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**INTERVENTION NOTE
BY
THE HONOURABLE DATO' SERI AZMI KHALID
MINISTER OF NATURAL RESOURCES AND ENVIRONMENT
MALAYSIA**

**AT
THE HIGH-LEVEL SPECIAL EVENT ON FORESTRY AND ENERGY
ROME, ITALY, 20 NOVEMBER 2007**

Mr. Chairman
Excellencies
Distinguished delegates
Ladies and Gentlemen

On behalf of the Malaysian delegation, allow me to begin by extending my heartiest congratulation to the Food and Agriculture Organization (FAO) and the Secretariat for their commendable effort in organizing this 'High-level Special Event on Forestry and Energy'. In the spirit of enhancing cooperation, Malaysia looks forward for fruitful discussion at this event.

Mr. Chairman

2. Malaysia has been practicing sustainable development for a long time. Sustainable development involves the implementation of prudent, cost-effective and adaptive management approaches that yield multiple benefits for a more sustainable future in which actions are taken to provide

access to clean water, providing adequate food and energy services without environmental degradation, developing healthy urban environment and conserving critical natural habitats and resources.

3. Malaysia is also committed to the implementation of sustainable forest management (SFM) as enshrined in the Malaysia's National Forestry Policy and as Malaysia's commitments in the Multilateral Environmental Agreements (MEAs). To ensure SFM is practiced, Malaysia is promoting timber certification scheme in regard to traded timber and timber products. The Malaysian Timber Certification Council (MTCC) scheme has been given recognition in a number of countries including Denmark, United Kingdom, The Netherlands, France and Japan, in which the MTCC certificate has described as providing a good guarantee of legal forest management, and to demonstrate Malaysia's effort in implementing SFM.

Mr. Chairman

4. The Malaysian government has initiated several climate change mitigation measures in the energy sector. In this regard, the fuel diversification policy which comprises oil, gas, hydro and coal will be extended to include renewable energy as the fifth fuel, particularly biomass, biogas, municipal waste, solar and mini-hydro. To encourage the generation of energy using biomass, companies which undertake such activity have been given tax incentives. Moreover, the government has also established a programme called 'Small Scale Renewable Energy Programme' (SREP) in order to promote the usage of renewable energy for power production.

5. In Malaysia, biomass (i.e. agriculture and timber industry residues) is by far the most utilized renewable energy source in industry. FAO in the State of The World's Forests 2007 has reported about 12% of Malaysia's wood production is for woodfuel. In fact, the potential volume of wood for fuel available in Malaysia is very much bigger when wood residues, as reported in the 'Table 5 of the Forests and Energy Working Paper 1' of this event, is taken into account. When the oil palm biomass is also considered, the wood and equivalent material for fuel is much larger and it is estimated to be not less than 120 million m³ annually. To this end, Malaysia looks forward for any form of cooperation including FAO initiatives on programmes to develop appropriate technologies, products and management practices to utilize these woods and fiber materials for fuel such as conversion to liquid fuel and other bioenergy products.

Mr. Chairman

6. Malaysia also views that technical assistance should continue to be provided to the developing countries to improve the efficiency of wood energy production. These could include the development of more modern production system of using wood for electricity production and more efficient wood stoves. Successful experiences with modern wood energy systems in some developed countries should be shared with developing countries through investment and technology transfer. Continuous technical assistance and supports should also be given in the wood source production through establishment and management of fast and high yield wood production plantation. Malaysia believes that a comprehensive approach, wood production and efficient utilization, could address the

potential implication of deforestation and forest degradation due to

unsustainable harvest of wood for fuel from forest areas. For example, Malaysia was embarked on a program of "forest plantation" of rubber wood, on a cycle of 15 years. ~~wood is harvested at end of cycle~~. In between those years, rubber latex is produced. Wood is harvested at the end of the cycle to produce high quality furniture for the world market which today is valued at US\$2 billion and this figure is growing.

7. One of the main positive uses of wood energy is the effect on the carbon balance of substituting wood energy for fossil fuels. The impact on carbon balances, the environmental cost of wood energy use also depend on the source of woodfuel. Forests that are sustainably managed for woodfuel production are likely to lead to some positive effect on the environment, while unsustainable harvesting for woodfuel production is likely to lead to environmental costs. To this end, FAO assistance and cooperation between MEAs must be enhanced to support sustainable forest management practice.

8. On that note, Malaysia would like to support the recommendations proposed in paragraph 21 of document C 2007/INF/17.

Thank you, Mr. Chairman.

*Ministry of Natural Resources and Environment,
Malaysia.
16 November 2007.*

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