



MASKAYU



**OFFICIAL LAUNCHING OF TANGGAM:
LABELLING LOCALLY MANUFACTURED
FURNITURE**

**UPDATES ON THE DEVELOPMENTS OF
ILPA 2012 AND IMPLEMENTATION
OF MCSG : PENINSULAR**



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Cover : The TANGGAM Trade Mark was launched in conjunction with MIFF 2015 at PWTC, Kuala Lumpur. Read story on page 3.

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OFFICIAL LAUNCHING OF TANGGAM : LABELLING LOCALLY MANUFACTURED FURNITURE

The Malaysian MOBILI Furniture Design Competition (MOBILI) 2015 was launched by Datuk Himmat Singh, Secretary-General of the Ministry of Plantation Industries and Commodities (MPIC) on 3 March at PWTC, Kuala Lumpur, in a symbolical ceremony after the launch of the Malaysian International Furniture Fair (MIFF) 2015. MTIB also took the opportunity to launch the TANGGAM Trade Mark, in commemoration of the registration of the label, and in having the Secretary-General of MPIC witness the exchange of the Memorandum of Understanding (MoU) between Syarikat Oasis Furniture Industries Sdn. Bhd. and MTIB.

The annual MTIB MOBILI Design Competition is targeted to local young and up-coming designers, design studios and furniture manufacturers. Their design submissions will be evaluated by a pool of selected professional judges, and the selected designs will subsequently be forwarded as Malaysia's entry for participation in various international fairs in 2016. This year's competition bears the theme "Timber in Fashion, Furniture in Passion". This theme was chosen to encourage more young designers to produce designs for the furniture industry, in line with the latest trends.

The main objective of MOBILI is to hone the talents of local furniture designers so they can produce designs which are acceptable by the more discerning affluent furniture buyers, both in the local and overseas markets. It also aims to improve the quality of the furniture designs in Malaysia to stimulate the change from the existing level of Original Equipment Manufacturer (OEM) towards the practice of Original Design Manufacturer (ODM) and finally achieving the status of Own Brand Manufacturing (OBM). MTIB believes that encouraging locally produced designers who are capable of attaining world class reputation will facilitate the growth of the Malaysian furniture industry.

The registration of MTIB's TANGGAM Trade Mark or label will protect the designs produced by the internationally acclaimed local young designers under the TANGGAM group. These designers have the benefit of being exposed to many international furniture fairs under the sponsorship of MTIB. This effort is envisaged to provide sufficient protection to ensure that the intellectual properties being developed are relevant with current global economic development and technology enhancement.

The TANGGAM name was utilised as the affixation to the Malaysian booth in both the Salone-Satellite Showcase of 2013 and 2014. The Salone-Satellite Showcase has been the main attraction of the Milan International Furniture Fair (i-Saloni) since 1998. The TANGGAM label will be attached to the young designers who showcase their prototypes in the Salone-Satellite shows and the designers who win awards in the MOBILI Furniture Design Competitions. The continuous utilisation of this label for further related events is part of the effort to create an identity that will raise the image of furniture designed by these internationally recognised designers. This label will serve to depict the quality and originality of Malaysia's furniture designs.

Meanwhile, the MoU exchange symbolises the cooperation between Syarikat Oasis Furniture Industries Sdn. Bhd. and MTIB; MTIB will be facilitating the formal collaboration work which involves Encik Sujak Hasbollah, one of the designers trained by MTIB under the TANGGAM group, and Syarikat Oasis Furniture Industries Sdn. Bhd. Encik Sujak has been tasked to periodically produce five furniture designs for Oasis to be developed into marketable furniture for the international market as stipulated in the MoU document.



Dr. Jalaluddin Harun, MTIB Director-General (seated, right) and CEO of Oasis Furniture Industries Sdn. Bhd. (right) with TANGGAM designers at the booth.



Dr. Jalaluddin Harun, MTIB Director-General (centre) at the TANGGAM booth.



Encik Chan Yung Khang, one of the TANGGAM designers (right) having discussion with interested partner at the booth.



TIMBER WORLD IN BRIEF

BRAZIL

Pulp Production Up

According to Brazil's pulp and paper industry associations, pulp production increased 12.3% in January 2015, in comparison to January 2014, at 1.49 million tonnes. Domestic sales in the period were down 1.4% in the same comparison at 145,000 tonnes, whilst pulp exports dropped 4.1% at 919,000 tonnes.

Valor Economico, 4 March

CANADA

Canadian Forests Industry Independently Certify Forests

Certified forests means that companies follow progressive social and environmental forest management practices as assessed by an independent third body. This includes prompt regeneration of the forest land, sustainable harvest levels, protection of biodiversity and wildlife habitat and aboriginal engagement.

The international marketplace can truly feel confident that Canadian forest products come from responsibly managed forests. Having certified forests is a requirement of memberships in The Forest Products Association of Canada (FPAC). Canadian companies can certify to one of three standards: Forest Stewardship Council (FSC); Sustainable Forestry Initiative (SFI) and Canadian Standards Association (CSA).

Fordaq, March

CAMBODIA

EU Funding for Climate Change Programme

In March 2015, the European Union (EU) promised to support the Cambodia Climate Change Alliance Programme by providing another EUR6 million (USD6.34 million). The 10-year programme has been running since 2010 and it has entered its second stage of development.

The overall commitment to the programme is EUR149 million in the following five years while total pledge has reached USD12.30 million (EUR11.63 million). Sweden has also promised to provide USD580 million to the Green Climate Fund that will support EU effort.

Phnom Penh Post, 13 March

CHINA

Government to Ban Commercial Logging in Primary Zones by 2020

As part of China's reform to promote ecology, the Chinese government has declared to ban logging for commercial purposes in primary zones by 2020. Annually, logging activities in natural forests in the country involved around 49.94 million m³. Besides the latest ban on commercial logging on natural forest, the central China authorities have also requested state plantations to scale down its commercial logging activities by 20% in man-made forests by 2020. In April 2014, a pilot programme to stop commercial logging in prime natural forest zones was started in the Heilongjiang province. The government is expected to gradually implement the programme in other prime zones in natural forests.

The Star, 19 March

EUROPEAN UNION

Market for High-end Furniture is Improving

As in previous years, designs in Oak and Walnut were dominant. Nearly all walnut was from the United States, while most Oak was European. American Hardwood Export Council (AHEC) suggests this is primarily due to the easy access to European Oak by Central European manufacturers. These manufacturers are also now able to utilise relatively low grades and short specifications which can be sourced very competitively. Increasing use of these grades has gone hand-in-hand with deliberate marketing of the "rustic" look in Oak furniture. AHEC also suggests that solid wood is in vogue and there appears to be less veneer used than in the past.

AHEC notes that the only tropical wood on display was in the international section and mainly in the Indonesian pavilion. Temperate species other than Oak and Walnut were also not much in evidence. There was some Beech, mostly for chairs and table legs but not for large visual surfaces of table tops and cabinet doors.

AHEC observed that there was lack of strong environmental messages and branding at the show, surprising given that IMM Cologne is the main shop window for high end commercial furniture sold in Europe.

Most furniture manufacturers apparently have yet to embrace Life Cycle Assessment (LCA) or Environmental Product Declarations (EPDs) for active market development – although some companies are now considering this as a way to differentiate product in a highly competitive market.

Fordaq, 6 March

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FINLAND **Imports and Exports in Forest Industry**

According to preliminary data by the Natural Resources Institute Finland, a total of 10.17 million m³ of wood was imported to Finland in 2014, down 10% from 2013. Birch pulpwood accounted for 48% of imports. Of the total, pulpwood or wood chips accounted for 9.12 million m³. Imports of roundwood totalled only 0.61 million m³. Most of the wood came from Russia. The next largest import countries were Estonia and Latvia. Wood exports from Finland totalled 1.44 million m³. The value of exports of forest industry products totalled EUR10.94 billion. The biggest export product groups were paper, paperboard and pulp.

Natural Resources Institute Finland (Luke) Press Release, 6 March

FRANCE **Temporary Rise in Timber Demand**

French trading firms are reportedly working towards replenishing their stocks. Demand for construction-timber products like bois d'ossature, chevron and madriers among others, rose for a temporary period in January 2015 after experiencing weak performance in November and December 2014. Meanwhile, only a few sawmills saw growth in January 2015 as compared to January 2014 in France, while sawmills have reported a sharp fall in the delivery volumes and receipts of orders in February 2015.

Euwid Wood Products and Panels, 2 March

FINLAND **Wood Felling Reduced**

In Finland, a total of 5.0 million m³ of wood was felled for industry in January 2015, down 11% from January 2014, but increased 2% from the average. Felling from private forests totalled 4.1 million m³, down 7% from January 2014.

Press Release, 13 March, Natural Resources Institute Finland

GERMANY **Kitchen Furniture Exports to Europe Grow**

The German kitchen furniture association has reported that in 2014 the sector's export figures were good. This is particularly true when it comes to the major markets of Belgium and the Netherlands where exports have grown by 4.7% to a value of EUR170.60 million (USD180.72 million) and by 3.7% to EUR189.7 million respectively.

Overall, since 2009 the most important kitchen furniture market for Germany has been France, with exports amounting to EUR357.9 million in 2014. In 2014, German kitchens had a total export value of EUR1.55 billion.

Holz-Zentralblatt, 2 March

INDONESIA **Budget of IDR33.2 Billion for Wood Legality Certification**

According to the Ministry of Environment and Forestry, the ministry will be allocating IDR33.20 billion (EUR2.38 million/USD2.52 million) to facilitate the wood legality certification (SVLK) for small and medium-sized enterprises in the handicraft and furniture sectors. By 1 January 2016, all the trading of wood products is targeted to be meeting the standard of the SVLK. The move is aimed at preventing illegal logging.

Bisnis Indonesia, 18 March

Mandatory Wood Legality Certification

According to the Ministry of Environment and Forestry, the deadline for mandatory wood certification is on 31 December 2015. The ministry will help small and medium-sized enterprises to secure the wood legality verification system. The cost of the certification will be paid by the government. Out of the 1,986 small industries in Bali, only around 60 have secured the wood legality certification.

Bisnis Indonesia, 24 March

MIDDLE EAST **Construction Sector Accounts for 70% of Wood Consumption**

The 10th Dubai WoodShow 2015, organised by Strategic Marketing and Exhibitions, shows the GCC's construction sector accounts for 70% of wood consumption and 30% of furniture factories and carpentries. The UAE is also highly competitive in construction activity as demand outstrips production, with Dubai serving as a major hub for GCC, East Africa and Iran. The UAE has over 300 wood furniture and joinery firms with wood imports exceeding USD629 million (EUR577.65 million).

Zawya, 26 March

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SHIPPING NEWS



Lower Fourth-quarter Profit, Higher Revenue Recorded by Bintulu Port

Bintulu Port Holdings (Bintulu Port) registered a year-on-year fall in its net profit from RM54 million (EUR13.30 million, USD15.07 million) to RM37 million during the fourth quarter of 2014. However, the port operator reported an improvement in its revenue from RM137 million to RM148.8 million during the quarter.

Source: The Star, 7 February

Philippine Economic Zone Authority Extends Port Fees Discount

In order to encourage eco zone locators to use the Batangas International Port, the 50% port fees discount for exporting firms was extended by the Philippine Economic Zone Authority by another year to December 2015. The processing fees discount is applicable for full container shipments loaded or discharged at the port.

Source: Philippine Daily, 5 February

Westports Books 17.7% Growth in Net Profit for Full Year 2014

For the full year 2014, Malaysia-based port operator Westports Holdings (Westports) registered a 17.7% growth in its net profit from RM435.30 million (EUR106.86 million, USD120.86 million) in the previous year to RM512.2 million. Operational revenue for the year rose by 11% year-on-year from RM1.3 billion to RM1.5 billion, primarily attributed to a rise of 12% in container throughput to 8.4 million twenty-foot equivalent units (TEUs). In the quarter of October-December 2014, the company posted a 6.6% rise in net profit to RM139.8 million. Its operational revenue for the quarter went up by 8% from RM357.3 million to RM385.9 million year-on-year, whereas container throughput rose by 11.7% from 1.96 million TEUs to 2.19 million TEUs.

Source: The Star, 12 February

Ministry to Work on Reducing Logistics Cost

According to the Co-ordinating Minister of Economic Affairs, Sofyan Djalil, the government is working on reducing the cost of logistics from 24% of gross domestic product (GDP) to 19% of GDP. The ministry plans cut logistics cost by increasing port efficiency. It will look into permit application, dwelling time as well as quarantine and customs operations. The ministry is also planning to develop and revitalise 26 small ports and five big ports in the next five years. The high logistics cost may affect the country's economic growth which is targeted at 5.7% for 2015.

Source: Bisnis Indonesia, 10 February

Shipment of Timber and Timber Products through Ports in Peninsular Malaysia , February 2015

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all Ports m ³	% Change Feb 2015/ Jan 2015
	m ³	% Change Feb 2015/ Jan 2015	m ³	% Change Feb 2015/ Jan 2015	m ³	% Change Feb 2015/ Jan 2015	m ³	% Change Feb 2015/ Jan 2015	m ³	% Change Feb 2015/ Jan 2015		
Sawntimber	31,466	- 43	3,987	- 36	988	- 48	30	-90	8,003	264	44,474	-32
MDF	22,750	- 29	547	6	14,040	18	7,497	-35	18,450	-23	63,284	-21
Mouldings	8,736	- 35	184	10	1,722	3	452	-10	1,434	-26	12,528	-29
Dressed Timber	1,282	- 40	78	- 60	952	-24	77	-62	219	21	2,608	-34
Plywood	7,570	- 59	-	0	-	-100	55	6	5,127	1	12,752	29
Veneer	139	- 54	8	- 50	12	50	-	0	175	9	334	21
Particleboard	27,936	- 11	545	14	253	22	133	-46	-	0	28,867	-10
TOTAL	99,879	- 28	5,349	- 30	17,967	6	8,244	-36	33,408	0	164,847	-21

Source : MTIB

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Maersk and MSC Open New Line between Göteborg and Kobe

Shipping companies Maersk and MSC will open a new line between Göteborg, Sweden and Kobe, Japan. The main products that will be transported are wood from Sweden and foodstuff from Japan. Wood is an increasing export product from Sweden to Japan, which is the second largest trade partner for Sweden in Asia. It will take 41 days for the ships to transport from Göteborg to Kobe.

Source: Bisnis Indonesia, 10 February

New Meeting to Discuss Terminal Handling Charge Hike

In March 2015, a new meeting has been scheduled to resolve the issue regarding the hike in terminal handling charges by overseas shipping lines at local ports in Thailand. The Thai National Shippers' Council (TNSC) is against the proposed port charge hike. The new charge for a 40-foot container will be 74.4% more expensive at THB6,800 (EUR183.09, USD208.69), while the new charge for the 20-foot container will be up by 69.2% to THB4,400. The seven Asia-based foreign shipping lines including Hanjin Shipping and Evergreen Line will first apply the new rates.

Source: Bangkok Post, 15 February

Shipment of Timber and Timber Products through Ports in Peninsular Malaysia , February 2015



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Total export of Malaysian timber and timber products in February 2015 decreased 26% in value to RM1.3 billion from the previous month. However, cumulative export for January to February 2015 decreased 1% to RM3.2 billion over the previous corresponding period.

Sawntimber

Export of sawntimber in February 2015 decreased 22% in volume and 23% in value to 123,623 m³ with a value of RM168.4 million as compared to the previous month. However, cumulative export for the first two months of 2015 increased 14% in volume and 15% in value to 282,272 m³ totalling RM386.9 million over the previous corresponding period.

Export of sawntimber to the EU for the month decreased 42% to 7,889 m³ from 13,492 m³ in the previous month due to declining import from major countries in the region. Export to the UK and Netherlands decreased 34% and 52% to 1,103 m³ and 3,465 m³ respectively from the previous month. Similarly, export to France decreased 33% to 822 m³ from 1,220 m³ recorded in the previous month. On the other hand, export to Germany increased 69% to 1,358 m³ from 803 m³ in the previous month.

Total exports to West Asia decreased 42% to 16,833 m³ from 29,041 m³ recorded in the previous month as a result of declining demand from major markets in the region. Export of sawntimber to the UAE and Yemen decreased 17% to 5,985 m³ and 84% to 1,875 m³ respectively. Similarly, export to Saudi Arabia and Oman declined 38% and 3% to 1,881 m³ and 3,140 m³ respectively. In the meanwhile, demand from Kuwait and Bahrain increased by 30% to 695 m³ and 2% to 774 m³ respectively.

Buying from ASEAN decreased 19% to 52,481 m³ from 64,783 m³ registered in the previous month. Export of sawntimber to Thailand, major buyer of sawntimber from Malaysia decreased marginally to 29,133 m³ from 29,551 m³ in the previous month. Likewise, export to Singapore and Viet Nam declined 44% and 32% to 6,405 m³ and 806 m³ respectively.

Shipments to East Asia declined marginally by 1% to 29,739 m³ with export to Taiwan Japan and reduced 30% and 6% to 7,813 m³ and 5,837 m³ respectively. Similarly, export to South Korea decreased 41% to 1,884 m³ from 3,171 m³ in the previous month. However, export of sawntimber to China increased 55% to 13,654 m³ from 8,793 m³ in the previous month.

Elsewhere, exports to the US increased 58% to 1,303 m³ whilst intake by Australia declined 43% to 911 m³. Demand from South Africa decreased 45% to 4,020 m³ from 7,357 m³ in the previous month.

The average FOB price of sawntimber declined marginally to RM1,362 per m³ from RM1,377 per m³ in the previous month. Price of Dark Red Meranti (DRM) decreased 7% to RM2,212 per m³ from RM2,382 per m³ in the previous month. Price of DRM to the Netherlands decreased 1% to RM2,848 per m³ from RM2,888 per m³ in the previous month. Keruing was traded at RM1,548 per m³, a decrease of 2% from RM1,585 per m³ in the previous month.

Plywood

Total export of plywood in February decreased 18% in volume and 17% in value to 179,426 m³ valued at RM318.7 million as compared to the previous month.

Total exports to the EU decreased by 32% to 5,451 m³. Likewise, shipments to the Netherlands and UK decreased by 23% and 33% to 463 m³ and 3,795 m³ respectively whilst Belgium, France and Italy did not make any purchases. However, Denmark, Germany and Ireland increased their intake by 332%, 481% and 22% to 557 m³, 250 m³ and 386 m³ respectively.

Exports to ASEAN region decreased as Brunei and Singapore intake of plywood decreased by 92% and 49% to 72 m³ and 1,496 m³ respectively whilst Indonesia did not make any purchases. Meanwhile, export to Thailand increased 21% to 5,517 m³. In East Asia, exports to Hong Kong, Japan, South Korea and Taiwan decreased by 24%, 5%, 24% and 3% to 2,414 m³, 101,327 m³, 18,602 m³ and 18,797 m³ respectively. However, China increased its intake by 58% to 2,208 m³.

Overall, exports to West Asia decreased by 64% as compared to the previous month. Similarly, shipments to Bahrain, Saudi Arabia, the UAE and Yemen decreased by 93%, 43%, 36% and 99% to 43 m³, 3,075 m³, 1,586 m³ and 179 m³ respectively. However, Kuwait and Qatar increased their intake by 85% and 672% to 986 m³ and 695 m³ respectively.

Elsewhere, exports of plywood to South Africa, the US, Mexico, Canada, Australia and New Zealand decreased by 14%, 84%, 41%, 44%, 8% and 88% to 473 m³, 1,470 m³, 1,506 m³, 207 m³, 2,264 m³ and 21 m³ respectively.

The FOB price of plywood increased by 2% to RM1,776 per m³ from RM1,745 per m³ in the previous month.

Veneer

Exports of veneer for February 2015 showed an increase of 61% in volume and 49% in value to 20,645 m³ at RM27.8 million as compared to the previous month. Export to Australia and Sri Lanka decreased by 11% and 48% to 166 m³ and 11 m³ respectively, whilst Singapore, Indonesia and the UK did not make any purchases. Meanwhile, China, Canada and Taiwan increased their intake by 95%, 100% and 97% to 557 m³, 21 m³ and 12,831 m³ respectively.

The FOB price of veneer decreased 7% from RM1,451 per m³ in the previous month to RM1,344 per m³ in February 2015.

Medium Density Fibreboard (MDF)

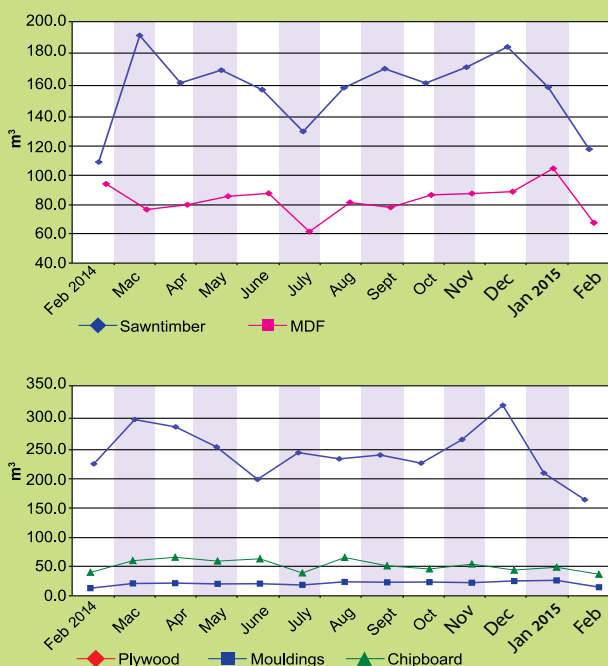
Malaysia's export of MDF for February 2015 showed a decrease of 31% in volume and 28% in value from the previous month. Export totalled 67,290 m³ at RM74.8 million.

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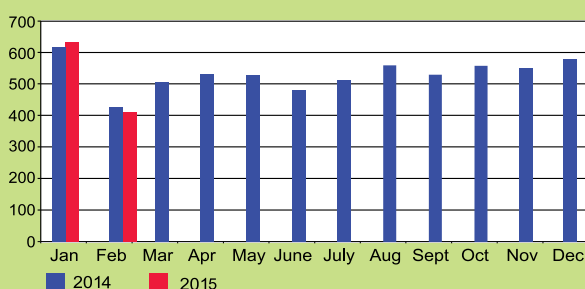
Exports to East Asia registered a decrease of 20% to 11,405 m³ from 14,163 m³ in the previous month due to the slow economic growth in the region. Exports to China (including Hong Kong) decreased by 53% to 163 m³ and export to Taiwan also decreased by 48% to 943 m³. Furthermore exports to South Korea and Japan recorded a negative growth with a decrease of 46% and 12% to 360 m³ and 9,939 m³ respectively.

Meanwhile exports to West Asia in February registered a negative growth with a decrease of 35% to 30,051 m³ from 46,005 m³ in the previous month. This is due to ongoing regional tensions, together with a challenging external environment. Economic growth is slowing, fiscal buffers are depleting, unemployment is rising, and inflation is mounting in four of the region's most vulnerable economies namely Syria, Lebanon, Jordan and Yemen. As a result, export of MDF to the UAE, Bahrain, Jordan, Saudi Arabia and Kuwait dropped by 51% to 6,563 m³, 29% to 450 m³, 28% to 163 m³, 21% to 5,728 m³ and 21% to 3,827 m³ respectively from the previous month. However, export to Iran recorded an increase of 43% to 9,777 m³ followed by Oman at 42% to 2,389 m³.

Export of Selected Products from Malaysia
(February 2014 - February 2015)/ Volume ('000m)



Malaysia: Export of Wooden Furniture
(January 2014 - February 2015) / Value (RM Million)



Source : Department of Statistics, Malaysia

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Similarly, export to South Asia recorded negative growth by 41%. Export to India decreased by 86% to 150 m³, followed by Pakistan decreased by 55% to 2,223 m³, Bangladesh by 16% to 1,252 m³ and Sri Lanka down by 3% to 2,036 m³.

Export to South Africa showed an increase by 11% to 472 m³, demand from the US also increased by 6% to 1,788 and export to the UK increased by 3% to 249 m³. However, exports to Australia showed a decrease of 24% to 1,937 m³.

Total export to ASEAN region for this month decreased 21% to 14,513 m³ from 18,255 m³ in the previous month. Export to Viet Nam registered negative growth by 31% to 8,128 m³ followed by Philippines and Indonesia with a decrease of 13% to 2,429 m³ and 3,188 m³ respectively. In the meanwhile, exports to Singapore increased by 411% to 276 m³.

Mouldings

Exports of mouldings for the month decreased by 31% in volume and value to 17,238 m³ and RM47.4 million respectively. However, cumulative exports for the period January-February 2015 increased by 15% in volume and 12% in value to 42,146 m³ and RM115.8 million respectively over the previous corresponding period.

Exports to the EU for the month recorded at 5,801 m³, a decrease of 31% compared to the previous month. Shipments to Belgium, the Netherlands, UK and Italy decreased by 69%, 45%, 5% and 36% to 289 m³, 2,295 m³, 749 m³ and 95 m³ respectively. However, shipments to Germany increased by 19% to 1,564 m³.

Exports to the ASEAN region decreased as Viet Nam and Singapore intake of mouldings decreased by 24% and 32% to 109 m³ and 930 m³ respectively. However, Indonesia resumed its intake.

Meanwhile, exports to Japan, South Korea, Taiwan, Hong Kong and China decreased 17%, 11%, 77%, 43% and 60% to 2,010 m³, 1,451 m³, 267 m³, 223 m³ and 667 m³.

Elsewhere, export to Australia, the US and Canada decreased by 31%, 38% and 9% to 2,723 m³, 1,646 m³ and 68 m³ respectively.

FOB unit value increased 0.2% from RM2,747 per m³ in the previous month to RM2,751 per m³ in February.

Builders Joinery and Carpentry (BJC)

Total BJC cumulative exports from January to February 2015 decreased 7% to RM146.7 million as compared to RM157.2 million in the corresponding period last year. Cumulative import from January to February by the EU decreased 7% to RM43.3 million. Similarly, export to France, Denmark, Germany, Italy and Sweden decreased by 21%, 62%, 56%, 65% and 88% to RM4.0 million, RM1.6 million, RM0.92 million, RM0.28 million and RM0.50 million respectively whilst the Netherlands and Turkey did not make any purchases. Whereas, exports to the UK and Belgium increased by 11% and 45% to RM24.3 million and RM10.1 million respectively over the previous corresponding period and Norway resumed its intake for the month.

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Logs

The flood disaster coupled with a long holiday during the Chinese New Year Celebration had been hampering the logging activities for the month. Due to slow activities and limited supply in the market, the prices for some logs charted an upward trend.

Log prices for the species of Chengal stood firm at RM4,000 per tonne. Meanwhile, Balau logs prices dropped by 2.2% to RM2,700 per tonne over the previous month whilst Merbau chalking up by 4% to RM2,600 per tonne. Similarly, the prices of Kempas increased slightly by 2.8% to RM1,450 per tonne. Keruing log prices continued to be traded at RM1,150 per tonne. On the other hand, prices of Dark Red Meranti improved by 2.2% to RM1,380 per tonne compared to the previous month. Prices of Nyatoh logs, however, remained at RM900 per tonne. Prices for Mixed Heavy Hardwood were at RM1,000 per tonne while Mixed Light Hardwood rose 5.3% to RM700 per tonne.

Sawntimber

The average sawntimber prices continued to pick up for some species due to declining supply in the domestic market. According to the industry, the depreciation of Ringgit against American Dollar since end of last year has also contributed positively to the export.

The sawntimber prices of Chengal and Red Balau maintained at RM6,638 per m³ and RM2,966 per m³ respectively. Merbau sawntimber reported to increase slightly by 0.6% to RM3,480 per m³ as compared to last month. Similarly, prices of Keruing and Kempas grew by 1.1% and 0.5% to RM1,500 per m³ and RM2,200 per m³ respectively. Prices of Mengkulang, however, fell by 0.8% to RM1,400 per m³ over the previous month. Similarly, price of Yellow Meranti sawntimber dropped by 0.8% to RM1,400 per m³. Prices for Red Meranti and White Meranti remained at RM1,850 per m³ and RM2,119 per m³ respectively. Sawntimber prices of Mixed Heavy Hardwood charted at RM1,306 per m³ whilst prices of Mixed Light Hardwood remained at RM777 per m³.

Plywood

The supply of plywood to the domestic market remained adequate for the month under review. Thus, prices of plywood remained at last month's level. Prices of plywood of 4mm, 6mm, 9mm and 12mm of thicknesses were stably traded at RM14.60, RM22.00, RM34.50 and RM41.50 per piece respectively.

Medium Density Fibreboard (MDF)

Domestic supply of MDF remained suffice where prices were reported to hover at last month's level. Prices for MDF of 4mm, 6mm, 9mm and 12mm of thicknesses continuously stood at RM12.10, RM15.80, RM21.70 and RM28.10 per piece respectively.

Intra-Malaysia Trade * - February 2015

In February, sawntimber shipments from Sabah to Peninsular Malaysia declined sharply by 41% in volume to 320 m³ worth at RM526,000. Similarly, shipments of plywood dropped by double digits to 5,769 m³ and 42% in value to RM9.6 million. Conversely, Sabah resumed its shipments of veneer to 35 m³ in volume and valued at RM52,000.

Rainy season and flood were still restricting the logging and transportation activities in Sarawak, which affected the export of sawntimber from the state to Peninsular Malaysia. Export of sawntimber from Sarawak to Peninsular Malaysia dropped significantly by 87% in volume to 67 m³ and 84% in value to RM62,000. Similarly, export of plywood fell by 24% to 7,381 m³ worth at RM9.1 million. However, export of veneer jumped by 49% to 3,184 m³ valued at RM4.5 million.

No intra trade activities from Peninsular Malaysia to Sabah and Sarawak was recorded in February 2015.

* Source: Department of Statistics, Malaysia 

INTRA-MALAYSIA TRADE – FEBRUARY 2015

From	Products	JANUARY 2015		FEBRUARY 2015		% Change in Volume Feb 2015 / Jan 2015	% Change in Value Feb 2015 / Jan 2015
		Volume (m ³)	Value (RM '000)	Volume (m ³)	Value (RM '000)		
SABAH	Logs	0	0	0	0	0	0
	Sawntimber	538	744	320	526	-41	-29
	Plywood	10,451	16,560	5,769	9,626	-45	-42
	Veneer	0	0	35	52	100	100
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	535	383	67	62	-87	-84
	Plywood	9,665	12,091	7,381	9,057	-24	-25
	Veneer	6,263	7,439	3,184	4,522	-49	-39

Source : Department of Statistics, Malaysia

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FEBRUARY 2015

***AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA
FEBRUARY 2015 (VALUE IN RM)**

SPECIES	LOGS/tonne	SAWNTIMBER/m³			
	18" UP	GMS	STRIPS		SCANTLINGS
HEAVY HARDWOOD					
Chengal	4,000	6,638	2,966		8,828
Balau	2,700	3,400	3,200		3,351
Red Balau	2,450	2,966	1,900		3,178
Merbau	2,600	3,480	2,900		2,800
Mixed Heavy Hardwood	1,000	1,306	1,110		918
MEDIUM HARDWOOD					
Keruing	1,150	1,500	1,025		2,203
Kempas	1,450	2,200	2,000		2,010
Kapur	1,650	2,472	727		2,472
Mengkulang	1,150	1,400	900		1,575
Tualang	1,213	2,366	2,331		2,331
LIGHT HARDWOOD					
Dark Red Meranti	1,380	2,190	1,500		2,100
Red Meranti	1,330	1,850	1,150		2,500
Yellow Meranti	1,150	1,400	2,000		1,400
White Meranti	1,010	2,119	2,154		1,695
Mersawa	1,230	1,585	2,000		1,554
Nyatch	900	777	565		1,201
Sepetir	850	1,095	918		1,095
Jelutong	1,040	1,700	1,201		1,801
Mixed Light Hardwood	700	777	678		657
MALAYSIAN RUBBERWOOD <i>Hevea brasiliensis</i>	LOGS/tonne	SAWNTIMBER/m³			
	140	1" X 1"	2" X 2"	3" X 3"	4" X 4"
		706	1,045	1,151	1,201
PLYWOOD 4' X 8' (RM per piece)	4mm	6mm		9mm	12mm
	14.60	22.00		34.50	41.50
MDF 4' X 8' (RM per piece)	4mm	6mm		9mm	12mm
	12.10	15.80		21.70	28.10

Note: Log prices ex-batau. Sawntimber, plywood, MDF and Malaysian Rubberwood (*Hevea brasiliensis*) prices ex-mill

* Prices are only indicative

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TIMBER ROUND-UP

In Asia, exports to Singapore, Thailand, Japan, India, South Korea and the UAE decreased 16%, 21%, 20%, 21%, 13% and 77% valued at RM15.1 million, RM5.0 million, RM11.6 million, RM8.7 million, RM0.50 million and RM0.45 million respectively whilst Iran did not make any purchase. However, exports to Viet Nam, Pakistan and Taiwan grew 123%, 33% and 4% to RM5.4 million, RM7.4 million and RM2.9 million respectively.

Exports to Australia, South Africa and Maldives increased by 5%, 55% and 240% to RM21.8 million, RM2.8 million and RM1.4 million respectively. However, the US reduced its intake by 8% to RM9.9 million.

Furniture

Wooden and rattan furniture exports for the first two months of the year reported an increase of 1% to RM1.04 billion as compared to RM1.03 billion recorded in the previous corresponding period of last year.

Purchase of wooden furniture from Malaysia for the period of January to February 2015 increased 1% from RM1.03 billion to RM1.04 billion compared to the same period in 2014. Demand for wooden furniture for February 2015 was positive across major markets. Demand from the US improved by 1% from RM330.4 million to RM331.9 million. In the meanwhile, export to Japan declined by 3% from RM117.1 million to RM114.0 million.

Imports by Australia declined by 6% from RM68.7 million in 2014 to RM64.7 million in the first two months of 2015. However, exports to Singapore increased 5% from RM53.5 million to RM55.9 million. The UK follows suit with an increased import by 15% from RM50.5 million to RM58.1million.

Canada decreased its intake of wooden furniture by 11% to reach RM38.0 million. The UAE also recorded a decrease of 2% to reach RM40.4 million. Exports to Saudi Arabia declined by 6% to RM23.3 million. On the other hand, imports by India increased by 0.4% to RM17.9 million in February.

Russia also reduced its consumption by 22% from RM15.9 million to RM12.4 million. South Korea had decreased its wooden furniture consumption by 1% with a purchase of RM19.3 million from RM19.4 million in the previous corresponding period.

Meanwhile, rattan furniture exports decreased by 33% to RM3.7 million, compared to RM5.5 million recorded in the previous corresponding period. Demand from the UK and US weakened by 13% to RM911.7 million and 26% to RM192.3 million. Exports to Singapore also decreased by 78% to RM408.6 million. However, Australia's increased its imports by 91% to RM385.2 million.

UPDATES ON THE DEVELOPMENTS OF ILPA 2012 AND IMPLEMENTATION OF MCSG: PENINSULAR



Dr. Jalaluddin Harun, MTIB Director-General delivering his speech.

The Australian Illegal Logging Prohibition Act (ILPA) 2012 was designed to promote trade of legally harvested timber and timber products in Australia. ILPA 2012 commenced in November 2012 and it is now an offence to import a product containing timber, or to process an Australian grown raw log that has been illegally logged. However, the due diligence requirements of the Illegal Logging Prohibition Regulation (ILPR) 2012 that commenced on 30th November 2014 must be fulfilled by Australian importers/Peninsular Malaysian exporters only. One method to fulfill ILPR 2012 and ILPA 2012 is through the Country Specific Guideline for Malaysia (MCSG). Realising the importance of how ILPA 2012 will affect the Malaysian timber industry, MTIB in collaboration with the Australian government organised a briefing entitled "Updates on ILPA 2012 and the Implementation of the MCSG".

The purpose of the briefing was to update the Peninsular Malaysia timber industry on the latest developments and requirements to export timber and timber products to Australia under ILPA 2012 as well as the contents and the implementation of MCSG: Peninsular.

The welcoming remark for the briefing was given by Dr. Jalaluddin Harun, Director-General of MTIB. He welcomed all speakers and participants to the session as it showed their commitment towards strengthening the bilateral trade relationship between Australia and Malaysia; in 2014, Malaysia had exported timber and timber products valued at RM905 million to Australia, ranking it as the nation's seventh major market. Malaysia's exports included products such as wooden furniture (48%/RM434 million) followed by builders' joinery and carpentry/BJC (15%/RM132 million), mouldings (14%/RM124 million) plywood (11%/RM96 million) and sawntimber (5%/RM46 million).

Dr. Jalaluddin expressed Malaysia's gratitude to the Australian Government for allowing Malaysia to be involved with the drafting process since 2012 which permitted the country to provide feedback on ILPA 2012 as well as certain parts of its content such as the list of regulated timber and timber products and the due diligence principle. He expressed his hopes that all participants make full use of the opportunity to consult with the speakers, and make use of the session as a platform where they can pose any question or doubt concerning the implementation of ILPA 2012.

Delivering the first paper on behalf Mr. Paul McNamara, who is the Assistant Secretary, Forestry Branch of Department of Agriculture (DoA), Australia, was Cik Hjh. Robiyah Husin, MTIB Senior Deputy Director of Trade Development. According to the Australian Government, as of April 2015, ILPA 2012 has affected approximately 18,000 Australian importers and 480 processors. She added that since ILPR 2012 was implemented, as of 5 March 2015, 9,077 Australian businesses have imported regulated timber products and 49,000 consignments worth AUD1.75 billion from 94 countries have been traded. Regulated timber products under ILPR 2012 included timber and timber products from the HS Code of 44, 47, 48 and 94. Furthermore, between 30 November 2014 and 26 February 2015, Malaysia represented the fourth highest value of wood and timber imports into Australia with 3,556 consignments valued at AUD95,815,222.



Participants at the briefing.



Panelists for Q&A session.

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It was further highlighted that the Country Specific Guidelines (CSG) would assist Australian importers and processors in how to identify legal products from the country where the timber was harvested. CSGs with Canada, Finland, Italy, Indonesia, New Zealand, Solomon Islands have also been finalised. The Country Specific Guideline for Malaysia (MCSG) was accepted by both the Australian and Malaysian governments on 13 February. The MCSG: Peninsular, which had been drafted by the MCSG Peninsular Malaysia Task Force, was subjected to several extensive consultations with the related Ministries, government departments and agencies and timber trade associations of Peninsular Malaysia. DoA will also start with its compliance programme in April 2015 to initially assess as much volume and value as possible that adhere to ILPA 2012.

The second paper was presented by Encik Md Yusoff Ismail, MTIB Deputy Director of Licensing and Enforcement. He presented on the implementations aspect of MCSG: Peninsular. In his presentation, he carefully guided all participants on how to utilise MCSG: Peninsular in order for them to continue the export of timber and timber products under the Second Schedule of the Customs (Prohibition of Exports) Order 2012 to the Australian market.

He added that the export licence issued by MTIB for regulated products under the Second Schedule of the Customs (Prohibition of Exports) Order 2012 can be used by all Malaysian exporters to verify compliance with legal requirements. For other products, clearance of exports based on the Customs Declaration Form 2 (K2) shall be deemed as having complied with the applicable legal requirements.

During the Q&A session which was moderated by Encik Zulkepli Abd Rani, MTIB Director of Licensing and Enforcement, the participants posed numerous queries in regards to the implementation of ILPA 2012 and MCSG: Peninsular.

The briefing was well attended by over 80 participants comprising representatives of the Peninsular Malaysian timber industry, associations and related government departments, agencies and councils. 



One of the participants posed a question.





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PHILIPPINES**Imported Newsprint May Face
Definitive Duty**

The Tariff Commission of the Philippines has suggested a 9.4% average definitive duty to be applied to imported newsprint in a bid to protect the local industry. The recommendation has been submitted to the Department of Trade and Industry and is currently awaiting approval. The suggestion translates to a PHP2,470 (EUR50.48 / USD55.93) specific duty per metric tonne that will affect newsprint imported from the UK, Canada, the US, South Korea and Japan.

Manila Bulletin, 3 March

RUSSIA**Output of Plywood and Wood-based
Panels Up**

Data of the State Statistics Service showed that Russia produced 1.20 million conventional m³ of chipboard and other wood-based panels in January-February 2015, an increase of 8.2% over the previous corresponding period. The output of plywood totalled 573,000 m³ (+5.8%).

Lesprom, 17 March

SWEDEN**Increase in Timber Exports**

Swedish exports of sawn and planed timber in 2014 amounted to 12.3 million m³, a 6% increase from 2013. Exports to the UK amounted to 2.6 million m³, a 12% rise, and 1.6 million m³ were exported to Egypt, a 36% increase. 480,000 m³ of timber were exported to China, 16% more than in 2013. Of the total exports in 2014, 7.4 million m³ went to Europe, 2.8 million to Africa, 1.9 million to Asia and 0.2 million m³ to the US and Australia.

Skogsland, 3 March

SWEDEN**Wooden Bridges More Climate
Friendly**

Bridges made from wood are more climate-friendly than bridges made from concrete, according to a new report from Swedish research institute SP. During its life, a wooden bridge generates 79 tonnes of CO₂ equivalent, compared with 127 tonnes for a concrete bridge. The report also shows that building materials have a bigger impact on the climate, transports and the construction process.

Byggindustrin, 13 March

THAILAND**Government to Collaborate With
Foreign Parties in Forestry Plantation**

A draft outlining collaboration with overseas parties in forestry plantation measures has been approved by the ASEAN Economic Community (AEC) subcommittee in Thailand. The panel, led by Deputy Prime Minister Pridiyathorn Devakula, agreed to the proposal in February 2015. However, the motion has attracted rejections from civic groups and non-profit organisations. BioThai, which aims to protect farmers' rights, believes that the move would pose security threat as large sizes of lands were rented or managed by foreign parties.

Bangkok Post, 19 March

GLOBAL**Demand for Cabinets to Rise**

According to The Freedonia Group, global demand for cabinets will rise by 5.5% per annum to USD64 billion (EUR57.23 billion) in 2018. The rise will be mainly driven by growth in developing nations. Sales of cabinets in the Asia-Pacific region will hit USD20 billion in 2018, which is almost one-third of the total worldwide, with sales rising by 7.3% per year until 2018. Sales of cabinets in Western Europe will reach USD17.5 billion by the same year. Meanwhile, the US will witness strong demand increases. It is the biggest market for cabinets in the world.

Trade Arabia, 4 March

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CONSULTATION WITH INDUSTRY : PUBLIC COMMENTS ON FDMS SPECIFICATION FOR PLYWOOD



Prof. Dr. Paridah Md Tahir presenting on the overview of Malaysian Standard specification for plywood.

Plywood is a major Malaysian export product, aside from sawntimber and furniture. Plywood is also used in the domestic market for several applications such as furniture as well as formwork in constructions. Realising the importance of the application of standards in the plywood industry and in line with MTIB's role as a Standards Development Agency (SDA), MTIB organised a half-day consultation session with the industry on the revision of MS for Specification on Plywood, on 24 March at MTIB, Kuala Lumpur.

The session was chaired by Dr. Jalaluddin Harun, Director-General of MTIB. In his welcoming remarks, Dr. Jalaluddin noted the importance on standards for plywood products for export as well as for the domestic market to ensure compliance to product quality and safety. He highlighted several issues that were being raised by the industry involving formaldehyde emission levels in particular in plywood imported from certain countries which may affect health if the plywood is used for in-house application. He further added that MTIB was undertaking tests on the plywood samples for formaldehyde emission levels before further action could be taken to impose the use of Malaysian Standards for plywood by the domestic market.

The purpose of the consultation session was to inform the plywood industry on the changes that had been made during the second revision of MS 228:1991. Public comment is an important stage in the development of Malaysian Standards (MS) to ensure that the draft being prepared is accepted by the industry. The period of Public Comment is usually two months (60 days). Anyone can contribute to give their own views during the Public Comment Period. The Final Draft of Malaysian Standards (FDMS) on Specification for Plywood is opened for Public Comment from 2 Mac to 2 May 2015.

This first MS for Plywood was published in 1974 and it was revised in 1991 as a first revision, based on BS 6566: Part 1 – Part 8 (1985), focusing mainly on terminology and testing methods. To review this MS, a Working Group (WG), which comprised experts from MTIB, UPM, FRIM, MPMA, MTC and STIDC was established.

The group was chaired by Prof. Dr. Paridah Md Tahir from UPM. Major modifications were made on the overall structure of the text by reducing the number of pages from 66 to 15 without sacrificing the content, as follows:-

- Scope
- Normative References
- Terms and Definitions
- Materials
- Manufacturing of Panels
- Dimension and Tolerances
- General Requirements
- Bonding Quality
- Formaldehyde Emission
- Supplementary Properties
- Conformance
- Marking, Identification and Documentation

In addition, formaldehyde emission levels have been included in the revised MS, taking into account important requirements on safety, health and environment as well as requests made by the Malaysian Panel Products Manufacturers Association (MPMA) on issues related to formaldehyde levels in imported plywood being used by the domestic market.

The consultation process is perhaps the best platform for the industry to share views related to MS and the standardisation activities for timber and timber based products. It is also aligned with the spirit of the Standards which is to facilitate business interaction, enabling companies to comply with the relevant laws and regulations, speeding up the introduction of innovative products to market and providing interoperability between new and existing products, services as well as processes.

This session was attended by 40 participants comprising plywood manufacturers, research institutions, academia as well as end-users. The continuation of the consultation process will be held in Kota Kinabalu, Sabah tentatively on 30 April 2015 to facilitate the plywood industry in Sabah.



Attendees during the programme.

MIFF 2015 – GLOBAL OPPORTUNITIES FOR BRAND PROMOTION

**MALAYSIAN
INTERNATIONAL**
MIFF
**FURNITURE
FAIR 2015**
**KUALA LUMPUR
MALAYSIA**



Datuk Himmat Singh, Secretary - General of Ministry of Plantation Industries and Commodities (left) and other VIPs at the official opening of MIFF 2015.

The Malaysian International Furniture Fair (MIFF) 2015 took place in Kuala Lumpur on 3-7 March. Being one of the leading furniture fairs in Southeast Asia, as well as the global market, MIFF is also an ideal business platform for trade professionals, quality exhibitors and buyers from all over the world as they converge on this global stage.

MIFF 2015 was officiated by the Guest of Honour, Datuk Himmat Singh, Secretary-General of Ministry of Plantation Industries and Commodities (MPIC), representing YB Minister of MPIC, Datuk Amar Douglas Uggah Embas. The event was held at two premier exhibition venues, Putra World Trade Centre (PWTC) and MATRADE Exhibition and Convention Centre.

Organised by UBM Malaysia, the five-day event at PWTC brought together over 500 exhibitors from 15 countries including Malaysia, China, Taiwan, Indonesia, Hong Kong, Singapore, Korea, the USA, the United Kingdom, India, Spain and Viet Nam in one of the most robust trading platforms in the global furniture industry. The high diversity of attendees made MIFF 2015 an exciting gateway to new markets in Southeast Asia and other emerging regions including East Europe, South Asia, East Asia, Africa and the Middle East. Other highlights included the Young Talent MIFF Design Competition and five seminars to enhance networking and educational opportunities with international industry experts.

MIFF 2015, as such, was an excellent platform for Malaysian companies to showcase their products to potential buyers. MTIB's participation in MIFF 2015 was mainly to promote Malaysian furniture products as well as MTIB's Timber Verification Service (TVS). F & B World Impressions (M) Sdn. Bhd. displayed their furniture at MTIB booth. Several enquiries on products displayed were reported. MTIB also exhibited its publications for sale while taking the opportunity to explain and promote services offered by MTIB to the visitors.



Carved chairs from F&B World Impressions (M) Sdn. Bhd. exhibited at MTIB booth.



Larik products displayed at MTIB booth.



A visitor at MTIB booth.

ENHANCING SME FURNITURE IN MIFF 2015

**MALAYSIAN
INTERNATIONAL**
MIFF
**FURNITURE
FAIR 2015**
**KUALA LUMPUR
MALAYSIA**

Established 21 years ago, MIFF has proven itself a prestigious trade exhibition, the biggest in South East Asia. It provides a platform for local furniture players especially the SMEs to exhibit their products in their pursuit to penetrate the export market. MTIB coordinates their participation in MIFF to assist in the development of these SME furniture companies in venturing into the export market.

Held on 3-7 March at Putra World Trade Centre and MATRADE Exhibition and Convention Centre, Kuala Lumpur, MTIB coordinated the participation of seven SME companies

in Hall 2C and 4B. These companies were Puncak Bumi Utama Sdn. Bhd., Excelfurn Sdn. Bhd., Ramaco Bena Sdn. Bhd., MYR Construction Sdn. Bhd., Meranti Furniture Sdn. Bhd., Mohd Abidin Yahaya (Perlis) Sdn. Bhd. and Wadah Emas Sdn. Bhd. Out of the seven companies, three of them were newcomers as they had never participated in any international furniture fair before.

The exhibitors received encouraging feedback and numerous enquiries on their products. Most of the trade visitors were from East Asia, Middle East and Europe.



Foreign visitors at the booth.



Bedroom sets from Puncak Bumi Utama Sdn Bhd.



MYR Construction Sdn. Bhd. displayed office furniture.

PRIZE PRESENTATION CEREMONY IN MIFF 2015

**MALAYSIAN
INTERNATIONAL**
MIFF
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FAIR 2015**
**KUALA LUMPUR
MALAYSIA**



MIFF 2015

Winners of Furniture Excellence Award.

The MIFF Prize Presentation Ceremony was held on 5 March in Kuala Lumpur in conjunction with MIFF 2015. The awards were presented by YB Dato' Lee Chee Leong, Deputy Minister of International Trade and Industry.

"We want to encourage Malaysian companies to start to work on medium/long term programmes, working with professional designers, professional consultants, to understand the real meaning of "design", and how the companies could take advantage from this new state of mind. It's time that Malaysian companies start to discover their identities, based on Original Brand, that actually has not to be confused with positioning, allow the young, good designers they have, to work with the companies to develop new products, really original, made by local materials," said Ms. Roberta Mutti, Chief Judge of MIFF Furniture Excellence Award.

Mr. Iko In, Chief Judge of MIFF Best Presentation Award commented: "Design is not just what it looks like and feels like. Design is how it works. After all these years, I can see that the overall booth presentation and design is getting more mature and more globalised. I feel that MIFF is a show that produces international standards."

WINNERS OF FURNITURE EXCELLENCE AWARD

Award	Household Furniture Category	Prize
PLATINUM	SUNG YONG CO. LTD	RM8,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM
GOLD	DEEP FURNITURE SDN. BHD.	RM5,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM
SILVER	HOTTRAX FURNITURE TRADING SDN. BHD.	RM3,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM

Award	Office Furniture Category	Prize
PLATINUM	JEMARAMAS JAYA SDN. BHD	RM8,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM
GOLD	RESOL	RM5,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM
SILVER	EURO CHAIRS MANUFACTURER (M) SDN. BHD	RM3,000 (Cash Rebate) + Trophy + Certificate + 1 Furniture Test at FRIM

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WINNERS OF BEST PRESENTATION AWARD

Award	Bare Space Booth	Prize
FIRST	EURO CHAIRS MANUFACTURER (M) SDN. BHD	RM8,000 (Cash Rebate) + Trophy + Certificate
SECOND	HIM LIM FURNITURE MANUFACTURE SDN. BHD	RM6,000 (Cash Rebate) + Trophy + Certificate
THIRD	TLENCASA SDN. BHD.	RM4,000 (Cash Rebate) + Trophy + Certificate

Award	Shell Scheme Booth	Prize
FIRST	MAMORIM SDN. BHD	RM3,000 (Cash Rebate) + Trophy + Certificate
SECOND	WINTech METAL PROCESSING SDN. BHD	RM2,000 (Cash Rebate) + Trophy + Certificate
THIRD	GAOYA FURNITURE INDUSTRIES SDN. BHD	RM1,000 (Cash Rebate) + Trophy + Certificate



MIFF 2015

Winners of Best Presentation Award.

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MIFF 2015 FURNITURE DESIGN COMPETITION (MIFF FDC)



MIFF 2015



MIFF 2015



MIFF 2015

1. First Prize - Mick's Deck Chair
2. Second Prize - Back to Basics
3. Third Prize - Infinity Lounge Chair

MIFF FDC 2015 carried the theme "Living Furniture, Global Perspective". It was launched in 2010 to attract more young designers to the industry and showcase their creativity on the MIFF platform.

"This year's competition sets a new benchmark with timber which highlights Malaysia's sustainable forest practices and reduces the carbon footprint. The finalists were chosen not only because of their creative ideas but also the manufacturability of each design. I believe the experience gained from design inception to prototyping has opened the door for them to enter into the furniture industry," said Mr. Philip Yap, Chief Judge.

Stephanie Ng Hui Sien was selected from a shortlist of 10 finalists, from 220 entries, by an international jury. This was her first shot at the prestigious furniture young talent award. She won first prize with "Mick's Deck Chair". Working with manufacturer, Supreme Tropical Furniture Sdn. Bhd. to produce a prototype, she juggled with different species of wood and fabric and finally submitted her winning piece made of Malaysian Red Balau hardwood with grooves alongside the frame to allow upholstery to be easily switched from a chair for a lazy afternoon or a formal sit-down.

The second prize went to Alice Lee Pei Ying with "Back to Basics", a versatile cuboid that can be transformed into a seat, coffee table or rack while Wan Nurhanis Farisa Azaiman emerged third with a curvy "Infinity Lounge Chair".

The prize presentation was held on 5 March in Kuala Lumpur and YB Dato' Lee Chee Leong, Deputy Minister of International Trade and Industry gave away the prizes.

WINNERS OF MIFF FURNITURE DESIGN COMPETITION 2015

Ranking	Designer Name	Design Name	Prototyped By	Prize
First	Stephanie Ng Hui Sien	Mick's Deck Chair	Supreme Tropical Furniture Sdn. Bhd.	RM10,000 + Trophy + Certificate
Second	Lee Pei Ying	Back to Basics	Lencasa Sdn. Bhd.	RM5,000 + Trophy + Certificate
Third	Wan Nurhanis Farisa Binti Aziman	Infinity Lounge Chair	Supreme Tropical Furniture Sdn. Bhd. and Elk Furniture Industries Sdn. Bhd.	RM2,500 + Trophy + Certificate

Best Prototype Maker : Supreme Tropical Furniture Sdn. Bhd. and Elk Furniture Industries Sdn. Bhd. (Infinity Lounge Chair)

EFE 2015 – FINE FURNITURE, WORLD MARKET



Export Furniture Exhibition (EFE) 2015 was one of the largest business platforms in the region for suppliers to meet influential decision makers and buyers. The event which took place from 4-7 March, attracted the participation from many well-known and branded companies in Malaysia. The exhibition provided an opportunity for exhibitors and buyers to do business conveniently.

YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities (MPIC) in his opening remarks said that furniture is one of the few industries in Malaysia which can pride itself as truly a 'Made in Malaysia' industry. Ranked amongst the top 10 furniture exporters of the world, the Malaysian furniture industry has carved a name for itself as reputable and reliable furniture producers, especially wooden furniture accounting for over 90% of exports.

EFE 2015 offered a comprehensive solution for buyers on design, furniture, interior and fittings by more than 250 exhibitors from Malaysia, China and ASEAN where they showcased their creations from hotel furnishings to villas, home, dining and office. EFE 2015 also provided an avenue for SME entrepreneurs to explore export markets and to meet new buyers as well as to gain market information and business exposures. MTIB took the opportunity to promote its design initiative programme, TANGGAM during the four-day event to promote outstanding young designers. MTIB also coordinated the participation of two garden furniture companies in EFE 2015 namely Kwila Sdn. Bhd. and Maha Maju Azam Trading Sdn. Bhd. The products displayed included a garden furniture set, a bench, and also decorative products.



Products displayed at MTIB booth.



Visitors viewing the products.



Malaysian Wood
Standing on Excellence

Shaping the Timber Industry of Malaysia

Spot the difference

They look similar, are made from the same type of hardwood and have similar price tags. The only difference is that one came from a rainforest and the other from a plantation.

Every year, millions of trees are felled to fulfill the demands of the timber industry. Problems arise when these trees are not replaced as fast as they are taken, causing a multitude of environmental problems.

MTIB is fully aware of the need for renewable resources. One solution is forest plantation, where trees are planted specifically for commercial purposes. Not only does it provide a steady supply of timber, it also works to the advantage of our environment.

We care about the environment as much as we care about the timber industry, which is why it is important for us to come up with solutions that benefit both – because beautiful furniture doesn't have to come with a high environmental price tag.



MTIB is committed towards enhancing the sustainable growth of the Malaysian timber industry through various initiatives and innovations.

For more information, contact:

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BJC AND MOULDINGS CAPACITY BUILDING AND MARKET STUDY MISSION TO SINGAPORE



Roundtable discussion with Singapore Timber Association

In 2014, Malaysia's export of builders' joinery and carpentry (BJC) and mouldings increased by 5% and 15% to RM1 billion and RM711 million respectively as compared to the corresponding period in 2013. NATIP's target by 2020 for BJC and mouldings is to achieve the export target of RM4.66 billion and RM2.75 billion respectively. In line with this aspiration, MTIB organised a capacity building and market study mission to Singapore from 25 to 27 March.

Singapore is seen as a major market for BJC and mouldings that has growing market potential for Malaysia's timber and timber products and currently ranks as the sixth largest market for Malaysian timber after Japan, USA, India, Taiwan and South Korea. Exports of Malaysian timber and timber products to Singapore amounted to RM946.87 million in 2014 and major products exported were logs, wooden furniture, BJC, chipboard/particleboard, plywood, veneer, sawntimber, and medium density fibreboard (MDF).

The mission was led by Cik Hjh. Robiyah Hj. Husin, MTIB Senior Deputy Director of Trade Development and the mission delegation comprised eight members of the Malaysian Wood Moulding and Joinery Council from Bonaprimo Resources Sdn. Bhd, Sri Ledang Sdn. Bhd, RGT Enterprises Sdn. Bhd., LKL Hardware Sdn. Bhd., Door Master Industries Sdn. Bhd. and Wawasan Kagum Sdn. Bhd.

The programme involved a roundtable discussion with the Singapore Timber Association (STA) members. In addition, individual business matching and networking sessions as well as factories and furniture showroom visits were also conducted during the mission.

The roundtable discussion was held on 26 March aimed to seek possible joint-ventures related to the manufacture and marketing of timber BJC and moulding products and strengthen their exports to Singapore. The discussion was well attended by 30 participants comprising Singaporean timber importers, agents and merchants, manufacturers and end users of timber and timber products.

Prior to the discussion, Mr. Chua Seng Chong, President of STA extended his warm welcome to all delegates and expressed his hopes that that inaugural meeting with the Malaysian BJC and mouldings exporters would further enhance bilateral timber trade and future market access between Malaysia and Singapore in BJC and mouldings. MTIB and MWMJC also extended invitations to interested STA members to visit BJC and mouldings factories in Malaysia in order to increase their confidence in importing Malaysian BJC and mouldings products.

Malaysian delegates were brought to five factories located at Sungei Kadut, an industrial estate located in the northwestern region of Singapore, well known for its extensive woodworking and furniture making industries. The factories were Tat Hin Timber Pte Ltd, Chong Sun Wood Products Pte Ltd., LHT Holdings Ltd., Kenwood Industries Pte. Ltd. and JS Timber Pte. Ltd.

A visit to J Plan Associates Pte. Ltd. showroom and factory also took place and delegates met with Mr. Jeffry J. Jalleh, Managing Director. J Plan Associates Pte. Ltd. has been using Malaysian plywood for many years on mainly kitchen cabinets and wardrobes using the IBS system.

The delegates also visited Schelling Asia (S) Pte. Ltd. and they were briefed on the latest CNC machine used mainly for the furniture industry.

MTIB was represented by Cik Hjh. Robiyah Hj. Husin and Encik Mohd Afthar Amir from Trade Development. 



Factory visit in Singapore.

WORKSHOP ON AGARWOOD OIL PROCESSING

Agarwood or locally known as gaharu is an important non-timber forest product. It has been used in medicine and in perfume production for hundreds of years. Today the trade scenario of Agarwood is changing rapidly and now involves almost 18 countries with trade worth millions of US dollars annually. Indeed, due to the growth in the population and affluence of Agarwood-consuming markets, the demand for Agarwood has risen significantly over the past 30 years. However, the increase in demand has led to the over-exploitation of this natural resource. In addition, the uncontrolled Agarwood trade may lead to some Agarwood-producing species to become extinct.

The Convention on International Trade of Endangered Species of Wild Flora and Fauna (CITES) has therefore listed Agarwood-producing species namely *Aquilaria* under Appendix II of CITES due to the threat posed by trade to the survivability of the species. Trade in Agarwood is subjected to quota and currently only 200,000 kg is allowed for export annually. The value of Agarwood products exported in 2014 was RM17.09 million where RM15.91 million was from woodchips and woodblocks while RM1.18 million was from Agarwood oil.

In an effort to further develop the Agarwood industry in Malaysia, MTIB recently organised a workshop on Agarwood Oil Processing in Langkawi, Kedah from 25 to 26 March. The objective of the workshop was to disseminate knowledge and information as well as to create awareness among the industry players on the processes involved in the production of Agarwood oil. It was also aimed to enhance the technical and production skills of the existing players in further developing the Agarwood oil industry towards a more significant downstream processing industry.

The workshop is one of the activities undertaken by MTIB in line with the Second Strategic Thrust of the National Karas and Agarwood Industry Development Action Plan 2011-2021 on developing Human Capital.

Three papers were presented during the workshop covering Agarwood Oil Processing, Agarwood Grading and World Market of Agarwood Oil.

The participants were also exposed to the process flow in production of Agarwood oil at the Agarwood Oil Processing Plant. Encik Ruslan Osman from Oud Agarwood Ent. was the speaker at the workshop.

The workshop was attended by 35 participants comprising individuals and representatives from both the government and private sectors.



Encik Ruslan Osman from Oud Agarwood Ent. presenting papers covering Agarwood Oil Processing, Agarwood Grading and World Market of Agarwood Oil.



Participants being exposed in the Agarwood chipping process.



One of the participants viewing the Agarwood Oil processing.



THE FUTURE FOR TIMBER AND TIMBER PRODUCTS TO JORDAN

Country Overview

Jordan, officially the Hashemite Kingdom of Jordan, is an Arab Kingdom in the Middle East, on the East Bank of the Jordan River. Jordan is bordered by Saudi Arabia to the south and east, Iraq to the north-east, Syria to the north, and Israel and Palestine to the west. Major cities include the capital, Amman and Salt in the west, Irbid, Jerash and Zarqa, in the northwest and Madaba, Karak and Aqaba in the southwest. Major towns in the eastern part of the country are the oasis town of Azraq and Ruwaished. With a total land area of 89,342 sqkm, Jordan consists of an arid plateau in the east, irrigated by oasis and seasonal water streams, with highland areas in the west with arable land and Mediterranean evergreen forestry. The Jordan Rift Valley of the Jordan River separates Jordan from Israel and the Palestinian Territories. The highest point in the country is Jabal Umm al Dami, at 1,854 m above sea level, while the lowest is the Dead Sea –420 m. Jordan is part of a region considered to be "the cradle of civilisation", the Levant region of the Fertile Crescent.

Economy

Jordan is classified by the World Bank as a country of upper-middle income. The economy has grown at an average rate of 4.3% per annum since 2005. Approximately 13% of the population lives on less than USD3 a day. The GDP per capita rose by 351% in the 1970s, declined 30% in the 1980s, and rose 36% in the 1990s. Jordan has a free trade agreement with Turkey. Jordan also enjoys advanced status with the EU. In 2000, Jordan joined the World Trade Organisation and signed the Jordan–United States Free Trade Agreement. In 2001, it signed an association agreement with the EU.

Jordan's economy is among the smallest in the Middle East, with insufficient supplies of water, oil, and other natural resources. Other economic challenges for the government include high rates of poverty, unemployment, inflation, and a large budget deficit and resulting government debts. In August 2012, to correct budgetary and balance of payments imbalances, Jordan entered into a USD2.1 billion, three year International Monetary Fund Stand-By Arrangement. In 2014, fiscal reform measures enacted in the previous few years continued to boost government revenues and reduce the budget deficit as an influx of Syrian refugees put additional pressure on government expenditures.



Forest Resources

Forests in Jordan consists of both natural and man-made forests, including windbreaks and shelter belts. The forests cover an area estimated at 87,000 hectares, in addition to about 2,405 km. of roadside plantations. The forests are mainly located in the north where there is Mediterranean type vegetation and where rainfall exceeds 200 mm per year.

Although Jordan has less than 1% forest cover, some governorates are well covered with forest (i.e., Jarash and Ajloun Governorates are covered by 20% and 30% of the total area respectively). The forests in Jordan are generally not productive and not capable of producing good quality wood for commercial or industrial purposes. They are primarily managed for protection and environmental benefits, and produce very little wood for either fuel or industrial purposes. Local production, mostly from man-made forests, produces limited amounts of firewood and raw material for furniture, joinery and fruit boxes.

Timber Production

According to the latest FAO forest statistics on Jordan, the country produced around 326,000 m³ of wood fuel in 2013, increased 10.9% from 2009. Apart from wood fuel production, Jordan also produces 4,000 m³ of logs. Details of production are as below:

Jordan: Production of Timber Products, 2009 - 2013

(Volume : m³)

Product	2009	2010	2011	2012	2013
Wood Fuel	293,839	302,465	310,074	317,878	325,880
Logs	4,000	4,000	4,000	4,000	4,000
TOTAL	297,839	306,465	314,074	321,878	329,880

Source: MTIB and DOSM

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Jordan : Import of Timber and Timber Products , 2010 - 2014

(Value: USD '000)

Product	2010	2011	2012	2013	2014
Sawntimber	77,361	84,120	90,510	84,379	95,304
Furniture	63,854	79,471	78,206	88,257	90,887
Plywood	58,120	57,984	76,769	79,986	71,706
Fibreboard	19,912	24,879	28,097	28,563	29,271
Packaging	2,460	7,033	10,114	15,122	9,974
Wood Charcoal	3,953	6,501	6,710	5,952	4,734
Builders Joinery and Carpentry	1,763	4,367	4,592	4,904	4,267
Articles of Wood	3,243	2,562	4,942	3,507	3,020
Particleboard	4,601	2,850	2,617	2,830	2,720
Tableware and Kitchenware	437	536	392	597	717
Tools, Bodies and Handles	495	354	345	583	664
Densified Wood	813	276	186	327	570
Veneer	964	1,016	1,015	703	551
Wood Marquetry	549	600	423	491	502
Wood in the Rough	530	480	359	1	313
Wooden Frames	316	185	241	156	247
Moulding	156	98	369	30	206
Fuel Wood	128	145	214	105	134
Hoopwood	14	1	27	44	61
Wood Wool and Flour	17	40	32	22	24
Railway Sleepers	0	0	0	0	0
Casks and Barrels	44	197	0	78	0
TOTAL	239,730	273,696	306,169	316,637	315,872

Source : UN Comtrade

Jordan : Export of Timber Products , 2010 - 2014

(Value: USD '000)

Product	2010	2011	2012	2013	2014
Furniture	35,984	33,778	39,475	45,616	41,891
Sawntimber	10,002	14,833	61,593	20,587	6,404
Builders Joinery and Carpentry	1,465	3,896	7,722	7,367	5,283
Plywood	7,204	8,414	8,666	10,057	5,211
Fibreboard	2,370	2,526	2,263	3,496	5,070
Packaging	788	923	872	1,030	1,567
Densified Wood	3,835	2,950	676	875	745
Wood Marquetry	561	288	237	389	238
Wood Charcoal	137	21	52	195	132
Articles of Wood	314	517	776	820	131
Particleboard	327	489	159	43	73
Wooden Frames	26	64	76	61	59
Wood in the Rough	13	20	0	0	54
Tableware and Kitchenware	19	11	47	29	44
Fuel Wood	49	17	0	6	13
Wood Wool and Flour	0	3	24	10	9
Veneer	11	33	0	0	9
Mouldings	0	0	11	1	4
Tools, Bodies and Handles	39	25	0	0	2
Hoopwood	0	0	0	19	0
Railway Sleepers	0	0	0	0	0
Casks and Barrels	0	0	0	0	0
TOTAL	63,144	68,858	122,649	90,601	66,939

Source : UN Comtrade

Jordan's Import of Timber and Timber Products

According to the latest UN Comtrade statistics, Jordan's import of timber and timber products increased 0.24% to USD316 million. Sawntimber was the main product imported, valued at USD95 million followed by furniture (USD91 million), plywood (USD72 million) and fibreboard (USD29 million).

Indonesia is a major import partner for timber and timber products while China is their major import partner for furniture. Malaysia ranks ninth as an import partner for timber and timber products with 3.5% of market share and seventh for furniture with 2.6% of market share.

Jordan's Export of Timber and Timber Products

Jordan's exports of timber and timber products were valued at USD67 million. Furniture was the main product exported, valued at USD42 million.

Malaysia's Export of Timber and Timber Products to Jordan

In 2014, Malaysia's exports of timber and timber products to Jordan decreased 68.5% to RM37.5 million over the previous year. Jordan ranked 44th with 0.2% of Malaysia's total market share. Plywood was the main product exported with a total value of RM12.1 million, followed by wooden furniture at RM9.7 million and sawntimber at RM7.7 million.

Malaysia : Export of Timber and Timber Products by Value to Jordan, 2010-2014

(Value : RM)

Product	2010	2011	2012	2013	2014
Plywood	98,447,962	67,668,470	58,058,048	70,201,286	12,070,120
Wooden Furniture	17,990,176	14,851,006	13,178,585	13,240,127	9,663,022
Sawntimber	10,166,578	22,222,079	28,157,018	18,208,626	7,742,090
MDF	38,851,921	26,654,414	28,073,807	17,289,137	6,765,395
Mouldings	0	145,650	55,493	62,901	0
Particleboard	642,018	0	58,671	0	0
Builders Joinery and Carpentry	80,441	111,904	0	0	0
Rattan Furniture	72,152	0	0	0	0
Other Products	32,016	0	25,990	0	1,279,254
TOTAL	166,283,264	131,653,523	127,607,612	119,002,077	37,519,881

Source: DOSM, MTIB

Malaysia: Export of Timber and Timber Products by Volume to Jordan, 2010 – 2014

(Volume : m³)

Product	2010	2011	2012	2013	2014
Plywood	70,676	45,956	38,442	46,077	7,504
Sawntimber	7,591	14,713	16,146	9,196	3,508
Fibreboard	49,647	31,895	27,348	17,178	5,809
Mouldings	0	57	24	21	0
Particleboard	1,512	0	76	0	0
TOTAL	129,426	92,621	82,036	72,472	16,821

Source: DOSM, MTIB

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Import Tariffs

Jordan's import duty on timber and timber products ranges from 0 – 30%. Details are as follows:

HS Code	Product	Duty (%)
4401	Fuel Wood	0 - 30
4402	Wood Charcoal	10
4403	Logs	0 - 30
4404	Hoop Wood	0
4405	Wood Wool and Wood Flour	5
4406	Sleepers	10
4407	Sawntimber	0
4408	Veneer	0
4409	Mouldings	23
4410	Chipboard/Particleboard	0
4411	Fibreboard	0 – 20
4412	Plywood	0 - 15
4413	Densified Wood	0
4414	Wooden Frames	30
4415	Packing Cases	0 - 30
4416	Casks, Barrels, Vats and Tubs	30
4417	Tool Bodies and Handle	0 - 30
4418	Builders Joinery and Carpentry	0 - 30
4419	Tableware and Kitchenware	30
4420	Wood Marquetry	30
4421	Other Articles of Wood	0 - 30
9401,9402,9403	Wooden Furniture	0 - 30

Source: WTO

Prospects

Over the past 10 years, Jordan has had success pursuing structural reforms in education, health, privatisation and liberalisation. The government of Jordan has been introducing social protection systems and reforming subsidies, creating the conditions for public-private partnerships in infrastructure and making tax reforms, including tax administration and management. Despite larger financing of utility companies in 2014, the central government's fiscal deficit improved thanks to continued fiscal consolidation efforts and a steadily expanding economy.

In the current increasing trend of Jordan's construction industry, it is likely that, Malaysian exporters can penetrate into its market as it imports timber and timber products including furniture from countries like China, Indonesia and Italy. Malaysian timber exporters need to make their presence felt and enhance networking with Jordan's timber and furniture importers while at the same time undertake market research on Jordanian importers' market preferences and taste.

One of Jordan's mega projects is The Red Sea Astrarium (TRSA), an integrated resort destination on the shores of the Red Sea. It is considered the first themed entertainment attraction at the coastal city of Aqaba, Jordan, and the first to use green energy to minimise adverse environmental impacts.

The key attractions include dining, retail, nightlife, rides, shows, museum exhibits, theme parks, water parks, interactive walk-through, and a 'Star Trek Experience based upon the new Star Trek franchise. The USD1.5 billion resort was designed by Rubicon Group Holding (RGH). TRSA is the first family-friendly themed tourist hub in Aqaba. The resort is under implementation and projected to open in 2017.

Another mega projects is Abdali Mall, part of the 1.8 million sqm mixed-use development in Amman, known as the Abdali Urban Regeneration Project (AURP), or "Abdali". Abdali Mall is the upcoming retail and leisure hub of Amman's new center. The mall will introduce unique open-air features within an aesthetic design, covering a total built up area of over 227,000 sqm. Abdali Mall focuses on technology, architecture and hospitality, where development decisions are driven with these core values in mind. With a conscious effort to have a positive impact to the community, the built environment and the new area of Abdali, the mall is designed to reduce and reuse its water and energy consumption, thus allowing it to be a more sustainable development. It is expected to be completed in 2016.

These mega projects provide increasing opportunities for the applications of timber and timber products that Malaysian entrepreneurs should not ignore. To conduct business in Jordan, Malaysian timber players need to have core strength and focus only on what they can do well, pitching at a realistic level and then teaming up with the right local partners.

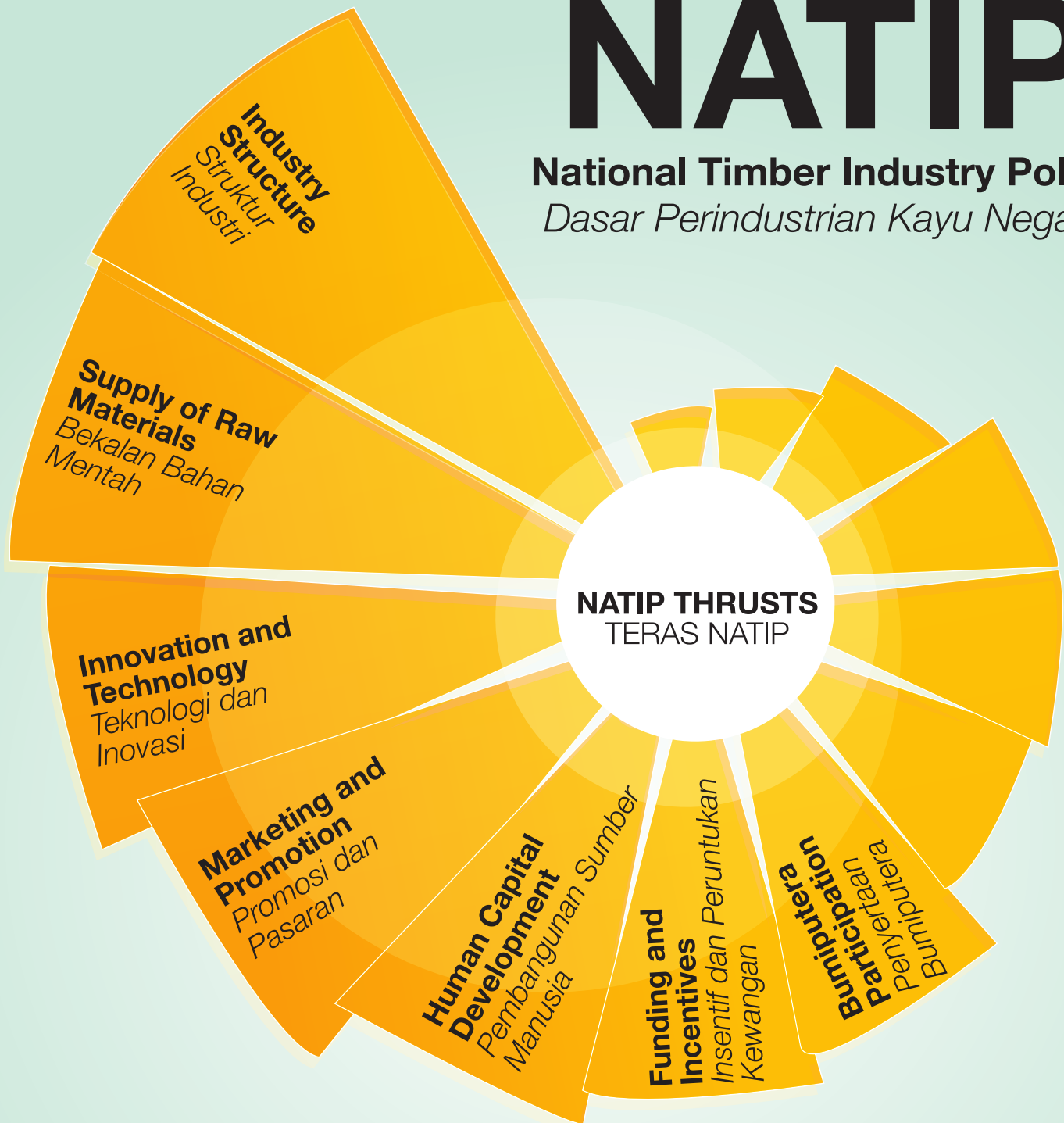
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- *The Red Sea Astrarium (TRSA)*
- *Abdali Mall* 

NATIP

National Timber Industry Policy

Dasar Perindustrian Kayu Negara



NATIP Target *Sasaran NATIP*

Export target by 2020

Sasaran eksport 2020

RM53
Billion/Bilion

60%

Value-added
Nilai tambahan

40%

Commodity
Komoditi

6.4%

Annual export growth
Pertumbuhan eksport tahunan



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MERTAS – SUITABLE FOR HEAVY AND MEDIUM CONSTRUCTION



Mertas tree.



Wood colour and texture.



Cross section of Mertas.

Mertas is the Standard Malaysian name for the timber of *Ctenolophon parvifolius* and it is classified within of the family of Chrysobalanaceae. It is a small, medium occasionally large tree with buttresses as tall 2.5 m. It grows in all states except Perak and Kelantan in primary forests, ridges and hillsides usually below 300 m and seasonal swamps in Johore.

General Characteristics

The sapwood is not differentiated from the heartwood, which is brown to purple-red-brown. Grain is interlocked and sometimes wavy. The texture for the timber is moderately fine and even. Vessels are numerous, medium-sized, exclusively solitary, occasionally filled with cream-coloured deposits, tyloses are sometimes present, scalariform plates are present but are very difficult to discern with a hand lens. Wood parenchyma is sparse, not visible to the naked eye and both paratracheal and apotracheal types are present. The paratracheal type occurs as narrow, sometimes incomplete borders around the vessels, occasionally developing into the aliform type. The apotracheal type appears as short diffuse strands bridging rays. Rays are fine, just barely visible to the naked eye.

Density

The timber is a Medium Hardwood with a density range from 800 to 930kg/m³ air dry. Shrinkage rates from green to 15%, moisture content are 2.0% radial and 3.3% tangential.

Tracheids and Fibres

Vascular or vasicentric tracheids are sporadic to absent. Fibres are very thick-walled. Fibre pits are common in both radial and tangential walls, distinctly bordered. Helical thickenings are absent. Fibres are non-septate.

Axial Parenchyma

Axial parenchyma is present, not banded. Axial parenchyma is paratracheal. Paratracheal axial parenchyma is unilateral. Axial parenchyma appear as strands. The average number of cells per axial parenchyma strand is five to eight. Unligified parenchyma is absent.

Mineral Inclusions

Crystals present, prismatic, located in ray cells and axial parenchyma cells. Crystal-containing ray cells are upright or square and procumbent, upright or square ray cells are chambered and not chambered. Crystals in procumbent ray cells are not in radial alignment. Crystal-containing axial parenchyma cells are chambered. The number of crystals per cell or chamber is one. Crystals contain cells of normal size. Cystoliths are absent. Silica is not observed.

Machining Properties

The timber is difficult to work with especially in the radial direction where 'picking-up' of grain frequently occurs. It has poor nailing properties.

Physical and Chemical Tests

Heartwood is not fluorescent. Water extract is not fluorescent, basically colourless to brown or shades of brown. Heartwood extractives are not leachable by water. Ethanol extract is fluorescent (light green). The colour of ethanol extract colourless to brown or shade of brown. Chrome azurol-S test is negative. Froth test is negative. Splinter burns to partial ash. Ash other than white, grey, yellow or brown.

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Strength Properties

Based on Tests Carried Out on *Ctenolophon Parvifolius*

Property (MPa)	Green	Air dry
Modulus of Rupture	100	122
Modulus of Elasticity	15,700	18,100
Maximum Crushing Strenght	49.2	61.6

Numerical Values For : *Ctenolophon Parvifolius*

Category	Green	Dry	Unit
Bending Strength	14,513	17,690	psi
Max. Crushing Strength	7,142	8,930	psi
Impact Strength	37	43	inches
Stiffness	2,280	2,623	1,000 psi
Work to Maximum Load	10	14	in-lbs/in3
Hardness		2,237	lbs
Specific Gravity	0.76		
Weight	71	58	lbs/cu.ft.
Density (Air-dry)		58	lbs/cu.ft.

Uses

The timber is suitable for heavy and medium construction, posts, beams, joists, bridges, marine construction, heavy-duty flooring, parquet, transmission posts and heavy-duty pallets.

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- Malaysia/Indonesia timber
<http://www.greenenergy.com.sg/woods/mertas.asp>



Chengal, *Neobalanocarpus heimii*

Malaysian Wood
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Di Tengah Rimba Kota
Terserlah Keunggulan Kayu Malaysia
In Concrete Jungle Malaysian Wood Stands Tall

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Tak Lapuk Dek Hujan, Tak Lekang Dek Panas
Timeless, Enduring

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MTIB Moments



Dr. Jalaluddin Harun, MTIB Director-General (centre) briefed the delegation of Dassault Aviation on the development of green sandwich panel for aircraft interior application during LIMA in Langkawi, Kedah on 17 March 2015.



Mind Transformation Programme was organised by MTIB in Sepang, Selangor from 8 to 14 March 2015.



MTIB organised a Course on Introduction to Operation Handling, Woodworking Machinery Maintenance and Rubberwood Strength Test, held on 9-13 March 2015 in Kuching, Sarawak.

Forty MTIB personnel attended a Course on Wood Identification on 17-19 March 2015 at MTIB, Kuala Lumpur.

