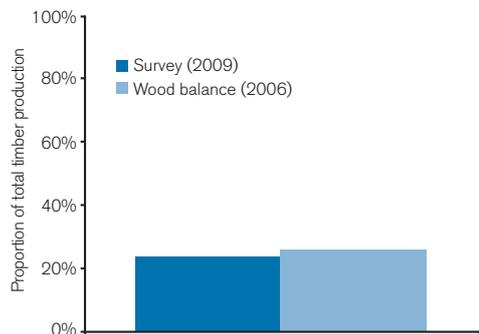


Malaysia

Chatham House illegal logging indicators country report card

Latest estimates of illegal logging



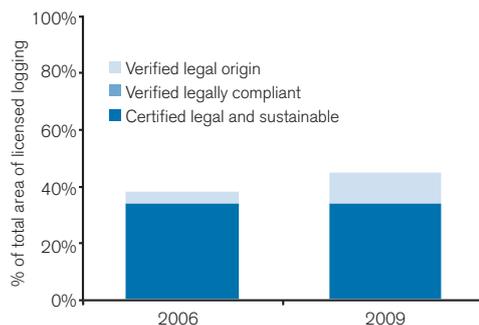
Policy Assessment Results

(green = relatively good / red = poor)

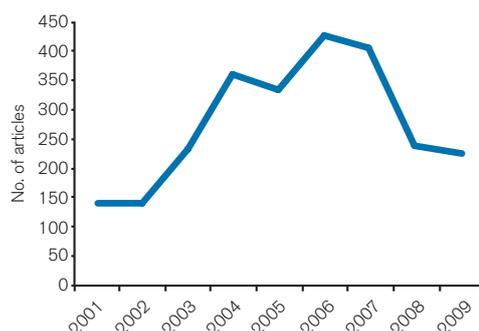
High-level policy	Red
Legislative framework	Green
Checks and balances	Orange
International trade cooperation*	Red
Supply and demand	Green
Tenure and use rights*	Orange
Timber tracking	Orange
Transparency	Red
Resource allocation*	Orange
Law enforcement	Yellow
Information management	Yellow
Financial management	Green

*Because of the nature of the scoring method, the results for international cooperation give a more negative impression and those for tenure and resource allocation a more positive impression than they should.

Independently verified log production



International media coverage trend



Levels of Illegal Logging

- There is less illegal logging in Malaysia than in the other four producer countries studied.
- However, both wood-balance analysis and the survey of experts suggest that illegal logging in Malaysia, at 14–25% of production, is more prevalent than commonly thought.
- Although experts felt that on average the situation had improved slightly in the last few years, the wood-balance analysis was inconclusive.
- Evidence suggests that a large part of the illegal logging problem in Malaysia relates to illegalities by licensed companies within their own licensed harvesting areas.

Government Response

- Malaysia has relatively good information and financial management systems, and is now making much better use of available technologies and methodologies to identify illegal logging than Indonesia, Cameroon or Ghana. There are relatively few conflicts and inconsistencies in laws. Transparency is the poorest of the five countries, however.
- Experts surveyed regarding Malaysia had more positive views of the government response than those surveyed for the other four countries, and the majority noted some recent improvement.
- There are relatively few timber seizures and cases in Malaysia compared with other countries, in part owing to lower levels of illegal logging. Conviction rates are higher, although they have been falling recently.
- Malaysia is engaged in formal negotiations with the EU to form a voluntary partnership agreement to tackle the problem. Some policy improvements are also under way, although fewer than in Cameroon, Ghana and Indonesia.

Private-sector Response

- With nearly half of production forest independently verified as legal or sustainable, Malaysia has the highest proportion of the five countries. The area certified sustainable is static, but the area verified legal is growing quite rapidly. All the legality verifications so far have verified only that timber is from a licensed source, rather than compliance with all relevant laws.
- A very low percentage of Malaysia's timber and wood-product exports is destined for more sensitive markets, representing a challenge for demand-side measures.

Media Attention

- Media attention to illegal logging and associated trade is similar to that in Brazil, although the problem is less extensive. Many stories relate to Malaysia as a destination for illegal timber from neighbouring Indonesia. Attention has declined since 2006.

Areas for Improvement

- Timber-tracking systems need to be improved, including tracing logs back to the stump. Some pilots have been carried out into the use of more advanced timber-tracking methods, which should be rolled out across the country.
- Malaysia, like most of the other producer countries studied, needs to improve systems for allocating rights to harvest, including measures to protect the rights and livelihoods of local communities.
- Transparency needs to be improved and sufficient checks put in place to ensure that forest agencies are doing a good job.
- An official review of illegal logging is needed, as is an action plan to tackle it. Stakeholder engagement should also be improved.