



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 **December 8, 2017 (Friday)**. These logs were produced by eco-friendly harvesting systems and in conformity with Sustainable Forest Management principles.

AUCTION ITINERARY

REF. NO :	Batch 2/2017		
AUCTION DATE :	December 8, 2017 (Friday)		
TIME :	9.30 am (Please register early, latecomers will be barred)		
VENUE :	Conference Room, 3rd Floor, District Forestry Office, SANDAKAN, SABAH - MALAYSIA		
GENERAL SPECIES COMPOSITION :	Species	Approximate Composition (%)	Upset Price (RM)/M3
	White Seraya/Yellow Seraya/ Melapi	16	400
	Red Seraya/Oba Suluk	33	500
	Keruing	19	500
	Kapur	22	500
	Kembang/Nyatoh/ Pengiran/Kembang Semangkok	1	350
	Mixed Timber	6	200
	Selangan Batu	3	530
APPROXIMATE TOTAL VOLUME :	Approximately : 8,000m3		
LOCATION OF LOGS :	SAPAPAYAU Log yard, KM 4.5 Tangkulap Road, Telupid, Sandakan, Sabah,- Malaysia		

The latest list of *log description and auction specifications* will be available at our website www.deramakot.sabah.gov.my or will be sent (**BY REQUEST**) to interested parties by fax/e-mail on **December 1, 2017**. It can also be obtained from the Head, Economy, Industry & Statistics Division, Sabah Forestry Department H.Q. Sandakan (Tel: 60-089-242869/242613 ; Fax: 60-089-666170. e-mail: Andurus.Abi@sabah.gov.my or Hassan.Baharun@sabah.gov.my 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 (December 8, 2017) 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 Director of Forestry 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, royalty export at RM400/m3 or RM290/m3 or RM170/m3 or RM160/m3 or RM125/m3 depending on species classification 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. However, individual bidders without any registered company and a trading licence are not allowed to participate;
- 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 **January 8, 2018**) failing which, the deposit paid will be forfeited;
- 4) All bidding must be made to the nearest Ringgit Malaysia.

AND

- 5) The bidder is at liberty to choose logs either for local processing or for export in log-form, or for a mixture of both. Log export quota is guaranteed by the Sabah Forestry Department.

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**

(October 31, 2017)