



# **STAKEHOLDERS BRIEFING 2018**

## **Briefing on Issuance of sawmill licence through delegation of power from FDS to STIDC**

**By**  
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# Background

- Currently, issuance of sawmill licence is under purview of Forest Dept (Section 62 of the Forest Ord. 2015)
- As effort to streamline the function of forestry related agencies, the issuance of sawmill licence will be undertaken by STIDC
- This will be executed through the delegation of power from the Director of Forests to STIDC
- The target effective date of implementation is 2 January 2019

# What is a sawmill?

## Interpretation of sawmill – Forest Ordinance, 2015 (Chapter 71)

“**sawmill**” means any factory or any premises where timber is cut or sawn or hewn or converted into small sizes or marketable products and includes any machineries, equipment or plant for the manufacture of veneers, plywood, moulding or any other products from timber

## **Authority for Issuance of Sawmill Licence (Forest Ordinance, 2015)**



**62-(1) No sawmill shall be built or operated except under and in accordance with a licence issued by the Director**

**(2) A licence under this section shall be valid for a period of not exceeding one year from the date of issue, or for such longer period as the Minister may, in any particular case, approve**

**(3) A licence issued under this section shall contain the following conditions:**

- (a) the sawmill shall be built on a site approved by the Director in consultation with the State Planning Authority and in accordance with the plans approved by that Authority under Parts X of the Land Code**
- (b) the minimum output of sawn timber from the sawmill;**

## Authority for Issuance of Sawmill Licence (Forest Ordinance, 2015)

**Continue...**

- (c) the keeping of true and proper records of timber and the sources thereof, purchased or obtained by the sawmill for its operation and that such records shall be provided for inspection whenever requested by the Director of a forest officer authorised by him**
- (d) the number of sawbenches and other machineries that may be installed in the sawmill;**
- (e) the licence shall be displayed in a conspicuous place in the sawmill; and**
- (f) such other terms and conditions as the Director deems fit.**

## **Authority for Issuance of Sawmill Licence (Forest Ordinance, 2015)**



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**(6) (a) Any person who builds or operates a sawmill without a licence issued by the Director under subsection (1) shall be guilty of an offence and shall, upon conviction, be punished with-**

- (i) in the case of first offence, a fine of not less than five thousand ringgit and not exceeding five million ringgit or imprisonment not exceeding five years or to both; and**
- (ii) in the case of a subsequent offence, a fine of not less than one million ringgit and not exceeding ten million ringgit, and imprisonment not exceeding seven years, and in case of a continuing offence, a further fine of not exceeding five thousand ringgit for each day during which offence continues after conviction**

## Authority for Issuance of Sawmill Licence (Forest Ordinance, 2015)

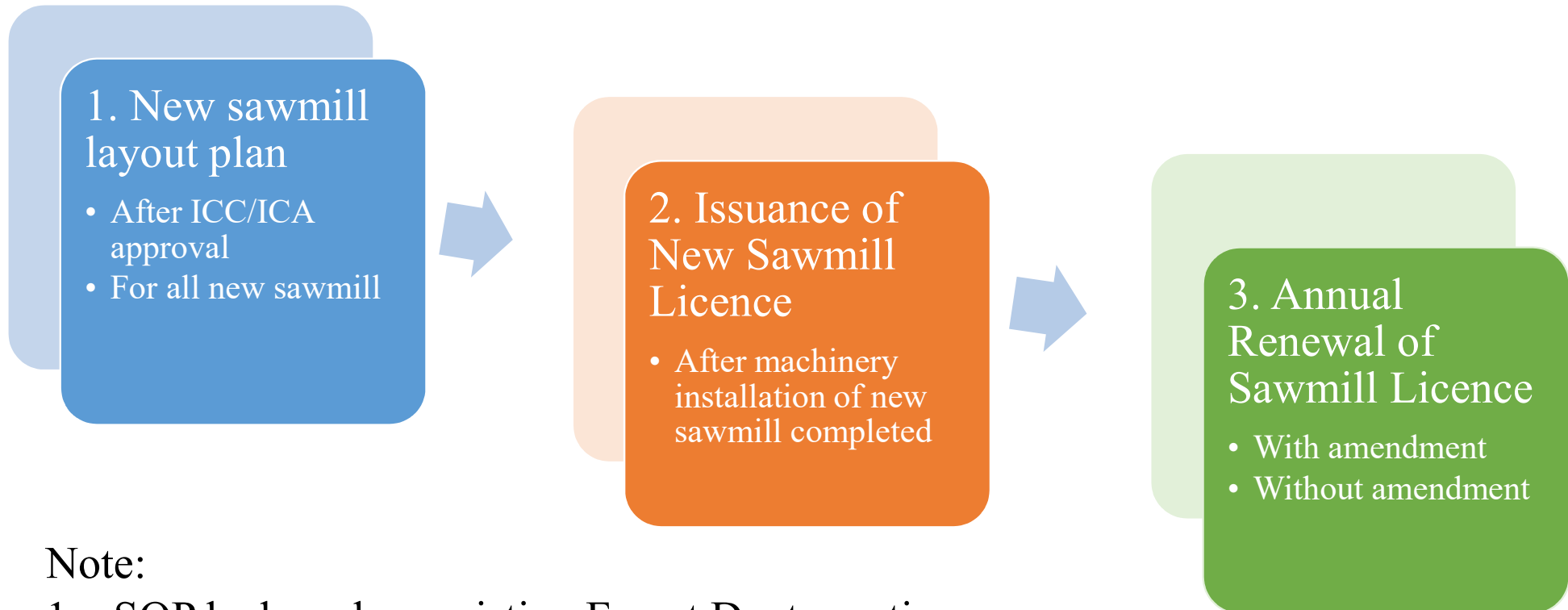


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**Provided that where the accused person proves that the building or operation of the sawmill was exclusively for domestic use, the punishment shall, upon conviction, be a fine of not less than five thousand ringgit and not exceeding two years or to both and for a subsequent offence, shall be punished with a fine of not less than ten thousand ringgit and not exceeding one hundred thousand ringgit and imprisonment for a term not exceeding five years**

**(b) Any person who commit a breach of any terms and conditions of his licence shall be guilty of an offence and shall, upon conviction, be punished with a fine of not less than ten thousand ringgit and not exceeding one hundred thousand ringgit, and in the case of continuing offence, a further fine of not exceeding five thousand ringgit for each day during which the offence continues after conviction**

# Processes of Sawmill Licence Issuance

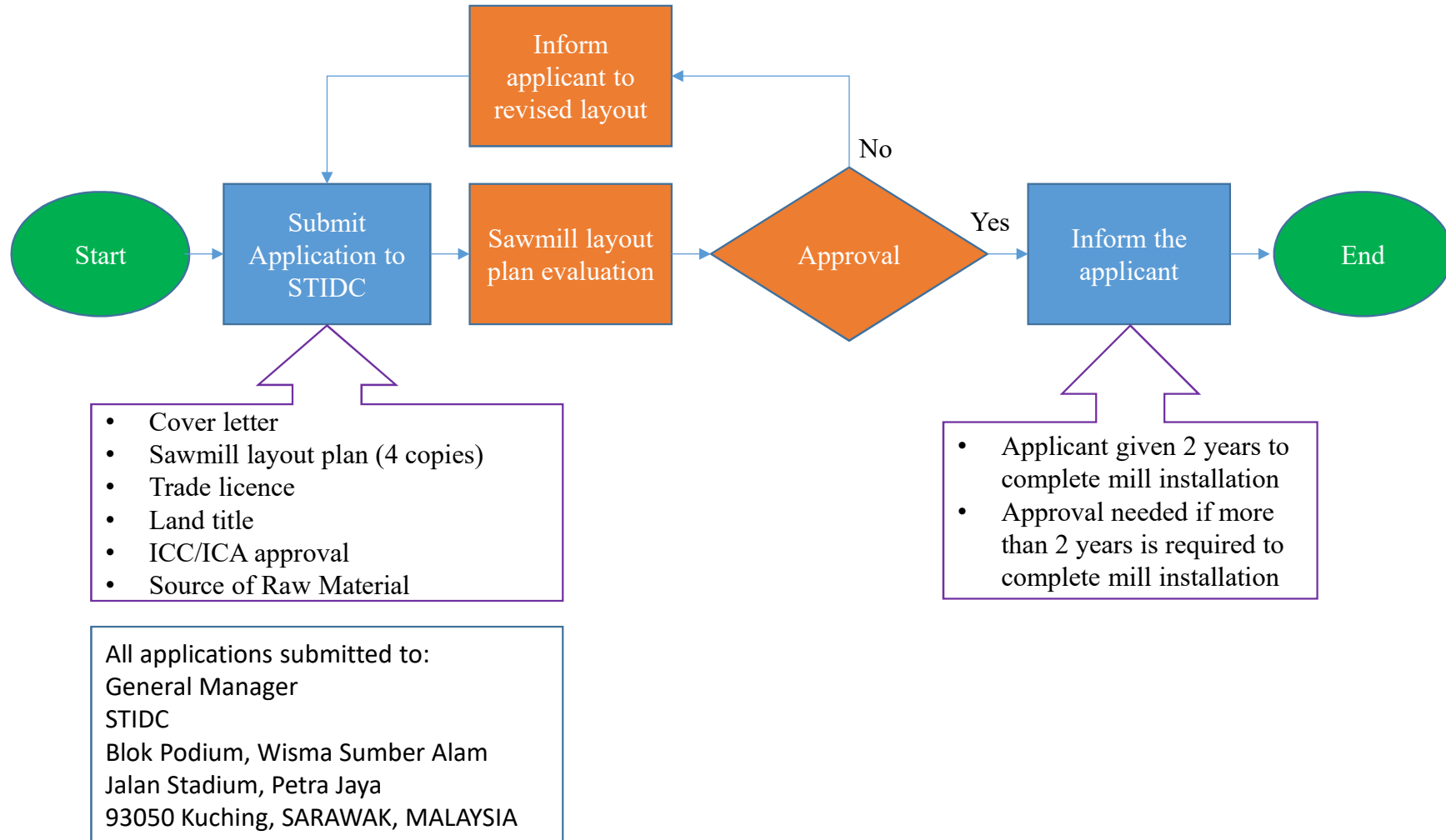


## Note:

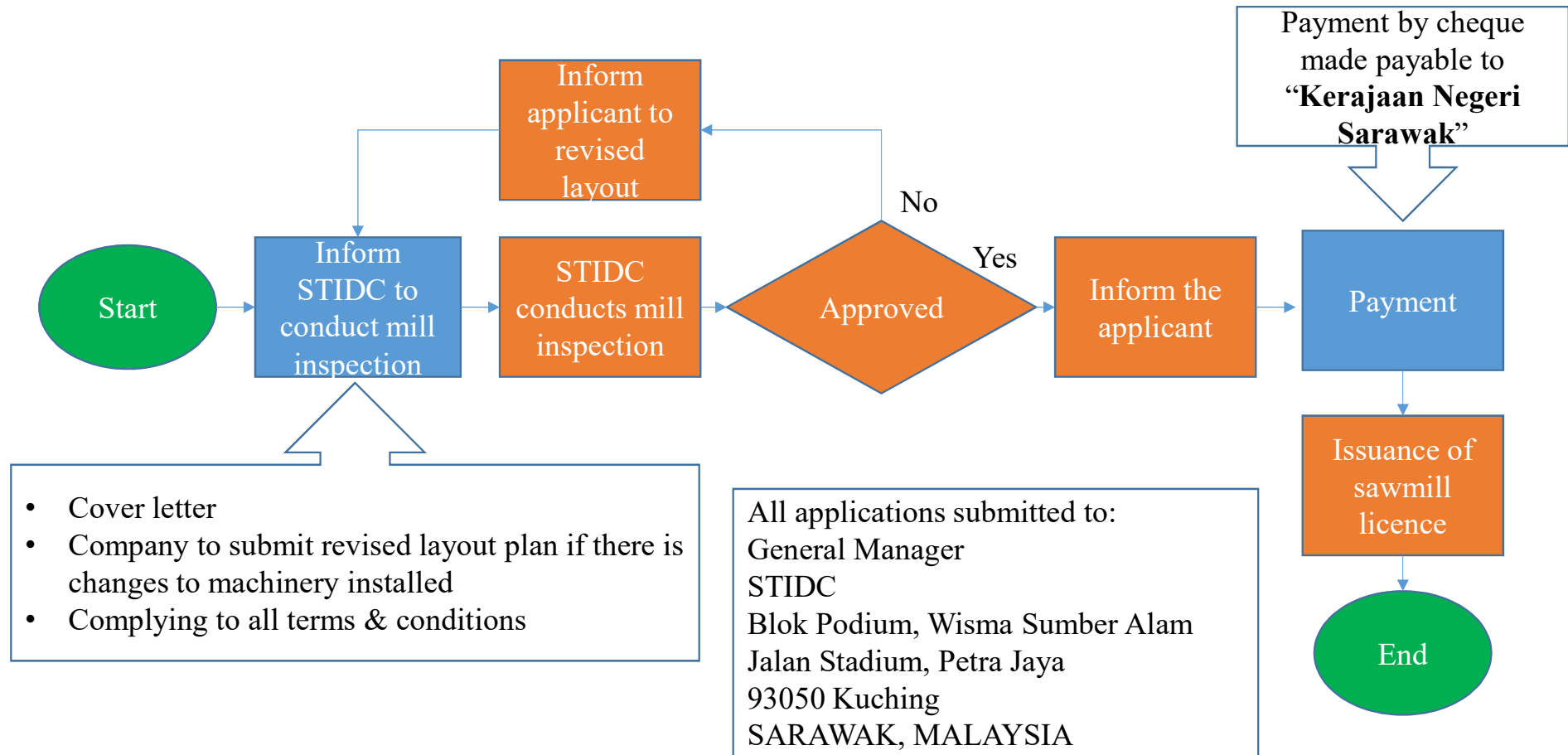
1. SOP be based on existing Forest Dept practices
2. Fees be based on existing Forest Dept rates
3. Forms and licences be also based on existing format



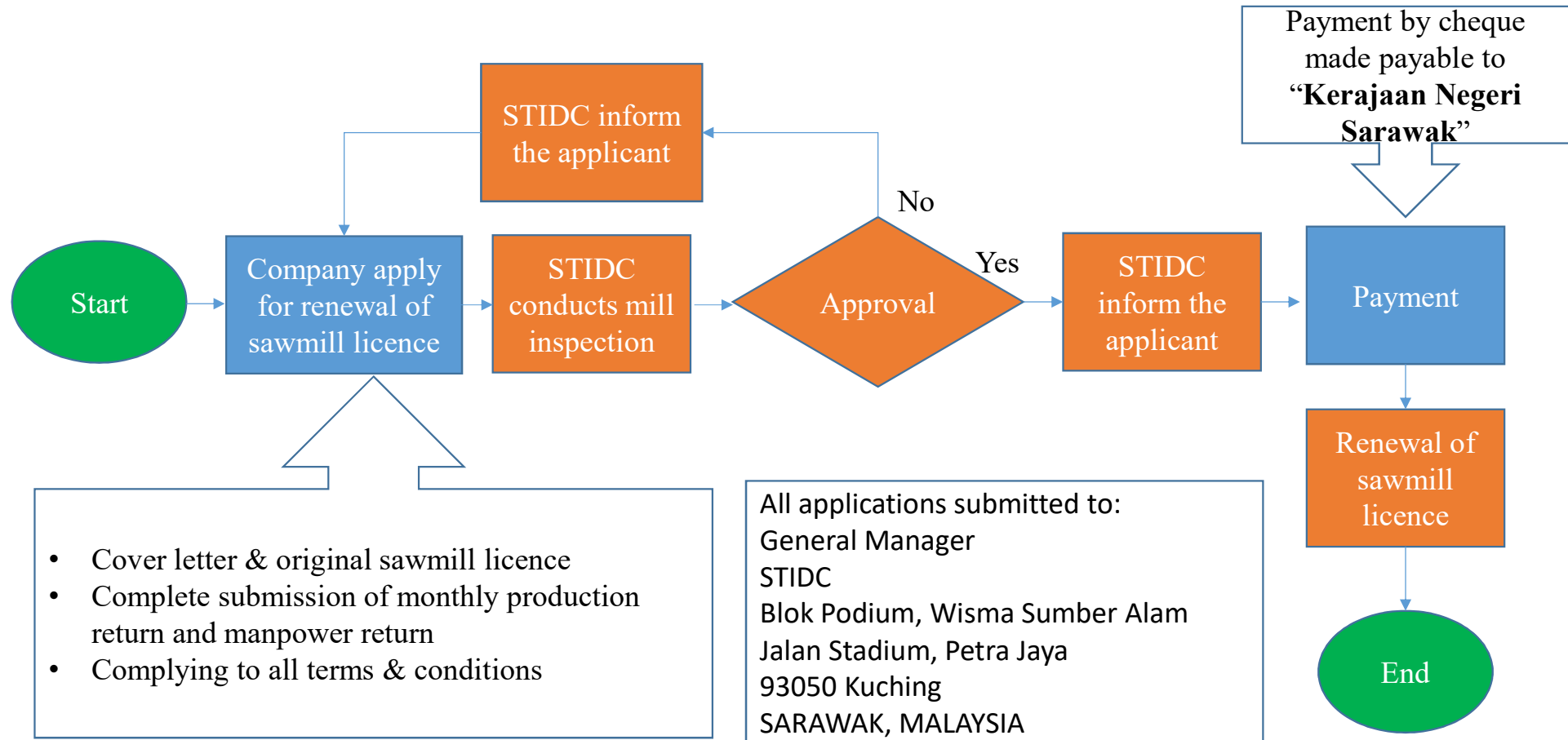
# Approval of New Sawmill Layout Plan



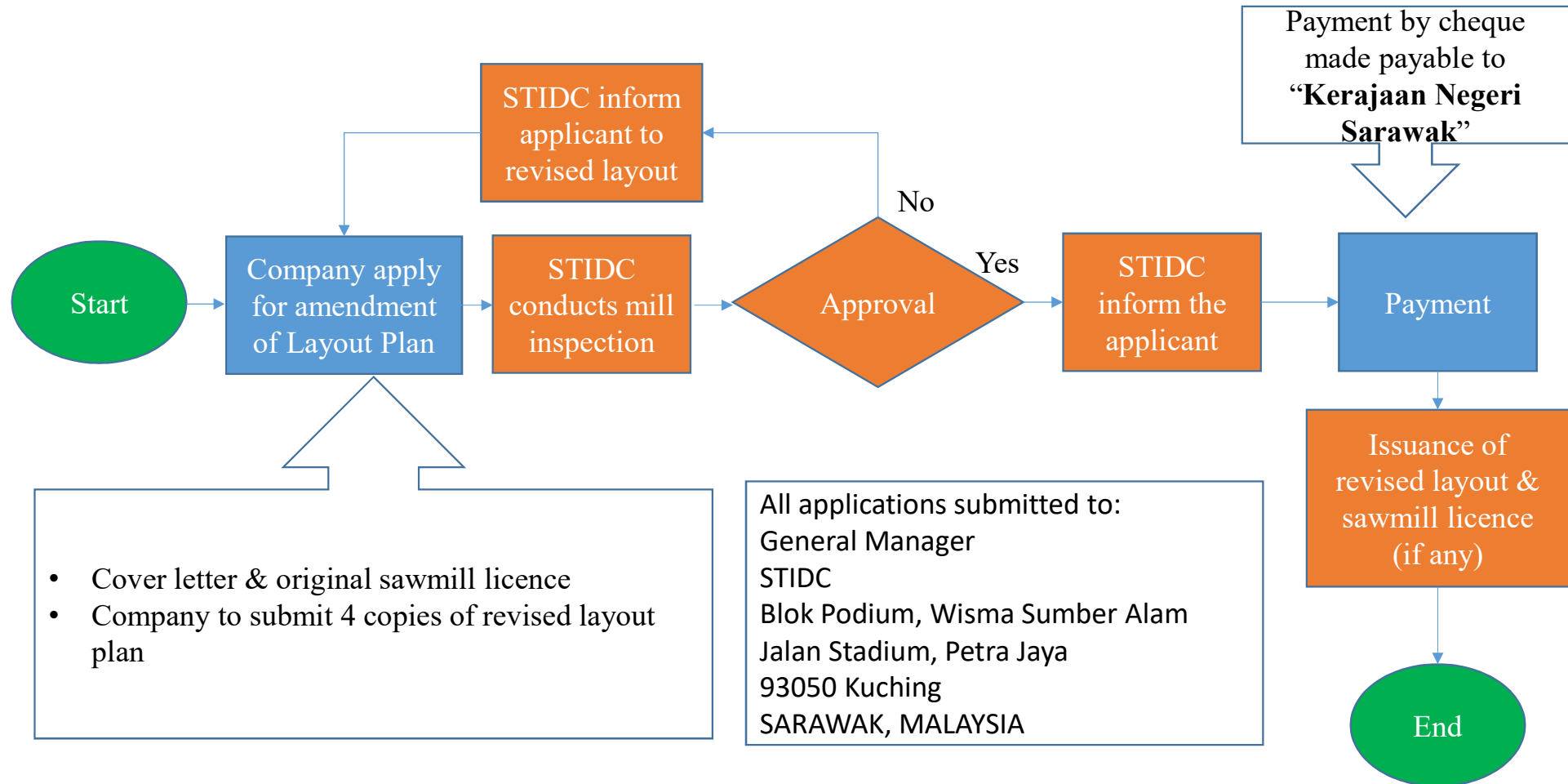
# Issuance of New Sawmill Licence



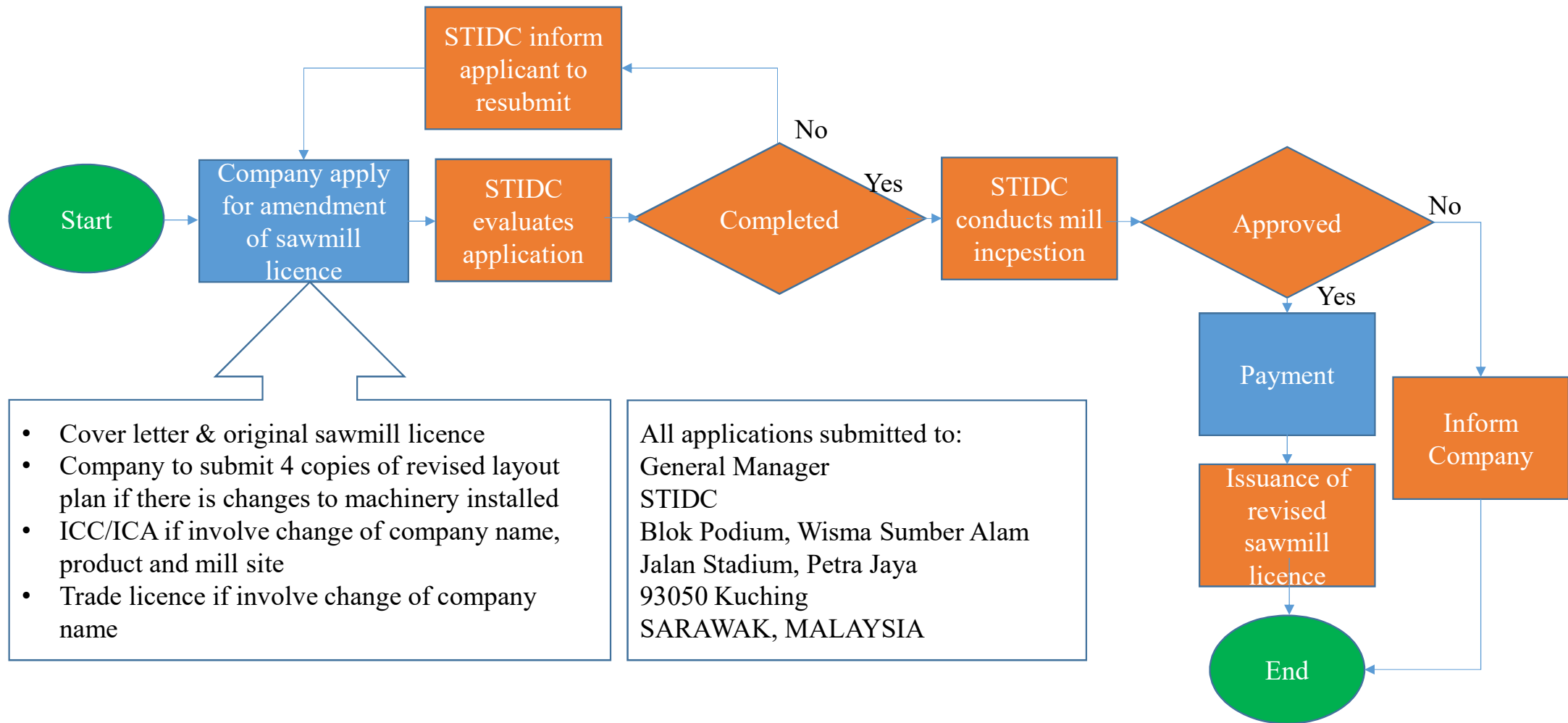
# Annual Renewal of Sawmill Licence



# Application for Amendment to Layout Plan



# Application for Amendment to Sawmill Licence



# Sawmill licence fees

No	Mill Type	Mill Category		
		Class C	Class B	Class A
1	Sawmill	<10,000 m3/yr	10,000-20,000 m3/yr	>20,000 m3/yr
		RM200	RM500	RM1,000
2	Timber yard	<3,000 m3/yr	3,000 -10,000 m3/yr	>10,000 m3/yr
		RM100	RM200	RM400
<b>Other fees</b>				
3	Amendment to mill layout	Class C	Class B	Class A
		RM100	RM300	RM500
4	Change of name of licence/ownership of licence			RM250
5	Replacement of licence			RM250
6	Additional/dismantling of machine without approval			RM200/machine

Note : Mill class is determined based on the annual possible output of the mill

Further enquiry please contact:

Write to :

**General Manager  
Sarawak Timber Industry Development  
Corporation  
Blok Podium, Wisma Sumber Alam  
Jalan Stadium, Petra Jaya  
93030 Kuching  
SARAWAK, MALAYSIA  
T: 082-473000 F: 082-442691**

Or call (GL: 082-473083)

**Mr Nicholas Andrew Lissem**

**Mr Afizulmizam Bin Afandi**

**Mdm Malaya Panggai**

**Mr Zakaria Bin Jaya**

**THANK YOU**