



**Asia-Pacific
Economic Cooperation**

2025/SOM3/EGILAT/DIA/004

Agenda Item: 1

Enhancing Enforcement and Legal Timber Trade Practices Through Stakeholder Collaboration

Submitted by: Malaysia



**Dialogues and Mini-Exhibition on Enhancing
Enforcement and Legal Timber Trade through
Stakeholder Collaboration and Innovation
Incheon, Korea
28 July 2025**



ENHANCING ENFORCEMENT AND LEGAL TIMBER TRADE PRACTISES THROUGH STAKEHOLDER COLLABORATION

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Royal Malaysian Customs Department (RMCD)

Trade Barrier



Non-Tariff Barrier

- Import and Export Prohibitions
- Absolutely prohibited & conditionally

Importation &
Exportation
Timber &
Products

Tariff Barrier

- Duties and tax
- Import duty & sales tax

Non-Tariff Barrier - Example



Customs (Prohibition of Imports) Order 2023

- First Schedule

Goods which is absolutely prohibited for import

8.	Logs; wood in the rough, whether or not stripped of its bark or merely roughed down; wood roughly squared or half-squared but not further manufactured; and baulks	Indonesia
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Non-Tariff Barrier - Example



Goods which is conditionally for import



Logs; wood in the rough, whether or not stripped of its bark or merely roughed down, wood roughly squared or half-squared but not further manufactured; and baulks

44.03

For importation into Peninsular Malaysia and Labuan:

- (i) an **import license** = **Malaysian Timber Industry Board (MTIB)**:
- (ii) an **import permit** and subject to **inspection and approval** by Malaysian Quarantine and Inspection Services (**MAQIS**)

For importation into Sabah and Sarawak:

- (i) an import permit = **Director of Agriculture for Sabah**
- (ii) an import permit = **General Manager of Sarawak Timber Industry Development Corporation (STIDC)**
- (iii) subject to inspection and approval by, in case of Sabah, the Department of Agriculture of Sabah, or, in the case of Sarawak, the Department of Agriculture of Sarawak and the Sarawak Timber Industry Development Corporation (STIDC)

Tariff Barrier - Example



HS Code	Description	Import Duty	Export Duty	Sales Tax
44.01	Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms.	20%	0%	5%
44.02	Wood charcoal (including shell or nut charcoal), whether or not agglomerated.	20%	0%	5%
44.03	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.	0%	10%	5%
44.04	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise;	20%	0%	5%
44.11	Medium density fibreboard (MDF).	20%	0%	10%
44.12	Plywood, veneered panels and similar laminated wood.	35%	0%	10%

Inter – Agency Collaboration

Malaysian Timber Industry Board (MTIB):

- Permit Issuance Agency for import export for Peninsular Malaysia
- Providing technical expertise on timber species identification



Royal Malaysian Customs Department (RMCD):

- Frontline enforcement agency
- Inspecting, detaining, and seizing illegal timber shipments

Forestry Department of Sabah & Sarawak

- Permit Issuance Agency for import export for East (Borneo) Malaysia
- Providing technical expertise on timber species identification



Malaysian Quarantine and Inspection Services

Safeguard Malaysia's agricultural sector and biodiversity from the introduction and spread of plant pests, diseases, and other contaminants.



Inter – Agency Collaboration

Conducting workshops and training

- Workshop/training
 - Agencies to Customs officer
 - Customs to agencies officer
- Venue at Royal Malaysian Customs Academy
- Subject Matter Expert (SME) from customs and agencies

Joint operations between agencies

- Ops OBK - combating wildlife crime, illegal logging, and other forms of encroachment on the natural resources and protected areas. – Police, Dept. Wildlife & National Park, Dept. Forestry and RMCD
- Ops Mekong Dragon – WCO (RILO) & UNODC
- Ops Thunder – WCO & Interpol
- Ops SETHA IV – WCO (RILO)
- Ops Praesidio IIII – WCO

Develop Guidelines and Regular Meeting

- Regular meeting between agencies and RMCD
- Collaboration to develop reference tools for customs and agencies officers.
- Glossary HS Classification on Timber
 - MTIB & RMCD
 - STIDC & RMCD

Inter – Agency Collaboration



Name Course:

Guidelines Verification for Timber Validation for Customs Clearance (August 2024)

Venue: Royal Malaysian Customs Academy

Scope:

- Introduction and Identification of Timber Species
- MTIB Import/Export Permit Registration and Issuance Procedures
- Timber Legality Verification (Export/Import)
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) on Timber Matters
- Enforcement and Challenges in Timber Trade



Inter – Agency Collaboration

Ops OBK is a collaborative effort involving several key government agencies in Malaysia, including:

- **Department of Wildlife and National Parks (PERHILITAN)**
- **Royal Malaysia Police (PDRM)**, especially the General Operations Force (PGA)
- **Royal Malaysian Customs Department**
- **Forestry Department Peninsular Malaysia**
- **Immigration Department**



Inter – Agency Collaboration

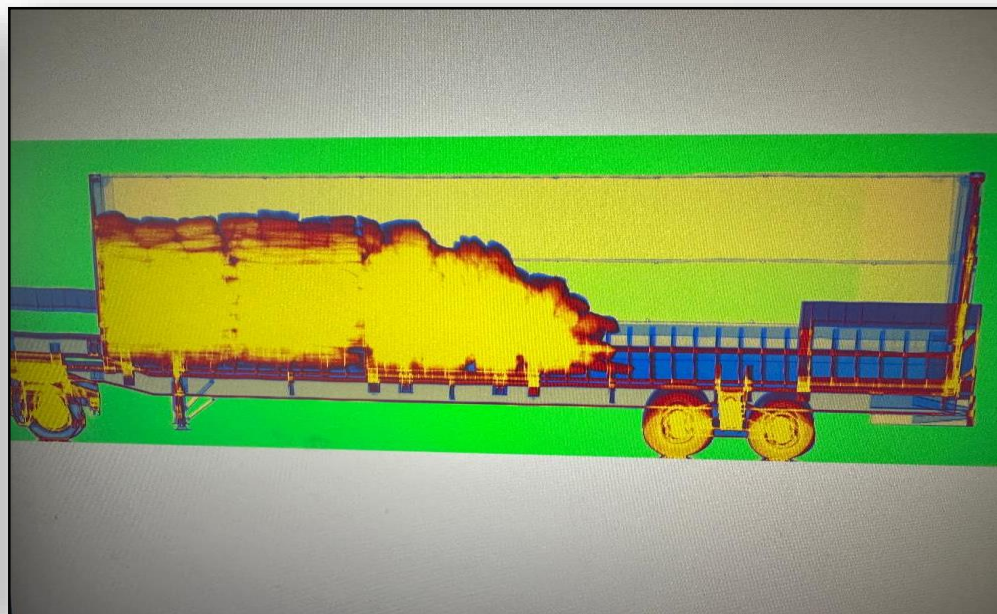


Book – Timber Products
Classification Glossary 3rd Edition



Regular Meeting between RMCD and Malaysian
Timber Board (MTIB)

Timber Case



Date :

27 May 2024

Location:

CP Hold Yard, Pelabuhan Klang

Shipment:

India – Malaysia

MO:

Hidden behind declared goods (Block Jointing Mortar/ HS Code: 3824.50)

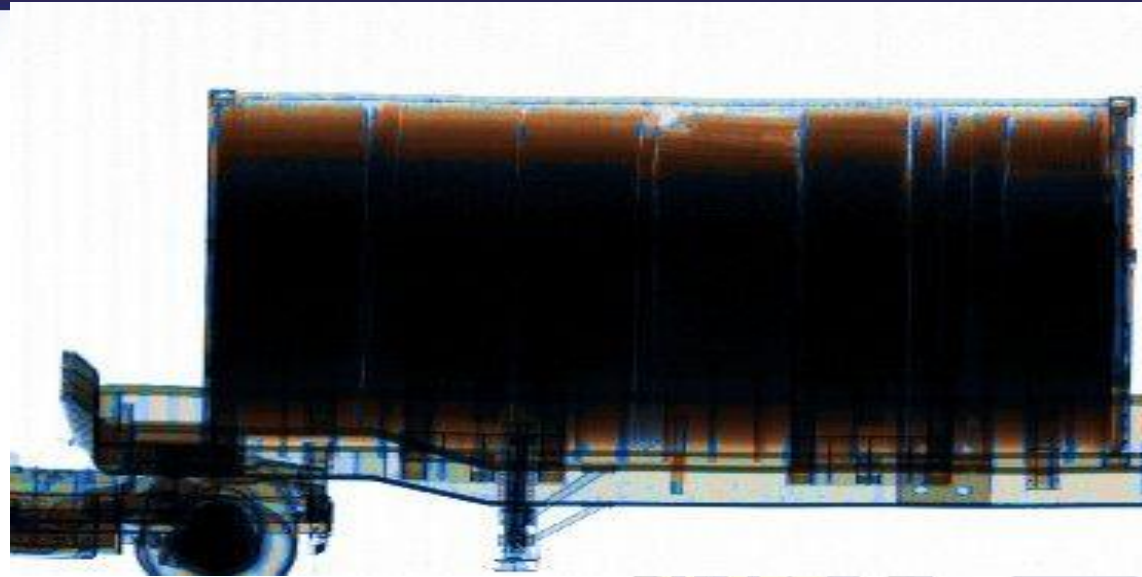
Timber Case



SHIPMENT : IMPORT (INDIA > MALAYSIA)

- Date : 21 Dec 2023
- Declaration as '*Empty Glass Bottle*'
- Hidden in between declared goods inside container

Timber Case



SHIPMENT : IMPORT (VIET NAM > MALAYSIA)

- Date : 5 June 2025
- Declaration as 'parts of furniture HS code 9403.99'
- MO – *avoid import permit*



Thank You !