



## **LAWS OF SARAWAK**

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ONLINE VERSION

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*Ord. No. 3/73*

### **SARAWAK TIMBER INDUSTRY DEVELOPMENT CORPORATION ORDINANCE, 1973**

*Incorporating all amendments up to 30th June, 2023*

*Compiled by*

**STATE ATTORNEY-GENERAL'S CHAMBERS  
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**SARAWAK TIMBER INDUSTRY DEVELOPMENT  
CORPORATION ORDINANCE, 1973**

*Ord. No. 3/73*

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Sarawak LawNet

**SARAWAK TIMBER INDUSTRY DEVELOPMENT  
CORPORATION ORDINANCE, 1973**

*Ord. No. 3/73*

*An Ordinance to provide for the establishment of the Sarawak Timber Industry Development Corporation and for connected and incidental matters.*

*[Am. Ord. No. 5/92.]*

*\*[17th May, 1973]*

*\*(Swk. L.N. 51/73.)*

Enacted by the Legislature of Sarawak—

PART I  
PRELIMINARY

**Short title and commencement**

1. This Ordinance may be cited as the Sarawak Timber Industry Development Corporation Ordinance, 1973, and shall come into force on such date as the Minister may, by notification in the *\*Gazette*, appoint.

*[Am. Ord. No. 5/92.]*

**Interpretation**

2. In this Ordinance—

“Board” means the Board of Management established under section 6;

“certificate” means Certificate pursuant to section 43;

*[Add. Cap. A204/2022]*

“Certificate of Registration”.. *[Deleted by Cap. A204/2022];*

“Chairman” means the Chairman of the Board, and includes a temporary Chairman appointed under section 6(6);

“company” means a company incorporated and registered under the Companies Act 2016 *[Act 777];*

“conveyance” includes ship, boat, vessel, train, vehicle, aircraft or any other means of transport by which persons or goods can be carried;

*[Add. Cap. A204/2022]*

“Corporation” means the Sarawak Timber Industry Development Corporation established under section 3;

“domestic use” means any use for the purpose of construction, repair or extension of a dwelling house or for use as firewood or for the making of furniture or any other household goods or utensils in a person’s own dwelling house and not for sale, barter or profit;

*[Add. Cap. A204/2022]*

“Fund” means the Fund of the Corporation established under section 15;

“General Manager” means the General Manager appointed under section 11, and includes the Deputy General Manager and any person, who for the time being, is appointed by the Board, to discharge temporarily the duties and functions of the General Manager;

“manufacture of timber” includes the processing of timber and the production and manufacture of goods or products, of whatever description, from timber;

“Member” means a member of the Board, and includes the Chairman;

“Minister” means the Minister for the time being charged with the responsibility for forestry;

“planted forest” shall have the same meaning assigned to that expression in the Forests Ordinance, 2015 *[Cap. 71]*;

*[Am. Cap. A204/2022]*

“sale, distribution or marketing of timber” means the business of or any activity relating to the selling, supplying, transporting, exporting, importing, trading, treating, seasoning or storage of timber or timber products in a timber yard;

*[Am. Cap. A204/2022]*

“storage of timber” means the keeping of timber or timber products in a timber yard;

*[Sub. Cap. A204/2022]*

“temporary permit to operate” means a temporary permit issued pursuant to section 5C;

*[Add. Cap. A204/2022]*

“timber” shall have the meaning assigned to it in the Forests Ordinance 2015 *[Cap. 71]*;

*[Am. Cap. A204/2022]*

“timber industry” means any business or activity relating to—

- (a) the manufacture of timber or timber products,
- and
- (b) the sale, distribution or marketing of timber;

“timber mill” means any premises involved in the manufacturing of timber and timber products and includes any machinery, equipment or plant for the manufacture of timber and timber products;

“timber industry licence” means a license issued pursuant to section 5A;

*[Add. Cap. A204/2022]*

“timber products” includes timber which have been processed and any goods or articles or products made or manufactured from timber.

*[Am. Ord. No. 5/92; Am. Cap. A58; Am. Cap. A71; Am. Cap. A125.]*

“timber yard” means a premise used to store timber and timber products and includes a logpond;

*[Add. Cap. A204/2022]*



PART II  
THE CORPORATION

**Establishment of the Corporation**

3. There is established a body corporate by the name of Sarawak Timber Industry Development Corporation with perpetual succession and may sue and be sued in its corporate name and, subject to and for the purposes of this Ordinance, may enter into contracts, and may acquire, purchase, take, hold and enjoy movable or immovable property of every description and may convey, assign, surrender, yield up, charge, mortgage, demise, reassign, transfer or otherwise dispose of, or deal with, any movable or immovable property or any interest therein vested in the Corporation upon such terms as the Board deems fit.

*[Am. Ord. No. 5/92.]*

**Seal of the Corporation**

4.—(1) The Corporation shall have a common seal and such seal may, from time to time, be broken, changed, altered or made anew as it deems fit:

Provided that until a seal is provided under this section, a stamp bearing the inscription “Perbadanan Kemajuan Perusahaan Kayu Sarawak” may be used as a common seal.

*[Am. Ord. No. 5/92.]*

(2) All deeds, documents and other instruments requiring the seal of the Corporation shall be sealed accordingly in the presence of the Chairman and one other member of the Board who shall sign every such deed, document or instrument to which such seal is affixed, and such signing shall without further attestation be sufficient evidence that such seal was duly and properly affixed and that the same is the lawful seal of the Corporation.

**Functions of the Corporation**

5.—(1) The functions of the Corporation shall be—

(a) to regulate and control the manufacture of timber and timber products, and the sale, distribution or marketing thereof,

and to set or determine the manufacturing standards or quality, and trade practices of the timber industry in Sarawak;

(b) to make recommendations to the Government as to the methods, measures and policies to be adopted, to facilitate the improvement of existing timber industries and the establishment of new industries, and, where approved by the Majlis Mesyuarat Kerajaan Negeri, to implement and assist in the implementation of the same;

(c) to encourage effective utilization of timber with emphasis on product diversification and quality control;

(d) generally to promote, stimulate, and facilitate the development of timber industry in Sarawak, and in connection with the discharge of its functions to assist any person engaged in the production and marketing of timber;

(e) to provide technical advisory services for the purpose of assisting in the development of existing timber industries and in the establishment of new industries;

(f) to arrange and where possible provide training in various aspects of logging operations, activities connected with timber processing, sawmilling, sales and marketing of timber;

(g) to promote the growth, development and establishment of planted forests; and

(h) to facilitate or organize the distribution of merchantable timber in order to ensure adequate or constant supply of timber for processing or manufacture of timber products, by the timber industries in the State.

*[Am. Ord. No. 9/76; Am. Cap. A28; Am. Cap. A58;  
Am. Cap. A71.]*

(2) The Corporation shall have power to do all things expedient or reasonably necessary or incidental to the discharge of its functions and, in particular, but without prejudice to the generality of the foregoing—

(a) to carry on all activities the carrying on whereof appears to it to be requisite, advantageous or convenient for or in connection with the discharge of its functions;

(b) to devise, recommend or promote means and systems for facilitating and improving the manufacture, sale, distribution or marketing of timber and timber products;

(c) to conduct surveys and investigation in respect of all matters associated with the timber industry and trade;

(d) to require departments and governmental and non-governmental agencies or any person engaged in or associated with the timber industry and trade to submit statistics and other matters relating to the timber industry and trade;

(e) to appoint managing agents or establish such other bodies as it may deem fit for the purposes of carrying out its functions;

(f) to initiate and carry out, by itself or through its managing agents or local development board, projects or schemes for the development and improvement of the timber industry and trade in the State;

(g) to initiate and carry out, by itself or through its managing agents or local development board, projects or schemes for the production, manufacture, sale, distribution or marketing of timber or timber products;

(h) to engage, participate or assist in the development and managing of timber industries conducted by the Government of the State of Sarawak or Malaysia;

(i) to prescribe schemes for the processing and marketing of timber by any public or private body or person, and to give assistance to any such body or person, including financial assistance by way of grant, loans or otherwise;

(j) subject to the approval of the Minister, to acquire, subscribe to or accept offers of, shares, equity or interests in any company, or to incorporate or form companies which are either wholly owned by, or as subsidiary of the Corporation, or, in association or joint venture with other persons;

(k) to carry on any of the activities listed in paragraphs (a), (f), (g), (h) and (i) in association with any public or private body or person or as managing agents or otherwise on their behalf;

(l) to make loans, subject to such terms and conditions including management by staff approved by the Corporation, as the Corporation may think fit, in accordance with the provisions of this Ordinance;

(m) to receive, in consideration of the services rendered by it, such commission or payment as may be agreed upon;

(n) to guarantee, within such limits as shall be fixed by the Minister, any loans made by any bank or other financial source to an applicant approved by the Corporation for any purpose for which the Corporation might itself have granted such loan.

*[Am. Ord. No 8/82; Am. Cap A58; Am. Cap. A71.]*

(3) The Corporation shall not promote, carry out, assist or participate in any such project, scheme or activity as is referred to in subsection (2), until such measures for consultation with the Minister and all interested parties as appear to the Minister to be appropriate have been taken.

(4) Subject to section 8, it shall be the responsibility of the Corporation in discharging its functions under this Ordinance to ensure that the functions shall be performed in such manner as shall be in furtherance of the policy of the Government for the time being in force and in particular the policy relating to the restructuring of society.

PART IIA  
TIMBER INDUSTRY LICENCE AND TEMPORARY PERMIT

**Issuance of Timber Industry Licence**

5A.—(1) 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.

(2) Every timber industry licence issued shall—

(a) be in the form prescribed by regulations made under section 24;

(b) be displayed in a conspicuous part of the premises in respect of which the timber industry licence relates; and

(c) be produced for inspection upon demand by the General Manager or any person duly authorised by him.

(3) A timber industry licence issued under this section 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.

**Cancellation or suspension of timber industry licence**

5B.—(1) The General Manager may, subject to subsection (2), by notice in writing to the holder of the timber industry licence, cancel or suspend for such period as he deems fit, a timber industry licence issued under this Ordinance, where he is satisfied that any of the following grounds exists:

(a) the licensee has failed to pay the prescribed fees made under this Ordinance;

(b) the licensee has contravened any provisions of this Ordinance;

(c) the licensee has failed to comply with any terms and conditions specified in the timber industry licence;

(d) the licensee has failed to comply with any written direction given by the General Manager;

- (e) the licensee has done any act specified in section 27B;
- (f) it is in the public interest to do so;
- (g) the licensee has been suspected for breach of an offence and is under investigation; or
- (h) the licensee has been convicted of any offence under this Ordinance or its regulations or any other written laws.

(2)(a) The General Manager shall, before cancelling or suspending any licence under subsection (1), give the licensee notice in writing of his intention to do so and calling upon him to show cause why such licence should not be cancelled or suspended, as the case may be.

(b) Where the General Manager is not satisfied that cause has been shown, the General Manager may cancel or suspend such licence.

(c) Upon the suspension of a licence in subsection 2(b), the General Manager shall by notice in writing to the licensee, require the licensee to rectify or remedy any breach or non-compliance within a period stipulated in the notice under subsection 2(a).

(d) If the General Manager is satisfied that the licensee has rectified or remedied the breach or non-compliance stipulated in the notice issued under subsection 2(a), the suspension may be lifted on terms and conditions to be imposed by the General Manager.

(e) In the event that the General Manager is not so satisfied, the General Manager may by notice in writing to the licensee cancel the licence.

(3) Any person aggrieved by the decision of the General Manager made under subsection (1) may, within thirty days after being notified of such decision, give notice of appeal in writing to the Minister, whose decision shall be final and conclusive, and shall not be challenged, appealed against, reviewed, quashed or call into question in any court or before any other authority, judicial or otherwise whatsoever.

(4) Section 29 of the Government Proceedings Act 1956 [Act 359] shall apply to any legal proceedings instituted by the aggrieved party against the Government, the Minister and the General

Manager in consequence of the cancellation or suspension of the timber industry licence under subsection (1).

(5) The licensee shall not have any claim whatsoever or be entitled to compensation for any loss caused to him by the cancellation or suspension of his timber industry licence.

(6) On the cancellation of the timber industry licence, the licence shall as from the date thereof, be deemed to be null and void.”

### **Issuance of Temporary Permit**

5C.—(1) Notwithstanding section 5A, the General Manager may issue a temporary permit for a limited period, where required to facilitate the establishment, building, operating or management of any plant, factory or premises for carrying out any timber industry:

- (a) pending issuance of licence under section 5A; or
- (b) for domestic use.

(2) A temporary permit issued under this section, shall be subject to any conditions and restrictions imposed by the Corporation.

### **Penalty for establishing, building, operating or managing without Timber Industry Licence or Temporary Permit**

5D.—(1) Any person who establishes, builds, operates or manages any plant, factory or premises for carrying out any timber industry without a timber industry licence, or temporary permit issued under this Ordinance shall be guilty of an offence and shall, upon conviction, be punished with—

(a) in the case of a first offence, a fine of not less than five hundred thousand ringgit and not exceeding five million ringgit or imprisonment not exceeding five years or to both; and

(b) 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 the case of a continuing offence, a further fine of not exceeding five thousand ringgit for each day during which the offence continues after conviction:

Provided that where the accused person proves that the building or operation of the timber mill was exclusively for domestic use, the punishment shall, upon conviction, be a fine of not less than five thousand ringgit and not exceeding fifty thousand ringgit or imprisonment for a term 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.

(2) Any person who commits a breach of any terms and conditions of his timber industry 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.

*[Sub. Cap. A204/2022]*

### PART III

#### BOARD OF MANAGEMENT

##### **Board of Management**

6.—(1) The management of the affairs of the Corporation shall be vested in a Board of Management which shall consist of the following:

(a) a Chairman to be appointed by the Majlis Mesyuarat Kerajaan Negeri on such terms and subject to such conditions as it may decide; and

(b) not less than five and not more than seven other members to be appointed by the Minister:

Provided that not less than three of these shall be persons holding office in the public service.

*[Am. Ord. No. 9/76; Am. Cap. A28.]*



(2) The Board shall be responsible for carrying out the functions and general administration of the affairs and business of the Corporation.

(3) A member other than the Chairman shall, unless his appointment is sooner resigned or revoked, hold office for such term and subject to such conditions as the Minister may decide, and shall be eligible for re-appointment.

(4) A member may at any time resign his office by letter addressed to the Majlis Mesyuarat Kerajaan Negeri or the Minister as the case may be.

*[Am. Ord. No. 9/76; Am. Cap. A28.]*

(5) The appointment of any member other than the Chairman may at any time be revoked by the Minister without assigning any reason therefor.

(6) The Minister may appoint any member to be temporary Chairman of the Board during the temporary absence of the Chairman.

(7) If any member, other than the Chairman, is temporarily absent from the State or temporarily incapacitated through illness or any sufficient cause for the performance of his duties as a member, another person may be appointed in his place by the Minister but shall hold office only during such absence or incapacity of such member.

#### **Salaries and fees payable to members**

7. There shall be paid to members, out of the Funds of the Corporation, such salaries, fees and allowances or expenses as the Minister may from time to time determine.

**Power of the Minister to give directions**

8.—(1) The Board shall be responsible to the Minister, and the Minister may, from time to time, give directions not inconsistent with the provisions of this Ordinance and the Board shall, as soon as possible, give effect to all such directions.

(2) The Board shall furnish the Minister with such information with respect to the Corporation's property and activities as he may from time to time require.

**Meetings of the Board**

9.—(1) The Chairman shall have power to convene a meeting of the Board whenever he deems it necessary.

(2) Subject to the provisions of this Ordinance the Board may determine its own procedure.

**Disclosure of interest**

10. A member having, directly or indirectly, by himself or his partner, any interest in any company or undertaking with which the Corporation proposes to make any contract or having any interest in any such contract or in any matter under discussion by the Board shall disclose to the Board the fact of his interest and the nature thereof, and such disclosure shall be recorded in the minutes of the Board, and unless specifically authorized thereto by the Chairman, such member shall take no part in any deliberation or decision of the Board relating to the contract or matter under discussion.

**PART IV****ADMINISTRATION****Appointment of General Manager and other officers and servants of the Board**

11.—(1) The Board may, with the approval of the Minister, appoint and employ a General Manager who shall be the principal executive officer of the Corporation and shall be responsible for the day-to-day administration and management of the affairs of the

Corporation and to exercise such duties and powers as may be entrusted or delegated by the Board or the Chairman of the Board acting on behalf of the Board:

Provided that the first General Manager immediately after the coming into force of this Ordinance shall not be appointed as hereinbefore provided but shall instead be appointed by the Minister.

(2) The General Manager appointed under subsection (1) may participate without the right to vote in any meeting of the Board.

(3) The Board may, with the approval of the Minister, appoint and employ a Deputy General Manager who shall assist the General Manager with the day-to-day administration and management of the affairs of the Corporation.

(4) The Board may appoint such other officers, servants and agents as it may consider necessary for the efficient conduct of the affairs of the Corporation.

(5) The General Manager, Deputy General Manager and other officers, servants and agents of the Corporation shall be responsible to the Board.

(6) The General Manager, Deputy General Manager, officers, servants and agents of the Corporation shall hold office for such period or periods, receive such salaries and allowances, and be subject to such conditions of service, as may be determined by the Board with the approval of the Minister.

*[Am. Ord. No. 4/83.]*

### **Public Authorities Protection**

**12.** The Public Authorities Protection Act 1948 [*Act 198*] shall apply to any action, suit, prosecution or proceedings against the Corporation or against any member of the Board or any officer, servant or agent of the Corporation in respect of any act, neglect or default done or committed by him in such capacity.

**Public servants**

13. All members of the Board, officers and servants of the Corporation, while discharging their duties as such members, officers or servants shall be deemed to be public servants within the meaning of the Penal Code [*Act 574*].

**Standing orders governing conditions of service**

14. The Corporation may, with the approval of the Minister, make standing orders to provide for the following matters:

(a) the terms and conditions of service, including loans and allowances and conduct and discipline, of officers and servants of the Corporation;

(b) the pensions, gratuities, provident fund or other superannuation benefits, of officers and servants of the Corporation; and

(c) any other matter as it may deem necessary or expedient for the proper conduct and discipline of its officers and servants.

**PART V****FINANCE****Fund of the Corporation**

15. For the purpose of this Ordinance, there is established a Fund to be administered and controlled by the Corporation—

(a) into which shall be paid—

(i) such sums as may be appropriated from time to time for the purposes of the Corporation by the Dewan Undangan Negeri;

(ii) such sums as may from time to time be borrowed by the Corporation for the purpose of meeting any of its obligations or discharging any of its functions;

(iii) all moneys earned by the operation of any project, schemes or enterprise financed from the Fund;

(iv) all moneys earned or arising from any property, investment, mortgage, charges or debentures acquired by or vested in the Corporation; and

(v) all other sums or property which may in any manner become payable to, or vested in, the Corporation in respect of any matter incidental to its powers and duties;

(b) out of which shall be defrayed—

(i) all expenses incurred by the Board in the administration of this Ordinance;

(ii) the salaries, fees, allowances or remuneration of the members, officers, agents and servants, and technical or other advisers of the Corporation;

(iii) all expenditure (including capital expenditure) incurred by the Corporation in carrying out its functions;

(iv) moneys for the repayment of any loan made to the Corporation pursuant to its powers to borrow and the interest due thereon;

(v) grants and loans made by the Corporation;

(vi) paying any other expenses lawfully incurred by the Corporation in the execution of its functions under this Ordinance;

(vii) grants or donations made by the Corporation to institutions or organizations engaged in social welfare, charitable work or activities, or for support of any religious, educational or recreational purposes: Provided that such grant or donation shall not exceed at any one time such amount as may be determined by the Majlis Mesyuarat Kerajaan Negeri.

*[Am. Ord. No. 9/76; Am. Ord. No. 4/83.]*

**Reserve fund**

**16.** The Corporation shall establish and manage a reserve fund within the Fund.

**Balancing of revenue account**

**17.** It shall be the duty of the Corporation to conserve the Fund by so exercising and performing its powers, functions and duties under this Ordinance as to secure that the total revenues of the Corporation are, subject to any directions given by the Minister under section 8, sufficient to meet all sums properly chargeable to its revenue account, including, without prejudice to the generality of that expression provisions in respect of its obligations under sections 15 and 16 and depreciation and interest on capital, taking one year with another.

*[Am. Ord. No. 6/77.]*

**Borrowing powers**

**18.** The Corporation may, from time to time, for the purposes of this Ordinance raise loans from the Government or, the approval of the Minister, borrow money from any financial institution, and to offer as securities for any of its borrowings—

(a) a mortgage, charge, pledge or debenture over any of its assets or undertakings; or

(b) guarantees or other form of securities as may be approved by the Minister.

*[Sub. Cap. A58.]*

**Investment**

**19.** The assets of the Corporation shall, in so far as they are not required to be expended by the Corporation under this Ordinance, be invested in such manner as the Minister may approve.

**Budgets**

**20.—(1)** The Corporation shall in every year cause to be prepared in a form to be approved by the Minister a budget to be forwarded to the Minister not later than the 31st day of August containing estimates of income and expenditure of the Corporation for

the ensuing year and such other particulars as the Minister may require.

(2) The Minister may approve or disallow any item or portion of any item shown in the budget, and shall return the budget as amended by him to the Chairman.

(3) The Corporation may at any time submit to the Minister a supplementary estimate for any one year and the Minister may allow the whole or any part of the additional expenditure included therein.

### **Accounts and audit**

**21.**—(1) The Corporation shall keep proper accounts and other records in respect of its operation and shall prepare statement of accounts in respect of each financial year.

(2) The accounts of the Corporation shall be audited annually by the Director of Audit or other auditor appointed by the Corporation with the approval of the Minister.

(3) After the end of such financial year, and as soon as the accounts of the Corporation have been audited, the Corporation shall cause a copy of the statement of accounts to be transmitted to the Minister together with a copy of any observations made by the Director of Audit or other auditor appointed under subsection (2) on any statement or on the accounts of the Corporation.

(4) The Minister shall cause a copy of every such statement and observations to be laid on the table of the Dewan Undangan Negeri.

*[Am. Ord. No. 9/76.]*

## **PART VI GENERAL**

### **Obligation to secrecy**

**22.**—(1) Except for the purpose of this Ordinance or of any criminal proceedings under this Ordinance, no member of the Board or officer or servant of the Corporation shall disclose any information which has been obtained by him in the course of his duties and which is not published in pursuance of this Ordinance.

(2) Any person contravening the provision of subsection (1) shall be guilty of an offence: Penalty, imprisonment for six months and a fine of one thousand ringgit.

#### **Authorized person**

**22A.** Without prejudice to section 28, the General Manager may in writing authorize any person on such terms and conditions to carry out duties or exercise powers conferred under this Ordinance and any regulations made thereunder.

*[Add. Cap. A204/2022]*

#### **Corporation deemed to be a Native**

**23.** For the purpose of any written law relating to land the Corporation shall be deemed to be a Native as defined in the Interpretation Ordinance, 2005 [*Cap. 61*].

#### **Power to make regulations**

**24.** The Majlis Mesyuarat Kerajaan Negeri may, make such regulations as may be expedient or necessary for the better carrying out of the provisions of this Ordinance and in particular, such regulations may provide for—

(a) the manner in which and the terms and conditions on which loans may be granted by the Corporation;

(b) controlling and restricting the sale, distribution and marketing of timber subject to such conditions as may be specified under the regulations;

(c) requiring persons engaged in the manufacture, sale, distribution or marketing of timber to submit reports and such other information as may be required by the Corporation;

(d) controlling and prescribing the standards and grade of timber to be marketed;

(e) regulating the quality of timber to be exported;



(f) the establishment, control and co-ordination of centres for the training of persons in timber industry and trade;

(g) regulating and controlling the conduct and administration of timber industries conducted by the Government or those financed by the Corporation and for all matters connected therewith;

(h) regulating and controlling the accounts of timber industries conducted by the Government or those financed by the Corporation;

(i) defining the relations of the Corporation with owners of timber industries financed by the Corporation and the rights of control over such industries by the Corporation;

(j) the prescription of forms and fees in connection with any matter under this Ordinance;

(k) the prescription of anything which requires to be, or which may be, prescribed under this Ordinance;

(l) requiring persons engaged in or associated with the manufacture, sale, distribution or marketing of timber or the management or operation of any of plant or premises for the treatment and seasoning of timber to register; and

(m) prescribing penalties (not exceeding a fine of one hundred thousand ringgit or imprisonment not exceeding five years or both such fine and imprisonment) for breach or contravention of any regulations made thereunder;

(n) prescribing the procedure for compounding of offences; and

(o) regulating the establishment and operation of timber mills and any matters related thereto

*[Am. Ord. No. 6/77; Am. Ord. No. 5/92; Am. Cap. A71,  
Add. Cap. A204/2022]*

**Delegation of powers and duties**

**24A.**—(1) The General Manager may, with the written approval of the Minister, by notification in the *Gazette*, delegate to the Deputy General Manager, any officers or servants of the Corporation, any of the powers and duties conferred on the General Manager under this Ordinance or any regulations made thereunder.

(2) Notwithstanding the delegation of powers or duties or authority under subsection (1), the General Manager, may continue to exercise and perform any of its powers, duties or authority conferred under these Ordinance or any regulations made thereunder.

*[Add. Cap. A204/2022]*

**Offences in respect of loan**

**25.** Any person who—

(a) obtains a loan or guarantee from the Corporation under the provisions of this Ordinance by means of any false representation;

(b) wilfully applies any loan made to him by the Corporation under the provisions of this Ordinance to any purpose other than that for which the loan was made; or

(c) having obtained the loan or guarantee from the Corporation under the provisions of the Ordinance wilfully destroys any security given in relation to any such loan,

shall be guilty of an offence: Penalty, imprisonment for six months and a fine of one thousand ringgit.

**Annual report**

**26.** The Corporation shall, not later than the 30th day of September of each year, cause to be made and transmitted to the Minister, a report dealing with the activities of the Corporation during the preceding year and containing such information relating to the proceedings and policy of the Corporation.

*[Am. Cap. A125.]*

**Power to enter into contracts of guarantee or indemnity**

27. The Corporation may, with the approval of the Minister, enter into contracts of guarantee or indemnity for the purpose of facilitating the acquisition or erection of dwelling houses by officers or other servants of the Corporation.

*[Ins. Ord. No. 6/77.]*

**Exemption**

27A. The Minister with the approval of the Majlis Mesyuarat Kerajaan Negeri may subject to such terms and conditions as he may deem fit, exempt any person, class of persons, any activity or class of activities relating to timber industry from all or any of the provisions of this Ordinance.

**Licence or temporary permit to operate not transferable**

27B. Where a licence or temporary permit to operate, by reason of its terms or the provisions of this Ordinance declared not to be transferable, the licence or permit, shall be liable to be cancelled or suspended if—

- (a) the holder transfers the licence or temporary permit to operate;
- (b) in the case of the licence or temporary permit to operate issued to a company the controlling shares in the company are transferred;
- (c) in the case of the licence or temporary permit to operate issued to a partnership there is a change in the partnership; or
- (d) the holder thereof enters into an agreement with any other person the effect of which is to enable the benefit conferred by the licence or temporary permit to operate to be enjoyed by any other person.

*[Add. Cap. A204/2022]*

PART VII  
OFFENCES, PROSECUTION AND PENALTIES

**Powers of arrest and investigation**

**28.**—(1) The General Manager or any person duly authorized by him (in this Part referred to as “an authorized officer”) or any police officer, may arrest without warrant any person whom he reasonably suspects of having committed an offence under this Ordinance or regulations made thereunder if—

(a) he has reasons to believe that the person is about to abscond;

(b) the person suspected of committing an offence, refuses to give his identity or address; or

(c) that person has given an identity or address which is false.

(2) Where the General Manager or authorized officer arrests a person pursuant to subsection (1), he shall, as soon as reasonably and conveniently possible, bring him to the nearest police station.

(3) Any authorized officer may investigate any offence committed under this Ordinance or regulations made thereunder and may exercise all the powers of the police relating to investigation into offences as provided in the Criminal Procedure Code [*Act 593*].

*[Am. Cap. A204/2022]*

**When person may be released on personal bond, etc.**

**28A.**—(1) With or without surety, any person arrested under this Ordinance or any regulations made hereunder, unless remanded, may be released on a personal bond by an authorized officer.

(2) The amount of every personal bond executed shall be fixed with due regard to the circumstances of the case as being sufficient to secure the attendance of the person arrested when so required.

*[Add. Cap. A204/2022]*

**Power of entry and search**

**29.** The General Manager or any authorized officer or police officer may—

(a) enter any premises or place or conveyance, building or facility under the control of the suspect, his agents or servants which he knows or reasonably suspects is used for the processing, sale, distribution or marketing of timber or the manufacturing of timber products, and conducts or carries out therein such investigation to determine if any offence against this Ordinance or regulations made thereunder has been committed;

(b) require any person involved in the processing, sale, distribution or marketing of timber or the manufacture of timber products to produce for his inspection, and to make copies thereof, all documents, data, statistics and information in the possession of that person; and

(c) exercise such other powers of search and investigation as may be reasonably necessary for the enforcement of the provisions of this Ordinance or any regulations made thereunder.

*[Am. Cap. A71, Am. Cap. A204/2022.]*

**Power of seizure and detention**

**29A.—**(1) Where there is any reason to believe that an offence under this Ordinance or regulations made under section 24 has been committed, any timber or any timber product which is believed to be the subject matter of such an offence, or any tool, equipment, vessel, vehicle, machinery, conveyance, document and other things or property used or involved in the commission thereof, may be seized or detained by an authorized officer or any police officer investigating the offence.

(2) Every authorized officer or police officer seizing any property under subsection (1), shall place on such property, or on the receptacle, if any in which it is contained, a mark or seal indicating that it has been so seized and shall, without undue delay, make a report of such seizure to a Magistrate:

Provided that in any case where such property has been seized in connection with an offence dealt with under section 31 or committed by some person unknown or who cannot be found, it shall not be necessary to report to a Magistrate the seizure thereof.

(3) Any person (other than an authorized officer, forest officer, police officer, officer of customs or other public servants in the course of discharging their duties under any written law) who tampers with, removes, damages or destroys anything marked under subsection (2) shall be guilty of an offence and shall, upon conviction, be punished with a fine of not less than five thousand ringgit and not exceeding fifty thousand ringgit or imprisonment not exceeding five years or to both.

(4) If it appears to the Magistrate, upon written information on oath and after such enquiry as the Magistrate, considers necessary, that there is reasonable cause to believe that in any building or place or on any land there is concealed or deposited any timber and timber products in respect of which an offence is being or has been committed, the Magistrate, may issue a warrant authorizing any authorized officer or any police officer named therein, by day or night and with or without assistance, to enter the building, place or land and there search for and seize, and therefrom remove, any timber and timber products in respect of which an offence has or is suspected to have been committed and any tool, equipment, vessel, vehicle, machinery, conveyance, document or other things or property that is reasonably believed to have been used or involved in the commission of the offence.

(5) Any authorized officer or police officer acting under subsection (4) may—

(a) break open any outer or inner door of the building or place or any fence, enclosure, gate or other obstruction to the land, in order to effect entry thereinto;

(b) remove by force any obstruction to such entry, search, seizure, and removal as he is empowered to effect under subsection (4); and

(c) detain every person found in the building or place or on the land until it has been searched.

*[Ins. Cap. A71, Am. Cap. A204/2022.]*

#### **Disposal of perishable article or property by General Manager**

**29B.**—(1) Where any article or property seized or detained pursuant to section 29A is of a perishable nature, the General Manager may, by order in writing, direct the article or property to be sold in such manner as he deems fit.

(2) A proper account of the proceeds of sale derived therefrom shall be kept and held in the custody of the General Manager pending the completion of any prosecution or proceedings in respect of the offence for which the article or property was seized or detained.

*[Ins. Cap. A71.]*

#### **Disposal of article or property by the Court**

**29C.** Where it is proven to the satisfaction of the Court that any article or property seized or detained pursuant to section 29A was the subject matter of any offence or used in the commission thereof, the Court shall order the article or property or the proceeds of any sale thereof to be forfeited to the Corporation or disposed of in such manner as the Court may direct.

*[Ins. Cap. A71.]*

#### **Return of article or property seized or detained**

**29D.** Where any article or property is seized or detained under section 29A and there is no prosecution within a period of ninety days of such seizure or detention, the article or property seized or detained shall be deemed to be forfeited to the Corporation upon the expiry of that period unless, before the expiry thereof, a written claim is made by the lawful owner thereof or his duly authorized agent, to the General Manager or a Superintendent of Police, as the case may be, for the return of the article or property seized or detained.

*[Ins. Cap. A71.]*

**Identification of authorized officer**

29E. Any authorized officer when discharging his duties or functions or exercising his powers under this Ordinance or regulations made thereunder shall, on demand, produce to any person against whom he is taking action, such identification or written authority to show that he is an authorized officer for the purposes of this Ordinance or any regulations made thereunder.

[Ins. Cap. A71.]

**Liability of directors, partners, etc.**

30. Where a body corporate or a firm or a society registered under the Societies Act 1966 [Act 335], is guilty of an offence under this Ordinance or any regulations made thereunder, and that offence is committed with the consent or connivance of, or attributable to any neglect on the part of, any director, manager, secretary, trustee or office bearer of that body corporate or firm or society, or any person purportedly to act in such capacity; such director, manager, secretary, trustee or office bearer shall be guilty of that offence and shall be liable to be prosecuted, convicted and punished in the same manner and to the same extent as the body corporate, firm or society.

**Compounding of offences**

31. Any officer of the Corporation duly authorized by the General Manager by notification in the *Gazette*, may accept from any person reasonably suspected of having committed any offence under this Ordinance or regulations made thereunder a sum of money of not more than one-half of the maximum fine prescribed for such offence.

[Am. Cap. A71, Am. Cap. A204/2022.]

**Prosecution of offences**

32. Prosecution of any offence under this Ordinance or any regulations made thereunder may be instituted and conducted by any person duly authorized to do so under section 377(b) of the Criminal Procedure Code [Act 593].



**Jurisdiction**

33. All offences committed under this Ordinance or any regulations made thereunder may be tried by a Judge of the Sessions Court.

**General penalty**

34. Any person who contravenes any provision of this Ordinance or any regulations made thereunder shall be guilty of an offence, and, if no penalty is expressly provided for such offence, he shall, on conviction, be liable to imprisonment for six months and to a fine of two thousand ringgit.

*[Ins. Cap. A58.]*

**Temporary release of items seized**

35.—(1) Where any item has been seized under this Ordinance, an authorized officer may, subject to terms and conditions as the General Manager deems fit to impose, temporarily release such item to the owner on application and on security (as assessed by the General Manager) being furnished that such items shall be surrendered to him on demand or to produce it before a court of competent jurisdiction.

(2) Where such owner fails to surrender the items seized on demand by such authorized officer, or fails to produce it before a court of competent jurisdiction in accordance with subsection (1), he shall be guilty of an offence and shall, upon conviction, be punished with a fine of not less than twenty thousand ringgit or ten times the value of the items so seized, whichever is greater, or imprisonment not exceeding two years or to both and the security furnished under subsection (1) shall be forfeited to the State.

**Power to stop, examine and detain timber and timber products**

36. An authorized officer, police officer or officer of customs may stop any conveyance and examine any timber and timber products found therein or in any place in which such officer may lawfully be, and, if he has reason to believe that money is payable to

the Corporation in respect thereof, he may detain such products until such money is paid.

### **Offence for assaulting or obstructing an officer**

**37.—(1)** Any person who—

(a) assaults, obstructs, impedes or interferes with any authorized officer, police officer or public servant in the performance of his functions under this Ordinance;

(b) unlawfully takes away or endeavors to take away any timber and timber products, tool, equipment, vessel, vehicle, machinery, conveyance, document or other things or property seized under this Ordinance; or

(c) after any seizure, causes the disappearance of, or damages or destroys any timber and timber products, tool, equipment, vessel, vehicle, machinery, conveyance, document or other things or property in order to prevent the seizure thereto or the securing of the timber and timber products, tool, equipment, vessel, vehicle, machinery, conveyance, document or other things or property, shall be guilty of an offence and shall, upon conviction, be punished with a fine of not less than twenty-five thousand ringgit and not exceeding one hundred and fifty thousand ringgit or imprisonment not exceeding seven years or to both.

(2) Notwithstanding sections 173A and 294 of the Criminal Procedure Code [*Act 593*], any offence under subsection (1)(a) shall be inquired into and tried according to the provisions herein contained.

### **Abettors liable to penalties**

**38.** Any person who aids or abets the commission of an offence shall, upon conviction, be punished with the penalty provided for the offence.

**False declaration**

**39.—(1)** Any person who makes, orally or in writing, signs or furnishes any declaration, return, certificate or other documents or information required under this Ordinance or any of its regulations which is untrue, inaccurate or misleading in any particular, shall be guilty of an offence and shall, upon conviction, be punished with—

(a) where such person is an individual, a fine of not less than twenty-five thousand ringgit and not exceeding one hundred and fifty thousand ringgit or to imprisonment not exceeding seven years or to both; or

(b) where such person is a body corporate, a fine of not less than two hundred and fifty thousand ringgit and not exceeding one million ringgit.

(2) Any person who—

(a) without lawful authority alters, forges, mutilates or defaces any licence, certificate and temporary permit to operate; or

(b) knowingly makes use of any licence, certificate and temporary permit to operate which has been so altered, forged, mutilated or defaced, shall be guilty of an offence and shall, upon conviction, be punished with—

(i) where such person is an individual, a fine of not less than twenty-five thousand ringgit and not exceeding one hundred and fifty thousand ringgit or to imprisonment not exceeding seven years or to both; or

(ii) where such person is a body corporate, a fine of not less than two hundred and fifty thousand ringgit and not exceeding one million ringgit.

**Protection against suit and legal proceedings**

**40.** No action shall be brought, instituted or maintained in any court against any authorized officer, police officer, officer of customs or any public servant either personally or in his official capacity for or

on account of or in respect of any act directed or done by him or purporting to have been directed or done by him for the purpose of carrying into effect this Ordinance and any regulations made thereunder, and no suit or prosecution shall lie in any court against any other persons for or on account of or in respect of any act done or purporting to have been done by him under direction or instruction of any authorized officer, police officer, officer of customs or any public servant given for any such purpose as aforesaid:

Provided that the act of such officer or person was done in good faith and in the reasonable belief that it was necessary for the purpose intended to be served by it and for the carrying out of the provisions of this Ordinance and any regulations made thereunder.

#### **Protection of informer**

**41.—(1)** Except as hereinafter provided, no witness in any civil or criminal proceeding shall be obliged or permitted to disclose the name or address of an informer or the substance and nature of the information received from the informer or to state any matter which might lead to the identification of the informer.

(2) If any book, record, account, document or computerized data which is in evidence or liable to inspection in any civil or criminal proceeding contains any entry in which the informer is named or described or which might lead to his identification, the court shall cause all such passages to be concealed from view or to be obliterated so far only as may necessary to protect the informer from being identified.

(3) If on the trial for any offence under this Ordinance the court after a full enquiry into the case believes that the informer willfully made in his complaint a material statement which he knew or believed to be false or did not believe to be true, or if in any other proceeding the court is of the opinion that justice cannot be fully done between the parties thereto without the identification of the informer, it shall be lawful for the court to require the production of the original complaint, if in writing, and permit an enquiry, and require full disclosure concerning the informer.

**Rewards, etc.**

42. The General Manager, with the written approval of the Board, may award such sums by way of reward or reimbursement as he deems fit to be paid to any officer or other persons for services rendered or expenses incurred in connection with the detection, investigation and prosecution of offences or in connection with any seizures made under this Ordinance.

**Certificate of the General Manager as to the value of timber or timber products, etc.**

43.—(1) Where it is required in this Ordinance or the Regulations made thereunder for the General Manager or any authorized officer authorized by him to make an assessment or to quantify the value of any timber and timber products or other property or other payments, the General Manager or such authorized officer shall issue a certificate stating—

(a) the value of such timber and timber products or other property;

(b) the amount of fees or other payments in respect of any timber and timber products; or

(c) the amount of compensation for any damage caused by an offender,

as the case maybe.

(2) In any proceedings under this Ordinance, a certificate signed by the General Manager or any authorized officer under subsection (1) shall be admissible in evidence as to its authenticity and contents, including the facts stated therein, without proof of the signature to such certificate.

(3) The provision of this section shall apply notwithstanding any other written law to the contrary.

**SARAWAK TIMBER INDUSTRY DEVELOPMENT  
CORPORATION ORDINANCE, 1973**

***Ord. No. 3/73***

LIST OF AMENDMENTS

Amending Law	Short Title	In force from
Ord. No. 6/77	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1977	1.6.1993
Ord. No. 8/82	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1982	19.11.1982
Ord. No. 4/83	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1983	9.5.1983
Ord. No. 5/92	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1992	5.6.1992
Cap. A58	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1998	1.6.1998
Cap. A71	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 1999	1.1.2000
Cap. A125	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 2006	1.1.2007 [Swk. L.N. 72/2007]
Cap. A204	Sarawak Timber Industry Development Corporation (Amendment) Ordinance, 2022	1.6.2023 [Swk. L.N. 123/2023]

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