

Samling Timber Group: PEFC-MTCC -TPAC Visit Feb 2025

Our Samling team is committed to an ongoing process of improvement and therefore welcome the findings of the TPAC report. In the interest of transparency, we are publishing this Q&A to address the key outcomes of the TPAC assessment.

More than seven years ago, we began reorienting our log supply chain from natural forest areas to our industrial tree plantations. This transition was completed more than two years ago, and we no longer produce logs from the natural forest. At the same time, we have developed new value streams through our certified industrial tree plantation (ITP) operations.

For some time, we have also been evaluating nature-based carbon projects in Sarawak, and we now have a peat swamp forest conservation project progressing toward carbon credit generation. We continue to explore the potential for carbon projects in our hill forest license areas (FTLs).

These developments reflect our continued focus on sustainability. Forests and local communities remain central to our strategy, and forest management certification has long been an essential foundation of trust for our customers, local communities, and other stakeholders.

Q&A

This Q&A provides an overview of the key insights, implications, and recommended actions for the Samling Timber Group following the Malaysian Timber Certification Council (MTCC), Programme for the Endorsement of Forest Certification (PEFC) and TPAC Field Visit in 2025.

The visit, held from 12-19 February, 2025, aimed to strengthen transparency, collaboration, and credibility in sustainable forest management (SFM) under the Malaysian Timber Certification Scheme (MTCS).

We welcome further questions and encourage continued open dialogue so that all parties can work together to support ongoing progress.

1. What was the reason for the MTCC-PEFC-TPAC Field Visit 2025?

The Dutch Timber Procurement Assessment Committee (TPAC) conducted a review to determine whether the PEFC International standard meets the requirements of the Dutch Timber Procurement Assessment System (TPAS). This review followed concerns raised by NGOs about the Malaysian Timber Certification Scheme (MTCS), including allegations related to our timber operations.

As part of the assessment, TPAC carried out a field visit to examine the situation directly and to assess the claims made by the NGOs. The visit provided an opportunity to evaluate the governance, implementation, and overall reliability of the MTCS in practice.

It also offered a platform for open engagement with local stakeholders, helping to increase transparency and build a clearer understanding of how the scheme functions on the ground. In this context, our operations were observed as part of the broader review, contributing to a more informed and balanced perspective on MTCS performance in Malaysia.

2. Which stakeholders and locations were involved?

The field visit covered key locations in Sarawak (Miri, Ulu Baram) and Perak (Kuala Kangsar), concluding in Kuala Lumpur. Participants in the Sarawak visit included representatives from TPAC, MTCC, PEFC International, Sarawak Forestry Department (FDS), local communities, NGOs and Samling.

3. What is the current status of Samling with regard to natural forest harvesting and forest-related certification?

We stopped the last of our natural forest harvesting operations in 2023 and withdrew the PEFC-endorsed MTCS certificates for our natural forest timber licences. We are now seeking FDS approval to assess the potential of these areas for nature-based carbon projects.

However, our industrial tree plantation (ITP) areas remain fully under MTCS, and our mills' supply chains are certified under PEFC Chain of Custody certificates. Certification continues to be a core component of our approach to sustainable plantation management and to maintaining a responsible supply chain.

4. What were the key findings and observations?

The field visit strengthened TPAC's confidence in the PEFC-endorsed MTCS by providing a clearer understanding of conditions on the ground. During the Sarawak site visits, our operations were directly examined by TPAC, allowing them to assess the NGO claims that had been made specifically about us.

TPAC found no supporting evidence for the NGO claims related to our activities. They also found no indication that the MTCS is fundamentally non-compliant with either PEFC's or TPAC's requirements. TPAC concluded that the MTCS certification system is functioning at a level they consider acceptable. However, TPAC did identify certain areas that could be improved and provided suggestions on how these improvements could be made. Following discussions with PEFC, MTCC has already begun implementing these recommendations. In line with the MTCS principle of continuous improvement, we have also reviewed these suggestions and adopted those relevant to our operations.

TPAC noted that several claims raised by NGOs were linked to procedural elements of the MTCS, observing that some processes could benefit from more consistent implementation and clearer documentation. The field visit enabled direct discussions with NGOs and community members, which showed that several of the NGO claims were based on misunderstandings that could be resolved through better communication about the MTCS. TPAC also noted that some issues raised by NGOs, such as state-driven land-use decisions, fall outside the scope of forest certification.

Throughout the assessment, TPAC found that MTCC, SIRIM (the certification body), and our forest management teams demonstrated professionalism and openness. TPAC also highlighted areas where clearer communication, timelier follow-up, and strengthened documentation would help build greater stakeholder confidence. According to TPAC, the willingness of MTCS, PEFC, and certification bodies to refine their procedures provides a constructive foundation for ongoing improvements to the system.

5. What upcoming actions or policy updates were announced?

MTCC announced the development of a new FPIC Guideline, enhancements to the complaints and dispute-resolution mechanism, and capacity-building programs for auditors and certificate holders as a result of this report. These improvements will have direct implications for MTCS-certified operators like us. We welcome these changes and are committed to implementing them swiftly.

6. What actions will Samling take to align with the outcomes of the visit?

Although the report recognised that our management systems and overall conduct were more robust and more transparent than the claims had suggested, TPAC also highlighted several areas where additional improvements would be beneficial. These relate primarily to communication, documentation, and community engagement. They do not point to any wrongdoing but instead reflect opportunities to strengthen clarity, consistency, and overall stakeholder confidence.

We are also taking steps to further enhance the timeliness of our responses to community requests, ensure that updated maps and FPIC-related information are easily accessible, support more consistent community committee activities, and communicate operational changes in a clearer and more timely manner.

7. What are the latest international TPAC outcomes following the field visit?

Following the recommendations of the Dutch Timber Procurement Assessment Committee (TPAC), the Dutch Minister of Environment decided on 5 November 2025 to maintain the admitted status of PEFC International within the Dutch Timber Procurement Policy.

TPAC has confirmed that it will no longer be involved in any further follow-up regarding the complaint case raised by NGOs against PEFC, MTCC, Samling, or any other entity.

TPAC expressed appreciation for the organisation of the field visit to Malaysia and for the invitation extended for them to participate as an observer. They also encouraged PEFC International to implement its announced Quality & Integrity Policy to further strengthen confidence in its certification system.

This outcome reinforces confidence in PEFC-endorsed MTCS-certified products in European and other international markets and highlights the value of continuous improvement in certification processes at all levels.

8. Where can stakeholders access more information?

The details of the outcome of the visit can be found on the PEFC and MTCC official websites:

- PEFC International – www.pefc.org
- MTCC Malaysia – www.mtcc.com.my
- TPAC Report – www.tpac.smk.nl/Public/TPAC%20documents/2025/SummaryofTPACsfinaljudgementonMTCSJune2025.pdf

We welcome further questions and remain open to direct dialogue to ensure all parties can work collaboratively to support ongoing progress.

For further inquiries, stakeholders may contact Samling's Communication Division at enquiry@samling.com

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