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THE BELT AND ROAD INTERNATIONAL SKILLS COMPETITION 2019



**PARTICIPATION OF
TANGGAM-NOKTA IN INDEX, MUMBAI**

ISSN 0126-771X



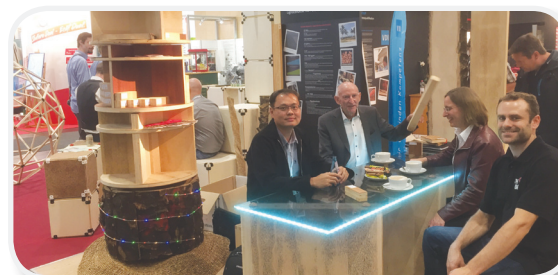
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MALAYSIAN TIMBER INDUSTRY BOARD



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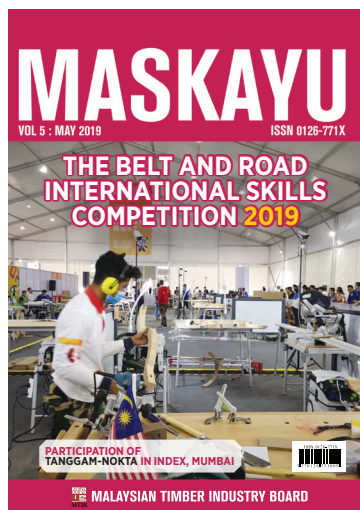
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Cover :
To know more information on The Belt and Road International Skills Competition 2019 held in China, please read page 7.



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PARTICIPATION OF TANGGAM-NOKTA IN INDEX, MUMBAI



NOKTA Booth officiated by Mayor of Mumbai, India (front row, fourth from left) during the fair.

International Interiors, Architectures and Design Exhibition (INDEX) is the leading and largest international trade fair which held annually at the Bombay Exhibition Centre (BEC), Mumbai, India to show the latest interiors, architectures and designs occupying about 400,000 square metres of exhibition with participation of more than 2,500 companies. TANGGAM together with NOKTA participated in INDEX for the first time this year. Held from 1 to 4 May, the event attracted more than 38,000 visitors during its four-day run.

NOKTA label was represented by three Bumiputera companies under the Credibles Entrepreneur Marketing & Promotion Group (CEMP) programme. The companies were NSF Manufacturing Sdn Bhd, Furnitech (M) Sdn. Bhd. and One Tech (M) Sdn. Bhd. The TANGGAM® Label was represented by two design studios owned by Malaysian furniture designers; JOY Design & Studio and Notch Design Studio Pte. The latter presented their new product collection known as LINEA by NOKTA. Various



NOKTA Booth.

range of new product and design was exhibited including sofa, dining table, chairs, TV cabinet, TV console and study table.

INDEX Mumbai provided the platform for interaction between designers and industry players, promoted the image of Malaysian furniture



CHINA

New Zealand and China Sign Forestry Cooperation Agreement

A cooperation agreement signed by New Zealand and China paves the way for future forestry cooperation and boosts bilateral trade, according to Chinese news agency Xinhua. The arrangement was signed on 13 May, in Wellington by New Zealand's Forestry Minister Shane Jones and Mr. Zhang Jianlong, the Administrator of China's National Forestry and Grasslands Administration.

"The updated arrangement supports and strengthens links between government, industry and research institutes in New Zealand and China. It provides a framework to address matters such as sustainability, wood processing and utilisation, and trade and investment," Mr. Jones said.

"A number of Chinese companies choose to use wood sourced from New Zealand for their manufacturing, and I'm keen to see how we can grow the relationship further, especially for our respective wood processing industries. With my Chinese counterpart, I have agreed that officials will cooperate to encourage increased trade, including in value-added wood products," Mr. Jones said.

www.fordaq.com, 17 May

Average Price for Softwood Lumber Imported to China Declines

Average price for imported softwood lumber in China in April was USD180 per m³, a decline of 6.1% since January 2019 and 11.8% down compared to April 2018, according to China Customs data. In April 2019 the average price for softwood lumber supplied from Russia was down 9.0% year-on-year to USD170 per m³ and that from Canada decreased 13.2% to USD184 per m³.

Meanwhile, from January – April 2019, softwood lumber exports to China from Russia increased 23.2% year-on-year to 5.4 million m³ with export value expanded 11.7% to USD921.0 million, and those from Canada soared 56.4% to 1.8 million m³ with export value jumped 42.7% to USD350.8 million.

Exports from Finland and Sweden in January-April dropped 26.0% and 35.9% with volumes of 381.3 thousand m³ and 196.7 thousand m³, respectively. The average price for softwood lumber supplied from Finland in China was USD225 per m³ in April and that from Sweden was USD222 per m³. Lumber exports from Ukraine to China increased significantly in the first four months. Exports volume soared 177.3% to 248.4 thousand m³ with average price of USD184 per m³.

Source: Saigon Giai Phong Online, 18 April



GERMANY

Wood Consumption Rises Rapidly

Analysis of the timber market in Germany, which plays central in the European wood products sector, highlights the extent to which tropical wood is losing market share, with important implications for the long-term future of tropical wood demand in the broader European market. Germany is Europe's largest economy with GDP likely to have exceeded USD4 trillion for the first time in 2018 (according to IMF), over 40% more than the UK, Europe's second largest economy.

According to The Food and Agriculture Organisation (FAO), Germany is Europe's largest producer of sawnwood and wood-based panels, with output of 22 million m³ and 11 million m³ respectively in 2017. Germany is also Europe's largest consumer (annually EUR9.4 billion) and second largest producer (annually EURO7.3 billion) of wood furniture. Germany's annual per capita consumption of wood furniture is EUR118, second only to Luxembourg amongst European countries.

USCensus/Fordaq, 7 May



INDONESIA

Indonesia Announces Timber Legality System for Small Enterprises

According to The Director of Processing and Marketing of Forest Products at the Ministry of Environment and Forestry (KLHK), has reported that the government's new timber legality certification programme for Micro, Small and Medium Enterprises (MSMEs) will provide the same legal umbrella for MSMEs as currently provided by SVLK certification for large companies. The new scheme is targeting 400 groups comprising around 12,000 MSMEs in the forest production and processing sectors.

Purwadi Soeprihanto, Executive Director of the Indonesian Forest Entrepreneurs Association, said the association welcomes this initiative by the government particularly as it deals with both downstream and upstream sectors. Academics have also welcomed the new initiative as this will help eliminate illegal timber from the domestic trade.

www.fordaq.com, 16 May



MYANMAR

Seeking PEFC Membership

The Secretary-General of PEFC, Mr. Ben Gunneberg, recently met the Deputy Director-General of Forest Department, Kyaw Kyaw Lwin, to discuss the cooperation between PEFC and the Forest Department of Myanmar.

While in Myanmar Mr. Gunneberg inaugurated a seminar held to report progress with the application from the Myanmar Forest Certification Committee (MFCC) for

PEFC Membership. The seminar also reviewed progress on the pilot project to secure certification for one FMU. Barber Cho, Secretary of MFCC, said that MFCC is seeking the approval of Forest Department to certify Gan Gaw FMU as a pilot project under the MFCC-PEFC cooperation arrangement. Cho confirmed that the MFCC, as the national governing body for certification, had formally applied to PEFC for membership. He explained that, at present, there is no certified forest in Myanmar despite Myanmar's forest management system being well known.

ITTO/Fordaq, 23 May



VIET NAM

Commits to Forest Certification and PEFC

The Viet Nameese government has formulated a Forestry Development Strategy to help achieve this goal. This includes the target to establish, manage, protect and sustainably use 16.2 million hectares of forestland by 2020, and to certify at least 3 million hectares by 2030.

"Our goal is to significantly increase the number of certified hectares in Viet Nam," said Ha Cong Tuan, Viet Nam's Vice Minister of Agriculture and Rural Development (MARD), prior to the launch of the Viet Nam Forest Certification Office (VAFS) in Hanoi, Viet Nam. "Sustainable forest management is a key focus of the Vietnamese government. We are prioritising sustainable forest management in accordance with international practices, in order to increase the certified forest area by 2030," Vice Minister Ha Cong Tuan confirmed.

The newly established office will coordinate forest certification activities in Viet Nam and manage the national forest certification system, including its application to PEFC for endorsement.

www.fordaq.com, 14 May

Cont. from page 3



Business discussion at JOY Design & Studio.

and catalysing the transition of this sector from Original Equipment Manufacturer (OEM) to Original Design Manufacturer (ODM), and eventually Own Brand Manufacturing (OBM). INDEX Mumbai also

provided the opportunity to showcase and market Malaysian furniture in the Indian market. Total potential sales gained during the exhibition were RM620,000.



Furniture manufactured by NOKTA and Notch Design Studio Pte.

MTIB was represented by Cik Rainah Yusof and Puan Norazleen Othman; NOKTA by Encik Ahmad Suradi Adnan (NSF Manufacturing Sdn. Bhd.), Encik Nik Ahmad Mohd Arifin (Furnitech (M) Sdn. Bhd.) and Encik Haniff Ridzuan (One Tech (M) Sdn. Bhd.); JOY Design & Studio by Tuan Sheikh Mohd Azrul and lastly, Notch Design Studio Pte by Encik Muhammad Hazami Zakaria and Encik Muhd Ezran Zainal.

THE BELT AND ROAD INTERNATIONAL SKILLS COMPETITION 2019

The Belt and Road International Skills Competition (BRISC) was co-hosted by the Ministry of Human Resources and Social Security, the National Development and Reform Commission, the China International Development Cooperation Agency held from 25 to 31 May in Chongqing, China. The event was organised by the Chongqing Municipal People's Government. The objectives of BRISC were to promote the Silk Road spirit which is "Peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit", to strengthen skills exchanges and cooperation between Belt and Road countries and regions, and to build a platform to integrate skills and enhance friendship.

Eighteen trade skills were involved in this competition such as Electronics, Water Technology, Automobile Technology, Freight Forwarding, Bricklaying, Electrical Installation, Joinery, Painting and Decorating, Plumbing and Heating, Information Network Cabling, Fashion Technology, Floristry, Bakery, Beauty Therapy, Cooking, Hairdressing, Health and Social Care and Restaurant Service.

More than 200 competitors, experts and delegates were involved in this two-day competition. Through the Ministry of Human Resources and Ministry of Works, Malaysia sent nine contestants in the competition. The Malaysian team comprising nine trades: Electronics, Bricklaying, Electrical Installation, Joinery, Painting and Decorating, Plumbing and Heating, Fashion Technology, Floristry and Bakery.

The joinery trade category was represented by Encik Muhamad Yusri Aiman Nasir from Akademi Binaan Malaysia (ABM). He had undergone intensive training at the Wood Industry Skills Development Centre (WISDEC) in Banting, Selangor under the supervision of Encik Saifol Azri Mohamad as the national expert in joinery. Even though he had achieved 694.6 score over 700, he still needs more training and improvement before participating at Worldskills Competition (WSC) 2019 in Kazan, Russia.



Team Malaysia on One School One Country (OSOC).

Joinery is the process of connecting or joining two or more pieces of wood together through the use of various forms of wood joints. In fine woodworking, common forms of joinery include dovetail joints, mortise-and-tenon joints biscuit joints, lap joints, and spline joints. Joiners should be able to construct doors, windows, stairs and other architectural objects. Joinery involves work both by hand and machine.

In order to develop human capital in the timber industry, MTIB was appointed as Industry Lead Body (ILB) by the Department of Skills Development (JPK), Ministry of Human Resources. As ILB, MTIB undertake training programmes and activities, to elevate the level of human resources skills in the timber industry. MTIB through WISDEC has been involved in the skills competition for since 2006.



Malaysia team.



Opening Ceremony.



Competitor from Malaysia preparing his project under the Joinery Category.



Malaysia: Malaysia Respects Thailand's Decision on Kra Canal Project

Source: New Straits Times

The Malaysian government will respect Thailand's decision if the kingdom wants to go ahead with the Kra Canal project, the Dewan Negara was told today. Deputy Transport Minister, YB Datuk Kamarudin Jaffar said he did not foresee the project having a huge impact on Malaysian ports. The country's ports had shown progress based on a 9% increase in cargo handling in the first quarter of this year, compared with the same period last year. The overall performance of container handling in Malaysian ports was recorded at 6,315,457 Twenty-foot Equivalent Units (TEUs).

The Ports of Penang, Port Klang and Tanjung Pelepas had drawn up their respective development masterplans encompassing the expansion and modernisation of port infrastructure. The government has intensified efforts to further strengthen strategic links in the maritime industry by holding talks with the world's leading shipping companies.

Malaysia: Westports Q1 Earnings Up 13%

Source : Sundaily (The)

Westports Holdings Bhd. recorded a net profit of RM139.90 million for the first quarter ended 31 March 2019, a 13% increase from RM123.80 million in the previous corresponding period, supported by a higher container throughput and a controlled cost of sales. Revenue jumped 8% to RM415.19 million from RM385.09 million a year ago on the back of container volume improvement of 12% to 2.53 million TEUs. Transshipment containers improved by 15% to 1.71 million TEUs and gateway volume increased by 7% to 0.82 million TEUs.

The Westports is expected to achieve higher overall container throughput in 2019 with growth coming from both the gateway and transshipment segments. The company is also finalising the planning details for the multi-billion proposed container terminal expansion and would be concluding the necessary detailed studies in the coming quarters.

Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, April 2019

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all Ports m ³	% Change Apr/ Mar 2019
	m ³	% Change Apr/ Mar 2019	m ³	% Change Apr/ Mar 2019	m ³	% Change Apr/ Mar 2019	m ³	% Change Apr/ Mar 2019	m ³	% Change Apr/ Mar 2019		
Sawntimber	73,058	-5	17,237	6	1,380	6	335	-58	9,224	-2	101,234	-3
MDF	27,148	-12	386	9	5,675	-21	2,665	-18	12,280	-41	48,154	-23
Mouldings	12,627	-1	194	49	2,295	7	797	7	1,343	10	17,257	1
Plywood	3,263	-14	245	-43	0	0	298	-35	15,836	3	19,642	-2
Veneer	491	73	89	-76	0	0	83	24	3,644	40	4,307	29
Particleboard	27,509	11	265	31	2,500	-3	594	-85	4,451	35	35,319	1
TOTAL	144,097	-3	18,415	4	11,851	-10	4,773	-48	46,777	-11	225,913	-7

Source : MTIB



United States: Port of Long Beach Moves Over 1.8 Million TEU in 1st Quarter 2019

Source : PortNews

The figure was achieved despite lingering trade uncertainty, the port said, adding that the volumes dropped by 4.7% compared to last year's opening quarter. Marine terminals and dockworkers moved 552,821 TEUs in March, a 3.9% decrease compared to the same month a year ago. Imports were down 7.8% at 247,039 TEUs while exports were 7.7% lower, 131,436 TEUs. Empties shipped overseas rose 5.7% to 174,346 TEUs.

Port of Long Beach said that a slowing domestic economy will likely lead to a moderate uptick in container imports through 2019, following a robust year that was marked by record-high cargo growth amid a trade dispute with China.

St. Petersburg: The Head of Kamchatka Spoke About the Development of Container Transportation in the Region.

Source : RIA Novosti

Investments in the development of container transportation between the Leningrad Region and the Kamchatka Territory will in the long run amount to more than 60 billion rubles, the governor of Kamchatka Territory Vladimir Ilyukhin told RIA Novosti in the framework of the V International Arctic Forum. The new project on the development of container transportation as an anchor for the Kamchatka Territory along with the Novatek project on the construction of a terminal in Kamchatka.

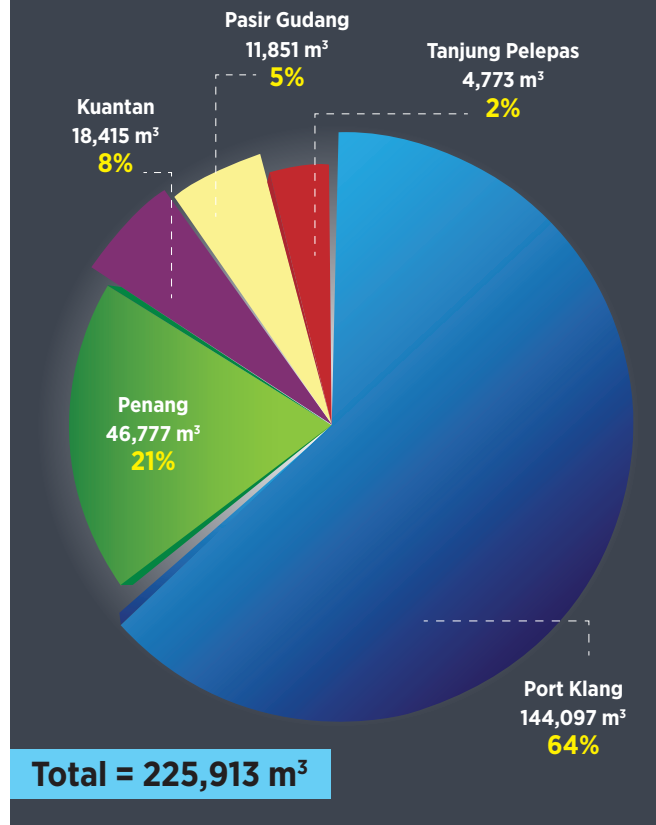
According to materials from the government of the Leningrad Region, the Kamchatka Territory Development Corporation, together with the Primorsky Universal Transshipment Complex company, intends to build a container port hub in Kamchatka in 2024. It is planned that the cargo turnover between the two ports - in Primorsk (Leningrad region) and Kamchatka - will amount to 15 million TEUs per year.

Singapore: COSCO Shipping International Eyes Expansion in Malaysian Market

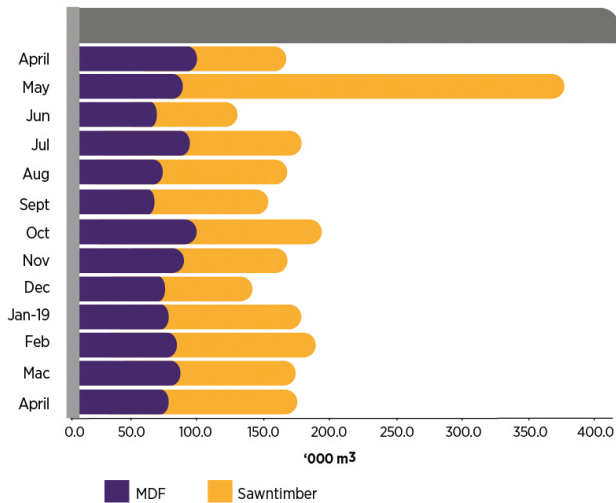
Source : PortNews

The warehouse would have approximately 300,000 square feet on the land for the group's operations. What is more, the company is currently in negotiation with an unnamed party in Malaysia for potential cooperation which may involve the proposed acquisition of certain logistics businesses or the collaboration of a logistics partnership business in Malaysia. COSCO Shipping International (Singapore) added it has not entered into any definitive agreement for any of the foregoing plans.

Timber Shipment through Ports in Peninsular Malaysia, April 2019



Malaysia : Export of Sawntimber and MDF (April 2018-April 2019/Volume ('000m³)



Total export of Malaysian timber and timber products in April 2019 decreased 5% valued at RM1.8 billion over the previous month. Similarly, cumulative export for the period of January to April 2019 decreased 1% valued at RM7.1 billion over the previous corresponding period.

SAWNTIMBER

Total export of sawntimber in April 2019 increased 1% in volume but decreased in value by 2% to 175,521 m³ with a value of RM320.4 million as compared to the previous month. Cumulative export for the period of January to April 2019 decreased in 3% in volume and 1% in value to 621,643 m³ totalling RM1.2 billion over the previous corresponding period.

Export of sawntimber to the EU for the month decreased 11% to 9,879 m³ as a result of declining demand from major countries in the region. Export to the Netherlands and Germany declined 4% and 31% to 4,096 m³ and 1,295 m³ respectively followed by Belgium at 35% to 908 m³ and Italy at 22% to 361 m³. Meanwhile, the UK and France improved purchases by 5% to 1,507 m³ and 44% to 1,227 m³ respectively.

Total exports to West Asia increased 30% to 36,466 m³ from 28,005 m³ recorded in the previous month. Export to Yemen improved 179% to 16,905 m³ from 6,056 m³ recorded in the previous month, followed by Oman with 85% to 3,762 m³ and Iraq 11% to 2,290 m³. On the other hand, export to the UAE and Saudi Arabia reduced 11% to 8,452 m³ and 46% to 2,516 m³ respectively. Export to Qatar also declined 23% to 1,865 m³ from 2,413 m³ in the previous month.

Buying from ASEAN declined by 8% to 54,033 m³ from 58,724 m³ registered in the previous month. Export of sawntimber to Thailand, a major buyer of sawntimber from Malaysia decreased 22% to 23,116 m³ from 29,625 m³ in the previous month, followed by Singapore 18% to 7,430 m³ and Viet Nam 15% to 1,816 m³. Contrarily, export to the Philippines increased 24% to 21,419 m³ over the previous month.

In the meanwhile, shipments to East Asia increased 19% to 44,018 m³ from 36,891 m³ in the previous month. Export to China increased by 56% to 30,575 m³ followed by Hong Kong 10% to 514 m³. However, export to Taiwan decreased 16% to 6,869 m³ from 8,136 m³ in the previous month, followed by Japan with 15% to 4,315 m³ and South Korea 52% to 1,745 m³.

Elsewhere, exports to the US decreased 31% to 1,550 m³ whilst intake by Australia also decreased 51% to 397 m³. Demand from South Africa decreased 31% to 3,550 m³ from 5,161 m³ in the previous month.

The average FOB price of sawntimber decreased 3% to RM1,825 per m³ from RM1,883 per m³ in the previous month. Meanwhile, price of Dark Red Meranti to the Netherlands decreased 3% to RM3,399 per m³ from RM3,509 per m³ in the previous month. Keruing was traded at RM2,265 per m³, a decreased of 8% from RM2,459 per m³ in the previous month.

MEDIUM DENSITY FIBREBOARD (MDF)

Export of MDF in April 2019 both have decreased in volume and value by 11% and 14% to 78,572 m³ totalled RM91.5 million compared to the previous month. Similarly, cumulative export for January to April 2019 recorded a decrease in volume by 5% to 322,332 m³ and in value by 1% worth RM380.9 million over the previous corresponding period.

Exports to East Asia registered a decrease of 29% to 13,129 m³ from 18,499 m³ in the previous month. Japan as the largest buyer in the region has decreased its intake by 28% to 11,725 m³, followed by China including Hong Kong 58% to 516 m³ and Taiwan 46% to 470 m³. Meanwhile, export to South Korea has increased by 194% to 418 m³ for this month.

In ASEAN, total export decreased by 27% to 11,345 m³ from 15,524 m³ in the previous month. Export to Viet Nam has decreased by 54% to 3,865 m³, followed by Indonesia 38% to 2,373 m³ and the Philippines 37% to 1,735 m³. Meanwhile, export to Singapore has increased significantly to 3,000 m³ from only 144 m³ in the previous month.

Similarly, export to South Asia countries recorded a decrease by 2% to 13,759 m³ from 14,014 m³ in the previous month. Export to India as the largest buyer in the region has decreased by 12% to 6,102 m³ followed by Pakistan 8% to 3,225 m³. However, exports to Sri Lanka and Bangladesh have increased by 13% to 2,743 m³ and by 49% to 1,674 m³ respectively.

Meanwhile, exports to West Asia region increased by 9% to 25,917 m³ from 23,708 m³ in the previous month. Exports to Syria has increased by 100% to 5,283 m³, followed by Saudi Arabia 154% to 2,669 m³, Qatar 92% to 1,397 m³ and Lebanon 100% to 830 m³. However, export to

the UAE has decreased by 12% to 12,658 m³, followed by Oman 56% to 1,827 m³, Jordan 25% to 512 m³, Bahrain 62% to 340 m³ and Kuwait 82% to 322 m³. Iran doesn't make any purchases for this month.

Elsewhere, exports to the US, Australia, South Africa and Mauritius have decreased by 12% to 2,436 m³, 9% to 2,174 m³, 64% to 529 m³ and 11% to 134 m³ respectively. However, export to the UK has increased by 84% to 230 m³ for this month.

The FOB price of MDF has reduced to RM1,164 per m³ from RM1,201 per m³, a decrease by 3% from the previous month.

PLYWOOD

Export of plywood in April 2019 both have decreased in volume and value by 38% and 30% to 115,071 m³ totalled RM231.6 million compared to the previous month. Similarly, cumulative export for January to April 2019 showed a decrease in volume by 18% to 613,723 m³ and in value by 15% worth RM1.2 billion over the previous corresponding period.

Although total export of plywood to the EU countries have reduced by 6% to 6,612 m³, export to the UK as main buyer from the EU has increased by 3% to 5,523 m³. Denmark, Italy and the Netherlands also have increased its buying by 2% to 300 m³, 3% to 39 m³ and 39% to 172 m³ respectively. Meanwhile, France and Ireland have resumed its intake to 76 m³ and 150 m³ respectively. However, Belgium has reduced its intake by 63% to 307 m³ while Germany does not make any purchases this month.

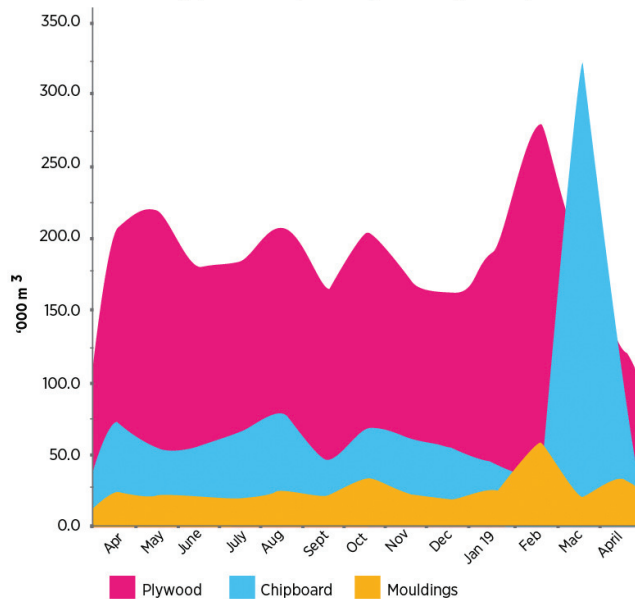
Exports to ASEAN and East Asia region recorded a decrease of 30% to 81,890 m³ compared to previous month. In East Asia region, Japan as the main importer of Malaysian plywood reduced its intake by 43% to 47,103 m³. Meanwhile, export to South Korea has increased by 24% to 12,893 m³, followed by Taiwan 12% to 11,410 m³, Hong Kong 19% to 1,776 m³ and China 16% to 1,316 m³ respectively. On the other hand, Malaysia's plywood trade with its ASEAN partners generally showed mixed trend this month. Exports to Thailand, Singapore and Brunei Darussalam have reduced by 48% to 3,313 m³, 28% to 2,058 m³ and 7% to 947 m³ respectively. However, export to the Philippines has increased by 18% to 845 m³ and Indonesia does not make any purchases this month.

Exports to West Asia countries recorded a decrease of 39% to 11,230 m³ as compared to the previous month. Yemen as the biggest buyer of Malaysian plywood in the region has decreased its import by 41% to 6,963 m³. Contrarily, export to Saudi Arabia has increased by 17% to 1,153 m³ followed by the UAE 8% to 1,052 m³ and Bahrain 53% to 230 m³. Qatar and Kuwait also have increased their intake by 16% to 95 m³ and 100% to 42 m³ respectively.

Export of plywood to the Americas region has reduced by 75% to 9,636 m³ as compared to the previous month. Our

Malaysia : Export of Plywood, Chipboard and Mouldings

(April 2018-April 2019/Volume ('000m³)



main buyer in the Americas region, the US has reduced its intake of plywood by 83% to 5,906 m³. Meanwhile, exports to Mexico and Canada have increased by 29% to 3,085 m³ and 684% to 643 m³ respectively. Moving to Oceania region, Australia recorded a decrease in its intake of plywood by 12% to 2,489 m³, however export to New Zealand has increased by 54% to 63 m³.

Despite exports to African continent increased by 21% to 1,250 m³ for this month, South Africa has reduced its intake by 64% to 127 m³ whilst Algeria and Mauritius didn't make any purchases this month. Meanwhile, Turkey has resumed its intake to 43 m³.

The FOB price of plywood has increased by 12% to RM2,013 per m³ from RM1,790 per m³ in the previous month.

MOULDINGS

Exports of mouldings for the month increased by 54% in volume and decreased 1% in value to 31,104 m³ and RM80.8 million respectively. However, cumulative exports for the period of January to April 2019 increased by 6% in volume and 5% in value to 87,751 m³ and RM306.0 million respectively as compared to the previous corresponding period in 2018.

Exports to the EU for the month recorded at 8,509 m³, an increase of 19% compared to the previous month. Germany, the Netherlands, Belgium, and the UK increased their purchases by 56%, 19%, 5% and 3% to 887 m³, 4,842 m³, 888 m³ and 500 m³ respectively. Meanwhile, Italy did not make any purchases.

Exports to ASEAN region increased as Viet Nam and Singapore increased its purchases by 7% and 2% to 816 m³ and 1,011 m³ respectively. Meanwhile, Indonesia decreased in intakes by 51% to 23 m³ from 47 m³ in to the previous month.

APRIL 2019

LOGS

Logging activities during the month under review remained unchanged with most mills reported that they have sufficient logs supply.

Log prices for the species of Chengal, Balau and Red Balau stood firm at RM4,545 per tonne, RM3,200 per tonne and RM2,200 per tonne respectively. Prices for Kempas and Mengkulang decreased slightly by 1.0% and 3.7% respectively to RM1,900 per tonne and RM1,300 per tonne. Meanwhile, the prices for Dark Red Meranti and Red Meranti remained at RM2,080 per tonne and RM1,800 per tonne respectively. On the other hand, logs prices for Mixed Heavy Hardwood remained at RM1,000 per tonne whilst Mixed Light Hardwood declined by 0.5% to RM925 per tonne respectively.

MEDIUM DENSITY FIBREBOARD (MDF)

Domestic supply of MDF remained stable as prices continued to chart at last month's level. MDF of 4 mm, 6 mm, 9 mm and 12 mm of thicknesses were sold at RM13.00, RM16.24, RM21.96 and RM28.64 per piece respectively.

SAWNTIMBER

The average sawntimber prices reported to remain firm with no significant changes in prices such as the previous month.

The sawntimber prices of Chengal and Red Balau decreased by 3% and 6.7% to RM6,850 per m³ and RM2,966 per m³ respectively. Similarly, the prices for Kempas and Mengkulang decreased by 1.9% and 7.9% to RM2,542 per m³ and RM2,048 per m³ over previous month. The price of Red Meranti declined by 1.7% to RM2,013 per m³ whilst Nyatoh increased by 4.7% to RM1,589 per m³. On the other hand, sawntimber prices of Mixed Heavy Hardwood continued to chart at RM1,024 per m³ whilst Mixed Light Hardwood declined by 2.2% to RM953 per m³ for this month.

PLYWOOD

The supply of plywood to the domestic market remained adequate for the month under review. The prices of plywood for 4 mm, 6 mm, 9 mm and 12 mm of thicknesses were continued to be traded at RM14.60, RM22.00, RM38.00 and RM48.00 per piece respectively.

INTRA-MALAYSIA TRADE * - APRIL 2019

The shipments of logs from Sabah to Peninsular Malaysia increased in volume from 23 m³ to 1,470 m³ worth at RM490,000. However, sawntimber decreased by 59% in volume to 224 m³ worth at RM509,000. Trade of plywood decreased by 20% in volume to 4,237 m³ worth at RM8.6 million.

Trade of sawntimber from Sarawak to Peninsular Malaysia increased by 41% in volume to 1,362 m³ from 969 m³ recorded last month with the worth at RM2.3 million. Meanwhile, trade of plywood decreased by 12% in volume to 3,565 m³ worth at RM4.8 million. Trade of veneer decreased by 46% in volume to 3,863 m³ worth at RM4.7 million.

No intra trade from Peninsular Malaysia to Sabah and Sarawak was recorded in April 2019.

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

*AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA, APRIL 2019 (VALUE IN RM)

SPECIES	LOGS/tonne	SAWNTIMBER/m³			
	18" UP	GMS	STRIPS		SCANTLINGS
HEAVY HARDWOOD					
Chengal	4,545	6,850	5,438		7,451
Balau	3,200	3,390	3,178		2,754
Red Balau	2,200	2,966	2,613		3,249
Merbau	3,250	4,661	3,814		3,955
Mixed Heavy Hardwood	1,000	1,024	812		1,028
MEDIUM HARDWOOD					
Keruing	1,400	1,303	1,215		2,203
Kempas	1,900	2,542	2,401		2,684
Kapur	1,680	1,746	1,412		1,758
Mengkulang	1,300	2,048	1,081		2,126
Tualang	1,400	2,472	2,331		2,493
LIGHT HARDWOOD					
Dark Red Meranti	2,080	2,036	1,695		3,001
Red Meranti	1,800	2,013	1,730		2,189
Yellow Meranti	1,200	1,568	1,236		1,271
White Meranti	1,480	2,472	1,412		2,260
Mersawa	1,730	1,836	1,695		2,048
Nyato	1,300	1,589	1,201		1,271
Sepetir	1,350	1,695	1,003		1,730
Jelutong	1,100	1,780	1,215		1,801
Mixed Light Hardwood	925	953	742		978
MALAYSIAN RUBBERWOOD					
Hevea brasiliensis	LOGS/tonne 165	1" X 1"	2"X2"	3"X 3"	4" X 4"
		1,045	1,174	1,315	1,529
PLYWOOD 4' X 8'	4 mm	6 mm	9 mm		12 mm
(RM per piece)	14.60	22.00	38.00		48.00
MDF 4' X 8'	4 mm	6 mm	9 mm		12 mm
(RM per piece)	13.00	16.24	21.96		28.64

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

* Prices are only indicative

INTRA-MALAYSIA TRADE - APRIL 2019

From	Product	Mar 2019		Apr 2019		% Change in Value Apr 2019/Mar 2019	% Change in Volume Apr 2019/Mar 2019
		Vol (m ³)	Val (RM' 000)	Vol (m ³)	Val (RM' 000)		
SABAH	Logs	23	69	1,470	490	6,291	610
	Sawntimber	553	1,107	224	509	-59	-54
	Plywood	5,304	10,491	4,237	8,646	-20	-18
	Veneer	0	0	0	0	0	0
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	969	2,032	1,362	2,299	41	13
	Plywood	4,031	4,982	3,565	4,819	-12	-3
	Veneer	7,130	6,755	3,863	4,657	-46	-31

Source :- Department Of Statistic, Malaysia

Cont. from page 11

Meanwhile, China, Hong Kong and South Korea increased their intake by 48%, 47%, and 13% to 596 m³, 341 m³ and 1,674 m³ respectively. However, Taiwan and Japan decreased their intake by 28% and 6% to 142 m³ and 1,522 m³ respectively.

Elsewhere, export to the Australia and Canada increased by 432% and 323% to 12,470 m³ and 110 m³ respectively. However, the US decreased its intakes by 36% to 2,239 m³ compared to 3,522 m³ in the previous month.

FOB unit value decreased 36% to RM2,598 per m³ compared to RM4,038 per m³ in the previous month.

VENEER

Export of veneer for April 2019 reduced by 14% in volume and 13% in value to 12,072 m³ at RM16.5 million as compared to the previous month. Exports to China and Australia have decreased by 32% and 66% to 1,821 m³ and 30 m³ respectively. Meanwhile, Taiwan has increased its intake of veneer by 124% to 7,359 m³.

The Philippines and South Korea have reduced its intake of veneer by 34% and 66% to 942 m³ and 910 m³ respectively. Contrarily, Singapore and India have increased their intake by 43% and 21% to 10 m³ and 349 m³ respectively. On the other hand, Canada, Italy, Viet Nam and Chile did not make any purchases this month.

The FOB price of veneer for April 2019 is at RM1,367 per m³, an increase of 2% from RM1,344 per m³ in the previous month.

BUILDERS JOINERY AND CARPENTRY (BJC)

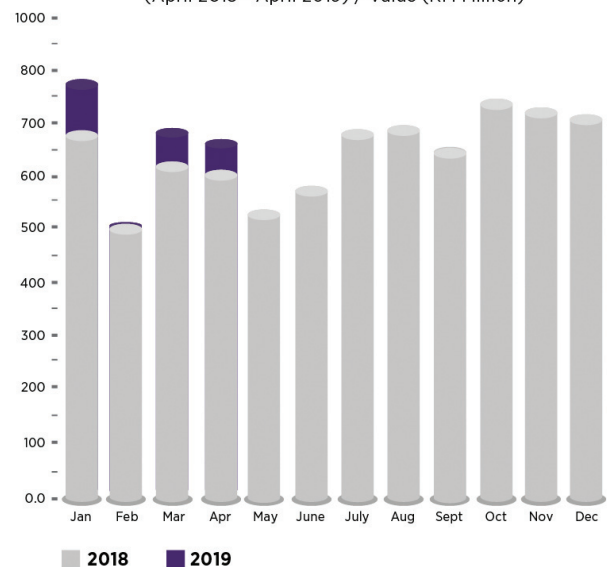
Total BJC cumulative exports for the period of January to April 2019 decreased 12% to RM317.0 million as compared to RM360.8 million in the corresponding period last year. Export to the EU decreased 22% to RM99.7 million. Export to the Sweden and Germany increased by 735% and 38% to RM4.7 million and RM9.9 million respectively. Meanwhile, export to Denmark, France, Italy, the UK and Belgium decreased by 39%, 36%, 33%, 30% and 29% to RM7.8 million, RM9.1 million, RM1.7 million, RM39.0 million and RM13.3 million respectively. However, Turkey did not make any purchases.

In Asia, exports to South Korea, Saudi Arabia, the UAE and India increase by 344%, 48%, 15% and 2% to RM853.4 thousand, RM791.1 thousand, RM2.9 million and RM12.7 million respectively. However, exports to the Viet Nam, Thailand, Singapore, Taiwan, Japan and Pakistan decreased by 45%, 19%, 19%, 15%, 3% and 2% to RM8.7 million, RM6.1 million, RM23.2 million, RM3.0 million, RM21.1 million and RM1.2 million respectively. Meanwhile, Qatar and Bahrain resumed its purchases.

Exports to Mauritius, South Africa and the US increased by 241%, 26% and 10% to RM238.7 thousand, RM6.7 million and RM40.2 million respectively. Meanwhile, exports to Australia decreased by 5% to RM68.3 million compared

APRIL 2019

Malaysia : Export of Wooden Furniture
(April 2018 - April 2019) / Value (RM Million)



to the previous corresponding period. However, Reunion Island did not make any purchases.

FURNITURE

Export of wooden and rattan furniture for the period of January to April 2019 increased 8% to RM2.6 billion from RM2.4 billion in the previous corresponding period.

Imports of wooden furniture by the US increased 19% to RM1.1 billion from RM904.9 million in 2018. Demand from Canada also increased 25% to RM97.1 million whilst export to Australia declined 11% to RM154.4 million. In Europe, shipment to the UK increased 31% to RM169.7 million followed by France 5% to RM20.6 million, Belgium 27% to RM14.9 million, Poland 31% to RM14.7 million and Sweden 15% to RM12.2 million. Meanwhile, export to Spain and Russia decreased 3% and 31% to RM6.3 million and RM7.7 million respectively.

In East Asia, China reduced consumption by 19% to RM60.5 million from RM74.9 million in 2018. Export to South Korea also declined 15% to RM27.9 million whilst Japan increased 9% to RM199.7 million from RM182.9 million in 2018. Export to India declined 13% to RM57.9 million from RM66.4 million in the previous corresponding period.

In ASEAN region, export to Singapore decreased 2% to RM142.5 million whilst shipment to the Philippines improved 8% to RM69.3 million compared to the previous corresponding period. Export to West Asia saw growth as the UAE increased intake by 12% to RM47.4 million followed by Saudi Arabia with 54% to RM64.2 million and Kuwait 3% to RM18.9 million.

Rattan furniture shipments for the period of January to April 2019 decreased 73% to RM585.5 thousand from RM2.2 million in the previous corresponding period. Export registered only for Japan with RM65.6 thousand followed by Singapore with RM22.4 thousand and Australia RM388.7 thousand.

TECHNICAL VISIT TO INTERZUM AND LIGNA IN GERMANY



Dr. Yeoh Beng Hoong from FIDEC (left) during a discussion on the furniture prototype from oil palm trunk (OPT) at the exhibition gallery, University Technische Hochschule Ostwestfalen - Lippe.

Every two years, woodworking and furniture specialists from around the world visit Germany to attend the most important trade fairs for their industry; Interzum and LIGNA. Both fairs provided a comprehensive overview of materials, design solutions and innovative technologies for the woodworking, wood processing and furniture industries. They also covered a very broad spectrum of exhibition topics, ranging from wood as a renewable material, efficient wood working and processing technology to components for the furniture and interior finishing sectors.

In order to strengthen technical advisory services to the Malaysian timber industry and to survey wood working machine acquisition, WISDEC and FIDEC officials visited both fairs from 22 to 29 May.



Encik Mohd Shairazi Yahya (left), and Encik Sabli Kipli from WISDEC at Interzum 2019.

Interzum was held on 22 – 25 May at Koelnmesse, Cologne. The fair covered the following product groups:

- Materials and Nature: Wood, veneers, parquet flooring, interior works, decorative surfaces, decor papers, laminates, wood-based panels, laminated plastic, mineral materials, edges, surface treatments, embossing cylinders, and press plates;
- Function and Components: Lamps and lighting systems, semi-finished products for cabinet, kitchen, office and modular furniture fittings, locks, and built-in parts; and
- Textile and Machinery: Machinery for upholstery and bedding, upholstery materials, upholstery accessories, cover fabrics, leather and adhesives.

LIGNA 2019 was held on 27-31 May at Exhibition Centre in Hannover. It provided a platform for its visitors to discover the latest technology developments, innovations, market trend and networking for the wood-based industry. LIGNA 2019 attracted about 90,000 visitors from over 100 countries who came to Hannover to check out the industry's latest advances.

LIGNA 2019 featured six categorised zones; Tools and Machinery for Custom and Mass Production; Surface Technology; Wood-based Panel Production; Sawmill Technology, Green Energy from Wood; Machine Components and Automation Technology; and Forestry Technology.



NATIONAL CERTIFICATION SCHEME FOR PLYWOOD

The Product Certification Scheme for plywood is operated by the MTIB Certification Body (MTIB CB) which started in 2012. The scheme is essentially voluntary in nature, which determines conformity with product standards through initial testing and assessment of a Factory Quality Management System. It is followed by Surveillance that takes into account the Factory Quality Management System and the testing samples.

**Products Certification -
Towards Widen Market
Access and Trade
Facilitation**

We committed:

- To provide services to our customers consistently, efficiently and professionally
- To conform customers' needs and to all product certification requirements



Further enquiries or information kindly contact:

Product Certification Unit
Director-General Office
Malaysian Timber Industry Board
Level 13-17, Menara PGRM, No.8, Jalan Pudu Ulu, Cheras
P.O Box 10887, 50728 Kuala Lumpur
Tel: 603-9282 2235
Fax: 603-92003769/ 92846214
website: www.mtib.gov.my



Ministry of Plantation
Industries and Commodities



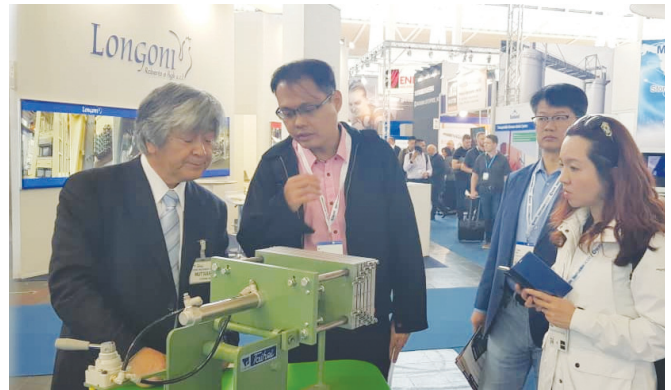
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PC 03042012 CB/06

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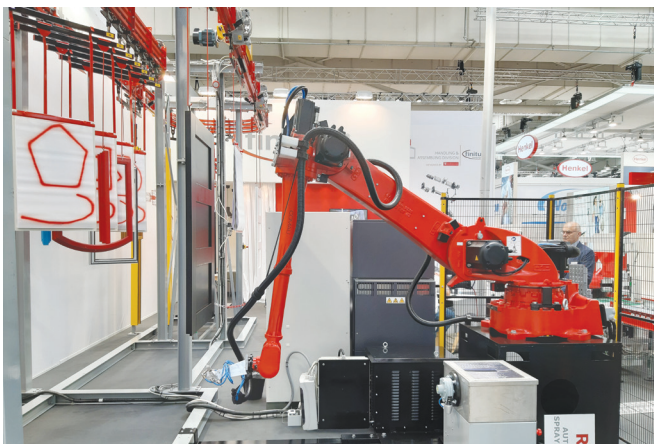
Among the highlights of the fairs were the presentation of a powerful “all-in-one” software solution that can efficiently bring together multiple standalone machines to create integrated process flows, the introduction of smart and intelligence system “4.0 Smart Factory” which involved high-performance sensor systems for measurement and material detection, and a new generation of self-learning scanner technology that represents an exciting initial implementation of Artificial Intelligence (AI) in woodworking.

A total of 40 papers were presented during the fair. One of the papers presented was “The Use of Oil Palm Wood for Industrial Products” by Prof. Katja Fruhwald-Konig from *Technische Hochschule Ostwestfalen – Lippe (University of Applied Sciences and Arts)*. The paper focussed on the drying method of oil palm trunk (OPT) for producing broad board, plywood, cross laminated timber (CLT), sawntimber and sandwich board.

MTIB was represented by Dr. Yeoh Beng Hoong, Encik Mohd Shairazi Yahya and Encik Sabli Kipli. Three companies under the MTIB banner, Pioneer OSB Sdn. Bhd., Besgrade Plywood Sdn. Bhd. and Perceptive Profile Sdn. Bhd. attended the fair as well.



Representative from Taihei, Japan (left) briefed on the Multi Hot-Press machine displayed during LIGNA.



Robotics arm demonstration at LIGNA 2019, Hannover, Germany.



Robotic machines displayed at LIGNA.

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Incomparable Malaysian Wood. Choice for those with exclusive preference. Pushing the Frontier of imagination and creativity. Our Heritage. Our Pride.



TIMBER VERIFICATION SERVICES

Timber has always been a preferred material in homes and other buildings as it creates warmth and coziness, and also highlighting elegance. While it is widely used in developed countries, Malaysian consumers tend to avoid timber based on perceived quality and maintenance problems.

Defects such as splitting, delamination, decay and insect attacks can be easily avoided if the right quality and correct specification of timber is selected and used from the outset.

The Malaysian Timber Industry Board (MTIB) offers timber verification services that can assist you to ensure the timber you choose is of the right quality and correct specification for its intended usage and application. The services include timber grading, identification of species, determination of moisture content, determination of preservatives and other services.

You can be rest assured that your products meet quality standards and hence extend the lifespan with minimal maintenance cost if it is verified to specification.



Services

1. Timber Grading
2. Identification of Species
3. Determination of Moisture Content
4. Determination of Preservative

For more information and enquiries:



MTIB

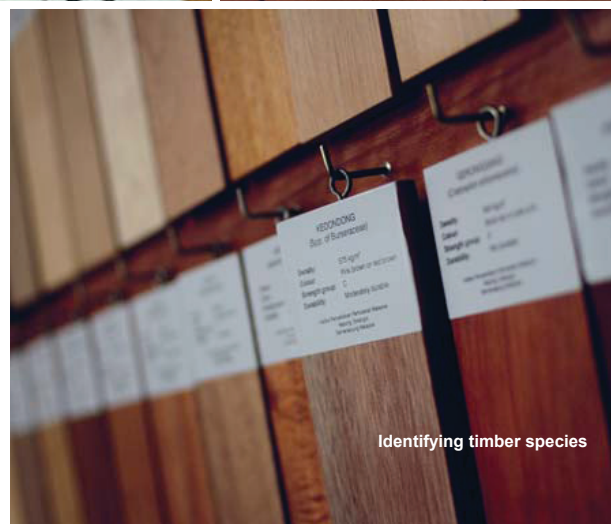
Malaysian Timber Industry Board

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SCIENTIFIC PROGRAMME : **CHALLENGES AND OPPORTUNITIES FOR UPDATING WOOD ID**



Participants posing for the camera.

The International Association of Wood Anatomists – International Union of Forest Research Organisations (IAWA-IUFRO) Scientific Programme: Challenges and Opportunities for Updating Wood Identification was held in Beijing, China from 20 to 22 May. In conjunction with this programme, an Asian Workshop of GTTN-IAWA (Global Timber Tracking Network) were held on 23 May. The programme was co-organised by the Research Institute of Wood Industry (CRIWI), Chinese Academy of Forestry (CAF) from China; and Forest Products Laboratory (FPL), Forest Service from USA.

The main objectives of the programme were to provide an international forum for experts to exchange latest technical related research advances and experiences in wood identification, as well as to further discuss current focus problems, challenges and opportunities for newly developed wood identification technology. The programme also discussed issues on combating illegal logging, new techniques of wood identification, and global timber tracking techniques.

During the programme, there were four keynote lectures, 25 oral presentations belonging to six technical sessions, and poster presentations comprising 90 participants from 11 countries.

Prof. Dr. Gerald Koch from the Thünen Institute of Wood Research, presented one of the keynote lectures which was on “Wood anatomy - The role of macroscopic and microscopic wood identification to combat illegal logging and trading” and wood identification databases called “macroHOLZdata” and “CITESwoodID”. Meanwhile Dr. Yafang Yin from the Research Institute of Wood Industry, Chinese Academy of Forestry gave a keynote lecture on

the challenge of wood identification in China: from traditional anatomy to new auxiliary methods”.

The oral presentations and posters session offered a stimulating overview on the current research studies and new methods in wood identification. There are four main methods for wood identification including: traditional wood identification/anatomy, radio frequency identification (RFID), isotopic finger print and DNA barcoding. Wood identification provides a successful way to fight illegal logging. Traditional wood identification is the most used method in wood anatomy to declare wood genus/species. The method relies on diagnostic anatomical features observed by seasoned experts on macro and microscopic level. However, wood morphology alone is rarely sufficient to identify at species level in most cases.

For this reason, new auxiliary methods for wood identification such as image analysis, genetic method, phytochemistry are growing to support traditional wood identification techniques. In recent years, with research progress in biotechnology, chemical analysis and establishment of relevant reference libraries, new opportunities for identifying tree species and wood products with auxiliary methods are available and attracted the interest of many countries especially China. It will provide practical aids to law implementation and promote legal timber harvest internationally.

Despite the desirability of using these newly developed technologies broadly in wood forensics, the complexity of extracting features from wood and the lack of reliable reference libraries are the main barriers to their application for the next few years.

UPCOMING EVENTS

(SEPTEMBER & OCTOBER 2019)

SEPTEMBER 2019

8-11
September

WMF 2019

International Furniture Machinery and Woodworking Machinery Fair

VENUE : National Exhibition and Convention Centre (Hongqiao, Shanghai)
333 Songze Avenue Road, Shanghai, PR China
ORGANISER : **Adsale Exhibition Services Ltd.**
DETAILS Hong Kong (Head Office)
6/F Java Road, North Point, Hong Kong
Tel : (852) 25163518 Fax : (852) 25165024 E-mail: wood@adsale.com.hk

FC. Furniture China 2019

China International Furniture Exhibition

VENUE : Shanghai New International Expo Centre (SNIEC)
No. 2345 Longyang Road, Pudong New Area, Shanghai, PR China
ORGANISER : **Shanghai UBM Sinoexpo International Exhibition Co. Ltd.**
DETAILS 8F, No. 355 Hong Qiao Road, Xu Hui District, Shanghai 2000030, China
Tel : +86 21 6431178 Fax : +86 21 64370982
E-mail: furniture@ubmsinoexpo.com

9-12
September

10-13
September

FURNICA 2019

Fair of Accessories and Components for Furniture

VENUE : Poznan, Poland
ORGANISER : **Poznan International Fair Ltd.**
DETAILS Glogowska Street 14, 60-734 Poznan, Poland
Tel : +48 61 8692000
Fax : +48 61 8692956
E-mail: drema@grupamtp.pl

HABITARE 2019

Interior Design and Furniture Fair

VENUE : Messukeskus Southern Entrance
Messuaukio 1, 00520 Helsinki, Finland
ORGANISER : **Messukeskus**
DETAILS P.O.Box 21, 00521 Helsinki, Finland
Tel : +358 40 450 3250
E-mail: customer.service@messukeskus.com

11-15
September

24-27
September

HOMEDec 2019

VENUE : Indonesia Convention Exhibition (ICE),
JL. BSD Grand Boulevard, BSD City, Tangerang 15399, Indonesia
ORGANISER : **PT. Citra Inovasi Strategi Exhibition**
DETAILS : JL. Tebet Raya No. 11A. Tebet, Jakarta Selatan, 12810 Indonesia
Tel : +62 (21) 83796833 Fax : +62 (21) 83796832
E-mail: info@homedec.co.id

OCTOBER 2019

CURUKOVA FURNITURE DECORATION FAIR 2019

Home and Office Furniture, Garden Furniture and Accessories Fair

VENUE : Tuyap Adana International Exhibition and Congress Centre, Turkey
ORGANISER : **Tuyao Adana Exhibition Inc.**
DETAILS : Tel : +90 (322) 256 9090
Fax : +90 (322) 256 9050
E-mail: salihgokmen@tuyap.com.tr

1-6
October

3-5
October

FURNITURE INTERIOR DESIGN 2019

VENUE : Lithuanian Exhibition and Congress Centre LITEXPO
Laisves Ave 5. Vilnius, Exhibition Halls 1,2,3,5
ORGANISER : **LITEXPO**
DETAILS : JSC Lithuanian Exhibition and Congress Centre LITEXPO
Laisves Ave. 5, LT - 04215 Vilnius
Tel : +370 52 454500
E-mail: info@litexpo.it

IFMAC and WOODMAC 2019

International Furniture Manufacturing Components and Woodworking
Machinery Exhibition

VENUE : JI Expo Kemayoran
ORGANISER : **PT. Wahana Kamalaniaga Makmur**
DETAILS : Komp. Perkantoran Graha Kencana Blok CH - CI
Jl. Raya Perjuangan No. 88, Jakarta 11530, Indonesia
Tel : +61 21 5266 0804 Fax : + 62 21 5325 890/887 E-mail: ifmac@wakeni.com

9-12
October

31 October
-
3 November

EXPO MOBILA 2019

International Specialised Exhibition of Furniture Products, Equipment, Instruments,
Raw Materials and Accessories for Furniture Manufacture International

VENUE : International Exhibition Centre MOLDEXPO
CIE Moldexpo SA, MD-2008
ORGANISER : Chisinau, STR. Ghiocilor, 1 Republic of Moldova
DETAILS : Tel : +(37322) 810 462 Fax : +(37322) 74 74 20
E-mail : info@moldexpo.md

Shaping the Timber Industry of Malaysia

One Man's Waste, Another Man's Wealth

To many of us, rice husks, coconut trunks, oil palm fronds and empty fruit bunches are nothing but a pile of residue. But did you know that they can be turned into furniture and building materials?

For many years now, the demand for wood far exceeds the supply. The biggest challenge has always been fulfilling demand without sacrificing our beautiful forests. Little did we know, the things we often regard as junk could actually be a solution to this problem. Possessing excellent mechanical and physical properties, wood made from agricultural by-products is not only durable, but also highly customisable in terms of weight, structure and density.

We at MTIB are committed in finding solutions to make both you and Mother Nature happy. With MTIB, your wastes are not wasted.



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Standing on Excellence

**MALAYSIAN TIMBER INDUSTRY BOARD
(MINISTRY OF PRIMARY INDUSTRIES)**

Level 13 - 17, Menara PGRM, 8, Jalan Pudu Ulu, Cheras,
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Fax : 603-9200 3769/9283 9792

E-mail : info@mtib.gov.my

Website : www.mtib.gov.my

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To be able to tackle the challenges for updating wood identification, the GTTN promoted the operationalisation of innovative tools to validate the wood species and its origin. The infographic tools created the perfect base to discuss the gaps for further developments in the field of wood identification and to harmonise the procedure to secure the reputation of the different wood identification tools.

The GTTN Regional Workshop provides an opportunity to increase regional discussion

and cooperation between method developing community and the potential user community, to strengthen both capacities and cooperation amongst Asian countries.

Five of the participants were representatives from Malaysia comprising Prof. Lee Soon Leong and Dr. Lee Chai Ting from Forest Research Institute Malaysia (FRIM), Puan Juliwar Idrus (MTIB), Puan Anya Ambrose and Puan Siti Hanim from Sarawak Forestry Cooperation (SFC).



Attendees at the workshop.



Workshop in session.



Resak Vatica spp.

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BANGLADESH: DISCOVERING ITS IMMENSE POTENTIAL IN TIMBER TRADE



Introduction

Bangladesh, officially the People's Republic of Bangladesh, located in South Asia and shares its border with India and Myanmar. The country covers an area of 147,570 square kilometres and the world's 8th-most populous country, as well as one of most densely populated. Dhaka is its capital and largest city, and also the centre of economic, political and cultural of the country, followed by Chittagong, which has the country's largest port. Bangladesh forms the largest and eastern part of the Bengal region. The country's geography is dominated by the Bengal delta, the largest delta in the world. The country has many rivers and 8,046 kilometres (5,000 miles) of inland waterways. Bangladesh is noted for its fertile land which includes the Ganges delta, the Sylhet Division and the Chittagong Hill Tracts. Highlands with evergreen forests are found in the north eastern and south eastern regions of the country. The country also has the longest sea beach and the largest mangrove forest in the world.

Forestry

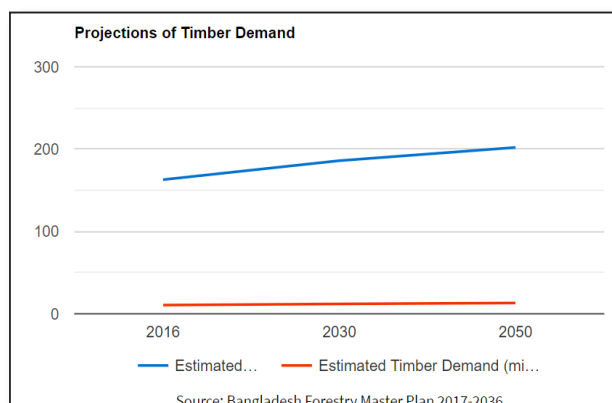
The country is covered with evergreen highlands in north eastern and south eastern regions with natural deciduous forests. The Sundarbans consists the largest forest reserve in the country, taking a large share of nearly 40% of the total forest cover in Bangladesh. The total area of forest land in Bangladesh is about 2.6 million hectares where 1.6 million hectares are under the control of the Forest Department (BFD). Of the total forest area, 84% has been classified as natural forest and nearly 16% as plantation forest. The two most common forest types, namely hill forest and mangrove forest, cover more than 68% of total forest area. The largest areas of forest are in the Chittagong Hills and the Sundarbans. The evergreen and deciduous forests of the Chittagong Hills cover more than 4,600 square kilometres and are the source of Teak for heavy construction and boat building, as well as other forest products. Valuable tree species native to Bangladesh forests include the Passur, Baen, Sundari, and Keora.

The forestry sector accounts for about 3% of the country's GDP and 2% of the labour force. Efforts are being made to safeguard the forests from population pressure through enactment of laws, educating the public on conservation measures and adopting agro-forestry policies to maximise food production as well as conserve trees. The government has established Protected Areas (PA) for conservation which was begun in early 1970s and currently 267,330 hectares or nearly 2% of the country's total area, is under PAs. These include 17 declared national parks, 17 wildlife sanctuaries and one special biodiversity conservation area. The co-management approach was adopted in 2003 to reduce high dependency of adjoining population on the protected areas by involving the local community and stakeholders and provision of alternative income generation activities. The co-management is found to be working well where BFD officials and co-management committee (CMC) members can collaborate effectively. Further, homestead forestry in and around homesteads are contributing much of fuel wood, timber and fruit trees.

Timber Production

The demand for timber products is growing due to increasing population and their affordability. According to Bangladesh Bureau of Statistics (BBS), the demand for industrial roundwood may continue to rise in tandem with the growth in population. Accordingly, the demand for timber is likely to rise to 9.77 million m³ by 2030 and 10.62 million m³ by 2050, from current consumption of approximately 8.57 million m³. Thus, the industry shaped into an import-oriented sector for raw material sourcing.

Projection of Timber Demand in Bangladesh (2016-2050)



Bangladesh Furniture Association reported that on average 60% of raw materials of furniture sector are imported from different countries. Materials such timber, wood coating materials, hardware and accessories and fabrics are the major importable items. Besides, most of the roundwood produced

domestically is used as fuelwood. The rest goes into construction and industrial consumption. Sawmill, furniture, paper and pulp industry are the major industries connected with the timber sector. The Bangladesh production on timber and timber-based products are reflected in **Table 1**.

Table 1: Bangladesh - Production of Timber Products (2013-2017)

PRODUCT	Scale	2013	2014	2015	2016	2017
Wood Fuel	m ³	26,815,639	26,662,413	26,511,057	26,255,531	26,003,391
Sawlogs and Veneer Logs	m ³	312,000	312,000	312,000	312,000	312,000
Wood Charcoal (tonne)	tonne	331,470	333,888	336,325	337,180	338,038
Sawnwood	m ³	388,000	388,000	388,000	388,000	388,000
Veneer	m ³	1,000	1,000	1,000	1,000	1,000
Plywood	m ³	1,000	1,000	1,000	1,000	1,000
Particleboard	m ³	2,200	2,200	2,200	2,200	2,200

Source: FAO

Economy

Bangladesh's economy has grown roughly 6% per year since 1996 despite political instability, poor infrastructure, corruption, insufficient power supplies, slow implementation of economic reforms, and the 2008-2009 global financial crisis and recession. Backed by an impressive track record for growth, Bangladesh is poised to become a middle-income economy by 2021. A stable macroeconomic environment (fiscal deficit below 5% of GDP), buoyant domestic demand and export-oriented industry-led growth have placed Bangladesh among the fastest growing economies.

Bangladesh clocked an average of 6.5% growth over the decade and is expected to grow at an average 7.5% during the period from 2018-2021. The Asian Development Bank projects a higher growth of 8% for Bangladesh in 2019 and 2020. Much of this growth continues to be driven by exports from the USD28 billion ready-made garments (RMG) industry, second in overall value to China, and continued remittance inflows from expatriate labour, which reached USD13.5 billion in 2017. In 2018, its GDP was USD287.63 billion and is projected to expand to around the USD500 billion mark by 2024. The country also has made a remarkable progress in reducing poverty levels from 44.2% in 1991 to 14.8% in 2016-2017.

Bangladesh's Export of Timber and Timber Products

Furniture is the 14th largest contributor to Bangladesh's export. In the early 1990s, the furniture industry shifted to mechanisation production. Thus, it resulted in increased production capacity and since then, furniture business began to grow with modern machinery, innovative designs and use of diverse materials. The main varieties of furniture are produced from wood, processed wood, melamine board, medium density fibreboard (MDF), particleboard and steel. The industry is catering to growing consumer demand by manufacturing domestically or by importing. Around 70% production of furniture sector of Bangladesh is home furniture and 30% is office furniture. Furniture is a labour-intensive sector and Bangladesh has a

large low-cost manpower which is a vital factor in becoming competitive in the world market which means, there is a high potential for Bangladesh's furniture industry to go for the export market.

In 2018, total export of timber and timber products by Bangladesh totalled USD8.2 million where China being the main buyer with USD4.4 million, followed by India USD1.5 million and USA USD817 thousand. Malaysia ranked fourth in Bangladesh's major export destination of timber and timber products valued USD558 thousand, a decrease of 6% compared to USD596 thousand in 2014. Apart from furniture, Bangladesh also exported wood charcoal, particleboard, wood marquetry and other articles of wood. **Table 2** explained the major timber and timber products exported by Bangladesh.

Table 2: Bangladesh - Export of Timber and Timber Products (2014-2018)

(Value : USD thousand)					
PRODUCT	2014	2015	2016	2017	2018
Wood Charcoal	1,428	2,006	3,767	3,915	4,425
Furniture and Parts	1,583	2,461	1,504	2,910	2,605
Particleboard	921	1,289	1,533	958	637
Other Articles of wood	472	144	208	436	345
Tableware and Kitchenware	80	62	26	49	107
Wood Marquetry	34	45	47	18	51
Plywood	11	20	8	0	21
Other Products	19	62	39	59	10
Logs	12	1	0	0	6
Wooden Frames	4	10	2	20	3
BJC	63	93	10	9	3
Mouldings	38	5	13	1	1
Sawntimber	81	80	17	4	0
Veneer	0	0	0	0	0
Fibreboard	0	0	2	0	0
TOTAL	4,746	6,278	7,176	8,379	8,214

Source: UN Comtrade

Bangladesh's Import of Timber and Timber Products

Bangladesh imports mostly petroleum and oil (11% of the total imports); textile (10%) and food items (9%). Others include iron and steel (7%), edible oil (4%), chemicals (4%), yarn and plastic and rubber

articles (4%). However, the country's furniture industry has shown commendable performance over the last decade with an average of 25% export growth with domestic market is also exhibiting an upward trend and is currently worth BDT67 billion. Thus, it has created high demand of raw materials for the industry. On average, 60% of raw materials

of furniture sector such timber, wood-coating materials, accessories and fabrics are imported from different countries.

In 2018, Bangladesh imported timber and timber products worth USD81.5 million from all over the world. Furniture as one of the major products imported has declined by 67% with USD34.5 million showing that Bangladesh is developing its own furniture industry. Other products that the country buying from the world are logs (USD12.1 million), fibreboard (USD8.3 million), sawntimber (USD7.2

million) and veneer (USD7.0 million). Its showed that India are sourcing for raw material to cater its domestic demand.

China is the main supplier of timber and timber products for Bangladesh worth USD41.3 million, followed by the USA with USD17.1 million and Malaysia with USD4.5 million. Bangladesh also sourced from India and Germany with import value worth USD5.6 million and USD5.5 million, respectively. **Table 3** depicted Bangladesh import of timber and timber products from 2014-2018.

Table 3: Bangladesh - Import of Timber and Timber Products (2014-2018)

(Value: USD thousand)					
PRODUCT	2014	2015	2016	2017	2018
Furniture and Parts	106,024	141,382	51,206	38,717	34,530
Logs	18,522	11,588	20,749	21,612	12,143
Fibreboard	6,482	7,231	10,227	16,752	8,295
Sawntimber	6,813	7,907	8,445	6,421	7,205
Veneer	2,657	3,674	3,990	5,099	6,979
Plywood	3,086	4,216	5,090	7,026	4,618
BJC	1,352	1,808	4,931	4,564	3,073
Particleboard	869	989	1,898	1,581	845
Mouldings	67	113	260	552	176
Wooden Frames	287	30	62	12	77
Other Products	7,079	3,813	5,635	6,538	3,593
TOTAL	153,238	182,751	112,493	108,874	81,534

Source: UN Comtrade

Malaysia's Export of Timber Products to Bangladesh

Bangladesh ranked 54th in Malaysia's market for timber and timber products. In 2014, Malaysia exported RM26.8 million worth of timber and timber products to Bangladesh and further increased by 8% to RM29.0 million in 2015. The export to Bangladesh

increased by 7% to RM31.2 million in 2016 and continued to increase by 5% to RM32.8 million in 2017. However, Malaysia's export performance to Bangladesh dropped by 46% to RM17.5 million in 2018 with major products exported are fibreboard and BJC with export value worth RM9.3 million and RM2.6 million respectively. **Table 4** depicted Malaysia export performance to Bangladesh from 2014-2018.



Table 4: Malaysia - Export of Timber and Timber Products to Bangladesh (2014-2018)
(Value: RM FOB)

Products	Unit	2014		2015		2016		2017		2018	
		Qty.	RM	Qty.	RM	Qty.	RM	Qty.	RM	Qty.	RM
Logs	m ³	2,079	1,141,907	431	127,871	656	339,419	129	48,048	5	7,830
Sawntimber	m ³	3,408	4,837,876	2,523	3,157,212	2,742	3,718,924	3,903	5,735,982	853	1,300,607
Plywood	m ³	1,072	1,175,388	2,424	1,560,226	1,427	1,218,658	1,253	1,452,262	440	448,157
Veneer	m ³	0	0	36	48,765	686	1,121,081	839	1,349,884	652	1,070,838
Mouldings	m ³	73	55,444	132	239,359	125	488,178	165	509,780	112	515,938
Chipboard/Particleboard	m ³	5,894	2,033,515	3,312	1,820,664	8,573	4,949,940	6,913	5,022,527	1,875	1,076,045
Fibreboard	m ³	14,598	13,141,654	13,461	12,705,451	18,330	15,169,655	14,739	12,649,527	11,681	9,307,854
Wooden Frame	Kg	4,933	548,817	0	0	0	0	0	0	0	0
Builders Joinery and Carpentry	Kg	276,319	552,365	411,065	1,987,701	308,249	1,690,037	382,217	1,927,454	455,601	2,560,884
Wooden Furniture	Unit		3,337,690		7,264,012		2,195,422		2,446,319		1,198,096
Rattan Furniture	Unit		0		34,106		14,272		0		0
Other Products			6,120		98,221		283,822		1,642,748		49,500
Grand Total			26,830,776		29,043,588		31,189,408		32,784,531		17,535,749

Source: DOSM and MTIB

Malaysia's Import of Timber Products from Bangladesh

Malaysia's import of timber products from Bangladesh showed a fluctuating trend. Total imports in 2014 amounted to RM1.9 million and in 2015, imports increased to RM5.5 million. Imports

dipped to RM5.2 million in 2016 and continue to dip in 2017 to RM2.8 million. In 2018, imports were at RM2.2 million. Major products imported by Malaysia in 2018 were chipboard/particleboard totalling RM2.1 million, followed by wooden furniture at RM175 thousand. Refer **Table 5**.

Table 5: Malaysia - import of Timber and Timber Products from Bangladesh (2014-2018)
(Value: RM CIF)

Products	Unit	2014		2015		2016		2017		2018	
		Qty.	RM	Qty.	RM	Qty.	RM	Qty.	RM	Qty.	RM
Chipboard/Particleboard	m ³	3,024	1,947,540	4,737	3,629,342	4,906	3,900,764	3,348	2,799,273	2,662	2,067,186
Fibreboard	m ³	0	0	0	0	0	0	0	0	0	0
Builders Joinery and Carpentry	kg	0	0	0	0	0	0	0	0	0	0
Wooden Furniture	Unit		0		1,883,955		1,323,229		0		175,228
Rattan Furniture	Unit		0		0		0		0		0
Other Products			0		0		18,941		0		0
Grand Total			1,947,540		5,513,297		5,242,934		2,799,273		2,242,414

Source: DOSM

Import Tariff

The average Most Favoured Nation (MFN) tariff rate is 13.9%, with average rates for agricultural products higher than for industrial goods. The maximum

MFN applied rate is 25%. Products subject to rates of from 5% to 25% include general input items, basic raw materials, and intermediate and finished goods. For timber and timber products, Bangladesh imposed import duty as per **Table 6**.

Table 6: Bangladesh Import Tariff

HS Code	Description	Tariff Rate			
4401	Fuel Wood	5	4413	Densified Wood	5 - 10
4402	Wood Charcoal	5	4414	Wooden Frames	10
4403	Logs	5 - 10	4415	Packing Cases	5 - 25
4404	Hoopwood	5	4416	Casks, Barrels, Vats, Tubs	10
4405	Wood Wool, Wood Flour	5	4417	Tools, Tool Bodies, Tool Handles	5
4406	Railway or Tramway Sleepers	5	4418	Builders' Joinery and Carpentry of Wood	25
4407	Wood Sawn or Chipped Lengthwise	5	4419	Tableware and Kitchenware of Wood	25
4408	Veneer	10	4420	Wood Marquetry	5-10
4409	Wood Mouldings	5	4421	Other Articles of Wood	1 - 25
4410	Particle board, Oriented Strand Board (OSB) and similar board	25	9401	Seats (other than those of heading 94.02)	25
4411	Fibreboard of Wood or other ligneous materials	15-25	9402	Medical, Surgical, Dental or Veterinary Furniture	5 - 10
4412	Plywood, Veneered Panels and similar laminated wood	25	9403	Other Furniture and parts thereof	5 - 25
			9406	Prefabricated Buildings of Wood	25

Source: bangladeshcustoms.gov

Way Forward

There is huge potential for furniture industry in Bangladesh. However, the over dependency on imported raw materials is a major pain point for this industry. Not so long ago, one of the major import sources, Myanmar imposed a ban on timber export, which had a significant impact on the industry. Instantaneously, there was a crisis of raw materials and export earnings dropped right away by 8.5% in that fiscal year. Furthermore, the purchasing power of customers are increasing, and Bangladesh has received wide interest from global players in the furniture industry since the country offers skilled workers at a compounded rate and gives them an upper hand in the industry.

In addition, exports of wooden furniture have increased the compound annual growth rate 104% to USD38.94 million to date. Currently, the domestic demand for bamboo as a substitute to timber is increasing in tandem with the country's goal to become a middle-income country from a lower income group. According to the latest report on growth consumer class, middle and affluent class population in Bangladesh currently stands at 11.7 million and is expected to triple within 2025. The domestic market is exhibiting an upward trend and exports of wooden furniture has increased the compound annual growth rate 104% to USD38.94 million to date.

Being an export-oriented industry, Malaysian firms and contractors could take advantage of this environment and benefited by entering through joint ventures with Bangladesh's counterpart. In this context, frequent exchange of trade delegation, regular exchange of trade information and organising of single country exhibition will be instrumental to enhance the trade between Malaysia and Bangladesh. Malaysian timber exporters should forge closer alliance and strategic partnerships with Bangladesh timber and furniture importers in order to enhance Malaysian existing market share in Bangladesh for raw materials and furniture parts. Malaysia should find ways to improve the export of timber and timber products to Bangladesh such as participating in Bangladesh timber and furniture trade shows and enhance business networks with its Bangladesh counterparts. Malaysian exporters are thus strongly encouraged to take advantage of the good prospects of the country rapid growth.

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BEKOI – SUITABLE FOR FLOORING



INTRODUCTION

The common Malaysian name for the trees and timber of *Crypteronia* spp. (*Crypteroniaceae*). Vernacular names applied include bekoi daun nipis (Peninsular Malaysia), bekoi daun tebal (Peninsular Malaysia), kinkidon mantok (Sabah), rambai-rambai (Sabah), tampasu (Sabah), teletang (Sarawak), telinga badak (Peninsular Malaysia), ubah samak (Sarawak) and ubah semut (Sarawak). Major species include *C. borneensis*, *C. griffithii*, *C. macrophylla* and *C. paniculata* (var. *affinis* and var. *paniculata*). The sapwood is not differentiated from the heartwood, which is white or light brown with a pink or purple-pink tinge.

Also known as Trap toum (Cambodia); Djampoe, Engkolot, Kanabenti, Koembaa, Marotoewa tomo and Langori (Indonesia); Anambo yon (Myanmar); Tiaui and Tigauon (Philippines); Ka som, Ka-am and Khap (Thailand); and Loi (Viet Nam).



Bekoi : Wood colour and texture

Density

The timber is soft to moderately hard and light to moderately heavy with a density of 545-800 kg/m³ air dry.

Natural Durability

It is moderately durable under cover.

Texture

The texture of the timber is rather fine and even, with straight or slightly wavy grain.

Machining Properties

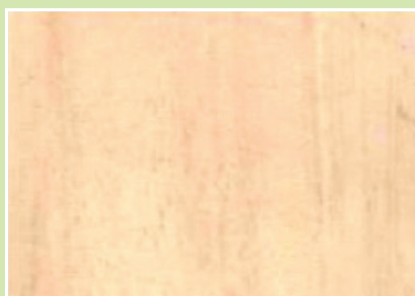
It is easy to work.

Air Drying

The timber seasons well.

Uses

The timber is suitable as a general utility timber as well as for furniture, flooring and interior finish.



(a)

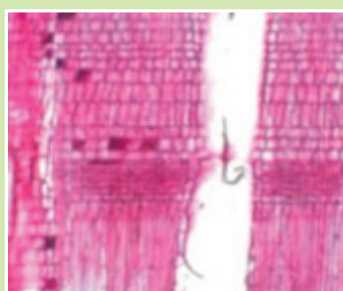


(b)

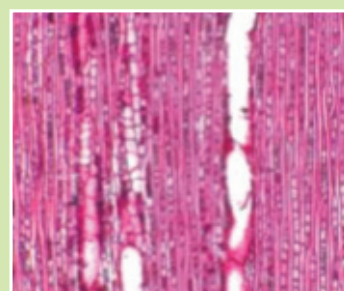
Longitudinal (a) and transversal (b) section of *Crypteronia paniculata* in macroscopic feature, x10



(a)



(b)



(c)

Microscopic structures of *Crypteronia paniculata* in (a) transversal (b) radial and (c) tangential section.



Crypteronia paniculata tree

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Jelutong Dynia ssp.

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▶ Three representatives from SIRIM QAS International Sdn. Bhd. conducting the surveillance audit on ISMS MyRisk (ISO/IEC 27001: 2013) from 2 to 3 May 2019 at MTIB, Kuala Lumpur.

▶ Puan Hj. Norchahaya Hashim, MTIB Deputy Director-General (Management and Operation) posing with MTIB personnel on 3 May 2019 at MTIB, Kuala Lumpur just prior to her leave for compulsory retirement.



▶ Iftar on 24 May 2019 at MTIB, Kuala Lumpur.



▶ MTIB organised an Advanced Course on Curriculum Development Based on Vocational Ability Structure (CUDBAS) 1st Series on 13-15 May 2019 at WISDEC Selangor.



▶ MTIB organised a Workshop on Standard Operating Procedure (SOP) and IBS Home Manufacturing Training Module held from 27 to 29 May 2019 in Ampang, Selangor.