the government of the respective country, such as Myanmar and the Philippines, as well as approval from the Committee of Timber Imports. Any imports of plywood and sawn timber must be accompanied with the company registration, completed import application form, certificate of oath, original copy of the Certificate of Origin/Form D from the exporting country, invoice, packing lists and bills of lading as well as the approval and administrative registration of MTIB. MTIB conducts physical inspections at the point of entry and validates import licences with a MTIB stamp.</p> <p>In addition to the above documents, since 1 July 2017, MTIB has required a certificate of legality for the source of timber and timber products e.g. mangrove piles, plywood and sawn timber. The certificate can include: CITES Permit, FLEGT Licence, Programme for the Endorsement of Forest Certification (PEFC) or Malaysian Timber Certification Scheme (MTCS) certificate, certificate of a Voluntary Legality Scheme, legality document issued by a recognized agency or association, a self-declaration approved by a competent third-party organization or a copy of the customs declaration from the exporting country.</p>

¹² The World Customs Organization developed HS (Harmonized System) codes as an international product nomenclature that describes the type of commodity being traded.

Legislation & regulations on illegally sourced timber	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
				<p>MTIB's import regulations are not applicable in Sabah and Sarawak. As of 1 June 2016, the Sabah Forest (Timber) Enactment came into force which establishes the Sabah Forest Department as the authority to regulate timber imports and exports and to issue permits. It is yet to adopt timber import legality regulations. For imports of wood products specified under the Sabah Forest Enactment 2015 – 112 products are listed in the Schedule of the Enactment – the entity has to be registered with the Sabah Forest Department. Failure to register can incur a fine of not more than MYR250,000 or a jail term not more than three years or both. The importer also has to declare details of the import to the Forestry Department. Failure to do so may incur a fine of up to MYR100,000 or jail term of not more than two years or both.</p> <p>STIDC regulates imports into Sarawak. The Sarawak Forest Department and STIDC register companies importing timber and issue import licences for those timber products specified in the Customs Order. STIDC processes and issues the import licences for logs and other timber products, carries out physical inspections and issues removal passes for those imports.</p>
<p><i>c. If there is legislation in place to prevent the import of illegal timber, how broad is the product scope of this legislation?</i> (Question added in 2018)</p>		<p>2010: - 2013: - 2018: 3</p>		<p>The product scope of the Customs (Prohibition of Imports) Order 2017 includes logs including poles, baulks including sawn timber measuring 60 square inches in cross-sectional area and above, mangrove piles, plywood including similar laminated wood and sawn timber and veneer along with special provisions for endangered wood species under CITES.</p> <p>The timber import ban for Indonesian sourced timber covers wood in the rough, wood roughly squared or half-squared but not further manufactured and baulks.</p> <p>In addition, the MTIB Import Procedures for Timber and Timber Products covers logs including poles and baulks, mangrove piles, plywood including similar laminated veneer and sawn timber.</p>
<p><i>d. If there is legislation in place to prevent the import of illegal timber, does it apply only to importers & those that are first place on the market or to all those along the supply chain?</i> (Question added in 2018)</p>		<p>2010: - 2013: - 2018: 1</p>		<p>The scope of the Customs (Prohibition of Imports) Order 2017 in terms of supply chain actors is not clear. However, the Forestry Enactment of Sabah and STIDC in Sarawak provide for checks at the mill for verification of import declarations and licences.</p>
<p><i>e. If there is legislation in place to prevent the import of illegal timber, does it include a requirement on businesses to implement due diligence?</i> (Question added in 2018)</p>		<p>2010: - 2013: - 2018: 1</p>		<p>There is no provision on due diligence. Importers are simply required to have the necessary documentation e.g. MTIB import approval, certification of origin, contract or invoice.</p>
<p><i>f. Is implementation of the policy systematically monitored and assessed?</i> (Question added in 2018)</p>		<p>2010: - 2013: - 2018: 1</p>		<p>It is not clear if implementation of these policies is systematically monitored.</p> <p>The government audit department checks on many aspects of ministry and government agency activities but this does not amount to systematic monitoring.</p>

Policies & measures to promote demand for legal timber	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
10. Is there a public procurement policy in place excluding illegal and/or unsustainable timber products from government purchasing? (Question added in 2018)	2010: - 2013: - 2018: 1		2010: - 2013: - 2018: 2	The main public procurement laws (i.e. the Financial Procedure Act 1957 and the Government Contract Act 1949) do not include provisions on procurement of timber products. However, the Eleventh Malaysian Plan 2016-20 includes a commitment to Government Green Procurement (GGP) making this mandatory for all government ministries and agencies. The plan aims to increase demand for green industries and sets a target for 20 per cent GGP by 2020. Guidelines have been developed and implementation was initially piloted with 5 ministries, starting in July 2013. In 2016, this was expanded to 11 ministries and in 2017 to all ministries. Among the product groups given priority for GGP are paper and furniture.
<i>a. What level of adherence does the policy require?</i> (Question added in 2018)		2010: - 2013: - 2018: 1		It is mandatory for all government agencies to increase their procurement of green products, but the purchase of legal/sustainable timber is not in itself mandatory under this phase (2018-20).
<i>b. Does the policy cover all timber products including paper?</i> (Question added in 2018)		2010: - 2013: - 2018: 3		Furniture and paper have been given priority in this phase (2018-20) with the aim to ultimately cover all products procured by government agencies.
<i>c. Does the policy rest on independent certification or verification schemes or equivalent for identifying legal products?</i> (Question added in 2018)		2010: - 2013: - 2018: 1		The former Ministry of Energy, Green Technology, and Water (KeTTHA) and Ministry of Finance are reportedly working with the Standards and Industrial Research Institute of Malaysia (SIRIM) to develop a green procurement manual with a set of standards for certification and labelling. However, some of the departments of KeTTHA were reconstituted into a new Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) in 2018 after the general election. The status of this manual and standards is not currently known.
<i>d. Is assistance offered to government purchasers e.g. advice, guidance, training etc?</i> (Question added in 2018)		2010: - 2013: - 2018: 3		Training and capacity building in GGP implementation is provided to public procurement officers covering green products and key performance indicators. The extent of the support provided to all ministries and government agencies is not known.
<i>e. Is implementation of the policy systematically monitored and assessed?</i> (Question added in 2018)		2010: - 2013: - 2018: 3		Under the GGP Short-term Action Plan (2018-20), implementation is to be monitored and evaluated by the GGP Working Group chaired by KeTTHA and the Ministry of Finance. The status of this is not known since the formation of the new ministry in 2018.
<i>f. Does the procurement policy apply to sub-national (provincial, regional, local) government?</i> (Question added in 2018)		2010: - 2013: - 2018: 1		The GGP currently applies to all federal ministries with the goal of expanding it to all subnational governments in 2020
11. Do forest-related policies encourage legal timber production and discourage illegal timber production by ensuring that the level of demand does not exceed legal supply?				
<i>a. Does the permitting system for primary wood processing facilities require evidence of sufficient legal sources of raw material?</i>	2010: 0 2013: 0 2018: 1	2010: n/a 2013: n/a 2018: 3	2010: n/a 2013: n/a 2018: 3	Only in Sarawak is there a specific requirement linked to permitting. In this state, approval for the establishment of woodchip and pulp mills is dependent on the owners of mills providing proof of a long-term plan for the supply of raw material. Any subsequent involvement in illegal activities would result in registration of the mill being cancelled. In all parts of Malaysia, mills are required to have a system in place to record input and output volumes and all logs arriving at mills must be accompanied by a removal pass.

Transparency

Institutional & legal transparency	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
12. Is there a unified document which describes the roles, responsibilities and controls for all agencies involved in regulating forest utilization and trade from harvest rights allocation to point of sale or export and is it accessible to the public?	2010: 0 2013: 0 2018: 2	2010: n/a 2013: n/a 2018: 5	2010: n/a 2013: n/a 2018: 5	<p>The TLAS documents for Peninsular Malaysia, Sabah and Sarawak each describe the roles and responsibilities of each agency involved in the regulation of the forest and timber trade. Furthermore, these are set out in the relevant legislation for the respective agencies and departments.</p> <p>In Sarawak, the Ministry of Resource Planning and Environment in collaboration with STIDC, the Forest Department, Sarawak Forestry Corporation (SFC) and Harwood Timber Sdn. Bhd (HTSB) also published a booklet in 2012 that outlines the roles and responsibilities of the relevant agencies.</p>
13. Is there a legal requirement to make forest legislation and regulations readily accessible to the public? <i>(Question added in 2018)</i>	2010: - 2013: - 2018: 0	2010: - 2013: - 2018: n/a	2010: - 2013: - 2018: 3	<p>There is no such legal requirement. However, federal and state legislation and decisions are published in the government gazette, which can be purchased, and most federal legislation is also made available online.¹³</p> <p>For Sabah and Sarawak, each of the respective state attorney-generals' chambers maintain a website of all the state legislation.¹⁴</p> <p>The Law Association of Peninsular Malaysia also publishes legislation on its website but this is independent of the government.</p>

¹³ See <http://www.federalgazette.agc.gov.my/>

¹⁴ See <http://www.lawnet.sabah.gov.my/> and <http://lawnet.sarawak.gov.my/lawnet/Law/TLnetPubHome.jsp>

Transparency in resource allocation, management & enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
14. Do policies, laws or regulations contain provisions designed to ensure that resource allocation and management is carried out transparently?				
<i>a. Do policies, laws or regulations stipulate that rules for resource allocation processes e.g. concession allocation and competitions are made publicly available?</i>	2010: 1 2013: 1 2018: 1		2010: 2 2013: 2 2018: 2	It is not stipulated in the laws or regulations that the rules for resource allocation processes should be made publicly available. Details of the licensing process are provided on the websites of the respective forestry departments in Peninsular Malaysia, Sabah and Sarawak for access by registered users.
<i>b. Do policies, laws or regulations stipulate that dates for when resource allocation processes are to be held are made publicly available?</i>	2010: 1 2013: 1 2018: 1	2010: 3 2013: 3 2018: 3	2010: 3 2013: 3 2018: 3	This is not specified in the law, but there is an administrative procedure. The forestry departments announce the dates for resource allocation processes on the bulletin board in their premises.
<i>c. Do policies, laws or regulations stipulate that the results of resource allocation processes are made publicly available e.g. bids and awards for concession allocation and competitions?</i>	2010: 1 2013: 1 2018: 1	2010: 3 2013: 3 2018: 3	2010: 2 2013: 2 2018: 3	The results of tender processes and public auctions are displayed on the notice board at the state and the respective District Forest Offices. Additionally, the successful bidder has to display their operating rights at the entrance to their concession.
<i>d. Do policies, laws or regulations stipulate that up to date summary data is published on harvesting, processing and international trade?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: 3 2013: 3 2018: 3	<p>There is no legal requirement, however, the State Forest Departments for Peninsular Malaysia, Sabah and Sarawak publish annual reports with summary data on harvesting, processing and trade. In Sarawak, the quarterly bulletin of STIDC also gives processing and international trade data that is reasonably up to date.</p> <p>The Ministry of Plantation Industries & Commodities (MPIC) and the MTIB also publish summary data.</p> <p>As part of the 11th Malaysian Plan 2016-20, the government aims to improve access to data through the National Open Data initiative. A data portal has been established which enables access to some forestry sector data.¹⁵</p>
15. Do policies, laws or regulations contain provisions designed to ensure transparency in concession use?				
<i>a. Do policies, laws or regulations stipulate that information on location of concessions, ownership and contact details is publicly available?</i>	2010: 1 2013: 1 2018: 1	2010: 3 2013: 3 2018: 3	2010: 2 2013: 2 2018: 2	<p>There is no such legal requirement but such information can be requested in writing from the Forest Departments and they are expected to respond to all requests. It is also procedure in all Forest Departments that a notice board is put up at the entrance to concessions as well as in the site offices of concessions. These provide basic information on the concession and its owner.</p> <p>In Sarawak, the Official Portal of Sarawak Data provides access to a dataset that lists the location of One Stop Compliance Centers in the state – the Centers are established within forestry operating areas to ensure compliance with forest practices.¹⁶</p>

¹⁵ National Open Data initiative, see: <http://www.data.gov.my/>

¹⁶ See: <https://data.sarawak.gov.my/home/data/dataset/5289741c-29ab-43c9-8061-baac460ea29a>

Transparency in resource allocation, management & enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<i>b. Do policies, laws or regulations stipulate that information on concession contracts, inventories and plans are publicly available i.e. long term and annual forest management and harvest plans?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: 1 2013: 1 2018: 1	This information is not published automatically and is difficult to obtain on request.
<i>c. Do policies, laws or regulations stipulate that results of environmental and social impact assessments and mitigation measures are publicly available?</i>	2010: 2 2013: 2 2018: 2	2010: 5 2013: 5 2018: 5	2010: 3 2013: 3 2018: 3	<p>In Peninsular Malaysia, Environmental Impact Assessments (EIAs) have been a requirement for certain prescribed activities since the Environmental Impact Assessment Order came into force in 1987. This was revised in 2015 through the Environmental Quality (Prescribed Activities) Environmental Impact Assessment Order 2015. Under this Order, EIAs are required for certain activities – including timber operations – that significantly affect forest areas, for example, the conversion of hill forest covering an area of 20 hectares or more or logging of areas greater than 100 hectares. The EIAs are divided into Schedule 1 and Schedule 2 categories. Schedule 2 is for larger areas, including logging operations covering an area of 500 hectares or more. For EIAs under this category, information is published automatically with copies available to the public at the head and state offices of the Department of Environment. However, it should be noted that forest reserves are usually divided into compartments that are less than 500 hectares, and so, timber operations are usually exempted from EIAs.</p> <p>In addition, for MTCC certification, under Principle 8 of MC&I 2012, it is required that a summary of the results of EIAs for harvesting and other operations are made available to the public.</p> <p>In Sabah, the Conservation of Environment (Prescribed Activities) Order 1999 requires that EIAs are undertaken for logging operations involving forest areas larger than 500 hectares. The results of EIAs were previously accessible from the offices and website of the Environment Protection Department, but since 2016 it has reportedly stopped providing this information.¹⁷</p> <p>For Sarawak, the Natural Resources and Environment (Prescribed Activities) Order, 1994 requires EIAs to be conducted for certain prescribed activities, and for these to be submitted to the Natural Resources and Environment Board for approval. The prescribed activities include:</p> <ul style="list-style-type: none"> (i) Extraction or felling of timber from any area exceeding 500 hectares which have previously been logged or in respect of which coupes have previously been declared to have been closed by the director of forests under the provisions of the Forest Ordinance (Cap. 126 (1958 Ed.)). (ii) Extraction or felling of any timber within any area declared to be a water catchment area under section 8 of the Water Ordinance 1994 (Cap. 13).¹⁸

¹⁷ See: <https://www.freemalaysiatoday.com/category/nation/2019/04/14/environmentalists-call-for-revamp-of-sabah-eia-system/>

¹⁸ Order available at: <https://www.nreb.gov.my/page-0-615-107-Ordinance-Order-Rules.html>

Transparency in resource allocation, management & enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
16. Do policies, laws or regulations contain provisions designed to ensure that information on enforcement activities is publicly available?				
<i>a. Do policies, laws or regulations stipulate that data is published on forest crimes including success rates on detection, interdiction, prosecution and conviction including fines levied and fines paid and volumes seized?</i>	2010: 0	2010: n/a	2010: 3	
	2013: 0	2013: n/a	2013: 3	
	2018: 0	2018: n/a	2018: 3	
<i>b. Do policies, laws and regulations stipulate that information on disposals of confiscated wood or results of public auctions of confiscated wood or other kinds of public bidding are publicly available?</i>	2010: 0	2010: n/a	2010: 4	There is no legal requirement but information on disposals is published automatically.
	2013: 0	2013: n/a	2013: 4	
	2018: 0	2018: n/a	2018: 4	For confiscations approved by the court, the forestry departments are required to conduct the auction publicly after giving sufficient notice in the media.

Information & data management	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<p>17. Is there an up-to-date, accurate information management system in place through which relevant government agencies can access data related to forest enforcement and management?</p> <p><i>This information management system could include elements such as forest inventories, remote sensing imagery and harvest permits and licenses, forest management plans, centralized repository of maps, transportation documents and processing licenses and records.</i></p>	<p>2010: 2 2013: 2 2018: 2</p>	<p>2010: 3 2013: 3 2018: 3</p>	<p>2010: 3 2013: 3 2018: 3</p>	<p>Forest sector data is managed by the respective state forestry departments. The data includes forest inventories, harvest permits and licences, forest management plans, transportation documents and processing licences and records. Remote sensing imagery and GIS are also employed to monitor changes in forest area. The extent to which this data is made available to other agencies is unclear.</p>
<p>18. Is there an up-to-date, accurate information system in place to gather data on employment in the forest sector? (Question added in 2018)</p>	<p>2010: - 2013: - 2018: 2</p>	<p>2010: - 2013: - 2018: 3</p>	<p>2010: - 2013: - 2018: 3</p>	<p>The Department of Statistics publishes data on employment in the forestry sector including through the Malaysia Open Data Portal.¹⁹</p> <p>In addition, MTIB, STIDC and the forestry departments maintain their own registers of companies that process, manufacture and trade wood products including statistics on employment.</p>

¹⁹ Malaysia Open Data Portal, see: <http://www.data.gov.my/>

Financial management	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
19. Is there an effective financial management system in place for the forest sector?				
<i>a. Does the forest administration have a system for monitoring revenue collected from utilization of forest resources against revenue owed as well as a procedure for investigating discrepancies?</i>	2010: 2 2013: 2 2018: 2	2010: 4 2013: 4 2018: 4	2010: 4 2013: 4 2018: 4	Systems are in place at the state level for the management of forest revenues. These are computerized and generally well-managed reflecting the high priority that has been given to ensuring integrity in the revenue collection system.
<i>b. Is there an audit of the forest administration whose findings are publicly available?</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 4 2013: 4 2018: 4	The auditor-general is responsible for conducting management and financial audits of government agencies. The reports are published online and reported on to parliament. Financial audits are done regularly but management audits less so. In Sarawak, the SFC is subject to random audits by the Forest Department and the audit unit of the Chief Minister's Office – the latter focusing on the collection of royalties.
20. Does the country report on its forest sector to the EITI? <i>(Question added in 2018)</i>	2010: - 2013: - 2018: 0		2010: - 2013: - 2018: n/a	Malaysia does not report to the Extractive Industries Transparency Initiative (EITI).

Rule of Law

Checks and balances	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
21. Are mechanisms (checks and balances) in place to ensure government fully applies forest law and regulations?				
<i>a. Does the law make provisions for protecting the rights of the public to mount legal challenges against forest management decisions/practices and failure by the government to apply forest law?</i>	2010: 1 2013: 1 2018: 1		2010: 2 2013: 2 2018: 2	<p>Under the Peninsular Malaysia Forestry Act 1984, there are limited conditions where any person aggrieved by a decision can appeal to state governments.</p> <p>In Sabah, the Forest Enactment allows a person to make a legal challenge against decisions by the Forestry Department but not against the failure to apply the law.</p> <p>Under Sarawak's Forest Ordinance, aggrieved parties can challenge the decisions of the forest authorities. Claims and grievances may be addressed by the minister or director and disputes may be adjudicated by arbitration. The public can also submit grievances online.²⁰</p>
<i>b. Does the law stipulate penalties for staff for corruption?</i>	2010: 2 2013: 2 2018: 2	2010: 4 2013: 4 2018: 4	2010: 3 2013: 3 2018: 3	<p>Under the Anti-Corruption Commission (MACC) Act of 2009, many forms of corruption, including bribery, are punishable with imprisonment and fines. In addition, the National Forestry Act 1984 penalizes abuse of power (s. 107).</p> <p>Across sectors, MACC made 939 arrests in 2016, of which, 467 involved government personnel. From January 2012 to May 2017, the MACC prosecuted a total of 26 individuals for corruption offences related to environmental crimes mainly related to logging.</p> <p>In 2018, raids were conducted in Sabah by MACC including on the offices of timber companies and the Sabah Forest Department. The former chief minister of Sabah is due to face corruption charges in 2020 in relation to timber concession contracts.</p>
<i>c. Does the law include clear limits to the power of forest ministers or equivalent or other senior government officials to override forest-related laws, regulations and procedures e.g. concession allocation procedures? Does the law limit discretionary powers?</i>	2010: 1 2013: 1 2018: 1		2010: 2 2013: 2 2018: 2	<p>Discretionary powers are wide ranging in all parts of Malaysia.</p> <p>Peninsular Malaysia State authorities have wide-ranging discretionary powers on forest-related decisions ranging from gazetting a forest as permanent forest reserve or removing those forests from being classified as a permanent forest, harvesting, licensing etc. as well as enacting legislation.</p> <p>Sabah The Forest Enactment and the Sabah Land Ordinance give the authorities extensive discretionary powers. Under the Forest Enactment, the chief conservator, the minister and the governor have extensive powers including the right to declare areas as protected or reserved and to allocate concessions. However, certain conditions are in place for some decisions, for example, in allocating concessions or making licence agreements, the minister needs the approval of the state's Cabinet.</p> <p>Sarawak Under the Sarawak Forest Ordinance 2015, the director has vast discretionary powers. These range from declaring any forest land as protected forests to issuing or cancelling logging licences and to stipulating conditions for these licences, for example, limits on production or on sales of timber. The director also has the power to conduct a search, make a seizure and arrest without a warrant.</p>

²⁰ See: <https://talikhidmat.sarawak.gov.my/talikhidmat/>

Checks and balances	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
				<p>The only safeguards against abuse of these powers are:</p> <ul style="list-style-type: none"> • The requirement to get authorization of the minister in certain matters under section 40. • In the allocation of concessions, the right of any aggrieved persons to appeal to the minister against the decision of the director and the right to appeal the minister's decision to Majlis Mesyuarat Kerajaan Negeri (the State Executive Council). • In issuing sawmill licences, the director needs the minister's written approval in certain cases and needs to consult with the State Planning Authority. Issuance of a licence must be in accordance with the plans approved by that authority. • The rule-making power of the minister under the ordinance is subject to the approval of the Majlis Mesyuarat Kerajaan Negeri. <p>However, recent corruption cases against high-ranking forestry officials indicate that either these safeguards are insufficient or they are not implemented properly.</p>
<i>d. Does a parliamentary committee, or equivalent, have formal oversight over the national government forest service and associated agencies?</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 3 2013: 3 2018: 3	<p>The Auditor General Office is responsible for assessing the performance of ministries, government services, statutory bodies and companies linked with the government. This includes monitoring the allocation of forest concessions and licences. The findings of these assessments are presented to parliament and are made public through its annual reports. However, each sector is only reviewed every few years.</p>
<i>e. Is there a system in place through which relevant government departments and agencies carry out self-monitoring of their performance and internal corruption investigation. (This could be carried out by an internal or external inspectorate which includes making the findings public.)</i>	2010: 1 2013: 2 2018: 2	2010: 3 2013: 4 2018: 4	2010: 3 2013: 3 2018: 3	<p>The Inspection and Consultancy Division of MACC, as established under the Anti-Corruption Commission Act of 2009, serves to advise the heads of public bodies on improvements in practices, systems and procedures to control corruption.</p> <p>In 2013, the establishment of Integrity Units in all public agencies both at state and federal levels was mandated. The Integrity Units are tasked with improving good governance through the detection and verification of complaints and reporting offences to the relevant enforcement agencies. The unit head is required to submit a report on its findings to the general secretary of the ministry and to the Agency Integrity Management Division of MACC three times a year. Among the focus areas of the work of these units has been land management and the allocation of licenses.</p> <p>MACC has been active in taking actions to prevent corruption and in investigating cases. In May 2015, the MACC froze over RM560 million in over 370 bank accounts and seized 500 logs in Sarawak as part of its efforts to counter illegal logging. In 2016, over 939 arrests were made for corruption-related offences across all sectors.</p>
<i>f. Is there an independent national forest monitoring system in place?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	<p>There is no independent forest monitoring system in place.</p> <p>There are systems in place for auditing of the various legality verification and certification systems in place but none for the sector as a whole. Furthermore, such systems are voluntary, except for those forests where a state authority wants to be audited.</p>

Checks and balances	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
22. Is customs specifically mandated to check that timber consignments meet the country's forestry-specific legal export requirements?	2010: 2 2013: 2 2018: 2		2010: 3 2013: 3 2018: 4	<p>The Custom (Prohibition of Exports) Order 2017 mandates presentation of export licences and other supporting documents at the time of export. This applies to a range of products listed in the order which includes many forest products. The required documents include Customs Document (CD2) which provides details of the product and royalty payments.</p> <p>In Peninsular Malaysia, the Malaysian Timber Industry Board (MTIB) is authorized by the Royal Malaysian Customs (RMC) to issue export licences for timber and timber products under the Customs Act 1967 and Customs (Prohibition of Exports) Order 2017. MTIB carries out physical inspections at the timber consignment site prior to issuing export licences.</p> <p>In Sarawak, every timber shipment must have an approved permit from Sarawak Timber Industry Development Corporation (STIDC) and STIDC has the authority to inspect timber exports. HTSB, a subsidiary of STIDC, inspects logs at source, transit points, mill and points of export.</p> <p>In, Sabah, consignments for export need to be accompanied with a Customs Export Declaration Form, royalty payment receipt, invoice and removal pass. Customs checks verify these documents at the ports.</p> <p>Implementation: Customs laws and regulations are generally well implemented, and in cases of non-compliance, the relevant authorities take action. Training has been provided progress for customs officials on the legal frameworks for timber legality and exports.</p>

Timber tracking & chain of custody	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
23. Are there effective mechanisms in place to detect instances of illegal timber entering the supply chain?				
<i>a. Is there a system in place designed to verify the origin of timber i.e. forest management unit in transport, transfer and delivery?</i>	2010: 2 2013: 2 2018: 2	2010: 3 2013: 3 2018: 3	2010: 3 2013: 4 2018: 4	<p>There are three timber legality assurance systems in place which together provide national coverage. Under each of these, removal passes are issued at the point of harvest to certify that the logs have been removed from designated licensed areas and that royalties have been paid. Forest Checking Stations check removal passes and the forestry departments also record log inputs at processing mills, although in Malaysia, the mill operators are required to submit reports on their input and outputs.</p> <p>In Peninsular Malaysia, MYTLAS has been implemented since 2013 but it is not mandatory and has mostly been requested for exports to the EU.²¹ It covers timber and timber products sourced from natural forests and plantation forests in permanent reserved forests, state land and alienated land. It also includes rubber-wood from plantations and imported timber. MYTLAS lists the applicable laws and procedures that must be complied with which are categorized into six areas: right to harvest, forest operations, statutory charges, other users' rights, mill operations and trade and customs. Verification procedures to demonstrate compliance are set out as well as the responsible implementing agencies. MTIB has responsibility for inspecting timber to ensure its compliance with the TLAS and is the licensing authority.</p> <p>In Sabah, the Timber Legality Assurance System (Sabah TLAS) has been implemented since 2009 for upstream forest operations and made mandatory as of 2015 for the whole supply chain. It was developed by the Sabah Forestry Department, in consultation with industry and NGOs, in part through the process to negotiate a VPA with the EU. It consists of six principles, 25 criteria and 128 indicators and provides a system to verify compliance with the legal requirements for forest management, processing and trade. Sabah Forestry Department inspects and marks logs at the point of harvest and issues a removal pass. Logs are also inspected at mills and exported products are checked to ensure they are sourced from licensed timber concession areas or legal plantations.</p> <p>Sarawak established its Timber Legality Verification System in 2018.²² It includes six principles and 18 criteria relating to the regulatory requirements and industry standards in the following areas: management of forest resources, community recognition and benefits, environmental protection and traceability of material from the forest through timber products. In addition, the company HTSB monitors the harvest, royalty payments and transport of logs. The system is not currently mandatory.</p> <p>Implementation: The revenue collection component of the TLAS is part of the revenue collection system and so is strictly enforced and audited. The enforcement units within the respective state's forestry departments send out monitoring teams to check compliance.</p>

²¹ MYTLAS, see: <http://www.mtib.gov.my/images/pdf/ILPA/mytlas.pdf>

²² Sarawak Timber Legality Verification System, see: https://www.sarawaktimber.gov.my/modules/web/pages.php?mod=download&sub=download_show&id=109

Timber tracking & chain of custody	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<i>b. Does the system design include the following components?</i>				
<i>i. Independent monitoring procedures by independent government body or third party?</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	<p>There are no specific independent monitoring procedures in place.</p> <p>Under the MTCS, third party certification bodies audit companies to evaluate whether they meet the criteria for certification. The system is well-designed to verify the origin of logs, however, it is a voluntary scheme.</p> <p>In Peninsular Malaysia, MTIB is the owner of the MYTLAS as well as the auditor.</p> <p>In Sabah, Global Forestry Services (GFS)²³ is currently under contract with the Forest Department to operate as a third-party monitor to verify legal compliance of companies under the Sabah TLAS. Verification is conducted on an annual basis and a compliance certificate is issued to companies that meet the criteria.</p> <p>In Sarawak, independent auditing companies are used to verify legality compliance of companies under the Sarawak STLVS but this is voluntary.</p>
<i>ii. Reconciliation systems</i>	2010: 1 2013: 1 2018: 1	2010: 2 2013: 2 2018: 2	2010: 2 2013: 2 2018: 2	<p>The quantity of logs received by mills and their output of processed products are recorded and forwarded to the relevant authorities. However, there is no known formal reconciliation process for this data in Peninsular Malaysia, Sabah or Sarawak.</p> <p>In Sarawak, log harvests and export data are reconciled by HTSB to ensure compliance with export quotas. This company also monitors the transport of logs for which it employs reconciliation processes.</p>
<i>iii. Tamper-resistant documentation procedures</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	There are no such procedures in place. The removal pass is paper-based and not tamper-resistant.
<i>iv. Computerized systems</i>	2010: 0 2013: 0 2018: 0	2010: n/a 2013: n/a 2018: n/a	2010: n/a 2013: n/a 2018: n/a	<p>The removal pass system is not computerized which makes it subject to delays, for example, to confirm a pass's validity.</p> <p>In Sarawak, the system for tracking the transport of logs, implemented by HTSB, is computerized.</p> <p>Sarawak's Forest Department is also using a computerized system for forest monitoring and to track log movements. Sarawak Log Tracking and Forest Revenue System (REVLOG) is part of the STLVS and is used to record daily log production by licensed operators or their contractors including the volume of logs that have been royalty-assessed and their transport. It makes data available in real time to authorized stakeholders including Sarawak Forestry Corporation (SFC), licensees and auditors.</p>
<i>c. Does the system also cover timber for the domestic market as compared to systems explicitly targeting exports? (Question added in 2018)</i>	2010: - 2013: - 2018: 2	2010: - 2013: - 2018: 3	2010: - 2013: - 2018: 3	The system covers timber for the domestic market as well as export.

²³ Global Forestry Services, see: <https://www.gfsinc.biz>

Law enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
24. Do policies, laws, regulations and procedures facilitate and promote effective law enforcement?				
<i>a. Are penalties and sanctions against illegal logging and forest-related crime proportionate and dissuasive?</i>				
<i>i. For legislation on domestic production and trade</i>		2010: 4 2013: 4 2018: 4	2010: 2 2013: 2 2018: 2	<p>The 1993 amendments to the National Forestry Act 1984 impose fines of up to MYR 500,000 and prison terms of not less than one year, but not exceeding 20 years, for forest offences. While the level of these sanctions is dissuasive, their application is weak.</p> <p>The Sabah Forestry Enactment 1968 and amendment in 1992 establishes a maximum penalty of MYR 50,000 and/or imprisonment not exceeding five years for unlawful possession of forest produce as well as a maximum penalty of MYR 500,000 and an imprisonment for a term of not less than one year, and not exceeding 20 years, for counterfeiting or defacing marks on trees and logs and for counterfeiting licences and other documents issued under the Forest Enactment 1968.</p> <p>Under the Sarawak Forest Ordinance 2015, directors of companies can be held accountable for any illegal logging undertaken by workers and contractors within their licence. The penalty for the export of timber in excess of the volume stipulated in the certificate of inspection or export clearance certificate is between MYR 100,000-500,000 and imprisonment of up to five years and MYR 500,000 – 1,000,000 and imprisonment of up to 10 years for any subsequent offence. Illegal collection of forest products is punishable with a fine of MYR 25,000 – 150,000 and imprisonment of up to five years.</p>
<i>ii. For legislation to prevent the import of illegal timber if in place</i>		2010: - 2013: - 2018: 3	2010: - 2013: - 2018: 2	<p>Sanctions are provided for under the National Forestry Act and Sabah and Sarawak forestry legislations. This does not preclude the use of the Customs Act to prescribe sanctions.</p> <p>Timber can be seized and there have been some seizures of CITES timber species, for example, red sanders.</p>
<i>b. Are there systems in place to ensure coordination between relevant ministries and agencies on illegal logging cases?</i>	2010: 2 2013: 2 2018: 2	2010: 4 2013: 4 2018: 4	2010: 2 2013: 2 2018: 2	<p>The Malaysian Wildlife Enforcement Network (MY-WEN) and Natfil were combined in 2011 to improve coordination in law enforcement (see Q.1c). Forestry departments also work with the police, armed forces and customs to monitor forestry activity – especially illegal logging and timber theft.</p> <p>In November 2017, after videos of illegal logging were widely shared on the internet, the minister of natural resources and environment announced the establishment of a task force including the Forestry Department of Peninsular Malaysia, the Department of Environment and the Mineral and Geoscience Department.</p> <p>In Sabah, the new government re-activated the Illegal Logging Crackdown Committee at the chief minister's department in 2018. The division will work closely with other enforcement units in Sabah but there is as yet little information on its members and activities.</p> <p>The Sarawak government established a task force in 2015 to tackle illegal logging. Members of the task force include state and federal enforcement agencies such as the Royal Malaysia Police, the Malaysian Anti-Corruption Commission, the Malaysian Maritime Enforcement Agency, customs as well as major timber licencees and the Sarawak Timber Association. The task force is tasked with establishing measures to further strengthen efforts to combat illegal logging. It has also led to joint planning and enforcement operations.</p>

Law enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
25. Do government institutions and agencies have sufficient capacity and resources to monitor forest areas and detect and suppress forest crime?				
<i>a. Are forest officials/law enforcement staff sufficiently resourced for monitoring and enforcement? (Relevant resources include budgets, numbers of staff, communications, transport, equipment, salaries as well as training in understanding of regulatory framework and knowledge of techniques for monitoring and enforcement.)</i>		2010: 2 2013: 2 2018: 2	2010: 1 2013: 2 2018: 3	<p>A 2015 study reported that insufficient personnel, skills and equipment were considered as the main challenges for effective wildlife enforcement in Malaysia by interviewees from enforcement agencies and NGOs.²⁴</p> <p>There have been improvements in the number of staff being deployed for monitoring the forest sector and investment has also been made in equipment (e.g. GIS and digital mapping technology).</p> <p>In October 2016, the Sabah Forestry Department launched a new tactical team, the Enforcement, Tactical Operation and Protection Squad, known as SFD Protect Squad, within its enforcement division.</p>
<i>b. Are the following non-forest sector officials who are involved in forest enforcement, trained and kept up to date in relevant forest sector issues?</i>				
<i>i. Judges and prosecutors</i>			2010: 1 2013: 1 2018: 1	Limited training has been provided and improvements in understanding and awareness of forest sector issues are needed.
<i>ii. Customs officials</i>			2010: 3 2013: 3 2018: 3	<p>Limited capacity and training have been provided for customs officials. Most training has been on CITES implementation.</p> <p>Some training has been provided on the various TLAS systems and training materials developed for customs officers.</p>
26. Do government agencies systematically use appropriate information gathering tools in order to identify illegal activities?				
<i>a. Are remote sensing systems used for this purpose such as satellite imagery and/or aerial surveillance?</i>			2010: 3 2013: 3 2018: 4	<p>The Malaysian Remote Sensing Agency developed a system to detect illegal logging in Peninsular Malaysia. It was launched in October 2008, and was upgraded in 2013 and 2016. The data is used to detect changes in forest area which is then checked by Forestry Department Peninsular Malaysia (FDPM) Patrol Teams and forest enforcement agencies. For licensed areas and sensitive forest areas, images are taken once a week, while for all other forest areas, images are taken monthly.</p> <p>Sarawak announced the use of remote sensing systems to combat illegal logging in 2019.²⁵</p>
<i>b. Are in-the-field investigatory tools used for this purpose such as confidential diagnostic surveys, informants and NGOs?</i>			2010: 3 2013: 3 2018: 3	Enforcement agencies do make use of intelligence and complaints submitted by NGOs and the public.

²⁴ Ariffin, M., 2015, Enforcement against wildlife crimes in west Malaysia: The challenges. Journal of Sustainability Science and Management, 10(1), 19-26, see: <http://jssm.umt.edu.my/wp-content/uploads/sites/51/2015/06/2.pdf>

²⁵ See: <https://www.newsarawaktribune.com.my/high-tech-against-illegal-logging>

Law enforcement	Does policy exist? (0-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification or additional qualitative explanation
<i>c. Are material flow analyses used for this purpose such as wood input/output estimates and comparison of import/export data?</i>			2010: 1 2013: 1 2018: 1	At the mill level, the input of logs and output of processed products are recorded but this data is not used systematically to detect illegal activities.
<i>d. Are log tracking and check point systems used for this purpose?</i>			2010: 4 2013: 4 2018: 4	<p>Removal passes are issued for each lorry load of logs at Forest Checking Stations run by the state's forestry departments. All logs transported to the mills must be accompanied by a removal pass or exchange removal pass. The latter is issued on inspection during transit or when logs are transported across state borders. The removal passes are also checked at the point of export.</p> <p>In Sarawak, the REVLOG (Sarawak Log Tracking and Forest Revenue System) tool is used to record and monitor the details of logs felled and their transport. REVLOG makes data available in real time to authorized stakeholders including SFC, licensees and auditors. In addition, HTSB has established the Intelligence Harwood Endorsement Information System (i-Hendis) which records the monthly production volume of each licensee and royalty amounts and monitors the transport of logs from source or Collection and Distribution Centres to the point of export or of local processing. These systems were developed to monitor export and processing quotas, and to support revenue collection, but they are now also used to detect illegal activities.</p>