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MTIB

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MTIB

MALAYSIAN MOBILI WINNERS AT MILAN FURNITURE FAIR

TESCO, MTIB AND UPSI SIGNS MOA FOR GREENER EARTH PROGRAMME

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LEMBAGA PERINDUSTRIAN KAYU MALAYSIA
(MALAYSIAN TIMBER INDUSTRY BOARD)
Level 13 - 17, Menara PGRM,
8, Jalan Pudu Ulu, Cheras, P.O. Box 10887,
50728 Kuala Lumpur, Malaysia
Tel : 603-9282 2235
Fax : 603-9200 3769 / 9283 9792
E-mail : info@mtib.gov.my
Website : www.mtib.gov.my

Printer
Abadi Ilmu Sdn. Bhd.
No. 6A & 6B, Jalan SS4D/14,
47301 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
Tel : 03-7804 4588 / 7888 6158
Fax : 03-7804 4152
E-mail : abadiilmu@gmail.com
Website : www.abadiilmu.com

Cover: *MOBILI designers posing with part of their prototypes on display at the Salone-Satellite Showcase. More details about MOBILI on page 3.*

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Contents

Highlights

Regular Features

MALAYSIAN MOBILI WINNERS AT MILAN FURNITURE FAIR

MTIB delegation led by Dr. Jalaluddin Harun, MTIB Director-General (front row, second from left) with delegation from MFPC headed by Puan Sarimah Hj. Mohamad Sabudin, CEO of MFPC (third from right) at "Tanggam" booth.

Design is recognised as the best and most effective way to enhance the capabilities of Malaysian furniture manufacturers to transform the sector from Original Equipment Manufacturer (OEM) to Original Design Manufacturier (ODM). One of the activities to catalyse this important change and to promote the image of locally manufactured furniture is the organisation of the Malaysian MOBILI Furniture Design Competition (Malaysian MOBILI), which was launched in May 2012. One of the main objectives of the competition was to collect marketable designs by local designers to be submitted to the organisers of the Milan International Furniture Fair (i-Saloni) 2013 for the opportunity of being exhibited and promoted at the fair. The launch pad for these selected designers at i-Saloni would be the Salone-Satellite Showcase (Salone-Satellite), an event dedicated to young and emerging designers under the age of 35.

Initiated in 1998, the Salone-Satellite aimed to connect the world's most promising designers with exhibitors, world class furniture manufacturers, and entrepreneurs participating in the i-Saloni fair. To date, it has attracted the participation of more than 10,000 designers, each with their own creativity, passion, culture, religion, nationality and aspirations. Similar to previous years, the staging of both the iSaloni and the Salone-Satellite was held concurrently and for this year it was held from the 9-14 April at the Fiera Milano exhibition complex.

COSMIT, the organiser in Milan, acknowledged that the initiatives undertaken to stage these showcases are unique in their own right and have inspired many similar ventures outside Italy. The theme for the 16th Edition of the Salone-Satellite was "Craftsmanship and Design : Together for Industry", acknowledging the contributions of the furniture craftsmen. This year's showcase was specifically dedicated to nearly 700 young and emerging designers of various nationalities who were selected by a Selection Committee comprising key international figures from the world of design, architecture and communication.

Malaysia's inaugural participation at the Salone-Satellite was secured through the invitation conferred by COSMIT to four young Malaysian designers who were selected from a total of 11 designers, initially submitted by MTIB. The designs were displayed under MTIB's "Tanggam" booth. Dr. Jalaluddin Harun, MTIB Director-General led the support team, which comprised Tuan Hj. Mahpar Atan, MTIB Director of Industry Development; Puan Nik Zuraihah Nik Mohamad, MTIB Assistant Director of Industry Development; together with Mr. Ian Davies from ArcRadius Consulting Sdn. Bhd. The four young designers who represented the country were Encik Yap Hock Sin of Taylor's University, Selangor; Encik Addy Putra Zulfikli of UNISZA, Terengganu; Encik Abdullah Al-Rashid Hamid of UiTM, Melaka and Encik Mohamed Shahril of UTM, Kuala Lumpur.

Visitors at the booth.

Cont. on page 15

TIMBER WORLD IN BRIEF

CENTRAL AFRICA
Increasing Procurement Difficulties for African Timber

Agents and importers report increasing procurement difficulties in business with African roundwood and lumber on account of transport problems within the continent and irregular shipment from the ports. Importers quote larger volumes of timber which could not be transported through Central Africa recently because of the unrest prevailing there. Timber transport in the Central African Republic has come to a virtual standstill because of the civil war there, while the closure of the country's borders has also interrupted transit traffic. For example, the situation affects timber originating from Northern Congo which is transported via the Central African Republic and which is to be shipped from there.

EUWID News, 25 April

EUROPE
US Tropical Hardwood Log Imports Down 30% in 2012

EU's imports of tropical hardwood logs in 2012 were only 205,000 m^3, 30% down on the previous year and less than a quarter of the volume prevailing prior to the economic crises. The decline in European imports forms part of a wider transformation in the international tropical log market over recent years. Europe has always looked to Africa for supply of tropical hardwood logs. However the key traditional exporters in central Africa have increasingly tightened controls on log exports of the most valuable commercial species.

Meanwhile demand for African logs has continued to escalate in China. China's imports of African hardwood logs increased from 2.1 million m^3 in 2011 to 2.7 million m^3 in 2012, the supply being diversified both in terms of species and countries. These now include – in order of importance in 2012 – Congo (Brazzaville), Cameroon, Equatorial Guinea, Mozambique, Benin, Liberia and Gambia.

India has also overtaken Europe as the second largest international market for African hardwood logs, importing around 530,000 m^3 in 2012 – although this mostly comprises plantation Teak from Ghana, Ivory Coast and Nigeria.

globalwood.org, 17 April

FINLAND
Lumber Prices and Exports Rise

The spring forecast by the Pellervo Economic Research Institute (PTT) in Finland predicts rising softwood lumber exports and higher selling prices for 2013. Overall, the Finnish sawmilling industry's profitability is expected to be better as well. According to PTT, sawmills are currently profiting from an adequate supply of logs and comparatively good sales opportunities on a variety of sales markets outside Europe. The strength of the Swedish kroner is also enabling Finnish works to remain more competitive than softwood lumber producers in Sweden where exports are concerned. PTT is expecting Finland's output of softwood lumber and its exports to rise by 3-5% this year.

Timberweb.com, 16 April

GERMANY
Higher Exports Provide Scope for Lumber Price Hikes

Notwithstanding the continuing wintry weather, the last two to three weeks have seen a revival in business activity on German softwood-lumber markets. Important reasons for this trend are what are evidently some businesses' significantly improved export-sales opportunities on softwood-lumber markets both within and outside Europe. Numerous companies reported brisk order receipts and seasonally satisfactory capacity utilisation. Manufacturers estimated that a partial withdrawal of Scandinavian consignors from the British market has resulted in importers there having to find replacement supplies at short notice and turning to German producers as alternative suppliers. Parallel to that, it has in recent days been possible to realise ad hoc price supplements on the British market of in some cases more than £20/ million m^3.

EUWID News, 6 March

Slight Boost in Demand for Beech Lumber

In the last few weeks, Beech sawmills in Germany have been registering a slight upswing in demand in some places. Receipts of orders have also increased a little again in recent weeks. The slight boost applies in particular to exports of Beech lumber to Asia as well as deliveries to packaging and pallet manufacturers. After receipts of orders from exporters active in trade with China had failed to fulfill the expectations in February and March 2013 and the increase in shipments in the period after Chinese New Year had failed to materialise in many instances, enquiries, contracts, and shipments have all risen again slightly in April. However, the majority of exporters have still not yet concluded any longer-term supply agreements or even delivery programmes with Chinese buyers.

EUWID News, 29 April

Cont. next page

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GERMANY
Oak Roundwood Exports Decline by 18%

German Oak-round wood exports declined by 18% to 75,142 million m^3 last year. The Federal German Statistics Agency in Wiesbaden reports that the fall was primarily attributable to the sharp decrease in deliveries to China, which were down year on year by 61%. Export volume to China had already plunged in the first quarter of 2012 (-57%) and showed no recovery in the further course of the year. The second quarter saw a decline of 70%, and the third and fourth quarters, decreases of 37% and 63% respectively. However, German Oak-round wood suppliers also showed declines in export volumes to most EU countries last year. Although exports to EU were up overall by 7% to 58,374 million m^3, the statistics show that growth resulted exclusively from higher deliveries to Denmark, which increased by 37% to 23,305 million m^3.

EUWID News, 13 March

INDONESIA
Verified Legal Wood Exports Double

Indonesian exports of verified legal wood (V-legal) to the EU have nearly doubled in value for January and February compared with the same two months in 2012. According to the International Tropical Timber Organisations' latest market report, the total revenue from V-legal wood product exports in January and February was more than USD534 million, compared with USD237 million reported during the same period in 2012.

The V-legal proof of legality licensing system, part of the SVLK legality verification system, became compulsory for Indonesian wood exports in January. Earlier exports came under the previous BRIK system.

TimbertradeJournal, 5 April

JAPAN
European Consignors Raise Prices Considerably

During the course of the first quarter of 2013, European softwood-lumber suppliers showed a level of brisk demand from the Japanese market. Following initially very sluggish purchasing behavior by Japanese importers for most of the fourth quarter of 2012, the situation swung sharply around shortly before the turn of the year, before gaining weekly in momentum in January, February and March. However, brisk demand for European softwood lumber is contrasted by generally limited supply. Insufficient round wood supplies and a weather-driven weak start on European softwood-lumber markets had caused numerous producers to reduce sawing operations as early as the first quarter. With the price hikes implemented in Japan since the beginning of the year however, recent weeks have seen successive rises in production activity among European consignors, whereby the higher sawing level will probably only be reflected in higher delivery volumes to Japan during the course of April and May.

EUWID News, 19 April

MALAYSIA
Sarawak Gets Higher Demand for Plywood from Japan

Japan is increasing its import of plywood from Sarawak as reconstruction activities has picked up momentum in coastal towns badly damaged by the devastating earthquake and tsunami two years ago. Encik Wong Kai Song, Shin Yang Group Executive Director, Plywood Division, said Japan's higher new housing starts this year had also spurred demand for imported panel products.

The depreciating yen had not affected Japan's import of plywood from Sarawak. A weakened yen means that Japanese importers have to pay more to buy the same quantity of imported panel products.

According to the former Sarawak Timber Association figures, Japan increased its plywood import volume from Sarawak by more than 10% to over 1.44 million m^3 last year from 1.31 million m^3 in 2011. About 55% of the state's total export volume of 2.64 million m^3 last year went to Japan. Sarawak's total export volume expanded by 374,000 m^3, or 16.5%, from 2.27 million m^3 in 2011.

Globalwood, 16 April

RUSSIA
Gradual Reduction in Supply of Northwest Logs

The supply of softwood saw logs in Northwest Russia is gradually decreasing as usual for the time of year. The stocks of logs at Archangelsk sawmills are usually largely exhausted by the beginning of May. A growing supply is not expected until the log rafts arrive at the end of May. Although the Archangelsk sawmills 2 and 3 have been standing still since last year, since then there has been no significant improvement in supply for the companies that have continued to operate. Instead, forest businesses have cut back their felling rate since the beginning of the year because demand for industrial wood has decreased in connection with the stoppage at CBK Solombala of Archangelsk that began three months ago.

EUWID News, 28 March

Cont. on page 16

MARCH 2013

Dry-bulk Sector Heads for Choppy Waters

It looked like the dry-bulk shipping sector was up for another challenging journey this year as capacity was still outstripping demand. According to Malaysian Bulk Carriers Bhd. (Maybulk), the leading dry-bulk shipping company in the country, recently hinted that the sector could be hitting rock-bottom this year before picking up next year onwards.

Baltic Dry Bulk Index (BDI), the benchmark gauge for dry-bulk shipping rates, averaged at 759 points peaking at 838 points year-to-date which was lower than the previous corresponding period. For the same timeline last year, the index averaged at 868 points with a peak of 1,624 points. Overall, in 2012, the dry bulk market was weaker than in 2011 with an average BDI of 920 points, down 41% year-on-year as oversupply continued to negatively affect rates. Simultaneously, charter rates were at low levels for all bulk carrier segments due to tonnage overcapacity. Maybulk time charter equivalent rates for 2012 stood at an average of USD9,530 per day compared to USD16,519 a year earlier.

Maybulk currently owns about 15 bulk carriers and three tankers. It also owns 21% stake in an offshore support service company PACC Holdings Pte Ltd. It looks like the trend in dry-bulk shipping is not going anywhere but down. The global economy continues to grow, albeit at a slower pace than previous years.

The International Monetary Fund in its January 2013 World Economic Outlook update predicted that global gross domestic products would grow 3.5% in 2013. World trade volume (goods and services) was projected to grow from 2.8% last year to 3.8% in 2013 and firming up to 5.5% in 2014, which bodes well for the shipping market.

The management said India and China's increasing thermal coal demand, China's stimulus package and global rising coal demand to replace nuclear power would positively affect the tonnage demand in 2013. However, pressure from the tonnage oversupply was likely to remain considerable in 2013 as dry bulk fleet was expected to grow 8% while demand growth was only forecast at 4%. Although the downward rates pressure had put many shipping companies in dire financial distress, some, with healthy balance sheets, were still looking for opportunities for growth, taking advantage of the record-low ship prices and Maybulk was, fortunately, one of them.

Maybulk is still scouting around for new and modern ships in an effort to lower operating cost as a younger fleet would need lower dry-docking time. They have divested some of ships during the peak cycle and are now waiting to invest in new vessels if opportunity arises. The group has contracted for two new Supramax vessels due for delivery in 2015 and 2016. Its fleet portfolio had an average age of 8.8 years in 2011 which rose to 6.2 years last year.

According to a Bloomberg report, Cargill Inc, the agricultural trader that accounts for 2% of world freight, was ordering new ships in a reversal of a policy against owning commodity vessels after prices reached a 20-year low. A letter of intent to buy Capesize ships was signed with Shanghai Waigaoqiao Shipbuilding Co, Mr. Roger Janson, Head of Cargill's Ocean-Transportation business. Cargill would continue to look for ways to better serve customers through an enlarged, modern and

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, March 2013

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports m^3	% Change March 2013/ February 2013
	m^3	% Change March 2013/ February 2013	m^3	% Change March 2013/ February 2013	m^3	% Change March 2013/ February 2013	m^3	% Change March 2013/ February 2013	m^3	% Change March 2013/ February 2013		
Sawntimber	32,070	9	157	-98	470	77	195	388	7,215	278	40,107	6
MDF	2,802	19	-	-100	10,519	12	13,565	117	21,750	-17	48,636	10
Mouldings	7,507	97	217	121	1,084	11	842	-1	2,146	19	11,796	56
Dressed Timber	1,802	10	-	-100	498	65	324	47	524	198	3,148	32
Plywood	5,978	41	-	-	-	-100	16	-30	6,308	-20	12,302	1
Veneer	25	-54	4	100	-	-	26	100	232	13	287	10
Particleboard	27,361	466	-	-100	98	100	3,794	104	-	-	31,253	338
TOTAL	**77,545**	**68**	**378**	**-95**	**12,669**	**15**	**18,762**	**103**	**38,175**	**0**	**147,529**	**32**

Note : Indicates % change over the previous month
Source : MTIB

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fuel-efficient fleet and would continue to look for opportunities in all sizes.

Another factor that could render a temporary breather to the ailing sector was the increasing trend in ship scrapping. It was reported that the surge in ship demolitions this year would take out nearly 5% of the global dry bulk fleet. A shipping bull run between 2004 and 2008 fuelled a flood of fresh orders for Capesize vessels the biggest vessel-type in the sector before the sector was shaken by the global economic crisis in late 2008.

Source: The Star, 4 March

VLCC Owners Struggle Despite Recovery in Demand

According to Drewry Shipping Consultant Ltd. latest Tanker Insight, it showed that Very Large Crude Carrier (VLCC) owners were still struggling despite an increase in demand due to low freight rates and persistent overcapacity in the Middle East Gulf. This was reflected in the Drewry Tanker Earning Index, which fell by 27% to 50.3% in January.

After low activity in December due to the holiday season, the VLCC market recovered in January with 31.7 million tonnes of crude fixed compared with 20.7 million tonnes in the previous month. The number of loadings from the Arabian Gulf jumped on the back of strong demand from China. Vessel demand improved by 30% to 19.1 million tonnes in January. Similarly, fixtures for crude oil shipments from Northwest Europe and Mediterranean also increased during the period. Against this, activity on the West Africa-US Gulf route remained subdued.

The impact of falling rates had been amplified by bunker prices rising in line with international crude prices. VLCC earnings on the benchmark Arabian Gulf-Far East route plunged by 16% in January. However, voyages from West Africa to China provided some respite to owners with earnings on the West Africa-China route increasing from USD14,300 port disbursement to USD17,000 during the month. Strong Chinese economic growth, the start-up of new refineries and disruption to supplies from South Sudan, Yemen, and Iran boosted the country's demand for West African shipments. This might help to offset the loss of the US market, which required less imported crude because of the shale oil boom.

Increased demand from Asian markets, notably China, India and Far Eastern countries would be the demand drivers for the VLCC tanker trade. Drewry predicted that the market was going to see more crude moving eastwards from the Middle East and also from West Africa, which will boost tonne-mile demand for tankers.

Source: Drewry Shipping Consultant Ltd., 4 March

Asia-Europe Rates Off 7.9% to USD1,104/ TEU, Asia-Med Down 10%

Asia-Europe spot rates plunged 7.9% last week to USD1,104 per twenty footer equivalent unit (TEU) marking the fifth straight week of decline, according to the latest Shanghai Containerised Freight Index (SCFI). Rates fell 10% on the Asia-Mediterranean trade for the week to USD1,033 per TEU. This was the lowest rates since 7 December when they were just USD722 per TEU. The decline also occurred on the US-bound trades from Asia, although not quite as severe as the Europe and Mediterranean routes. Across all trades covered by the index the SCFI declined 4.2% to 1,117.04 points.

Source: asianshippers.com, 6 March

Shipping Lines Must Have Papers to Show Ships are Gypsy Moth-free

Shipping lines must be ready for Asian Gypsy Moth (AGM) regulations governing ships arriving at North American ports this summer in order to avoid disruption to supply chains, said the maritime services provider, Inchcape Shipping Services.

The US Department of Agriculture and the Canadian Food Inspection Agency are taking measures against infestation, targeting the Far East, Russia, Japan, Korea and northern China because the insects' presence was high in these regions this year.

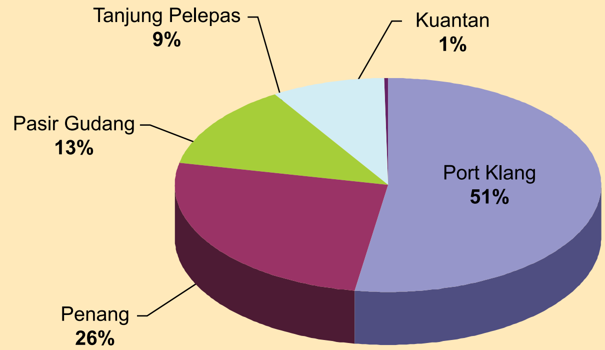
The agency warned that when vessels arriving without the required AGM documentation, or if signs of the moth were detected, there could be delays in cargo handling, adding that it was the responsibility of the carrier to meet requirements for US and Canadian entry.

Vessels must be inspected and obtain pre-departure certification from a recognised certification body located in a regulated area and forward a copy of the certificate, stating that the vessel was free of Asian Gypsy Moth life stages, to their US or Canadian agents. The inspections should be performed as close to departure time from the regulated port as possible. Shipping lines should perform intensive vessel self-inspections to look for, remove (scrape off) and properly dispose or destroy all egg masses and other life stages of AGM prior to entering US and Canadian ports. Vessels must provide a two-year port of call data, at least 96 hours prior to arrival at a North American port, to the Canadian or US agent. The agent would then ensure that this information is provided to US and Canadian officials.

Asian Gypsy Moth is considered a serious pest that could be carried on the superstructure of ships and cargo and is prevalent in seaport areas. US and Canadian authorities intercepted a large number of vessels with AGM egg masses arriving in North America last year.

Source: asianshippers.com, 20 March

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, March 2013



Total = 147,529 m³

FEBRUARY 2013

In the month of February, the total export of timber and timber products is RM211 million, a decreased of 22.7% from RM273 million in January 2013. Cumulative export of timber and timber products from Peninsular Malaysia from January – February 2013 registered a decrease 5% growth in value to RM484 million, compared to the same corresponding period last year.

Sawntimber

Export of sawntimber in February 2013 decreased 26% in volume and 20% in value to 62,605 m^3 worth RM94.2 million. Major importing countries reduced their intake for the month, especially from the EU and ASEAN. Cumulative exports for the first two months showed a decrease of 7% in volume. However the value increased 6% to 147,406 m^3 to RM212.1 million.

Shipments to the EU decreased 22% to 8,424 m^3 from 10,757 m^3 recorded in the previous month as a result of reduced purchases by most markets in the region. Export to the UK and Germany fell 47% and 30% to 955 m^3 and 1,556 m^3 respectively. Likewise, purchases by France and Belgium were lower by 6% and 57% to 717 m^3 and 636 m^3 respectively. However, export to the Netherlands increased 10% to 4,031 m^3 from 3,673 m^3 in the previous month.

Demand from West Asia improved 37% to 12,478 m^3 due to increased purchases made by the UAE and Qatar. Shipments to the UAE and Qatar increased sharply by more than 100% 4,679 m^3 and 2,515 m^3 respectively. Similarly, export to Oman increased 83% to 977 m^3 from 533 m^3 reported in the previous month. However, export to Saudi Arabia declined 22% to 1,776 m^3.

Export to ASEAN showed a decline of 48% to 23,986 m^3 from 46,390 m^3 recorded in the previous month. Export to Thailand fell 52% to 16,429 m^3 compared to 34,094 m^3 in the previous month. Similarly, import by Singapore declined 45% to 6,536 m^3.

In East Asia, export increased 28% to 8,428 m^3. Export of sawntimber to China increased 114% to 6,520 m^3 from 3,046 m^3 in the previous month. Japan and Taiwan on the other hand, reduced their intake by 49% and 20% to 1,066 m^3 and 422 m^3 respectively.

Elsewhere, exports to the US and Australia fell 17% and 10% to 1,067 m^3 and 1,188 m^3 respectively. However, import from South Africa increased 16% to 3,154 m^3.

Average FOB unit value of sawntimber improved 8% to RM1,505 per m^3. Prices of Dark Red Meranti (DRM) increased 5% to RM 2,642 per m^3 and DRM to the Netherlands were recorded at RM2,874 per m^3. Prices of Keruing also increased 7% to RM1,641 per m^3.

Plywood

Plywood exports in February 2013 registered at 10,055 m^3 and valued at RM16.39 million. Cumulative exports for the period of January to February showed a decrease of 16% and 18% in volume and value to 26,440 m^3 amounting at RM41.10 million over the previous corresponding period.

Total exports to EU decreased by 33% to 6,747 m^3 of which Belgium, Denmark, Netherlands and UK decreased 69.9%, 35.2%, 69.8% and 19.6% to 128 m^3, 471 m^3, 298 m^3 and 5,808 m^3 respectively.

Exports to ASEAN region decreased as Singapore and Thailand imports of plywood decreased by 48% and 64% to 1,359 m^3 and 411 m^3 respectively. In East Asia, demands by Hong Kong and Taiwan decreased by 58% and 48% to 91 m^3 and 42 m^3 respectively. However, Japan resumed its import in February 2013 to 274 m^3.

Total exports to West Asia on the other hand decreased by 50% to 64 m^3 from 129 m^3 recorded in the previous month. Meanwhile, Bahrain resumed its intake in February 2013 to 64 m^3.

Elsewhere, exports to South Africa decreased by 63% to 112 m^3. However, shipments to Australia increased its intake to 913 m^3 from 825 m^3 recorded in the previous month.

The FOB price of plywood increased 8% to RM1,630 per m^3 from RM1,508 per m^3 reported in the previous month, an increase of 8% from the previous month.

Veneer

Total exports of veneer for February 2013 showed an increase of 19% in volume and 89% in value to 249 m^3 at RM0.65 million compared to the previous month. However, the cumulative exports from January to February recorded a decreased of 33% in volume. However, the value increased by 6% to 459 m^3 valued at RM0.99 million over the previous corresponding period.

Exports to Canada increased to 7 m^3 whilst UK reduced its intake by 29% to 22 m^3. Australia reduced its intake by 98% to only 1 m^3 in the month whilst Singapore and Taiwan resumed its intake in February 2013 to 2 m^3 and 78 m^3 respectively.

The FOB price of veneer increased to RM2,619 per m^3 from RM1,640 per m^3 in the previous month, an increase of 60.7% as compared to the previous month.

Medium Density Fibreboard (MDF)

Peninsular Malaysia's export of MDF for February 2013 showed a decline of 17% in volume and 15% in value over

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FEBRUARY 2013

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the previous month. Export totalled 65,043 m³ valued at RM55.8 million.

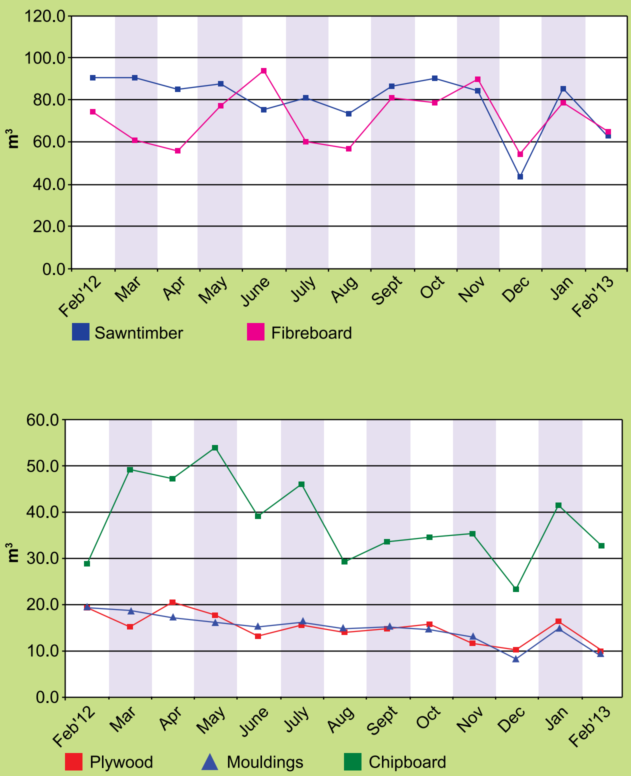
Exports to East Asia registered a decrease of 8% to 3,721 m³ from 4,025 m³ in the previous month. Exports to China (including Hong Kong) grew by triple digits to 1,558 m³. However, exports to Taiwan recorded a negative growth as exports declined by of 7% to 409 m³, followed by Japan with its import dropped by 11% to 1,051 m³ whilst South Korea reduced its demand by 71% to 659 m³.

Meanwhile exports to West Asia grew positively by 3% in volume and value to 40,975 m³ from 39,710 m³ as compared to the previous month. Export to Lebanon and Syria jumped by triple digits to 6,224 m³ and 4,553 m³. Similarly, Kuwait, UAE, Saudi Arabia increased their demand by 23% to 5142 m³, 22% to 9621 m³ and 3% to 11021 m³ respectively. Meanwhile export to Iran, Jordan, Bahrain and Oman dropped by 97% to 305 m³, 42% to 329 m³, 35% to 279 m³ and 21% to 2,717 m³ respectively from the previous month.

Elsewhere, exports to the US, South Africa, UK and Australia dropped by 46% to 717 m³, 37% to 393 m³, 34% to 296 m³ and 26% to 1,097 m³ respectively.

Total exports to ASEAN region for this month decreased by 29% to 9,329 m³ from 13,064 m³. Exports to Philippines increased by 47% to 1,349 m³. However, Indonesia, Singapore and Viet Nam registered negative growth by 11% to 2,880 m³, 26% to 539 m³ and 57% to 3,526 m³ respectively.

Export of Selected Products from Peninsular Malaysia (February 2012 - February 2013) / Volume ('000 m³)



Mouldings

Exports of mouldings for the month decreased by 36% in volume and 35% in value to 9,473 m³ and RM27.47 million respectively. Similarly, the cumulative exports from January to February decreased 30% in volume and 27% in value over the previous corresponding period to 24,268 m³ valued at RM70 million.

Exports to the EU recorded at 3,266 m³, a decrease of 41% compared to the previous month. Likewise, shipments to Belgium, Germany, Netherlands and UK dropped by 48%, 35%, 29% and 67% to 353 m³, 747 m³, 1,355 m³ and 283 m³ respectively.

Exports to the ASEAN region decreased as Singapore intakes of mouldings dropped by 42% to 695 m³. However, Indonesia increased its demand by 22.2% to 22 m³ whilst Viet Nam resumed its intake in February.

On the other hand, exports to Japan and South Korea decreased by 31% and 29% to 1,310 m³ and 483 m³ respectively. However, exports to China improved by 105% to 223 m³.

Elsewhere, exports to Australia decreased by 36.4% to 1,705 m³. Similarly, exports to the US and Canada decreased 39% and 27% to 1,025 m³ and 41 m³ respectively.

FOB unit value increased by 1% from RM2,874 per m³ in the previous month to RM2,900 per m³.

Note: Write-up for BJC and furniture will be reported in MASKAYU Vol. 5/2013.

MARCH 2013

In the month of March, the total export of timber and timber products is RM278 million, an increased of 32% from RM211 million in February 2013, Total export of timber and timber products from Peninsular Malaysia from January–March 2013 registered a decrease 3% in value to RM761 million, compared to the same corresponding period last year.

Sawntimber

Export of sawntimber in March 2013 increased 33% in volume and 27% in value to 82,955 m^3 at RM119.9 million. Cumulative exports for the first quarter of the year showed a decrease of 7% in volume to 230,361 m^3. However the value increased 7% to RM332.0 million.

Shipments to the EU increased 25% to 10,563 m^3 from 10,757 m^3 recorded in the previous month. Export to the Netherlands and Germany improved 8% to 4,362 m^3 and 2% to 1,588 m^3 respectively. Similarly, export to the UK, Belgium and France increased significantly from 955 m^3 to 1,407 m^3, 636 m^3 to 1,437 m^3 and 717 m^3 to 1,269 m^3 respectively.

However, demand from West Asia decreased 34% to 8,232 m^3 due to the political crisis that may have affected purchases of sawntimber by the region. Shipments to the UAE and Qatar fell sharply by 84% and 85% to only 751 m^3 and 386 m^3 respectively. Similarly, export to Oman decreased 71% to 285 m^3 from 977 m^3 in the previous month. On the contrary, export to Saudi Arabia improved 144% to 4,327 m^3.

Exports to ASEAN increased 73% to 41,366 m^3 from 23,986 m^3 in the previous month. Export to Thailand increased 75% to 28,786 m^3 compared to 16,429 m^3 over the previous month. Likewise, imports by Singapore and Viet Nam increased 69% to 11,063 m^3 and 48% to 793 m^3 respectively.

In East Asia, export increased 51% to 12,724 m^3. Export to China increased significantly by 55% to 10,072 m^3 from 6,520 m^3 in the previous month. Export to Japan and Taiwan also improved 76% and 10% to 1,880 m^3 and 463 m^3 respectively.

Elsewhere, exports to the US and Australia fell both at 13% to 925 m^3 and 1,029 m^3 respectively. Similarly, import from South Africa declined 7% to 2,923 m^3 over the previous month.

Average FOB unit value of sawntimber decreased 12% to RM1,320 per m^3. Prices of Dark Red Meranti (DRM) declined 2% to RM2,603 per m^3. Similarly, prices of Keruing fell 5% to RM1,565 per m^3. However, prices of DRM to the Netherlands increased 3% to RM2,970 per m^3.

Plywood

Plywood exports in March 2013 were at 14,302 m^3 valued at RM23.64 million. Cumulative exports for the period of January to March decreased of 13% and 14% in both volume and value to 40,742 m^3 at RM64,735 million as compared to the previous corresponding period.

Total exports to the EU increased by 48 % to 10,002 m^3. Shipments to Belgium, Netherlands improved significantly by three digits by 105.5% and 145.3% to 263 m^3 and 731 m^3. Meanwhile, export to the UK increased by 45.1% to 8,430 m^3 respectively. Germany, Ireland and Italy resumed their imports at 43 m^3, 514 m^3, and 21 m^3 respectively.

Exports to ASEAN region decreased as Singapore reduces its intake by 21% to 1,069 m^3. However, imports by Thailand increased by 23% to 506 m^3 whilst Indonesia resumed its import to 129 m^3. In East Asia, exports to Hong Kong increased by more than 100% to 213 m^3. China resumed its import to 86 m^3.

Total exports to West Asia increased by 67% to 107 m^3 from 64 m^3 in the previous month. This was contributed by UAE and Kuwait with their imports of 21 m^3 and 86 m^3 respectively.

Elsewhere, South Africa increased by 95% to 218 m^3. Australia increased its intake to 1,428 m^3 from 913 m^3 in the previous month whilst New Zealand, Norway and Turkey resumed its intake to 42 m^3, 43 m^3 and 432 m^3.

The FOB price of plywood increased to RM1,653 per m^3 from RM1,630 per m^3 in the previous month, an increase of 1.4% from the previous month.

Veneer

Total exports of veneer for March 2013 showed a decrease of 8% in volume but increased 8% in value to 228 m^3 at RM0.71 million as compared to the previous month. Similarly, cumulative exports from January to March recorded a decrease of 30% in volume but increased 14% in value to 687 m^3 at RM1.7 million from the previous corresponding period of last year. Exports to Canada and Australia increased significantly to 23 m^3 and 40 m^3 respectively.

The FOB price of veneer increased to RM3,099 per m^3 from RM2,619 per m^3, an increase of 18% as compared to the previous month.

Medium Density Fibreboard (MDF)

Peninsular Malaysia's exports of MDF showed an increase of 29% in volume and 27% in value compared to the previous month. Exports totalled 84,091 m^3 at RM70.9 million.

Exports to East Asia registered an increase of 65% to 6,154 m^3 from 3,721 m^3 in the previous month. Exports to Taiwan grew significantly by more than 400% to 2,177 m^3. Similarly, exports to Japan recorded positive growth at 41% to 1,485 m^3, followed by South Korea and China with an

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MARCH 2013

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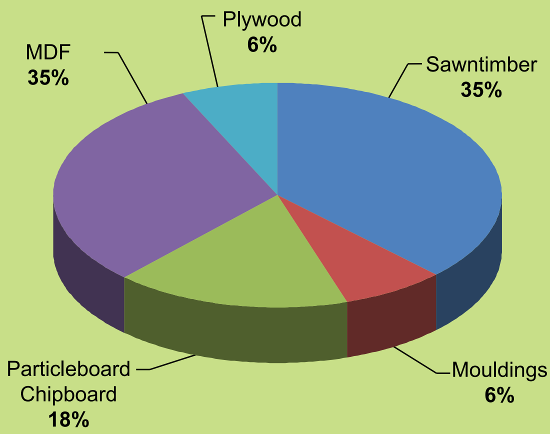
increased of 22% and 8% to 803 m³ and 1,684 m³ respectively.

Meanwhile exports to West Asia remained positive as exports grew to 41,103 m³ from 40,975 m³ in the previous month. Exports to Jordan and Bahrain jumped by triple digits to 2,241 m³ and 622 m³ respectively. Demand by Kuwait increased by 62% to 8,305 m³ whilst Saudi Arabia improved by 42% to 15,611 m³. Meanwhile export to UAE, Syria, Oman, Iran and Lebanon dropped by 8% to 8,841 m³, 33% to 3,075 m³, 49% to 1,374 m³, 86% to 43 m³ and 97% to 167 m³ respectively as compared to the previous month.

Elsewhere, exports to the US, Australia and South Africa increased by 254% to 2,535 m³, 99% to 2,183 m³ and 44% to 565 m³ respectively. Export to UK however fell 93% to 22 m³.

Exports to the ASEAN region also recorded positive growth at 82% to 16,931 m³ from 9,329 m³ in the previous month. Exports to Indonesia and Viet Nam increased by 162% and 123% to 7,542 m³ and 7,857 m³ respectively. However, Philippines and Singapore registered negative growth at 39% to 823 m³ and 47% to 284 m³ respectively.

Export of Major Timber Products from Peninsular Malaysia
(January - March 2013)



Volume : 653,132 m³

Export of Selected Products from Peninsular Malaysia
(March 2012 - March 2013) / Volume ('000 m³)

Mouldings

Exports of mouldings for the month increased by 48% in volume and 44% in value to 14,007 m³ and RM39.66 million respectively. However, cumulative exports for the first three months of the year decreased 28% in volume and 25% in to 38,275 m³ valued at of RM109.65 million over the previous corresponding period.

Exports to the EU recorded at 5,763 m³, an increase of 77% compared to the previous month. Shipments to Belgium, Netherlands and UK increased by more than 100% to 820 m³, 3,215 m³, and 567 m³ respectively.

Exports to the ASEAN region increased as intakes from Singapore and Indonesia improved significantly at 59% and 36% to 1,106 m³ and 30 m³ respectively. However, Viet Nam reduced its intake by 48% to 60 m³.

On the other hand, exports to Japan decreased by 8% to 1,202 m³ whilst, exports to South Korea and China improved by 50% and 128% to 724 m³ and 508 m³ respectively. Furthermore, Taiwan and Hong Kong resumed their intake to 90 m³ and 76 m³ respectively. Elsewhere, exports to Australia increased 24% to 2,113 m³. Similarly, exports to the US and Canada grew 37% and 12% to 1,400 m³ and 46 m³ respectively.

FOB unit value decreased 2.4% from RM2,900 per m³ in the previous month to RM2,831 per m³.

Note: Write-up for BJC and furniture will be reported in MASKAYU Vol. 5/2013.

MARCH 2013

Logs

In March, the timber industry was ready to get back into business after long Chinese New Year holiday celebration although trading remained quite slow at the moment. Combined with the current rainy season, the weak trading activities and low stock has contributed to the fluctuation of prices of logs for some species.

Log price for Merbau increased by 4% to be traded at RM2,400 per tonne. However, price of Red Balau dropped 4% to RM2,700 per tonne as compared to the previous month. Meanwhile, Chengal and Balau logs stood firm at RM6,800 per tonne and RM2,426 per tonne respectively. Prices for Kempas and Mengkulang fell 7% to RM1,300 per tonne and 9% to RM1,073 per tonne respectively. Keruing prices jumped 27% to RM1,900 per tonne from RM1,500 per tonne last month. Likewise, Yellow Meranti and Jelutong were traded at RM1,100 per tonne and RM1,173 per tonne, an increase of 10% and 13% respectively. However, price for Dark Red Meranti declined by 2% to RM1,415 per tonne. Prices for Mixed Heavy Hardwood increased and recorded at RM1,000 per tonne while Mixed Light Hardwood fell to RM777 per tonne for this month.

Sawntimber

The average prices of sawntimber remained about the same level as last month due to the weak demand from the overseas market coupled with the slow activities in the domestic market.

Price of Chengal sawntimber remained firm at RM6,003 per m^3. Balau was traded at RM3,178 per m^3, registering a decline of 17% over the previous month. Meanwhile, Merbau prices increased 14% to RM4,037 per m^3. Similarly, prices of Kempas and Mengkulang rose 4% and 16% over the previous month to be quoted at RM1,645 per m^3 and RM1,883 per m^3 respectively. Prices of Dark Red Meranti and Nyatoh remained firm at RM2,260 per m^3 and RM1,271 per m^3 while prices of both Red Meranti and Yellow Meranti grew slightly to RM1,575 per m^3 and RM1,569 per m^3 respectively. Sawntimber prices of Mixed Heavy Hardwood stood firm at RM1,130 per m^3 whilst Mixed Light Hardwood prices decreased further by 4% to RM777 per m^3 compared to the previous month.

Plywood

The supply of plywood to the domestic market reported to be sufficient. Plywood of 4mm, 6mm, 9mm and 12mm of thicknesses continued to be traded at RM16.00, RM25.50, RM36.50 and RM45.00 per piece respectively.

Medium Density Fibreboard (MDF)

Domestic supply of MDF remained stable as prices were quoted at last month's level. MDF of 4mm, 6mm, 9mm and 12mm of thicknesses were reported to chart at RM14.50, RM21.50, RM28.50 and RM38.00 per piece respectively.

Intra-Malaysia Trade * - March 2013

In March 2013, the shipments of sawntimber from Sabah to Peninsular Malaysia increased by 48% to 1,816 m^3, valued at RM2.2 million from 1,229 m^3 recorded in February 2013. Similarly, shipments of plywood also rose sharply by 98% in volume from 5,768 m^3 to 11,394 m^3, valued at RM15.1 million. Meanwhile, no exports of logs and veneer were recorded for the month.

Exports of sawntimber from Sarawak to Peninsular Malaysia increased significantly by more than four fold from 471 m^3 to 1,968 m^3 for the month. Likewise, higher shipments of plywood were recorded as exports grew by 26% in volume and 30% in value to 15,419 m^3 worth RM20.4 million. Export of veneer also grew significantly by 51% to 5,948 m^3 valued at RM6.6 million.

Meanwhile, there was no intra trade activities from Peninsular Malaysia to Sabah and Sarawak were recorded for the month.

** Source: Department of Statistics, Malaysia*

INTRA-MALAYSIA TRADE - MARCH 2013

From	Products	FEBRUARY 2012		MARCH 2012		% Change in Volume Mar 2012/Feb 2012	% Change in Value Mar 2012/Feb 2012
		Volume (m^3)	Value (RM '000)	Volume (m^3)	Value (RM '000)		
SABAH	Logs	0	0	0	0	0	0
	Sawntimber	1,229	1,246	1,816	2,193	48	76
	Plywood	5,768	8,886	11,394	15,068	98	70
	Veneer	0	0	0	0	0	0
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	471	369	1,968	1,658	318	349
	Plywood	12,217	15,701	15,419	20,380	26	30
	Veneer	3,940	4,108	5,948	6,595	51	61

Source : Department of Statistics, Malaysia

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MARCH 2013

*AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA MARCH 2013 (VALUE IN RM)

SPECIES	LOGS/tonne	SAWNTIMBER/m³		
	18" UP	GMS	STRIPS	SCANTLINGS
HEAVY HARDWOOD				
Chengal	6,800	6,003	2,472	8,828
Balau	2,426	3,178	1,554	2,966
Red Balau	2,700	2,966	2,013	3,185
Merbau	2,400	4,037	2,401	3,972
Mixed Heavy Hardwood	1,000	1,130	1,095	1,130
MEDIUM HARDWOOD				
Keruing	1,900	2,093	1,342	2,260
Kempas	1,300	1,645	1,448	1,924
Kapur	1,750	1,960	1,059	1,977
Mengkulang	1,073	1,883	1,328	1,497
Tualang	1,412	2,013	2,260	2,225
LIGHT HARDWOOD				
Dark Red Meranti	1,415	2,260	1,377	2,260
Red Meranti	1,371	1,575	1,391	2,542
Yellow Meranti	1,100	1,569	1,073	1,924
White Meranti	986	1,624	1,130	1,695
Mersawa	1,327	2,260	2,189	2,684
Nyatoh	900	1,271	565	1,201
Sepetir	900	1,201	989	1,201
Jelutong	1,173	1,434	1,201	1,610
Mixed Light Hardwood	777	777	812	636

MALAYSIAN RUBBERWOOD *Hevea brasiliensis*	LOGS/tonne	SAWNTIMBER/m³			
		1" X 1"	2" X 2"	3" X 3"	4" X 4"
	165	900	1,116	1,172	1,235

	4mm	6mm	9mm	12mm
PLYWOOD 4' X 8' (RM per piece)	16.00	25.50	36.50	45.00
MDF 4' X 8' (RM per piece)	14.50	21.50	28.50	38.00

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

TESCO, MTIB AND UPSI SIGNS MoA FOR GREENER EARTH PROGRAMME

Dr. Jalaluddin Harun, MTIB Director-General (right), Prof. Dato' Dr. Zakaria bin Kasa, Vice Chancellor of UPSI (centre) and Encik Azlam Shah Alias, Director of Government and Corporate Affairs, TESCO holding MoA documents after the signing ceremony.

The MTIB-Tesco Greener Earth Programme, a tree planting commitment by MTIB and Tesco, continued with the signing of a Memorandum of Agreement (MoA) with Universiti Pendidikan Sultan Idris (UPSI) on 28 April in Tanjung Malim, Perak. UPSI was the first university to sign an MoA under this programme which is expected to benefit the university in terms of R&D in Karas as a new source of growth for the economy of the country. The MTIB-Tesco Greener Earth Programme has targeted to plant 500,000 trees within three years. Earlier in February, MTIB and Tesco. signed an MoA with Kumpulan Pengurusan Kayu Kayan Terengganu to mark the commitment of planting 25,000 trees in Hutan Simpan Jengai, Ulu Dungun, Terengganu.

The signing ceremony with UPSI was held in conjunction with UPSI's Greener Week Programme which included activities such as the Green-Campus Run, Tree Planting and Greener Earth Public Speaking. In his speech during the ceremony Dr. Jalaluddin Harun, Director-General of MTIB, praised UPSI for its commitment in the project which aimed at increasing public awareness in the importance of sustained greening of the earth through continuous tree planting.

The MoA was signed by Encik Azlam Shah Alias, Director of Government and Corporate Affairs Division, Tesco; Dr. Jalaluddin Harun, Director-General of MTIB; and Prof. Dato' Dr. Zakaria bin Kasa, Vice Chancellor of UPSI. The signing of the MoA will contribute to the attainment of the planting target of 500,000 trees by Tesco in three years. Under the MoA, UPSI will plant 25,000 trees in a 10-hectare area within the Campus of Sultan Azlan Shah, Proton City Tanjung Malim in one year and the growth and performance of the trees will be monitored by MTIB.

Prof. Dato' Dr. Zakaria and Dr. Jalaluddin also flagged off the Green-Campus Run whose participants included students and staff of UPSI as well as MTIB officials.

Flagging off the Green-Campus Run at the UPSI premise.


Prof. Dato' Dr. Zakaria bin Kasa watering a newly planted sapling of Karas.

THE NINTH JOINT COMMITTEE MEETING OF THE ASEAN JAPAN COMPREHENSIVE ECONOMIC PARTNERSHIP

The Ninth Joint Committee Meeting (JCM) of the ASEAN Japan Comprehensive Economic Partnership (AJCEP) was held in Singapore from 2 to 4 April. With the exception of the Sub Committee on Rules of Origin, the other three Sub Committees on Investment, Services, and Economic Cooperation met during the Ninth AJCEP. Since the JCM and the Sub Committees met in parallel sessions, the Malaysian delegation split into specific groups and attended the meeting relevant to their organisation. The JCM was attended by officials from Ministry of International Trade and Industry.

Ministry of Plantation Industries and Commodities (MPIC) representative, Puan Norhairine and Encik S. Rajan from MTIB, attended the meeting of the Sub-Committee on Economic Cooperation (SCEC) since a project proposal on capacity building for the establishment of timber legality assurance system had been submitted by MTIB through MPIC for consideration under this Sub Committee.

The SCEC Meeting was jointly chaired by Mr. Jerry T. Clavesillas, Assistant Director, Bureau of Micro, Small and Medium Enterprise Development, the Philippines and Mr. Hajime Matsumura, Deputy Director, Regional Policy Division, Asian and Oceanian Affairs Bureau, Ministry of Foreign Affairs, Japan.

The meeting was attended by representatives from Cambodia, Indonesia, Lao PDR, Malaysia, the Philippines, Singapore, Thailand, Viet Nam and Japan as well as a staff member of the ASEAN Secretariat. Brunei Darussalam and Myanmar were not represented. Ms Shizuka Konno, Programme Coordinator of the Japan-ASEAN Integration Fund (JAIF) Management Team was also present at the meeting.

Mr. Matsumura stated that ASEAN and Japan are celebrating 40 Years of Friendship and Cooperation this year. The meeting noted that 150 events had been registered in Japan to celebrate the anniversary and Japan intended to include the project proposals approved by the AJCEP Joint Committee this year as activities under the 40th anniversary celebration.

Nine new project proposals were discussed during the SCEC Meeting of which eight were submitted by Cambodia and one by Thailand. The cooperation activities involved areas of human resource, ICT, environment and micro economic modeling. The meeting approved the project proposal from Thailand while the decision on the eight proposals from Cambodia was deferred pending further clarification and submission of additional information from the proponent country.

The SCEC took note that the disbursement of funds for projects under JAIF had been extended from 31 March to 31 December 2013 and with this extension new projects can be submitted until 30 June 2013.

On Malaysia's project under the Ministry of Plantation, Industries and Commodities, the Meeting noted that it was being reviewed by the JAIF Management Team. Malaysia was requested to provide more details on the breakdown of the budget which had been estimated at USD500,000.

As a follow-up to the Fifth AJCEP SCEC Meeting held on 29-31 October 2012 in Tokyo Japan, a workshop on the JAIF guidelines and development of project proposals was held on 2 April 2013. The workshop was facilitated by Mr. Keigo Yamamoto and Ms Shizuka Konno.

Cont. from page 3

Dr. Jalaluddin Harun, MTIB Director-General (left) providing information on one of the prototypes to Datuk Dr. Rebecca Fatima Sta Maria, Secretary-General of Ministry of International Trade and Industry, Malaysia.

The achievements of the four young designers overwhelmed expectations. They succeeded in making contacts with several highly-acclaimed Italian companies which reciprocated by showing interest in manufacturing their designs. Furthermore, the prototypes also generated the interest of relevant worldwide websites and several online versions of important and renowned furniture magazines such as Architonic, Architects Journal and Varity Fair. Following the debut of these design pieces produced within the MOBILI 2012, MTIB will be launching MOBILI 2013 and a Workshop on Furniture Design in June 2013. The workshop will provide the opportunity for potential designers to understand the contest design brief and obtain valuable pointers on ways to excel in the competition.

Cont. from page 5

UNITED KINGDOM
Prices for Imported Softwood Lumber to be Raised

In the last few months, UK prices for imported softwood lumber have risen by up to £20/m³ for exchange-rate reasons. The strength of the British pound against the relevant currencies has decreased considerably since March 2012. The value of the pound has fallen by 8% against the Swedish kroner, for example. The loss in value against the Euro and US dollar amounts to 6% and 4.5% respectively. Shippers are also calling for more price increases to compensate for the persistently high log costs. Whilst suppliers have been reticent about price increases in the last few months, buyers are gradually coming to terms with price increases in order to assure supplies of the higher-quality assortments when the anticipated growth in demand occurs this spring. Availability is low in British port terminals at the moment.

EUWID News, 21 March

UNITED STATES
Demand for Wood Products to Continue Slow but Steady Growth

Demand for wood products will continue to grow at a slow yet steady pace for the remainder of this year, predicts APA, the Engineered Wood Association. The continued growth comes in the positive economic uptick in 2012 and residential construction closing the year on an optimistic note for the first time since the recession began. With indicators pointing to rising housing starts through 2013 and into 2014, APA predicts a second straight year of growth in all four of the wood product sectors it represents.

TimbertradeJournal, 24 April

UNITED STATES
Slow Growth Seen in Timber Market

Idaho's state Land Board has approved a timber sale plan for 2014 that calls for harvesting 249 million board feet from state endowment lands, the highest logging level in more than a decade. The timber cut has been fixed at 247 million board feet for the last several years, but next year's includes a one-time adjustment that bumps it up by 2 million. In 2002, the state's timber sale plan volume was less than 175 million board feet.

Last year's state timber harvest brought in reduced receipts due to lower prices, despite the high level of cut. This year, Department of Lands Director Tom Schultz pointed to some good news on that score: two timber sales in March brought an average stumpage price of USD400 per thousand board-feet, up from recent years' averages of USD200 or less; the state is now averaging around USD250.

State Forester, Mr. David Groeschl said the economic downturn brought significant drops in prices starting in 2008. Now, there's a surge in demand and a shortage of timber on the market from private sources. "Over the next couple of years we will see improved demand and improved stumpage prices," Mr. Groeschl said. "I think overall, it's going to continue to slowly improve."

spokesman.com, 21 April

WEST AFRICA
Rising Log Prices Pose Risks for Domestic Small Sized Millers

West African exporters report that the traditional EU and US markets are quiet and consequently prices remain largely unchanged for these markets. The availability of logs for processing is of growing concern, especially for the smaller sized milling operators who do not have concessions and have to purchase logs on the open market.

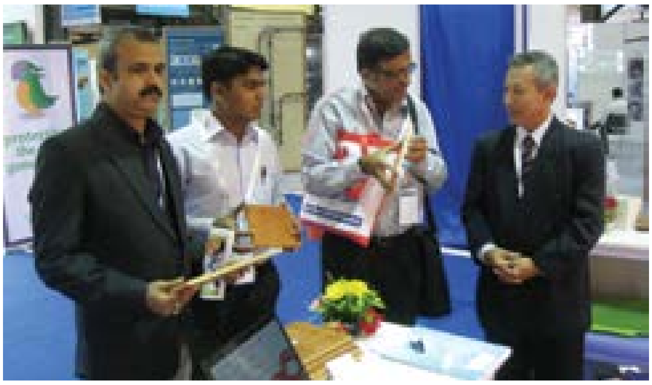
Millers in Cameroon complain that log prices are continually increasing and if this continues analysts fear some smaller companies could go out of business. The availability of Azobe logs for domestic processing is limiting the availability of sawn wood for export, most notably to European markets. However, for almost all other species, log availability is less of a problem and sawn wood output is sufficient to meet the relatively low demand.

The demand for Sapele and Sipo remains firm and these two timbers seem to be favourites in the market at present. Analysts report firm demand for Okoume logs for the Chinese market. This sustained demand is having an impact on prices and further advances in price are likely.

Globalwood, 3 May

ECOBUILD INDIA 2013 – FEATURING SUSTAINABLE MATERIALS AND TECHNOLOGIES

Ecobuild India as a multi-format platform to bring together professionals, patrons, policy makers and beneficiaries, is a potent tool to conceive, discuss and propagate the larger development concerns as a mass movement. Their current emphasis on sustainability and comprehensive perception of this phenomenon from a global as well as local, technological, social-cultural, economical, aesthetic, philosophical and practical perspectives promises to be holistic and all encompassing.



En. Zulkepli Abd Rani of MTIB (right) briefed the visitors on the biocomposite products and its potential.

The Ecobuild exhibition is the definitive source of information about design and construction, where learning meets practical application, and puts them both alongside suppliers of products and solutions. The accompanied conferences and seminars is an oasis for anyone looking to exchange knowledge and share new ideas and network with the right practitioners, architects and manufactures. Ecobuild has seen meteoric growth since its launch in the United Kingdom, in 2004. From a 6,100 visitors in 2006, Ecobuild delivered 57,956 leading professionals and 1,549 exhibiting companies in its ninth edition.

Development and sustainability-balancing the two are the main challenges today. The current economic landscape and the momentum towards sustainable building made this the ideal time to first launch Ecobuild in India. India has seen unprecedented growth in the last few decades. With a burgeoning population, steered by greater social mobility and a significant growth in urban living, the country is struggling to meet the growing demand for critical resources and rising energy costs.

With the economy predicted to grow 7.3% in 2013 compared to global growth of 3.9%, sustainable building and lowering India's carbon emissions are essential for containing demand without jeopardising the country's growth. Improving the country's infrastructure is the Indian government's top priority. In it's 11th five-year plan (2007-2012) it invested USD500 billion and India's Planning Commission has set out detailed plans to spend a further USD1 trillion up to 2017. India is second only to China in the number of Private Public Partnerships project. The Planning Commission aims to develop this as a means of financing infrastructure projects as well as in social sectors such as healthcare and education. While developing countries are facing an immense challenge to reduce the carbon emissions of their built environment, India has the potential to get it right the first time.

The Ecobuild India 2013 featured Green Building concepts from several areas of interest such as panels, flooring or tiles products, finishing and paints, wood structure products such as bamboo laminated products and glass sheets used in construction as well as the green insulation wall system.

MTIB participated in the exhibition to promote natural fibre and biocomposite materials as green building materials to India and international users. A Malaysian company, Duralite (M) Sdn. Bhd. exhibited wood wool cement board for building constructions. While The Malaysian Panel-Products Manufacturers' Association assisted in promoting oil palm trunk plywood. Other products displayed by MTIB were different type of wood-fibre reinforced plastic composite (WPC) material produced from different type of natural fibres produced from rice husk, empty fruit bunches and kenaf.

Ecobuild India was a good platform to enable Malaysian companies to showcase their products to public and potential international buyers as well as to build business networking. Ecobuild India 2013 held in Mumbai from 16–18 April was the first time held in India. The programme attracted more than 500 visitors comprising mainly of architects, engineers, designers as well as builders in India. MTIB was represented by Encik Zulkepli Abd Rani and Dr. Loh Yueh Feng from Fibre and Biocomposite Centre of MTIB.

MTIB booth.

THE 10TH SESSION OF UNITED NATIONS FORUM ON FOREST "GLOBAL CONSCIENCE ON MANAGING FOREST RESOURES"

The 10th session of United Nations Forum on Forest (UNFF10) convened its two-week event from 8 to 14 April at the Lutfi Kirdar International Convention Centre, Istanbul, Republic of Turkey. Under the theme "Forest and Economic Development (FaED)", UNFF10 focused on issues to spur global action to reduce deforestation; improve the livelihoods and economies of people who derive their livelihood and sustenance from the forest; increase the number of forests under protection; and increase aid to developing countries to improve forest management.

The forum, holding its first ever session outside United Nations Headquarters in New York, is the only international body that addresses all forest and tree policy issues. It was attended by senior Government officials, the heads of international agencies and civil society representatives on a range of forestry-related concerns.

The Ministerial Segment was officiated by HE Recep Tayyip Erdogan, the Prime Minister of Republic of Turkey on Monday, 8 April. The meeting convened in plenary and two roundtable segments namely Forest and Economic Development; and Rio+20 Outcome, Post-2015 UN Development Agenda and International Arrangement on Forests. In his speech Mr. Erdogan implored the develop world to end unbridled, irresponsible growth and commit to sustainably manage the world's forest before it was too late. He also stressed the need for a "global conscience" and a comprehensive road map to address the needs of the poor, conserve the earth's water supply and protect forest ecosystems until 2015 and beyond.

Jan McAlpine, Director of the Forum Secretariat, also shared the Prime Minister's worries about the lack of global understanding of the full link between forests and society, the world and the economy as a whole. She called for sustainable forestry management to be addressed comprehensively, as she introduced the Secretary-General's reports on the subject, which she said were based on input from more than 190 Member States, as well as nation, regional and international organisations.

The meeting convened through plenary and working group sessions to discuss topics amongst which were an assessment of progress made on the implementation of the Non-Legally Binding Instrument on all types of forests and towards achievement of the four global objectives on forests, regional and sub-regional inputs, forests and economic development, emerging issues, and enhanced cooperation and means of implementation for sustainable forest management (SFM).

An ITTO side-event meeting on fundraising were also held on 11 April in Turkey and chaired by Mr. Emmanuel ZeMeka, Executive Director of ITTO. Representatives from both producing and consumer countries of ITTO presented at the meeting. The Executive Director of ITTO opened his remarks on the pertinent issues and the needs to raise funds to finance ITTO activities and projects. As such he urged member countries to focus on the discussion of fund raising strategies and challenges to finance and support activities outlined in the action plan approved by recent ITTC 2012 session, explore and seek comments from the member countries on the ideas presented in the background paper, and establish a committee to advise the Executive Director on funding issues.

In the meeting Malaysia briefly introduced the paper outlining proposals to raise funds for ITTO amongst which contribution could be met from national resources of producer countries, voluntary contributions to the Special Account and the Bali Partnership Fund to assist producer countries to implement SFM, and payment of a green premium funded by consumer members for legal and sustainable timber imported by them.

A total of 10 Malaysian delegates attended the forum comprising representatives from the Ministry of Natural Resources and Environment as the lead Ministry, Ministry of Plantation Industries and Commodities and related agencies under both Ministries. MTIB was represented by Encik Mohd Kheiruddin Mohd Rani, Trade Development Director.

THE 40TH ACCSQ MEETING

Dr. Jalaluddin Harun, MTIB Director-General (third from left) with Dato' Dr. Madinah Mohamad, Secretary-General, MOSTI (sixth from left) and Puan Fadillah Bahrin, Director-General of Standards Malaysia (fifth from left) with other VIPs during the opening ceremony of the ACCSQ.

The 40th Meeting of the ASEAN Consultative Committee for Standards and Quality (ACCSQ) was hosted by Standards Malaysia on 8-10 April in Kuala Lumpur, Malaysia as a follow-up from the 39th ACCSQ Meeting which was held in Bandung, Indonesia in November 2012. The meeting was officially opened by Dato' Dr. Madinah Mohamad, Secretary-General of the Ministry of Science, Technology and Innovation (MOSTI) on behalf of the Minister of MOSTI, Dato' Seri Panglima Maximus Johnity Ongkili. In his opening remarks, he stated that the task for realising a single market in the area of standards and conformance requires intense participation and involvement of all stakeholders from private and government sectors as well as dialogue partners and strong drivers at various levels in ASEAN Member States. In this regard, the ACCSQ must continue to identify and engage relevant stakeholders at all levels and all sectors to obtain the desired outcome. He also expressed support to the initiatives of the ACCSQ through the Department of Standards Malaysia to achieve its objectives.

The meeting was held in plenary and chaired by Dr. Suzana Adenan, Head of Division, Authority of Building and Construction Industry, Ministry of Development, Brunei Darussalam and co-chaired by Mr. Chan Sopha, Deputy Director General, Institute of Standards of Cambodia, Ministry of Industry, Mines and Energy, Cambodia. Cambodia is the incoming Chair of ACCSQ after Brunei Darussalam. The meeting deliberated on the recent developments under the ASEAN integration initiatives and the relevant decisions made at the ASEAN Economic Ministers Meeting and Senior Economic Officials Meeting (SEOM) on issues related to trade facilitation and standards and conformance. The meeting noted that the SEOM 1/44 endorsed the Report of the 39th ACCSQ Meeting and the AEC Deliverables for 2015. The SEOM agreed to prioritise the SEOM list of deliverables by identifying one or two key deliverables for each sector that can be realistically achieved in 2013. The meeting also reviewed the progress of the measures under the AEC Scorecard for the sectors under standards and conformance. The meeting also noted the Progress Report of the WGs/PWGs such as WG 1 on Standards and MRAs, WG 2 on Accreditation and Conformity Assessment, WG 3 on Legal Metrology, Cosmetic Sector, Automotive Sector , Medical Device Sector, Pharmaceutical Sector, Prepared Foodstuff Sector, Rubber-based Products Sector as well as Traditional Medicines and Health Supplement Sector.

Mr. Rob Steele, Secretary-General of the International Organisation for Standardisation (ISO) briefed the meeting on the standards activities of the ISO and possible cooperation between ASEAN and ISO on issues related to standardisation activities. The meeting noted the strategies, plans and business-like approach of the ISO to meet its goals on developing international standards of relevance to its stakeholders. These included the fast-track approach for publication of electronic versions of standards within 24 hours to meet stakeholder needs and to reduce cost, the adoption of a Balanced Score Card Approach to show clearly to its members how ISO manages standards development activities, the approaches adopted to meet customer needs, and the adoption of Protection of Copyright and Sales of Standards (POCOSA) to protect the copyright of ISO standards. The meeting was also informed that the ISO will be setting up an office in Singapore to support the region with the services that

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COMING EVENTS – AUGUST 2013

DATE	EVENT	VENUE	ORGANISER
6-9	**BRASIL MOVEIS 2013** Brasil Furniture Fair	Parque Anhembi, Santana, Sao Paulo, Brazil	Alcantara Machado Tel : + 55 11 3060 5000 Fax : + 55 11 3060 5001 E-mail : info@alcantara.com.br
7-11	**DECOREX JOBURG 2013** Home Décor and Design Exhibition	Gallagher Convention Centre, Johannesburg, South Africa	Thebe Exhibitions and Projects Tel : + 27 (11) 549 8300 Fax : + 27 (11) 549 8500 E-mail : info@gallagher.co.za
15-17	**ESBUILD 2013** Shanghai International Construction Material and Indoor Decoration Exhibition	Shanghai New International Expo Centre, Shanghai, China	SMIE (Shanghai Modern International Exhibition Co. Ltd.) Tel : + 86 (21) 6328 8899 Fax : + 86 (21) 6374 9188 E-mail : mie@chinamie.com
16-19	**IFEX MUMBAI 2013** India Furniture Expo	Nehru Exhibition Centre, Mumbai, India	Introductions Trade Show Tel : + 91 22 4094 2222 Fax : + 91 22 4094 2244 E-mail : info@infair.com
18-21	**AUTUMN GIFT AND HOME FAIR 2013** Sales and Marketing for Gift, Furniture and Home Accessories	Citywest Conference and Golf Resort, Dublin, Ireland	Eventpro Ltd. Tel : + 355 (0) 1 2958181 Fax : + 355 (0) 1 2958187 E-mail : sales@citycitywesthotel.com
23-26	**JINAN INTERNATIONAL FURNITURE FAIR 2013** International Furniture Fair	Jinan International Convention and Exhibition Centre, Shandong, China	Qingdao Jinnuo Exhibition Co. Ltd. Tel : +86 0532 5555 2936 Fax : +86 0532 5555 2960

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ISO can offer. In this context, Malaysia recommended that the ASEAN Member States could consider the Balanced Score Card Approach adopted by the ISO to manage the activities of ACCSQ.

The ACCSQ Meeting was attended by representatives from Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Singapore, Thailand, Viet Nam and representatives from the ASEAN Secretariat. The representatives from the ISO, IEC and the GCC Standards Organisation were also in attendance for the open session. MTIB was represented by Puan Hjh. Mahsuri Mat Dris and Puan Syafinaz Abd. Rashad from Industry Development. The meeting also discussed the arrangements for the 41st ACCSQ Meeting and agreed to request Lao PDR to consider hosting the 41st ACCSQ Meeting in 2013.

Puan Hjh. Mahsuri Mat Dris from MTIB (left) with some of the ACCSQ participants from Malaysia and Viet Nam.

FOREST PLANTATION MANAGEMENT AUDITING

MTIB personnel and facilitator posing for the camera.

As part of its efforts to enhance skills of MTIB staff, MTIB organised a workshop on Forest Plantation Auditing from 2 – 5 April in Kota Tinggi, Johor. It was designed to provide and train MTIB staff on the skills required for the auditing of forest plantation and the establishment of Permanent Sample Plot (PSP). The workshop, which strongly emphasised on hands-on experience, was supervised by technical trainers of both MTIB and FPDSB.

Tuan Hj. Kamaruzaman Othman, MTIB Director of Forest Plantation, in his opening speech, said unplanned deforestation was becoming a major problem in the world. Malaysia now faces shortfalls in timber production from its native forest and despite the timber industry annual export target of RM53 billion by 2020 under the National Timber Policy (NATIP), total log production has shown a declining trend since 1990. The situation must be addressed urgently through the implementation of appropriate policy measures. One of the solutions in overcoming the shortfalls in timber supply domestically is through the establishment of forest plantations.

The development of forest plantations is encouraged on idle lands, abandoned agricultural lands, as well as on state and alienated lands. However, development in Permanent Reserve forest is prohibited unless the State Forestry Departments recognises the area as degraded forest, due to past improper logging practices.

The four-day workshop was conducted by Encik Vijender Persad, Forest Plantation Manager from Forest Plantation Development Sdn. Bhd. According to the speaker, the auditing and monitoring process is important in assessing forest plantation development projects. It involves a few aspects such as an estimate of planted area, species established and planting density. The verification process is a prerequisite to the disbursement of the soft loan under the 'Forest Plantation Development Programme'.

The workshop also provided knowledge and experience on the establishment of PSP in forest plantation. PSPs are permanently demarcated areas of forest plantation, typically designed with an appropriate size, and which are periodically measured at least for five years or longer. PSP provides estimates of data of changes in the plantation stock, volume, rates of growth, mortality as well as changes in tree structure from planting to maturity or cutting age. In addition, PSP can also be used as areas to study techniques of forest plantation management.

PSP is established in areas where the trees are at least three years old. All PSPs need to be easily recognised through clearly demarcated boundaries. These boundaries need to be marked accurately and precise. Assessment and monitoring for PSP shall be carried out until the trees reach 15 years or until the time the trees are harvested.

The workshop was attended by 30 MTIB personnel.

Demonstration on the process of forest plantation auditing.

INCREASING THE NUMBER OF MTCS CERTIFICATE HOLDERS

Foreword

The industry's biggest challenge today is to meet the growing demand for certified timber. The market, especially in developed countries, are placing greater emphasis on the sources of timber products particularly those from tropical countries such as Malaysia. Currently in Europe, the public procurement policies would require the use of certified timber products from sustainably managed forests as an obligatory requirement. This trend is also catching up in the domestic market where increasingly there have been cases of architects demanding such certification.

Timber ready for export.

Background

The Malaysian Timber Certification Council (MTCC) was established to develop and operate the Malaysian Timber Certification Scheme (MTCS) to assure buyers that the timber products they buy come from sustainably managed forests. To date, MTCS has been recognised and accepted by a number of authorities and organisations in key markets such as Denmark, UK, New Zealand, France, Japan and Hamburg, Germany as a scheme that provides assurance of legality as well as sustainability. In May 2009, MTCS became the first tropical timber certification Scheme in the Asia Pacific region to be endorsed by the Programme for the Endorsement of Forest Certification (PEFC) scheme.

Industry briefing on the Project for Compliance with Timber Certification under MTCS held in Kuala Lumpur.

Realising the importance of these issues, MTIB in collaboration with MTCC, Malaysian Timber Council, Malaysian Wood Industries Association, Timber Exporters' Association of Malaysia, Malaysian Wood Mouldings & Joinery Council and Malaysian Panel-Products Manufacturer's Association has embarked on a project entitled 'Capacity Building for Compliance with Timber Certification under MTCS'.

Justification and Facts

The availability of resources is an important aspect in the implementation of the project. Currently, 4.48 million hectares of forest covering nine forest management units (FMUs) have been certified under the MTCS. They include forest areas in Peninsular Malaysia, Sabah and Sarawak. This represents 33% of the total permanent reserved forests (PRFs) in Malaysia. According to MTCC, these certified forests are able to produce more than 2 million m^3 of certified logs annually. However, the total export of MTCS certified timber products is still relatively low since the inception of MTCS scheme in July 2002. In 2011, Malaysia exported 81,262 m^3 of MTCS-certified timber products. As of 2012, cumulative total of certified timber exported is 577,027 m^3. The **Table 1** below shows the breakdown by year, of the MTCS certified timber exported from Peninsular Malaysia.

Table 1: Export of MTCS Certified Timber from Peninsular (July 2002-2012)

Year	*2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Cumulative
Certified Timber (m^3)	732	5,720	19,257	29,893	75,279	70,385	81,338	84,209	52,785	81,262	76,701	577,027

**From July to December 2002*
Source: MTIB

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One of the principle reasons for this is that the number of companies which have been awarded with MTCS Chain of Custody (CoC) certification is still low compared to the total number of registered timber companies. Not many timber companies are making efforts to certify their mills and factories to produce MTCS certified timber products. The main reason is due to the low premium and insufficient incentives for these companies to recover the cost and time spent to obtain and maintain their CoC certification. Since the majority of sawmills in Malaysia are not certified, much of the sawntimber produced (despite being obtained from MTCS certified forests) cannot be traded as certified at the end user level since there is a break in the chain from the sawmill to the end user. Such situation has created a scenario where there is a shortage of certified sawntimber that is available for the downstream timber processing industry as well as for export. Currently, 191 timber companies have been awarded the PEFC CoC certificate in Malaysia of which a majority of them are located in Peninsular. The breakdown of timber companies awarded with the PEFC CoC certificate according to sector is as **Table 2** below:

Table 2: Number of Timber Companies and Number of PEFC CoC Holders

Type of Companies	Total Number	No of PEFC CoC Holders	% of MTCS CoC Holders
Sawmills	667	99	14.8
Plywood/Veneer mills	63	7	11
Mouldings manufacturers	175	33	18.9
Exporters	940	32	3.4
Furniture and Others	NR	20	NR

*Note: *some of the sawmills are also mouldings manufacturers as well as exporters. However, to avoid double counting, they are listed as sawmills only*
Source: MTCC (as of March 2013)

The Project

The project which cost RM2.3 million is in the implementation stage for the duration of two years beginning 2012 and all eligible companies from the timber industry are invited to participate. Three major criteria as listed below shall be employed in the selection of eligible companies for assistance under this project.

- Timber companies in Peninsular Malaysia manufacturing or exporting timber and timber products; those that are yet to become MTCS CoC holders.
- A member of one of the registered timber associations in Peninsular Malaysia.
- Registered with MTIB and/or licensed by Forestry Department Peninsular Malaysia.

As an incentive to participate in this project, the selected applicants shall be eligible to receive financial assistance at two levels with a maximum funding of RM5,000 or actual cost whichever is lower on the consultant's fee. The fee is exclusive of out of pocket expenses for the consultant during the preparation exercise for which a maximum of RM1,200 per day shall be borne by the project. In addition, a company shall also receive maximum funding of 60% of the total cost to achieve CoC certification but limited to a maximum of RM6,000 whichever is lower.

Project Objectives

The objectives of the project are to encourage timber manufacturers (especially sawmillers) and exporters in Peninsular Malaysia to become MTCS CoC holders by providing financial assistance to obtain the MTCS CoC certificate. These definitely will increase (by twofold) the number of MTCS – certified timber manufacturers and exporters in Peninsular Malaysia, within the two years of project implementation period. The scope of the project shall cover timber manufacturers and exporters which are registered and based in Peninsular Malaysia and are currently not in possession of the MTCS CoC. It is anticipated that the success of the implementation of the project will Increase the supply of MTCS-certified timber for export and for the manufacture of more value-added products. At the same time it will counter the perception in overseas markets that Malaysian timber is not sustainably produced and finally these activities will lead to strengthen market access for Malaysian timber products.

Participants at one of the briefing.

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FEATURE

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Implementation Status

However, despite various promotion activities, the number of industry participation is not very encouraging. As of March 2013, the project has received 60 applications which is only one third from the targeted number of 150 companies. Out of that, only 54 companies proceed with the CoC certification exercise with the assistance of nine consultants. MTIB has since embarked on another series of roadshows (on top of the previous seven briefings) which started in Penang (February), and moved on to Kuala Lumpur (March), Kuala Terengganu (March) and Muar (April). This second round of industry briefing hopefully will increase the number of interested parties to participate in the project with the target group being expanded to furniture and other timber products.

Briefing held in Muar, Johor.

Anticipated Project Output

Upon the completion of the project, it is anticipated that 150 timber companies in Peninsular Malaysia would have acquired CoC certificates, in addition to the existing CoC holders. The breakdown of these companies according to sectors is as in **Table 3**.

Table 3: Target Number of 150 Companies

Types of Company	Target Number of PEFC CoC Holders
Sawmillers	60
Plywood/Veneer millers	10
Mouldings manufacturers and BJC	30
Timber Exporters	20
Furniture and Others	30
Total	**150**

Increasing the number of CoC certified timber manufacturers (especially sawmillers) and exporters in Malaysia would bring about the following benefits:-

- Increase in supply of MTCS-certified timber for export and for the manufacture of more value-added products.
- Counter the perception in overseas markets that Malaysian timber is not sustainably produced.
- Strengthen market access for Malaysian timber products.
- Increase the export of certified timber products to about 200,000 m³ per year from the current average of 70,000-80,000 m³ per year. (expected amount)

Apart from the above, other deliverables of the project are to be able to compile and publish samples of Standard Operating Procedures for each sector of the timber industry covered by the project, to be used as a guideline by the industry for future timber CoC certification activities.

References:

- *Project Proposal on Capacity Building for Compliance with Requirements for CoC Certification Under Malaysian Timber Certification Scheme (MTCS)*
- *MTIB Statistics on Export of Certified Timber Products from Peninsular Malaysia*
- *www.mtcc.com.my*
- *www.mtc.com.my*

COURSE ON GOOGLE SKETCH UP

SketchUp (also known as Trimble SketchUp) is a 3D modelling programme for a broad range of applications such as architectural, civil, mechanical, film as well as video game design. The programme highlights its ease of use and an online repository of model assemblies (e.g., windows, doors, automobiles, and entourage) known as 3D Warehouse enables designers to locate, download, use and contribute free models. The programme includes a drawing layout functionality, allows surface rendering in variable "styles," accommodates third-party "plug-in" programme enabling other capabilities (e.g., near photo realistic rendering) and enables placement of its models within Google Earth.

SketchUp was developed by a startup company *@Last Software* of Boulder, Colorado, co-founded in 1999 by Brad Schell and Joe Esch. SketchUp debuted in August 2000 as a general purpose 3D content creation tool, with the tagline "3D for everyone" and was envisioned as a software programme "that would allow design professionals to draw the way they want by emulating the feel and freedom of working with pen and paper in a simple and elegant interface, that would be fun to use and easy to learn, and that would be used by designers to play with their designs in a way that is not possible with traditional design software. It also has user-friendly buttons.

The programme won the Community Choice Award at its first tradeshow in 2000. A key to its early success was a shorter learning period than other 3D tools. Google acquired @Last Software on 14 March 2006, attracted by @Last's Software's work developing a plugin for Google Earth.

On 9 January 2007, *SketchUp 6* was released, featuring new tools as well as a beta version of *Google SketchUpLayOut.* LayOut included 2D vector tools, as well as page layout tools intended to make it easier for professionals to create presentations without jumping to a third-party presentation programme. Other features were added to allow the user to extrude and widen as well as the ability for a face to "follow" the cursor around an object.

On 17 November 2008, *SketchUp 7* was released, featuring ease-of-use improvements, integration of SketchUp's Component Browser with Google 3D Warehouse, LayOut 2, dynamic components that responded appropriately to scaling and enhanced Ruby API performance. Support for Windows 2000 was also removed.[3]

On 1 September 2010, *SketchUp 8* was released. Improvements included model geo-location with Google Maps, color imagery and more accurate terrains, match photo improvements, Building Maker integration, and scene thumbnails. Support for Mac OS X Tiger was dropped in this version.[3]

On 26 April 2012, Trimble announced it would buy SketchUp from Google. The two companies will "collaborate on running and further developing SketchUp's 3D Warehouse. On 1 June 2012, Trimble completed the acquisition of SketchUp from Google.[13]

SketchUp for Home and Personal Use is available for free. The commercial version of the software - SketchUp Pro - provides a number of additional, advanced features for professional use. SketchUp Pro is available for direct purchase or through a network of authorised resellers world-wide.

SketchUp holds a U.S. Patent 6,628,279 on its *"Push/Pull"* technology:

"A system and method for three-dimensional modeling: A three-dimensional design and modeling environment allows users to draw the outlines, or perimeters, of objects in a two-dimensional manner, similar to pencil and paper, already familiar to them. The two-dimensional, planar faces created by a user can then be pushed and pulled by editing tools within the environment to easily and intuitively model three-dimensional volumes and geometries." The patent was applied for in November 2000, and awarded in September 2003.

Participants with the facilitator.

On 27 April 2006, Google announced Google SketchUp, a freely downloadable version of SketchUp. The free version was missing some functionality of SketchUp Pro, but included integrated tools for uploading content to Google Earth and to the Google 3D Warehouse, a repository of models created in SketchUp. A new toolbox enabled a viewer to walk around and see things from a person's point of view; it added labels for models, a look-around tool, and an "any polygon" shape tool.

The free version of Google Sketchup can export 3D to .dae and Google Earth's .kmz file format. The Pro version extends exporting support to include the .3ds,.dwg,

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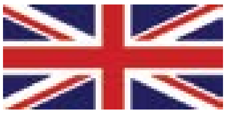

UK TIMBER INDUSTRY – THE CHALLENGES

The development of the timber industry, using wood from Britain's forests, has been a major success story. As a result of major investments in processing capacity during the last 20 years, the industry has been independently estimated as providing over £7 billion annually to UK GDP, and it directly employs some 167,000 people in growing, harvesting and processing trees across the United Kingdom. The timber industry and forestry stand in fifth place in a list of over 120 major industries in the United Kingdom.

Malaysia – United Kingdom Bilateral Trade

In 2008, total trade between Malaysia-UK amounted to RM17.1 billion. However, total trade declined from RM13.1 billion in 2009 to RM13.0 billion in 2011. In 2012, exports to the UK decreased from RM7.2 billion to RM6.8 billion due to the prolonged Euro zone debt crisis which had a direct impact on the UK's economy. Ultimately, it also affected our exports to the country.

Malaysia's main exports to the UK were telecommunications equipment, sound recording equipment, electrical machinery and appliances, furniture and clothing.

The UK's main exports to Malaysia were made up of road vehicles and parts, power generating equipment and machinery, office machinery, electrical machinery and parts.

An increase in the future availability of wood offers a great chance to create thousands of green jobs in the forestry sector.

Export of Malaysian Timber and Timber

Malaysia – United Kingdom Bilateral Trade, 2008-2012 (RM Million)

Year	Exports (FOB)	Import (CIF)	Total Trade	Trade Balance
2008	9,455	7,624	17,079	1,831
2009	7,082	5,997	13,079	1,085
2010	7,195	5,826	13,021	1,369
2011	7,157	6,142	13,299	1,015
2012	6,807	6,830	13,637	23

Source: Department of Statistics, Malaysia

Products to the United Kingdom

The UK has always been a significant trade partner in timber with Malaysia. In 2012, export to the UK improved 4% to RM741.8 million compared to RM714.5 million recorded in 2011. The main products exported to the country were wooden furniture, plywood, sawntimber, mouldings and BJC.

Wooden furniture is the main product exported to the UK and it has been quite substantial. Exports of wooden furniture in 2011 registered at RM355.4 million and it further increased by 6% to RM377.6 million in 2012.

However, exports of plywood and BJC for the year 2012 declined slightly by 0.3% to RM152.6 million and 11% to RM101.8 million respectively. On the other hand, exports of sawntimber and mouldings to the UK increased 24% and 27% to RM71.2 million and RM23.1 million respectively. Other products exported to the UK were veneer, fibreboard, rattan furniture and wooden frame.

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Malaysia : Export of Timber and Timber Products to the United Kingdom, 2008-2012 (Value : RM)

Product	2008	2009	2010	2011	2012	% Change 2012/2011
Sawntimber	84,514,847	56,905,388	54,020,781	57,501,973	71,211,112	23.8
Plywood	369,282,349	18,340,533	224,147,032	153,110,302	152,588,402	-0.3
Veneer	97,603	0	0	0	79,977	100.0
Particleboard	906,883	0	19,587	260,920	0	-100.0
MDF	9,614,076	8,362,200	7,264,753	11,666,373	12,641,286	8.4
Mouldings	16,912,203	14,620	19,846,224	18,188,701	23,124,296	27.1
Wooden Furniture	473,858,026	509,029,929	451,812,086	355,443,091	377,565,757	6.2
Rattan Furniture	3,385,378	2,843,139	6,263,823	1,718,917	1,172,727	-31.8
BJC	120,291,266	115,688,445	131,778,482	113,952,020	101,818,529	-10.6
Wooden Frame	1,874,808	2,106,671	1,886,818	2,929,519	1,556,158	-46.9
TOTAL	**1,080,737,439**	**713,290,925**	**897,039,586**	**714,771,816**	**741,758,244**	**3.8**

Source: DOSM/MTIB

Malaysia : Import of Timber and Timber Products from the United Kingdom, 2008-2012 (Value : RM)

Product	2008	2009	2010	2011	2012	% Change 2012/2011
Sawntimber	242,814	511,182	675,126	212,547	405,227	90.7
Plywood	950,618	37,373	0	0	6,767	100.0
Veneer	3,340,834	4,368,774	1,243,663	34,584	148,330	328.9
Particleboard	275,790	9,502	0	0	503,517	100.0
MDF	0	39,739	0	5,040	0	-100.0
Mouldings	281,272	0	72,025	139,279	140,785	1.1
Wooden Furniture	201,049	203,818	2,216,141	1,293,471	2,880,272	122.7
Rattan Furniture	58,454	87,583	145,182	166,273	823,374	395.2
BJC	372,160	674,371	75,911	487,240	402,865	-17.3
Wooden Frame	0	22,179	0	22,065	8,162	-63.0
TOTAL	**2,716,240**	**1,326,074**	**4,428,048**	**1,885,798**	**5,319,299**	**182.1**

Source: DOSM/MTIB

Import of Timber and Timber Products from the United Kingdom

Malaysia's import of timber and timber products from the UK improved more than two folds from RM1.9 million in 2011 to RM5.3 million in 2012. Major products imported from the UK are types of wooden furniture. In 2012, import of wooden furniture increased significantly to RM2.9 million from RM1.3 million recorded in the previous year. However, import of BJC from the UK declined by 17% to RM402.9 million. Other products imported from the UK were particleboard, sawntimber, veneer and mouldings.

Valued at over £7.6 billion, wood industry and forestry is on fifth place in the list of over 120 major industries in the UK.

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Timber Production in the United Kingdom

Production of industrial roundwood averaged at around 8 million m^3 per year. In 2010, production totalled 8.3 million m^3. It further improved to 8.8 million m^3 in 2011. Sawnwood production had shown a fluctuating trend. In 2007, production of sawnwood totalled 3.1 million m^3 but decreased to 2.8 billion m^3 in 2008. However, in 2011 the production of sawnwood by the UK increased to 3.3 million m^3.

Other products produced by the UK are panel products such as particleboard and fibreboard. In 2011, production of particleboard recorded at 2.6 million m^3 while production of fibreboard decreased to 759,000 m^3 from 776,000 m^3 in the previous year.

United Kingdom : Production of Timber and Timber Products, 2007-2011 (Volume : ' 000 m^3)

Product	2007	2008	2009	2010	2011
Industrial Roundwood	8,562	7,867	7,635	8,337	8,787
Sawnwood	3,145	2,815	2,856	3,100	3,279
Particleboard	2,684	2,431	2,370	2,594	2,625
Fibreboard	865	709	660	776	759

Source: FAO

Import Tariff

Timber and timber products imported into the UK are subject to EU's import tariffs ranging between zero to 10%. No duty is imposed on logs, mouldings and furniture. Plywood is subject to 7-10% tariff, while tariff for particleboard is 7% and veneer 3-4%, sawntimber 0-2.5%

United Kingdom : Import Tariff for Timber Products, 2013

HS	Product	Tariff (% Ad Valorem)
4401	Wood chips, fuel wood	Free
4402	Wood charcoal	Free
4403	Round wood	Free
4404	Sticks etc	Free
4406	Railway ties	Free
4407	Lumber	0 – 2.5
4408	Veneer	3 – 4
4409	Mouldings	Free
4410	Particleboard	7
4411	Fibreboard	7
4412	Plywood	7 – 10
4413-21	Other articles of wood	0 – 4
9401-03	Furniture	Free

Source: Official Journal of the European Communities

The Challenges

Increased awareness and concern regarding environment preservation by the European countries including the UK have resulted in timber from sustainable sources being in high demand. As such, the market is demanding for timber to be certified from sustainable managed forests. Since the UK is one of Malaysia's largest markets for sawntimber, Malaysia is currently ensuring that its timber is certified under the Malaysian Timber Certification Council (MTCC) certification scheme. Besides the collaborative efforts by the MTCC with other certification schemes, Malaysia is also in the midst of intensive discussion with the EU on a FLEGT-VPA which will ensure the legality of timber exports from Malaysia.

Sluggish global economic recovery and a deepening Euro zone debt crisis have added to the uncertainty in the market of timber and timber products. In the UK, Sterling's weakness has made imports of joinery softwood from Sweden, Finland, the Baltic States and Russia more expensive. The UK exporters are suffering from a weak demand in Europe. Sawmills have reduced production but they still face serious financial problems.

Similarly, trading conditions for hardwood are described as seriously tough. Demand has weakened since the last quarter of 2012. There has been a downturn in construction while maintenance and improvement projects have been delayed.

Furthermore, the UK hardwood sector acknowledges that contending simultaneously with competitive market conditions and the implementation of the EU Timber Regulation (EUTR) is a challenge. Hardwood traders are reported to be facing supply prices firming across the board particularly for Sapele and Dark Red Meranti. This is mainly due to the weakening of pound sterling against the euro and the dollar.

Despite all the challenges, the UK's timber industry remains confident about the future and long-term prospects. Timber will continue to be sold and new products will be developed in order to remain competitive in the global market. Once the EUTR is fully in place, major industry players will be underlining their commitment and taking full advantage of its implementation.

References:

MTIB's statistics

FAO's statistics

Department of Statistics Malaysia (DOSM)

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HOMEFAIR 2013 – A SUCCESSFUL PLATFORM FOR HOME DESIGN SOLUTIONS, IDEAS AND LATEST HOME PRODUCTS

Visitors at MTIB booth.

Homefair 2013 which was held for the 13th time, took place at Persada Johor International and Convention Centre, Johor Bahru from 4 to 7 April. The main objective of Homefair 2013 was to provide a one-stop centre for visitors and customers to view and purchase a wide variety of products and services that they require to create their dream homes at affordable prices. The exhibition was organised by the X Two Media to showcase the latest designs in the local furniture industry as well as other interior products.

Homefair has always been a hit with the public particularly at the Southern Park as it provides a one-stop centre for visitors. It showcases products from kitchen cabinets to living and dining room furniture right up to bedroom accessories, interior and outdoor garden landscaping products and services under one roof.

MTIB, for the first time, took part in the exhibition and promoted timber products including garden furniture and graffiti board panels. The products generated interest amongst the visitors and a number of enquiries were made during the event, mainly on the garden furniture products. Two companies participated in the event - Tie Zek Industries Sdn. Bhd. and Series Supplies Sdn. Bhd. Overall, Homefair 2013 was a good platform for local SMEs to showcase and promote their products and the local event successfully attracted more than 8,000 local and international visitors.

Cont. from page 25

Encik Azhar Ayup of MTIB (left) receiving a certificate of attendance from a representative of FITEC.

.dxf, .fbx, .obj, .xsi, and .wrl file formats. Google SketchUp can also save elevations or renderings of the model, called "screenshots", as .bmp, .png, .jpg, .tif, with the Pro version also supporting .pdf, .eps, .epx, .dwg, and .dxf. Neither is available in a native format for Linux, or Mac OS earlier than 10.5.[15] However, Sketchup v.8 use under Wine has been rated "Gold". GPS location information is always stored in the KMZ file. The building designs themselves are saved in SKP.

MTIB was represented by Encik Azhar Ayup and Encik Yusri Yusmaidi from WISDEC to get a better understanding of how the software can be applied in furniture design. The course was held at Furniture Industry Technology Centre (FITEC), Kuala Lumpur from 22 to 25 April.

PERUPOK – SUITABLE FOR INTERIOR FINISHING

Perupok tree

The Standard Malaysian Name for the timber of Lophopetalum *spp.* (Celastraceae), *vernacular names applied, include Dual (Sabah), Kerueh (Peninsular Malaysia) and Tinjau Tasek (Pahang). Major species include* L. floribundum, L. javanicum, L. multinervium, L. pallidum, L. subobovatum *and* L. wightianum. *The sapwood is not clearly defined and is generally lighter in colour than the heartwood, which is light yellow or light yellow-brown when dry and pink when freshly cut.*

It is also known as Perupok (Brunei); Banati and Narikeli (India); Medang kerupuk, Pasana and Perupuk (Indonesia); Mondaing, Tuang-yemane and Yemane-apyu (Myanmar); Abuab (Philippines); Dimi, Phuamphrao, Samet-thung, Seng Sa Lung and Song Sa Lum (Thailand); and Sang trang (Viet Nam).

The species can be found in peat swamp forests, lowland forests and hills.

PHYSICAL CHARACTERISTICS

Perupok crown

Back leaves

Leaves

A characteristic the *Celastraceae* family is that the tertiary veins of the leaves are at 90 degrees to the midrib and this can just been seen in the images below and is generally most evident once the leaves dry out. The stem is thickened compared to the midrib which is also a trait of the family to varying degrees. The leaves are elliptical, peltate and tipped and are arranged in opposites on the twigs. Fallen leaves dry to a bright yellow-green and then light brown.

Celastraceae members can be identified by the venation of their leaves where the tertiary veins are perpendicular to the midrib.

Fruit and Seed

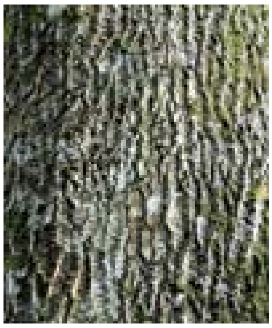
Fruit is fist sized and contains many winged seeds layered together inside. The fruit is capsular; non-fleshy; not multiple; splitting; not enclosed in, or sitting on, fleshy perianth parts; and wingless. Seeds are 100 per fruit (many); about 1 cm long; winged; and uniformed in cross-section.

The winged seeds are closely layered inside the fruit.

Splattered fruit revealing the winged seeds.

Bark

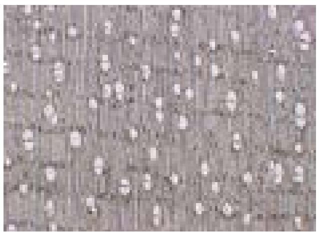
It is a tall tree with a compact crown, cracked and fissured bark, and cylindrical bole.



Typical cracked and fissured bark.

WOOD ANATOMY

Growth rings are absent or indistinct. The timber is diffuse porous with medium sizes vessels, which are generally few in number, mostly in radial pairs or multiples of two to six in a series and occasional clusters. Perforation is simple. Tyloses and deposits are absent. (Wong, 1983)



Transverse section

Tangential section

Radial section

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Wood parenchyma is present as exclusively apotracheal bands which are rather closely space terminal bands. (Wong, 1983)

Rays are fine and not normally visible to the naked eye on the cross-section. They are also not prominent on the radial surface. (Wong, 1983)

DENSITY

The timber is a Light Hardwood with a density of 480-640 kg/m^3 air dry.

NATURAL DURABILITY

The natural durability of Perupok was investigated as far back as 1930, when Foxworthy and Woolley reported that a consignment of 25 pieces of an unidentified *Lophopetalum* was buried in a standard graveyard test (Foxworthy et Woolley, 1930). All the specimens were destroyed in one year, thus showing that Perupok is non-durable. A more recent test was conducted on *L. floribundum*. Dahlan and Tam (in press), reported that 40 pieces of the timber were buried in the Kepong test sites. Three pieces were destroyed within the first six months, while the last specimen was destroyed in 2.5 years. The average life-span was calculated to be 1.9 years, thus confirming that Perupok is naturally non-durable.

Treated Perupok, however shows a vast improvement in its durability. A batch of 40 sticks of *L. floribundum* was treated with 100% creosote to an average absorption of 390 kg/m^3 (24.3 lb/ft^3) and then buried in the Kepong test sites. After more than 12 years, all 40 pieces are sound with no signs of any deterioration (Tam, 1983). This shows that Perupok, when treated with the appropriate preservatives can be rendered extremely durable.

Wood colour and texture

TEXTURE AND COLOUR

Texture is fine to moderately fine and even, with interlocked grain. Sapwood is not clearly differentiated from the heartwood, which is light yellow or light yellow-brown when dry and pink when freshly cut.

STRENGTH PROPERTIES

The timber falls into Strength Group B (Engku, 1988b) or SG4 (MS 544 : Part 2 : 2001).

Strength Properties of Perupok

Species	Test Condition	Modulus of Elasticity (MPa)	Modulus of Rupture (MPa)	Compression Parallel to grain (MPa)	Compression Perpendicular to Grain (MPa)	Shear Strength (MPa)
L. floribundum	Green	11,300	62	32.3	3.4	7.7
	Air dry	12,600	79	34.5	5.6	9.0
L. subovatum	Green	11,700	64	32.8	3.4	7.2
	Air dry	12,200	76	42.8	5.3	7.4

AIR DRYING

The timber seasons very rapidly but is prone to end-checking, splitting, surface-checking and some insect attacks during seasoning. Thick boards of 13 mm take one month to air dry, while 38 mm thick boards take 45 days.

SHRINKAGE

Shrinkage is fairly high, especially in the radial direction. Radial shrinkage averages 2.4% while tangential shrinkage averages 3%.

DEFECTS

The logs of Perupok are very free from defects, apart from some attacks by staining fungi.

USES

The timber is suitable for interior finishing, panelling, mouldings, partitioning, furniture, flooring, staircase (apron lining, handrail and spandrel framing), joinery, cabinet making, ornamental items, plywood, packing boxes and crates, railway sleepers, posts, beams, joists and rafters.

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MTIB Moments

Encik Mohamed Shahir Jaffril of FIDEC (right) briefed the visitors on wood plastic composite products and oil palm plywood during the Eco-B Exhibition. It was held from 26-28 March 2013 at Kuala Lumpur Convention Centre.

A blood donation programme was held at Menara PGRM, Kuala Lumpur jointly organised by MTIB and National Blood Centre on 16 April 2013.

Dr. Jalaluddin Harun, MTIB Director-General (centre) presenting retirement credentials to Encik Affandi Embong, Senior Quality Control Inspector of MTIB Sabah on 30 April 2013.

Dr. Jalaluddin Harun, MTIB Director-General (centre) presenting a token of appreciation to Datuk Dr. Mohd. Yaakub Haji Johari, CEO of Sabah Economic Development and Investment Authority (SEDIA). The event took place during MTIB's visit to SEDIA on 30 April 2013 in Kota Kinabalu, Sabah.

A courtesy call to Ministry of Industrial Development (MID) on 30 April 2013 in Kota Kinabalu, Sabah. Dr. Jalaluddin Harun, MTIB Director-General (third from left) and MTIB officials having a disscussion with MID officials led by Encik Patrick Tan Su Teck, MID Director of Department of Industrial Development & Research.