

A. INTRODUCTION

Awg Tengah: Amendment Bill to see licences issued for Forest Carbon Activities

BY NADIELYN TEN ON MAY 19, 2022, THURSDAY AT 12:26 PM

SARAWAK



Awg Tengah shows a stack of documents related to the Forests (Amendment) Bill, 2022 with Deputy Minister for Natural Resources and Urban Development Datu Len Talif Salleh. — Photo by Roystein Emmor

S'wak govt tables Forests (Amendment) Bill 2022 to licence forest carbon activities, include carbon and GHG stocks as forest produce

May 19, 2022 @ 12:17



Awg Tengah tabling the Forests (Amendment) Bill 2022 today (May 19, 2022) in DUN. Screenshot of Ukas Iwaswam.



B. PRIMARY LEGISLATION

1. FORESTS ORDINANCE, 2015 [*Cap. 71*]
2. FORESTS (AMENDMENT) ORDINANCE, 2022 [*Cap. A201*]



LAWS OF SARAWAK

Chapter A201

FORESTS (AMENDMENT) ORDINANCE, 2022

1. FOREST PRODUCE

includes :-

carbon stocks; or
greenhouse gas stock

in any forest whether on state land,
alienated land or
inland waters;

“forest produce” includes—

(a) the following when found in or brought from a forest reserve, protected forest, communal forest, amenity forest, Government reserve, other State land, inland water or alienated land—

[Ins. Cap. A201/2022]

- (i) guano, peat, rock, sea-shell and surface soil;
- (ii) trees and all parts and produce not hereinafter mentioned of trees;
- (iii) plants including grass, climbers, creepers and all parts and produce of such plants; or
- (iv) tusks, horns, silk-cocoons, honey, wax and edible birds' nests;

(b) the following when found in or brought from a forest reserve, protected forest, communal forest, amenity forest, Government reserve, other State land, inland water or alienated land—

[Ins. Cap. A201/2022]

- (v) timber;
 - (vi) firewood;
 - (vii) charcoal;
 - (viii) bark;
 - (ix) wild rubbers; or
 - (x) cordwood;
- (c) carbon stocks or greenhouse gas stock in any forest whether on state land, alienated land or inland waters;

2. FOREST CARBON LICENCE

s. 70A (1) of FO

- issued by Director of Forests, with the written approval of Minister;
- to carry out Forest Carbon Activity;
- in any permanent forest, State land or alienated land (with approval of land owner)

Chapter 6- Special provisions relating to carbon stocks

Forest Carbon Licence

70A.—(1) The Director may, with the written approval of the Minister, grant a licence, for a specific term, to any person to carry out a Forest Carbon Activity in any permanent forest, State land or alienated land.

Provided that in respect of alienated land, no licence shall be issued except to the registered proprietor of such land or with the written approval of the registered proprietor thereof or his authorized representative.

(2) A carbon licence granted under subsection (1) shall be subject to such payment of fees and other charges and shall grant the holder of that carbon licence full legal and beneficial title to the carbon stock or GHG stock associated with a Forest Carbon Activity as well as any carbon credit units issued by a Carbon Standard in respect of the Emission Reductions achieved by such Forest Carbon Activity.

2. FOREST CARBON LICENCE

s. 70A (2) of FO

- grant the licence holder full legal and beneficial title
- title to the carbon stock/GHG stock/ carbon credit units
- subject to fees and other charges

Chapter 6- Special provisions relating to carbon stocks

Forest Carbon Licence

70A.—(1) The Director may, with the written approval of the Minister, grant a licence, for a specific term, to any person to carry out a Forest Carbon Activity in any permanent forest, State land or alienated land.

Provided that in respect of alienated land, no licence shall be issued except to the registered proprietor of such land or with the written approval of the registered proprietor thereof or his authorized representative.

(2) A carbon licence granted under subsection (1) shall be subject to such payment of fees and other charges and shall grant the holder of that carbon licence full legal and beneficial title to the carbon stock or GHG stock associated with a Forest Carbon Activity as well as any carbon credit units issued by a Carbon Standard in respect of the Emission Reductions achieved by such Forest Carbon Activity.

3. FOREST CARBON ACTIVITY

s. 70B of FO

“Forest Carbon Activity” means

- any activity, action, project or groups of activities
- that lead to the Emission Reductions
- which are verified in accordance with a Carbon Standard;

C. SUBSIDIARY LEGISLATION

FORESTS (FOREST CARBON ACTIVITY) RULES, 2022



THE
SARAWAK GOVERNMENT GAZETTE
PART II

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THE FORESTS ORDINANCE, 2015

FORESTS (FOREST CARBON ACTIVITY) RULES, 2022

Made under section 113(1)(bb)

ARRANGEMENT OF RULES

PART I
PRELIMINARY

Rule

1. Citation and commencement
2. Interpretation

1. ARRANGEMENT OF THE RULES

Part I:	Preliminary	(2 Rules)
Part II:	Carbon Study Permit	(10 Rules)
Part III:	Carbon Licence	(14 Rules)
Part IV:	Sarawak Forest Carbon Registry and Licence Register	(2 Rules)
Part V:	Carbon Stock	(1 Rule)
Part VI:	Carbon Credit	(6 Rules)
Part VII:	Monitoring, Reporting and Validation of a Carbon Project	(2 Rules)
Part VIII:	Carbon accounting	(3 Rules)
Part IX:	Fees, Royalty, etc.	(1 Rule)
Part X:	Miscellaneous	(3 Rules)
Schedules		(4 Schedules)

44 **RULES**

2. SALIENT FEATURES OF THE RULES



FOREST CARBON AREA



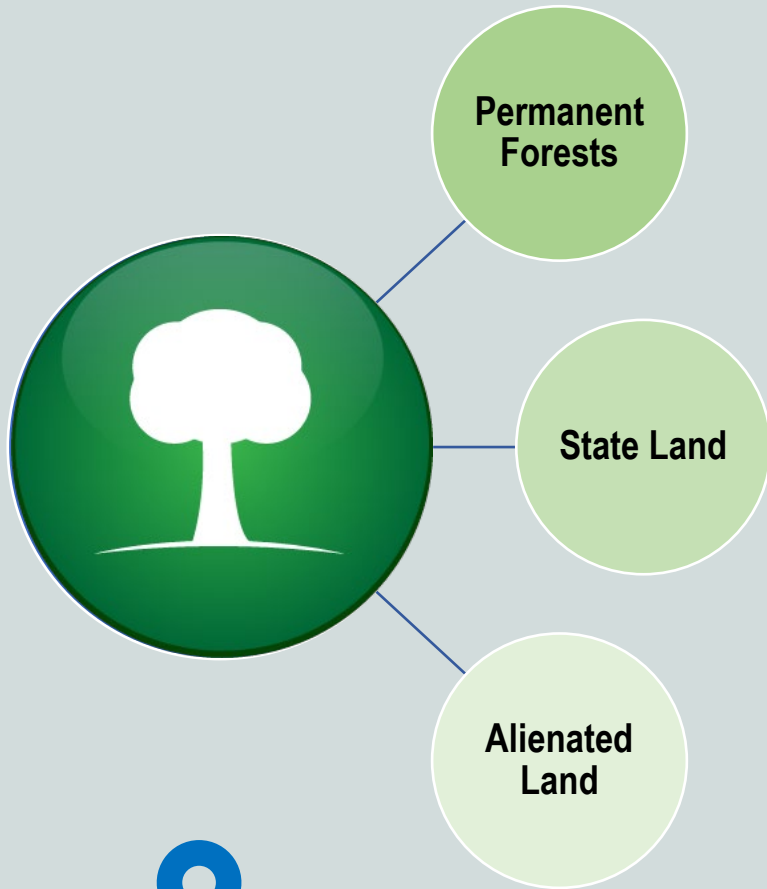
PERMIT AND LICENCING



FEES AND ROYALTY

RULE 15

FOREST CARBON AREA



Minimum : 100 ha.

Size of Forest Carbon Area



Maximum : carbon study designated area issued under CSP

Alienated Land

- get written consent from the land owner, if the applicant is not the land owner.

Existing Licenced Area

(eg. Forest Timber Licence, Licence for Planted Forest)

- get written consent from the holder of licence, if the applicant is not the existing licence holder;
- the applicant being the existing licence holder, the Director may make amendment to the existing licence to enable Forest Carbon Activity.



PERMIT AND LICENCING

RULE 4

CARBON STUDY PERMIT (CSP)

RULE 14

FOREST CARBON LICENCE (FCL)

Max. 2 years



CARBON STUDY PERMIT (CSP)



Submission of Sarawak Project Design Document (**SPDD**)



FOREST CARBON LICENCE (FCL)



Submission of Project Design Document (**PDD**) to Carbon Standard



- Carrying out FCA activities undertaken by the licence holder
- Verification of Carbon Units
- Carbon trading
- Royalty and statutory charges payment, etc.



Expiry of Forest Carbon Licence (FCL)



FEES AND ROYALTY

- **Part IX – Rule 41**
- **Third Schedule**
- **Fourth Schedule**

CARBON STUDY PERMIT (CSP)

1. Issuance Fee
2. Extension Fee
3. Processing Fee

FOREST CARBON LICENCE (FCL)

1. Issuance/Renewal Fee
2. Annual Carbon Licence Fee
3. Processing (Issuance/Renewal) Fee
4. Services Fees
5. Royalty
6. Forest Ecosystem Fee

THE END