



**SARAWAK TIMBER INDUSTRY  
DEVELOPMENT CORPORATION**

**ADMINISTRATIVE ORDER FOR ISSUANCE OF  
TIMBER INDUSTRY LICENCE**

## **1. CITATION AND COMMENCEMENT**

These Procedures may be cited as the Administrative Order for Issuance of Timber Industry Licence and shall come into force on the 1<sup>st</sup> day of June, 2023.

## **2. INTERPRETATION**

“**Exporter**” means a person who export timber or timber products outside Sarawak;

“**Fees**” means the fees as prescribed in the Second Schedule;

“**Importer**” means a person who bring or cause to be brought any timber or timber products into Sarawak by land, sea or air;

“**Licensee**” means a person who is issued with a valid Timber Industry License;

“**Local Trader**” means a person who carries out the sale, distribution and marketing of timber and timber products for market within Sarawak;

“**Manufacturer**” means a person who carries out the manufacture of timber and timber products;

“**Operator**” means a person who is appointed by the licensee to operate a licensed timber mill pursuant to written agreement between the licensee and the operator;

“**timber**” shall have the meaning assigned to it in the Forests Ordinance, 2015;

“**Timber Industry License**” means the license issued pursuant to Section 5A(1) of STIDC Ordinance;

“**Timber Mill Layout**” means approved mill layout plan by the General Manager;

“**tree**” shall have the meaning assigned to it in the Forests Ordinance, 2015.

## **3. TIMBER INDUSTRY TO BE LICENSED**

No person shall establish, build, operate or manage any plant, factory or premises for carrying out any timber industry except under and in accordance with a Timber Industry Licence issued by the General Manager on such terms and conditions.

## **4. APPLICATION FOR TIMBER INDUSTRY LICENCE**

- (i) Any person who desires to be involved in the manufacture, sale, distribution and marketing of timber and timber products shall apply to the General Manager for Timber Industry Licence in such form as prescribed under the First Schedule.
- (ii) An application for Timber Industry Licence shall be accompanied by relevant documents or other information as may be required by the General Manager.

## **5. GROUNDS FOR REFUSAL**

- (i) The General Manager may refuse an application for Timber Industry Licence on any of the following grounds:
  - a) The applicant has not fulfilled any pre-requisite requirement imposed by the General Manager,
  - b) The applicant has committed any offence under the STIDC Ordinance, or any offence under the Forests Ordinance, 2015 or any offence relating to fraud, corruption or dishonesty,
  - c) The applicant has been adjudged a bankrupt or in the case of a company, an order of winding up has been made against it by the court of competent jurisdiction, or
  - d) such other grounds as the General Manager deems fit.

## **6. NOTIFICATION OF REFUSAL**

If the General Manager refuses an application for Timber Industry Licence submitted under Item 4, it shall notify the applicant in writing of the fact.

## **7. PROCEDURE FOR APPROVAL OF THE TIMBER INDUSTRY LICENCE**

- (i) If the General Manager approves an application submitted pursuant to Procedure 4, it shall notify the applicant to inform him of the approval.
- (ii) The applicant shall pay the prescribed fees within fourteen days from the date of the approval failing which the approved licence shall be null and void.
- (iii) Upon payment of the prescribed fees, the General Manager shall issue the Timber Industry Licence with the Terms and Conditions that the General Manager has decided to subject the licensing to.

## **8. REGISTER**

- (i) The Corporation shall keep and maintain a Register which shall contain the salient particulars of the timber industry issued with Timber Industry Licence pursuant to Section 5A(1) of STIDC Ordinance.
- (ii) The Corporation shall appoint a Registrar who shall have custody of the Register and exercise such other powers or functions as may be assigned by the General Manager.

- (iii) The Register may be open to inspection on application to the Registrar and upon payment of such fees as may be prescribed by the Corporation.
- (iv) The Registrar may by notice in writing require any person who is registered in the Register to furnish him such particulars relating to its business or which may be required by the Corporation as specified in the notice within the period stipulated therein.

## **9. FEES**

The licensee shall pay fees as prescribed in the Second Schedule.

## **10. VALIDITY PERIOD OF TIMBER INDUSTRY LICENCE**

A Timber Industry Licence shall be valid for a period of not exceeding one year from the date of issuance or for such longer period as the Minister may, in any particular case, approve in writing.

## **11. COMPLIANCE WITH OTHER LAWS**

The issuance of Timber Industry Licence shall not be construed as recognition by the Corporation that the applicant has complied with the requirements of any other written laws affecting the activities that the applicant proposes to engage in by virtue of the Timber Industry Licence or as excusing him from compliance with those requirements.

## **12. APPLICATION FOR RENEWAL OF TIMBER INDUSTRY LICENCE**

- (i) An application for renewal of Timber Industry Licence shall be made in such form as may be prescribed by the General Manager.
- (ii) An application for renewal of Timber Industry Licence shall be accompanied by the relevant documents or other information as may be required by the General Manager and may be made within three months prior to the date of expiry of the licence.
- (iii) An applicant whose application is received after the date of expiry of the licence maybe considered for renewal subject to payment of late renewal fees and all outstanding renewal fees as prescribed in the Second Schedule.

- (iv) Upon payment of the prescribed fees under Item 12 (iii), the General Manager shall renew the Timber Industry Licence with the Terms and Conditions that the General Manager has decided to subject the licensing to.
- (v) The General Manager may refuse to renew the Timber Industry Licence based on the following grounds:
  - (a) If the applicant has failed to comply with any of the Terms and Conditions imposed by the General Manager;
  - (b) The applicant has committed any offence under the STIDC Ordinance 1973, or any offence under the Forests Ordinance, 2015 or any offence relating to fraud, corruption or dishonesty;
  - (c) The applicant has been adjudged a bankrupt or in the case of a company, an order of winding up has been made against it by the court of competent jurisdiction; and
  - (d) such other grounds as the General Manager deems fit.

### **13. TERMS AND CONDITIONS**

- (i) Timber Industry Licence shall be subject to the Terms and Conditions imposed by the General Manager.
- (ii) Any person who contravenes any of the Terms and Conditions imposed in the Timber Industry Licence shall be guilty of an offence.
- (iii) Penalty for contravening the Terms and Conditions shall be a fine of not less than ten thousand ringgit and not exceeding one hundred thousand ringgits, and in the case of continuing offence, a further fine of not exceeding five thousand ringgits for each day during which the offence continues after conviction.

### **14. TIMBER MILL LAYOUT**

- (i) The mill must be built on an approved site and in accordance with the approved timber mill layout plan.
- (ii) Any revision to the timber mill layout shall be with prior written approval of the General Manager subject to the prescribed fees in the Second Schedule.
- (iii) Any persons who makes revision to the timber mill layout without prior written approval of the General Manager shall be guilty of an offence and shall, upon conviction, be punished with a fine of not less than fifteen thousand ringgit and

not exceeding thirty thousand ringgit or imprisonment for a term not exceeding two years.

## **15. APPEAL**

If any person is aggrieved by any decision made by the General Manager under this Administrative Order, an appeal in writing may be made to the Minister within thirty days after notification of such decision and shall be accompanied by supporting documents.

Provided that the decision of the Minister shall be final and conclusive upon such appeal.

**FIRST SCHEDULE**



**TIMBER INDUSTRY LICENCE**  
**Pursuant to Section 5A(1) STIDC Ordinance, 1973**

Licence No  Validity Period

Annual Fees

This License is issued to \_\_\_\_\_ of  
\_\_\_\_\_ in  
accordance with Section 5A(1) of the Sarawak Timber Industry Development Corporation  
Ordinance, 1973 to operate as:

i.	<b>Local Trader</b>	
ii.	<b>Importer</b>	
iii.	<b>Exporter</b>	
iv.	<b>Manufacturer (as per detail below)</b>	

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**General Manager**

## TIMBER INDUSTRY LICENCE PARTICULARS

Mill Reference No

Mill Type

Class

Products

Mill Location

Land Condition

Annual Installed Capacity /Possible Output

Approved Mill Layout Plan Reference No.

Manufacturing License / Permit Reference No.

Operator



## SECOND SCHEDULE

PART A - LOCAL TRADER, IMPORTER, EXPORTER, OPERATOR			
LOCAL TRADER	RM 100		
IMPORTER	RM 500		
EXPORTER	RM 2,000 for logs	RM 500 for all timber products	
OPERATOR	RM 200 per operator		
PART B – MANUFACTURER			
Classification by Capacity / Fee per annum	C	B	A
<b>Process Category</b>	<10,000m <sup>3</sup>	10,000 - 20,000m <sup>3</sup>	>20,000m <sup>3</sup>
<b>1. SAWMILLING</b>			
<u>Mill Type</u>	RM300	RM600	RM1,100
• Sawmill			
<b>Process Category</b>	<3,000m <sup>3</sup>	10,000 – 20,000m <sup>3</sup>	>20,000m <sup>3</sup>
<b>2. RESAWN</b>			
<u>Mill Type</u>	RM200	RM300	RM500
• Resawn			
<b>Process Category</b>	<10,000 metric tonne	10,000 - 50,000 metric tonne	>50,000 metric tonne
<b>3. CHIPPING &amp; SPLITTING</b>			
<u>Mill Type</u>	RM150	RM300	RM550
• Woodchips			
• Wood Shaving			
• Coperaage (Barrel, casks, kegs)			
• Wood Wool			
• Wood particle including wood residue and sawdust			
• Cork, Bark based products			
<b>Process Category</b>	<50,000m <sup>3</sup>	50,000 - 100,000m <sup>3</sup>	>100,000m <sup>3</sup>
<b>4. BOARD MANUFACTURE I</b>			
<u>Mill Type</u>	RM500	RM1,100	RM2,100
• Plywood			
• Veneer (Peeled & Sliced)			
• Particleboard			
• Fibreboard (Low, medium & high density)			

<ul style="list-style-type: none"> <li>• Cement bonded board</li> <li>• Oriented strand board</li> <li>• Hardboard</li> <li>• Wood plastic composites</li> <li>• Other bio-composites</li> </ul>			
<u>Process Category</u> <b>5. BOARD MANUFACTURE II</b>	<b>&lt;30,000m<sup>3</sup></b>	<b>30,000 - 60,000m<sup>3</sup></b>	<b>&gt;60,000m<sup>3</sup></b>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>• Laminated Board (Plywood, Oriented Strand board, Blockboard, Particleboard, Fibreboard, Wood composites)</li> <li>• Laminated Flooring</li> <li>• Blockboard</li> <li>• Laminboard</li> <li>• Doorskin</li> <li>• Particle Block</li> <li>• Compressed Wood</li> </ul>	RM250	RM550	RM1,050
<u>Process Category</u> <b>6. FINISHING OF PANEL PRODUCTS (BOARD)</b>	<b>&lt;50,000m<sup>3</sup></b>	<b>50,000 - 100,000m<sup>3</sup></b>	<b>&gt;100,000m<sup>3</sup></b>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>• Coated Board (Plywood, Fibreboard, particleboard, Wood chipboard, Oriented Strand board, Wood composites, Bio-composites)</li> <li>• Overlay Board (Plywood, Fibreboard, particleboard, Wood chipboard, Oriented Strand board, Wood composites, Bio-composites)</li> <li>• Shuttering Board</li> </ul>	RM450	RM1,050	RM2,050
<u>Process Category</u> <b>7. ENGINEERED WOOD MANUFACTURE</b>	<b>&lt;30,000m<sup>3</sup></b>	<b>30,000 - 60,000m<sup>3</sup></b>	<b>&gt;60,000m<sup>3</sup></b>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>• Laminated Veneer Lumber (LVL)</li> <li>• Glue Laminated (Glulam)</li> <li>• Cross Laminated Timber</li> </ul>	RM450	RM1,050	RM2,050

<ul style="list-style-type: none"> <li>Bentwood, Bent plywood, Bent board, Laminated post</li> </ul>			
<u>Process Category</u> <b>8. FUEL MANUFACTURE</b>	<5,000 metric tonne	5,000 - 10,000 metric tonne	>10,000 metric tonne
<u>Mill Type</u> <ul style="list-style-type: none"> <li>Charcoal Briquette</li> <li>Charcoal</li> <li>Wood Pellet</li> <li>Wood Carbonisation</li> <li>Biochar</li> </ul>	RM300	RM400	RM500
<u>Process Category</u> <b>9. FURNITURE MANUFACTURE</b>	<1,000m <sup>3</sup>	1,000 - 5,000m <sup>3</sup>	>5,000m <sup>3</sup>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>Furniture including Bamboo &amp; Rattan</li> <li>Coffin &amp; Casket</li> <li>Furniture Parts, Components &amp; Fittings</li> </ul>	RM100	RM150	RM250
<u>Process Category</u> <b>10. MOULDINGS</b>	<1,000m <sup>3</sup>	1,000 - 5,000m <sup>3</sup>	>5,000m <sup>3</sup>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>Planning Services</li> <li>Wood Parquet</li> <li>Mouldings, Picture frame, Joinery Carving, Toys, Inlay, Lattice, Dowel</li> <li>Turnery, Handicraft</li> <li>Door, Window</li> <li>Door &amp; Window Frame</li> <li>Matches</li> <li>Chopstick</li> <li>Wooden Fence</li> <li>Wooden Handle</li> <li>Shingles</li> </ul>	RM100	RM150	RM250
<u>Process Category</u> <b>11. WOOD MODIFICATION OR IMPROVEMENT</b>	<5,000m <sup>3</sup>	5,000 - 10,000m <sup>3</sup>	>10,000m <sup>3</sup>
<u>Mill Type</u> <ul style="list-style-type: none"> <li>Wood Impregnation Plant</li> <li>Kiln Drying</li> <li>Timber treatment/Impregnation</li> </ul>	RM150	RM300	RM550

(Improve Mechanical Strength, Improve Resistance to Chemical, Reduce Effect of Hygroscopicity, Improve Resistance to Fire) <ul style="list-style-type: none"> <li>• Wood preservation,</li> <li>• Wood Hydrolysis</li> <li>• Wood Distillation</li> </ul>			
<b>Process Category</b>  <b>12. PULP AND PAPER</b>			
<u>Mill Type</u>  <ul style="list-style-type: none"> <li>• Wood Pulp (Mechanical pulp, Chemical pulp &amp; other Fibre pulp)</li> </ul>	<100,000ADMT  RM450	100,000 - 350,000ADMT  RM1,050	>350,000ADMT  RM2,050
<u>Mill Type</u>  <ul style="list-style-type: none"> <li>• Paper</li> </ul>	<100,000m <sup>3</sup>  RM450	100,000 - 350,000m <sup>3</sup>  RM1,050	>350,000m <sup>3</sup>  RM2,050
<u>Mill Type</u>  <ul style="list-style-type: none"> <li>• Corrugated Fibreboard</li> <li>• Paper Products</li> <li>• Tissue paper</li> <li>• Corrugated Treated</li> <li>• Impregnated paper</li> <li>• Cardboard</li> <li>• News print paper &amp;</li> <li>• Recycled paper products</li> </ul>	<3,000m <sup>3</sup>  RM450	3,000 - 10,000m <sup>3</sup>  RM1,050	>10,000m <sup>3</sup>  RM2,050
<b>Process Category</b>  <b>12. WOOD PACKAGING MATERIAL</b>	<3,000m <sup>3</sup>	3,000 - 10,000m <sup>3</sup>	>10,000m <sup>3</sup>
<u>Mill Type</u>  <ul style="list-style-type: none"> <li>• Wooden Pallet</li> <li>• Cutting and Ripping Fibreboard</li> <li>• Wood Roller</li> <li>• Crate</li> <li>• Packing Block</li> <li>• Dunnage</li> <li>• Wood Drum</li> <li>• Wooden Box</li> <li>• Lockboard</li> </ul>	RM 150	RM 250	RM 450

<ul style="list-style-type: none"> <li>• Skid</li> <li>• Compressed wood</li> </ul>			
<b>PART C - OTHER</b>			
<b>Revision of Timber Mill Layout Plan</b>	Class A Mill	RM 500	
	Class B Mill	RM 300	
	Class C Mill	RM 100	
<b>Machinery Installing and Dismantling</b>		RM200 per machine	
<b>Late Renewal</b>		1.5 times of the Timber Industry License Fee	
<b>Inspection Fee</b>		RM10.00 per company	

**FLOW CHART**  
**ISSUANCE OF TIMBER INDUSTRY LICENCE (NEW & RENEWAL)**

