Annex II: Overview of legally required documents

Documents to indicate legality

1. Domestic material
   a) Legal right to harvest and other key forest level legality documents
      - **Permanent Forest (PF)**
        - Harvesting License
        - Evidence of payment (e.g. Tax, Royalty & Cess)
        - Company registration with authority (more on legal requirements)
        - Forest Management Plan
        - Record of monitoring by Forestry Dept.
      - **State land (SL)**

   b) Transport from Forest to primary processing
      - Removal Pass Form 8 (Figure 1)
      - Removal Pass (change of state) if relevant

   c) Processing
      - Trading license
      - Sawmill license issued from Forestry Department (Figure 2)
      - Manufacturing license (Figure 3)
      - Certificate of Incorporation of Company
      - Registration with MTIB and STIDC as appropriate

2. Import
   a) Import licence
   b) Customs Import Declaration Form 1
   c) Removal pass
   d) Import licence issued by MTIB for logs
   e) Customs Department K1 form
   f) Customs Department K3 form (within Malaysia)

3. Export
   a) Registration with Malaysian Timber Industry Board (MTIB) (Figure 4)
   b) Bill of Lading (Figure 5)
   c) Certificate of Origin (Figure 6)
   d) Phytosanitary certificate (Figure 7)
   e) Form A / Form D (according to the Country)
   f) Fumigation Certificate (according to the Country)
Figure 1: Removal Pass Form 8

Figure 2: Sawmill License
Figure 3: Manufacturing license

Figure 4: Registration with Malaysian Timber Industry Board
Figure 5: Bill of Lading

Figure 6: Certificate of Origin
Figure 7: Phytosanitary Certificate
# Annex III: Principles and Criteria of Legal Timber

## Region: Peninsular Malaysia

<table>
<thead>
<tr>
<th>Principle</th>
<th>Criteria</th>
<th>Related Legislations / Reference</th>
<th>Sources of Timber</th>
</tr>
</thead>
</table>
| Approval of harvesting area by State Authority | National Forestry Act 1984 [Sections 14, 19, 40, 41 & 42]  
State Forest Rules (Rule 28) | PF SL AL RW-R Imp |
| Issuance of harvesting license | National Forestry Act 1984 [Sections 19]  
State Forest Rules  
Forestry Manual 2003, Volume II | | |
| Consent by owner to remove logs and wood residues from rubber smallholding/estate | National Land Code 1965 | | X |
| Environmental management | Environmental Quality Act 1974 [Section 34A]  
Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 1987 | | |
| Environmental management (rubber estate) | Environmental Quality Act 1974 [Section 34A]  
Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 1987 | | X |
| Plan preparation and registration of classification mark | National Forestry Act 1984 [Section 20 (b)(i) & 20(c)]  
State Forest Rules  
Forestry Manual 2003, Volume II (Chap.13, paras 4.0 & 5.1.9) | | |
| Approval of harvesting area by State Authority | National Forestry Act 1984 [Sections 14, 19, 40, 41 & 42]  
State Forest Rules (Rule 28) | PF SL AL RW-R Imp |
| Issuance of harvesting license | National Forestry Act 1984 [Sections 19]  
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State Forest Rules  
Forestry Manual 2003, Volume II (Chap.13, paras 4.0 & 5.1.9) | | |
| Royalty and fees | National Forestry Act 1984 [Sections 60, 61, 73 & 75]  
State Forest Rules (Rules 16, 17 & 19)  
Director General of Forestry Directive JH/126 Jld. 2(6) dated 21 April 2010 | | |
| Worker safety and health | Occupational Safety and Health Act 1994 [Section 15]  
Workmen’s Compensation Act 1952 (Act 273)  
Employee’s Social Security Act 1969 | | |
| Royalty and fees | National Forestry Act 1984 [Sections 60, 61, 73 & 75]  
State Forest Rules (Rules 22 & 23) | | |
| User rights by Aborigines (Orang Asli) | National Forestry Act 1984 [Sections 42(2)(d) and 62(2)(b)]  
Aboriginal Peoples Act 1954 [Sections 6, 7 & 8] | | |

### Notes
- X indicates the related legislation is applicable.
- SL, AL, RW-R, and Imp columns represent the sources of timber.
### 5. Mill operations

<table>
<thead>
<tr>
<th>Issuance of mill licence and conditions for operation</th>
<th>Wood Based Industries Enactment 1985 [Section 3]</th>
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<tr>
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### Issuance of mobile sawmill/chipper licence

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<tr>
<th>Worker safety and health</th>
<th>Wood Based Industries Enactment 1985 [Section 3]</th>
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### 6. Trade and Customs

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<thead>
<tr>
<th>Registration of companies for export</th>
<th>Malaysian Timber Industry Board (Incorporation) Act 1973 [Section 13]</th>
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<td>Timber Industry (Registration) Rules 1991</td>
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### Export regulations

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<td>Timber Export Bulletins</td>
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<td>Timber Cess Order 2008</td>
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<td>Customs Act 1967, Customs (Prohibition of Exports) Order 2008</td>
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### Import regulations

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<td>Customs Act 1967, Customs (Prohibition of Imports) Order 2008</td>
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<td>Plant Quarantine Act 1976</td>
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<td>Letter / circular on phytosanitary requirements from DoA</td>
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### Timber from Sarawak

<table>
<thead>
<tr>
<th>Timber from Sarawak</th>
<th>Customs Act 1967</th>
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<td>Malaysian Timber Industry Board (Incorporation) Act 1973</td>
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<td>Plant Quarantine Act 1976</td>
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<td>MTIB circular ‘Procedures for timber from Sarawak into Peninsular Malaysia and Sabah under the FLEGT VPA’</td>
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### Transportation of imported logs

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<th>National Forestry Act 1984 [Sections 68 &amp; 73]</th>
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<td>State Forest Rules (Rules 16, 17 &amp; 19)</td>
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<td>Director General of Forestry Directive JH/126 Jld. 2(6) dated 21 April 2010</td>
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### Note:

<table>
<thead>
<tr>
<th>PF</th>
<th>Permanent Forests</th>
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<tbody>
<tr>
<td>SL</td>
<td>State Land</td>
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<td>AL</td>
<td>Alienated Land</td>
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<td>Imp</td>
<td>Import</td>
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<tr>
<td>RW-R (AL)</td>
<td>Rubberwood (Hevea brasiliensis) from Replanting Operations</td>
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Source: Annex II. Malaysia-EU FLEGT VPA Timber Legality Assurance System,