

Annex I – List of applicable legislation

Criteria and sub criteria	Applicable laws and regulations	Legal Authority	
1. Legal rights to harvest			
1.1 Land tenure and management rights	National Forestry Act 1984 (Sections 14, 19, 28, 33, 34, 40 and 62, Part IV, Chapters 1, 2 and 3), 62(2)(b)(i) to (iv), 71, 76 to 80, 98(1) & 104.	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	Forest Department Peninsular Malaysia (FDPM)
	National Land Code 1965 (Part 5, Chapter 1, 2 & 3, Section 62)	http://www.kptg.gov.my/sites/default/files/article/NLC1956DIGITAL-VER1.pdf	State Land Office
	Aboriginal Peoples Act 1954 (Sections 6, 7, 8, 10, 13 and 19)	http://www.kptg.gov.my/sites/default/files/article/Act%20134-Oboriginal%20Peoples%20Act.pdf	Jabatan Kemajuan Orang Asli (JAKOA)
	Companies Act 1965, Section 16	http://jpt.moe.gov.my/RUJUKAN/akta/akta%20syarikat.pdf	
	Land Conservation Act 1960 – Sections 3 & 4	http://www.agc.gov.my/Akta/Vol.%208/Act%20385.pdf	
	Federal Constitution of Malaysia	http://www.agc.gov.my/images/Personalisation/Buss/pdf/Federal%20Consti%20%28BI%20text%29.pdf	
	National Forestry Policy, 1978	http://globinmed.com/index.php?option=com_content&view=article&id=104006:malaysia-national-forestry-policy-1978-revised-1993-new&catid=259	
	National Policy on Biological Diversity, 1998	http://ww2.sabah.gov.my/jpas/laws/fwork/NBP.pdf	
	State Forest Enactments		
	Town and Country Planning Act 1976 (Act 172)	http://www.pht.org.my/legislation/Town_and_Country_Planning_Act.pdf	
1.2 Concession licenses	National Forestry Act 1984, Part IV- Section 14, 16	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department, Peninsular
1.3 Management and harvesting planning	National Forestry Act 1984, Part IV-Section 24	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department, Peninsular
1.4 Harvesting permits	National Forestry Act 1984, Part IV-Section 16, 32,47, 50, 81-8	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department, Peninsular
	Director General's Directive on the use of monitoring forms A-D. (Form A: Infrastructure, B: Forest Harvesting, C: Environment, D: Output)		
2. Taxes and fees			

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2.1 Payment of royalties and harvesting fees	National Forestry Act 1984: Part IV-Cha.8, Part V-Cha.1, Cha.5 - Sections 60, 61 and 75 State Forest Rules: Second schedule (premium rate), Third schedule (royalty rate), Fourth schedule (forest premium and cess), Fifth schedule (liquidated damages) - Rules 22 and 23	State Forestry Department, Peninsular
2.2 Value added taxes and other sales taxes	National Forestry Act 1984: Part IV-Cha.8, Part V-Cha.1, Cha.5 State Forest Rules: Second schedule (premium rate), Third schedule (royalty rate), Fourth schedule (forest premium and concession), Fifth schedule (liquidated damages). Goods And Service Tax Act 2014 (GST). Part I, Section 3 (Meaning of business), Section 4 (Meaning of supply); Part III, Section 9 (Imposition and scope of goods and services tax); Part V, Section 33 (Issuance of tax invoice)	State Forestry Department, Peninsular Royal Malaysian Customs Department
2.3 Income and profit taxes	Income Tax Act 1967: Part II-Imposition and General Characteristic of the Tax, Section 3 (Charge of income tax), Section 4 (Classes of income).	Inland Revenue Board of Malaysia
3. Timber harvesting activities		
3.1 Timber harvesting regulations	National Forestry Act 1984-Section 20, 46, 52 Guidelines for Reduced Impact Logging in Peninsular Malaysia, 2003 Environmental Quality Act 1974 – section 34A Spesifikasi Jalan Hutan (Jalan Tuju dan Lorong Penarik) untuk Semenanjung Malaysia, 1999 [Forest Road Specification (Feeder Road and Skid Trails) For Peninsular Malaysia, 1999] Manual Kerja Luar Sistem Pengurusan Memilih, Bab 4, JPSM, 1997 [Selective Management System, Chapter 4, Forest Department Peninsular Malaysia, 1997] Panduan Kerja Luar Inventori Hutan Selepas Tebangan [Field Manual on Post-felling Forest Inventories] Manual Kerja Luar Sistem Pengurusan Memilih (Selective Management System – SMS), Bab 10 [Field Manual of Selective Management System (SMS), Chapter 10]	State Forestry Departments Peninsular

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3.2 Protected sites and species	Forestry Manual 2003	Ministry of Natural Resources & Environment (MoNRE)	
	Wildlife Conservation Act 2010		http://www.gunungganang.com.my/pdf/Malaysian-Legislation/National/Wildlife%20Conservation%20Act%202010.pdf
	International Trade in Endangered Species Act 2008	State Forestry Department	
	National Parks Act, 1980 – Sections 4 & 11	http://www.unodc.org/res/cld/document/international-trade-in-endangered-species-act-2008.html/International Trade in Endangered Species Act 2008.pdf	Department of Wildlife and National Parks
	Protection of Wildlife Act, 1972 – Sections 48 & 50	http://www.agc.gov.my/Akta/Vol.%205/Act%20226.pdf	Department of Environment, Peninsular
	State Forest Enactments and Rules	http://www.agc.gov.my/Akta/Vol.%202/Act%2076.pdf	Town and Country Planning
	National Land Code 1965 – Section 62	http://www.kptg.gov.my/sites/default/files/article/NLC1956DIGITAL-VER1.pdf	
	State Park Enactments		
	Guidelines on Criteria for the Selection and Procedures for Marking Mother Trees, 1997 (Garis Panduan Kriteria Pemilihan and Prosedur Penandaan Pokok Ibu, 1997)		
	Forestry Manual Peninsular Malaysia, 1953 (revised 1995) (Manual Perhutanan Semenanjung Malaysia, 1953 (pindaan 1995)		
Panduan Penubuhan dan Penyelenggaraan Kawasan-kawasan Simpanan Hutan Dara, 1987 [Guidelines for the Establishment and Maintenance of Virgin Jungle Reserves, 1987]			
3.3 Environmental requirements	Environmental Quality Act 1974 (Prescribed activities) - section 34A	http://faolex.fao.org/docs/pdf/mal13278.pdf	State Environment Department Peninsular
			State Forestry Department Peninsular
3.4 Health and safety	Occupational Safety and Health Act 1994	http://www.ilo.org/dyn/travail/docs/1628/Occupational%20Safety%20and%20Health%20Act%201994%20-%20www.agc.gov.my.pdf	Department of Occupational Safety and Health Malaysia
	Employees' Social Security Act 1969	http://www.ilo.org/dyn/travail/docs/1626/Employees%27%20Social%20Security%20Act%201969%20-%20www.agc.gov.my.pdf	
	Workmen's Compensation Act 1952	http://www.agc.gov.my/Akta/Vol.%206/Act%20273.pdf	
	Industrial Relations Act, 1967	http://www.agc.gov.my/Akta/Vol.%204/Act%20177.pdf	
	Employees Provident Fund Act, 1991	http://www.agc.gov.my/Akta/Vol.%2010/Act%20452.pdf	

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3.5 Legal employment	ILO Conventions: - No.98 - The Right to Organise and Collective Bargaining Convention 1949 - Articles 1 and 2 - No.100 - Equal Remuneration Convention 1951 - Articles 1-4 - No.111 - Discrimination (Employment and Occupation) Convention 1958 - Articles 1-5	http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_Ilo_Code:C098 http://www.ilo.org/dyn/normlex/en/f?p=noRMleXPUB:12100:0::no:12100:P12100_Ilo_Code:C100 http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312256:NO	Malaysia's State Labour Department KWSP (Employment Provident Fund - EPF) PERKESO (Social Security Organization - SOCSO) Ministry of Human Resources
	Industrial Relations Act 1967- Sec.4 and 13	http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/48066/99440/F1841123767/MYS48066.pdf	
	Employment Act 1955- Sec.8	http://www.ilo.org/dyn/natlex/docs/WEBTEXT/48055/66265/E55mys01.htm	
	Trade Unions Act 1959 (Act 262)	http://www.agc.gov.my/Akta/Vol.%206/Act%20262.pdf	
	Employees Provident Fund Act - Part V, Section 42, 45	http://www.agc.gov.my/Akta/Vol.%2010/Act%20452.pdf	
	Employee's Social Security Act 1969 - Section 3,	http://www.ilo.org/dyn/travail/docs/1626/Employees%20%20Social%20Security%20Act%201969%20	
	National Wage Consultative Council Act 2011 (section 23, 24)	http://www.ilo.org/dyn/travail/docs/1506/National%20Wages%20Consultative%20Council%20Act%202011%20-%20malaysianlaw.my.pdf	
	Minimum Wage Order 2012	http://www.mohr.gov.my/pdf/minimumwagesorder2012.pdf	
	Workmen's Compensation Act 1952	http://www.agc.gov.my/Akta/Vol.%206/Act%20273.pdf	
	Industrial Relations Act, 1967	http://www.agc.gov.my/Akta/Vol.%204/Act%20177.pdf	
3.6 Conversion	National Land Code	http://www.kptg.gov.my/sites/default/files/article/NLC1956DIGITAL-VER1.pdf	State's Department of Environment
	National Forestry Act	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State's Forestry Department
	Environmental Quality Act 1974-Sec.3A	http://faolex.fao.org/docs/pdf/mal13278.pdf	
	Environmental Quality Order 1987-Item 6 of Schedule	http://www.doe.gov.my/eia/wp-content/uploads/2012/03/Environmental-Quality-Prescribed-Activities.pdf	Decision, in general, lies with State Authority (EXCO)
4. Third parties' rights			
4.1 Customary rights	National Forestry Act 1984 (Sections 19, 28, 33, 34, 40 and 62)	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department

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	National Land Code (for Malay reserve)	http://www.kptg.gov.my/sites/default/files/article/NLC1956DIGITAL-VER1.pdf	State Land Office
	Aboriginal Peoples Act 1954 (Sections 6, 7, 8, 10, 13 and 19)	http://www.kptg.gov.my/sites/default/files/article/Act%20134-Oboriginal%20Peoples%20Act.pdf	
	UN Declaration on Rights of Indigenous Peoples 2007	http://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf	
	National Forestry Policy 1978 – Paragraph 2.2.8	http://www.forestry.gov.my/index.php/en/mengenal-kami-baru/profil-jpsm/polisi-agensi	
	Forest Rules – Rules 28 to 30		
4.2 Free prior and informed consent	National Forestry Act 1984 (Sections 19, 28, 33, 34, 40 and 62)	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department
	UN Declaration on Rights of Indigenous Peoples 2007	http://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf	State Land Office
	Aboriginal Peoples Act 1964 (Sections 6, 7, 8, 10, 13 and 19)	http://www.kptg.gov.my/sites/default/files/article/Act%20134-Oboriginal%20Peoples%20Act.pdf	
4.3 Indigenous/traditional peoples rights	National Forestry Act 1984 (Sections 19, 28, 33, 34, 40 and 62)	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department
	UN Declaration on Rights of Indigenous Peoples 2007	http://www.un.org/esa/socdev/unpfii/documents/DRIPS_en.pdf	State Land Office
	Aboriginal Peoples Act 1964 (Sections 6, 7, 8, 10, 13 and 19)	http://www.kptg.gov.my/sites/default/files/article/Act%20134-Oboriginal%20Peoples%20Act.pdf	
5. Trade and transport			
5.1 Classification of species, quantities, qualities	National Forestry Act 1984: Part IV-Cha.8, Part V-Cha.1, Cha.5	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department Peninsular
	State Forest Rules: Second schedule (premium rate), Third schedule (royalty rate), Fourth schedule (forest premium and cess), Fifth schedule (liquidated damages)		
5.2 Trade and transport	National Forestry Act 1984 [Section 68 & 73]	http://www.agc.gov.my/Akta/Vol.%207/Act%20313.pdf	State Forestry Department Peninsular
	State Forest Rules (Rules 16, 17 & 19)		
	Director General of Forestry Directive JH/126 Jld. 2(6) dated 21 April 2010		
5.3 Offshore trading and transfer pricing	Malaysia Income Tax Act, 1967-Sec.140A	http://www.kpmg.com.my/kpmg/publications/tax/22/a0053.htm	Inland Revenue Board Malaysia
	Income Tax (Transfer Pricing) Rules 2012	http://www.hasil.gov.my/pdf/pdfam/MalaysianTransferPricingGuidelines2012.pdf	Malaysian Investment Development Authority (MIDA)

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	Income Tax (Advance Pricing Arrangement) Rules 2012	http://www.hasil.gov.my/pdf/pdfam/MalaysianAPAGuidelines2012.pdf
5.4 Custom regulations	Malaysian Timber Industry Board (Incorporation) Act, 1973 (Act 105) - Section 20	Malaysian Timber Industry Board (MTIB)
	Customs Acts 1967 [Act 235]	Royal Malaysian Customs
	Customs Export Prohibition Order (1998)	
	Customs Import Prohibition Order (Fourth Schedule, item 50 and 51, First Schedule Item 15 (June 2006, & 4 th . Schedule Items 50, 51, 52 & 53.	
	Wood-based Industries Act, 1984	
	MTIB Registration Rules 1994	
	Timber Export Cess Order (2000) Peninsular Malaysia	
	The Ramin Logs Prohibition of Export Order, 1980	
	The Ramin Shorts and Ramin Squares Prohibition of Export Order, 1991	
	The Sepetir Timber Export Restriction Order, 1980	
	Companies Act , 1965	
	Directive from the Minister of Primary Industries 2002 and 2003	
5.5 CITES	International Trade in Endangered Species Act 2008 (Act 686) - Sec.10, 12 and 13	Malaysian Timber Industry Board (MTIB)
	Customs Act 1967 [Act 235]	
	Customs (Prohibition of Exports) Order 2012	
6. Diligence/due care procedures		
6.1 Legislation requiring due diligence/due care procedures		