ISSN 0126 - 771X

MASKAYU

MALAYSIAN TIMBER INDUSTRY BOARD

MTIB

Volume 11 | NOVEMBER 2023

CAMPAIGN TO PROMOTE AND ENHANCE THE COUNTRY'S WOOD INDUSTRY

- THE 6TH WOOD AND BIOFIBRE INTERNATIONAL CONFERENCE (WOBIC 2023)
- RECOGNITION OF PRIOR ACHIEVEMENT (PPT) PROGRAMME

1973-2023

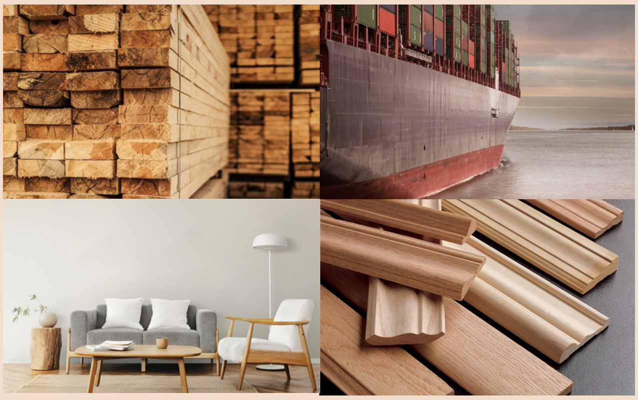
TEGUH SEIRING USIA

ISSN 0126-771X
9 770126 771009

Content

Highlight

Regular Features



Chief Editor
Ts. Dr. Mohd Nor Zamri Mat Amin

Editorial Members
Saiful Bahri Salleh
Noorazimah Sarkom@Haji Othman
Ts. Farydatul Nazly Mohd Zin
Mohd Nizam Hamid
Mohd Amin Kadir
Suga @ Mazree Iman
Mohd Afthar Amir
Norazli Ismail
Nor Liza Mat Yasok
Mohd Tarmin Ismail
Syaidatul Nadia Hussin
Shamsul Azman Abdul Aziz
Nur Aqilah Ahmad Bakri

Publisher
Malaysian Timber Industry Board
Level 13- 17, Menara PGRM, 8, Jalan Pudu Ulu, Cheras, 56100 Kuala Lumpur, Malaysia.
Tel: 603 9282 2235
Fax: 603 9200 3769 / 9283 9792
E-mail: info@mtib.gov.my
Website: www.mtib.gov.my

QUALITY SYSTEM SIRIM
UKAS QUALITY MANAGEMENT 074
CERTIFIED TO ISO 9001 : 2015
CERT. NO. QMS 01285

read eMASKAYU at
www.mtib.gov.my/en/maskayu

Unilin (Malaysia) Sdn. Bhd.

Prepared by: EMIE SYARINA NORIZAN

Background

As one of the major contributors to Malaysia's timber and timber product export performance in 2022, Unilin (Malaysia) Sdn. Bhd. is known worldwide as a manufacturer of timber products and timber industrial material particularly flooring and panels. The company also serves as interior designer and supplier of construction industry solutions. Located in Sg. Petani, Kedah Darul Aman, Unilin (Malaysia) Sdn. Bhd. employs 720 workers 640 being local and 80 foreign.

In 2007, Mohawk Industries acquired Malaysia Wood Industries Sdn. Bhd., a local company located in Kedah that produced wooden furniture parts, doors and floorboards which the company is now known as Unilin (Malaysia) Sdn. Bhd.. Unilin (Malaysia) Sdn. Bhd. is the sole manufacturer of engineered wooden floor (parquet) of the Unilin Group, and exports 95 per cent of its products globally. The employees of Unilin (Malaysia) Sdn. Bhd. perform unique processes such as putty application to ensure the natural look of parquet.

Global wood parquet manufacturing hub

The Unilin Group was drawn to Malaysia for its stable workforce and the technical talents. Technicians and engineers ensure automation play a vital role in Unilin (Malaysia) Sdn. Bhd., thus securing its status as the sole manufacturer of parquet in the Unilin Group. Besides the technical skills, the Unilin Group was also interested in investing in Malaysia due to the local community's fluency in English, enabling smooth communication between all stakeholders. Moreover, Malaysia's geographic location that bridges the East and West, aligns well with Unilin (Malaysia) Sdn. Bhd. Taking its Malaysian operations to the next level, Unilin (Malaysia) Sdn. Bhd. is planning a five-year investment blueprint, which includes redesigning and expanding the factories with a strong focus on safety and efficiency.

Unilin (Malaysia) Sdn. Bhd. produced an estimated total volume of 2.1 million square meters of Engineered Wood Flooring (EWF) parquet in 2023, with shipments to the following major markets: Europe – 65%, Australia – 25% and Asia/Oceania – 10%.

Journey in renewable energy efforts

Unilin (Malaysia) Sdn. Bhd. has installed 51,942 photovoltaic solar panels on the entire rooftop of its factory. These solar panels will contribute a total capacity of 2,830.73 kilowatts peak (kWp) of electricity to the grid which will be channelled to Unilin (Malaysia) Sdn. Bhd. for usage. The company's commitment towards combating climate change is clear in its use of renewable energy and in its aim to reduce carbon dioxide use. This has even been included in their five-year blueprint investment plan, which involves redesigning and expanding the factory with a strong focus on safety and efficiency. The solar panel project is fully invested by GSPRAX, a wholly owned subsidiary company of the national electricity provider Tenaga Nasional Bhd (TNB), in collaboration with Solarvest Holdings.

The installation of solar PV will convert sunlight into electrical energy, which is in the Supply Agreement of Renewable Energy (SARE) within 15 years, accumulating financial savings of about up to RM11.02 million in that period. The initiatives also hope to reduce carbon dioxide (CO2) emission that is equals to the planting of 20,393 small trees for 10 years or carbon emission from 274 vehicles annually on the road in accordance with the Environment, Social and Governance's (ESG) mission.

Work culture in Unilin (Malaysia) Sdn. Bhd.

The Unilin Group fosters a culture of boldness that is built on four pillars: Passion, Entrepreneurship, Excellence, and Respect. This allows the company to innovate, take initiative, and push boundaries constantly. The Unilin Group has also initiated a safety culture, where all employees should arrive safe, work safe and return home safe. As the timber industry is known to be a heavy industry, Unilin (Malaysia) Sdn. Bhd. has implemented five Life Saving Rules (LSR) which include working safe in confined spaces, using personal protective equipment and working with a valid work permit. Unilin (Malaysia) Sdn. Bhd. and its employees are striving to become a Zero Harm company by 2024.

Recognition received through the wood certification effort

Unilin (Malaysia) Sdn. Bhd. currently sources rubberwood for parquet flooring, which is produced close to the source at their facility in Malaysia. Its characteristics are very suitable for flooring products. Rubberwood has inherent sustainability because it is close to the production site, and it is harvested after it is overage for latex products. They are currently sourcing "controlled source" rubberwood in Malaysia and Southern Thailand. But their aim is to source 95% certified sustainable rubberwood by 2027.

The Unilin Group has had a relationship with PEFC since 2005. They currently have PEFC chain of custody certifications at 19 different production sites in many countries, such as Belgium, Italy, France, Netherlands, UK, Ireland, Malaysia, Ukraine, Sweden and Switzerland. For Unilin (Malaysia) Sdn. Bhd. availability is what determines their certification choice. They have both FSC and PEFC certifications, and they make the determination on a source-by-source basis for each certification. That means that the PEFC certifications the company hold were chosen because PEFC made the most sense and was most available for the source material in question.

Unilin (Malaysia) Sdn. Bhd. is committed to sustainability and to treating wood as a long-term, durable way to store carbon. As a key player in the flooring industry, they take their responsibility seriously and rise above regulations to prepare for future challenges as well. Unilin (Malaysia) Sdn. Bhd. has initiated – the One Home project, Climate Smart and Circular at Heart. These three projects use renewable materials and produce innovative products to ensure health, safety, comfort and sustainable living. This is in line with the European and Scandinavian market demands which are pushing towards FSC and PEFC certifications and environmentally friendly solutions. They understand that not complying with these requirements will result in being excluded from supplying any goods to the market.

Future planning

Unilin (Malaysia) Sdn. Bhd. plans to continue to provide a safe working environment and conducive workplace which also embraces good working values, positive moral values and improved sustainability management in the Malaysian timber industry. The company aims to develop strategies and increase its market share in Engineered Wood Flooring further.

References:

- https://www.unilin.com/en/one-home
- https://www.mida.gov.my/unilin-embraces-malaysias-technical-talents-and-renewable-energy-efforts/
- https://www.emis.com/php/company-profile/MY/Unilin__Malaysia__Sdn_Bhd_en_2064570.html
- https://buy.experian.com.my/index.php/search/Malaysia-Company/8464/UNILIN-MALAYSIA-SDN.-BHD.
- https://www.dagangnews.com/article/unilin-malaysia-jalin-kerjasama-dengan-gsparx-pasang-panel-solar-di-kilangnya-di-sungai-petani-28934
- https://pefc.org/resources/case-stories/meeting-our-certified-companies-unilin-group
https://mtc.com.my/media-Features.php?id=345

Unilin Malaysia plant

Unilin (Malaysia) Sdn. Bhd. staff at work

Unilin flooring interior parquet design

MARKETING CAMPAIGN AND PROMOTION OF MALAYSIAN WOOD PRODUCTS IN THE LOCAL MARKET

Prepared by: SAHRUDDIN MOHD ZAKRIE

The National Timber Industry Strategic Plan (NTISP) (2021-2025) aims to achieve an export value of RM28 billion with a domestic market worth RM20 billion for the timber industry by 2025. In order to elevate the domestic timber brand market and increase its market value, MTIB through the Trade Development Division, is currently holding a domestic promotion campaign entitled "Marketing and Promotion Campaign of Malaysian Timber Products in the Local Market". This campaign is expected to foster the brand essence of the timber industry as a green, legal and sustainable industry. With its slogan *Kayu Malaysia: Kelestarian Teras Keunggulan*, the campaign also highlights the practice of sustainability throughout the timber product processing chain. The campaign is being conveyed through various promotional programmes in the mass media, including television, radio, billboards, newspapers and social media platforms from June 2023 to March 2024.

Dato' Hj. Mad Zaidi bin Mohd Karli, Secretary General of the Ministry of Plantation and Commodities completes the campaign logo, witnessed by the Datuk Larry Sng Wei Shien, chairman of MTIB and Ts. Dr. Mohd Nor Zamri bin Mat Amin, Director General of MTIB

KAYU MALAYSIA
Kelestarian Teras Keunggulan

Campaign slogan

The inauguration ceremony of the campaign was held on 8 November 2023 at Putra Heights LRT Station, Selangor. The event was officiated by YBhg. Dato' Hj. Mad Zaidi Mohd Karli, Secretary General of the Ministry of Plantation and Commodities. In the ceremony, the slogan Kayu Malaysia: Kelestarian Teras Keunggulan was officially adopted.

In his opening speech, YBhg. Dato' Hj. Mad Zaidi stated that the timber industry is the third-largest contributor to Malaysia's agri commodity export revenue. He further added that Malaysia's timber-based products are exported to more than 173 countries worldwide.

"Strengthening the national timber industry remains a priority for MTIB and the ministry in addressing issues and challenges related to raw materials, labour, logistics, production costs, and productivity as well as international issues such as legality and sustainability. I hope that these promotional campaigns will encourage all segments of society to make Malaysian wood products their preferred choice," he said.

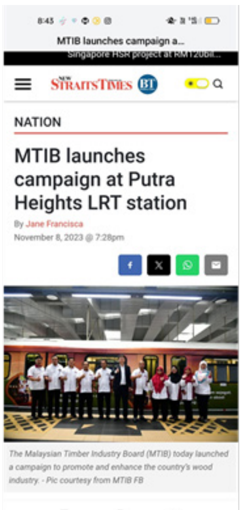
The programme has received extensive media coverage in Buletin Utama, Berita Harian and News Strait Times (NST).

MTIB lancar kempen pemasaran, promosi produk perkayuan Malaysia

Oleh Ercy Gracella Ajos

November 9, 2023 @ 1:41pm

bhnews@bh.com.my



NATION

MTIB launches campaign at Putra Heights LRT station

By Jane Francisca

November 8, 2023 @ 7:28pm

The Malaysian Timber Industry Board (MTIB) today launched a campaign to promote and enhance the country's wood industry. - Pic courtesy from MTIB FB

MTIB lancar kempen perkasa industri perkayuan

Media coverage on launching

Campaign billboard in state highway

Campaign slogan in LRT passenger coach

Campaign promotion

THE 6TH WOOD AND BIOFIBRE INTERNATIONAL CONFERENCE (WOBIC 2023)

Prepared by: NORHAZAEDAWATI BAHARUDDIN

The Institute of Tropical Forestry and Forest Products (INTROP) of Universiti Putra Malaysia (UPM) organised the Wood and Biofibre International Conference 2023 (WOBIC 2023) which was held from 23 to 25 November 2023, at Adya Hotel Langkawi, Kedah. The conference aimed to provide a platform for knowledge sharing in wood and biofibre research and technology among academicians, researchers, policymakers, and industry players. With the theme "Forest to Shelves: Roles in Mitigating Climate Change and Empowering Community Entrepreneurship", this conference successfully brought together professionals and leaders, both domestic and international, to exchange their knowledge and perspectives in various disciplines including bio-based materials, biopolymer, biocomposite and forest plantation.

WOBIC 2023 was jointly organised by the Malaysian Timber Industry Board (MTIB), the National Kenaf and Tobacco Board (NKTB), Langkawi Development Authority (LADA), Langkawi Tourism Academy, Institut Pertanian STIPER Yogyakarta, the French Agriculture Research for International Development (CIRAD) and University of the Philippines Los Banos.
Prof. Ir. Dr B.T. Hang Tuah Baharudin, UPM Vice Chancellor (Industry and Community Relations) officiated the conference. Over 100 topics were delivered by researchers, students, and industry professionals in keynote addresses and plenary segments, forum discussions, parallel sessions, and posters. During the parallel sessions, MTIB presented two technical papers. One was delivered by Ts. Dr. Loh Yueh Feng on the topic of the Visual Strength at Kiln Dried Oil Palm Lumber. The other paper, presented by Puan Norhazaedawati Baharuddin was entitled The Influence of Preservatives Treatment on Bonding Properties of 3-ply Laminated Bamboo.

As part of the conference programme, a technical excursion was organised on 25 November 2023. The excursion was a boat tour to the mangrove Kilim UNESCO Geoforest Park as well as a cleanup activity at the Idaman Geosite. The objective of this programme was to promote responsible waste management and preservation of natural resources initiated and supported by LADA. At the end of the programme, a total of 360 kg of drifting trash has been collected including plastics bottle and Styrofoam.

In summary, this conference attracted over 200 attendees from universities, government agencies, and industries from 15 countries including Singapore, China, the United Kingdom, Poland, Indonesia and the Philippines. MTIB was represented by five officers from the Fibre and Biocomposite Centre (FIDEC), Industry Division and Licensing and Inspectorate Division.

Prof. Ir. Dr B.T Hang Tuah Baharuddin, UPM Vice Chancellor (Industry and Comunity Relations) delivering his speech

Presentation on Visual Strength at Kiln Dried Oil Palm Lumber by Ts. Dr Loh Yueh Feng from FIDEC, MTIB

A VIP visit at the MTIB booth

The participants of the conference

Excursion and cleanup activity at the Idaman Geosite

OCTOBER 2023

Total export of Malaysian timber and timber products in October 2023 increased by 10% in value totalled at RM2.0 billion from the previous month while the cumulative export for the period of January – October 2023 decreased by 16% valued at RM17.8 billion over RM21.3 billion in the previous corresponding period. According to GlobalData, despite the challenging macroeconomic and geopolitical backdrop, the global construction industry managed to continue to generate growth momentum in 2023, with global output rising by 3.4% in real terms. The buildings construction market size is expected to see steady growth in the next few years. The growth can be attributed to sustainability and environmental regulations, digitalisation and building information modeling, resilience and disaster mitigation, housing affordability, remote work and office space adaptation. Much of this is due to China's surprisingly strong performance despite the prolonged real estate crisis there, which has significantly impacted investment in building activity. Construction in the US also picked up in the second half of the year, which pushed global construction industry output growth excluding China to 2.0% in 2023.

SAWNTIMBER

Total export of sawntimber in October 2023 decreased by 63% in volume but increased 13% in value to 80,653 m³ totalling at RM186.3 million as compared to the previous month. Cumulative exports for the period of October 2023 decreased by 15% in volume and 16% in value to 855,038 m³ totalling at RM1.9 billion over the previous corresponding period.

Exports to the EU for the month were recorded at 6,147 m³, a decrease of 80% as compared from 30,999 m³ in the previous month. The Netherlands as the main buyer increased purchases by 46% to 2,963 m³ from 2,027 m³ in the previous month. Export to Italy decreased by 97% to 388 m³ from 12,845 m³ whilst Belgium increased imports by 36% to 850 m³ from 623 m³ recorded in the previous month. Meanwhile, in another part of Europe, exports to the UK increased by 90% to 1,414 m³ from 743 m³ in the previous month.

Total export to South Asia decreased by 76% to 10,734 m³ from 43,750 m³ recorded in the previous month. India as the main buyer from South Asia decreased buying by 35% to 5,649 m³ followed by Maldives and Sri Lanka with decreases of 93% and 63% to 1,974 m³ and 1,735 m³ respectively.

Meanwhile, total export to West Asia increased by 18% to 14,172 m³ from 12,035 m³ as recorded in the previous month. The UAE decreased their imports by 7% to 3,441 m³ from 3,709 m³ recorded last month. However, exports to Oman increased by 134% to 2,996 m³ compared from 1,280 m³ in the previous month followed by Iraq with an increase of 2% to 2,212 m³.

Elsewhere, shipments to East Asia decreased by 75% to 26,042 m³ from 105,748 m³ in September. China as the main buyer increased purchases by 27% to 14,496 m³ from 11,414 m³ in the previous month. Meanwhile, exports to Japan decreased by 97% to 2,466 m³ from 89,751 m³ last month whilst South Korea increased imports by 8% to 2,199 m³ respectively.

Buying from ASEAN decreased by 25% to 16,624 m³ from 22,205 m³ as registered in the previous month. Thailand as the main buyer in ASEAN increased its intake by 21% to 8,317 m³ from 6,869 m³ as recorded in the previous month. Meanwhile, exports of sawntimber to the Philippines decreased by 96% to 269 m³ followed by Singapore with a decrease of 6% to 7,176 m³ from 7,629 m³ last month.

Moving to the Africa region, exports increased by 25% to 2,723 m³ compared from 2,187 m³ in the previous month. Demand from South Africa also increased by 11% to 1,859 m³ from 1,672 m³ in the previous month. Meanwhile, Mauritius decreased buying by 13% to 421 m³ from 482 m³ followed by Seychelles with a decrease of 12% to 29 m³ respectively.

Export to North America increased by 5% to 1,756 m³ from 1,674 m³ in the previous month. The USA as a major buyer from North America decreased its intake by 16% to 1,406 m³ from 1,674 m³ whilst Canada resume its purchase with 351 m³.

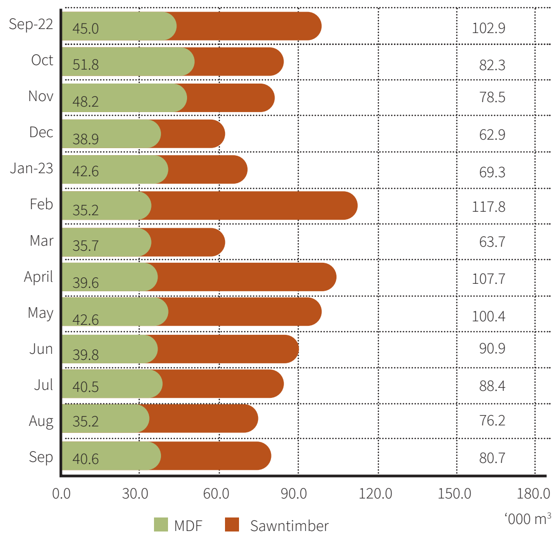
In the Oceania/Pacific region, exports to the region increased by 21% to 993 m³ from 820 m³ in the previous month. Australia increased its intake by 52% to 972 m³ from 639 m³ whilst New Zealand decreased buying by 86% to 20 m³ from 160 m³ last month.

The average FOB price of sawntimber increased by 68% to 2,309 per m³ from 748 per m³ in the previous month. The price of Dark Red Meranti to the Netherlands decreased slightly to 3,696 per m³ from 3,732 per m³ previously. Keruing was traded at 4,160 per m³, an increase of 82% from 758 per m³ in the previous month.

In October 2023, the construction industry in the United Kingdom is investing time and resources into developing products, services and solutions aligned to the UK's climate commitments. However, a lack of clarity on policy is adding complexity to this challenge, which in turn can diminish investment momentum. Similarly, progress is potentially being hindered by the number and conflicting nature of sustainability standards in the industry. Whilst well-intentioned, these can be confusing and lead to inefficiency. The lack of clarity on sustainability policy and standards is a significant challenge for the UK construction industry. However, it also presents an opportunity for organisations to take a leading role in developing solutions and driving progress towards decarbonisation targets. Collaboration and coalescing around a common approach will be key to success. Encouragingly, we are already seeing signs of this in the sector-wide work on the development of the UK net zero carbon buildings standard and the recently revised RICS WLCA standard. Both initiatives have the potential to provide a level of consistency and rigour to disciplines currently plagued by confusing terminology and where results are difficult to compare due to varying methods and assumptions.

Malaysia: Export of Sawntimber and MDF

Oct 2022 - Oct 2023 (RM million)



MEDIUM DENSITY FIBREBOARD (MDF)

Export of MDF in October 2023 recorded a 16% increase in volume at 40,818 m³ and also 23% in value at RM73.5 million compared to the previous month. In contrast, cumulative exports for the period of October 2023 recorded a decrease in volume at 2% to 386,775 m³ and 11% in value totalling at RM688.5 million as compared to the corresponding period in 2022.

Exports to ASEAN has increased by 16% from 5,315 m³ to 6,179 m³ in the previous month. The Philippines and Indonesia increased imports by 67% and 10% to 4,448 m³ and 740 m³ respectively. Meanwhile, Viet Nam recorded a decrease in MDF import by 68% to 429 m³ from 1,346 m³.

Elsewhere, East Asia also increased MDF purchases by 48% from 8,633 m³ to 12,794 m³ in the previous month. MDF sales in Japan and Taiwan recorded an increase of 59% and 52% to 11,718 m³ and 702 m³ each. Meanwhile, the Republic of Korea reduced purchases by 47% to 374 m³. Moving to the South Asia market, exports decreased by 41% to 3,693 m³ from 6,252 m³. Export performance to India and Pakistan slumped by 48% to 1,441 m³ and 43% to 1,952 m³ respectively. However, orders from Sri Lanka increased by 690% from 38 m³ to 300 m³.

Exports to the West Asia region increased by 32% from 8,757 m³ to 11,583 m³ compared to previous month. Yemen, Oman and the UAE improved their sales performance by 644%, 13% and 35% to 1,600 m³, 804 m³ and 8,609 m³ each.

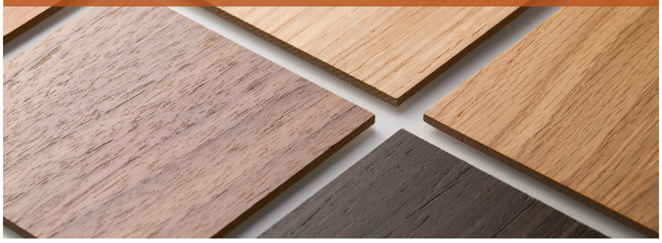
In the United Kingdom, imports decreased by 26% to 148 m³ from 201 m³. Exports to Oceania/Pacific decreased by 14% to 2,474 m³ from 2,872 m³. Australia and New Zealand decreased MDF purchases by 13% to 2,386 m³ and 28% to 88 m³. Fiji doesn't make any purchase for the month.

MDF imports in North America increased by 26% from 2,531 m³ to 3,181 m³ compared to previous month. The US and Canada added up their purchases by 45% and 154% to 2,545 m³ and 426 m³ respectively. Meanwhile, Mexico reduced purchases by 66% to 209 m³. Guatemala resumed its purchase with 66 m³. The Africa region showed an increase of MDF imports by 5% from 670 m³ to 702 m³ while Mauritius, South Africa and Sudan didn't make any purchase for the month.

The FOB price of MDF increased by 6% to RM1,800 per m³ from RM1,698 per m³ in the previous month.

The construction industry in Sri Lanka is expected to contract by 14.9% in real terms in 2023, down from the previous estimate of a 7.9% decline, owing to the ongoing economic and political crisis, a steep currency depreciation and rising inflation. Further weighing on construction activity is the suspension of major infrastructure projects due to financial issues, owing to an increase in foreign debt and decreasing tax revenues. The Sri Lankan construction industry is expected to register an average annual growth of 5.6% from 2024 to 2027, picking up from the low base in 2022 and 2023.

VENEER



Export of veneer for October 2023 decreased in volume by 5% to 3,094 m³ and 8% in value worth RM6.6 million as compared to the previous month. Likewise, cumulative exports for October 2023 showed a decrease of 22% in volume to 31,552 m³ and also 21% in value to RM66.5 million over the previous corresponding period.

ASEAN recorded a tremendous increase in veneer imports by 4325% from 4 m³ to 177 m³ with new purchases from the Philippines and Viet Nam. However, Singapore didn't make any purchase for October 2023. In East Asia, exports fell by 13% from 2,355 m³ to 2,048 m³. China and the Republic of Korea recorded a decrease of 54% and 57% to 297 m³ and 452 m³ respectively. Meanwhile, imports by Taiwan increased by 601% from 169 m³ to 1,185 m³. On the other hand, the South Asia region increased import performance by 16% to 523 m³ from 453 m³ in the previous month. Veneer purchase by India dropped by 92% to 32 m³ while Bangladesh added up the purchase by 732% to 491 m³.

Moving to North America, veneer imports decreased by 75% from 305 m³ to 75 m³ with purchases by the USA. On the other hand, Oceania/Pacific increased their purchase to 258 m³ with new purchases by Australia.

The average FOB price for veneer decreased by 3% from RM2,203 per m³ to RM2,135 per m³ as compared to previous month.

The Bangladeshi government has consistently pursued ambitious mega-projects and 2023 is no exception. Several of these projects are nearing completion and many more are in the pipeline. Notable infrastructure achievements include the Bangabandhu Sheikh Mujibur Rahman Tunnel, the Third Terminal of Hazrat Shahjalan International Airport, the Padma Bridge Rail Link, and the Dhaka Elevated Expressway, all of which have already been inaugurated. Large-scale infrastructure projects like these frequently receive limited attention in conversations about sustainable development. Consequently, the pursuit of the Sustainable Development Goals (SDGs) is a central consideration in the planning and execution of these infrastructure development endeavours.

PLYWOOD

Export of plywood in October 2023 recorded an increase of 18% in volume at 105,374 m³ and 16% in value to RM238.2 million as compared to the previous month. In contrary, the cumulative exports for the same period decreased by 17% in volume and 28% in value to 874,567 m³ totalling at RM2.0 billion over the previous corresponding period. The EU region recorded a decrease for plywood import by 18% from 589 m³ to 483 m³ over the last month. Ireland reduced purchase by 18% to 188 m³ while Poland and Italy didn't make any purchase for the month. In other parts of Europe, exports recorded an increase by 2% to 8,346 m³ from 8,196 m³ in the previous month. The UK increased buying by 5% to 4,747 m³ while Turkey declined import by 2% to 3,599 m³. Meanwhile, Switzerland didn't make any purchase for the month.

Moving to the East Asia market, the volume increased by 23% to 65,792 m³ from 53,707 m³ in September. Japan as the largest importer from the region added up the buying by 32% to 53,988 m³ from 40,768 m³, followed by Taiwan with an increase of 22% to 6,087 m³. However, the Republic of Korea decreased purchases by 35% from 7,689 m³ to 5,022 m³. In the ASEAN region, import decreased slightly by 1% from 4,061 m³ to 4,024 m³. Plywood export to Thailand and Brunei increased by 6% to 1,870 m³ and 20% to 526 m³ while Singapore decreased import by 6% to 1,435 m³.

In the South Asia region, plywood purchase decreased by 21% from 1,732 m³ to 1,370 m³. Maldives increased its import by 1% to 297 m³ while India reduced import by 25% to 1,073 m³. Pakistan didn't make any purchase for the month. The West Asia region recorded an increase of 24% to 8,977 m³ from 7,264 m³ in the previous month. Import performance in Yemen increased by 16% to 7,502 m³ while the UAE reduced purchases by 71% to 176 m³. Jordan resumed its purchases with 526 m³.

In the Africa region, purchase increased by 160% from 40 m³ to 104 m³ by South Africa meanwhile Morocco and Kenya didn't make any purchases for the month. In North America, imports also showed an increase of 24% from 10,274 m³ to 12,727 m³. The US as the main buyer increased buying by 30% to 10,877 m³, followed by Canada with an increase of 585% sales to 274 m³. Meanwhile, Mexico decreased buying by 17% to 1,577 m³. For the Oceania/Pacific region, plywood imports increased slightly by 1% to 3,550 m³ from 3,534 m³.

Australia increased buying by 3% to 3,533 m³ from 3,436 m³ while Fiji decreased buying by 63% to 16 m³. The FOB price of plywood for October 2023 was at RM2,260 per m³, a decrease of 1% from RM2,290 per m³ from the previous month.

Canada's construction market totalled at approximately CAD356 billion in 2022, with a projected average annual growth rate of more than 2% during 2024-2027. Meanwhile, the British Columbia Construction Association (BCCA) says its fall statistics package reflects a "challenging state" for the provincial construction industry. Investment in residential construction for Canada increased by 3.9% in October 2023 compared with September 2023. Three topics of recent and current interest in Canada are the applicability of arbitration agreements in standard form consumer contracts, the applicability of arbitration agreements to receivers in instances of bankruptcy or insolvency and reasonable apprehension of bias in arbitrators retained multiple times by the same counsel.

MOULDINGS

Exports of mouldings for the month increased by 0.1% in volume and 6% in value to 30,414 m3 worth RM68.9 million. However, cumulative exports for the period of October 2023 increased by 39% in volume and decreased by 11% in value to 233,760 m3 worth RM699.4 million as compared to the previous corresponding period in 2022.

Exports to the EU for the month were recorded at 9,706 m3, decreased by 6% as compared to the previous month. France and the Netherlands decreased their purchases by 45% and 1% to 831 m3 and 6,376 m3 while Germany increased its purchases by 64% to 562 m3. Meanwhile, the UK recorded an increase of 21% to 877 m3 for the month.

In Asia, Viet Nam and Singapore increased their purchases by 314% and 14% to 207 m3 and 709 m3 respectively while Thailand resumed its purchases with 74 m3 for the month. South Korea and China increased their intakes by 16% and 4% to 1,889 m3 and 503 m3 respectively while Japan decreased its purchases by 7% to 2,164 m3. Meanwhile, India decreased its intake by 41% to 220 m3 and Maldives resumed its purchases with 202 m3 for the month.

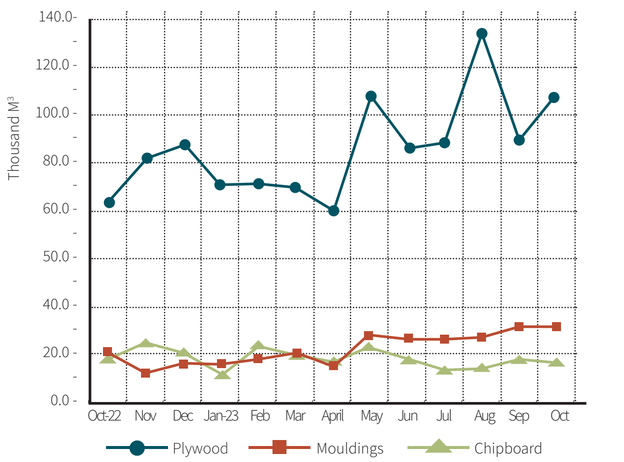
Meanwhile, in the Oceania/Pacific region, exports to Australia increased by 6% to 3,956 m3 compared to the previous month. Similarly, in the America region, export to Canada and the US decreased by 13% and 3% to 40 m3 and 8,660 m3 respectively while Mexico maintained its purchases with 130 m3 for the month.

Elsewhere, in the Africa region, South Africa and Mauritius increase their purchases by 34% to 242 m3 and 3% to 477 m3 respectively.

The average FOB unit value for mouldings slightly increased to RM2,264 per m3 compared to RM2,132 per m3 in the previous month.

The growth of the construction market is hampered due to economic downturns, which reduce consumer spending and business investments, impacting demand for residential and commercial projects. The construction market is projected to value at USD11.9 trillion in 2023 and is expected to reach USD17.2 trillion by 2030, with a CAGR of 5.4% during the forecast period, 2024–2030. The construction market is undergoing notable growth driven by the increasing global population, which results in a heightened demand for diverse infrastructure such as residential properties, office spaces and commercial buildings. This expansion not only caters to immediate housing needs but also fulfills broader societal requirements, encompassing educational and healthcare facilities, along with transportation infrastructure.

Malaysia: Export of Plywood, Mouldings and Chipboard
Oct 2022 - Oct 2023



BUILDERS JOINERY AND CARPENTRY (BJC)

Exports of BJC for October 2023 recorded a decrease of 9% in volume and 12% in value to 11,380,250 kg worth RM115.3 million from last month. Total BJC cumulative exports for the same corresponding period last year decreased by 8% to RM1.1 billion as compared to RM1.2 billion last month.

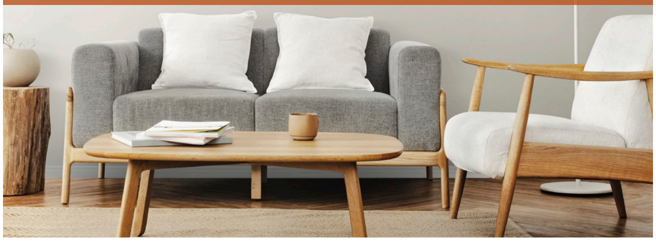
Exports to the EU increased 12% to RM236.6 million compared with RM211.0 million in the previous corresponding period. Exports to Sweden, Belgium and France increased by 78%, 32% and 29% to RM42.4 million, RM71.9 million and RM23.6 million while Germany decreased by 34% to RM19.8 million respectively. Meanwhile, export to Norway and Turkey also decreased by 95% and 35% to RM1.7 million and RM1.2 million whilst the UK increased its intake by 19% to RM108.6 million for the month.

In Asia, exports to the Philippines and Singapore recorded an increase of 143% and 52% to RM9.7 million and RM105.2 million while Viet Nam and Thailand decreased their intakes by 48% and 22% to RM8.3 million and RM7.7 million respectively. Exports to China and Taiwan decreased by 53% and 2% to RM10.4 million and RM7.7 million while Japan increased by 5% to RM49.6 million respectively. Nevertheless, export to Maldives and Bangladesh, recorded an increase of 96% and 72% to RM6.3 million and RM2.2 million while India decreased buying by 44% to RM18.7 million for the month. Meanwhile, the UAE increased buying by 235% to RM3.5 million, Saudi Arabia fell 3% to RM218,319 whilst Iran resumed its intake with RM180,293 for the month.

In the Oceania/Pacific region, exports to New Zealand and Australia decreased by 34% and 15% to RM17.8 million and RM182.2 million while Western Samoa improved its purchases by 53% to RM989,781 respectively. In the America region, Canada, Mexico and Uruguay increased their purchases by 169%, 17% and 7% to RM2.8 million, RM15.2 million and RM1.3 million respectively while the US reduced its intake by 23% to RM254.1 million for the month.

Elsewhere, in the Africa region, South Africa reduced its intakes by 36% to RM4.5 million while Seychelles and Mauritius increased buying by 69% and 45% to RM2.5 million and RM1.0 million respectively. The global construction industry is flourishing, propelled by the ongoing trend of urbanisation worldwide. This wave of urban development is creating a substantial increase in the demand for various types of structures, ranging from residential homes and office buildings to critical infrastructure such as roads and bridges. As global economies continue to expand, there is a growing need for additional commercial space to accommodate businesses and a rising workforce in urban areas. The surge in demand is not limited to commercial spaces, there is also an increasing need for apartments and housing projects, particularly in significant regions including parts of Asia and Africa. This heightened demand is a key driver behind the thriving growth of the construction market. In addition, government-driven infrastructural initiatives globally are fueling significant growth in the construction market.

FURNITURE



Exports of wooden furniture for the month of October 2023 increased by 10% to RM859.0 million, similarly export of rattan furniture grew by 22% to RM9.8 million from the previous month, September 2023. However, the export of wooden furniture for the cumulative period January to October 2023 recorded an export value worth RM7.3 billion, a decrease of 23% from RM9.5 billion in its corresponding period in 2022. Similarly, demand for rattan furniture plummeted by 18% year-on-year to RM65.8 million from RM80.7 million over its corresponding period in 2022.

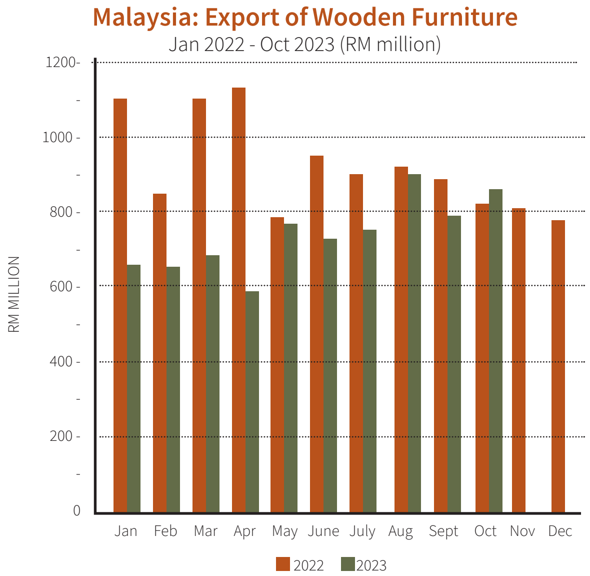
Export of wooden furniture to ASEAN expanded by 11% worth RM1.0 billion from RM913.5 million in its corresponding period in 2022. Export to Singapore increased by 31% to RM627.9 million. Similarly, export to Indonesia rose by 21% to RM96.1 million, however export to the Philippines declined by 15% to RM179.6 million for the stated period.

Moving to the East Asia region, exports were down by 24% to RM525.9 million from RM690.9 million year-on-year in 2022. Japan remained the highest buyer with export valued at RM398.4 million despite a reduction in its buying by 20%. Similarly, exports both to China and Taiwan decreased by 14% to RM42.6 million and by 49% to RM41.2 million, respectively over its corresponding period in 2022.

Export to West Asia expanded by 12% to RM410.1 million from RM365.3 million in its corresponding period in 2022. Export to the UAE, the largest buyer in the region, improved by 29% to RM212.8 million. Similarly, exports to Saudi Arabia increased by 15% to RM141.7 million, however export to Kuwait declined by 50% to RM15.5 million, respectively.

Moving to the South Asia region, export of wooden furniture to the region decreased by 46% to RM106.6 million for the month. Amongst South Asia countries, India recorded the highest intake with export valued at RM96.3 million despite a decrease in intake by 48%. Similarly, exports to Bangladesh were also down by 29% to RM1.2 million. Conversely, export to Maldives improved by 14% to RM8.6 million for the month.

Export to the Central Asia region were down by 3% to



RM3.7 million with intake from Kazakhstan reduced by 26% worth RM2.5 million. Meanwhile, import from Armenia increased by 192% worth RM515,706 while Uzbekistan resumed its intake with RM459,410 for the stated period.

Exports to the European Union recorded a decrease of 14% to RM278.6 million from RM324.2 million over its corresponding period in 2022. France as the highest buyer in the bloc reduced its buying by 23% to RM29.6 million followed by Germany with exports down by 38% to RM32.0 million. Nevertheless, export to Belgium showed an improvement by 8% to RM31.5 million. Outside the EU, the United Kingdom was recorded as the largest buyer with an increase of buying by 2% to RM333.0 million from RM327.0 million over its corresponding period in 2022. Similarly, exports to Turkey and Switzerland increased by 57% to RM8.6 million and by 92% to RM9.2 million respectively.

Export to the Oceania/Pacific region decreased by 17% to RM412.3 million from RM493.6 million over its corresponding period in 2022. Australia remained the top buyer in the archipelago region with export valued at RM364.3 million despite a loss of 16%. Similarly, both exports to New Zealand and Papua New Guinea decreased by 20% to RM29.8 million and by 18% to RM7.3 million respectively.

Moving to the Central America region, export of wooden furniture increased by 36% to RM35.5 million over its corresponding period in 2022. Panama recorded the highest intake of wooden furniture for the cumulative period with an increase of sales by 39% to RM10.4 million. Likewise, exports to Costa Rica and Guatemala also improved by 19% to RM7.4 million and by 37% to RM7.0 million respectively.

Meanwhile, export to the North America region dropped by 33% to RM3.9 billion from RM5.9 billion in its corresponding period in 2022. Despite the USA being Malaysia's largest wooden furniture buyer, the country recorded a reduction in sales by 34% to RM3.6 billion from RM5.4 billion in its corresponding period in 2022. Similarly, exports to Canada and Puerto Rico declined by 11% to RM266.7 million and 36% to RM49.8 million respectively.

Similarly, exports of wooden furniture to the South America region recorded a decrease of sale by 9% worth RM73.9 million from RM81.2 million over its corresponding year in 2022. Export to Chile decreased by 41% to RM35.3 million from RM59.6 million in its corresponding period in 2022. Exports to Peru and Uruguay increased by 59% to RM14.2 million and by 311% to RM7.2 million respectively.

Export to the Africa region recorded a decrease of 17% to RM124.7 million with South Africa garnering the largest market share with RM31.3 million. Intake from South Africa recorded a decrease by 30% from RM44.7 million in its corresponding period in 2022. This was followed by Kenya, with recorded sales of RM16.2 million, decreased by 2%. However, export to Reunion Islands rose by 5% to RM11.6 million for the period January – October 2023.

Rattan furniture shipments for October 2023 recorded an increase of 22% valued at RM9.8 million from RM8.0 million in the previous month. However, export of rattan furniture for the cumulative period January – October 2023 declined by 18% to RM65.8 million from RM80.7 million in the corresponding period in 2022.

Export to ASEAN member countries were recorded at RM5.5 million, an increase of 22% for the cumulative period of January – October 2023. The highest buyer was the Philippines with recorded sales of RM3.3 million, an increase of 25%. Similarly, export to Singapore also grew by 74% to RM1.5 million. However, export to Thailand was down by 25% to RM519,683.

Export to the East Asia region was worth RM5.0 million, a reduction of 47% from RM9.5 million over its corresponding period. China reduced its intake by 48% to RM3.2 million and followed by Japan, with import reduced by 25% to RM1.4 million. Taiwan increased its buying by 64% to RM229,693. Moving on to South Asian countries, India was recorded as the highest buyer of rattan furniture worth RM2.8 million despite a reduction in its buying by 26%. Similarly, Bangladesh also reduced its buying by 85% to RM2,456.

Export to the West Asia region improved by 271% to RM3.9 million from RM1.1 million over its corresponding period in 2022. The largest buying nation of rattan furniture in the West Asia countries, UAE increased its intake by 151% to RM1.8 million and similarly with Saudi Arabia, export increased significantly by 542% to RM1.4 million. Meanwhile, Iran resumed its intake with RM428,095.

Moving to the European Union bloc, exports were down 16% to RM8.6 million with France being the largest buyer amongst EU countries. Export to France increased by 31% to RM2.0 million from RM1.6 million over its corresponding period in 2022. However, exports to Sweden and Ireland dropped by 29% to RM1.1 million and by 61% to RM983,567 respectively for the mentioned period. Moving to other parts of Europe, demand improved by 12% to RM9.2 million with the UK being the largest buyer in the region. The UK increased its buying by 15% to RM6.8 million. Likewise, export to Russia grew by 22% to RM2.3 million from RM1.9 million over its corresponding period 2022. However, Switzerland reduced its intake by 9% to RM4,148.

Shipment to the Oceania/Pacific archipelago region dropped by 28% to RM6.1 million from RM8.5 million over the same period in 2022. Australia recorded a decline in intake by 37% to RM4.9 million. However, export to New Zealand was up by 26% to RM788,262. Meanwhile, Fiji resumed its buying with RM292,072.

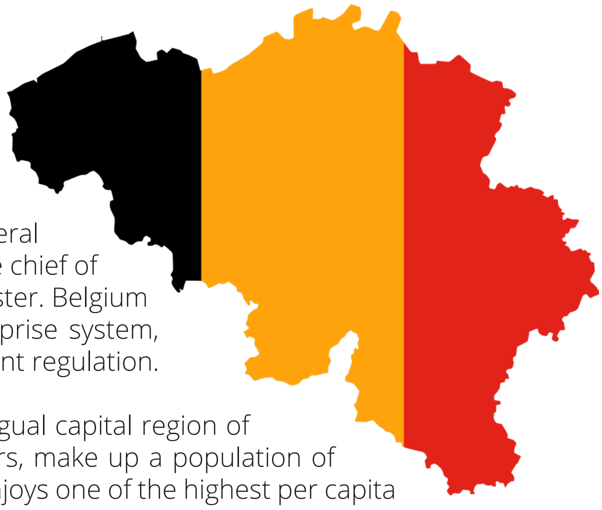
Export to the North America region decreased by 28% to RM23.2 million from RM32.1 million over the same period in 2022. The USA being the largest buyer for rattan furniture recorded a decline in intake by 27% to RM20.6 million, followed by Canada with imports down by 61% to RM1.0 million. Conversely, the Dominican Republic increased its intake by 52% to RM1.2 million. Meanwhile, Panama, a country in Central America resumed its intake to RM7,522. In South America, Uruguay increased its intake by 44% to RM104,062. The intake of rattan furniture by the Africa region declined by 56% to RM1.0 million where the Republic of Congo resumed their buying with RM142,818. Similarly, Cote D'lvoire resumed its buying worth RM198,656 and export to South Africa decreased by 67% to RM173,319 for the mentioned period.

FurnitureToday.com (US-based furniture news portal) reported that in 2024, furniture retailers seeking expansion will encounter a challenging market with limited space availability. As of December 2023, only 4.6% of retail space nationwide was listed as accessible, marking the lowest level recorded since CoStar commenced tracking metropolitan statistical areas in 2007. The resurgence of brick-and-mortar retail (the term brick-and-mortar business is often used to refer to a company that possesses or leases retail shops, factory production facilities, or warehouses for its operations) post-pandemic has been brisk, driven by factors on both the supply and demand sides. These factors are expected to continue influencing and restricting store space options for expanding retailers throughout 2024. On the supply side, heightened financing costs, coupled with reduced capital availability and persistently elevated input costs (such as land, labour, and materials), acted as constraints on retail construction starts in 2023.

Construction activity steadily declined throughout the year, reaching a mere 46 million square feet of retail space compared to the substantial 82 million square feet that began construction in 2022. This figure also falls significantly below the prior 15-year annual average of 108 million square feet. Simultaneously, the ongoing demolition of outdated retail space further diminishes the available stock in the market. Despite facing cost pressures similar to ground-up projects, over 18 million square feet of retail space was demolished in 2023. While the demand for brick-and-mortar store growth remains robust, the diminishing supply of available space presents a dual challenge for furniture retailers—finding optimal locations at affordable rents.

On another news, spot ocean container rates increased 9% this week to USD1,661 per 40-foot container, putting them once again at levels much higher (+17%) than they were pre-pandemic. According to Drewry's World Container Index tracker, rates from Shanghai to New York rose 8% to USD3,074, while rates from Shanghai to Los Angeles climbed 6% to USD2,100. Rates from Shanghai to Europe saw the biggest hikes, rising 16% to Rotterdam. Much of the rise is being attributed to increased conflict in the Red Sea caused by the Israel-Hamas war. Due to recent attacks on commercial ships by Yemen's Houthi rebels, six of the 10 largest ocean carriers are now avoiding the Red Sea passage into and out of the Suez Canal. According to FreightWaves, carriers are opting to circumvent Africa instead using the Cape of Good Hope. This route adds up to 14 extra days to a ship's journey. Shipping industry analyst Xeneta says these diversions will hurt the industry's capacity. "The region is essentially in a war situation because it is too dangerous for many vessels to sail through the Red Sea and therefore also the Suez Canal, which is the major artery for world trade," said Peter Sand, Xeneta chief analyst. "If we look at container shipping alone, Xeneta estimates the diversion via Africa will also require additional shipping capacity in the region of one million TEU. There is capacity in the market, but it will come at a cost, and we could see ocean freight shipping rates increase by 100%. "We may also see this impact current negotiations between shippers and ocean freight carriers for long-term contracts lasting the duration of 2024. Shippers may feel a level of concern that long term rates could follow the spot market and increase dramatically as a result of this crisis," he continued. Mario Veralod, CEO of MTM Logix, told Supply Chain Brain that the entire industry will be affected, "regardless of the contractual or spot rates of individual carriers." Two different analysts, Pareto's Eirik Haavaldsen and Clarksons' Frode Mørkedal, told FreightWaves that the Cape detours are coming at a good time for container shipping lines, as poor demand has pushed rates low. "Market conditions are extremely weak, and as such (there is a) great incentive for the larger liner companies to boost distance," said Haavaldsen.

TIMBER INDUSTRY IN BELGIUM



Overview

Belgium is a country in Western Europe that borders the North Sea. Neighbouring countries include France, Germany, Luxembourg, and the Netherlands. Flat coastal plains take up most of the northwest, but rugged mountains of the Ardennes Forest lie in the southeast. The government system is a federal parliamentary democracy under a constitutional monarchy. The chief of state is the king, and the head of government is the prime minister. Belgium has a mixed economic system which includes a private-enterprise system, combined with a centralised economic planning, and government regulation.

The Dutch speaking Flanders region in the north, and the bilingual capital region of Brussels, in addition to a small community of German speakers, make up a population of 11.69 million people. The country is densely populated and it enjoys one of the highest per capita incomes in Europe, with a relatively balanced income distribution, resulting in widely distributed purchasing power among its residents.

Often referred to as "the capital of Europe," the Belgian capital of Brussels is home to the headquarters of the EU and of the North Atlantic Treaty Organization (NATO), as well as hundreds of international institutions, associations, and multinational corporations.

Economy

Belgium was the first European country to join the Industrial Revolution in the early 19th century. It has since developed a highly developed transportation infrastructure made up of ports (most notably the Port of Antwerp), canals, railways, and highways, to integrate its industry with that of its neighbours. Belgium imports raw materials and semi-finished goods that are further processed and re-exported. Except for its coal, which is no longer economical to exploit, Belgium has few natural resources other than fertile soils. Despite the heavy industrial component, services dominate the country's economy and account for 77.2% of Belgium's gross domestic product (GDP), while agriculture accounts for 0.7%.

With exports equivalent to over two-thirds of the country's gross national income (GNI), Belgium depends heavily on world trade. Belgium's trade advantages are derived from its central geographic location and a highly skilled, multilingual, and productive work force. One of the founding members of the European Community, Belgium strongly supports deepening the powers of the present-day European Union (EU) to integrate European economies further. About three-quarters of its trade is with other EU countries.

Forestry

According to the World Bank, total land area in Belgium is 30,280 sq. km in 2021. For comparison, the world average in 2021 based on 196 countries, was 655,985 sq. km. In 2010, Belgium had 275,000 hectares of natural forest, extending over 29% of its land area but in 2022, it had lost 793 hectares of natural forest. The share of forest land over the total amount of land remained at 22.76 percent. Forest area is defined as land with natural or planted trees of five meters or more in height, excluding agricultural land and urban parks and gardens.

Much of the Ardennes is covered in dense forests, with the hills averaging around 350–400 m (1,150–1,310 ft) in height but rising to over 694 m (2,277 ft) in the boggy moors of the High Fens region of south-eastern Belgium. The most common trees are Beech and Oak, but considerable plantings of conifers have been made in recent years. Belgium serves as a large transhipment centre for temperate hardwood logs, softwood lumber, and softwood plywood. Large quantities of timber for the woodworking industry are typically imported from the Democratic Republic of the Congo.

Timber Production and Processing

According to the latest FAO forest statistics on Belgium, the country produced around 2.1 million cubic metres of sawlogs and veneer logs in 2022. Major timber products were sawnwood and particleboard. Details of production are as follows:

Timber Production and Processing

Unit:m³

Product	2018	2019	2020	2021	2022
*Sawlogs and veneer logs, coniferous	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Sawnwood	1,450,000	1,450,000	1,460,000	1,500,000	1,450,000
Plywood	24,130	78,000	78,000	78,000	78,000
Particle board	1,250,000	1,299,860	1,196,886	1,352,485	1,244,287
MDF/HDF	300,000	288,000	290,880	274,300	258,665

Source: FAO Stats ** Estimate value*

Belgium's Export of Timber and Timber Products

Belgium's export of timber and timber products in 2022 decreased 4% to USD5.5 billion over the previous corresponding period. Belgium's major exported products were furniture at a total of USD1.0 billion, decreased by 6% from USD1.1 billion in the previous corresponding period. Similarly, export of sawntimber and fibreboard also decreased to USD822.1 million and USD720.9 million whilst particleboard/chipboard increased exports to USD468.8 million respectively. The top export destinations for Belgium timber and timber products (HS44) were France (USD 1.2million), Netherlands (USD958.9 thousands) and Germany (USD654.8 thousands). Meanwhile, Malaysia was at 37th place as an export destination with import valued at USD7.9 thousands.

Belgium: Export of Timber and Timber Products, 2018-2022

USD '000

Products	2018	2019	2020	2021	2022
Furniture & Parts	836,420	849,002	855,838	1,082,717	1,020,190
Sawntimber	649,556	622,236	624,189	1,011,751	822,066
Fibreboard	630,751	603,765	588,065	775,444	720,856
Logs	294,411	420,251	661,445	855,841	599,285
Chipboard/Particleboard	344,078	317,014	275,486	417,320	468,839
Plywood	248,255	239,173	224,922	383,049	437,036
BJC	228,233	225,858	265,148	333,151	379,356
Moulding	58,441	63,113	69,008	94,626	105,589
Veneer	21,834	26,884	29,203	40,471	30,187
Wooden Frame	26,421	23,444	20,929	24,568	22,639
Other Products	534,346	529,610	572,343	703,589	878,790
TOTAL	**3,872,746**	**3,920,350**	**4,186,576**	**5,722,527**	**5,484,833**

Source: UN-Comtrade Statistics

Belgium's Import of Timber and Timber Products

Belgium's import of timber and timber products in 2022 decreased 2% to USD6.1 billion over the corresponding period in 2021. Belgium imports mainly furniture, sawntimber, BJC and plywood. Import of furniture and sawntimber decreased 7% and 24% to USD1.8 billion and USD1.0 billion respectively. However, import of BJC and plywood improved 15% to USD472.9 million and 34% to USD469.4 million respectively. France was the biggest supplier country for timber and timber products (HS44) with exports valued at USD671.1 million, followed by Germany (USD595.3 million) and China (USD545.6 million). Meanwhile, Malaysia placed 21st as a major exporter to Belgium with exports valued at USD37.2 million, an increase of 48% from USD25.1 million in 2022.

Belgium: Import of Timber and Timber Products, 2018-2022

USD '000

Products	2018	2019	2020	2021	2022
Furniture & Parts	1,447,666	1,455,569	1,496,264	1,978,802	1,843,260
Sawntimber	865,440	777,161	786,697	1,375,044	1,040,458

BJC	305,566	297,197	328,372	409,472	472,882
Plywood	271,545	248,562	238,739	350,870	469,392
Fibreboard	280,834	273,279	266,010	408,144	387,931
Logs	303,793	263,971	272,616	351,251	354,001
Chipboard/Particleboard	170,834	148,170	162,617	220,626	147,777
Veneer	58,678	56,642	54,124	82,279	91,585
Moulding	94,224	87,856	75,750	91,870	90,500
Wooden Frame	22,792	23,090	19,592	28,167	23,414
Others product	811,815	816,907	838,426	914,940	1,151,564
TOTAL	**4,633,187**	**4,448,404**	**4,539,207**	**6,211,465**	**6,072,764**

Source: UN-Comtrade Statistics

Exports of Malaysian Timber and Timber Products to Belgium

In 2022, export of Malaysian timber and timber products to Belgium valued at RM163.6 million, a decrease of 4% over the previous corresponding period. Major products exported to Belgium are BJC and sawntimber. Export of BJC and sawntimber totalled RM66.0 million and RM33.1 million, an increase of 28% and 9% respectively compared to RM51.5 million and RM30.4 million in 2021. Meanwhile, export of wooden furniture decreased by 43% to RM33.0 million from RM57.5 million as compared to 2021

Malaysia: Exports of Timber and Timber Products to Belgium, 2018-2022

Value RM

Products	2018	2019	2020	2021	2022
BJC	48,421,881	48,684,219	53,061,863	51,490,885	65,958,448
Sawntimber	41,980,540	34,179,296	28,314,168	30,440,745	33,091,829
Mouldings	30679065	29,647,220	22,367,671	15,351,950	27,214,838
Plywood	8,707,243	4,392,525	2,655,515	0	2,176,596
Wooden Furniture	37,681,650	49,978,596	53,394,091	57,461,695	32,982,987
Other Products	1,493,094	1,375,781	952,794	2,611,630	2,197,187
TOTAL	**168,963,473**	**168,257,637**	**160,746,102**	**157,356,905**	**163,621,885**

Source: MTIB/DOSM

Import of Malaysian Timber and Timber Products from Belgium

Malaysian import of timber and timber products from Belgium increased more than 200% from RM5.1 million in 2021 to RM18.1 million in 2022. Major products imported from Belgium were fibreboard and chipboard/particleboard. In 2022, import of fibreboard increased significantly to RM15.5 million from only RM2.2 million in the previous year. Similarly import of chipboard/particleboard increased by 12% to RM990,408 from RM885,798 as compared to 2021.

Malaysia: Import of Timber and Timber Products from Belgium, 2018-2022

Value RM

Products	2018	2019	2020	2021	2022
Fibreboard	3,235,940	9,917,753	10,695,999	2,177,661	15,516,279
Chipboard/Particleboard	0	0	419,966	885,798	990,408
Sawntimber	175,691	159,510	1,706,892	678,974	207,396
BJC	310,901	95,266	14,826	205,996	37,622
Logs	34,692	0	0	0	0
Mouldings	0	251,150	0	0	0

Plywood	0	0	0	20,497	0
Veneer	0	59,897	0	0	0
Wooden Furniture	191,712	493,153	479,144	742,519	790,764
Other Products	103,938	4,006,162	1,942,596	413,085	514,995
TOTAL	**4,052,874**	**14,982,891**	**15,259,423**	**5,124,530**	**18,057,464**

Source: MTIB/DOSM

Import Tariffs

Belgium's MFN import duty on timber and timber products ranges from 0 – 10% with plywood recording the highest duty of 6-10% followed by veneer (0-6%) and furniture (0-5.6%). Details of the import tariffs are as follows:

HS code	Product	MFN Rate
4401	Fuel wood	FREE
4402	Wood charcoal	FREE
4403	Logs	FREE
4404	Hoopwood	FREE
4405	Wood wool & flour	FREE
4406	Railway sleepers	FREE
4407	Sawntimber	0 - 2.5
4408	Veneer	0 - 6.0
4409	Moulding	FREE
4410	Particleboard	7
4411	Fibreboard	7
4412	Plywood	6 - 10

HS code	Product	MFN Rate
4413	Densified wood	FREE
4414	Wooden frames	0 - 2.5
4415	Packing cases	3 - 4
4416	Casks, barrels, vats and tubs	FREE
4417	Tools, bodies and handles	FREE
4418	Builders' joinery and carpentry	0 - 3
4419	Tableware and kitchenware	FREE
4420	Wood marquetry	0 - 4
4421	Other articles of wood	1 - 4
9401	Seats, whether or not convertible into beds, and parts	0 - 5.6
9403	Furniture and parts	0 - 5.6

Source: Official Journal of the European Union

Prospects

The Belgian economy is estimated to have expanded by 1.5% in 2023, slightly more than projected in autumn. Real GDP increased by 0.4% q-o-q in both the third and fourth quarters of the year. Private consumption was resilient in 2023, supported by the automatic indexation of wages and social benefits, which contributed to maintaining household purchasing power. Furthermore, investment recovered strongly, on the back of a rebound in corporate investment.

Going forward, private consumption is expected to expand further, as consumers face lower price increases and employment is still projected to grow. At the same time, the energy transition and the implementation of the Recovery and Resilience Plan (RRP) are set to support gross fixed capital formation. Public investment in infrastructure is also projected to accelerate in the run-up to the 2024 election cycle. By contrast, investment in residential construction is expected to continue to be held back by high financing costs in the short term, before recovering over the forecast horizon amid a moderate easing of financing conditions. After a strong decline in 2023, exports and imports are set to rebound to some extent in 2024 and more vigorously in 2025, in tandem with trading partners' prospects. The contribution of net exports to GDP growth is however forecast to remain negative in 2024 and in 2025, with imports pushed up by private consumption. Overall, GDP growth is forecast to reach 1.4% in 2024 and 1.5% in 2025, unchanged compared to the Autumn 2023 Forecast.

The Belgian construction industry is navigating challenging times, with a recent report from Embuild, the sector's federation revealing a significant drop in the production of new homes. According to Embuild's latest figures, the growth of the construction industry is expected to be severely limited in 2024, primarily due to a 7.1% decline in new residential construction. This setback is attributed to successive increases in interest rates, restricting financing access and escalating material costs. Developers are compelled to slow down or cancel projects while awaiting more favourable economic conditions.

The renovation sector also faces challenges, experiencing a 1% growth compared to 4.6% in 2022, signalling ongoing difficulties in both sectors through 2024 and possibly into 2025. The overall construction sector witnessed a 0.3% decline in activity, and although minimal growth is anticipated in 2024 at +0.2%, residential construction is expected to further decline by -5.3%. In contrast, renovation projects are forecast to see an increase of +1.6%. Non-residential construction faced challenges with a decline of -2.8% in 2023 but is projected to rebound by +1.6% in 2024. Infrastructure projects, however, recorded notable growth at 4.9%, projected to be +3.9% in 2024.

The surge in construction costs is also affecting renovation rates in the Belgian market. Revamping buildings through deep renovation, which drastically cuts down energy usage for heating and cooling, is deemed essential in achieving climate goals and alleviating pressure on energy infrastructures. The European Union intends to tackle this challenge by increasing renovation rates to 2% of the total housing stock. The effects of rising construction costs are also reflected in renovation works. Orders for energy modernisation measures have decreased significantly in the Belgian construction industry. The trend is expected to continue over the next few quarters, as interest rates are projected to remain higher for longer globally.

While the industry is not in a deep crisis, there is a dark cloud looming over the sector. A decline in mortgage applications and new properties on the market as well as the decrease in building permits which have been sinking since the end of 2021 has led to a crisis in the new housing market with production challenges predicted to persist into 2025. In a bid to counter this, the construction sector, comprising approximately 16,000 companies, is responding with strategic initiatives. Five memoranda have been drafted for each level of the government ahead of next year's elections, relying on political decision-makers to implement measures aimed at revitalising the sector.

Four key priorities have been identified, including the production of accessible and sustainable housing, increased public investment, adoption of technology-focused construction practices, and creating attractive job opportunities. Due to the slower growth of the timber industry in Belgium, Malaysian exporters can still tap the market share by promoting Malaysian value-added timber products by continuously creating excitement and creativity in terms of design, innovation, materials used, colours and finishings; and improve product quality while meeting the necessary standards.

In addition, local furniture and wood manufacturers are urged to adapt to market changes particularly in terms of design, product range, and materials in order to set a competitive price. There is also the need to increase promotional usage of Malaysian timber in the construction sector. Durability and strength of timber as a construction material will provide wider choices to construction sector industry players.

A Gardencocon/garden furniture from Coconcenter, Belgium first part of the 21th century

Vintage Leather Sofa by Durlet, Belgium - 1970's

References:

- *International Trade Centre*
- *MTIB's statistics*
- *The World Bank*
- *https://economy-finance.ec.europa.eu/UN- Comtrade Statistic*
- *http://www.cifor.org*
- *http://www.forestlegality.org/Belgium*
- *https://www.brusselstimes.com/848454/belgian-construction-sector-faces-challenges*
- *https://www.Belgian_construction_sector.webp*
- *http://www.fao.org*
- *https://www.belgium.com/wood-facts/about-wood/wood-and-sustainability/the-forest-and-sustainable-forestry*
- *https://vb.nweurope.eu/projects/project-search/fcrbe-facilitating-the-circulation-of-reclaimed-building-elements-in-northwestern-europe/partners/embuild/*
- *https://comtrade.un.org*
- *https://dfa.gov.ph*
- *https://www.bworldonline.com*
- *https://www.statista.com/outlook/digital-markets*

MYANMAR
FURNITURE MAKERS ATTRACT DOMESTIC MARKET

The Myanmar Wood-Based Furniture Association (MWBFA) sponsored the Myanmar Furniture Exhibition 2023 at a popular shopping mall to promote sales in the domestic market in the face of falling international demand and trade restrictions. This event was timed to be during the so-called 'marriage season' when demand for furniture rises.

Furniture manufacturers face a major challenge from imported furniture which is often cheaper than locally made items. In addition to the classic designs with solid wood, manufacturers have started to use the finger-jointed plantation teak. Myanmar teak was in demand in international markets for garden furniture but this market has closed due to international measures against Myanmar wood products and the strict domestic regulation of export procedures for wood products some of which have been eased recently.

https://www.itto.int/, 01 November 2023

VIET NAM
IMPROVEMENTS IN EXPORTS OF WOOD PRODUCTS

Wood product exports to the US are warming up although sales over the past few months were down compared to the same period last year.

Viet Nam's Ministry of Industry and Trade's Agency for Foreign Trade Information Center reported that the US remained the main market for Viet Namese wood. In first half of 2023, exports reached USD 3.3 billion, accounting for 54% of the total but down 33% over the same period in 2022.

The driver of demand growth in the US market is low inventories and increased construction activity. Furthermore, the market becomes more active as the holiday shopping season approaches.

Low availability of housing combined with the numerous incentives offered by construction companies has increased buyer interest in new homes which has lifted demand for imported wood and wood products particularly wooden furniture.
The US economy is showing signs of revival with consumer demand increasing. The US government and its corporations continue to pay attention to Viet Nam and pledge robust business collaboration. As a result of the positive rebound, big US retail chains have begun to resume orders with Viet Nam.

According to Tran Lam Son, Deputy General Director of Thien Minh Import-Export, the US market is exhibiting signs of improvement. Thien Minh specialises in plantation wood as well as bamboo and rattan.

Two years ago, the Japanese market accounted for approximately 50% to 60% of this enterprise's overall export earnings while the US accounted for approximately 40%. However, the US market currently accounts for approximately 50% to 60% of the company's overall export revenue.

Son said that while shipments to the US were still down from the previous year, orders were up because clients were gearing up for the holiday shopping season. He noted that during peak times, shipping costs to the US were more than USD 10,000 per container but that cost has fallen which allowed more competitive pricing.

According to a representative of Bao Hung, a manufacturer of wooden furniture, shipments to Japan accounted for 60% of its total export revenue two years ago, while the US accounted for 40%. Now, 60% to 70% of exports are to the US. The US market gained somewhat due to end-of-year imports while the Japanese market remained stagnant.

https://panelsfurnitureasia.com/, 07 November 2023

CHINA
FORMALDEHYDE-FREE WOOD-BASED PANEL

The output of China's wood-based panels in 2021 was 336.73 million cubic metres, a year on year increase of 8% and came after four consecutive years of growth. With the improvement of people's living standards in China, the safety of the living room environment became a topic of concern and demand for formaldehyde-free wood-based panel products increased.

With the green upgrading of the wood-based panel industry, the production of formaldehyde-free wood-based panel products has steadily increased and the market share of these products continues to expand.

The output of formaldehyde-free wood-based panel products was about 8.1 million cubic metres in 2022. Formaldehyde-free plywood, fiberboard and particle board was 1.6 million cubic metres, 0.2 million cubic metres and 6.3 million cubic metres respectively, a year on year increase of 36%.

The output of formaldehyde-free plywood products in China has maintained a steady growth trend in recent years, a year on year increase of 37% in 2021 and 36% in 2022. The proportion of formaldehyde-free particleboard is largest at 57% in 2020, 62% in 2021 and 78% in 2022.

The varieties of formaldehyde-free products have expanded and the main adhesives include aqueous polyurethane adhesives (EPI), bean-based protein adhesives, lignin adhesives and thermoplastic resin film adhesives, etc.

Formaldehyde-free plywood is mainly made with polyurethane, bean-based protein, thermoplastic film adhesives in China. The proportion of formaldehyde-free plywood made with bean-based protein adhesives dominated and was 64% (800,000 cubic metres) in 2020, 57% in 2021 (770,000 cubic metres) and 63% (1 million cubic metres) in 2022.

Formaldehyde-free fiberboard is mainly made with polyurethane and bean-based protein in China. The proportion of formaldehyde-free fiberboard made by polyurethane adhesives dominated and is 83% (500,000 cubic metres) in 2020, 87% in 2021 (770,000 cubic metres) and 50% (100,000 cubic metres) in 2022.

Formaldehyde-free particle board is mainly made by polyurethane (MDI), polyurethane (EPI) and bean-based protein adhesives in China. The proportion of formaldehyde-free particle board made by polyurethane (MDI) adhesives dominated and is 80% (2 million cubic metres) in 2020, 83% in 2021 (3.08 million cubic metres) and 90% (5.65 million cubic metres) in 2022.

www.fordaq.com, 07 November 2023

JAPAN

DEMAND AND SUPPLY OF DOMESTIC SOFTWOOD PLYWOOD

According to the Ministry of Agriculture, Forestry and Fisheries, shipment of structural plywood in September, 2023 is 201,000 cubic metres, 6.6 % more than in September, 2022. This is for the first time in thirteen months to be over 200,000 cubic metres. Shipment is 5 % increased from previous month. Production of structural plywood is 201,000 cubic metres, 10.3 % down from September 2022. This is for the first time in twelve months to be over 200,000 cubic metres.

Production of over 24 mm plywood is 92,000 cubic metres, 9.8 % less than the same month last year but this is 14 % more than the previous month. Inventory of structural plywood is 133,000 cubic metres, 4.1 % more than the same month last year. This is 0.4 % up from last month.

Inquiries to domestic softwood plywood are bullish even though demand for houses is low. Shipment at some distributors in Western Japan has been increasing since September. However, the demand for houses is unclear in the future so the distributors purchase domestic softwood plywood to fill current needs.

The price of domestic softwood structural plywood is on a slow decline. 12 mm, 3 x 6 is 1,600 yen, delivered per sheet. Some companies sell the domestic softwood structural plywood by 1,550 yen, delivered per sheet, for sales promotion. Shipment of thick softwood structural plywood is rising. 24 mm 3 x 6 is 3,200 yen, delivered per sheet, and this is unchanged price from the previous month. 28 mm 3 x 6 is 3,750 yen, delivered per sheet and this is also unchanged price from the previous month.

Movement of imported plywood is dull. Arrival volume of imported plywood has been declining but the inventory of imported plywood in Japan is not in short supply. Japanese importers hesitate to buy plywood due to the weak yen and low demand.

The price of South Sea plywood in South Asia levels off from last month but some South Asian shippers raised the price by USD 10, C&F per cubic metres. The South Asian shippers raised the price because the inventory of plywood in Japan has been decreasing. 12 mm 3 x 6 painted plywood for concrete form is USD 670 to USD 680, C&F per cubic metres. Structural plywood is USD 560 to USD 570, C&F per cubic metres. Form plywood is around USD 580, C&F per cubic metres.

2.4 mm 3 x 6 plywood is around USD 950, C&F per cubic metres. 3.7 mm 3 x 6 plywood is around USD 880, C&F per cubic metres. 5.2 mm 3 x 6 plywood is around USD 850, C&F per cubic metres. These prices have been unchanged since summer. The price of plywood will be raised in Japan due to the weak yen. 12 mm 3 x 6 painted plywood for concrete form is 1,990 yen to 2,000 yen, delivered per sheet and this is around 50 yen up from September. Structural plywood is 1,800 yen, delivered per cubic metres. 2.5 plywood is 780 yen, delivered per sheet. 4 mm plywood is 1,000 yen, delivered per sheet. 5.5 mm plywood is 1,200 yen, delivered per sheet.

https://www.itto.int/, 01 November 2023

INDIA

PEELER LOGS NOW MORE READILY

PlyReporter, the Indian trade journal, writes there are signs of an easing of log supplies to plywood makers in the northern States of Yamunanagar, Ludhiana, Hoshiarpur and Rudrapur as poplar logs are more readily available but that these are mostly of small girth.

Since 2017, every state in the Northern Region has been actively planting poplar and now the extent of poplar plantations exceeds that of eucalyptus in Punjab and Haryana. A boost to the sector in Haryana came when the Chief Minister of the State halved the market fee from 2% to 1%. He is reported by PlyReporter as saying "this will help the Yamunanagar plywood industry and Yamunanagar district (Northern India) based units as they will save approximately Rs.60 million annually and this will be a big support for industries."

The supply of plywood to the market has been supported by increasing imports of core veneer from Viet Nam, Tanzania, Brazil and logs for core veneer peeling from Uruguay, Australia and Argentina.

The plywood industries based in Gujarat, West Bengal, Maharashtra, Andhra Pradesh were buying core veneer from Northern India but, due to high price of domestic raw material, many shifted to imported core veneers and logs. The shift to imported core veneer is helping North India based plywood manufacturers as domestic raw material is more readily available.

https://www.itto.int/, 01 November 2023

FINLAND
ROUNDWOOD DECREASE IN SEPTEMBER

In September, a total of 4.6 million cubic metres of roundwood was harvested for industrial use in Finland. Compared to last year's September, the removal volume was one-fifth or 1.3 million cubic metres lower. In January to September, a total of 42.7 million cubic metres of industrial wood was harvested. This removal volume was down 7% from the previous year and from the five-year average, according to the Finnish Natural Resources Institute Finland (Luke).

Sawlogs accounted for 2.2 million cubic metres and pulpwood for 2.4 million cubic metres of the industrial roundwood removals. Industrial roundwood removals from non-industrial private forests were 3.5 million cubic metres, down by 26% from the year before. The felling volume in forest industry companies' forests and state-owned forests was 1.1 million cubic metres, down by 4% from the year before. Energywood removals totalled 496,000 cubic metres, with delimbed stems and whole trees comprising 42% of this amount.

www.fordaq.com, 02 November 2023

SWEDEN
SOFTWOOD SAWLOG STOCKS AT LOWEST LEVEL

Unusually low stocks of softwood sawlogs were reported on 30 September, marking a significant drop to 2.1 million cubic metres, according to the latest survey from the Swedish Forest Agency. This level of stocks has not been recorded since the commencement of measurements in 2013.

The shortage in softwood sawlogs was observed across all wood balance areas. Conversely, stocks of pulpwood remained consistent with the previous year or showed a slight increase. Softwood pulpwood, including spruce pulpwood, saw a 4% rise, reaching 3.1 million cubic metres compared to the end of September 2022. Hardwood pulpwood stocks also experienced a substantial surge, totaling 0.8 million cubic metres, marking a 40% increase from the same period last year.

In contrast, the overall timber stocks on 30 September 2023 amounted to 6.7 million cubic metres, indicating a 5% decrease compared to the corresponding period in the previous year. A breakdown by assortment revealed the following changes in comparison with the same time last year, i.e. softwood sawlogs decreased 2.1 million cubic metres (-26%), pulpwood increased to 3.9 million cubic metres (+9%), and pulp chips increased to 0.7 million cubic metres (+5%).

https://www.lesprom.com/, 07 November 2023

UK
TROPICAL WOOD AND WOODEN FURNITURE IMPORTS LOW

The import value of tropical wood and wooden furniture into the UK in the first eight months of this year was USD 655 million, 38% less than the same period last year. In quantity terms, the UK imported 273,400 tonnes of tropical wood and wooden furniture in the January to August period, 19% less than the same period last year. This is an extraordinarily low figure, in tonnage terms the lowest level of UK tropical wood products imports for the first eight months of the year since at least the early 1990s, and probably well before then.

It is 4% below the previous record low which came in the first eight months of 2013 at the end of one of the longest periods of economic stagnation on record in the UK. It is 5% less than recorded in the first eight months of 2020 when the country was at a complete standstill at the start of the COVID pandemic. Coming as it does after two historically good years for the UK trade in 2021 and 2022 during the immediate post-COVID recovery, this is a classic case of boom and bust.

The monthly data shows that the total tonnage of UK imports of tropical wood and wooden furniture fell to an extreme low of only 22,000 tonnes in December 2022 before rising to 35,000 tonnes in February 2023. Since then, imports have barely shifted from this level which is about 20% below the long-term average for the time of year.

http:// www.itto.int, 1 November 2023

RUSSIA
SAWLOG SHORTAGE; PRICES RISE

There were active price negotiations on the Russian sawlog market in October. All sawmills, both small and large, feel the off-season shortage. A large manufacturer of lumber from the Arkhangelsk region posted an advertisement for the purchase of softwood sawlogs of 14 cm long, 4-6 m at 4,500 rubles per cubic metres (excluding VAT, at the factory) the equivalent of EUR45.56 per cubic metres. In the northwestern regions of the Tver region spruce sawlogs were offered at 5000 to 5500 rubles per cubic metres (excluding VAT and delivery costs) the equivalent of EUR50.85 to EUR55.35 per cubic metres. At one of the large factories in the Vologda region it was 5500 rubles per cubic metres (EUR55.35 per cubic metres) without VAT.

During the month, there were reported other peak offers; 7,200 rubles per cubic metres (with VAT and delivery) or EUR72.97 per cubic metres in Karelia, offers from Vologda loggers for sawmills in the Volga region, 6,000 to 7,000 rubles per cubic metres (without VAT) the equivalent of EUR60.79 to 71.33 per cubic metres. Obviously, such peak price indicators take place, but if confirmations are recorded, then they are for small volumes for specific orders of sawmills.

Two factors influence the development of the price situation in the Russian sawlog market. Firstly, supply is currently clearly lagging behind demand due to the off-season. Secondly, the price on the Chinese market has increased since the end of September. Thus, the price for spruce lumber in the port of China in October was fixed at 1900 yuan per cubic metres (KD, grade 1-4) or EUR247.22 per cubic metres. When calculating the price, netback for a sawmill in the North-West can be 22.5 to 23 thousand rubles per cubic metres (EUR218.82 to EUR233.65 per cubic metres). Since March, China has not shown any significant surges in the volume of Russian purchases.

https://www.globalwoodmarketsinfo.com/, 14 November 2023

BRAZIL
WOOD PRODUCT EXPORTS FALL

In September 2023, the value of Brazilian exports of wood- based products (except pulp and paper) decreased 24% in value compared to September 2022, from USD 341.3 million to USD 259.7 million. Pine sawnwood exports declined 41% in value between September 2022 (USD 69.6 million) and September 2023 (USD 41.3 million). In volume, exports dropped by 25% over the same period, from 242,300 cubic metres to 182,000 cubic metres. Tropical sawnwood exports decreased 25% in volume, from 30,800 cubic metres in September 2022 to 23,000 cubic metres in September 2023. In value, exports decreased 31% from USD14.8 million to USD10.2 million, over the same period.

In contrast, pine plywood exports saw a 14% increase in value in September 2023 compared to September 2022, from USD 41.6 million to USD 47.4 million and in volume, exports increased 34% over the same period, from 114,100 cubic metres to 153,400 cubic metres. However, tropical plywood exports decreased in volume by 39% and in value by 48%, from 3,300 cubic metres and USD 2.3 million in September 2022 to 2,000 cubic metres and USD 1.2 million in September 2023, respectively. Wooden furniture export earnings in September dropped from USD 53.8 million in September 2022 to USD 47 million in September 2023, a 13% fall.

www.fordaq.com, 01 November 2023

GHANA
WOOD PRODUCT EXPORT SLUMP

Receipts from exports of wood products in the first eight months of 2023 slumped by 11% to EUR92.35 million compared to EUR103.84 million for the same period in 2022. According to data sourced from the Timber Industry Development Division (TIDD) this was because of a 14% drop in the volume of wood products exported (205,127 cubic metres) during the period in 2023 compared to 237,464 cubic metres for the same period in 2022.

In spite of the 2023 data, poor overall performance export volumes of kiln dried boules, briquettes and plywood recorded significant increases in volume during the period compared to the same period in 2022. The top three export products for both 2022 and 2023 were AD and KD sawnwood and plywood for the regional West African markets. These products accounted for 168,924 cubic metres and 18,188 cubic metres respectively of the total export volume.

During the period under review some products also recorded significant decreases in volumes. Their performance in 2023 negatively affected the corresponding revenues for the period when compared to the previous year. Receipts from exports of billet and veneer dropped by 67% and 37% respectively to register EUR3.03 million in 2023 against EUR9.09 million in 2022.

About eighty exporters contributed to the export of seventeen wood products during the period from thirty-eight species. The leading species included teak, ceiba, wawa, eucalyptus and rubberwood. Demand for wood products in Asian and African markets dropped. The major destinations for these wood products were India, the United States of America, China, Togo and the United Kingdom.

http:// www.fordaq.com, 2 November 2023

GLOBAL
LUMBER MARKETS RESULTED IN LOWER SAWLOG PRICES

Weaker lumber markets have resulted in lower sawlog prices worldwide. The Global Sawlog Prices Index (GSPI) fell 1.6% in the second quarter of 2023. Year-over-year, this fall represented almost a 10% decline compared to the second quarter of 2022 when it hit its all-time high. Although sawlog prices have moved downward in most of the 20 countries the index tracks, a few regions, including the Nordic countries and Latin America, have seen rising log prices over the past year.

Lower demand for wood raw materials, driven by weaker lumber markets worldwide, has been the significant factor in recent decreases in timber prices. In Western North America, where most sawmill curtailments have occurred in 2023, sawlog costs were down the most. Sawmills in British Columbia saw log costs falling by 20% to 25% from 2022, reaching the lowest level in over two years.

Despite the recent decline, lumber manufacturers in this region still have the highest wood costs on the continent. Current prices are 25% higher than their 10-year average. Sawlog prices in the US South rose slightly during 2022. However, in the second quarter of 2023, they were down by about 8% year-over-year to a level close to the lowest seen in over 25 years (in nominal terms). Although the average log costs for the southern states have varied in a narrow range of USD 57 to USD 62 per cubic metres over the past two decades, there are significant variations between sub-regions.

In Coastal Georgia, South Carolina, and Florida, market prices reached over USD 70 per cubic metres in 2022 and 2023. In regions where investments in sawmill expansion have been more modest, prices were closer to USD 50 per cubic metres.

Sawmills in Finland and Sweden have experienced a different timber market than most other regions over the past two years. Finnish sawmills were cut off from Russian log imports in 2022, and as a result, domestic log prices increased about 10% in Euro-terms. The availability of logs in the Baltic Sea region tightened in 2022 and 2023, with shipments from Belarus, Russia, and Ukraine being halted by the Russian invasion of Ukraine.

Swedish sawmills have increased imports of higher-cost logs from Estonia and Latvia and have also offered higher prices to domestic sawmills in 2023. Import prices from the Baltic States to Sweden have increased by almost 60% from early 2022 (before Russia's invasion of Ukraine) to the average price for the first half of 2023. During the same period, domestic sawlog prices in Sweden have increased by less than 15%.

https://www.globalwoodmarketsinfo.com/, 13 November 2023

Domestic Trade News

MASKAYU | | Vol 11 / 2023

LOGS

The average price of logs for most species used as a pricing reference in October 2023 was allegedly constant from the previous month, when 95 percent, or 19 of the 20 species, remained traded at the same price. Only one species reported a price rise of around 2.3%, or RM50 per tonne.

The only species reported to be seeing price rises was Dark Red Meranti (DRM) from the Light Hardwood Group. With the recorded rise in price, the DRM species was traded at an average price of RM2,200 per tonne, with the maximum reported price of RM2,300 per tonne.

The lack of demand and present low market performance of most timber products in the local market and exports are expected to continue to have a substantial influence on timber prices since practically the whole species maintains price retention on the timber industry's key raw materials.

SAWNTIMBER

For October 2023, the average price situation for sawnwood products for the majority of species under its three production classes, General Market Specification (GMS), STRIPS, and Scantling, was similar to the current average price situation for timber. According to reports, at least 85 percent, or 17 out of 20 species from all three classes of sawn wood product manufacturing, had no price adjustments and were on the market at the same price as the previous month.

Under the GMS production class, 17 species had no price changes, with just two species experiencing price rises and one species allegedly declining. Kempas and Mersawa observed price hikes of 1.2–2.0 percent, or around RM23–RM43 per m³. The current market price for both species is RM1,977 and RM2,232 per m³, reflecting the indicated rise. In the GMS production class, the Tualang species saw a 9.6% decrease in price, equivalent to RM193 per m³. The average price was RM1,820 per m³, down from RM2,013 per m³ the previous month.

Under the STRIPS production class, around 95 percent, or 19 species, reported maintaining the same average price as the previous month. Only the lime species had a 2.1% drop in price, or roughly RM24 per m³, although the maximum reported price for this species was RM2,250 per m³. No other species saw price increases. The average monthly price for Kapur has decreased to RM1,118 per m³ from RM1,142 per m³ in the previous month.

Compared to the GMS and STRIPS production classes, the Scantling production class is the only one under sawn timber product that maintained an average price retention of 100% for all species in October 2023.

PLYWOOD

The average market price of plywood products for the four main sizes reported in the current month of October 2023 showed no signs of instability or price changes. With the recorded price retention, the average price per plywood thickness of 4mm, 6mm, 9mm and 12mm was RM19.40, RM26.00, RM38.25 and 48.85, respectively. With this retention, the highest prices for plywood goods per thick size traded remained unchanged from the previous month, at RM19.40, RM27.00, RM38.50, and RM49.00, respectively.

MEDIUM DENSITY FIBERBOARD (MDF)

MDF panel products are no exception to the current month's pricing in October 2023, with the average price being the same for all four marketed MDF sizes. The average price of MDF with thicknesses of 4mm, 6mm, 9mm, and 12mm remained steady and was sold at RM12.90, RM23.66, RM31.49 and RM37.59 respectively, with the maximum reported price of MDF products for each major size being RM12.90, RM26.00, RM37.00 and RM42.00 per piece. MDF goods are one of the most common raw materials used in the manufacturing of timber items, particularly furniture and any market price movement for these products is said to be significantly influenced by the present state of the furniture industry.

INTRA-MALAYSIA TRADE*- OCTOBER 2023

In October 2023, the trade value of logs, sawntimber, plywood, and veneer from Sabah to Peninsular Malaysia was RM11.462 million, based on a volume of 5,036 m³. In the current month, plywood contributed the most to the trade value between the two regions, totalling at RM8.88 million with a volume of 3,987 m³. Sawntimber goods had a 44% decline in trade value from the previous month, falling from RM0.75 million to RM0.42 million. Meanwhile, plywood and veneer goods reported considerable gains in trade value of 126% and 198%, respectively, while timber products reported rises of no more than 1%.

On the other hand, the trade value of timber products from Sarawak to Peninsular Malaysia recorded in October 2023 was somewhat lower than from Sabah to Peninsular. For the record, just three items were reported which was sawntimber, plywood and veneer, whereas log products had no transactions recorded for the current month. Three key timber products, with a combined trading volume of 613 m³, earned RM0.70 million in revenue. Plywood is the most valuable product traded between Sarawak and Peninsular Malaysia. However, the trade value of the two traded items, sawntimber and plywood fell by 61% and 59% respectively, while veneer supposedly soared by 100% when no trading transactions were recorded the previous month.

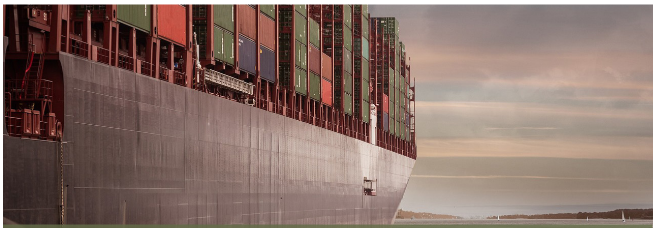
***Source:** *Malaysian Timber Industry Board (MTIB) and Department of Statistics Malaysia*

*AVERAGE DOMESTIC PRICES OF LOGS, SAWN TIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA, OCTOBER 2023 (RINGGIT MALAYSIA)					
SPECIES	LOGS/ton	SAWN TIMBER/m^3			
	18” UP	GMS	STRIPS		SCANTLINGS
HEAVY HARDWOOD					
Chengal	6,000	9,887	4,944		9,887
Balau	3,477	3,290	2,059		3,857
Red Balau	2,425	2,790	2,472		2,419
Merbau	3,050	3,754	3,072		3,725
Mixed Heavy Hardwood	1,095	1,344	1,161		1,246
MEDIUM HARDWOOD					
Keruing	2,253	3,072	2,445		2,189
Kempas	1,903	2,232	2,172		2,489
Kapur	1,870	1,746	1,118		1,876
Mengkulang	1,936	1,384	1,460		2,013
Tualang	1,433	1,820	1,819		2,081
LIGHT HARDWOOD					
Dark Red Meranti	2,200	2,631	1,942		3,566
Red Meranti	2,240	1,919	1,801		2,307
Yellow Meranti	1,720	1,854	1,389		1,977
White Meranti	1,670	2,507	1,801		1,977
Mersawa	1,817	1,977	1,730		2,154
Nyatoh	1,523	1,530	1,548		1,412
Sepetir	1,487	1,871	1,436		1,591
Jelutong	1,250	2,119	1,589		1,819
Mixed Light Hardwood	1,210	1,352	1,118		1,201
MALAYSIAN RUBBERWOOD *Hevea brasiliensis*	LOGS/ton	SAWNTIMBER/m^3			
		1” X 1”	2” X 2”	3” X 3”	4” X 4”
	190	1,265	1,300	1,360	1,485
PLYWOOD 4’ X 8’ (RM per piece)	**4mm**	**6mm**	**9mm**		**12mm**
	19.40	26.00	38.25		48.35
MDF 4’ X 8’ (RM per piece)	**4mm**	**6mm**	**9mm**		**12mm**
	12.90	23.66	31.50		37.60

Note: Log prices ex-batau. Sawn timber, plywood, MDF and Malaysian Rubberwood (Hevea brasiliensis) prices ex-mill
**Prices are only indicative*

INTRA-MALAYSIA TRADE - OCTOBER 2023						
	September-23		October-23		% change in volume	% change in value
	Vol (m^3)	Val ('000 RM)	Vol (m^3)	Val ('000 RM)	SEP/OCT	SEP/OCT
SABAH						
Logs	6,093	1,450	611	1,455	-90	0.3
Sawn Timber	265	753	185	418	-30	-44
Plywood	1,747	3,923	3,987	8,883	128	126
Veneer	86	237	253	706	195	198
SARAWAK						
Logs	0	0	0	0	0	0
Sawn Timber	81	136	30	53	-63	-61
Plywood	997	1,316	545	543	-45	-59
Veneer	0	0	38	107	-100	-100

Source: Department of Statistics Malaysia
Tabulated: Malaysian Timber Industry Board



Attacks on Merchant Shipping Unlikely to Escalate

The question of whether, how, and when the Israel-Hamas war may escalate remains, and in the past two weeks, there is some evidence that international shipping may be a new area where at least some expansion of the conflict might take place. The fighting has not remained limited to Israel and the West Bank/ Gaza Strip even since the outset of hostilities.

Other types of horizontal escalation have taken place almost since the start of the fighting. Houthi rebels in Yemen fired cruise missiles and drones at Israel that were intercepted by a mix of U.S. Navy vessels and Israeli defensive systems. Lebanese Hezbollah has exchanged direct and indirect fire with Israel along the latter's norther border and in the Golan Heights region, and these exchanges continue. Israel has struck at targets in Syria that are linked to Hezbollah and Iran.

Iranian-backed proxies in both Syria and Iraq have targeted U.S. troop concentrations in those countries, and the U.S. has conducted three retaliatory air strikes in an attempt to both disrupt and deter future attacks of these types. The question is whether the maritime expansion of the conflict will escalate further and will it begin to interrupt shipping, including but not limited to the movement of energy products, in any significant way.

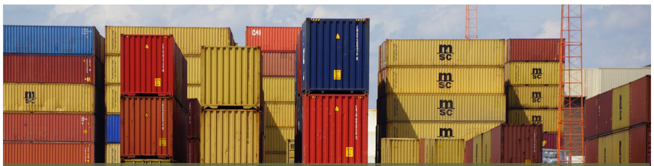
The latest incidents are the seizure of a chemical tanker carrying phosphoric acid in the Gulf of Aden on Sunday, a drone attack on a container ship in the Indian Ocean on Saturday, and a seizure of a cargo ship by Yemeni Houthis in the southern Red Sea last week. The chemical tanker, the merchant vessel Central Park, is owned by Zodiac Maritime, a division of an Israeli billionaire's company. The drone attack in the Indian Ocean was against a ship owned by the billionaire's brother. The hijacked cargo ship, the Galaxy Leader, is British-owned and Japanese operated with no apparent nexus to Israel although a Houthi spokesperson described it as "Israeli." Iran and Yemen-based Houthis are geographically positioned and possess the capabilities to both highjack and attack merchant vessels along major sea lines of communication and at critical choke points of the Strait of Hormuz and the Bab al-Mandab.

The Houthis have threatened to target Israeli shipping and both they and Iran have targeted vessels they associate with Israel as far back as 2021. They likely view this as a fair exchange for Israeli targeting Iranian-owned and flagged ships that attempt to deliver arms to Hamas and/or Hezbollah and Israeli strikes at airports and bases in Syria.

While Iran and its proxies can continue this targeting of merchant vessels they associate with Israel, it is almost certain that a combination of the civilian maritime community and a coalition of Western-linked navies will respond to increase protection of shipping lanes and reduce risk to shipping. Responses of this sort have taken place in the past whether against Somali- based pirates or Iranian Revolutionary Guards Corps attacks against Gulf Arab state oil shipments and infrastructure.

Reports just coming in indicate the U.S. Navy may have already taken action and freed the chemical tanker. An existing command and coordination structure, the Combined Maritime Forces – a 38-nation maritime partnership based out of Bahrain and headed by a U.S. admiral – would likely take the lead. This is in addition to measures that Israel will take to protect Israeli-connected shipping and retaliation by Israel against Iranian and/or Houthi capabilities. In sum, a larger-scale anti-shipping campaign, particularly against oil or related shipments, is unlikely to be sustainable although individual ships, especially those which have direct links to Israel, will likely continue to be targeted.

Source: ESAI Energy; November 29, 2023



Global Pool of Shipping Containers to Post Two Consecutive Years of Decline

Drewry expects the global pool of shipping containers to contract in both 2023 and 2024. While stubbornly high levels of inflation in many countries is depressing demand, increasing geopolitical instability is affecting investor sentiment, with both factors depressing the growth prospects for world trade. Moreover, shipping lines and lessors, in particular, are ridding themselves of surplus boxes built up in the fleet over the past two years or so, and not replacing equipment being sold into the secondary market.

Drewry's latest report on the container equipment market forecast that the box pool will decline by 2.6% this year, with a further contraction expected in 2024. The last time the container pool posted a YoY decline was at the time of the global financial crisis. Between 2008 and 2009, the total number of containers in service dropped from 27.9 mteu to 26.9 mteu, a decline of 3.7%.

The most serious oversupply of equipment is in the 40ft high-cube segment, because in late 2020 and throughout 2021, this was the type of box that was in greatest demand. In 2021, this size of container accounted for over 85% of all dry freight containers produced and this in a year of record production when in excess of 6.6 mteu were produced. The scale of oversupply means that any equilibrium for 40ft high-cube containers is unlikely to occur before 2025, unless of course there is a sharp turnaround in trade.

This year has seen both ocean carriers and leasing companies curtail their box purchasing programmes considerably, with these two groups unlikely to take delivery of more than 1.1 mteu of new containers in 2023. In 2024, Drewry expects a modest recovery to take place in their purchasing plans, largely based on more ageing containers being replaced, and for this to increase more strongly in 2025. This is linked to the bulge in container production that took place between 2006 and 2008, when an estimated 9 mteu was produced. This equipment is now at the end or nearing the end of its trading life.

The recovery in container production anticipated from 2024 is based on both a modest recovery in trade, as well as the ongoing capture by container shipping of cargo from other sectors of the freight transport industry. Specifically, the containerised mode is expected to make further inroads into specialised reefer shipping and perishable sectors of the airfreight business, and to take some market share from ro-ro and breakbulk vessels when it comes to moving projects and out-of-gauge cargo. This will drive the demand for reefer and special dry freight containers, such as open-tops and flatracks. By 2027, Drewry estimates that the global pool of containers will have increased 7% over the years from 2023.

Source: International Shipping News ; November 29, 2023

Evergreen First Out with Concrete EU ETS Charges

In what will be the first of a series of announcements Evergreen has declared the charges it will levy to cover the EU Emissions Trading Scheme (EU ETS) which goes live in less than seven weeks' time.

From 1 January next year all vessels calling at European ports will pay a carbon charge through a system of EU Allowances (EUAs), the measuring and reporting of calls will begin in January and carriers will pay charges to the appropriate EU body, depending on which ports are called at most. Payments will be made in September 2025. Alphaliner reported that Evergreen's rates are similar to indications from CMA CGM, which quoted a potential EUR25 per teu for Asia to Europe freight, compared to Evergreen's EUR27 per teu (Evergreen charges set out in tables below this story).

"As already noted, however, there appears to be significant divergence among carriers, with Maersk predicting a possible EUR70 per teu for the same trade, while Hapag-Lloyd quoted a theoretic EUR12 per teu. It remains to be seen if the surcharge will be used by lines as a competitive tool," said Alphaliner. Calculations for the charges will be made on 100% of intra-European journeys and on 50% of journeys that begin or end outside of European waters.

EUAs will be paid on 40% of emissions in the first year, rising to 70% the year after and 100% in 2026. At today's prices a EUR27 per teu charge from Asia to Europe would be priced at EUR67.50 per teu from 2026, for a dry container. While a reefer which is charged EUR41/teu in 2024, could be priced at EUR102.50.

A raft of new measures is being introduced; the Carbon Intensity Indicator (CII) is already in place, and will be reviewed in 2026, along with the Energy Efficiency for Existing ships Index (EEXI) FuelEU, which will mandate the use of low greenhouse gas fuels, will be applied from January 2025 with monitoring beginning from 31 August 2024. These measures are allied with the Corporate Sustainability Reporting Directive and the Corporate Sustainability Due Diligence Directive, which will support low carbon operations, effective from January.

In addition, the Carbon Border Adjustment Mechanism, which will protect EU green regulations from being undermined by nations with less ambitious carbon targets, otherwise known as carbon leakage, is effective from October this year.

Source: seatrade-maritime.com; November 15, 2023

'Dire' Scenario for Shipping Lines More Likely as Spot Rates Fall Back

There's a lot at stake for container lines' 2024 bottom lines in the last few weeks of 2023. If lines can't push up spot rates very soon, next year's annual contract rates will reset at much lower versus this year's.

That scenario — which would have a very negative financial effect on liners — looks increasingly likely. Time is running out for a fourth-quarter rebound, and indexes show spot rates falling, not rising. Shipping lines' attempts to use general rate increases (GRI) this month to improve their negotiating hand for annual contract resets have failed. They have one last chance in December, but their track record of getting GRIs to stick has been poor.

Maersk CEO Vincent Clerc bluntly laid out the worst-case scenario during a conference call on Nov. 3: "If nothing happens to the spot market during the fourth quarter, it will not be the trough, because that will mean there is a reset of [2024] contract levels down to those levels." He noted that there is a significant gap between contract rates signed earlier this year — which are about to reset — and current spot rates. "What happens in the current quarter with spot rates will have "a profound impact on what 2024 is going to look like," Clerc continued. "If Q4 is not delivering some type of improvement, I think we're looking at a pretty dire situation in 2024."

Spot rates fall back again

The global composite of Drewry's World Container Index (WCI) fell 6% in the week ending Thursday versus the prior week, to $1,384 per forty-foot equivalent unit. The global composite has given back all of its gains since the beginning of Q4 and is now down 1% versus Oct. 1. All but one of the main east-west trade lanes is down from the beginning of the quarter, the Shanghai-Rotterdam lane being the exception.

Even in that lane, rates are declining. The WCI's Shanghai-Rotterdam assessment was at $1,148 per FEU on Thursday, still up 9% from the beginning of the quarter but down 10% from the recent high on Nov. 9. Shanghai-Los Angeles spot rates showed signs of life earlier this month but gave back the last of their quarter-to-date gains in the most recent week.

The WCI assessment of Shanghai-Los Angeles spot rates was $2,000 per FEU in the week ending Thursday, down 13% from the recent high in the week ending Nov. 9 and down 1% from the beginning of the fourth quarter.

Recovery not expected until 2025

If Asia-Europe annual contracts reset in the vicinity of Q4 spot rates starting in January, and if Asia-U.S. contract rates don't improve — or fall further — when they reset in May, container lines would face steep losses in 2024, particularly given that costs are up 25-30% versus pre-COVID levels. Container lines are still flush with cash from the COVID-era boom, so they should be able to weather the cash burn next year. But what if steep losses continue through 2025 or even 2026?

Clarksons Securities analyst Frode Mørkedal ran the numbers of Zim (NYSE: ZIM) in a client note on Wednesday. "Our analysis indicates that Zim's quarterly cash burn rate is approximately $300 million, suggesting that its existing cash reserves could sustain operations for about nine quarters, or roughly 2.3 years. "This duration should be sufficient to weather market challenges at least through 2025," wrote Mørkedal.

"The key factor that could signal a market turnaround is a policy shift among liner companies, particularly in terms of profitability focus and ship capacity reduction. "The main issue, in our opinion, is ship overcapacity rather than future demand," Mørkedal continued. "We anticipate that a pivotal response to the current overcapacity issue will be implemented in 2024, with the goal of raising freight rates, potentially marking a significant turning point in the industry. "The critical juncture at which fleet growth aligns with trade growth could occur around October 2025, implying a two-year contraction phase," said Mørkedal.

However, that timeline assumes liners make the necessary capacity adjustments next year, whether through slow steaming, ship idling, scrapping and/or service cancellations. Many pundits and industry executives expected shipping lines to make the necessary capacity adjustments this year. They haven't. Scrapping and ship idling have been much lower than predicted.

Not only have liner companies not withdrawn older ships, they're still ordering new ships. According to shipbroker reports, Ocean Network Express (ONE) just sealed an order for 12 newbuildings for deliveries in 2025 and 2026. The 13,000-twenty-foot-equivalent-unit vessels will be capable of using methanol as fuel, and the new series will have an aggregate price tag of just under $2 billion, according to Alphaliner.

Source: freightwaves.com; November 24, 2023

Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, OCTOBER 2023

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m^3)	% change Sept'23/ Oct'23
	m^3	% change	m^3	% change	m^3	% change	m^3	% change	m^3	% change		
Sawntimber	41,503	11	290	-92	1,031	58	217	-46	6,477	43	49,519	6
MDF	14,785	19	100	100	1,008	-18	1,775	50	6,395	34	24,063	23
Mouldings	9,712	30	33	40	1,310	6	1,578	-10	902	68	13,534	23
Plywood	3,021	-11	100	761	143	100	540	9	11,006	8	14,710	4
Veneer	400	-0.4	100	100	100	703	42	100	128	-38	442	10
Particleboard	9,751	-23	100	100	226	-89	1,136	64	7,479	6	17,456	-20
TOTAL	**79,172**	**7**	**323**	**-91**	**3,718**	**-28**	**5,288**	**17**	**32,387**	**19**	**120,888**	**6**

Note: Indicates % change over previous month
Source: MTIB

Recognition of Prior Achievement (PPT) Programme

Prepared by: HAZLINDA ZAINAL ABIDIN

The wood industry in Malaysia witnessed significant employment in 2022, with 171,383 people employed in the industry; 45% of the total being from the local workforce, while the remaining majority constituting of foreign workers.

The Malaysian Timber Industry Board (MTIB) plays a crucial role in cultivating a skilled workforce for the timber industry. By providing targeted training programmes, MTIB addresses labour shortages and creates a pool of skilled workers to meet industry demand. This commitment aligns with the broader strategy of enhancing the quality of timber production, fostering competitiveness and ensuring sustained growth in the market.

As part of the concerted efforts to address workforce challenges, MTIB continuously adapts its approach to meet industry requirements, contributing to the overall development and advancement of Malaysia's timber sector.

The Institute of Plantation and Commodities Malaysia (IMPAC), designated as the Industrial Lead Body (ILB) by the Department of Skill Development (JPK), collaborates with MTIB to address challenges in the industry. IMPAC allocates resources for MTIB to execute certification programmes, including the Recognition of Prior Achievement (PPT) Programme. This initiative tackles issues like low productivity, shortage of highly skilled manpower, automation gaps, and global competition. Simultaneously, the National Agrocommodities Policy (DAKN), launched in April 2022, mandates the certification of 50 employees annually. This is in line with the government's goal to have at least 35% of the workforce highly skilled by 2030.

Annually, MTIB through WISDEC conducts consultations with stakeholders in Malaysia's timber sector. This aims to enhance awareness and understanding of the significance and requirements for industry workers to gain recognition through the PPT Programme. As an Accredited Centre designated by JPK, WISDEC consistently engages with JPK to coordinate and implement the PPT Programme, contributing to the Malaysian Skills Certification programme's success.

The PPT Programme provides workers with the opportunity to obtain a certificate without the need for traditional classes, formal training, or examinations. Workers can opt for PPT by undergoing practical assessments or portfolio evaluations. WISDEC offers PPT Programmes, including Level Two Furniture Manufacturing Operations (RB-050-2:20212) and Level Three (RB-050-2:2012). To attain the Malaysian Skills Certificate (SKM) through the PPT Programme, applicants must be a minimum of 17 years old and possess previous work experience in a relevant field, as mandated by the JPK.

Recognition through SKM offers workers a fast track to career advancement, providing a quick certification and fostering personal and professional growth. Employers gain with improved performance and productivity, reduced hiring and training costs, as well as an enhanced company image. In fact, SKM has the potential to boost the number of skilled workers, drive industrial sector growth through skilled labor influx, elevate the nation's global reputation for quality goods and services, and attract foreign investment.

MTIB is committed to the regular implementation of the PPT Programme across various platforms, including training institutes, WISDEC, and timber and furniture factories. The aim is to create ample opportunities for workers in the country's timber sector to become eligible for accreditation and recognition. This recognition acknowledges their valuable contributions to the development of human capital within the sector, fostering growth and expertise that positively impacts the industry's advancement.


30 November 2023 – MTIB Retreat at Menara PGRM Cheras

5 November 2023 - Closing ceremony of the 2023 Southern Region Wood & Lifestyle Fair (WLF) at Angsana Johor Bahru Mall.

15 November 2023 - MTIB receiving a courtesy visit from Universiti MAHSA Management to the Fibre and Biocomposite Centre (FIDEC), Banting Selangor


26 – 27 November 2023 – "Trek Komoditi Industri Perkayuan (Ladang Hutan)" at Sarawak