

## Annex I – List of applicable legislation

Criteria and sub criteria	Applicable laws and regulations	Legal Authority	
<b>1. Legal rights to harvest</b>			
1.1 Land tenure and management rights	Forest Ordinance 1958 (Cap.126)-Part II (Forest reserves), Part III (Protected Forests) and Part IV (Communal Forests)	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a>	Forest Department Sarawak
	Forest Rules 1962	<a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a>	Sarawak Forestry Cooperation
	Land code (Cap.81) (grants, leases, native customary right and communal reserves)	<a href="http://faolex.fao.org/docs/pdf/mal134804.pdf">http://faolex.fao.org/docs/pdf/mal134804.pdf</a>	Land and Survey Department, Sarawak
	Native Court Ordinance 1992 Native Court Rules 1993		
1.2 Concession licenses	Forest Ordinance-Chapter 126	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a>	Forest Department Sarawak
	Sarawak Procedures for the Inspection of Harvesting Areas 1999	<a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a>	
	Sarawak Instructions for the Inspection of Logging Areas 1982		
1.3 Management and harvesting planning	Forests Ordinance (Cap 126) [Section 95 (1)(a)(b)(f)(i)(q)]	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a>	Forest Departments Sarawak
	Forest Rules 1962	<a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a>	Sarawak Forestry Corporation
	Sarawak Procedures for the Inspection of Harvesting Areas 1999		
	Sarawak Instructions for the Inspection of Logging Areas 1982		
1.4 Harvesting permits	Forests Ordinance (Cap 126) - Sections 49 (1) Power of the Director to issue a licence or permit in forest reserves and protected forests - Section 51: Power of the Director to issue a licence or permit in Stateland - Section 55: Power of the Director to issue a licence under special conditions - Section 58: Power of the Director to issue a licence in government reserves - Section 59: Power of the Director to issue a licence or permit in Alienated land	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a>	Forest Department Sarawak  Sarawak Forestry Cooperation

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	- Section 65B: Power of the Director with the approval of the Minister to issue a licence for the establishment of planted forests	
	Sarawak Procedures for the Inspection of Harvesting Areas 1999	
	Sarawak Instructions for the Inspection of Logging Areas 1982	
<b>2. Taxes and fees</b>		
2.1 Payment of royalties and harvesting fees	Forests Ordinance, 1954 (Cap. 126) – First Schedule Section 52 (2): Produce Taken Under Licence – Rates of Royalty and Second Schedule, Section 52(3), Section 52(5), Section 52(5) Produce Taken Under Permit, Section 52(4A)(a). Forest Premium and Cess under Fourth Schedule of Forest Timber Licence	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a> Forest Department Sarawak Sarawak Forestry Cooperation State Treasury Department
2.2 Value added taxes and other sales taxes	Liquidated Damage under Fifth Schedule of Forest Timber Licence Wild Life Protection Rules, 1998 – Second Schedule: Fees for Licence and Permit 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),	<a href="http://www.sarawakforestry.com/pdf/laws/wildLife_protection_rules_1998.pdf">http://www.sarawakforestry.com/pdf/laws/wildLife_protection_rules_1998.pdf</a> Sarawak Forestry Cooperation <a href="http://gst.customs.gov.my/en/rg/SiteAssets/gst_bill/BI%20ACT%20762.pdf">http://gst.customs.gov.my/en/rg/SiteAssets/gst_bill/BI%20ACT%20762.pdf</a> 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).	<a href="http://www.kpmg.com.my/kpmg/publications/tax/22/a0053.htm">http://www.kpmg.com.my/kpmg/publications/tax/22/a0053.htm</a> Inland Revenue Board of Malaysia
<b>3. Timber harvesting activities</b>		
3.1 Timber harvesting regulations	Procedures on Reduced and Low Impact Harvesting Systems 1999, Sarawak Basic Chainsaw Maintenance and Directional Tree Felling 2001, Sarawak Forest Rules 1962, Rule 10 and 19 Protection of Soil and Water, 1999 The Manual of Silviculture for the Permanent Forest Estate of Sarawak, 1999	Sarawak Forest Department (SFD) Sarawak Forestry Corporation <a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a>

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	Guidelines for Forest Road Layout and Construction, 1999		
3.2 Protected sites and species	National Parks and Nature Reserves Ordinance 1998 (Cap. 27)	<a href="http://lawnet.sarawak.gov.my/lawnet_file/Ordinance/OR_D_CAP.%2027%20watermark.pdf">http://lawnet.sarawak.gov.my/lawnet_file/Ordinance/OR_D_CAP.%2027%20watermark.pdf</a>	The Natural Resources and Environment Board (NREB)
	Wildlife Protection Ordinance 1998 (Cap. 26)	<a href="http://www.sarawakforestry.com/pdf/laws/wildlife_protection_ordinance98_chap26.pdf">http://www.sarawakforestry.com/pdf/laws/wildlife_protection_ordinance98_chap26.pdf</a>	Sarawak Forest Department (SFD)
		Sarawak Forestry Corporation	
3.3 Environmental requirements	Forest Rules 1962, Rule 10 and 19	<a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a>	State Environment Department Peninsular
	Protection of Soil and Water, 1999		State Forestry Department Peninsular
3.4 Health and safety	Occupational Health and Safety Act 1994	<a href="http://www.agc.gov.my/Akta/Vol.%2011/Act%20514.pdf">http://www.agc.gov.my/Akta/Vol.%2011/Act%20514.pdf</a>	Department of Occupational Safety and Health (DOSH)
			Forest Department Sarawak
			Sarawak Forestry Corporation
			Labour Department Sarawak
3.5 Legal employment	ILO Conventions:	<a href="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::P12100_Ilo_Code:C098</a>	KWSP (Employment Provident Fund - EPF)
	- No.98 - The Right to Organise and Collective Bargaining Convention 1949 - Articles 1 and 2		
	- No.100 - Equal Remuneration Convention 1951 - Articles 1-4	<a href="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_Ilo_Code:C100</a>	PERKESO (Social Security Organization - SOCSO)
	- No.111 - Discrimination (Employment and Occupation) Convention 1958 - Articles 1-5		
		<a href="http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312256:NO">http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312256:NO</a>	
	Industrial Relations Act 1967- Sec.4 and 13	<a href="http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/48066/99440/F1841123767/MYS48066.pdf">http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/48066/99440/F1841123767/MYS48066.pdf</a>	
	Employment Act 1955- Sec.8	<a href="http://www.ilo.org/dyn/natlex/docs/WEBTEXT/48055/66265/E55mys01.htm">http://www.ilo.org/dyn/natlex/docs/WEBTEXT/48055/66265/E55mys01.htm</a>	
	Trade Unions Act 1959 (Act 262)	<a href="http://www.agc.gov.my/Akta/Vol.%206/Act%20262.pdf">http://www.agc.gov.my/Akta/Vol.%206/Act%20262.pdf</a>	
Employees Provident Fund Act - Part V, Section 42, 45	<a href="http://www.agc.gov.my/Akta/Vol.%2010/Act%20452.pdf">http://www.agc.gov.my/Akta/Vol.%2010/Act%20452.pdf</a>		
Employee's Social Security Act 1969 - Section 3,	<a href="http://www.ilo.org/dyn/travail/docs/1626/Employees%20%20Social%20Security%20Act%201969%20">http://www.ilo.org/dyn/travail/docs/1626/Employees%20%20Social%20Security%20Act%201969%20</a>		
National Wage Consultative Council Act 2011 (section 23, 24)	<a href="http://www.ilo.org/dyn/travail/docs/1506/National%20Wages%20Consultative%20Council%20Act%202011%20-%20malaysianlaw.my.pdf">http://www.ilo.org/dyn/travail/docs/1506/National%20Wages%20Consultative%20Council%20Act%202011%20-%20malaysianlaw.my.pdf</a>		

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	Minimum Wage Order 2012	<a href="http://www.mohr.gov.my/pdf/minimumwagesorder2012.pdf">http://www.mohr.gov.my/pdf/minimumwagesorder2012.pdf</a>
	Workmen's Compensation Act 1952	<a href="http://www.agc.gov.my/Akta/Vol.%206/Act%20273.pdf">http://www.agc.gov.my/Akta/Vol.%206/Act%20273.pdf</a>
	Labour Ordinance Sarawak- Cap.76	<a href="http://jtkswk.mohr.gov.my/index.php/en/legislation/law/524-labour-ordinance-sarawak-cap-76">http://jtkswk.mohr.gov.my/index.php/en/legislation/law/524-labour-ordinance-sarawak-cap-76</a>
3.6 Conversion	Forest Estate of Sarawak, 1999	Forest Department Sarawak Sarawak Forestry Corporation
4.1 Customary rights	Sarawak Forest Ordinance (Cap.126)-Part II (Forest reserves), Part III (Protected Forests) and Part IV (Communal Forests)	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a> Forest Department Sarawak
	Sarawak Land code (Cap.81) (grants, leases, native customary right and communal reserves)	<a href="http://faolex.fao.org/docs/pdf/mal134804.pdf">http://faolex.fao.org/docs/pdf/mal134804.pdf</a> Sarawak Forestry Corporation
	Sarawak Native Court Ordinance 1992	
	Sarawak Native Court Rules 1993	
4.2 Free prior and informed consent	Sarawak Forest Ordinance (Cap.126)-Part II (Forest reserves), Part III (Protected Forests) and Part IV (Communal Forests)	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a> Forest Department Sarawak
	Sarawak Land code (Cap.81) (grants, leases, native customary right and communal reserves)	<a href="http://faolex.fao.org/docs/pdf/mal134804.pdf">http://faolex.fao.org/docs/pdf/mal134804.pdf</a> Sarawak Forestry Corporation
	Sarawak Native Court Ordinance 1992	
	Sarawak Native Court Rules 1993	
4.3 Indigenous/traditional peoples rights	Sarawak Forest Ordinance (Cap.126)-Part II (Forest reserves), Part III (Protected Forests) and Part IV (Communal Forests)	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a> Forest Department Sarawak
	Sarawak Land code (Cap.81) (grants, leases, native customary right and communal reserves)	<a href="http://faolex.fao.org/docs/pdf/mal134804.pdf">http://faolex.fao.org/docs/pdf/mal134804.pdf</a> Sarawak Forestry Corporation
	Sarawak Native Court Ordinance 1992	
	Sarawak Native Court Rules 1993	
<b>5. Trade and transport</b>		
5.1 Classification of species, quantities, qualities	Forest Ordinance 1958 (Cha.126), Part V-Section 52	<a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a> Forest Department Sarawak
	Forest Timber Licence: Fourth schedule-Forest premium and cess, Fifth schedule-Liquidated damage	Sarawak Forestry Corporation
	Sarawak Biodiversity (Fees) Notification 2003	
5.2 Trade and transport	Forest Rules 1962, Rule 22(5)	<a href="http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf">http://www.sarawakforestry.com/pdf/laws/the_forest_rules.pdf</a> Sarawak Forestry Corporation

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	Forests Ordinance (Cap 126) [Sections 67,67A(7)(a)(b)(c)] <a href="http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf">http://www.sarawakforestry.com/pdf/laws/forests_ordinance_chapter_126.pdf</a>	Harwood Timber Sdn Bhd Forest Department Sarawak
5.3 Offshore trading and transfer pricing	Malaysia Income Tax Act, 1967-Sec.140A <a href="http://www.kpmg.com.my/kpmg/publications/tax/22/a0053.htm">http://www.kpmg.com.my/kpmg/publications/tax/22/a0053.htm</a> Income Tax (Transfer Pricing) Rules 2012 <a href="http://www.hasil.gov.my/pdf/pdfam/MalaysianTransferPricingGuidelines2012.pdf">http://www.hasil.gov.my/pdf/pdfam/MalaysianTransferPricingGuidelines2012.pdf</a> Income Tax (Advance Pricing Arrangement) Rules 2012 <a href="http://www.hasil.gov.my/pdf/pdfam/MalaysianAPAGuidelines2012.pdf">http://www.hasil.gov.my/pdf/pdfam/MalaysianAPAGuidelines2012.pdf</a>	Inland Revenue Board Malaysia Malaysian Investment Development Authority (MIDA)
5.4 Custom regulations	The Sarawak Timber Industry Development Corporation Ordinance 1973 <a href="http://www.sarawaktimber.org.my/doc/STIDC_Ordinance_1973.pdf">http://www.sarawaktimber.org.my/doc/STIDC_Ordinance_1973.pdf</a> The Sarawak Timber Industry (Registration) Regulations 1999 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 Customs Act 1967 <a href="http://www.agc.gov.my/Akta/Vol.%205/Act%20235.pdf">http://www.agc.gov.my/Akta/Vol.%205/Act%20235.pdf</a> Customs Export Prohibition Order (1998) <a href="http://www.vertic.org/media/National%20Legislation/Malaysia/MY_Customs_Prohibition_Exports_Order_Schedule3.pdf">http://www.vertic.org/media/National%20Legislation/Malaysia/MY_Customs_Prohibition_Exports_Order_Schedule3.pdf</a> Customs Import Prohibition Order <a href="http://www.env.go.jp/recycle/yugai/reg/pua_20121231_P.U.%28A%29490-LaranganImportFinal[Warta311212].pdf">http://www.env.go.jp/recycle/yugai/reg/pua_20121231_P.U.%28A%29490-LaranganImportFinal[Warta311212].pdf</a>	Sarawak Timber Industry Development Corporation (STIDC) Royal Malaysian Customs
5.5 CITES	International Trade in Endangered Species Act 2008 (Act 686) - Sec.10, 12 and 13 <a href="http://www.unodc.org/res/cld/document/international-trade-in-endangered-species-act-2008_html/International_Trade_in_Endangered_Species_Act_2008.pdf">http://www.unodc.org/res/cld/document/international-trade-in-endangered-species-act-2008_html/International_Trade_in_Endangered_Species_Act_2008.pdf</a> Customs Act 1967 [Act 235] <a href="http://www.agc.gov.my/Akta/Vol.%205/Act%20235.pdf">http://www.agc.gov.my/Akta/Vol.%205/Act%20235.pdf</a> Customs (Prohibition of Exports) Order 2012 <a href="http://www.env.go.jp/recycle/yugai/reg/pua_20121231_LaranganExport.pdf">http://www.env.go.jp/recycle/yugai/reg/pua_20121231_LaranganExport.pdf</a>	Sarawak Timber Industry Development Corporation (STIDC) Sarawak Forestry Corporation Sarawak Forest Department
<b>6. Diligence/due care procedures</b>		
6.1 Legislation requiring due diligence/due care procedures		