

SABAH FORESTRY DEPARTMENT NOTICE

SALES OF GREEN LOGS BY AUCTION

DERAMAKOT FOREST RESERVE SUSTAINABLE FOREST MANAGEMENT, SANDAKAN, SABAH, MALAYSIA

I am pleased to inform you that the auction of various commercial species of tropical logs from an **FSC Certified Forest - Deramakot Forest Reserve** Sandakan, will be conducted on **July 13, 2018 (Friday)**. These logs were produced by eco-friendly harvesting systems and in conformity with Sustainable Forest Management principles.

REF. NO :	Batch 1/2018		
AUCTION DATE :	July 13, 2018 (Friday)		
TIME	9:30 am (Please register early, latecomers will be barred)		
VENUE :	Conference Room, 3 rd Floor, District Forestry Office, SANDAKAN,		
	SABAH, MALAYSIA		
GENERAL			
SPECIES	Species	Approximate	Upset Price (RM)/M3
COMPOSITION :		Composition	
		(%)	
	White Seraya/Yellow	16	410
	Seraya/Melapi		
	Red Seraya/Oba Suluk	33	510
	Keruing	19	510
	Kapur	22	510
	Kembang/Nyatoh/	1	360
	Pengiran/Kembang		
	Semangkok		
	Mixed Timber	6	220
	Selangan Batu	3	550
APPROXIMATE	Approximately: 7,000 M3		
TOTAL VOLUME			
LOCATION OF	SAPAPAYAU Log yard, KM 4.5 Tangkulap Road, Telupid, Sandakan, Sabah,		
LOGS:	Malaysia		

AUCTION ITINERARY

The latest list of log description and auction specifications will be available at our website <u>www.deramakot.sabah.gov.my</u> or will be sent (BY REQUEST) to interested parties by fax/e-mail on July 11, 2018. It can also be obtained from the Head Economy, Industry & Statistics Division, Sabah Forestry Department HQ, Sandakan (<u>Tel:60-089-242869/242613</u>: Fax: 60-089-666170, e-mail: <u>Andurus.Abi@sabah.gov.my</u> or <u>Hassan.Baharun@sabah.gov.my</u> or the Deramakot Forestry Officer (Tel: 60-089-844000 & Fax: 60-089-844002). The logs may be inspected at Sapapayau Log yard by liaising with these officers.

Those who wish to participate in the auction are to register themselves with the Head, Sandakan Regional Accounts Unit by paying a non-refundable registration fee of RM500.00 before 09:30 a.m. on Friday (July 13, 2018) or earlier. All registered bidders are to bring along a Cashier's Order/Bank Draft of not less than RM10,000.00 payable to the Chief Conservator of Forests for inspection, before bidding commences. Those who are unable to do so, unfortunately, will be barred from bidding.

The auction conditions are as follow:

- 1) Upset-price: As indicated (inclusive of all Government charges except for the community forestry cess at RM4.00/M3, forest conservation fee of RM5.00/M3, or for local processing at RM95/M3);
- 2) This is an open auction with no restriction or classification on the prospective bidder save the explanation thereafter registered bidders may bid separately for each of the batches or all of the batches. <u>However, individual bidders without any registered company and a trading licence are not allowed to participate;</u>
- 3) A deposit of RM10,000.00 has to be paid immediately by the successful bidder, and the balance due (bid price + royalty + community forestry cess of RM4.00/M3 + forest conservation fee of RM5.00/M3) within one month for all bidders (i.e. by August 13, 2018) failing which, the deposit paid will be forfeited:
- 4) All bidding must be made to the nearest Ringgit Malaysia.
- 5) All purchased logs are only for domestic processing.

As these logs are produced in accordance with sustainable forest management principles, and from an FSC certified forest, it is highly advisable that sustainable players in the industry take note of this auction and are urged to participate.

Thank you

DATUK SAM MANNAN CHIEF CONSERVATOR OF FORESTS

(June 20, 2018)