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An Insight to the Kelantan Timber Industry (A Need for Better Forest Governance)



**CENTRE TO COMBAT CORRUPTION AND
CRONYISM
NORTHERN UNIT**

An Insight to the Kelantan Timber Industry (A Need for Better Forest Governance)

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INTRODUCTION

Global view

The story of illegal timber trade is a story of violence, killings, corruption and money-laundering.

This was said by Yury Fedotov, Executive Director of the UN Office on Drugs and Crime (UNODC), in December 2012¹ at the event to mark International Anti-Corruption Day, on Dec 9, that year, to demonstrate UNODC's commitment to addressing environmental crimes and their linkages with corruption.

He estimated that up to 40 per cent of wood-products exported from East Asia and the Pacific may be produced from illegally harvested wood.

In his statement then, Fedotov urged policy makers to consider environmental crimes a serious form of transnational organised crime and called on them to endorse 'radical changes', good governance and the strong involvement of the criminal justice system to save endangered species, communities and habitats

Along with good governance in the forestry sector, what is urgently needed are better law enforcement, prosecution and effective sentencing of perpetrators to fight impunity and ensure that the masterminds of these atrocities are subjected to the appropriate penalties.

It is 2016 and nothing seems to have changed.

Two-thirds of Malaysia's land area is covered by forests². However, this figure includes significant areas of timber and pulp plantations, and much of the natural forest area has been heavily impacted by logging activities³.

Chatham House goes on to say that illegal logging has long been a problem in Malaysia. Its research in 2010 estimated that illegal logging accounted for between 14% and 25% of production.

¹ <http://en.tempo.co/read/news/2012/12/10/055447132/UNODC-Break-Links-between-Illegal-Timber-Trade-Corruption-and-Transnational-Organized-Crime>

² FAO, 2015

³ <http://www.illegal-logging.info/regions/malaysia> (Chatham House, 2015)

Malaysia largest export market is Japan. The European Union and United States of America are also important markets.

According to Chatham House, Malaysia was one of the first countries to begin negotiating a voluntary partnership agreement (VPA) with the EU in 2007 but the process has been delayed by a number of governance challenges, which remained unresolved.

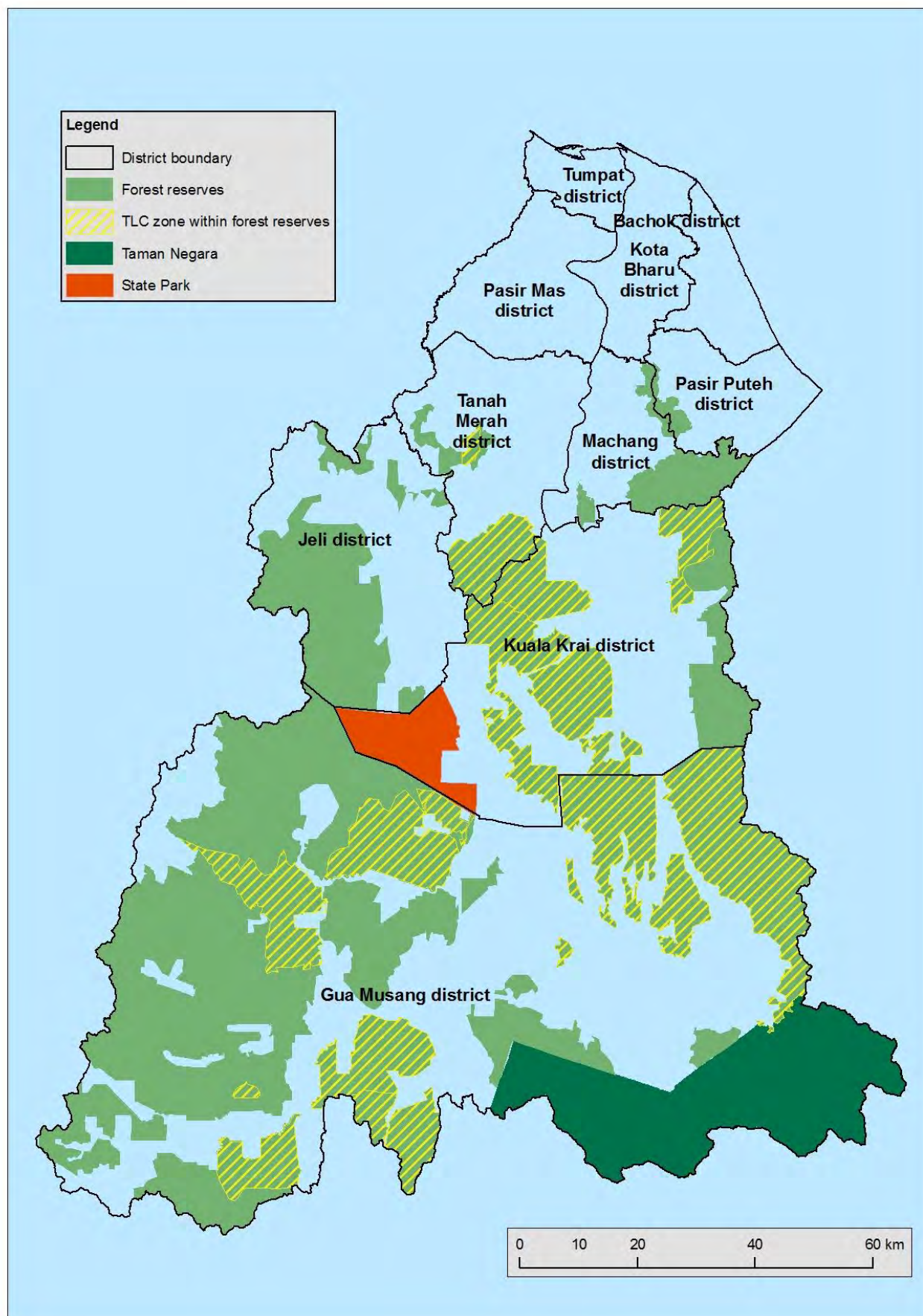
For example, in Sarawak, Chatham House noted that despite more focus on combating illegal logging since 2014, concerns remain among stakeholders about the limited recognition of indigenous peoples' rights by the government, as well as about corruption and a lack of transparency.

In states where excessive logging activities are being carried out, principles of transparency, accountability and good governance, along with initiatives to combat corruption and cronyism must be put in place to curb illegal logging, marginalisation of indigenous communities, destruction of natural environment and bribery in the awarding of concessions to logging companies.

It is with this global view in mind that the Centre to Combat Corruption and Cronyism (C4) embarked on an intensive investigation into the Kelantan east-coast state of West Malaysia.



Figure above shows the devastation brought on by logging in Kelantan, while the figure below shows the forestry boundaries within Kelantan.



Why Kelantan?

Last year, Kelantan experienced one of its worst floods since the 1970s. The massive flooding led to displacement of people, especially the indigenous community, loss of livelihood and devastation of farm lands and properties.

The catastrophe brought to light the unpreparedness of the Kelantan government to deal with such a disaster.

Questions abound if the flooding was linked to massive deforestation and illegal logging in the state, and whether the lack of good governance is due to corruption and cronyism at the state's leadership and administrative levels.

Objective

This study aims to highlight incidences of illegal logging activities and examine whether there exists a link between corruption, environmental and human rights crimes and illegal logging.

This study wants to bring forward the voices of the people and stakeholders who are directly or indirectly affected by the massive logging activities which may have led to the big flood.

This study will lay down essential information where policy makers in Kelantan can use to draft/propose improvement/changes in good governance to save endangered species, communities and habitats and combat corruption and cronyism related to activities involving illegal logging within the state.

This study will show several areas of improvement which Kelantan can implement to prevent illegal logging and its effect on the socio-economic/livelihood and human rights aspects of local communities, including the indigenous peoples.

The study will help lawmakers (assemblypersons) and NGOs/activists to propose sound state policies on:

- 1) Deforestation and illegal loggings.
- 2) Monitoring of such activities via a timber tracking system.
- 3) Systems for allocating rights to harvest, including measures to protect the rights and livelihoods of local communities.

The study will also try to propose transparency measures in how state and federal agencies deal with illegal logging, and the companies involved (whether government-linked or private).

Such measures need to urgently be put in place to combat corrupt practices and cronyism while improving good governance.

This study hopes to eventually propose an official review of illegal logging, and an action plan to tackle it, where stakeholder engagement would also be improved.

Methodology

- 1) Two teams were dispatched to a four-day site visit to Kelantan (Kota Bahru and Gua Musang) from Oct 31 to Nov 3, 2015.
- 2) The two teams conducted face to face interviews with relevant stakeholders in Kelantan including (1) state government officials (2) lawmakers from BN or federal opposition (3) local activists (4) local communities, especially the most displaced, the Indigenous Community (Orang Asli).
- 3) The team also carried out a literature review related to logging activities based on newspaper reports and others documents available on the internet.

LITERATURE REVIEW

Acquiring information on the logging activity in Kelantan seems not an easy task. There are mainly two websites that would be of interest in regards to logging. The first is the Kelantan Government website, and secondly the Forestry department of Kelantan.

The forestry department of Kelantan (JPNK) is responsible towards the Kelantan State government in regards to forestry matters. However they are under the management of the Ministry of Natural Resource and Environment.⁴ It is unclear on who has the final authority and control over forestry matters in the state.

Under Article 74 (2) of the Malaysian Constitution, forestry is under the authority of the State Government. Therefore, the state can enact laws to govern the forest and have control over it. It is unclear why in some of the interviews, we see that the state authority blames federal agency or gives locals the run around, when actually they are in charge.

In regards to license issued and application

“Unit Perindustrian dan Pengusahaan Hutan” under JPNK is responsible for preparing the licensing documents and monitoring of activity in regards to logging.⁵ The procedures to apply for a logging license and the criteria’s needed of a company to acquire a logging license is not stated. This gives rise to problems of transparency. The procurement process for companies, decision making bodies, along with the decision making process are all not clear.

There are also no statistics on how many logging companies have been awarded contracts and who these companies are.

In the Kelantan Forestry website, there are statistics available in regards to the number of factories involves in wood work, the numbers of trees being chopped for certain type of wood and forest size. However the information is of year 2012.

⁴ http://jpnk.kelantan.gov.my/index.php?option=com_content&view=article&id=26&Itemid=323&lang=en

⁵ http://jpnk.kelantan.gov.my/index.php?option=com_content&view=article&id=26&Itemid=323&lang=en

JADUAL 1: KAWASAN BERHUTAN DAN TIDAK BERHUTAN NEGERI KELANTAN PADA 31.12.2012

Negeri Kelantan	Keluasan Negeri (ha) (a)	Hutan Simpanan Kekal (HSK)			Hutan Taman Hidupan Liar		Hutan tanah kerajaan (ha) (g)	Lain-lain rezab berhutan (ha) (h)	Jumlah besar keluasan kawasan	
		Diwarta (ha) (b)	Cadangan (ha) (c)	Jumlah (ha) (d)=(b)+(c)	Dalam HSK (ha) (e)	Luar HSK (ha) (f)			Berhutan (ha) (i)+(d)=(f)+(g)+(h)	Tak berhutan (ha) J=(a)-(i)
	1,502,200	623,849	-	623,849	21,910	103,082	137,086	-	862,196	638,183

JADUAL 2 : KELUASAN HUTAN SIMPANAN KEKAL (HSK) MENGIKUT JENIS-JENIS HUTAN BAGI NEGERI KELANTAN PADA 31.12.2012

Hutan Simpanan Kekal						
Keluasan Tanah	Hutan Darat	Hutan Paya Gambut	Hutan Paya Laut	Jumlah (ha)	Ladang Hutan (ha)	Jumlah Keluasan HSK (ha)
1,502,200	609,959	-	-	609,959	91,040	623,849

JADUAL 3: KELUASAN HUTAN YANG DILESENKAN UNTUK PENGHASILAN BAGI NEGERI KELANTAN PADA 31.12.2012

HUTAN SIMPANAN KEKAL						Tanah Kerajaan (ha)	Tanah Milik (ha)	Jumlah Kawasan Dibuka untuk Pengusahaan (ha)
Catuan Tebangan		Tujuan Pembangunan (ha)	Ladang Hutan (ha)	Lain-lain (ha)	Jumlah (ha)			
Diluluskan (ha)	Tebangan (Diusahasilkan) (ha)							
1	2	3	4	5	(2+3+4+5)			(6+7=8)
5,910	5,903	-	12,270	-	18,173	3,209	6,114	27,496

JADUAL 4 : PENGGUNAAN KAYU BALAK DAN KAYU GERGAJI BERASASKAN KAYU YANG TERPILIH BAGI NEGERI KELANTAN TAHUN 2012

PENGGUNAAN KAYU BALAK (meterpadu)			PENGGUNAAN KAYU GERGAJI (meterpadu)
Kilang Papan	Kilang Papan Lapis / Venir	Jumlah	Kilang Kayu Kumai
3,799,015.98	214,447.58	4,013,463.56	50,103.26

JADUAL 5: JADUAL HASIL HUTAN BAGI NEGERI KELANTAN TAHUN 2012

PERBELANJAAN MENGURUS							PERBELANJAAN PEMBANGUNAN	JUMLAH BESAR
JUMLAH	Emolumen	Perkhidmatan dan bekalan	Aset	Bayaran Pindahan	Lain-lain	Jumlah		
	3,947,471.00	1,660,979.00	1,530,000.00	-	-	7,138,450.00	4,284,930.19	11,423,380.19

JADUAL 6: PERBELANJAAN MENGURUS DAN PEMBANGUNAN BAGI NEGERI KELANTAN 2012

PERBELANJAAN MENGURUS							PERBELANJAAN PEMBANGUNAN	JUMLAH BESAR
JUMLAH	Emolumen	Perkhidmatan dan bekalan	Aset	Bayaran Pindahan	Lain-lain	Jumlah		
	3,947,471.00	1,660,979.00	1,530,000.00	-	-	7,138,450.00	4,284,930.19	11,423,380.19

JADUAL 7: PENGELUARAN OLEH INDUSTRI BERASASKAN KAYU BAGI NEGERI KELANTAN TAHUN 2012

JENIS	PENGGUNA KAYU BALAK			PENGGUNA KAYU GERGAJI
	Kilang papan (m³)	Kilang papan lapis / venir (m³)	Jumlah (m³)	Kilang kayu kumai (m³)
Pengeluaran	385,569.63	-	385,569.63	3,521.10

JADUAL 8: BILANGAN KILANG OLEH INDUSTRI BERASASKAN KAYU DI NEGERI KELANTAN TAHUN 2012

NEGERI KELANTAN	KILANG PAPAN		KILANG KERJA KAYU/ PERABOT		SENARAI KESELURUHAN INDUSTRI BERASASKAN KAYU NEGERI KELANTAN YANG BEROPERASI		
	Beroperasi	Tidak beroperasi	Beroperasi	Tidak beroperasi	Kumai	Loji awet	Kilang mancis
	58	5	120	80	8	3	1

JADUAL 9: GUNA TENAGA DALAM INDUSTRI BERASASKAN KAYU DI NEGERI KELANTAN
2012

PEMBALAKAN			INDUSTRI BERASAS KAYU			JUMLAH
BP	BBP	JUMLAH (a)	BP	BBP	JUMLAH (b)	(a+b)
9,092	1,443	10,535	147	20	167	10,702

JADUAL 10: PENGELUARAN KAYU BALAK MENGIKUT SPESIES BAGI NEGERI KELANTAN
TAHUN 2012 (METERPADU)

KUMPULAN SPESIES				JUMLAH KESELURUHAN
Kayu keras berat (hhw)	kayu keras sederhana (mhw)	Kayu keras ringan (lhw)	Lain-lain jenis	
113,932.80	370,212.97	548,258.98	154.32	1,032,559.07

MAKLUMAT JAJAHAN KELANTAN TIMUR

Keluasan Tanah	543,539 hektar
Hutan Simpanan Kekal	169,202 hektar
i. Hutan Simpan Kekal Chabang Tongkat	4,863 hektar
ii. Hutan Simpan Kekal Temangan	1,590 hektar
iii. Hutan Simpan Kekal Ulu Sat	14,432 hektar
iv. Hutan Simpan Kekal Sungai Durian	16,481 hektar
v. Hutan Simpan Kekal Sg. Rek	15,360 hektar
vi. Hutan Simpan Kekal Ulu Temiang	15,397 hektar
vii. Hutan Simpan Kekal Serasa	10,338 hektar
viii. Hutan Simpan Kekal Sg. Sam	3,756 hektar
ix. Hutan Simpan Kekal Relai	39,432 hektar
x. Hutan Simpan Kekal Lebir	47,549 hektar
xi. Hutan Simpan Kekal Semerak	4 hektar
Sumber Hutan	
i. Hutan Simpan Kekal	169,202 hektar
ii. Tanah Kerajaan	
Kelas Hutan	
i. Hutan Pengeluaran	178,532.23 hektar
ii. Hutan Perlindungan	
➤ Hutan Tadahan Air	169,202 hektar
➤ Hutan Pendidikan	169,202 hektar
Industri Berasaskan Kayu	
i. Kilang Papan	29 buah
ii. Kilang Kerja Kayu / Perabot	63 buah
iii. Kilang Kayu Kumai	3 buah
iv. Kilang Mancis	1 buah
v. Loji Pengawet	3 buah
vi. Kilang Kayu Bergerak	4 buah
Renjer Hutan	
i. Renjer Machang	
ii. Renjer Kuala Krai	
iii. Renjer Manik Urai	
iv. Renjer Laloh	
Penjawatan	
	116 Kakitangan
i. Pengisian	103
ii. Kosong	13

Sumber: Jabatan Perangkaan Malaysia Pejabat Tanah Kota Bharu, Machang, Kuala Krai, Pasir Puteh

MAKLUMAT JAJAHAN KELANTAN BARAT

Keluasan Tanah	487,775 hektar
Kawasan Berhutan	234,746.23 hektar
Hutan Simpanan Kekal	236,715.23 hektar
i. Hutan Simpan Kekal Sokor Tuku	21,825.6 hektar
ii. Hutan Simpan Kekal Jedok	4,382 hektar
iii. Hutan Simpan Kekal Jentiang	13,673 hektar
iv. Hutan Simpan Kekal Bukit Akar	1,072 hektar
v. Hutan Simpan Kekal Sg. Sator	2,777 hektar
vi. Hutan Simpan Kekal Gunung Basor	40,790 hektar
vii. Hutan Simpan Kekal Jeli	3,649 hektar
viii. Hutan Simpan Kekal Gunung Stong Tengah	21,950 hektar
ix. Hutan Simpan Kekal Gunung Stong Utara	11,044 hektar
x. Hutan Simpan Kekal Gunung Stong Selatan	28,134 hektar
xi. Hutan Simpan Kekal Berangkat	21,408.63 hektar
xii. Hutan Simpan Kekal Balah	56,010 hektar
Sumber Hutan	
i. Hutan Simpan Kekal	226,715.23 hektar
ii. Tanah Kerajaan	8,031 hektar
Kelas Hutan	
i. Hutan Pengeluaran	178,532.23 hektar
ii. Hutan Perlindungan	
➤ Hutan Tadahan Air	169,202 hektar
➤ Hutan Taman Negeri	169,202 hektar
Industri Berasaskan Kayu	
i. Kilang Papan	16 buah
ii. Kilang Kayu Lapis / Venir	2 buah
iii. Kilang Kerja Kayu / Perabot	51 buah
Renjer Hutan	
i. Renjer Tanah Merah	
ii. Renjer Jeli	
iii. Renjer Kuala Balah	
iv. Renjer Stong	
Penjawatan	
	110 kakitangan
i. Pengisian	93
ii. Kosong	17

Sumber: Jabatan Perangkaan Malaysia Pejabat Gua Musang

MAKLUMAT JAJAHAN KELANTAN SELATAN

Keluasan Tanah	407,886 hektar
Kawasan Berhutan	279,557 hektar
Hutan Simpanan Kekal	233,947 hektar
i. Hutan Simpan Kekal Nenggirim	21,160 hektar
ii. Hutan Simpan Kekal Sungai Betis	55,953 hektar
iii. Hutan Simpan Kekal Perias	60,355 hektar
iv. Hutan Simpan Kekal Sungai Terah	4,442 hektar
v. Hutan Simpan Kekal Batu Papan	17,580 hektar
vi. Hutan Simpan Kekal Lonjing	13,063 hektar
vii. Hutan Simpan Kekal Sungai Broke	25,825 hektar
viii. Hutan Simpan Kekal Ulu Galaas	13,215 hektar
ix. Hutan Simpan Kekal Bukit Hantu	3,134 hektar
x. Hutan Simpan Kekal Chiku	759 hektar
xi. Hutan Simpan Kekal Gunung Rabong	16,355 hektar
xii. Hutan Simpan Kekal Limau Kasturi	2,107 hektar
Sumber Hutan	
i. Hutan Simpan Kekal	233,947 hektar
ii. Tanah Kerajaan	23,700 hektar
iii. Taman Hidupan Liar	21,910 hektar
Kelas Hutan	
i. Hutan Pengeluaran	178,532.23 hektar
ii. Hutan Perlindungan	
➤ Hutan Tadahan Air	26,233 hektar
➤ Hutan Taman Negeri	21,910 hektar
Industri Berasaskan Kayu	
i. Kilang Papan	14 buah
ii. Kilang Kayu Lapis / Venir	2 buah
iii. Kilang Kerja Kumai	3 buah
iv. Kilang Kayu Bergerak	2 buah
Renjer Hutan	
i. Renjer Tanah Merah	
ii. Renjer Jeli	
iii. Renjer Kuala Balah	
iv. Renjer Stong	
Penjawatan	118 Kakitangan
i. Pengisian	96
ii. Kosong	22

Sumber: Jabatan Perangkaan Malaysia Pejabat Tanah Gua Musang

Kelantan Government website

Although logging is one of the main incomes for Kelantan, nothing is mentioned on the Kelantan website about logging activities, its procedure and application process.

There are also no statistic on forest reserves and land for logging.

On the Land Office website of Kelantan, information on logging is also missing. Logging activities do not seem to come under the purview of the land department.⁶

There now seems to be a question on which department is actually responsible for forestry in Kelantan.

⁶ <http://www.ptjkb.kelantan.gov.my/ptjkb/index.php/ms/perkhidmatan/senarai-perkhidmatan>

FINDINGS

1. Published research

INTELLECTUAL DISCOURSE, 2005

VOL 13, NO 2, 201-212

Environmental Issues in a Federation: The Case of Malaysia

By Muhammad Yusuf Saleem

Background

From a constitutional perspective, the responsibilities over environmental issues cannot be precisely divided between federal and state governments. Environmental problems could only be dealt with successfully, as the Malaysian case exemplify, through a concurrent jurisdiction. The responsibility for the implementation of environmental laws is left to the states which because of their nearness to the source of environmental problems are in a better position to monitor violations. However, interstate environmental problems must be addressed jointly by federal and state governments.

Argument

States have limited sources of revenue. The only important sources of revenue assigned to the states are the “revenue from lands, mines and forests.” Even with regard to forests, a subject assigned to the State List, states’ policies are dominated by economic considerations rather than environmental concerns. The revenues derived from the sale of timber are used to finance other development projects and state expenditures. Hence, the role of forests in protecting the environment, conserving water, and providing a safe protection for wild animals are given less consideration. The states fear that the requirements for a sustainable forest management and other environmental and ecological restrictions on logging companies will result in lower revenues for them.

There are incidents which show that the states have not necessarily followed the regulations under the Environmental Quality Act (EQA). In 1996, for instance, there was an outcry in the newspapers about logging activities and the resulting environmental degradation at Lojing Highlands in Kelantan. The situation was considered “critical” and the Kelantan Government was asked to carry

out immediate rehabilitation work, which included, among other things, replanting of trees. The Department of Environment identified 55 development projects, involving a total area of 135,000 hectares, which were going on in the area. Fourteen of these projects required E.I.A. reports. However, only some developers had submitted their E.I.A. reports.

Source: <http://journals.iium.edu.my/intdiscourse/index.php/islam/article/view/110>

Summary of findings

- Due to the dependency on economic revenue of logging activities, the state has given less consideration for sustainable forest management. Consequently, they lack on the monitoring and evaluation of EIA reports.
- Having said that, there has been countless denials by the DOE that the environmental degradation is due to excessive logging.
- As mentioned above, out of 55 development projects that were approved, less than half had submitted EIA reports. The Kelantan Forestry Department should be questioned for awarding concessions prior to EIA approvals.
- On top of that, EIA reports should be publicly available on their website. There are no published EIA reports for the public to confirm that the on-going projects are compliant with EQA.

2. Auditor General Report

Auditor General Report 2008 – Media coverage on activities by ministries/governmental departments/agencies/state government

Kelantan Lulus 2,200 Hektar Hutan Untuk Balak

By Utusan Malaysia (20 Oktober 2009)

[Summarised article]

Statement from: Ketua Audit Negara, Tan Sri Ambrin Buang

Kerajaan Negeri Kelantan didapati meluluskan 2,200 hektar kawasan hutan simpan kekal dengan ketinggian melebihi 1,000 meter untuk aktiviti pembalakan kepada sebuah syarikat swasta walaupun ia sepatutnya diwartakan sebagai Hutan Perlindungan Sepenuhnya. Tiga kawasan iaitu Tanah Tinggi Lojing, Sungai Betis dan Sungai Brook di Gua Musang diluluskan sebagai projek perintis atas alasan menggantikan kawasan konsesi yang diambil semula daripada Kompleks Perkayuan

Kelantan Sdn. Bhd. (KPK). Katanya, kelulusan itu dibuat kerajaan negeri melalui Jawatankuasa Kecil Perhutanan (JKKP).

Laporan Penilaian Kesan Alam Sekitar (EIA) tidak disediakan sehingga kini dan Jawatankuasa Teknikal yang diwujudkan tidak mematuhi syarat yang ditetapkan JKKP. Syarat tidak dipatuhi itu melibatkan keahlian Jawatankuasa Teknikal yang sebahagian besar membabitkan kakitangan syarikat yang mempunyai kepentingan. Bagi tempoh 2005 hingga 2008, Jabatan Perhutanan Negeri Kelantan (JPNK) meluluskan enam lesen pembalakan dengan keluasan 555 hektar iaitu sebahagian daripada 2,200 hektar yang diluluskan bagi projek perintis Pembalakan Berimpak Rendah (RIL) kepada syarikat itu.

Jabatan Audit Negara mendapati projek perintis ini telah memberi keuntungan kepada syarikat berkenaan kerana mendapat kawasan pembalakan dengan kayu yang banyak dan berkualiti tinggi yang belum diterokai tanpa melalui proses tender.

Kerajaan Negeri Kelantan pula hanya mendapat royalti dan premium sebagaimana kawasan pembalakan biasa yang lain. Sekiranya tujuan projek perintis ini untuk mengkaji Pengusahaan Hutan Berimpak Rendah khususnya untuk kawasan tanah tinggi, JPNK tidak sepatutnya meluluskan kawasan yang luas sehingga 2,200 hektar sebagai projek perintis. Kesan daripada pembalakan di kawasan itu mengakibatkan kerosakan serius terhadap struktur tanah seperti berlakunya tanah runtuh dan pokok tumbang.

‘Bad’ Logging Due To Poor Management

By New Straits Times (21 Oct 2009)

Weak forest management saw indiscriminate logging being carried out at forested areas in Kelantan without any Environmental Impact Assessment (EIA) reports. The 2008 Auditor-General’s Report on the Pas-run state found that its forestry management was unsatisfactory as existing laws and legislation had not been adhered to. Auditor-General Tan Sri Ambrin Buang noted that there were weaknesses in terms of enforcement and lack of coordination between the Kelantan Forestry Department (JPNK) and other agencies. Citing an example, Ambrin said he found that while JPNK had approved eight applications for logging activities along the boundary of Taman Negara Kuala Koh, two companies had started work without a EIA report. “This happened because JPNK was unaware of the existence of the provision which required companies to obtain an EIA report for areas sharing boundaries with Taman Negara.”

Ambrin said there was also no EIA report on logging activities at permanent forest reserves in areas that were located 1,000m above sea level. He said a private company had been granted approval to log at the Tanah Tinggi Lojing Sungai Betis and Sungai Brook at Gua Musang without EIA reports

as required by law. As a result, there was severe damage to the environment, including landslides, indiscriminate felling of trees, erosion and damage to flora and fauna.

The audit also found illegal logging activities at Hutan Timur Machang district as a result of poor monitoring and enforcement by JPNK. It also took the state government to task for failing to gazette protected status to all permanent forests reserves. "Failure to do so could affect the safety and protection of the forests," he said.

The report noted an urgent need to have comprehensive and continuous monitoring and enforcement of logging activities. "Although it is less than 500ha, a tract of permanent forest reserve which shares a boundary with Taman Negara has to have an EIA report before a logging license can be granted. "JPNK has to take immediate action to gazette tracts of forests as protected areas, especially highlands that are at least 1,000m above sea level."

Source:

https://www.audit.gov.my/docs/BM/8Media/2Liputan%20Media%20Laporan%20KAN/2008/3-Aktvt.Kem.Jab.Agnsi_KjaanNegeri.pdf

Summary of findings

- Further highlights poor monitoring and enforcement by JPNK – concessions awarded to private companies for huge areas of permanent forest reserves without the submission of EIA reports.
- 2,200 hectares of forest reserves awarded to a private company in the disguise of a pilot project for "low impact logging" (Pembalakan Berimpak Rendah - RIL).
- 6 separate license of 555ha each were awarded to this (unnamed) private company, all of which without EIA reports.
- The private company is said to profit heftily by logging in forest reserve areas that have not been explored, and by registering under the pilot project for RIL, they did not have to go through a tender process.

3. Surveillance Audit of Kelantan State Forest Management Unit for Forest Management Certification by SIRIM QAS

SAMPLE

Certificate No : FMC 005

Date of Second Surveillance Audit: 20 - 23 May 2012

Background of audit report

A surveillance audit on the Kelantan State Forest Management Unit (hereafter referred to as 'the Kelantan FMU') was conducted from 20 to 23 June 2011. This is an audit to assess the continued compliance of the Kelantan State Forest Department (KSFD)'s forest management system and practices of the Permanent Reserved Forest (PRF) within the Kelantan FMU against the requirements of the Malaysian Criteria and Indicators for Forest Management Certification [MC&I (2002)], the standard used for forest management certification under the Malaysian Timber Certification Scheme (MTCS), using the verifiers stipulated for Peninsular Malaysia.

In addition, this surveillance audit was conducted to verify actions taken by KSFD in addressing the Non-Compliance Reports (NCRs) and Observation for Improvements (OFIs) issued during the previous Stage 2 Audit.

The PRF within the Kelantan FMU is managed by the KSFD. The PRF comprises of 623,849 hectares (ha) of the state's total land area of 1,493,181 ha. The PRF consists of only inland forests. However, part of the PRF amounting to 199,352 ha had been zoned as potential forest plantation areas for planting Timber Latex Clones (TLC) rubber trees. These areas had been excluded from the FMU and the scope of this audit. Thus the PRFs of the FMU that was being audited under this surveillance cover an area of 424,497 ha, the same size as was being audited under the previous Stage 2 Audit.

Issues raised	Comments
The Human Rights Commission of Malaysia (Suhakam) Tuesday urged Kelantan's PAS-led government to adopt immediate measures to resolve problems pertaining to the orang asli community in the state. Suhakam chairman Tan Sri Hasmy Agam said the Kelantan government should protect the rights of the orang asli in the state, especially on the aspects of their right to ancestral land and right of living. Hasmy was commenting on the police arrest of 13 orang asli of the Temiar community for allegedly leading a gathering of 800 of their people in Kampung Parik, Gua Musang, last Tuesday in protest against encroachment of their ancestral land for logging and opening of plantations.	The protest by the Temiar referred to by SUHAKAM was not against specific logging concessions in the PRF area. It was more of a general protest against encroachment into what they claim to be their ancestral area which the state does not recognize. The protest was against the state and not specifically against logging under control of the FMU.
Villagers and members of a non-governmental organisation (NGO) yesterday held a peaceful demonstration to protest against illegal logging activities alleged to have been carried out at the Hulu Sat Forest Reserve here since three years ago. They claimed that as a result of the activities, residents suffered loss of their source of water, worsening agricultural yield, encroachment of elephants and road damage at the Bukit Bakar tourist centre.	The auditors did not find any evidence of illegal logging in the area. On inspection of the nearby villages and consultation with the village head, there was also no evidence that logging activities affected local water supply, worsening of agricultural yield (rice fields in the area are not affected) or road damage at the Bukit Bakar tourist centre. The village headman stated that he did not believe encroachment of elephants into the area is solely the result of logging.
Logging in the Ulu Sat forest reserve near Bukit Bakar here is believed to have driven elephants to smallholdings in several villages here. Kelantan Wildlife and National Parks Department director Rahmat Topani said the elephants were believed to have left the jungle during the night for the smallholdings where they would destroy crops.	A village headman interviewed believed that elephants encroached into village areas in search of food and not due solely to logging.
In a filing to Bursa Malaysia today, Greenyard	The agreement is between the state

Bhd said the agreement is to set out the terms, conditions and provisions related to the right to use over the 400 hectares of land within the Relai Permanent Forest Reserves, Mukim Relai, Chiku district, Gua Musang colony in Kelantan (Project Area) for a period of 50 years.	government and Greenyield Bhd. The Forestry Department has no say.
Thirteen orang asli were detained in Gua Musang, Kelantan, when they staged a protest against alleged land encroachment. They were detained yesterday after putting up a blockade to stop companies from logging in the area, said Centre for Orang Asli Concerns coordinator Colin Nicholas. In a statement, he also alleged that the police had burned down the barrier and the adjacent structures that were put up. He said the police had set up a road block from the orang asli area to Gua Musang and prevented the Temiars from going to the police station to show their support for those who were detained. The Temiar started their blockade on Jan 4 after earlier measures to stop the logging on their land failed. "After discussions with the police and district officer of Gua Musang, they agreed to give the district officer two weeks to resolve the logging and other land-related grievances," he said. However, he said the orang asli decided to resume their blockade yesterday as there had been no word from the authorities.	The blockade was more of a general protest by the Temiar against encroachment into what they claim to be their ancestral area which the state does not recognize. The protest was against the state and not specifically against logging under control of the FMU.

Source: <http://www.sirim-qas.com.my/attachments/article/378/Public%20Summary%20FMC%20of%20Kelantan%20Forest%20Management%20Unit%20-%202nd%20Surveillance%20Assessment.pdf>

Summary of findings

- Clear contention between the Kelantan State Government and the Forestry Department even in the surveillance audit reports.
- This is in line with the findings from the orang asli interviews by C4 team. Orang asli claimed that their protests on the excessive logging in their lands are not heard by either the state government or the forestry department.
- Forestry department often blames the state government for awarding concessions without consulting the department by claiming it is out of their jurisdiction.
- The orang asli community's complaints are often thrown back and forth between the state government and the forestry department. On top of that, they are misrepresented by the village headmen who are often representatives for political factions.

INTERVIEWS

INTERVIEWS with PAS and PARTI AMANAH NEGARA REPRESENTATIVES.

1. Wan Abdul Rahim Wan Abdullah : 3 term speaker, Nik Aziz's political secretary, current Kelantan Amanah commissioner
2. Dato Husam Musa, PAS Salak assemblyman and former state executive councillor of the Kelantan state government

INTERVIEWS WITH THE INDIGENOUS COMMUNITY "ORANG ASLI" (OA) & OTHERS in GUA MUSANG

1. Goh Ban Hoe, pro OA activist, businessman
2. A Village Folk
3. Pandak Panjang Ey, 49, Taman Sri Galas, Block C
4. Mustafa Along, 29, Kampung Perawas Pos Balar (800 residents), OA activist, Kerri kampong
5. Retired JAKOA officer
6. (Public Assistant) Pembantu awam, JAKOA Gua Musang, lives in Kuala Betis
7. Chairman of Jawatankuasa Kemajuan dan Keselamatan Kampung Orang Asli (JKKKOA)
8. Officer, Department of Environment Gua Musang branch director, three years in Gua Musang
9. Gua Musang Member of Parliament Tengku Razaleigh Hamzah (Ku Li)

INTERVIEW with UMNO REPRESENTATIVES

1. Umno researcher Mohd Zakri Mohd Zaki
2. Galas assemblyman Abdul Aziz Yusof
3. Former Kelantan Umno secretary Tuan Hashim Tuan Yackop

4. Dato Md Alwi Hj Che Ahmad, Kok Lanas assemblyman
5. YB Mohd Yusoff Abdul Ghani, Nenggiri

OTHER INTERVIEWS

1. Kelantan Logging King
2. A lawyer familiar with logging contracts
3. Kelantan State Executive Councilor
4. Kelantan Gerakan Youth members
5. Malaysian Anti-Corruption Commission, Kelantan director, Datuk Abdul Aziz Aban via an interview in The Rakyat Post dated December 20, 2015.
6. Ian McIntyre, journalist, who covered Kelantan extensively

INTERVIEWS with PAS and PARTI AMANAH NEGARA REPRESENTATIVES.

1. Wan Abdul Rahim Wan Abdullah : Three-term speaker, Nik Aziz's political secretary, current Kelantan Amanah commissioner

I was a former member of the Kelantan government, and I precisely recalled that a tender committee on forestry operates to review applications for logging activities.

This committee is chaired by the Menteri Besar and the state executive council members, members of the state secretariat, the director of forestry department and finance officer.

Members of the state secretariat, forestry department director and finance officer report to the federal government in Putrajaya.

As far as I know, this committee practices an open tender system. This committee approved 5,000 acres of land per year for logging activities.

This quota has been in practiced during former Kelantan MB Nik Aziz Nik Mat's tenure, from 1990 to 2015.

There are two types of forests: state land and forest reserve.

The approval for logging on state land is under the purview of the District Office and Menteri Besar.

There is a committee in each constituency called the 'Jawatankuasa Hal Ehwal Tanah Jajahan or JET', which meets every month.

This committee is chaired by the District Officer and is attended by the respective assemblypersons.

Applications to log on state land in Kuala Krai, Gua Musang, Jeli and Tanah Merah were all reviewed and approved by JET.

However, logging activities also involved Forest Reserves.

Application for logging activities in Forest Reserves are submitted to the federal government (Forestry Department) for approval.

There is lack of monitoring by the Forestry Department to control excessive logging.

I remember there were instances of illegal logging activities in the 1990s. It was like a “cat and mouse” situation.

There were incidences of blockades set up by illegal loggers along Jalan Balak, which was impossible to pass through, and yet the Forestry Department did not act on this.

Since 1990 up to today, the state is unable to resolve the illegal logging issue.

I believe poor monitoring by the Forestry Department could be due to lack of human resources.

I blame the lack of action and monitoring by federal government departments like the Department of Environment to prevent illegal or excessive logging.

To me, the Kelantan government should not be solely blamed for the floods or illegal or excessive logging as government departments like the Forestry Department and Department of Environment must play their part to monitor the situation also.

There is a royal decree by Sultan Ismail Petra. He prohibits royal family members to have logging concessions. He told the executive committee not to “entertain the royalits”. However, we do not know if the royalties use proxies to obtain logging concession.

2. Dato Husam Musa, PAS Salak assemblyman and former state executive councillor of the Kelantan state government:

Husam said that other than logging, there is the problem of “reforestation”. This involves “clear felling” where all trees - whether big or small - are cut and the land becomes a wide open and empty field (padang). This field is later planted with Palm Oil or Rubber trees.

He pointed out that the areas involved included Gua Musang, Kuala Krai, Jeli and Pondok Sungai Durian.

REFORESTATION

Rubber trees are now classified as forestry and are logged as timber.

This is unfortunate, said Husam, because rubber trees are unlike the variety of species to be found in the forest. He estimated that there are many species (about 2,000 to 3,000) of trees and plants in one hectare.

Rubber trees need fertilizers and pesticide, they do not grow naturally, and such methods endangers the livelihood of people. He cited the case of an Orang Asli who died from drinking river water contaminated by pesticide.

Such reforestation activities disturbs the entire ecology of the forest, and leads to the diminishing wild life.

According to state government records, Husam said 500,000 acres have already been approved and cleared for the last 15 years.

He raised several concerns including:

1. There is no policy for clear felling. What is the quota or size of area that can be clear fell?
2. The National Land Council and the Forestry Department do not have policies to monitor clear felling, which is as devastating as excessive logging, and can cause massive flood.
3. With no clear policies by the state government, operators will manipulate the systems, while government officers can receive kickbacks by granting permission to clear fell a particular land.

Husam claimed that such “corrupt practices” as in No. 3 above happens from Kota Bahru to Putrajaya.

The current state government has laid down some prudent practices such as only allowing rubber to be replanted on a logged land.

However, this is only good in paper, Husam said. In practice, planting Palm Oil trees seem more profitable economically, and were allowed to be planted.

“Nobody cares as nobody visits the area to monitor the situation, the Forestry Department turns a blind eye” Husam lamented.

Secondly, the state government's policy is that areas allowed to be logged or clear fell are those which are "poor forests" (or non-productive but can produce 40 cubic meters per hectare of timber).

But after 15 years, how many "poor forests" remain?

There may be none left, but companies continue to obtain approval to do clear felling.

Husam cited a case in Ulusat Forest Reserve (near Machang) where trees on 150 hectares were cut although they are situated on buffer zones.

Such incidences need to be exposed so that they can be curbed as they negatively impact the state's environment, Husam added.

Husam said buffer zones are important to prevent floods. When he was in the state administration (2000 to 2010), he has raised the need for a special enactment for buffer zones in 2009.

Buffer zones can prevent water from rising during the monsoon season, which causes havoc, he added.

NIK AZIZ's ADMINISTRATION

During his term in the state administration under Nik Aziz, Husam said they tried to limit licenses issue for clear felling and reforestation. However, the control would be effective only three or four months, where illegal clearing or reforestation would begin again.

During Nik Aziz's tenure, each company were only allowed to clear fell or reforest 200 hectares.

However, Nik Aziz has granted concessions based on compassion, for example, poor companies which can later carry out welfare activities for religious schools or mosques.

"He has no intention to be corrupt but this practice continues and those involved (logging companies) make use of this to ask for concessions," Husam claimed.

Husam claimed that the current administration allows such activities on 4,000 acres each company. He did not provide any evidence to back his claim.

For example, some companies may have five or six subsidiaries. They can submit 10 applications for logging concessions from different operators.

Husam further alleged that if these questions were raised in the Kelantan State Legislative Assembly, the present administrators or executive councillors would deny the claims.

CRONY COMPANY

We have left out the name of the company for security purposes.

This company was granted approval to log around 3,000 to 5,000 acres of forest reserve called Hutan Simpanan Labir in Kuala Betis.

This forest reserves is situated at the border of Terengganu. Husam claimed that this area has been cut excessively and only a small portion of the forest reserve is left.

When it rained excessively in Gunung Gagau, three states are flooded - Kelantan, Terengganu and Pahang.

MULTIPLE LICENSES

Husam alleged that this company has managed to obtain “multiple licenses” because it is a crony company linked to state government officials. The company was only registered in 2014.

PROCEDURE TO APPLY FOR LICENSE for CRONY COMPANIES

- Register a Private Limited company to do forestry activities.
- Prepare a proposal on how the company plans to carry out reforestation.
- Try to impress state government by saying that company plans to replant fast growing multi-species, which can grow up to 4ft after a year. Such species can be brought in from Indonesia or Cambodia.

NOTE: Such multi-species need a large area, of about 4,000 hectares.

OPEN TENDER SYSTEM

Husam claimed that the state government has not practiced the open tender system for the last 15 years. He recalled that during his tenure, there was only one open tender conducted for a big

concession worth RM50 million. Here, he contradicts former speaker Abdul Rahim, who said that Kelantan - as he knows it during his time in the state government - practices an open tender system.

HUSAM's PERSONAL TESTIMONY

"Nobody is interested in the open tender system. If I had failed when I was in the state government, it does not mean I will keep quiet.

"You can blame me, harass me, but I stand by my belief that such (non-transparent) practices must be stopped," Husam said during an interview with C4.

"I was fighting alone, no one really supported me except the Kota Baru assemblyman Anuar Tan. But it was insufficient as the syndicate is too big."

"Even my security is under threat, harassment and slander are part of it all. I was later expelled from the state government due to this also".

BRIBERY by LOGGING COMPANIES

Husam said loggers often complain that he is inaccessible and unfriendly. Those unhappy have tried to undermine his reputation by trying to dig for proof that he had recommended crony companies to obtain logging concession. However, so far, these quarters have failed to show proof of such incidences.

"It's not about proof, such incidences just did not happen," Husam claimed.

He said only the party's treasurer is entitled to receive money on behalf of the party.

INTERVIEWS WITH ORANG ASLI & OTHERS in GUA MUSANG

1. Goh Ban Hoe, pro OA activist, businessman

There is 55,000ha of forest reserve in Gua Musang. It is in a plan drawn during the colonial times showing the land size belonging to each OA.

The land belongs to the state – the target is for 55,000ha be reserved for OA. It is all gone now because the federal government (former National Unity and Social Development Minister Tan Sri (Datin) Zaleha Ismail) in the 1990s/80s gave the right to JAKOA to log in the name of OA. The customary owner of the land will only get about RM1,000 or RM2,000 a month from the logger. They are still removing logs.

Sultan Kelantan does not have any logging concession in the OA forests. I am not sure if there are in the other areas. It depends on JAKOA (and the federal government) on which company gets approved.

I used to have a company and had also asked (for license) but I never got it. I wanted to build a road – 3.3km in 1993. I spent more than RM100,000 asking the OA. Pandak was around, he became a clerk in my company. He got 500 (money or land – not sure) but JAKOA did not approve it.

JAKOA has a co-op called Koperasi Kijang Mas Bhd (Kelantan dan Terengganu) in Ulu Kelantan which approves the applications for logging in the 55,000ha. A sister company was set up first before it can be approved.

Every year, the federal government give 1,000ha or 1,500ha to be logged using veto system. The JAKOA director can bring company taukey to go into forest and use the logging license. I brought it up with State JAKOA director (in 1996/7 to 2000) in Kota Baru once. I went with 10 OAs but they are afraid to say anything. The assistant director came into the room to ask if I was meeting him to ask for a logging concession too. I was angry and banged on the table. I asked them if they wanted to make OA bankrupt, sell their property. They are not there to help OA. Now, about 1,000 acres of oil palm plantation (in a place, name not sure) is in the JAKOA officer's child's name.

If the federal government does not approve the license, JAKOA cannot do anything here.

In the 1980s/90s, the rot started (when PAS took over). I am always fighting. The OAs are afraid. Last time, I told them you get RM50 to put down your fingerprints.

The Koperasi used to have RM6.8 million in its fund then.

The Koperasi's anak syarikat Ringgit Sesama SB was headed by the person brought in by a 'Datin' (honorary title given to women). The sister company is to buy and sell logs. It is still in operation. There is one area which has not been logged yet. Several thousand tones there but it is not using Ringgit Sesama company. Not sure if they are using OA name which can allow them to meet co-op's target.

Even if I want to take the logs, I have to go through the sister company. The company is very powerful. The Datin put her person, who was a bankrupt, there. He did not have anything when he came in 1997 but he "never finish eating" because in the 1980s, 20,000ha was already cleared by another company.

But in the Forest Reserve (hutan simpan), you can take logs, then again in 5 years (or 25 years), can take again. You can get several millions. So how to finish off the OA land? Yes, through agreements with co-op but it is difficult.

I don't have any logging in OA land. I wanted to help. If I can get license in this area, I would develop the land but I was not given. I used to oppose those days and Pandak was under Ku Li's administration then. The missionaries came in 1990s but what is the point of converting them when they are not being taught to progress. The OAs follow whichever faith as long as there is food to eat. If I did this, I would do it to help bring them better life not just give food.

Additional note – For every one acre, RM500 is paid to the OA. Every time a new license is given, it has to go through the exco. Logging license is reviewed every year. Every year, 1,000 acre is approved in the meeting.

2. A kampung person (name not obtained) - Moved to Taman Sri Galas when I was a kid. Doing work in the village. I have eight to nine children, oldest 19 working in KL, youngest three years old.

Logging has always been going on here since I was a kid. In the 1990s or 2000, they started the palm oil and rubber estates. We believe that is the cause of the floods in Kelantan in 2014 - the large fields given by the state government because since I was a kid until my 40s, I have never experienced such floods but the worst was in 2014.

Out of 30 families here, some people did vote during the 2013 general election. We feel the government has not helped us.

3. Pandak Panjang Ey, 49, Taman Sri Galas, Block C (off Kampung Lambok) with 30 residents, OA (Temiar), kerja kampung. Was a local councillor (Majlis Daerah Gua Musang) for seven years (2007-2014). Lived in Taman Sri Galas for more than 30 years. Was born in Gombak, Selangor. Mother was a cook in Gombak Hospital.

We usually comply. Blockade was done in Pos Balar because logging is widespread now. No company has offered to pay us any money. They only give to the village head (Penghulu), maybe RM50 or RM100. In this area, maybe 30,000 acres under our community but we suffer from river poisoning. We are not pleased with this but we cannot voice this concern.

We were saved from the 2014 floods because we are located on higher ground but we were cut off from food supply. There were floods before but not as big as in 2014. If we look at history in terms of widespread floods, 2014 would have been the third time. First in 1929, then 1967/68. I would say logging is one of the reasons because there are no catchment areas.

I feel logging is still controlled. What is not controlled are plantations because they are too big, up to several thousands of acres. Because for logging, they only take the big trees, not small ones. There are also sustainable areas, and they make sure logging does not happen close to rivers but with plantation, everything is destroyed because it is huge.

Particularly after Gua Musang was made the second largest district in Kelantan, development was identified as a way to vitalise it. And the only way to do it is through the development of plantation to help Gua Musang's economy. I believe even worst floods could occur if plantations such as oil palm and rubber are carried out without control.

I don't think there are other options to generate Kelantan's economy apart from logging and plantation which makes up about 80% of its income. But the question which must be answered is what do OA get from all of this? As a councillor, we could only process the decision approved by the state executive councillor. No OA sits in the executive council or represents the OA in the council. We don't know what decisions are made at the executive council level, how are we to know or prompt the government. We are also not consulted by any government officers.

It is difficult for me to speak about JAKOA because I do not see their assistance apart from welfare services such as building houses, schools or water supply. However, they do not organise consultations with villagers.

I do not know how JAKOA is involved in logging and plantation licenses. Once I attended a land and mines meeting with the state secretary and district officers on lands involving OA communities in 2013. JAKOA reps and the director/assistant director were also called, instead, the department sent lower officers who could not make decisions and kept quiet during the meeting. When I spoke about the problems faced by OA, the JAKOA officers nodded quietly. Later, during the break they made cynical remarks (i.e. who was the one who was talking a lot just now) about me during the break. That just meant they had not taken our problems seriously. It was then I noticed the failure in their role to protect us.

We are given the run around by the state and JAKOA when we approach either to ask about lands given away for development activities. JAKOA claims it was not the one who gave OA lands away, rather it was the state. Both point fingers at each other when we ask either of them as to who approved the application. MB says we need to first discuss with JAKOA which will bring the matter up to the state but JAKOA does not take up the matter. We are basically kicked around.

When Nik Aziz was around, he said, the state would not disturb if the indigenous communities want to carry out their own plantation but the problem is if we do not have an application or permission to plant, how do we know which land is open for us? On the land, it is empty because we only have access to the land, not maps. There is no proper map/plan to tell us which land belongs to whom. The same applies to developers.

According to the procedure, JAKOA is supposed to appoint a licensed surveyor to determine the size and land, and go to the state. The state will then resolved the problem. For instance, Kuala Betis, if you look, there was good planning because the status tanah is tanah kerajaan. We don't have land gazetted for OA.

The Temiars used to be a nomadic community, so we don't have evidence of permanent agriculture sites in the forests. We used to have pig farms and tapioca plantation where we stayed temporarily. I still go hunting in the forest. You could say I am expert. It is a pity not many of the younger ones are. Neither do they know about the forest. There is more than one type of meranti, about 20 to 30 species, like meranti bukit, meranti sarang punai, meranti tepong, and meranti kucing. Nowadays, nobody knows how to identify them. They only study in school about wood furniture but they cannot tell which is cengal or meranti.

During the general elections, both coalitions would come here to promise to resolve our customary land problems, reduce the logging activities, and supply clean water.

Recently, four people suffered from water poisoning after drinking water from Sungai Betis at Kampung Angkek. They were admitted in the hospital. One of them died probably due to pesticides in the water. Lawyer Siti Kassim helped the family lodge a police report.

Schoolchildren live far away from their homes, about 25km from their villages. Logging roads, difficult to reach the villages. Normally, parents would send their children from seven years of age to stay in hostels. They do not know how to look after themselves, wash their clothes etc. They are still at an age where they crave their parents' attention but they have to leave for hostels. If teachers do not understand OA culture, they would get angry. The matter (missing kids) was small but the impact was big because they are young. I don't blame any party, be it the school, JAKOA or parents but I beg that they understand the situation. Please get proper wardens for hostels instead of relying on teachers to double up as wardens.

There is definitely an element of corruption in the logging industry among the company and Village Heads.

The most noticeable impact as a result of logging and plantation is murky rivers and the road/access among villages (eg Kuala Betis to Pos Hau) is badly affected due to heavy vehicles.

The logging system in Kelantan has changed now. They open up smaller licenses ie 50ha. So the company that has license for 50ha, they will not repair the roads because they don't have enough budget as their area is small. In that case, it will always be like that.

Tenders are only a condition but not the rule. The state shows there are tenders but it is the villagers who lose out. Sometimes it is the same company or different company but same owners. Only one or two Village head, not all, are involved in logging activities.

The younger generation still speak the Temiar language. Only two things to identify OA, one - the department (JAKOA) that looks after our welfare, and two – the language is still being practiced. We also practice some customs.

In Gua Musang, there are about 14,000 OAs. We also make some handicrafts like sumpit, and still cook fish/chicken/rice in bamboo. We get bamboos from the forest but we cannot plant rice anymore. We used to plant on hillslopes but it has stopped because there is a lot of customary procedure (pantang). We sell bananas – RM1 a kg. Our daily income is about RM30 to RM40 a day which we earn by doing work in the village. The youths remain here and work in the village.

It has been like this for the past 20 to 30 years (when the tradition of agriculture and hunting and gathering stopped). With the loss of the forest, we lost animals such as selabang, kijang, rusa, kancil, landak and pelanduk. However, Wild boar and elephants are still able to adapt themselves to the environment.

As for plants, medicinal plants such as tongkat ali and kacip fatimah have reduced. It is difficult to find them now. Rafflesias are extinct here already. It is very sensitive to the climate and environment. All this began in the 1980s. We eat fish more now but we have to travel a bit further, a day at least, to catch them because the river is murky due to plantations and logging. We used to be able to catch ikan kelah, lampam, bahong, siea and separong. We collect water from the river using micro dam methods which was built by Mercy Malaysia.

4. Mustafa Along, 29, Kampung Perawas Pos Balar (800 residents), OA activist, kerja kampung

There are various impacts on the environment. There is logging and mining. But the greatest impact on the environment and OA land is logging. It first starts as logging and then becomes forest clone plantation (timber latex clone). If I am not mistaken, the lease is for 119 years but there has never been prior consultation with the community. Perhaps they think OA have no rights.

We have staged two blockades. Once in Parit, Depak for three days in 2011. Then another on Aug 21, 2015, at Pos Balar for 43 days. We want to put pressure on the authorities such as the Forestry Department to stop the activity and to stress the need to consult with us before any activity whether it is logging, mining or plantation that will impact our land. We also want logging to stop because each site has its value for the community. Our community still survive on the forest for livelihood, medicinal plants and custom.

In Kelantan, there are 17 districts with OA villages (about 90 villages) in Ulu Kelantan but logging has been ongoing since the 1980s because in the late 1970s, the government approved a large portion of Nenggiri (about 70,000ha) under logging concession for Kompleks Perakayuan Kelantan SDI Bhd (KPK) – including Hutan Simpan Stong Selatan and Human Simpan Berangkat.

Only my village has a map showing our boundary which we did with the help of OA NGOs. I have the 119-year leasehold plan but it only shows from Kuala Wo' to Pasik only. There are land leases from 2006 onwards but we don't know about them. In fact, in Pos Pasik the government has leased the land but the plan does not show any houses on the site. This just tells you how the government makes decision without consulting with the community.

In my village, logging was identified in an area of about 10,000 acres for rubber clone plantation. The government says most of the forests in Kelantan are 'hutan miskin' (lack of valuable timber trees) but that is a wrong observation. In my village forest, you can see various species such as meranti bukit, meranti tembaga, merawan and mersawa. But they want to clear and turn it into cloned forests. It is 100% rubber clone like in Kuala Wok.

In Kelantan, there is Perbadanan Pembangunan Ladang Rakyat Negeri Kelantan (under the State Secretary) which will look for companies that are willing to lease out for 119 years. In Kampung Kuala Wias, in 1989, there was no access, only via river and travelling cost was high. So the people moved to Kuala Wok. In 2007, the village forest in Kuala Wias was logged and turned into cloned forest. There were old graves there but with no consultation, the graves were destroyed.

Even the Perbadanan Menteri Besar Negeri Kelantan (PMBK) has concessions. I know about 10 companies that are involved although there are more but there is not transparency here. We feel in the Peninsula, native customary land should be acknowledged in the form of customary practice. One of our customs is bersewang (trance-like dance for healing) and we have entertainment, and traditional healing. When our land is not acknowledged, our custom also dies because we don't have a place to practice our custom.

In Pos Balar, our area measures 32,000 acre including hills (more than 4,000 ft high) and burial grounds. Where timber trees are, those areas are not disturbed. About 5,000 acres has been logged and 10,000 acres identified for rubber clone. Supposed to start in 2011 but we fought against it.

In order to plant clone trees, the concessionaire clears the forest (cuci mangkuk) and then plants the trees. In the past, several companies have got concessions in Pos Balar. The first time these companies came (2011), there was no discussion and they brought foreign workers. They cleared 10 acres a day including fruit trees planted by the villagers. At that time only, we first learn that Pos Balar was identified for clone forest plantation.

However, in Kelantan, most of the plantations are leased to a plantation company in Kuala Uyas, Kuala Betis. They got the concessions from Perbadanan Pembangunan Ladang Rakyat.

We used to be a nomadic community, moving every two years after we exhaust the benefits in one area. We move to allow regeneration there. We lived sustainably, that is why there is evidence of graves and former agriculture sites.

During the blockade, a "Datuk" tried to bribe us to allow them to remove it. We lodged several police reports. I am sure there is corruption. All happened during PAS' administration but the Land Code is still a federal law.

We were not badly affected by the floods because we live upstream but we lost access, and there were landslides and could not contact the other villages. We did not get food for two weeks. All this was caused by logging activities because there is no catchment areas. There are five big rivers and tens of small rivers but due to forest clearing, more water flowed into the rivers causing Gua Musang and Kuala Krai to flood.

About 70% of our income comes from the forests while the older generation still rely on the forest for livelihood. We still make handicrafts from rattan (manau and mantan), bamboo, wood and mengkuang (pine). We only take the mature plants.

The land is broken into several segments – settlement, cultivation site, and prohibited area (that area is left to rehabilitate/for burial grounds/hunting).

Dasar Pemberimilikan Tanah Orang Asli (DPTOA) – state government is offering 90-year lease for the house you live in only.

5. Retired JAKOA officer (32 years of service 1974 - 2006), from Kuala Wias, lives in Kuala Wo' (since 1990)

I had different jobs in JAKOA. I was a teacher in village schools such as Kuala Lah, Kuala Betis, Kuala Wias and Pos Simpah. I suggest JAKOA has schools in larger villages (those known as Pos). In the 1980s, the Education Department took over the schools. I returned to JAKOA to do administration work. The issue behind the missing children in Tohoi is because they were forced to go to boarding schools. They are too young to be sent to boarding schools.

A big portion of the forests has been cleared. It is very difficult to look for forest produce. In the 1970s and 80s, we could still forage in the forests. The problem is that there are too many plantations.

My village in Kuala Wias was badly affected. We moved from there to Kuala Wo' as we had no road access.

Perhaps, people outside heard that JAKOA gave license but what happened was back in 1960s, they used buffalos to cultivate the land. Of course, we can't do much then. The state government kept the land under the respective head of Village.

The land was given from JAKOA to till which found a contractor – Koperasi Kijang Mas. But they too did not have much machinery and so they looked for other contractors.

But it is all finished now. So for individuals there are none now. The areas (of various sizes) then belonged to the Village Heads. So you see it is not us that gave timber license but it was the state that gave the departments to oversee the land. We are not rich.

6. A public assistant, JAKOA Gua Musang, lives in Kuala Betis

The community blames us when we were not involved in development plans. The companies speak with the Village Head but people think we are involved. We are not. Then they want us to close shop. People will die if that happens. They say we are selling the land. We are being slandered. Don't listen to what people outside say. We are the victims. Without us, a child's birth would cost RM400. We pay for it. If they close us down, OAs will die. It will be like the Stone Age.

We are not involved with timber or plantation companies. They deal directly with the state government. We also have to find out through the people. If they checked with us, we would be able to say something or stop the activity because there are OA living in that place. The state approves them.

The indigenous land is not acknowledged because it is up to the state. It is not up to us. We have appealed to the state to do that but due to different political ideologies, they see OAs (which are under JAKOA) as federal government. So here is where we clash. Personally, as a member of the Kelantan OA association, I seek the state's help to acknowledge our land but they ask me to discuss with the federal government and the federal says I should discuss with the state. Where do we go? Going by the department, we have written many times seeking the state's acknowledgement for the rights of OA to no avail.

According to Akta 134 (Akta Orang Asli 1954), we used to move about but we did not think that this would happen because at that time there was a lot of forest. We are easily played out because we are small. It is an issue of race. The state should come down and speak with us.

Don't simply listen to irresponsible NGOs who make our people stupid. Malays do not have departments neither do Indians, only political parties but we do not have any party. We only rely on the government and JAKOA.

Who said we give timber licence? We only have license under Koperasi Kijang Mas.

7. Chairman of the Village Development and Security Committee (Jawatankuasa Kemajuan dan Keselamatan) Kampung Orang Asli (JKKOA) Kuala Betis, bordering Pahang, 39 families (members). Now lives in Kampung Ulu Sungai Raya, farmer.

About 5,500 acres in our forest in Kuala Betis was identified under Rancangan Pengumpulan Semula (RPS) by JAKOA but it did not pay the premium to the state government based on its layout plan. Then, the state government (Perbadanan Menteri Besar Kelantan) repossessed 1,600 acres and gave it to a plantation company for oil palm plantation in 1989. [Two types of plantation - one is Ladang Rakyat and another is PMBK. But all are state subsidiaries including Yayasan Kelantan Darulnaim (Yakin)]. Since our land was taken, the state said it will be replaced by JAKOA, who was asked to change its plan but until now there is no plan. The government approved the land to replace it. But there is no state land there, only forest reserve. So JAKOA could not replace.

The 5,500 acres were originally part of the land when we were relocated under the communist threat agreement so that OA would not be involved with communist activities. It was especially for us. So we were forced to live by the river.

So I went and looked for land and relocated here (Kg Ulu Sungai Raya). This is state land and it is about 1,600 acres to replace the land they took from us. I put up a map of this place on a notice board at the junction to my house. The Forest Department officers tried to chase us away a few times but I didn't budge. The government is the one who made us do this. We too need to survive. We too have families and want our grandchildren to survive.

Even the Sultan of Kelantan has said if we (OAs) face any land problem, we should inform the palace. That is the reason I also posted a picture of the Sultan on the notice board. The Forestry Department wanted to fine me RM5,000 but I told them that the law (Akta 134) only requires us to pay only RM1,000.

The trees here have been tagged but we don't know which department or company did it. We learnt that 3,000 acres have been identified for plantation. Inside these forests are all plantations. Only the ones by the road are not affected.

This is actually our original place (Kampung Ulu Sg Raya) but due to communist invasion in 1980, we had to move to Kuala Betis. JAKOA made the agreement with the state for our relocation but sadly there was no written agreement. It became a permanent place because the government fixed water, electricity, built roads and we had some land for agriculture.

Our land here is not only in Kuala Betis, it is also located in Ulu Sg Raya. It is in the government plan (forestry department). My grandfather had 900 acres of land here but that was taken away by the state to be turned into plantation. It is in the map but not recognised on the ground.

Recently, I fought for a grant for Kuala Betis but I only got a quarter acre, enough for a bungalow lot. I just returned from the Lojing DO's office. They are doing a map on the oil palm plantations. We are afraid the plantation company will use our people's name (under JAKOA) and give us RM550 a month from the palm oil produce. But they are only giving half instead of RM1,000. So we are challenging that. That is why I asked the land office to measure the site and count the lot. We want to take back but they are holding on too. Where is the rest of money?

Two things here – Pejabat Tanah and Jabatan Hutan are behind logging, and JAKOA is another problem. We have a lot of budget set aside by the federal government but we still live from hand to mouth. For instance, JAKOA has got development plans to build 50,000 houses but it only builds 25,000 units. We have an indigenous person sitting as a deputy director in the federal ministry (JAKOA) but even he cheats us.

We heard that contractors who want projects pay him first before he signs the contracts. All the money for us is filtered along the way and we only get pittance. Look at the JAKOA offices in the country. By right, we should have our own buildings but we are still renting for several thousand ringgit. Why can't we build? Because they have dealings and get a cut from the company they rent from. We know but can't do anything about it. Only the office in Kuala Betis is its own. That too because of the floods but other parts of Kelantan, the buildings are all rented.

Now that I am living here, JAKOA won't help me with water supply and electricity because they say I am out of the designated area. By right, they should help whether it is one person because we are indigenous people. There is allocation for us. If you notice, Kelantan has the most number of JAKOA officers than other states. That is because there is a lot of money being allocated for Kelantan, and the OAs here are not smart. There are not many who fight like me here. I am an indigenous person, I have the right to live anywhere.

Our timber concession amounts to 54,000ha which the state had allocated for the indigenous community in 1987 (BN admin). The state has no money to give us, so they give through timber

produce in the name of the penghulu (license 2.57 for timber or bamboo). Yakin hands over to JAKOA but they cheat people there. They take the benefit and we are left with nothing. This is why we remain poor. But both political admin cheat us. Now Tengku Razaleigh is quiet but when general elections happen, that's when he comes.

I am not angry with JAKOA but at the officers. The Forestry Department stops us here because they claim it is permanent forest reserve but from what we notice, the forest is gone – logging and plantation. That is why we are not satisfied and so we fight back. PMBK opened oil palm and rubber plantations. KPK is for timber logging. There are many subsidiaries under the state including Yakin and Ladang Rakyat.

In Kuala Betis now, it is not indigenous people's land already. You can tell because there is a signboard saying its state land. So we are seen as illegal settlers. Which is why I asked for a grant there because it is mixed ethnicity - Malay indigenous groups. They look down on us. I don't need a grant here (Ulu Sungai Raya) because this is our land. In Kuala Betis, there are state development plans which means it does not belong to us anymore.

I asked for 10 acres for each family – six acres for oil palm plantation, two acres for dusun and two acres for house. This is what the agreement said last time. It is verbally promised during general elections but our people have become too complacent. They don't say anything. They still want JAKOA to help them instead of being independent and working hard. They are lazy.

I see the forest as my ancestral land. It is sad that they don't acknowledge our land. The flood was bad in my area in Kuala Betis – Kampung Teluk Untung (Block B). In Block B, there are also Kampung Teranek, Kampung Rood and Kampung Raja.

I earn about RM300 to RM800 a month selling banana, tapioca, and rubber. It depends on my luck. This is village life. Sometimes some NGOs send us food. I am living here for my future generation because the state took 1,600 acres from us. I still have my house in Kuala Betis. In this place, we can still practice our tradition and custom. In Kuala Betis, we have lost our culture.

I have sent letters to JAKOA and the state regarding this land to the Attorney-General, Pengarah JAKOA, MB, Forestry Dept. They did not inform me who did the tagging. Federal government opens tender for the forest. Land belongs to the state.

I don't want anyone to enter this land. It is so nice to see monkeys and birds on the trees. If logged, all this will disappear. I still go hunting. There are babi hutan, lutong (kera), kijang, landak, gajah etc.

I have exco minutes in which the state approves the policy asking JAKOA to replace the 1,600 acres in 2004. Till today, they have not done anything. We left Kuala Betis in 2011, still nothing. I wouldn't want the grant (Kampung Teluk Untung) if we were all indigenous persons. It is because the village is all mixed now and in the plan it says Malay reserve land. I need the grant as evidence.

We lodged a police report against JAKOA for allowing a plantation to take over the land. They take the produce and never paid the people - until today. There are 282 persons including 46 Malays whose names are on the ownership forest title, ones who were supposed to get payment for the produce in the RPS Kuala Betis. So this is what I meant, if JAKOA was good, it would not get to this point (where Malays are also on the ownership title). They are bad, that is why I lodged a police report.

The JAKOA belongs to whom? It belongs to us. All the forests have been taken. OA do not have any more land. It has all been taken by plantations.

8. Officer, Department of Environment Gua Musang branch director, three years in Gua Musang

Logging is a matter under the Forestry Department and floods are under the Drainage and Irrigation Department. We only review logging if it requires EIA. That is if it is more than 500ha. We are mostly involved in enforcement against logging and plantation companies. Our job here is connected to infringement against the EIA conditions. If you want to know the size and reports lodge, you have to check with (officer Saiful Bakri) at the head office in Kota Bahru. Our info here is confidential because it's mostly enforcement.

In Kelantan, companies do pure logging less than 500ha. The other is timber latex clone and that is more than 500ha. There are EIA reports of these in Kota Bahru. EIA is done for all rubber latex clone regardless of size but usually it is bigger than 500ha. What happens is the forest is removed and replaced with rubber clones where for 25 years they get to extract latex. They are done in hutan simpan (pengeluaran) miskin. It is not done in pure forests like Belum.

There are 12 forest categories. Hutan simpan miskin is one of them. Those days it was oil palm, now they are doing timber later clone. The only issue is pesticides.

Gua Musang makes up 52% of Kelantan. Lojing is mostly agriculture rather than timber latex clone. There are zones for timber latex clone in this area. There has to be EIA because the impact is big and it is clear logging unlike logging which is selective. With logging, the company returns three

years later to take the grown trees. So the impact is minimal. The bigger impact is only when the logging road is built. Even if EIA is approved, there are conditions. We monitor the activity from the time they clear the forest till they plant (up to Sept because it is the dry season, suitable for earthworks). So we control there.

Timber latex clone can cause pollution and siltation. We have method/control plan. We monitor from the air because you cannot see from the road, but we do enforcement on the site. Under the Forestry Act, there are requirements for water catchment areas surrounding hills. For rivers, there are conditions on what can be planted within the proximity, gradient and the type of soil - agriculture or timber latex clone, whether water would drain fast/erosion. We have to also see right of way and finally, forest boundary.

Plans are approved by exco, not us but there are projects that take place without approval. We basically take them to court. The amended Act now is based on the area, if it's Class 3 or 4, then EIA must be done, regardless of activity.

I heard from DID and Meteorological Dept, that the rainfall was extraordinary in the mountains. Every year, rainfall in Kelantan is recorded at 3,000mm but in the 2014 incident, rainfall for three days was recorded as more than that, and also compounded by high tide. However, there is also siltation. Where does it come from? From the timber latex clone forests. We categorise it as non-point solve because it is difficult to solve the problem, it comes from uncontrollable earthworks.

Land is left unattended, for instance in Lojing, where agriculture takes place. In Gua Musang, its timber latex clone. Almost next to each other. We issued more than 50 notices to plantations/agriculture farms in Lojing because they do not comply as much as timber latex clones. In Lojing, no EIA.

Let me tell you, there are no illegal logging here because they have license but they may break rules such as logging close to river boundary, gradient, or catchment areas. You are given license for 400 acres but you can only log 300 acres. But you go ahead and log the 100 acres also. Then it turns into an environmental problem. Logging has no EIA but the trees are already tagged. That is how some break the rules including working at night.

In Kelantan, there is meranti merah which is a high-value timber. So the loggers like to log in those areas. The Forestry Department also plays politics. You know how much is one license? It is several thousand ringgit. You can log in permanent forest reserve also. It has 12 uses – for preservation, recreation and research. So it depends on the usage. The status remains.

There are also mines within the Forest reserves – gold and iron ore. But they are only allowed to dig three to four feet deep. It has been around more than 20 years. Those with no EIA, we take action although the license comes under the Geological and Mines Department.

We are here to administrate and enforce the law on the environmental quality. We try our best to protect the environment but we come face to face with issues affecting people's livelihood. The environment cannot always remain peaceful. If there were other sources of income, of course the forests would not be disturbed. That is why there are strict laws but even with laws, we are limited in our action. Enforcement has to be integrated.

We are unhappy because projects are usually approved (conditionally or provisionally) by the state before EIA is done. The politicking should stop. DOE is a federal agency. The state has power. Only 70% of places are suitable for timber latex clone site because about a third of the land here is mountainous/highland. It is close to Banjaran Titiwangsa.

We have rejected 15% EIAs because of height restrictions (more than 1,000 metres or 45 degrees) as they are water catchment areas. When it is the rainy season, it is not easy to control. But a lot of the areas have been zoned as logging sites because to do timber latex clone, you need to clear first. So, say out of the activity size (500ha), about 100ha cannot be planted, the state would look for another location for the company to replace it. Why? Because the state needs income also.

9. Gua Musang Member of Parliament Tengku Razaleigh Hamzah (Ku Li).

"When you talk about forest, you talk about mining, you talk about land. Tunku Abdul Rahman regretted on one or two most things. He had related it to me.

One was to the failed notion to take land as a federal subject matter, rather than leave it to the state. Freedom of the press was the other.

This thing (land administration) must be well regulated, well taken care of as a matter of policy, so people will not abuse it.

Corrupt practices, malady administration, many governments have fallen by the wayside because of land. I remembered it to this day his words. This must be corrected. That is what he (Tunku) told me.

My personal view: I think the state governments were short changed during their dealings with the federal government at the time the constitution was drafted for the country. The state governments never thought that there would be this rapid development. And it costs a lot (of money) not to just develop but to maintain.

At this rapid pace, the state governments cannot keep up with the maintenance of all these development throughout the country.

Recommendations by Tengku Razaleigh

I like to propose as somebody who has a little bit of experience in finance. We need to relook into the sharing of financial responsibilities of the state, local and federal governments.

Too much is centered on the central. The states are limited in raising revenue for the up keep of their operations.

They have to rely on whatever resources they have to maintain the upkeep of the state. It costs a lot.

The more bodies you have, the more money is required for expansion.

Therefore, the states are relying on forests, royalties from mining rights and on water supply but they cannot overcharged. Quit rent collected is meagre.

I like to venture into ways of how some of the functions of the federal government can be delegated to the state so they have the means to raised revenue.

The federal government are doing some things in the states but the latter must carry the baby (costs).

The floods are consequences of soil erosion that came from excessive logging apart from other things. There is a connection here.

You should see the river in front of my house. My house was underwater for three days and three nights.

A lot of money was used to repair and renovate. Some families until today (two years later) are still living in temporary shelter.

These are the effects of not having enough revenue. The states are burdened with this problem.

We need to relook into the sharing of this responsibility.

The state has not got any source of funding. They can borrow money from the federal government, but they do not have means to repay.

Logging is the main source of revenue for Kelantan

Logging is the main revenue for Kelantan. There is no mining. Even with mining, how much royalty can they get? Only 5% of the value.

So, the next best thing is to log but how much logging can you do. You need to reforest it. There is the replanting culture but nobody pays attention. The state does not enforce it. To enforce requires money. To follow the regulations require money.

This is a shortcut to bring in revenue. On finding investments into the state, it does not generate adequate revenue. The investments produced goes to federal in the form of income tax, import and excise duties. And the federal takes the credit for job creations.

The states do not benefit from such taxations. The federal gets it. Maybe some revenue from replanting and palm oil but hardly adequate.

The state must maintain rural roads, have enough bodies to inspect land utilization scheme. States are at a losing end. Therefore we must relook into all of these things.

Elements of Corruption in Logging Concessions

There are elements of corruption. We cannot run away from it. I am sure there are corrupt practices. Some are done more openly and some subtle for us to notice. There is corruption, there is no doubt. It happens when big money is involved. I have raised this matter all the time in Parliament on forestry and on many other issues ... They listen ... but it falls on deaf ears.

Those people (enforcement) who are supposedly involved in enforcement are a party to it. They are the people in authority.

Plight of Orang Asli in Gua Musang

They are the biggest segment. There are 10,000 of them and they have always suffered because of inaccessibility. They cannot call where they stay as their land.

In Kelantan, unlike Pahang or Negeri Sembilan, there are no orang asli reserve. I am not for it though. Everybody should be entitled to own their own land. It is part of the free enterprise system. Our rights to own properties.

The orang asli should be given land. Instead they have become a separate entity. Put entirely on a pedestal. They are citizens of our country but more or less, they have become trespassers.

They are moved from place to place and the compensation for their farming ventures are small. Nothing much can be done.

We have applied for land. We want the orang asli to own the land. To emulate what is done for Felda but they do not have the numbers. Old and young alike, they are not many of them.

We try to integrate them. I do not like separate schools for the orang asli. We want to integrate them so they can compete or emulate one another.

I have programmes for the orang asli, we built houses for them but on land which does not belong to them. My appeal to the state for land have fallen on deaf ears.

They are really helpless people. They are always affected by the floods. The riverbeds get swallow and the water just spills over. They have no way to run.

Most unfortunate of people!

Even to send food supplies, is difficult. The helicopters could not get to them due to tough terrain and rising waters.

We have helped them in rebuilding their homes but we need land. I have built many houses over time. Three bedroom houses made of cement. Quite happy for them, we provided clean water and electricity.

But they do not own the land so they are moving from place to place. A nomadic existence. Living on subsistence farming is also not right. We want to train them to become good farmers but we cannot follow them as they do not own the land.

We cannot blame them. I want them to own the land, some pieces of land do get alienated to them but not all of them get it. It is an unfortunate position.

Role of State and Federal Authorities

The state and federal authorities must recognise their land rights.

In some states, there are customary orang asli reserve. In Kelantan, they do not have it. They are like temporary occupants. "Illegal settlers." Also, their numbers are unfortunately small.

I even had them engaged in a farming scheme to grow "gaharu" trees which fetch good value in the export market. But the state did not approve the accordance of land. Have written to the state but no feedback thus far.

Dependency on Logging

We can no longer depend on logging. Kelantan can get all of that, services or investments, but how much money can the state government earn from this.

The state has no sort of revenue to pay for the services and effort they render to the people.

The federal and state must sit down. They must get together and sort out what is the purview of state and federal. And they must raise money for the state to maintain the facilities.

We should not look from a political viewpoint. Look after the people whether they are PAS or Umno voters, they are still our citizens, they pay taxes.

It is their right to demand from the state and federal. Let the state government function not just because of politics but in terms of serving the people.

Presence of Middlemen

The MACC is not effective in fighting corruption in the logging side. There is hardly any arrests and the MACC has got their plate full so many things to chase.

I was told that there are middle companies or middlemen getting in the way. I have overheard it but have yet to see it for myself. So I cannot ascertained if there are real examples of middle companies trying to get kickbacks.

Some of the people are awarded concessions or compartments. They cut the logs of the trees near the concession area but then expand a little bit into forest reserve areas. That is illegal logging.

The forestry department cannot act as perhaps they are in cahoots with them. They do not penalise them.

Are the royalties involved in logging?

I do not know of any relatives involved. A lot of name dropping but I am not aware of any relatives involved in logging. Perhaps there is some in the sultanate (royal) land but they need to get approval of the state government, especially if they are within the forest reserve area. The National Land Council must also sanction before they get to log.

But it depends ultimately on the state government. There are some in water catchment areas which require permission. I am not involved otherwise I will be in the jungle.

How to curb logging

Both federal and state have to bear responsibilities as basically, the states need money, they do not have revenue. Too small to account for the maintenance of the state and to pay salaries of the civil service so they have to log. It is not alright!

Therefore, I am suggesting that the federal and state relook at this arrangement.

Seventy to 80 years old trees are been chopped. And the reforestation is taking too long. The state and federal must meet. It must happen otherwise this country will become a desert. Other states will go on chopping trees.

There is no other way to earn money. There are no longer tin mining.

Seriously, the federal and state must sit down together. We must compel them as we do not want our country to be a desert. And, we cannot go on scolding the state government for doing it.

I suggest that we must form a committee of experts to advise the federal and state government on finding sustainable ways to finance the states.

We must be reasonable to the authorities on where this sources should go; to the state and federal. The federal has many ways to raise money but the states are limited. We must open up this avenue to raise money. We cannot go on chopping the trees to earn the money.

Tunku Abdul Rahman had reminded me of the need to make land a federal matter but again, if you do it, you deprive the state of revenue that they are enjoying now.

State and Federal Governments Must Cooperate

You must remember that Sarawak has oil. Kelantan has none as the government has disallowed Petronas from paying any oil royalty to the state. So where does the state get their money from?

It can only work if the federal and state resolved this matter with advise from the experts. There must be proper management and ways. I think we cannot go on like this forever.

Nowadays when flying in a helicopter, one can see how desolate the areas have become due to excessive logging. The top soil is washed away and it will take a long time before any land can be used (cultivated).

I had also suggested progressive replanting, meaning as you progress in toiling the land via logging, there must be a progressive plan in - placed to replant.

The authorities will tell the logger what type of trees to replant and to clear land in a sustainable manner. And enforcement must be tight. Any encroachment must be met with heavy penalties.

Again, the federal and state must sit together to discuss these matters.

INTERVIEW with UMNO REPRESENTATIVES

1. Umno researcher Mohd Zakri Mohd Zaki

He was instructed by the state party leadership to commence a comprehensive research following last December floods.

The research took several weeks and it was uploaded onto a blog site that he is the system administrator. The site is called <http://sokmo.net>. The entire research piece is uploaded there.

Logging has become a primary source of income for the state government because other commodities are too slow.

Since last year, the global prices of commodities for rice, oil palm and rubber have steadily declined. For example, look at what has become of Felda Holdings!

Hence, the focus towards logging. Kelantan is also short on other minerals such as gold and iron ore while the mining costs has also skyrocketed.

Logging is not the main cause of the last mammoth and destructive floods. An unusual rainfall is, but nonetheless, logging can be attributed as a contributing factor.

It also causes global warming in Kelantan when the green cover is chopped down.

Research points to elements of hanky panky.

In 1920s, Kelantan awarded logging concessions to a colonial company.

The result in 1927 was one of the worst floods in Kelantan. Local media reports depicted that 1,000 lives were lost then.

In the 1960s, another concession was awarded to a Singaporean company. In 1967, another major flood engulfed Kelantan.

In 2010, Kelantan begins clearing land for large scale state driven rubber and palm oil plantations.

In 2014, another major flood – believed to be the worst ever inundated the state.

Research has proven beyond reasonable doubt that logging does contribute to massive flooding.

It also proves that there are alleged shady deals between the state, middlemen and concessionaires.

It is believed to be part of the undisclosed (hush – hush) political contributions.

It could be the same in all states. In Pahang, there is illegal logging due to its sheer size.

But in Kelantan, it is a systematic way of clearing the land – undertaken by alleged syndicates with shady links.

He has also unearthed records indicating that large corporations have links to logging in Kelantan.

Among the names associated with logging is a former Kelantan PAS strongman, who is said to have influenced over PAS secretary-general Datuk Takiyuddin Hassan.

There is no links to Kelantan royalty uncovered. Perhaps, there might be cronyism involved here.

The fault here is also enforcement, the department of environment and the forestry authorities suffer from a lack of fortitude when it comes to enforcing the law.

Umno will continue to press on the issue in Kelantan. He is willing to table a presentation to C4 in a closed door environment about what he has uncovered.

2. Galas assemblyman Abdul Aziz Yusof

There is no denying that the floods last year was caused by excessive logging in Kuala Krai and Gua Musang districts.

The Kelantan state government was paralysed due to the floods and could not react decisively to render assistance.

Umno and the Federal agencies had played a crucial role in coming to the aid of thousands of affected villagers.

The floods were so intense until rescue operations aboard speedboats needed to be halted due to the strong currents.

The effect was floating about in the open seas, Abdul Aziz said when relating his personal experiences.

There was no enforcement on logging activities. Enough of the blame game. Now it is time to resolve the issues related to flooding

3. Former Kelantan Umno secretary Tuan Hashim Tuan Yackop.

The claims are rather old ones but the problem in Kelantan, is the lack of evidence about excess logging.

Also, the inter-agencies between the state and federal side are weak because of the political divide between PAS and Umno.

It meant that the government officers prefer to remain silent rather than get caught up in the middle between PAS and Umno.

He welcomes any non-governmental organisations who are keen to take on the issue.

Currently, there is a climate of uncertainty faced by the people with the monsoon weather arriving now.

The bet is that the state will face another round of floods. He understands the federal has revamp how they cope during flood emergencies.

That is the outcome from last year's one.

4. Dato Md Alwi Hj Che Ahmad, Kok Lanang assemblyman:

This Umno politician says that the great flood of 2014 was an accumulative effect of logging over the years. He had no evidence to back his claims.

He said there were other great floods in 1920 (due to excessive logging in Tanah Merah to build a railway track), and 1967 (also due to excessive logging since 1960).

He claimed that the Kelantan Menteri Besar had admitted, when asked, that the state's forest reserves remains at 600,000 acres, of which 123,000 had been logged.

Alwi explained that since the state's revenue is very low - less than RM3 million - the government had to rely on logging and mining, and concessions for both businesses are granted to many companies.

He does not rule out the possibility of crony companies being granted concessions to log and mine, but does not have the evidence to back his claims. He describes this as "penyelewengan terancang" (organised or planned misappropriation of funds).

His recommendation to resolve the matter is "change the government". PAS had defeated BN in 1990, and has since been in power. The late Nik Aziz Nik Mat was the long serving Menteri Besar since then until his demise in February 2015.

Alwi refuted allegations that a BN state government would have practised the same policies which lead to similar outcomes.

He pointed out that other states, which also carry out logging activities, have not experienced such great floods, like Perak. The situation in Kelantan, according to him, is not just the issue of great flooding but loss of natural resources as well.

5. YB Mohd Yusoff Abdul Ghani, Nenggiri:

This BN representative asserts that logging activities have reduced in his constituency. He has noticed fewer lorries plying timber. He attributed the reason to the reduced profits for timber, and not on the state government's effort to control logging.

OTHER INTERVIEWS

INTERVIEW with the 'LOGGING KING'

(Name withheld for security issues)

1.

- Felling of trees following Forestry Department rules creates no (environmental) problems. The rules entail that we can only cut 30% of the total volume of timber in a forest area. We cannot take more as it would adversely affect infant trees.
- Note that a tree starts deteriorating after 50 years.
- Each tree also start seeding after 20 years. So when we remove trees, it helps sunlight to penetrate over the seedlings.

2.

- He does not support clear felling as it would mean wholesale clearing of trees from an area to plant rubber or oil palm trees. By doing this, the company kills the forest permanently.

3.

- He says he has seen records of rainfall in an area called Gunung Gagah, where rainfall waters from Kelantan, Terengganu and Pahang converge. In the British colonial days the area was known as a critical point for heavy flooding.
- In one day in 1924 there was at least 680 ml of rainfall recorded there. In comparison, end of 2014, in just one day, there was 534 ml recorded.
- So the floods that happened in Kelantan in late 2014/early 2015 were less than floods in the past when communications were poor.

4.

- He questions how there were floods when there was no (major) rainfall.
- Well, several dams were opened at one go in late 2014. These include dams in Cameron Highlands, Jeli, Kenyir and Temenggong. This led water level to rise 20 to 30 feet in just six hours.
- He says it is a practice to release water from dams to accommodate rainfall.

5.

- Forestry officials take share of illegal logging. These officials tell and require loggers to cut timber outside the allocated limits. "It is impossible for a logger to steal without the forestry officials knowing."
- Sometime the Forestry director or head in an area instruct staff not to go out on the field for one week. This is when the logger clears illegally outside his limits.

- According to the Forestry Department, loggers can only cut up to 5,900 hectares of reserve forest a year, he says.

- Also state government can convert NCR land to state land. Once converted, state can issue grants for logging to take place here.

6.

- He says Razak Abas, a businessman supporter of the PAS government in Kelantan, has been clear-felling and replanting with wrong trees like rubber and oil palm.

7.

- "There is no free lunch."

- The bribe for logging (inside and outside limits) is RM1,000 per acre.

- **There has been no open tender for the last 15 years.**

- MACC cannot intervene unless money (tangibly) exchanged. MACC also comes under the jurisdiction of the PM's Department.

8.

- "There are thousands of loggers in Kelantan."

- My family had been in timber industry since the 1940s. I started 30 years ago.

9.

- Husam, when he was executive councillor, was the one wanted to give away 20,000 and 30,000 acres of plots (from forest reserves). Husam is at fault.

10.

- For one acre, his best yield has been 30 tonnes, fetching about RM60,000 in profits.

INTERVIEW with a LAWYER familiar with logging contracts

1.

- The public only gets to know about logging contracts that are awarded via the mass media, not from the government.

2. (on the connection of floods in late 2014-early 2015 to logging)

- At the State Assembly sitting today (2 Nov 2015), the BN opposition asked about the causes of the floods. The reply was that there was extraordinary rain and low land absorption of water. "I am not satisfied with such an answer. "

- The flood waters were yellow. It was dense (with soil) to a high level. My house which was flooded was full of soil.

- So it was soil from the hills.

- The state government must perform a comprehensive study on the causes. Logging maybe a cause, but it was not the only cause.

3.

- We have not heard from officials about how the government machinery would move and respond if the floods happen again.

4.

- From the point of view of legislation (against excessive logging), it is sufficient.

- What is lacking is supervision, control, enforcement of the logging activities.

5.

- Land jurisdiction is under the state authority. Federal interference in our land matters is somewhat limited ("agak terhad") unless it is on related matters legally under federal jurisdiction.

6.

- There are certainly "contributions" to political concerns (in the awarding of contracts) by individuals. There are 2 or 3 cases he knows of (he does not name them).

- The use of middleman to get contracts is how a political party member gets involved via a proxy.

- There are even agreements drafted by lawyers, for the proxies and the political quarters for transaction of money. As lawyers employed to draft the agreement documents "we do not ask (our clients) about this."

7.

- Timber is a "treasure" for the political parties. It's not just the PAS government. The BN government also took advantage when BN in power before.

- Preconditions are set for those getting contracts to give certain returns to political party in power.
- The amount depends on the area that is logged.
- We are cautious because this issue of logging in Kelantan can uproot (“tumbang”) the state government.

INTERVIEW with KELANTAN STATE EXECUTIVE COUNCILLOR

Abdul Fatah Mahmood - state executive councillor on logging, local government, housing, youth and sports

1.

- The floods of late 2014-early 2015 were caused by geographical factors where certain lands were affected by extremely high tides.
- So other alleged causes are hearsay.

2.

- Kelantan’s forestry management is among the best in the region. Has received award. Check with Forestry Department.
- There are some areas of our management where we can improve on.

3.

- We will not give land titles for housing on sensitive areas like riversides and forest reserves.
- Also logging is not allowed in highlands.
- “We are taking aggressive steps.”
- He says Menteri Besar has directed that enforcement against illegal logging be stepped up, in the last state assembly meeting.
- Also, the number of staff and vehicles in the Forestry Department has been increased.

4.

- On Umno’s allegation that access to logging contracts information is secretive he says that the logging (management and awarding) process is open.

- The secret is when the contracts have not been awarded yet, we cannot expose the companies at that stage. That is their right. We have to follow procedures.

- There is no bribery in Kelantan. That is what business people are giving feedback.

5.

- He describes how companies may “sneak in” to conduct excessive or illegal logging by working with charitable NGOs that are given special land titles and cultivation permits.

- The background is this: Many NGOs are asking money from the state government. As the state does not have enough funds it is not able to give them money. So the state gives them rights to manage over land or “ladang kebajikan” to cultivate. “That is their right.”

- “We endorse them as charity NGO at the state level to conduct such activity.” So they can venture themselves to gain income and state does not have to give them money.

- That is our policy.

- The state government knows its limited capacity. So we allow NGOs to gain income themselves.

6.

- The logging investors enter into the scene through these NGOs to conduct ventures using the NGOs’ permits. They have their private business understanding with the NGOs. Their intentions may be bad. That has nothing to do with us.

7.

- On Husam’s allegation that a company has been getting logging licence repeatedly, Abdul Fatah says Husam should answer that himself. (Because Husam was the exco in charge previously).

8.

- He says he has no issue about coming as a speaker during a forum on the subject.

9.

- Stresses PAS government’s focus on ethics in its Islamic administration. One must be able to speak with Allah (meaning one’s own conscience) in performing duties related to governance.

10.

- He spoke at length on state’s activity to provide housing to squatters and others affected by floods.

- He elaborated on the Rumah Kekal Baru (RKB) in which the state government, federal government and NGOs are contributing.
- He spoke on help and housing options rendered to flood victims living in tents.
- He also spoke on plans to have more generator sets and amateur ham radios for sites and remote places, so that victims can use these during floods and other disasters/emergencies.

INTERVIEW with Kelantan Gerakan Youth members

Than Sew Kun (chairman), Ong Khang Woon (vice-chairman), Suhaimi Awang, Raja Muharini, Tan Eng Choon:

1.

- They know first-hand of people who “walked into the Forestry office” and got logging licences, and later sold these to other parties.

2.

- On the floods of late 2014-early 2015, they point to the controversial “Kenyer Dam 2” project. (Officially the project has not been permanently named. It’s temporarily called Projek Empangan Hidroelektrik Hulu Terengganu.)
- The flood waters came from there.
- The project was supposed to have been completed by end of November 2015, but not done yet.

3.

- There is info on the web on the “Kenyer Dam 2” project’s alleged link to the floods.

<http://www.kujie2.com/pengetahuan-am/kenali-empangan-kenyer-2-empangan-puah-empangan-sungai-tembat.html>

Malaysian Anti-Corruption Commission, Kelantan director, Datuk Abdul Aziz Aban via an interview in The Rakyat Post dated December 20, 2015:

Weblink:

<http://bm.therakyatpost.com/berita/2015/12/20/rasuah-di-sektor-pembalakan-sangat-tersusun-sprm/#ixzz3uvAvheaQ>

According to Abdul Aziz, corruption involving illegal logging activities are well-organised.

The situation is compounded by the fact that it all happens inside the jungles, where there are no witnesses. Such situation hampers investigations by MACC.

But based on its findings, the MACC believes that bribes are given to government officials by concession companies to allow them to continue to log illegally and to escape/ avoid punishment.

MACC has received many reports and complains involving such activities between logging companies and Forestry Department officials but witnesses have refused to come forward to substantiate the allegations.

This may be due to the possibility that the complainants are also loggers.

Abdul Aziz revealed that a logging king has offered a bribe of RM30,000 to a MACC officer who was undercover in a case in Pahang - to avoid legal action.

In 2015, 35 suspects have been detained, compared to only 11 in 2014.

Ian McIntyre, journalist, who covered Kelantan and the logging issue.

Logging in Kelantan is a long standing issue and a complex one. When I began reporting about it in 2006 during my stint there as a correspondent with the STAR, I faced many hiccups.

Firstly, the authorities and politicians are not fully cooperative and there is no transparency in the deals - everything is done under the wraps of the state government.

When I had exposed the rampant land clearing in Lojing, there were claims that the Kelantan royalty, namely the then Raja Perempuan was involved.

However, we were recently told (during our interviews with several Kelantanese politicians that there is no such thing and if there are, it could be hidden by the cronyism.

Many layers are put in to shield the persons involved. There were many media reports done since then (2006) but no action has being taken by the federal and state authorities to mitigate the issue.

In Kelantan it is made worst by the complexities in dealing with the federal, state, local and royalty elements.

It is also made worst because logging and deforestation has become hotly politicised.

Nonetheless, there appears to be an opening to probe further into the issue following the landmark floods of last year as the devastation has caused an outcry among many quarters.

ANALYSIS

A. Lack of transparency

1. Logging is big business in Kelantan but its day to day operations and how logging concessions are awarded to private companies are shrouded in mystery.
2. During our research, we found that proper procedures or guidelines for the application or approval of logging concessions are lacking or not available. Such information is not available on the Internet or government websites.
3. Questions abound as to whether there is an open tender system in practice or if concessions are granted via direct negotiations or request for proposals. A source recalled that only once, an open tender procedure was applied during the award of logging concession. It was during the late Nik Aziz Nik Mat's tenure as Kelantan Menteri Besar (1990 to 2014).
4. Such lack of transparency has given rise to claims that a "crony" company has been granted multiple concessions. However, due to lack of information and having no access to official records or documents or minutes of meeting of the committee which reviews and approves concession awards, we have been unable to verify this claim yet.
5. Although the researchers have made an effort to contact, interview and have submitted questions to the MB's office in December last year, the response was not forthcoming.
6. Reports or records of the companies granted logging concessions are not easily accessible. We can only hope to obtain the information by writing directly to the Menteri Besar's office or the Forestry Department, which reports to the federal government in Putrajaya. However, the response from these departments are met with silence.
7. Due to lack of public records, it is not certain how many acres have been allowed to log, and whether the concessions granted to each companies are transferable.
8. Important reports from the Forestry Department, State or Federal Land Office and the Forest Tender Committee are not open for public viewing.
9. These reports were also not tabled at the State Assembly Sitzings, according to the Kelantan Opposition parties (BN).
10. It is not certain whether Environment Impact Studies have been carried out before reforestation or replanting activities. There are claims of rubber clone farms in areas which have been logged with no EIA conducted.

11. It is learnt that according to the Department of Environment, farming of rubber clones as replacement for reforestation will destroy water catchment areas.
12. Generally, there is a lack of commitment from all parties in addressing issues of excess logging.
13. Both the public and private sectors need to focus on the scourge of corruption in the industry, as if left unattended, it will continue to pose a danger to the environment.
14. Man – made disasters in Malaysia, are on the rise from haze to landslides and now the record high heatwave in the country.
15. The Malaysian Timber Certification Council portrays a rather impressive outlook of the industry from the Malaysian perspective via the regional or global outlook.
16. According to reports available online, the council impresses on the World Wide Web that Malaysia has been practicing sustainable management in its timber industry for over 100-years.
17. The forestry department is one of the oldest, it was formed in 1901 to ensure a systematic forest reservation policy.
18. And the department's records showed that about 80% of Peninsular Malaysia was under forest in 1935 and now the forest cover in the peninsula is hovering around 43% while in Sabah, it is at 59% and Sarawak at 81%.
19. As a whole, Malaysia's forest cover is 61%, well above the Asean region averages. (Please refer to table below: source - World Bank 2012).
20. It looks nice on paper, but there is a shortfall between what happens on the ground and what are reflected in research reports made public.
21. For one, the devastating floods in Kelantan, showed that land clearing is rampant and it definitely has an effect on the ecology and the surrounding habitat.
22. The natives – the orang asal, can testify to it, if they are not allegedly coerced to be a party to anything illegal inhibiting the timber industry.
23. The government expects the timber industry in Malaysia to contribute RM53 billion to export earnings by 2020. This is more than twice the present revenue.
24. To ensure the projected goal of RM53 billion could be achieved, an adequate and sustained supply of wood raw material is important for the further development of the timber industry.

25. To this end, under the National Timber Industry Policy, the government has set an ambitious goal of establishing 375,000ha of forest plantations by 2020 to supplement the wood supply from the natural forest.

26. Malaysia's certified timber and timber products have been exported to 45 countries, some of which have strict requirements when it comes to adherence to international standards.

27. The countries include:

- United States that imported RM2.4 billion or 12% of the total exports of Malaysian timber and timber products in 2014
- European Union that imported timber exports valued at RM2.04 billion in 2014
- Australia that imported timber products worth RM900 million in 2014

28. On the whole, Malaysian wood and wood products especially furniture is exported to over 190 countries around the world to both countries that require and don't require timber certification.

The timber industry employs about 300,000 workers in the country. (Extracted from aseantoday.com)

B. Lack of initiatives to combat corruption

1. So far, there is lack of effort or action to promote more transparency in government dealings to prevent corruption or bribery in the award of concessions for logging due to the lack of access to information and the closed door policy of the state government.
2. The uncertainty of whether an open tender system is practiced in the award of concessions give rise to suspicion and doubt if the process of approval of logging concession is free from corruption.
3. There are claims by reliable sources of the presence of "middle-men" to negotiate logging deals with the state government. Why is an agent necessary if there is an open tender system?
4. There are claims that the middle-men or agents are involved in "under the counter bribery" or their role is to pay kickbacks in terms of "donations" to the state or federal officials involved in reviewing and approving the logging concessions.

5. Nik Aziz's offering concessions based on "compassion" as in benevolent companies willing to fork out money to fund the state's welfare programmes must not be taken lightly as this is another form of corruption, though subtle in nature.
6. However, these parties may not feel guilty of their actions as there is also a precedent to such cases, for example, the RM2.6 billion donations deposited in Prime Minister Najib Razak's private bank accounts before the 2013 national polls were not deemed as corruption by the Attorney-General, it is likely that private companies offering "donations" to political party coffers or pro-party NGOs for their various charity causes.
7. In private, many players in the industry have claimed that logging is a key industry for the state coffers in Kelantan, hence the lack of political commitment and will to ensure that the industry is transparent enough to appease the various inquiries about its sustainability.
8. They sincerely believed that if there is more stringent checks, it may cause the cost to escalate in conducting the business of felling the logs.
9. To enforce effectively means more funds allotted.
10. Enforcement officers need to patrol around the clock in fertile timber land, but who is going to pay them allowances for it?
11. Such a scenario is prevailing either during the Barisan Nasional administration of Kelantan or when PAS took over from 1990 until now.

C. Over dependence on logging

1. Kelantan needs to review its over dependency on logging activities to fill its coffers but it continues to do this at the expense of the environment.
2. In April 2015, the Auditor-General's report mentioned that in terms of overall revenue (Jul-Oct 2014), there is an increase in revenue from RM50.91 million in 2012, RM59.03 million (2013) and RM64.94 million in 2014 from logging activities.
3. With increasing revenue, it is not likely that Kelantan would focus on obtaining alternative sources of income, for example, from the Tourism or service sector.
4. The Great Flood of 2014, where close to 200,000 people were displaced, and 21 lives lost, may eventually pressure the Kelantan government to consider other forms of activities to collect revenue for the state but there appears to be no effort or discussion in this direction.

5. Tourism has often been said to be another area where Kelantan can obtain its revenue from, especially if it considers marketing its natural resources for more beneficial projects like a botanical garden, forest reserve or river project which can attract local and international tourists.
6. State government officials have blamed the lack of help from the federal side in helping create new economic opportunities in the state. However, it is time that the two entities put their differences aside to help Kelantan break-away from its dependency on logging to embrace more sustainable economic activities like tourism.
7. Studies must be done to show how environmental disasters due to logging, like floods, loss of livelihood of the indigenous communities and involuntary displacement would eventually cost the state government more.
8. For example, the state government is forced to look into its welfare housing budget to build homes and shelters for the displaced, and to provide food for the poor. It is forced to collaborate with the federal government on rescue efforts and flood mitigation.
9. Such disasters would also lead eventually to more funds for structural reforms like construction and repair of roads, buildings and bridges.
10. Environmental disaster like landslides or floods can damage the state's natural habitat, and cause the extinction/displacement of floras and faunas, animals and birds, agriculture, biodiversity, which may lead to water pollution issues, which affects health, environmental sustainability which would make it a challenge for Kelantan to consider other forms of revenue like tourism.

D. Lack of enforcement and cooperation between state and federal government agencies

1. There is a "systematic and unabated forms of logging" due to lack of cooperation between the state and federal agencies like the Forestry Department and Department of Environment to monitor logging activities, to prevent illegal logging or to stamp out corruption in the approval of award of logging concessions.
2. Such lack of monitoring or control of logging activities have caused massive losses (about RM14.6 million) for Yayasan Islam Kelantan. The Kelantan opposition have accused the state government of poor management of the foundations, which is to help alleviate poverty and improve the quality of life of the poor.

3. The blame game between state and federal has often become a staple excuse to shield either side from taking more responsibilities in sustaining the industry.

E. Lack of policies on logging

1. There are no policies related to clear felling and reforestation.
2. Such lack of policies are compounded by lack of control and monitoring of logging activities which allows the logging companies to act wantonly or log illegally beyond the terms of their concessions.
3. There is an in-house policy on sustainable logging in Kelantan.
4. But unfortunately, it is not shared in the open as there is a tendency to presume that if it is transparent, it could in turn damage the industry.

F. Poor access to information

1. There is no public information available regarding the area or acres which have been logged since 1990. 1990 was also the year that PAS defeated BN in the national polls, and came to power in Kelantan.
2. There is a lack of public information on the areas and number of acres where clear felling were carried out since 1990.
3. How many acres of reserved land have been allowed to log since 1990, and where are these plots located?
4. There is no public information available for the acreage or plots which have undergone reforestation or replanting.

G. Environmental disaster - great floods of 2014

1. Based on media reports, heavy rainfall caused widespread flooding in Kelantan, Terengganu, Pahang and Perak.
2. Death toll remains at 21, while 200,000 were forced to evacuate their homes.

3. As of Jan 2, 2015, media reports claimed that almost 85,000 remained in shelters.
4. The states and federal governments have promised to build homes for those displaced.
5. However, it is uncertain if the 1,000 units promised by the Kelantan government have been build.
6. The Kelantan government or federal government in Putrajaya have yet to issue a concrete report on the causes of the great floods. This report, if available, can help Kelantan be more prepared for future disasters.
7. According to the National Security Council, (NSC) the Kelantan floods were the worst recorded in the history of the state.
8. NSC reported that river levels in December 2014 exceeded those of recent record floods of 2004 and 1967.
9. It was widely claimed by all those interviewed that the massive floods was caused by excessive logging, reforestation of poor quality replanting, and lack of flood mitigation efforts.

H. Marginalised community of orang asli

1. Kelantan has no policy for customary land for the orang asli community, and this makes the orang asli a “guest” on the land their ancestors have lived for generations.
2. There is no proper status or classification accorded to the land on which the orang asli makes their home.
3. There is no significant effort taken by the state (besides JAKOA which is a federal body) to protect the land belonging to the indigenous community. If there are efforts, we cannot seem to find them during our research.
4. Why has there been no free prior informed choice (FPIC) particularly when Malaysia ratified the UNDRIP?
5. The state decides on land matters involving indigenous rights without consulting the community nor were their customary rights taken into consideration.
6. There is no systematic approach to compensate the community for their losses or when they are uprooted from the land which they have cultivated for generations.

7. Without classifying it as customary land, the orang asli community continue to feel victimised and marginalised as they have depended on the forests to survive for centuries.
8. Who is responsible for the engagement of orang asli community before the concession is awarded to logging companies and what is the standard operating procedure for this? It is not clear whether the JAKOA or the state has its own department to deal with the affected communities.

RECOMMENDATIONS

1. Improve Transparency, Accountability and Good Governance

- The Kelantan government must immediately draft and pass a law of Freedom of Information in the state legislative assembly.
- Kelantan can draw many examples on the usefulness of the law by reviewing the states where the Act is enforced. For example, in Penang, the opposition is able to apply for concession agreements related to reclamation works inked by the present Pakatan government led by DAP.
- Publicise the procedures to apply for logging concessions.
- Publicise the companies bidding for the concessions, and those which have been awarded or at least issue a report on the process of deciding the concessions to be given.
- Open for public viewing details or mapping of the areas which has been awarded to private companies.
- Both the Kelantan government and Putrajaya can increase human resources in the relevant departments like the Forestry to ensure proper monitoring is being carried out in the forests to prevent excessive and illegal logging.
- There must be a once and for all strong political will to address and mitigate the problems which come from logging.
- There must be a strong authority formed to oversee the enforcement of regulations and the amendments to legislation must be debated and held in the open.
- History has shown in Kelantan that both PAS and Barisan Nasional have failed to live up to the expectations of transparency when it comes to the logging industry.
- The fact is that there are often allegations of wanton disregard to mother nature and the regulations.
- But, because it occurs in the discreet areas of forest coverings, it is difficult to locate the evidence.
- There are hardly any cases of forest encroachment brought to court in Kelantan and the culprits are said to enjoy some form of immunity from prosecution.
- The authorities find it difficult to show the burden of proof.

2. Protect the rights of indigenous community like the Orang Asli

- The Kelantan and federal governments must enforce the law where land is reserved for Orang Asli.
- The state government cannot evict the OAs from these lands as they have been gazetted to be reserved land.
- There is a land enactment for AO since 1923, and this law supersedes the National Land Code.
- Form a task force or committee to study this issue and to propose further legislation to ensure that proper laws relating to the protection of the indigenous communities are enforced.
- The plantation sector is close to the hearts of the OAs. There are growing concerns that unchecked plantations are an increasing problem for OAs. In unchecked plantations, pesticides and fertilisers used can cause water poisoning and danger to lives of the OAs. Proper management & regulation of plantation is necessary.

3. Forestry Department must:

- State how many licenses have been issued for clear felling in so-called “poor forests”.
- State how many trees have been cut, stamped and recorded by the Forestry Department.
- Show proof that the areas which were allowed clear felling were actually “poor forests”.
- State the coverage of areas planted with rubber trees or palm oil trees.
- It is learnt that each concession allow 500 acres to be logged but how long is the permission valid? A company does not log all 500 acres within a day. If the concession is not limited by time, the logger’s family, including grandchildren, would continue the logging activities in the future.
- Whether it monitors acreage logged by each concessionaire to avoid the possibility of them cutting more and replanting bigger than the area permitted.
- State action taken to preserve buffer zones for river system. These involves huge trees, which are at a danger of being logged even though they provide buffer zones to prevent excessive floods or landslide.
- Enforce severe punishment on culprits who flout the guidelines and quota for logging to clear felling, and those who do not honour the terms of their concessions (for example, clear felling only on poor forests).
- State how many acres of this forest reserve are left.

4. Department of Environment must:

- Explain if excessive logging in this area has caused the massive flood of 2014.
- Publicise its report or probe, if any, of the impact of logging activities in the Kelantan forests, which could have led to the massive floods in 2014.

5. Malaysian Anti-Corruption Commission (Kelantan branch)

- Efforts to contact the Kelantan branch of the MACC was futile during the research period.
- Except for one interview on an online portal regarding illegal logging, information on the link between logging and corruption is scarce.
- MACC must provide information on how many cases have been lodged at its office on illegal logging, how many of such cases it is investigating and whether it has recommended any case for prosecution.

6. Central Management to Close Bureaucratic Loopholes

- The forestry and logging management has to be managed centrally, to close down on bureaucratic loopholes and the blame games.
- Conflict of interest between all departments involved in logging activities must be removed by political will of all parties concerned.
- A major issue at the moment is the lack of cooperation between state, federal, JPNK, JAKOA, DOE, and political parties.
- By centralising the problem, there would be no opportunity for them to play the blame game.
- In fact the public would now have one designated place to point fingers at.
- However, transparency is crucial for centralisation, or the issue would be at risk of being buried deep within the bureaucratic machine.

7. Clear Guidelines for Enforcement, Monitoring and Penalties

- It is time for Kelantan to propose and implement proper policies and guidelines on enforcement, monitoring and penalties for illegal logging.
- These guidelines need to be presented in the state assembly, and gazetted so that all state government agencies involved in logging activities would comply with the guidelines, which must be precise and clear on what it hopes to achieve.

- In the guidelines, it must be stated 1) when to monitor the areas logged 2) What are the Key Performance Indices (KPIs) & standards? 3) Who are the enforcers? 4) How to select them ,and 5) What are the penalties? [specific punishment].

8. Public Education & Local Action Committee

- Once these guidelines are ready, educate the general public on the issue of good governance, transparency, accountability involving logging and protection of the environment.
- Public consultation especially with affected communities like the OA is paramount, therefore efforts must be made to educate the relevant stakeholders on the steps that they can take to be active (local watchdogs).
- Create a supervision/monitoring committee from the locals (villagers, OAs, local councilmen, politicians).
- A local problem can only be solved by a local committee. Supervision needs to be from ground up, as they live within the “situation”, so they actually comprehend the issue thoroughly.
- This committee should report to either an unbiased agency, or the centrally managed forestry agency mentioned above.

CONCLUSION

The researchers in this study have tried their best to ensure that the report is balance by interviewing a broad spectrum of stakeholders, from all sides of the political divide.

It is hope that this study can open up a healthy discussion among various sectors and restore the focus of the relevant authorities to protecting the environment and the rights of affected communities, while at the same time, promoting transparency, accountability and good governance.

The time has come for both the state and federal agencies to be more responsible for repercussions like flooding and destruction to the environment that has been brought about by excessive and illegal logging.

Both administrations can do this by improving their monitoring systems, by ensuring tighter control but more transparent process of vetting applications for logging from private companies or individuals.

All these can be achieve by promoting better participation of communities directly affected by logging in the governments' decisions making process to award concessions.

We also hope that this study can promote better cooperation and working relationship between authorities like the state government, local council, forestry department, JAKOA and Department of Environment which must all come together with the same purpose of ensuring the best for the state, environment and affected communities.

We maintain that this report is not for the purpose of toppling a democratically elected state government but only serves as a purpose to see a Kelantan that can sustain its government and people without resorting to measures that would harm the environment or the communities who live within those spaces.

Everyone consigned to compile this report did it with a sense of wanting what is best for Kelantan. Nobody wants to relive what occurred two years ago in Kelantan where the wrath of mother nature was overwhelming.

Kelantan was inundated for several days and help did not arrive in time for some people.

The state is technically already poor, but the floods have it even more difficult for the victims to regain their footing in life.

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