



MASKAYU



**PROMOTION MISSION ON PALM OIL,
RUBBER, TIMBER AND PEPPER**

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STRENGTHENING THE MALAYSIAN
TIMBER INDUSTRY**

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Cover: Black Bamboo tree planting sets record in the Malaysian Book of Records as the largest Black Bamboo Planting Event in Malaysia. Details on page 16.



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Contents

- 3** Promotion Mission on Palm Oil, Rubber, Timber and Pepper
- 12** NATIP Review Session: Strengthening the Malaysian Timber Industry
- 14** Implementation of Lean Management in Timber Industry
- 15** Sabah International Expo 2014
- 16** Record Set at World Bamboo Day 2014
- 17** Seminar on Malaysian Skills Certification and World Skills Standard in the Wood-based Industry
- 18** MTIB Technical, Machineries and Furniture Industry Visit to Italy
- 20** Business Matching: Young Designers Collaborates with Local Manufacturers
- 21** 28th ISO/TC 165: Timber Structure Convenes in Tokyo
- 22** Reinforcing Presence Through International Events
- 24** Bamboo Course: Introduction on the Development of Bamboo Plantation
- 25** Understanding on the Rubber Plantation and Nursery
- 26** Ecobuild Southeast Asia 2014
- 27** Turkey – Prospects for Malaysian Timber
- 31** White Seraya – For Interior Finishing

Highlights



Regular Features

- 4** Timber World in Brief
- 10** Domestic Trade News
- 6** Shipping News
- 32** MTIB Moments
- 8** Timber Round-Up

PROMOTION MISSION ON PALM OIL, RUBBER, TIMBER AND PEPPER



The delegation at the Furniture Fair, China.

In tandem with NATIP's timber and timber products export target of RM53 billion by 2020, MTIB joined a Ministerial promotion mission to Shanghai, China on 12 September. China is seen as a major market for Malaysia's timber and timber products and currently ranks as eighth largest market for Malaysian timber after Japan, USA, India, Taiwan, South Korea, Singapore and Australia. In 2013, export of Malaysian timber and timber products to China amounted to RM736 million and major products exported were logs, sawntimber, plywood, chipboard/particleboard, and wooden furniture. The mission was led by YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities, Malaysia and the mission delegation comprised senior officials from Ministry of Plantation Industries and Commodities (MPIC), Malaysian Palm Oil Council (MPOC), Malaysian Timber Council (MTC) and MTIB.

In Shanghai, the delegation Furniture China 2014-The 20th China International Furniture Expo. It is a world-renowned furniture exhibition, organised by the China National Furniture Association (CNFA) and Shanghai UBM Sinoexpo International Exhibition Co. Ltd. In conjunction with Furniture China, FMC exhibitions, Office Furniture China 2014, Home Furnishing China 2014, Design of Designers and Interior & Accessories China were also held on the same date at the same venue.

Combining the most key Chinese domestic furniture enterprises and 307 overseas exhibitors, there were a total of 2,685 exhibitors, displaying their latest products, design and technology at Shanghai New International Expo Centre (SNIEC) and Shanghai World Expo Exhibition & Convention Centre (SWECC). This year's exhibition attracted almost 100,000 visitors, a 15% increase compared to last year.



At the International Centre for Bamboo Research.



Posing during a courtesy visit to the International Network for Bamboo and Rattan HQ.



TIMBER WORLD IN BRIEF

CHINA

China's Softwood Market Researched

China's softwood market has experienced dramatic growth over the past five years, with imports of lumber and logs increasing by 360% and 80% respectively. Robust GDP growth and rapid urbanisation have driven demand above the ability of local supply sources to satisfy. China is now the largest importer of softwood in the world.

Changes are also occurring in the key supply sources and in the mix of lumber and raw logs being imported. New Zealand has emerged as China's largest softwood log supplier while Canada stands as the largest lumber supplier. Nevertheless, China's real future demand by region and product segment remains poorly understood, with implications for log and lumber suppliers. Contributing factors are differences in softwood types, quality, import locations and cost competitiveness.

Timberbiz.com.au, 4 September

FRANCE

Moulinvest Shows Sharp Turnover Growth

The French timber-industry company Moulinvest boosted turnover in the first half of the 2013/2014 financial year. However, most of that increase was accounted for by acquisitions of companies and expansion of production through investments in existing plants during the 2012/2013 financial year. Moulinvest took over the wood-impregnation company France Bois Imprégnés and the sawmill Sainte Agathe, both from Andrézieux Beuthéon, in April 2013 and almost doubled production capacity of softwood lumber to 350,000-400,000 m³ at the sawmill in Dunières. Without the additional acquisitions and growth in turnover resulting from production expansion, Moulinvest's turnover would have increased by 11.1%.

EUWID.com, 29 September

GERMANY

Demand for Pallets Fails to Match Year-Ago Levels

The slowing that has been noticeable on the German sales markets for new standard pallets since the beginning of the third quarter has become more pronounced in August. According to information from German pallet manufacturers, the seasonally reduced influx of orders in August turned out to be up to 20% lower than in the same month of last year in some cases. Besides delivery of higher volumes under contract in the second quarter and more extensive

stoppages in the recipient industries during the summer holidays, manufacturers are also attributing the fewer receipts of orders to noticeably higher pressure from imports compared to the preceding months. As such, eastern European manufacturers, especially those in Poland and Belarus, stepped up their sales activities on the German market in August/September and in doing so were evidently willing to make further price concessions as well.

EUWID.com, 16 September

German Hardwood Plywood Imports Rising

After a reduction of 6% in the first quarter, German hardwood plywood imports recovered again in the second quarter. Data from Destatis, the German federal statistics office, shows that at 327,618 m³ roughly 6% more hardwood plywood was imported in the first half-year than in the same period of last year. The main reason for the marked improvement against the first quarter is the growth in imports from Russia as the number one supplier country. At the end of June these imports were 17% above last year's level at 102,227 m³. Russian deliveries had only risen by 2% from January to March. Similar development is apparent in imports from Finland as the second-most important supplier country, rising 15% against last year to 60,428 m³ in the first six months after a growth of 2% in the first quarter.

EUWID.com, 11 September

GHANA

Timber Exports Up 9%

According to data available from the Timber Industry Development Division (TIDD) of the Forestry Commission, Ghana's timber exports for the period January to July climbed by just over 9% year-on-year. The total export volume of 177,399 m³ for the first seven months earned the country EUR 71.9 million; only marginally up from the EUR 71.56 million from 162,410 m³ in the same period last year.

Globalwood.org, 16 September

MYANMAR

Log Harvests Slashed

A senior official from the Forest Department has indicated that the annual harvest for 2014-15 would be only 40% of the harvest level in 2010-11. This fiscal year only 670,000 tonnes of hardwoods and 60,000 tonnes of Teak will be available for extraction. Extraction in the Homalin (Sagaing) and Tanintharyi areas will be reduced and while extraction from the Bago area will be totally stopped.

According to a spokesperson from the Timber Merchants Association (TMA), there are about 300 wood processing factories in Yangon. Seventy TMA member companies and 10 rattan factories are exporting to Europe, USA and Australia.

Globalwood.org, 16 September

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PERU Final Consultations on Forest Act

A total of seven organisations representing indigenous peoples met on 29 September to finalise the preparation of proposals for the Forest Act. The two-day meeting involved stakeholders presentations and proposals by the various working groups charged with addressing issues of zoning forestry and forest management; forest and wildlife inventories; wildlife management and water rights; supervision, inspection and control: violations and penalties; promotion for forestry and wildlife management; plantations; management of forest through concessions; use of wildlife and management in native and rural communities.

Globalwood.org, 16 September

SOUTH AFRICA Boost to Housing Growth in China Will Benefit Exporters

Demand from buyers for the Chinese market is strong whereby log and sawnwood prices have settled at around 15% higher than the average in 2013. The recent easing of credit flows in China and the actions of regional administrations to boost housing growth could benefit West African producers. Producers report that demand from companies in Viet Nam is good and the expansion of the woodworking and furniture industries are

encouraging. The current market outlook is positive with the expectation that the fine balance in supply and demand will maintain the current price stability into the final quarter of 2104.

Globalwood.org, 15 September

SWITZERLAND Precious Woods May Be Facing Liquidity-Squeeze

The Swiss tropical-timber specialist Precious Woods (PW) has conceded in its latest half-yearly report that it may be confronted with a shortage of cash towards the end of this year in spite of a positive business trend. PW reports that the backdrop to that situation is the expiry in December 2014 of the redemption deadline for convertible loans in the amount of Swiss France Rates (SFR) 17 million and the company's current lack of the necessary funds to settle those debts. In order to be able to meet its redemption obligations, PW has, inter alia, been seeking investors for the company's Brazilian operations and for the sale of its real-estate titles there. Negotiations have also been conducted on a conversion or extension of the loans and new lenders have also been sought. In the first six months of 2014, PW showed substantial year-on-year growth in turnover of 29% to USD25.6 million. Results figures also improved. The EBITDA was back in the black, at USD0.287 million and the EBIT loss was reduced to USD3.515 million.

EUWID.com, 9 September





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AUGUST 2014

SHIPPING NEWS



Port of Tanjung Pelepas, Malaysia

Malaysia's strategically located Port of Tanjung Pelepas (PTP) has slipped one place to 19th amongst the world's leading 20 container ports despite handling 7.63 million TEU in 2013, about 2% more than in 2012. A major regional transshipment hub, PTP is projecting a throughput of more than 9 million TEU in 2014. While it is primarily a transshipment hub, PTP is also handling more local cargo flows. Almost 443,000 TEU of its 2013 throughput was destined for or originated from its hinterland. The Johor market in particular is expected to grow significantly over the next few years, especially with the development of the Iskandar region, while PTP is also developing an adjacent Free Zone for warehousing and cargo consolidation which would generate more local traffic flows.

PTP has two new berths, Berths 13 and 14 which are under construction and both of these should be fully operational this year. The port has purchased eight super post-Panamax ZPMC quay cranes, among the largest of their type in the world, to support the expansion. With the new berths and equipment, PTP would be able to handle 18,000 TEU Maersk Line Triple E vessels when it starts calling at PTP. To further expand port capacity to more than 10.5 million TEU a year, PTP is expected to commence work on Phase 3 development in the first quarter of 2015.

PTP is a joint venture between MMC Corporation (70%), a logistics, utilities and infrastructure group and APM Terminals (30%). It has seen volume grow at an average of 13% per annum since it began commercial operations in 2000. The port is located within just 45 minutes sailing time of the main east

and westbound trade lanes and it is sheltered, with minimal tidal variations.

Source: Container Management , 20 August

Northport's Latest Port Facility to be Fully Operational by November

Upgrading work on Northport Bhd's Wharf 16 is 56% complete and is on track to be fully operational by November this year, said Tun Ahmad Sarji, Chairman of NCB Holdings Bhd. He said Wharf 16 was one of Northport's latest multi-purpose port facilities which had undergone upgrading work since March 2014.

Wharf 16 is 213 metres long, 79.2 metres wide and covers 16,878 square metres. It has a displacement tonnage capacity of 80,000 tonnes and a depth of 12.9 metres.

The major components of the Wharf 16 upgrading works comprised the installation of a new 100 feet crane rail beam, upgrading of marine fenders and construction of new tower lights, all amounting to a total investment of RM25.6 million.

Upon completion, the upgraded Wharf 16 would be served by two new Super Post-Panamax quay cranes. The two cranes, which were delivered last year were part of six new quay cranes purchased by Northport in 2013 at over RM170 million to increase terminal handling capacity. The cranes are the most advanced container handling equipment at Northport's Container Terminal 2.

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, August 2014

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports m ³	% Change Aug 2014/ July 2014
	m ³	% Change Aug 2014/ July 2014	m ³	% Change Aug 2014/ July 2014	m ³	% Change Aug 2014/ July 2014	m ³	% Change Aug 2014/ July 2014	m ³	% Change Aug 2014/ July 2014		
Sawntimber	45,159	2	3,628	-49	1,806	43	80	-70	9,678	36	60,351	1
MDF	23,018	-15	0	0	6,869	-21	10,503	77	15,610	50	56,000	8
Mouldings	12,712	14	308	-17	1,992	-8	699	96	1,788	0	17,499	11
Dressed Timber	2,425	50	79	0	1,203	50	0	-100	454	1,646	4,161	65
Plywood	5,292	-19	0	0	0	0	95	94	8,957	-3	14,344	-9
Veneer	120	-22	0	-100	0	-100	14	100	318	70	452	30
Particleboard	36,610	25	1,025	96	105	-76	73	0	45	100	37,858	25
TOTAL	125,336	5	5,040	-38	11,975	-10	11,464	69	36,850	28	190,665	8

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

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Northport also plans to upgrade one of its oldest wharves, Wharf 8 and facilities at Container Terminal 4 (CT4). Upon completion, Northport would be able to berth more ultra-large-sized vessels at CT4 which would translate into higher terminal capacity and connectivity. The capacity expansion worked was part of NCB's RM1 billion capital expenditure allocated until 2016.

Source: BERNAMA, 25 August

Bangladesh Allows Neighbours to Use its Ports

The Bangladesh government has decided to allow its neighbours to use both the Chittagong and Ashuganj sea ports for better economic integration among South Asian countries, said the Minister of Tripura's Industries and Commerce. Bangladesh has already taken a policy decision to allow its neighbouring countries to use its sea ports for multi-model transit, but now it is waiting for development of infrastructure in dealing with consignments.

The Indian government is funding the construction of a bridge on the Feni river, developing a 70 km road from Sabroom to Chittagong port and laying railway tracks between Agartala and Akhaura. There were also discussions about India's longstanding demand for transit and transshipment facilities through Bangladesh and direct bus services from Agartala to Kolkata via Dhaka without any halt. More borders might need to be opened along the border to strengthen bilateral ties, set up a warehouse at Ashuganj port to facilitate transshipment of goods to India, develop the connecting road of Akhaura-Viswa Road in Bangladesh and expedite the process of Agartala-Akhaura rail link.

Source: Times of India, 29 August

Shipping Industry Forecasted to Rise in Global Trade

The global shipping industry looks to be in good shape. Danish shipping and oil group Moller-Maersk reported forecast-beating net profit for its second quarter and said demand for container transportation is set to grow, enabling it to raise its guidance for the year. Container shipping volume also increased by 6.6% in the quarter compared to the same period last year, which was very respectable indeed, according to Mr. Robert Johnson, an analyst at Macquarie Securities. It was a bellwether of global trade to a large extent, simply by virtue of its status as the world's largest container shipping line.

The second-quarter net profit of USD2.25 billion for Moller-Maersk beat expectations of USD2.21 billion for the period. The firm's shipping unit, called Maersk Line, also performed better than expected. The company raised its 2014 group underlying profit guidance to USD4.5 billion from a previous figure of USD4.0 billion.

Group CEO, Mr. Nils Smedegaard Andersen said that results were "very satisfactory" for the first half of 2014 as the firm predicted that shipping revenues this year would be significantly above those in 2013. They have benefited from a pretty good pickup from the Asia to Europe trade. The company has managed its shipping container capacity better than the wider

sector and has therefore been able to outperform the market.

Source: www.cnbc.com, 19 August

Mary Maersk Sails from Port of Algeciras with 17,603 TEUs - Sets a World Record

A record has been set with a Triple-E vessel carrying the highest ever number of containers between Europe and Asia. Mary Maersk left Port of Algeciras, Spain on 21 July for its eastward journey bound for Port of Tanjung Pelepas, Malaysia. But this was not just any voyage as on board there were no less than 17,603 twenty-foot equivalent units (TEU), the highest number ever loaded on a vessel.

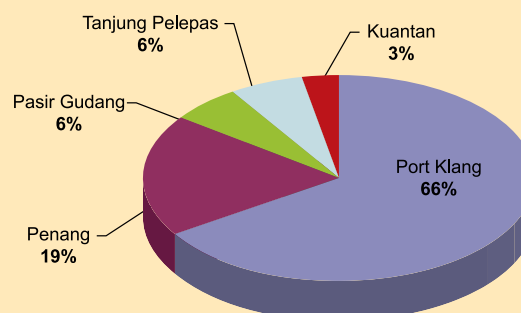
South Europe Liner Operations Cluster, Mr. Carlos Arias said that the third vessel in the Triple-E series, Mary Maersk has a nominal capacity of 18,270 TEU but so far the capacity has not been fully utilised. One prerequisite has been preparing the terminals for the added size. He further added that Port of Algeciras had been preparing for a full utilisation of the Triple-E for more than a year by upgrading four existing cranes and the arrival of four new Triple-E cranes. Port of Tanjung Pelepas also has had to make similar upgrades and this was the first occasion where both ends were ready.

Having a full vessel means less cost due to higher utilisation. Moving more containers in one allowed the company to save on bunker and canal cost. A little more than half of the containers on board were empty being repositioned for re-use in Asia. The full containers on board were loaded with a variety of products destined for Asian markets and consumers, such as Danish cheese, frozen beef meat from Germany, frozen berries, chocolate and candy foodstuff, frozen fish, lobster and frozen shellfish, flower bulbs from the Netherlands, pharmaceutical products and fruits.

It would be a while before the feat could be repeated on an eastbound journey but similar utilisations would soon be seen westbound. Mary Maersk is now underway to its next stop Port of Yantian, China with a somewhat lighter load but by the end of the month it would be steaming west again with another full load of cargo.

Source: Port News, 19 August

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, August 2014



Total = 190,665 m³

AUGUST 2014

Total export of Malaysian timber and timber products in August 2014 increased 7% in value to RM1.7 billion over the previous month. Cumulative export for the period of January to August 2014 also increased 6% to RM13.5 billion over the previous corresponding period.

Sawntimber

Export of sawntimber in August 2014 increased 19% in volume and 10% in value to 158,298 m³ with a value of RM208.3 million over the previous month. Cumulative export for the first eight months of 2014 decreased 4% in volume however increased 3.9% in value to 1.2 million m³ totalled RM1.6 billion over the previous corresponding period.

Exports to the EU for the month increased 24% to 11,908 m³ from 9,596 m³ in the previous month. Export of sawntimber to the Netherlands and UK improved 32% and 34% to 5,363 m³ and 2,490 m³ respectively. Similarly, export to Germany rose 24% to 1,343 m³ from 1,080 m³ recorded in the previous month. However, export to Belgium declined 3% to 1,173 m³ from 1,208 m³ in the previous month.

Total exports to West Asia increased 39% to 25,289 m³ from 18,190 m³ recorded in the previous month due to increasing demand from the UAE, Yemen and Saudi Arabia. Export to the UAE and Saudi Arabia increased 17% and 176% to 7,447 m³ and 4,774 m³ respectively. Demand of sawntimber from Yemen grew significantly to 5,056 m³ from 514 m³ in the previous month.

Buying from ASEAN increased 42% to 66,808 m³ due to increasing demand from Thailand, major market of sawntimber in the region. Export to Thailand grew 36% to 35,158 m³ from 25,908 m³ in the previous month. However, export of sawntimber to Singapore decreased 2% to 12,133 m³.

Shipments to East Asia declined 12% to 35,582 m³ from 40,482 m³ in the previous month as a result of decreasing demand from Japan, South Korea and Taiwan. Export to China decreased marginally to 18,111 m³ from 18,809 m³ in the previous month. In the meanwhile, export to Japan, South Korea and Taiwan declined 11%, 36% and 26% to 5,190 m³, 3,469 m³ and 7,624 m³ in the previous month. However, export to Japan increased marginally to 18,111 m³ from 18,089 m³ recorded in the previous month. Elsewhere, the US bought 1,695 m³ of sawntimber whilst intake by Australia increased 6% to 1,423 m³. Demand from South Africa increased 39% to 6,407 m³ from 4,604 m³ recorded in the previous month.

The average FOB price of sawntimber decreased 7% to RM1,316 per m³ from RM1,412 per m³ in the previous month. Price of Dark Red Meranti (DRM) decreased 18% to RM940 per m³ from RM1,146 per m³ in the previous month. Price of DRM to the Netherlands increased 4% to RM2,813 per m³ from RM2,708 per m³ in the previous month. Keruing was traded at RM1,394 per m³, a decrease of 7% from the previous month.

Plywood

Total export of plywood in August decreased 4% in volume and 7% in value to 240,298 m³ valued at RM391.05 million as compared to the previous month.

Total exports to EU decreased by 15% to 9,238 m³. Similarly shipments to Belgium, the Netherlands and UK decreased

61%, 33% and 23% to 514 m³, 1,498 m³ and 5,385 m³ respectively. However, France increased its intake by 62% to 553 m³ whilst Germany maintained its intake at 43 m³ and Denmark resumed its intake at 815 m³.

Exports to ASEAN region increased as Brunei and Singapore intake of plywood increased by 1% and 19% to 966 m³ and 4,721 m³ respectively. However, Thailand reduced its intake by 36% to 4,316 m³ while Indonesia did not make any purchases. In East Asia, exports to China, Hong Kong, South Korea and Taiwan increased by 2%, 34%, 33% and 16% to 4,590 m³, 6,472 m³, 22,661 m³ and 22,148 m³ respectively. On the other hand, Japan reduced its intake by 18% to 99,558 m³.

Overall, exports to West Asia increased by 129% as compared to the previous month. This is due to increase intake from major markets namely the UAE, Kuwait and Qatar by 18%, 392% and 182% to 7,328 m³, 467 m³ and 594 m³ respectively. Export to Yemen rose significantly to 18,990 m³ from 270 m³ in the previous month. However, Saudi Arabia reduced its intake by 58% to 1,087 m³ whilst Bahrain did not make any purchases.

Elsewhere, exports of plywood to Algeria, South Africa, Australia and New Zealand increased by 48%, 190%, 17% and 72% to 1,200 m³, 658 m³, 4,365 m³ and 143 m³ respectively. However, US, Mexico and Canada reduced their intake by 16%, 92% and 16% to 2,583 m³, 953 m³ and 161 m³ respectively. On the other hand, Tanzania, Norway and Turkey did not make any purchases.

The FOB price of plywood decreased by 3% to RM1,627 per m³ from RM1,680 per m³ in the previous month.

Veneer

Exports of veneer for August 2014 showed an increase of 17% in volume and 26% in value to 19,229 m³ at RM27.3 million as compared to the previous month. Exports to Taiwan and Indonesia increased by 27% and 365% to 9,750 m³ and 79 m³ respectively whilst Singapore and Viet Nam resumed their intake. Meanwhile, China and Australia reduced their intake by 21% and 15% to 709 m³ and 201 m³ respectively, whilst, Canada, Sri Lanka and the UK did not make any purchases.

The FOB price of veneer increased to RM1,420 per m³ from RM1,318 per m³, an increase of 8% from the previous month.

Medium Density Fibreboard (MDF)

Malaysia's exports of MDF for August 2014 showed an increase of 25% in volume and 27% in value from the previous month. Export totalled 78,282 m³ at RM83.3 million.

Exports to East Asia registered an increase of 28% to 15,017 m³ from 11,777 m³ in the previous month. Exports to Japan and Taiwan grew 33% and 3% to 13,260 m³ and 1,057 m³ respectively. However, export to South Korea and China including Hong Kong dropped 7% and 11% to 306 m³ and 394 m³ respectively.

However, exports to West Asia market also recorded positive growth with a small increase of 0.2% to 28,613 m³ from 28,565 m³ in the previous month. Export to Kuwait recorded an increase of 137% to 6,844 m³ followed by Bahrain at 22% to 1,155 m³. On the other hand, export to Saudi Arabia, the UAE, Jordan and Oman showed negative growth by 5% to 3,187 m³, 12% to 8,836 m³, 63% to 228 m³ and 86% to 364 m³ respectively.

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Furthermore, export to South Asia also recorded positive growth by 68% to 8,546 m³. Export to Pakistan recorded an increase of 111% to 6,067 m³ followed by Bangladesh at 82% to 613 m³ and Sri Lanka at 21% to 1,352 m³. Only export to India reduced 31% to 514 m³.

Export to the UK, South Africa, Australia and USA showed positive growth by 147% to 472 m³, 44% to 597 m³, 39% to 2,759 m³ and 31% to 1,358 m³ respectively.

Export to ASEAN for this month increased by 34% to 16,651 m³ from 12,417 m³ in the previous month. Statistics show exports to Singapore and Indonesia increased by 495% and 99% to 113 m³ and 4,064 m³ respectively. Similarly, export to Viet Nam and Philippines grew by 23% and 19% to 10,003 m³ and 2,214 m³ respectively.

Mouldings

Exports of mouldings for the month increased by 18% in volume and 22% in value to 23,177 m³ and RM65.3 million

respectively. Similarly, the cumulative exports increased by 14% in volume and 16% in value to 164,943 m³ and RM461.1 million respectively over the previous corresponding period.

Exports to the EU for the month recorded at 9,241 m³, an increase of 38% compared to the previous month. Similarly, shipments to Belgium, Germany, the Netherlands and UK increased by 19%, 25%, 27% and 65% to 873 m³, 1,674 m³, 4,085 m³ and 1,081 m³ respectively whilst Italy resumed its intake.

Exports to the ASEAN region also increased as Viet Nam and Singapore intake of mouldings increased by 26% and 19% to 122 m³ and 1,340 m³ respectively. However, Indonesia did not make any purchases.

Meanwhile, exports to Japan, Hong Kong and China decreased 19%, 1% and 8% to 2,185 m³, 169 m³ and 485 m³ respectively. On the other hand, exports to South Korea and Taiwan increased 5% and 160% to 1,420 m³ and 777 m³ respectively.

Elsewhere, export to Australia increased by 20% to 3,338 m³ whilst exports to the US and Canada reduced by 10% and 1% to 2,347 m³ and 115 m³ respectively.

FOB unit value increased 3% from RM2,730 per m³ in the previous month to RM2,819 per m³ in August 2014.

Builders Joinery and Carpentry (BJC)

Total BJC cumulative exports from January to August increased 10% to RM674.7 million compared to RM614.2 million in the corresponding period last year. Cumulative import from January to August by EU increased 2% to RM187.7 million. Similarly, demand by UK, Belgium, Italy, Netherlands and Turkey increased by 19%, 34%, 7%, 69% and 166% to RM93.9 million, RM39.8 million, RM3.3 million, RM0.95 million and RM2.7 million respectively. Whereas, exports to France, Denmark, Norway, Germany, Sweden and Spain decreased by 47%, 23%, 92%, 34%, 25% and 20% to RM13.5 million, RM12.9 million, RM0.33 million, RM7.6 million, RM6.6 million and RM4.8 million respectively over the previous corresponding period.

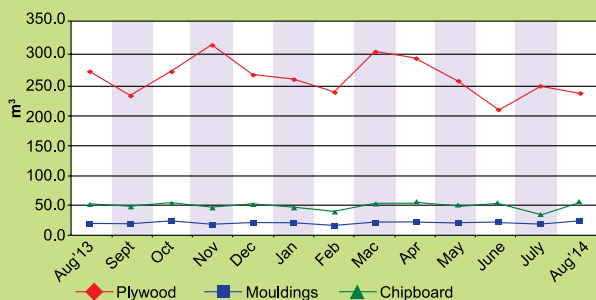
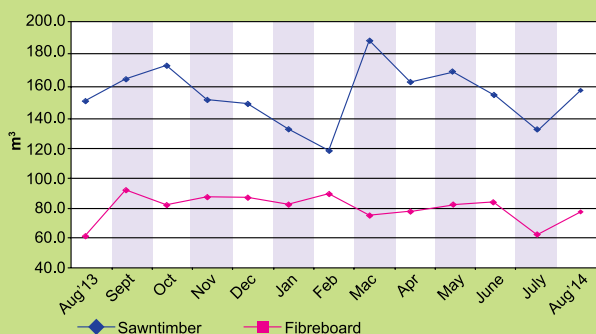
In Asia, exports to Singapore, India, Thailand, Pakistan, South Korea, Taiwan and Bahrain grew 8%, 11%, 8%, 88%, 11%, 26% and 41% valued at RM79.2 million, RM42.9 million, RM21.9 million, RM22.4 million, RM2.6 million, RM12.4 million and RM2.4 million respectively. However, exports to Iran, Japan, the UAE and Viet Nam decreased by 75%, 9%, 11% and 7% to RM0.45 million, RM52.0 million, RM8.9 million and RM15.5 million respectively.

Exports to Australia and the US increased by 19% and 45% to RM88.6 million and RM54.3 million respectively. However, Maldives, South Africa and Russia reduced their intake by 26%, 16% and 55% to RM3.9 million, RM7.8 million and RM4.5 million respectively.

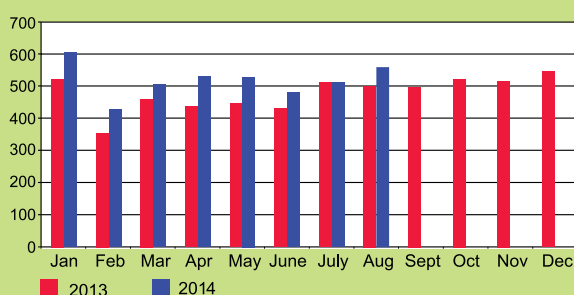
Furniture

Exports of wooden and rattan furniture for the period under review in 2014 increased 13% compared to the corresponding period of 2013. Total shipments recorded RM4.16 billion against RM3.68 billion in 2013.

Export of Selected Products from Peninsular Malaysia
(August 2013 - August 2014) / Volume ('000 m³)



Malaysia: Export of Wooden Furniture
(January 2013 - August 2014) / Value (RM Million)



Source : Department of Statistics, Malaysia

AUGUST 2014



Logs

The supply of logs was reported to be sufficient and accessible for the month particularly in Peninsular Malaysia. The average domestic prices of logs for most of the species stood firm whilst some of the species charted a reduction in price.

Log price for the species of Chengal and Red Balau stood firm at RM4,000 per tonne and RM2,500 per tonne respectively. Meanwhile, the price of Balau increased by 0.04% to RM2,663 per tonne from RM2,653 per tonne last month. Merbau price, however, declined 6% to RM2,500 per tonne. Similarly, the price for the species of Keruing dropped by 4% to RM1,150 per tonne. Prices for Kapur and Mengkulang remained unchanged at RM1,700 per tonne and RM1,100 per tonne respectively. Meanwhile, prices of Yellow Meranti and Mersawa were quoted at RM1,100 per tonne and RM1,193 per tonne respectively, a slight decrease by 4%. Prices of Red Meranti and Jelutong improved by 1% and 3% to RM1,273 per tonne and RM996 per tonne respectively. The average prices of Mixed Heavy Hardwood and Mixed Light Hardwood remained at RM983 per tonne and RM665 per tonne respectively.

Sawntimber

The average sawntimber prices remained firm in the domestic market but some of the species recorded a significant movement in price. However, demand from the overseas markets was reported to be lower.

Prices of Chengal and Red Balau sawntimber remained firm at RM6,638 per m³ and RM2,966 per m³ respectively. Balau was traded at RM2,842 per m³, registering a decline of 10% over the previous month. Likewise, Merbau and Keruing prices decreased by 2% to RM3,460 per m³ and 5% to RM1,483 per m³ over the previous month. Prices of Dark Red Meranti, Mersawa and Sepetir remained firm at RM2,189 per m³, RM1,306 per m³ and RM1,095 per m³ respectively. Meanwhile, prices of Red Meranti and Yellow Meranti increased by 26% and 2% to RM1,563 per m³ and RM1,472 per m³ respectively. Sawntimber prices of Mixed Heavy Hardwood continued to

record at RM812 per m³ whilst Mixed Light Hardwood prices decreased by 2% to RM777 per m³ as compared to the previous month.

Plywood

The supply of plywood to the domestic market remained adequate to address the need of the local demand. Prices of plywood remained stable at last month's level. Plywood of 4mm, 6mm and 9mm of thicknesses were traded at RM14.60, RM22.00 and RM34.00 per piece respectively. Plywood with the thickness of 12mm however increased slightly by 1% to RM41.50.

Medium Density Fibreboard (MDF)

The domestic supply of MDF remained suffice while prices were still being quoted at last month's level. MDF of 4mm, 6mm, 9mm and 12mm of thicknesses were reported to chart at RM12.10, RM15.80, RM21.70 and RM28.10 per piece respectively.

Intra-Malaysia Trade * – August 2014

Shipment of sawntimber from Sabah to Peninsular Malaysia in August 2014 decreased further by 15% to 403 m³, valued at RM683,000. Shipments of plywood also reduced by 6% from 8,244 m³ to 7,724 m³ worth at RM12.4 million. Export of veneer from Sabah declined sharply by 46% as compared to the previous month to 38 m³, valued at RM59,000.

Meanwhile, export of sawntimber from Sarawak to Peninsular Malaysia increased by 11% from 955 m³ to 1,061 m³ in August 2014. Meanwhile, shipments of plywood fell by 9% in volume and 20% in value to 11,102 m³ worth RM12.6 million. Export of veneer also dropped by 15% to 3,786 m³ valued at RM4.1 million.

No intra trade activities from Peninsular Malaysia to Sabah and Sarawak was recorded in August 2014.

* Source: Department of Statistics, Malaysia

INTRA-MALAYSIA TRADE – AUGUST 2014

From	Products	JULY 2014		AUGUST 2014		% Change in Volume Aug 2014/July 2014	% Change in Value Aug 2014/July 2014
		Volume (m ³)	Value (RM '000)	Volume (m ³)	Value (RM '000)		
SABAH	Logs	0	0	0	0	0	0
	Sawntimber	472	989	403	683	-15	-31
	Plywood	8,244	13,762	7,724	12,409	-6	-10
	Veneer	70	123	38	59	-46	-52
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	955	541	1,061	660	11	22
	Plywood	12,248	15,778	11,102	12,631	-9	-20
	Veneer	4,479	5,999	3,786	4,144	-15	-31

Source : Department of Statistics, Malaysia

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***AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA
AUGUST 2014 (VALUE IN RM)**

SPECIES	LOGS/tonne	SAWNTIMBER/m ³			
	18" UP	GMS	STRIPS	SCANTLINGS	
HEAVY HARDWOOD					
Chengal	4,000	6,638	2,966		8,828
Balau	2,663	2,842	2,445		3,217
Red Balau	2,500	2,966	1,977		3,178
Merbau	2,500	3,460	2,825		2,754
Mixed Heavy Hardwood	983	812	742		918
MEDIUM HARDWOOD					
Keruing	1,150	1,483	812		2,203
Kempas	1,223	1,801	812		2,175
Kapur	1,700	2,472	727		2,472
Mengkulang	1,100	1,412	925		1,575
Tualang	1,256	2,331	2,225		2,225
LIGHT HARDWOOD					
Dark Red Meranti	1,550	2,189	1,412		2,062
Red Meranti	1,273	1,563	1,177		2,408
Yellow Meranti	1,100	1,472	1,130		1,448
White Meranti	993	1,448	565		1,695
Mersawa	1,193	1,306	883		1,377
Nyato	900	777	565		1,201
Sepetir	850	1,095	918		1,165
Jelutong	996	1,393	1,130		1,532
Mixed Light Hardwood	665	777	614		657
MALAYSIAN RUBBERWOOD					
<i>Hevea brasiliensis</i>	LOGS/tonne 160	SAWNTIMBER/m ³			
		1" X 1"	2" X 2"	3" X 3"	4" X 4"
		706	1,052	1,172	1,236
PLYWOOD 4' X 8'					
(RM per piece)	4mm	6mm	9mm		12mm
	14.60	22.00	34.00		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

Purchase of wooden furniture from Malaysia for the January to August 2014 duration increased 13% from RM3.67 billion to RM4.13 billion compared to the same period in 2013. Demand for wooden furniture for August 2014 was positive across most major markets.

Imports of wooden furniture by the US increased 14% from RM1.1 billion to RM1.3 billion. Japan also follow suit with an increase of 5% from RM317.4 million to RM331.9 million.

The UK imports also increased 27% from RM167.0 million to RM211.6 million. Intake by Australia increased by 2% from RM265.9 million in 2013 to RM271.1 million in the first eight months of 2014. Singapore consumed an increase of 11% from RM208.0 million to RM230.6 million.

Canada's ups its intake of wooden furniture by 28% to reach RM182.4 million. The UAE recorded an increase of 20% to reach RM152 million in 2014. India's intake increased 26% to

reach RM85.9 million in 2014. Intake by Saudi Arabia increased to RM98.1 million.

Russia's also improved its consumption by 43% from RM54.8 million to RM78.1 million. South Korea had increased its wooden furniture consumption by 21% with a purchase of RM75.5 million in for the first eight months of 2014 from RM62.2 million in 2013.

Rattan furniture shipments increased by 48% to reach RM25.6 million for the January to August 2014 period. Singapore remains as the top importer as its demand jumped to RM6.7 million in 2014. India emerges as the highest increase of intake of rattan furniture, with RM6.1 million being recorded in this year, leaped from RM108,000 in 2013.

The import by UK increased as well by 73% to reach RM1.9 million in 2014.

NATIP REVIEW SESSION: STRENGTHENING THE MALAYSIAN TIMBER INDUSTRY



YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities delivering his opening remarks.

The performance of the local timber industry stands at a rather alarming position, in view of the export target of RM53 billion by the year 2020. In 2013 exports of timber products were recorded at RM19.53 billion, this value being RM14.91 billion less than the NATIP targeted value of RM34.44 billion for 2013.

Hence, a session to review the National Timber Industry Policy or NATIP was convened on 4 and 5 September in Bangi, Selangor. The session was officiated by the YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries

and Commodities. In his opening remarks, the YB Minister emphasised on the initiatives that needed to be expedited and materialised to reflect its positive and significant impact on the timber industry. He also highlighted the need to pay serious attention to the shortfall of the export performance, compared to the target set for NATIP. He expressed his hope that all relevant parties re-strategise and intensify their efforts to resolve problems confronting the industry and determine the most appropriate handling mechanism. The Minister emphasised the fact that the industry has to work hard to achieve the export figure of RM53 billion by 2020, and

therefore he hoped that all initiatives are implemented and most importantly that the initiatives are able to reflect positive and significant impact on the timber industry.

The session aimed to review the export performance of the industry, to discuss pertinent issues concerning the timber industry and to recommend potential solutions, to look into contributions of timber to the domestic economy as well as to revisit the timber industry structure of 60:40.

The session was attended by 140 participants, including representatives from the industry, government agencies and relevant institutions such as banking and financial institutions.



Attendees during the event.

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At the expo, the delegates visited several Malaysian furniture manufacturers and suppliers' booth. Sixty-eight Malaysian companies participated in the exhibition. Among them were Nova Talent Sdn. Bhd., Star Furniture Pte. Ltd., Hup Chong Furniture Sdn. Bhd, SWS Sofa, Eurospan, Furniture Sdn. Bhd., TMH Furniture Industries Sdn. Bhd., Mobilia International Sdn. Bhd., White Feathers Sdn. Bhd, Marcoco Furniture Industries Sdn. Bhd., Lorenzo, Wegmans and Getha. They also met Mr. Wang Mingliang, the Founder and Director of Shanghai UBM Sinoexpo International Exhibition Co., Ltd.

A visit to Shanghai Furen Timber Market was organised in the afternoon. Shanghai Furen Wooden Industry Forest Product Wholesale Market (Furen Timber Market) was established in 1999, under the concept of "Stockpile the World's Valuable Timber Species in China". The market handles the importation of logs, sawntimber, veneer, exotic timber species and flooring materials from Southeast Asia, South America and Africa. There are almost 600 timber and timber product traders in this market, trading more than 300 timber species from more than 100 countries. Most of the buyers are local Chinese timber product manufacturers. It is one of the biggest timber markets in China and has received numerous awards such as Leading Enterprise in Modern Wholesale Market of Shanghai.

The group visited Wooden Flooring Materials Distribution Centre, a subsection of Furen Timber Market. The centre covered an operating area of 70,000 sqm. There were more than 140 timber traders selling hundreds of raw materials for different kinds of wooden flooring products. The monthly trading volume can reach 5,000 containers, accounting for half of the total import of wooden flooring materials in China. The enquiries received were mainly on special products made for the China market by Malaysia. There were also enquiries for suppliers of Kembang Semangkuk sawntimber.

On the other hand, Dr. Jalaluddin Harun, MTIB Director-General and its officials, visited Wu Xi Grand Theatre. Wu Xi Grand Theatre is a key cultural project in Wuxi, China. The theatre stands on the south bank of Taihu Lake and covers a total area of more than 70,000 sqm. The building was designed by Finnish architect Pekka Salminen. A strong Chinese feature that runs throughout the whole building is the large scale use of bamboo. Recently new methods for the production and use of bamboo have made it possible to cover the Main Theatre Auditorium with over 15,000 solid bamboo blocks, all individually shaped according to acoustic needs and architectural image.

The MTIB group also visited The International Network for Bamboo and Rattan (INBAR), marking the first official visit by MTIB to INBAR HQ. INBAR is an inter-governmental organisation dedicated to improving the livelihoods of the producers and users of bamboo and rattan, within the context of a sustainable natural environment. INBAR connects a global network of partners from the government, private and non-profit sectors in over 50 countries and promotes sustainable development with bamboo and rattan by consolidating, coordinating and supporting strategic and adaptive research and development.

Membership of INBAR is open to member states of the United Nations and to inter-governmental organisations. INBAR currently has 40 member countries. INBAR's secretariat is in Beijing, China and it has regional offices for East and Southeast Asia (Beijing, China), South Asia (New Delhi, India), East Africa (Addis Ababa, Ethiopia), West Africa (Kumasi, Ghana) and Latin America and the Caribbean (Quito, Ecuador).

The promotion mission for timber was represented by Dr. Jalaluddin Harun, MTIB Director-General and three MTIB officials namely Encik Mohd Afthar Amir, Encik Mohd Zamakhsyary Mustapa and Cik Noor Intan Saffinaz Anuar.



Dr. Jalaluddin Harun, MTIB Director-General (left) with MTIB officials at the Bamboo House, Great Wall of China.

IMPLEMENTATION OF LEAN MANAGEMENT IN TIMBER INDUSTRY



MoU Signing Ceremony on Lean Management in Timber Industry.

A Memorandum of Understanding (MoU) for Implementation of Lean Management in Timber Industry was convened on 4 September in Bangi, Selangor by MTIB and Malaysian Productivity Corporation (MPC) during The National Timber Industry Policy (NATIP) Review programme. The NATIP Review was officiated by YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities. At the event, a total of 14 Chiefs of Operation (CEO) from various companies received award letters from Datuk Amar Douglas.

Lean Manufacturing's main objectives are to reduce production costs, increase productivity and remove non value-added process (waste). The programme also aimed to help the nation's mission to reduce dependency on foreign workers in the long term. A pilot project will be undertaken in a sixth-month period.



Posing with YB Datuk Amar Douglas Uggah Embas, Minister of Plantation Industries and Commodities.

Prior to this event, a Lean Leadership Briefing was conducted by MPC at the same venue. The objectives of the programme was to get the full commitment from the 14 CEO's who were the Lean Management recipients and to highlight the importance of Lean Management implementation in the timber industry. Two speakers from MPC highlighted the history of Lean Management and Lean Management Philosophy and Tools and Techniques. It was attended by 17 timber players from all over Peninsular Malaysia.

A Lean Leadership Awareness Workshop for Technical Group will be held on 25-26 September in Banting, Selangor. 



Photo session during Briefing on Lean Management for Chief Executive Officer (CEO).

SABAH INTERNATIONAL EXPO 2014



YB Tan Sri Joseph Pairin Kitingan, Deputy Minister of Sabah at MTIB booth.



The Eighth Sabah International Expo 2014 (SIE 2014) with the theme “Sabah-Hub for the Far East” was held from 18 to 21 September in Kota Kinabalu, Sabah. This biennial trade event, sanctioned by the state government of Sabah, was organised by the Federation of Sabah Manufacturers, and Malaysian International Chamber of Commerce and Industries (Sabah), with the cooperation of the Malaysia External Trade Development Corporation (MATRADE) and Ministry of Industrial Development (MID), Sabah. It is the state’s premier trade fair, organised since 2000. SIE 2014 was officiated by YB Tan Sri Joseph Pairin Kitingan, Deputy Chief Minister of Sabah on behalf of the Chief Minister, YAB Datuk Seri Musa Aman.

In his opening speech, Tan Sri Joseph stated that SIE is an important event to the state as it is knowledge-driven and focuses on the importance of adding value to products and services. The state government has been supporting SIE ever since its inception 14 years ago. “SIE has been successful in sharing Sabah’s story with the world while attracting foreign direct investment to the state,” he said. He added that over

200,000 people have visited the expo since it started in 2000 and that hundreds of millions of ringgit worth of business transactions have taken place.

MTIB has participated in the event eight times from its inception. The companies that participated under the pavilion of MTIB this year were Superwood Industries Sdn. Bhd., Series Supply Sdn. Bhd. and Adwa Bersaudara Sdn. Bhd. They hoped to promote and showcase their products to the buyers and public. The 36 sqm pavilion displayed products such as doors, panel products and furniture. Besides that, MTIB also promoted its services which included MTIB’s Timber Verification Services and provided information on timber and timber products. A number of trade enquiries were received from the buyers and visitors.

A total of 180 booths representing 31 countries such as Algeria, Brunei, Canada, Germany, Indonesia, Pakistan, Philippines, South Africa, Taiwan, United Kingdom, USA took part in this year’s event. 🇲🇾



Visitors at MTIB booth.

RECORD SET AT WORLD BAMBOO DAY 2014



YB Dato' Noriah Kasnon, Deputy Minister of Plantation Industries and Commodities officiating the event.



Dr. Jalaluddin Harun, MTIB Director-General planting a bamboo tree at Taman Bukit Jalil.

As part of the WBD 2014 celebration, promotional activities were also held in conjunction with the Petrosains Science Festival from 19-21 September at Esplanade KLCC. The three day-event was filled with programmes such as exhibitions from a wide range of bamboo products, trivia on bamboo and a talk on bamboo in Malaysia. Visitors at the Science Festival were also entertained by a solo and group performance of *Angklung*. A Bamboo Fashion Show brought by Ziboosa was held on the last day of the festival. The event managed to attract about 30,000 visitors. 

MTIB, together with Kuala Lumpur City Hall (DBKL) has successfully organised World Bamboo Day 2014 (WBD 2014) which attracted much interest from the public. The official opening of WBD 2014, held at Taman Bukit Jalil on 23 September was officiated by YB Dato' Noriah Kasnon, Deputy Minister of Ministry of Plantation Industries and Commodities (MPIC). Also present were Datuk Seri Hj Ahmad Phesal Bin Hj. Talib, Kuala Lumpur City Mayor; Tuan Haji Mohammad Sanuri Shahid, MPIC Deputy Secretary-General; Dr. Jalaluddin Harun, MTIB Director-General; and Puan Hj. Norchahaya Hashim, MTIB Deputy Director-General. The programme, which involved various ministries and government agencies also saw participation from the private sector and students from the Faculty of Forestry UPM.

YB Dato' Noriah, in her speech, expressed her hopes that programmes such as WBD would be able to spur the growth of the bamboo industry in Malaysia through an increase public awareness on the importance of bamboo. Meanwhile, Datuk Seri Hj. Ahmad Phesal, who also spoke at the event, said that DBKL would do its best to ensure that the Bamboo Park in Taman Bukit Jalil become a leading park for tourism in Malaysia.

The main event at the official opening of WBD 2014 was the planting of Black Bamboo trees that set a record in the Malaysian Book of Records as the largest Black Bamboo Planting Event in Malaysia. The feat was accomplished by 60 volunteers who planted 55 bamboo trees of the species *Gigantochloa atroviolaceae* Widjaja within 10 minutes. The event began with the planting of the bamboo trees by the VIPs followed by the volunteers.

The Black Bamboo is suitable for many uses; the thinner culms are usually used for making musical instruments such as *Angklung* while the bigger culms are used for construction purposes. The most unique feature of this bamboo is the colour that makes it suitable for making furniture and souvenirs.

Cik Huda Zakaria of the Malaysian Book of Record handed the certificate of achievement to Dr. Jalaluddin Harun and Datuk Seri Hj Ahmad Phesal Bin Hj. Talib. The ceremony was witnessed by YB Dato' Noriah Kasnon.



YB Dato' Noriah Kasnon watering a bamboo tree.

SEMINAR ON MALAYSIAN SKILLS CERTIFICATION AND WORLD SKILLS STANDARD IN THE WOOD-BASED INDUSTRY



Puan Hj. Norchahaya Hashim, MTIB Deputy Director-General delivering her opening speech.



Mr. Mark Bramer from Canada highlighted on skills development in Canada based on World Skills Standard.



Participants at the seminar.

MTIB was appointed as the Industry Lead Body (ILB) in the wood-based industry in 2012. ILB is a leading organisation appointed by Department of Skills Development (DSD), under the Ministry of Human Resources (KSM). As an ILB, MTIB will continue to develop skilled human resource in the wood-based sector. In addition, ILB is one of the mechanisms that will support the development of human capital, as stipulated in National Timber Industry Policy (NATIP). In line with the development of skills and human resources in the wood-based industry, MTIB through WISDEC has carried out its role in providing industry-oriented skills training for the wood-based industry. WISDEC also takes the lead in supporting technology transfer and technical advice on furniture production technologies and value-added wood products.

As an aspiration towards the development of human capital in the wood-based industry, MTIB organised a seminar on the Malaysian Skills Certification and World Skills Standard in the Wood-based Industry on 9 September at MTIB, Kuala Lumpur. Puan Hj. Norchahaya Hashim, MTIB Deputy Director-General officiated the seminar.

The first presentation on the Status of Timber Industry in Malaysia was presented by Puan Roslina Idris, Deputy Director of Strategic Planning and Corporate Affairs. A talk on the role of MTIB as Industry Lead Body in the Timber Industry was then presented by Encik Mohd Nor Zamri Mat Amin, Director of WISDEC. Finally Encik Mohd Bakhtiar Sobri, Senior Assistant Director of DSD presented on Roles in the Malaysian Skills Certification.

Mr. Mark Bramer, Chief Expert of Cabinetmaking from Canada highlighted on skills development in Canada based

on World Skills Standard. Every year, Canada involves 350,000 youth in interactive sensory experiences that profile trades and technology careers. For example the Essential Skills Project, Skills Canada Competitions (Provincial/Territorial, National, International), School Presentations, Model Wind Turbine Challenge, Skills Clubs, Skills Camps, Youth in Manufacturing, Try-a-Trade™ and Technology Activities and the ObstaSkills Trades Challenge Race. He noted that based on the On-Site Survey Results, all programmes gave a positive feedback and experience because most of the youths would consider a career in skilled trades and technology after having attended the competition. The youths also improved their skills and chances of getting a job by participating in the competitions. Mr. Bramer also stated that the World Skills Standards are very competitive as they see the best from every country compete to determine the best in the World. He said, 'To compete and win at the World Skills Competition, you need to have the skill in your hands, the understanding in your head and the passion in your heart... only then will you win.'

MTIB has been involved in skills competitions since 2004. WISDEC has been selected as the co-organiser in cabinet making. MTIB has also been appointed as a Centre of Excellence by DSD and the Ministry of Works Malaysia to train participants for the ASEAN Skills Competition and the World Skills Competition in Cabinet Making and Joinery. Currently, the national participants are undergoing training in preparation for the ASEAN Skills Competition in Hanoi, Viet Nam in October 2014.

There were 100 participants at the seminar which comprised MTIB, representatives from government agencies, skills training institutes and the industry.

MTIB TECHNICAL, MACHINERIES AND FURNITURE INDUSTRY VISIT TO ITALY

Malaysia is a dynamic country which is constantly evolving. Being a middle-income country, Malaysia has transformed itself since the 1970s from a producer of raw materials into an emerging multi-sector economy spurred on by high technology, knowledge-based and capital intensive industries.

Technology also plays a vital role in various aspects of the timber sector. Therefore, MTIB organised a Working Visit to Italy on CNC Machine Technical and Furniture Industry under the Production Capacity Enhancement Programme for SME Bumiputera from 21 to 29 September. The programme involved 12 participants: seven entrepreneurs and five MTIB officials and the visit covered four different factories with various productions.

The visit aimed to enhance the group's knowledge of and exposure to the hi-tech machines developed by SCM Group of Companies (SCM) especially the CNC 5-axis machine. All participants had the opportunity to see the installation process of the machine. SCM also organised a few visits to the Small and Medium Enterprises (SME);

furniture factories which have been buying and using the machines purchased from SCM. During the visit, the participants were given clear information on the machine's operation, from the beginning of the production process until the products are ready to be distributed. The group were shown the machines that would be relevant to the SME furniture industry in Malaysia, such as the Auto Panel Saw (Handling System – Cutting Process), Edging, Auto Boring and CNC Profile.

The delegation then visited Giessegi Industria Mobili S.P.A Company in Rimini. The company owns a huge factory that covers an area of 100,000 sqm, of which 60,000 sqm is the covered production area. It produces household furniture made from chipboard and MDF. Ninety-five percent of the company's business is retail marketing while the other 5% is for export (France, Spain and Greece). They have only 10 workers, and each worker is only allowed to work not more than seven and a half hours per day as this is a fully automated factory which consists of the Auto Panel Saw (Handling System – Cutting Process), Auto Edging – four side edging, Auto Boring, CNC Profile.



A group photo at Giessegi Industria Mobili S.P.A., Rimini.

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At Naldini Arredamenti.



Briefing on machineries at SCM Foundry.

The delegation then visited SCM Group, SCM Foundry and SCMVV also located in Rimini. SCM is one of the biggest machine manufacturers in Italy. Here, they met with the CEO of SCM Group. The company has produced 23 of their own branding products: i.e Superfici (finishing), DMC (sanding), Stefani (Edging), SCM (CNC) dan Morbidelli. Each of the products is produced at different factories in different places. The company employs 500 engineers and 3,450 workers. A large number of workers work for the company throughout their nation. Seventy percent of SCM's business is exported, involving 130 countries. As a manufacturer, they produce all parts of the components of the machines. In fact, the company has invested over Euro30 million in the technology development industry.

The group also visited Naldini Arredamenti, a factory that produces display products and household furniture made from chipboard and MDF. This company only works on 100% retail market (Italian market) and has seven workers. With the advancement of technology in Italy, this company does not face any hiccup with production due to their fully automated processes using the Auto Panel Saw, Auto Edge Banding, Wide Belt Sander, CNC and UV Finishing.

Finally, the delegation visited St. Patriagnano, an educational community for young drug addicts and the socially excluded, helping them rediscover their path through recovery processes. This centre offers them a home, health and legal assistance, and the opportunity to study, to learn new job skills in a wide variety of training activities, including the winery and the carpentry workshops, to change their lives and return to society as full-fledged citizens. The carpentry factory produces display furniture for a niche market using old barrel staves, chipboard and MDF. From old barrel staves to home décor objects, this community is supported by 33 internationally famous designers but they produce only for the Italian market. As part of social responsibility, SCM Group has contributed various machines to this centre for the production. This factory been segmented into two; the main level and the lower level. The main level produces products made from old barrel staves, chipboard and MDF while at the lower level, the products are made from MDF and specialised for the finishing process.

Here are the observations by the delegation, made during the visit:

- The number of employees is reduced by the use of an automated mechanical system;
- Capacity and productivity can be improved and increased through the use of an automated system in the production in line with the latest technological developments;
- The layout of the machines is based on the flow of work processes so as to reduce wastage of space and time of production;
- The use of automated machines has increased the effectiveness of the handling system, covering 30% of production;
- The reduction of disability benefits or zero defect as reliance on human labor (human error) can be improved;
- SMEs in Italy will invest in high technology machineries and R&D so as to improve their productivity and production quality;
- Italians emphasise on the finishing of the products as it will portray their image and the quality of the products. The use of UV finishing and water-based technology is widely used (eco-friendly);
- Dust collecting systems are centralised to ensure the machines are dust-free;
- The production system concept is called a pull-system with which the product is carried out only when a booking is made, and a "buffer" space is provided in the factory to avoid disruption to the machines;
- A strong business networking has led to a wide range of export opportunities.

The delegation was led by Puan Hj. Zaibi Yakin, MTIB Director of Bumiputera Economic Empowerment. Members comprised four MTIB officers namely Puan Norpaezah Mohd Dahalan, Encik Mohd Asmawi Mohd Affandi, Encik Ahmad Farhan Ab. Karim and Encik Hamzah Zainon as well as seven selected Bumiputera entrepreneurs i.e. Adunan Komersil Sdn. Bhd., Ramaco Bena Sdn. Bhd., Mohd Abidin Yahaya (Perlis) Sdn. Bhd., Edu-World Services Sdn. Bhd., Puncak Bumi Utama Sdn. Bhd., Meranti Furniture Sdn. Bhd. and Tisitis Corporation (M) Sdn. Bhd.

BUSINESS MATCHING: YOUNG DESIGNERS COLLABORATES WITH LOCAL MANUFACTURERS



Discussion between designers and local furniture manufacturers at Galeri Glulam Johor Bahru.

As a follow-up to the MTIB MOBILI Design Competitions, eight young local young designers were again invited to participate in the prestigious Milan International Furniture Fair (i-Saloni) in 2014 under the TANGGAM label, and consequently in various local fairs such as the Malaysia International Furniture Fair 2014, ARCHIDEX 2014 and Living-MF3 2014. These young designers have also successfully formed several collaborations with international organisations on design related ventures. Most of these collaborations involved timber-based product manufacturing and contemporary furniture design development.

The cooperation forged between these designers and local manufacturers hope to address the issues of the moderate acceptance accorded to locally produced timber-based products. MTIB coordinate a programme entitled “Business Matching Designer and Furniture Manufacturer” to benefit the targeted parties, with the aim of developing designs to be marketed by manufacturers of furniture products. The event was held at Galeri Glulam Johor Bahru (GGJB), from

23 to 25 September. The main objective of the programme was to match the TANGGAM young designers with selected manufacturers. It is envisaged that this collaboration in terms of product design and prototype production, will result in mutual benefit for both parties. This programme will also act as a platform for product development experimentation to enable the local timber industry to work closely with the promising local young designers. MTIB is optimistic of achieving the targeted objectives since the young designers have proven their dynamism during their involvement in two consecutive Milan i-Saloni fairs.

Six furniture manufacturers were matched with three TANGGAM furniture designers. Most of these manufacturers are involved in the design and manufacturing of household furniture particularly kitchen cabinets. This activity will encourage the manufacturers involved to transgress to the manufacturing of higher value-added products destined for the overseas markets.



At the furniture factories.



28TH ISO/TC 165: TIMBER STRUCTURE CONVENES IN TOKYO



Meeting in session.

Structural timbers as well as engineered timber products such as glued laminated timber (glulam), laminated veneer lumber (LVL) and cross laminated timber (CLT) are widely used by several developed countries such as European countries, Japan, Canada, USA, Australia and New Zealand. To ensure compliance to global requirements, standards as well as testing, at present various international standards for timber structure are being developed by timber structure experts at different stages. In line with that, an annual meeting for ISO/TC 165 pertaining to timber structure was held from 22 to 26 September in Tokyo, Japan and it was hosted by the Japan Housing and Wood Technology Centre and chaired by Dr. Erol Karacabeyli. The scope of the meeting encompassed standardisation of concerning structural applications of timber, wood-based panels, other wood-based products, and related lignocellulosic fibrous materials including: requirements for design; structural properties, performance, and design values of materials, products, components, and assemblies and; test methods and requirements to establish related structural, mechanical and physical properties and performance.

At present six working groups (WG) are actively involved in the deliberation which includes WG 2: Requirements for structural glued laminated elements, WG 6: Glued joints for timber structures, WG 7: Connections and assemblies, WG 10: Evaluation of characteristic values for structural timber products, WG 11: Classification for solid timber and WG 12: Structural use of bamboo.

Since the 27th ISO/TC 165 meeting which was held in Stuttgart, five projects have already completed and five ISO Standards have been published such as:

- ISO 10983 Timber structures --Solid timber finger-jointing – production requirements – Published on 5/5/2014.
- ISO 12122-1 Timber structures – Determination of characteristics values – Part 1: Basic requirements – Published on 1/3/2014.
- ISO 12122-1 Timber structures – Determination of characteristics values – Part 2: Requirements for sawntimber – Published on 6/5/2014.
- ISO 17754 Torsional resistance of driving in screws – Published on 5/5/2014.
- ISO 13910 Structural Timber – Strength – graded timber – Test methods for structural properties – Published on 6/5/2014

In addition, until 7 September 2014, a total of 12 standards are still in the development process whilst nine standards are under preliminary projects. The ISO/TC 165 Technical Committee meeting in Tokyo has concluded 26 resolutions as a follow-up for the next ISO/TC 165 meetings. Noting the retirement of Mr. Art Kempthorne from the position of secretary of TC165, members expressed their appreciation for his contribution and diligence in the development of International Standards relating to structural timber over many years. ISO TC 165 also reappointed Graeme Beattie as convener of WG7, Paul Jaehrich as convener of WG8, Geoff Boughton as convener of WG10 and Kevin Cheung and Frederic Rouger as co-conveners of WG11.

In addition to the existing standards, the meeting also approved the New Work Item Proposal (NWIP) (N846) ISO 22157-1 “Bamboo – Determination of physical and mechanical properties – Part 1: Requirements” as a new project with new time line (48 months) and appoints Oliver Frith and David Trujillo as project leaders and requests that the project leaders amend WD 22157-1 (N845) and submit for CD vote by May 2015.

REINFORCING PRESENCE THROUGH INTERNATIONAL EVENTS



Opportunities to participate in exhibitions have been an integral part of TANGGAM's strategy to introduce this group of Malaysian designers to the international scene. Whether to market the designed items, find business opportunities, establish networking, observe trends, understand and study foreign cultures or even to educate the public about design, these members of TANGGAM are ready to participate in any exhibitions, both local and international.

TANGGAM is the initiative launched by MTIB to nurture and promote outstanding young designers with the objective of creating a portfolio of exciting new designs from Malaysia. TANGGAM has been a regular exhibitor at the Milan Salone Satellite International Design Fair, MIFF and ARCHIDEX—Malaysia's very own furniture, interior and architecture show, and other regional roadshows.



Furniture showed in Tent & Super Brand London Showcase.

The ever growing reputation of the London Design Festival as an annual event, held to celebrate and promote London as the design capital of the world, and as the gateway to the international creative community was attractive enough to lure TANGGAM. The experiences gained in Milan were taken as a reference point to benchmark London as a possible alternative outlet for design exhibitions.

It is for this reason, that MTIB sent three members of its TANGGAM team to attend the London Design Festival 2014. The festival, held from 17 to 23 September comprised many ongoing events throughout the week. The main events, which included Super Brands London, TENT London, 100% Design, Design Junction, DECOREX International and Focus/14, were the focus of the team.

The Super Brands London and TENT London were very much like the one in Tortona Milan. As far as design trend is concerned, the championing of natural materials and traditional craftsmanship that had dominated earlier shows such as Clerkenwell Design Week remained a key theme throughout the show. However, woven with this familiar trend was the emergence of clean, digitalised prints, pixelated graphics and neon hues; a reflection of our digital age. Though almost the antithesis of one another, the combination of these two concepts was striking. Paper also seemed to be a popular material of choice and was used in a number of ways to create stunning origami style structures. From textured wallpapers, to geometric shapes held together with paperclips, these pieces were all refreshingly simple and all the more impressive for it.



The crowd during the 100% Design Show.

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Meanwhile in 100% Design, marble made an equally strong statement at the London Design Festival. Facilitated by contemporary manufacturing technology, projects demonstrated versatile applications in everything from experimental clocks to implausibly delicate lighting designs. There were also a range of products combining stone with materials including wood and steel due to the fact that architects and designers are more aware of the need to use natural materials that make an ecological as well as aesthetic statements. It was quite noticeable that many designers created contemporary products that used the material in new ways whilst referencing the styling of 60's, 70's and 80's and traditional production methods. To say that tradition and heritage are completely irrelevant in modern design involvement is pure ignorance and absurd. At the same time, the use of concrete and cement, fused with other natural material is also clearly visible.

The loose, versatile and spontaneous environment of an art market is an appropriate choice of words to describe Designjunction. Spanning four enormous floors, the show presented more than 180 brands promoting design, retail

and innovation. Designjunction has firmly established itself as the leading destination for contemporary interior design and culture, held annually during the London Design Festival and Salone del Mobile, Milan. Known for its uncompromising selection of leading global brands, Designjunction is at the forefront of delivering cutting-edge design within an expertly curated space. As for the Decorex International and Focus/14, the shows were all about applying and composing designed furniture and products into interior sets. They highlighted luxury set-ups that created inspirational showcase features.

In conclusion the London Design Festival did bring a twist of flavour to what could be a regular dietary of design feast in Milan. However in terms of business opportunities, the international flux of crowds, and the abundance of emerging and superstar designers nothing beats Milan as the design capital of the world.

Members of the group were Encik Sujak Hasbollah, Encik Hazmi Zakaria and Encik Shahril Faisal, together with Puan Nik Zuraihah Nik Mohammad from Industry Development, MTIB. 

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WG 12 has also been requested to submit NWIP (N844) and WD 19624 "Bamboo – Mechanical grading" for balloting as a new project by May 2015.

During the meeting, Malaysia also commented on technical and editorial issues regarding three projects that are being developed which include ISO WD 16696 - Timber Structures - Glued Laminated Timber - Part 1: Component performance and production requirements, ISO CD 12578 - Timber structures – Glued laminated timber – Component performance and production requirements and ISO CD: 18100 - Timber structures – Finger jointed timber – Production and performance requirements.

A total of 33 international delegates from various countries attended the meeting including representatives from Australia, Austria, Canada, France, Germany, Indonesia, Japan, Korea, Malaysia, New Zealand, South Africa, Sweden, Switzerland, United Kingdom, the USA as well as from the International Network for Bamboo and Rattan (INBAR). The Malaysian delegation comprised Puan Hj. Mahsuri Mat Dris of MTIB (Head of Delegation) and Encik Muhammad Shaiful Nordin (MTIB), Dr. Tan Yu Eng (Forest Research Institute Malaysia) as well as Puan Hamidah Abdullah (Malaysian Timber Council).

The ISO/TC 165 meeting for 2015 will be held at Galeri Glulam Johor Bahru, Malaysia from 21 to 25 September 2015 and will be hosted by MTIB in line with her role and responsibility as a Standards Development Agency (SDA) as well as an agency to promote the use of Malaysian tropical timbers as load bearing structures. 



Malaysian delegates.

BAMBOO COURSE: INTRODUCTION ON THE DEVELOPMENT OF BAMBOO PLANTATION



Group photo at the TIP Lahat Ipoh, Perak.

In line to further develop the bamboo industry in Malaysia, MTIB organised a course on the Development of Bamboo Plantation on 3-4 September in Ipoh, Perak. The objectives of the course were to enhance knowledge and information as well as to create awareness among the industry players both on the theory and practical aspects of species selection, planting technique, bamboo management and bamboo maintenance.

Tuan Hj. Kamaruzaman Othman, MTIB Director of Forest Plantation officiated the course. In his opening speech, he highlighted that Malaysia's export of bamboo for the last 10 years had been RM250,000 whilst import of bamboo was recorded at RM1.5 - 3.0 million. Bamboo and bamboo products were imported from 11 countries, mainly China, Indonesia and Thailand. According to the International Network for Bamboo and Rattan (INBAR), the international bamboo industry could generate a revenue of USD11 billion per year and the value is expected to increase to USD18 billion in 2018. To pursue such a promising industry and to ensure the sustainability of the industry, MTIB launched the Ten-Year Action Plan for the Development of the Bamboo Industry in Malaysia in October 2011. The five main strategies emphasised in the action Plan were on ensuring the sustainability of the bamboo industry and ultimately contributing to significant export earnings and gaining better demand by the domestic

market. The five strategies outlined in the action plan were as follows:

- Establishment of bamboo plantation and preservation of existing natural resource management;
- Human capital development;
- Development of downstream activities;
- Research and development; and
- Marketing and promotion

Five papers were delivered by two speakers during the first day of the course. Assoc. Prof. Dr. Hj. Azmy Mohamed from Potential Resources Enterprise was the first speaker. He delivered four papers on the bamboo plantation: Introduction on Commercial Bamboo Species in Malaysia, Bamboo Propagation Technique, Bamboo Planting Technique and Management on a Bamboo Plantation. Encik Salleh Mat from Forest Research Institute Malaysia (FRIM) delivered his paper on Bamboo Plantation Economic Analysis.

The next day, Assoc. Prof Dr. Hj. Azmy briefed the participants on the techniques of planting bamboo. The participants were then divided into small groups where they were given the opportunity to plant bamboo at Furniture Industrial Park (TIP), Lahat, Ipoh.

The workshop gathered 63 participants mainly from the industry and government agencies. 



Planting bamboo at the TIP Lahat.



Participants at the workshop.

UNDERSTANDING ON THE RUBBER PLANTATION AND NURSERY



A group photo at the end of the programme.

In an effort to promote the forest plantation programme, MTIB once again organised a session with forest plantation entrepreneurs and forest plantation contractors in Kelantan. The workshop entitled “Understanding on the Rubber Plantation and Nursery” was held from 9 to 11 September in Kota Bharu, Kelantan.

The main objectives of this programme were:

- to promote Forest Plantation Development Programme (PPLH);
- to enhance skills on clones identification and verification;
- to exchange information and experience on forest plantation.

Encik Saiful Bahri Salleh, MTIB Deputy Director of Forest Plantation in his presentation, emphasised on the soft loan programme for the development of forest plantation. Under the programme, MTIB plans to develop 375,000 hectares of forest plantation for the next 15 years. As part of an effort to fulfill the needs of the timber sector especially the furniture industry, the programme focuses on two main species namely Rubber (Timber Latex Clone) and Acacia. Other recommended

species are Khaya, Sentang, Kelempayan, Teak, Batai, Binuang and bamboo. Once successfully implemented, after 15 years, the land will produce 3.6 million m³ of timber with an estimate of about 200 m³ in every hectare.

He added that all successful applicants will be offered the loan with the following terms:

- Interest rate of 3.5% for medium and big scale and 0.5% for small scale
- Loan period : 20 years
- Grace period of 15 years
- Payback period of 5 years

Dr. Ramli Othman, ex-LGM expert said that to be a rubber forest planter, we must have knowledge and skills to identify and verify clones types. The selection of the right clone will influence and affect the growth of the rubber trees and determine the quality of timber production. He added that there are many types and clones of rubber trees available and the recommended ones are Latex Timber Clones (LTC) which are suitable for forest plantation based on their growth performance and wood quality. At present, the best clones for rubber forest plantation are RRIM 2025; RRIM 2027; RRIM 928; RRIM 929; PB 350 and RRIM 3001. Furthermore, almost all recommended LTC produce self pruning characteristic plants when they reach maturity stage.

The programme was attended by 35 participants comprising forest plantation entrepreneurs, contractors and MTIB technical staff. During the programme the participants also had their opportunity to exchange information and experience on forest plantation development.

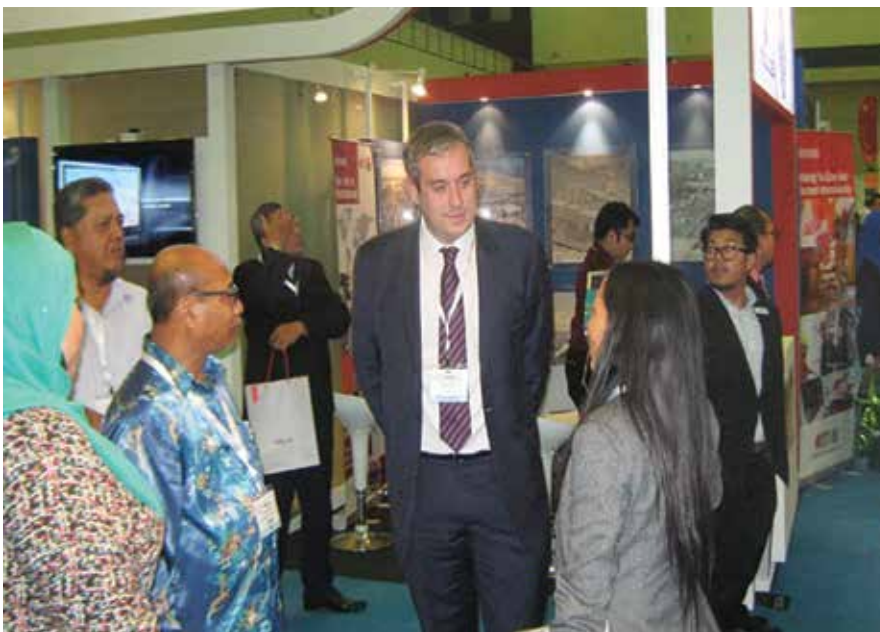


Attentive participants at the workshop.

ECOBUILD SOUTHEAST ASIA 2014



Visitors at the booth.



A visitor being briefed by MTIB officials on the fibre and biocomposite products.

MTIB has been actively undertaking efforts to promote fibre and biocomposite materials and one such effort was MTIB's participation in the Ecobuild SEA 2014 which was held from 9 to 11 September at Putra World Trade Centre, Kuala Lumpur. This was the first time MTIB and the relevant companies had taken part in the prestigious event to promote these products to local and international users.

At the show, MTIB's booth housed fibre and biocomposite products such as wood plastic composite for construction applications, bamboo furniture and wood wool cementboard. The objectives for participating in the show were to establish business opportunities and networking for composite industry players, to expose local manufacturers to the global market, to gauge the latest information and technological development and to foster knowledge transfer and exchanges between suppliers and users. The show served as a platform for the global construction industry to have a better understanding of the usage of green construction materials.

A total of 300 companies from 24 countries, from the various sectors mainly from the construction industry participated in this exhibition. Ecobuild SEA 2014 was attended by 10,000 visitors ranging from professional groups such as architects, building consultants, contractors, developers, engineers, factory owners and facility managers. MTIB was represented by three fibre and biocomposite companies, namely One Tech Sdn. Bhd., Advanced Building Concept Sdn. Bhd. and Duralite (M) Sdn. Bhd.

MTIB's participation in this exhibition attracted many business contacts from both local and international countries such as from Korea and Japan.

The exhibition, which lasted over three days, gave positive exposure to MTIB and the companies that participated. Through MTIB, the local industry players have ventured into a competitive platform where they can collaborate and partner with other countries to gain new technology. Participation at a renowned exhibition such as Ecobuild SEA 2014 should be continued and other construction bio materials producers should be encouraged to join to explore local and international market potential. 



TURKEY – PROSPECTS FOR MALAYSIAN TIMBER

The Republic of Turkey, located in south-eastern Europe and south-western Asia, is bordered on the north-west by Bulgaria and Greece; on the north by the Black Sea; on the north-east by Georgia and Armenia; on the east by Iran and Azerbaijan on the south by Iraq, Syria, and the Mediterranean Sea; and on the west by the Aegean Sea. The main area of Turkey, Anatolia, is in Asia while about 3% of the country (Thrace) lies in Europe. The total area is 779 452 km² while the total population is 76.8 billion.

Forestry

Turkish forest area occupies about 26.6% (20.7 million hectares) of entire land area, of which 48% is productive. Productive high forests cover about 39.4% of total forest area and 10.5% of total land area.

Coniferous species make up two thirds of the growing stock volume, with the Calabrian and Crimean Pines predominating, while Firs, Juniper and Scots Pine are also common. Beech is the most frequently occurring broadleaved species, followed by Oaks (mostly as Coppice) and Poplars. The collection of a wide range of non-wood forest products is of importance for local populations. Turkey is the largest producer of nuts in Europe. Other important non-wood forest products are plant gums, aromatic and medicinal plants and mushrooms.

Timber Industry

Wood processing plays a significant role in Turkey's economy especially for rural employment, with industrial wood production



mainly geared towards the manufacturing of wood-based panels (plywood, blockboard, particleboard, medium density fibreboard, high density fibreboard and oriented strand board) and pulp.

In terms of trade, the wood market sector is diverse and consists of a number of products including logs, sawntimber, veneer, panels, mouldings, doors and door frames, windows and window frames, flooring and other building components.

The timber and timber products industry is greatly dependent on the activities of the building and furniture industry. The growth had a positive impact on the production and export of timber and timber products. Turkish contractor companies that have undertaken construction works domestically and abroad have completed many housing complexes, tourism projects, hospitals and health centre projects. In most buildings, Turkish timber and timber products are used.

Production of Timber and Timber Products

Turkey is a significant producer of industrial roundwood and has a relatively well developed forest products processing industry. Production of industrial roundwood showed an increasing trend from 14.5 million m³ in 2008 to 17.7 million m³ in 2012. Similarly, production of sawnwood increased from 6.2 million m³ in 2008 to 6.9 million m³ in 2012. However, production of plywood remained at the average of 1.0 million m³ for the past five years. In 2012, production of veneer and fibreboard stood at 8.5 million and 4.0 million respectively.



Forestry in Turkey has a well-established past that extends back to the Ottoman Empire. Therefore, sustainable forest management is an old tradition in Turkey.

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Turkey: Production of Timber

(Volume: ' 000 m³)

Products	2008	2009	2010	2011	2012
Industrial Roundwood	14,462	14,252	15,695	16,423	17,701
Sawnwood	6,175	5,853	6,243	6,461	6,682
Plywood	1,110	1,000	1,100	1,150	1,160
Veneer	9,600	8,200	9,600	8,800	8,500
Fibreboard	2,226	2,950	3,300	3,585	4,015

Source: FAO

Import of Timber and Timber Products by Turkey

Despite its own production, Turkey is still a net importer of forest products. In 2012, Turkey imported a significant amount of furniture worth USD699.9 million followed by MDF and plywood at USD323.3 million and USD298.9 million respectively. Turkey also increased import of sawntimber by 5% to USD222.3 million over the previous year.

Import of Logs

In 2012, Turkey's import of logs totalled USD146.8 million, a decrease of 16% over the previous corresponding period. Ukraine, USA and Romania are major suppliers of logs to Turkey.

Import of Sawntimber

In 2012, Turkey's import of sawntimber totalled USD222.3 million, an increase of 5% over the previous corresponding

period. Ukraine, Russia and Bulgaria are major suppliers of sawntimber to Turkey.

Import of Fibreboard

In 2012, Turkey's import of fibreboard totalled USD323.3 million, an increase of 12% over the previous corresponding period. Germany and Romania are major suppliers of fibreboard to Turkey.

Import of Plywood

In 2012, Turkey's import of plywood totalled USD298.9 million, an increase of 10% over the previous corresponding period. Russia and Brazil are major suppliers of plywood to Turkey.

Import of Furniture

In 2012, Turkey's import of furniture totalled USD289.7 million, a decrease of 17% over the previous corresponding period. China, Italy and Germany are major suppliers of furniture to Turkey.

Turkey: Import of Major Timber Products

(Value: USD '000)

Products	2008	2009	2010	2011	2012
Logs	210,506	113,160	146,994	175,003	146,782
Sawntimber	159,720	99,440	132,290	210,967	222,298
Veneer	32,532	20,291	27,867	38,303	39,409
Plywood	126,214	69,697	179,878	272,389	298,861
Particleboard	59,570	59,272	86,776	89,715	111,756
MDF	274,492	150,103	238,788	289,802	323,336
Furniture	688,492	512,067	647,453	814,161	699,940

Source: FAO

Turkey: Import of Logs by Major Suppliers

(Value: USD Million)

Country	2008	2009	2010	2011	2012
Total Of Which	210,506	113,160	146,994	175,003	146,782
Ukraine	72,378	59,407	86,955	103,796	94,389
USA	6,474	2,636	4,649	5,510	11,598
Romania	9,219	5,016	5,561	7,980	8,505
Bulgaria	607	1,302	2,614	4,169	4,818
Cameroon	6,288	6,269	10,206	13,956	4,041

Source: UN Comtrade

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Turkey: Import of Sawntimber by Major Suppliers

(Value : USD Million)

Country	2008	2009	2010	2011	2012
Total of Which	159,720	99,440	132,290	210,967	222,298
Ukraine	25,135	21,090	33,779	53,545	54,385
Russia	65,188	31,143	40,377	48,658	42,503
Bulgaria	527	1,426	6,477	28,671	32,388
Romania	13,236	9,316	13,112	25,846	31,307
USA	3,179	4,019	5,705	9,166	13,745

Source: UN Comtrade

Turkey: Import of Fibreboard by Major Suppliers

(Value : USD Million)

Country	2008	2009	2010	2011	2012
Total Of Which	274,492	150,103	238,788	289,802	323,336
Germany	70,306	57,105	99,503	122,137	133,092
Romania	84,340	51,784	68,282	86,016	86,168
Italy	7,618	304	6,412	17,893	22,768
Poland	4,447	6,480	14,862	13,971	14,509
Spain	1,315	69	1,558	2,268	12,531

Source: UN Comtrade

Turkey: Import of Plywood by Major Suppliers

(Value : USD Million)

Country	2008	2009	2010	2011	2012
Total of Which	126,214	69,697	179,878	272,389	298,861
Russian Federation	20,979	26,468	83,883	108,005	140,125
Brazil	27,166	12,404	25,177	45,510	30,962
Ukraine	3,012	3,988	11,172	15,555	22,171
India	10,608	3,305	12,785	22,049	17,862
Romania	5,251	2,775	2,750	10,011	17,777

Source: UN Comtrade

Turkey: Import of Furniture by Major Suppliers

(Value : USD Million)

Country	2008	2009	2010	2011	2012
Total of Which	305,919	208,264	242,083	348,733	289,712
China	78,884	55,813	74,810	99,356	85,640
Italy	67,024	39,416	37,097	57,252	52,100
Germany	50,524	24,454	28,638	37,809	30,192
Poland	17,396	17,611	17,173	26,679	27,155
Spain	8,938	5,842	5,352	15,295	10,273

Source: UN Comtrade

MALAYSIA – TURKEY TIMBER TRADE**Malaysia's Export of Timber and Timber Products to Turkey**

Presently, the market for Malaysian timber products in Turkey is still small. Export of timber and timber products to Turkey in

2013 decreased 34% to RM15.7 million from RM23.8 million in 2012.

Wooden furniture and plywood are main products exported to Turkey. In 2013, export of wooden furniture increased 61% to RM8.9 million while export of plywood decreased 57% to

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Malaysia: Export of Major Timber and Timber Products to Turkey

(FOB Value: RM)

Products	2009	2010	2011	2012	2013
Sawntimber	620,391	601,048	1,760,970	616,648	353,193
Plywood	8,920,279	4,816,402	14,249,898	7,178,843	3,075,504
Mouldings	888,116	543,203	284,699	1,392,206	643,585
Fibreboard	2,551,127	1,337,477	506,809	448,011	1,118,690
BJC	11,618,538	14,508,635	5,771,780	8,584,792	1,589,502
Wooden Furniture	2,363,038	3,179,822	5,377,059	5,529,328	8,903,539
Total	26,961,489	24,986,587	27,951,215	23,749,828	15,684,013

Source: MTIB and DOSM

RM3.1 million. Export of BJC decreased 82% to RM1.6 million while export of fibreboard increased 150% to RM1.1 million from RM448,000 in 2012. Other products exported to Turkey were sawntimber and mouldings.

Prospects for the Malaysian Timber Industry

As Turkey's population grows and its economy develops further, it is envisaged that the demand for timber products will increase. There are various opportunities to promote Malaysian mixed hardwood and Red Meranti species for use in the Turkish furniture industry. There is also potential for the export of Merbau and Kempas in the Turkish flooring manufacturing. In addition, Malaysian companies are also encouraged to enter into joint-ventures with Turkish companies to take advantage of the relatively cheap and abundant labour which could be exported duty-free to the EU countries.

Another area of cooperation for Malaysian companies is through Turkish furniture companies as agents to promote and penetrate exports of Malaysian furniture into Russia, Ukraine and the Central Asian Republics like Uzbekistan, Kazakhstan, Tajikistan. Long business history between Turkish companies and those countries provide opportunities for Malaysian companies with joint venture arrangements.

However, Malaysian timber and furniture companies interested to enter the Turkish market should be prepared to adopt a long-term strategy and to invest time and money in promotion and marketing of their products to the Turkish market. They should also keep their presence in Turkish premier construction and furniture fairs such as Turkeybuild, and Midex International Furniture and Interior Design Exhibition. Through these fairs, familiarity of Malaysian timber products in the Turkish market can be enhanced.

Conclusion

Today with quality and mass production capacity, the Turkish timber and timber products industry is able to satisfy the requirements of individual markets all over the world. With increasing investment and improvement of raw materials, the output and export of sector products are expected to increase.

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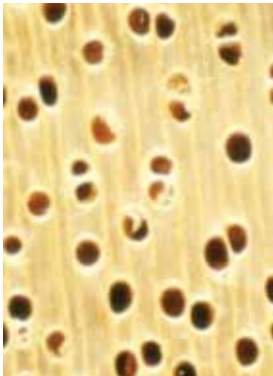
Malaysian Wood
Standing on Excellence

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

Resak Verica spp.

www.mtib.gov.my

WHITE SERAYA – FOR INTERIOR FINISHING



Wood colour and texture

which is pinkish cream when fresh, turning to straw-colour or light brown on exposure.

The timber is also known as White Seraya (Brunei); Pendan, Penden, Tembalun and Urat mata (Indonesia); and Bagtikan, Light Red Philippines, Mahogany, Malaanonang and White lauan (Philippines).

Density

The timber is a Light Hardwood with a density of 400-655 kg/m³ air dry.

Natural Durability

It is non-durable.

Preservative Treatment

The timber is difficult to treat with preservatives.

Texture

Texture is moderately coarse and even with interlocked grain.

Strength Properties

The timber falls into Strength Group C (Burgess, 1958).



Crosscut view of White Seraya log.

Machining Properties

It is fairly easy to work although it has a dulling effect on the tools. The planed surface of tangential boards is smooth, but on the radial boards, there is a tendency to tear the grain.

Air Drying

The timber dries moderately slowly to slowly and is subject to warping and checking and also staining by fungi. 25 mm thick boards take approximately 5.5 months to air dry.

Kiln-Drying

Kiln Schedule J is recommended. The timber is reported to season fairly rapidly with minimum defects except for some cupping.

Kiln Schedule J

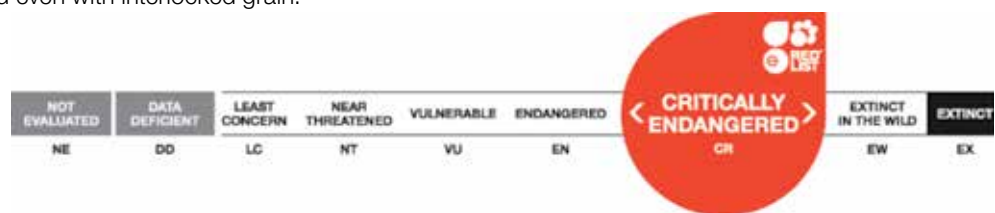
Moisture Content (%)	Temperature (Dry Bulb)		Temperature (Wet Bulb)		Relative Humidity (%) (approx.)
	° F	° C	° F	° C	
Green	135	57.0	123	50.5	70
50	135	57.0	119	48.0	60
40	140	60.0	118	47.5	50
30	150	65.5	121	49.0	40
20	170	76.5	127	53.0	30

Shrinkage

Shrinkage is high, especially in the tangential direction. Radial shrinkage averages 2.5%, while tangential shrinkage averages 5.3%.

White Seraya Status

This species was classified as Critically Endangered (CR) on the IUCN Red List.



Uses

The timber is suitable for interior finishing, panelling, partitioning, plywood, furniture, mouldings, skirtings and light constructional works. It has also been successfully tried for hardboard manufacture.

References :

- MTC wood wizard
<http://woodwizard.my/report.asp?AttrID=6&ItemID=104>
- Arkive.org
<http://www.arkive.org/white-seraya/parashorea-malaanonan/>
- Image.lib.ncsu.edu
<http://images.lib.ncsu.edu/luna/servlet/view/all/what/WHITE+SERAYA>

MTIB Moments



Family Day of MTIB Eastern Region was held on 5-6 September 2014 in Bachok, Kelantan.



MTIB organised a Course on Financial Management for Bumiputera Entrepreneurs from 17 to 19 September 2014 in Seberang Perai, Penang.



A Retreat for MTIB Quality Control Inspectors was held on 10-12 September 2014 in Gambang, Pahang.



Two MTIB officials attended a Course on Lead Assessor ISO 9001: 2008 on 22-26 September 2014 in Johor Bahru, Johor. It was organised by SIRIM Training Services Sdn. Bhd.



MTIB participated in the Hello Komoditi Programme organised by Ministry of Plantation Industries and Commodities. The programme was held from 25-28 September 2014 in Kanowit, Sarawak.