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- BAMBOO KNOWLEDGE TRANSFER PROGRAMME WITH INDIGENOUS COMMUNITIES
- COURSE ON THE POTENTIAL OF PLANTATION AND BAMBOO BASED PRODUCTS

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BAMBOO KNOWLEDGE TRANSFER PROGRAMME WITH INDIGENOUS COMMUNITIES

Attendees during the programme

Participants are processing the bamboo before the treatment

MTIB researcher delivers a brieing to the participants

Bamboo is one of the most demanded non-timber forest products in the world. In fact for many indigenous communities; it is an economically significant plant for daily usage mainly as a source of building material, furniture, transportation, food and even handicraft. They use bamboo in their daily lives and as part of important rituals.

However, nowadays, even among these communities bamboo is underutilised due to lack of knowledge of suitable treatments and development of value-added products.

To create a better awareness of bamboo as a sustainable material and to highlight the importance of bamboo utilisation in product development, the Bamboo Knowledge Transfer Programme was conducted with the indigenous community of Kampung Ayer Denak in Tronoh, Perak, on 4 September 2022. The programme was jointly organised by UiTM Seri Iskandar, Ipoh City Council and MTIB as part of a collaboration framework aligned with the National Bamboo Industry Development Action Plan to spearhead the bamboo industry.

The programme comprised of three activities which were proper bamboo harvesting techniques to conserve bamboo resources, bamboo treatment methods and a bamboo gazebo construction project. During the programme, several bamboo species were selected due to their structural uses and easy-to-plait properties, such as Buluh Betong and Buluh Semeliang. Participants were also taught the treatment process using Boron-based preservatives and had the opportunity to build the bamboo gazebo with the trainers.

At the end of the programme, the participants were to apply more effective bamboo treatment to their merchandise to make it last longer besides diversifying the bamboo products in the communities. In the final session, the participants was briefed by a representative of the Fibre and Biocomposite Centre (FIDEC) on the potential of value-added product development for the downstream industry.

The programme was attended by over 30 participants from the indigenous community as well as bamboo enthusiasts from Ipoh City Council and UiTM Seri Iskandar. MTIB was represented by the bamboo R&D team from FIDEC.

INDONESIA

POSITIVE EXPORT TREND DESPITE DOWNTURN IN CHINA

Indonesia's wood product exports continue to grow even though the Chinese market is currently weakening due to the country's economic slowdown. Based on data from the Ministry of Environment and Forestry (KLHK) which was processed by the Association of Indonesia Forest Concession Holders (APHI), as of 7 September 2022 exports of wood products during January to August 2022 reached USD 9.75 billion dollars. That is an increase of 14% compared to the same period in 2021. The value of exports up to August 2022 was 72% of the total value of wood product exports in 2021. Exports of furniture products also increased and were recorded at USD 1.68 billion, up 28% compared to last year. Wood product exports to China fell 17% to USD 2.08 billion from the previous USD 2.51 billion dollars in January-August 2021.

The economic slowdown is not only affecting China, a number of other countries, which are main markets for Indonesian wood products, are being impacted. However, exports to the United States rose 15% to USD 1.63 billion and exports to the European Union + the UK rose to USD 868.4 million dollars, a 17% increase. The Director General of Sustainable Forest Management at the Ministry of Environment and Forestry (KLHK), Agus Justianto, said that, although the China market experienced a slight slowdown, he was optimistic that the positive trend in exports of wood products could be maintained. According to Agus, the Russia-Ukraine crisis has had an impact on global trade. However, for Indonesian wood products the crisis has had little impact so far and the trade restrictions on Russia created new opportunities for Indonesian wood products.

www.itto.int, 16 September 2022

VIETNAMESE

TIMBER EXPORTERS STRUGGLE TO FIND NEW MARKETS

In contrast to the full order books at the beginning of the year Vietnamese wood and wooden furniture enterprises are currently facing many difficulties due to the cancellation of orders by customers because of inflation in countries such as the US and the EU and the sharp increase in input material costs. In fact Vietnam's wood industry is seeing declining sales overseas.

The export value in July was estimated at USD1.41 billion, down 5.5% against June and down 1.6% year-on-year according to a report of the General Department of Forestry under the Ministry of Agriculture and Rural Development (MARD). This was the second month that the export of wood and timber products decelerated. Earlier, figures from the General Department of Customs showed exports of wood and wood products in June were down nearly 11% year-on-year.

Through the first seven months of the year, wood and wood product exports were USD10.4 billion, up just 1% year-on-year. According to market insiders the wood industry will face a big challenge due to a decline in export orders in the latter half of this year. A quick survey of 52 timber businesses conducted by the Vietnam Timber and Forest Products Association (Vifores) in collaboration with Forest Trends showed that most companies witnessed decreasing revenues in the US, EU and UK markets. Thirty-three out of 45 firms exporting to the US said their revenues decreased by nearly 40% compared to the first months of this year. A similar trend is seen in the EU and the UK, with two-thirds of the surveyed enterprises reporting revenue drops of over 41%. Moreover, about 71% of businesses said that orders will continue to drop towards the end of the year. Under the current market situation, 44% of businesses expect revenue will fall by over 40% for the whole year. Phùng Quốc Mẫn, General Director of Bảo Hưng Wooden Furniture Export Company, said the number of orders canceled in July was more than 30%.

In response to the decline in purchasing power in the EU and the US markets business is looking to boost furniture exports to Japan and South Korea where inflation has had less of an impact than in other countries. There are also a few businesses that have turned to the domestic market in order to maintain production, Mẫn said. Vietnam's wood industry is integrated deeply with international markets so high inflation and tightening credit policies in major markets is driving down demand for non-essential products including wood and wood products.

High inflation in major markets such as the US, EU and UK is having a direct negative impact on the production and business activities of wood processing enterprises. They are currently facing many difficulties in terms of capital, labour costs and input materials. Switching or finding new markets is not easy but this helps wood and wooden furniture manufacturers to minimise losses when a series of orders are delayed, reduced, or even canceled by international partners, Mẫn said. In addition, in order to reduce the import price of raw materials to increase competitiveness, experts said wood businesses should diversify their supply of timber, reducing the proportion of imports from tropical countries and increasing the proportion from low-risk sources.

Vietnam has become the world's sixth largest exporter of wood and wood products, the second largest in Asia and biggest in the Southeast Asia and this has attracted scrutiny from major trading partners. Besides sourcing locally, Vietnam also imports timber raw material from tropical countries. The volume of tropical wood imported annually is around 1.5 million cubic metres or 30% of total imports, mostly from Africa. According to the General Department of Customs, despite the impact of the COVID-19 pandemic, exports of wood and wood products grew by 18% last year to USD14.12 billion. Vietnam is targeting USD 20 billion in total timber exports by 2025, an increase of more than USD 9 billion compared to now. The value of timber and wood products for domestic consumption will reach USD 5 billion in 2025 and over USD 6 billion in 2030. The industry aims to have more than 80% of wood processing and preservation establishments equipped with advanced technology and all timber and wood products for export and domestic consumption will be made from verified legal raw material.

By 2030, the domestic wood processing industry will become an important economic sector and develop a reputable brand for Vietnamese wood products in domestic and export markets. Vietnam aims to become one of the leading countries in the world's production, processing and export of timber and wood products. Another task of the industry is to develop infrastructure and expand production scale. Specifically, the industry will form five forestry zones with high technology applications to attract investment from wood processing enterprises and enterprises producing auxiliary materials. Vietnam plans to build an international furniture exhibition centre and encourage the development of research centres to design wood products.

www.fordaq.com , 20 September 2022

MIDDLE EAST

DESIGN & BUILD WEEK AND MIDDLE EAST MANUFACTURING & TECHNOLOGY EXPO

Abu Dhabi, UAE: As part of the UAE Industrial Strategy, the country is set to transform its industrial sector into a global manufacturing hub. The 'Operation 300 Billion' strategy announced last year aims to develop the UAE's industrial sector and enhance its role in stimulating the national economy. The national In-Country Value (ICV) initiatives such as 'Operation 300 Billion', 'Make it in the Emirates' and 'Made in Abu Dhabi' strategies aim to further boost the private sector's participation in the country's economic development, localise critical partsof the production supply chain and provide motive to drive manufacturing and industrialisation forward.

The upcoming Middle East Design & Build Week (MEDBW) and Middle East Manufacturing & Technology Expo (MEMT) will witness the manufacturing,technology and construction industries showcasing products, services, and solutions from 12 to 14 September at Abu Dhabi National Exhibition Centre (ADNEC), UAE. The exhibitions will be hosted with the support of Ministry of Industry and Advanced Technology (MoIAT), Abu Dhabi Department of Economic Development (ADDED) and jointly organised by Abu Dhabi Chamber of Commerce & Industry (ADCCI) and CONNECT.

A diverse mix of local and international exhibitors seeking to strengthen their foothold or gain a share of the growing market in the UAE will use the platform to demonstrate new technologies and innovative solutions, connect with partners and explore new opportunities. Some of the participating companies are Emirates Development Bank, Emirates Steel Arkan, Al Masaood LLC, Advanced Products of Sand LLC, Al Talah Board Manufacturing Ltd. LLC, Department for International Trade, Global Gypsum Co. L.L.C, Salalah, INECO INC., Marj Development LLC, Memaar Building Systems, Plan Radar Software Trading LLC, 3DTIV TECH, Al Mahbara Digital Audio Visual Systems Trading LLC, AVEVA Select Gulf, Solid World Middle East DMCC, Tech Assist FZE, Trane Technologies and Umm Al Quwain Free Trade Zone Authority.Emirates Development Bank (EDB), the Finance and Innovation Partner for both events, will showcase their offerings, focused on companies in the manufacturing, advanced technology, infrastructure, healthcare, and food security sectors.

INFOR, the Technology Partner, is a global leader in cloud software solutions serving over 7,000 industrial manufacturing customers in more than 100 countries. INFOR will share their valuable insights in their session "Evolving beyond Industry 4.0 – Leveraging AI, Digital Transformation and Emerging Technologies" in the Manufacturing Talks on 13 September.

In addition to the business development opportunities, the events will impart valuable insights into the current strategies and future trends of manufacturing, construction and design industries through panel discussions and free-to-attend workshops accredited by CPD. Eminent speakers from AESG, American University in Dubai, Abu Dhabi Department of Culture & Tourism, RIBA, Simone de gale Architects, Schueco Middle East, VOX, KEP Consultants, Emirates Steel, Abu Dhabi Department of Economic Development, Al Masaood LLC, Ministry of Industry & Advanced Technology, Emirates Development Bank, and many more renowned organisations will address a variety of topics highlighting innovations, trends and opportunities in the construction, design and manufacturing sectors.

In a note extending invitation to industry professionals to attend the events, His Excellency Mohamed Helal Al Mheiri, Director General, Abu Dhabi Chamber of Commerce & Industry said, "We invite you to join us at the Middle East Design & Build Week and Middle East Manufacturing & Technology Expo to witness a break-through transformation impacting your business growth. There's no better time than now to embrace the industrial and manufacturing revolution. Come, be part of the rapidly transforming economic landscape in the UAE!"

By single registration, attendees will be able to visit both the events and take advantage of wide range of opportunities to network, develop, learn, and discover latest solutions in the construction, design, industrialisation, manufacturing, and technology sectors.

www.zawya.com, 6 September 2022

THE MAKERS THAT MAKE

Customisation at the fore front of their cabinet making business. The Cabinet Maker is here to bid one's storage problems farewell. They're here to make your ideal cabinet, a dream come true.

True to its name, The Cabinet Maker is the expert you need for your storage woes. Specialising in kitchen and wardrobe cabinetry, the company has worked on variant types of cabinetry, such as, under stairs cabinets, headboard cabinets and the latest trendy cabinetry – solid wood cabinets. Established in 2017, the founders of The Cabinet Maker saw potential in the interior design and furniture industry and with new developments mushrooming across the peninsular, the company decided that they were able to put their expertise in cabinet making to good use. As a specialist in what they do with timber, it has always been the company's goal to provide spacious storage solutions to their customers.

Making waves in the market, what sets The Cabinet Maker aside from the big players in the industry is that they produce customised and personalised cabinets. Often, customers come to them for their tasteful designs and the personalised experience, when engaging with the company. With their expertise, they can customise all sorts of cabinets for their customer's needs, and additionally provide solutions to their storage woes with the beautiful designs that they come up with. All the work is done in-house as they have their own factory and designers, which allows them to ensure that the quality of products are of high standards and exceeds customers' expectations.

The Cabinet Maker has utilised the Internet and actively marketed themselves on their social media platforms, to garner customers and showcase their work to pique the interest of potential customers. Additionally, the Malaysian Timber Industry Board (MTIB) has helped gain further exposure in different markets of the home improvement industry through different mediums, which can help the company expand its wings beyond the online realm, to allow a wider reach. With the partnership with MTIB, companies like The Cabinet Maker have a shot against bigger commercialised companies as MTIB gives smaller players a space in the industry and opportunity to grow and create.

With the skills they have, The Cabinet Maker isn't resting on its laurels as they will continue to expand on cabinet making and further their wood working skills by venturing into loose items, such as, kitchen islands, bookshelves, and upholstery. As they continue to push forward, they will further dip their hands in other sectors within the home improvement industry to widen their expertise.

For more information, visit
www.thecabinetmaker.com.my

FAST FACTS |
Species: Balau & Nyatoh

This article was originally published in Archilab Vol.4/2020 page 178 - 179

THE APPOINTMENT OF PUAN ZURINA ABDUL LATIFF AS GENERAL MANAGER

On 19 September 2022, CWSB announced the key appointment of its new General Manager Puan Zurina Abdul Latiff. With her more than 30-year career in the telecommunication industry and extensive knowledge and experience of public relation, customer service & marketing, General Manager Puan Zurina is considered a great asset to CWSB.

CWSB has now been given a greater mandate to lead the Bumiputera empowerment programme to develop the competitiveness of the entrepreneurs especially during this era of modernization. The signing event of the MoUs between CWSB and seven stakeholders reflects the commitment of all parties in the development of the timber industry.

In addition to the allocation from the ministry, which amounts to RM10 million to boost the timber industry, the key performance indicator target for these seven MoUs is to achieve a RM50 million contract value from both local and international markets.

Commenting on her appointment as the new General Manager of CWSB, Puan Zurina stated that, “I am thrilled to be joining the team at CWSB and I look forward to working with the team to continue our efforts in improving local and Bumiputera entrepreneurs.”

“The company will continue to provide local and Bumiputera entrepreneurs to further enhance product quality and brand value into the future.” She added.

AUGUST 2022

Total export of Malaysian timber and timber products in August 2022 increased by 1% in value totaled RM2.1 billion from the previous month while the cumulative export for the period of January – August 2022 increased by 22% valued at RM17.4 billion over RM14.3 billion in the previous corresponding period. The report on " Timber & Wood Product Market Research Report by Timber Type, Application, Region - Global Forecast to 2027 - Cumulative Impact of COVID-19" by Reportlinker.com stated that global timber & wood product market size was estimated at USD591.34 billion in 2021 and expected to reach USD625.99 billion in 2022 and is projected to grow at a CAGR 6.11% to reach USD844.30 billion by 2027. The market is expected to grow to USD903.33 billion in 2026 at a compound annual growth rate (CAGR) of 7.2%. The report stated that due to the Russia-Ukraine conflict, negative impacts are significantly foreseen globally, especially across Eastern Europe, European Union, Eastern & Central Asia, and the United States. This contention has severely affected lives and livelihoods and represents far-reaching disruptions in trade dynamics. The potential effects of ongoing war and uncertainty in Eastern Europe are expected to have an adverse impact on the world economy, with especially long-term harsh effects on Russia.

SAWNTIMBER

Total export of sawntimber in August 2022 increased by 11% in volume and 9% in value to 104,436 m³ totaling RM233.0 million as compared to the previous month. Cumulative exports for the period of January-August 2022 increased by 6% in volume and 23% in value to 808,633 m³ totaling RM1.8 billion over the previous corresponding period.

Exports to the EU for the month recorded at 3,895 m³, an increase by 11% as compared to the previous month. The Netherlands as the main buyer increased its intake by 21% to 1,731 m³ from 1,431 m³ in the previous month. Import from Germany increase by 38% to 1,040 m³ and Belgium decreased by 1% to 458 m³ from 462 m³ recorded in the previous month. Meanwhile, in another Europe country, export to the UK decrease. by 30% to 857 m³ from 1,226 m³ in the previous month.

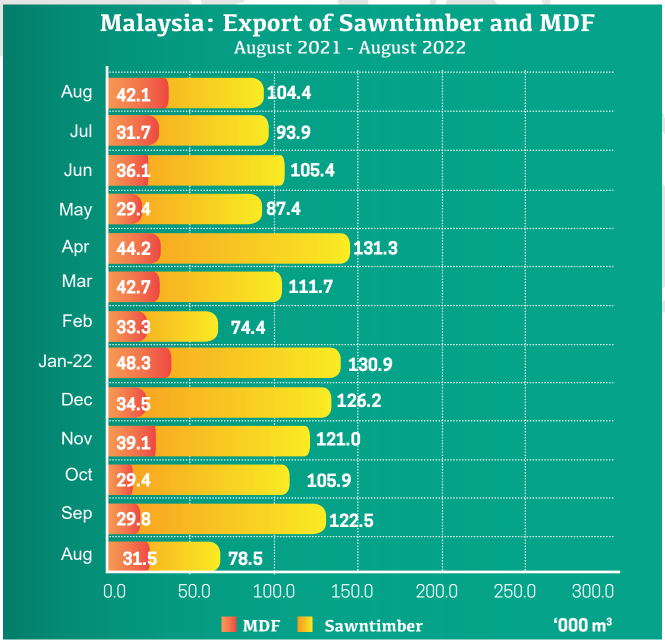
Total export to South Asia region increased by 49% to 16,240 m³ from 10,875 m³ recorded in the previous month. India as the main buyer from South Asia grew by 32% to 10,383 m³ followed with Maldives and Pakistan increased by 76% to 3,116 m³ and 98% to 2,195 m³ for the month.

Moving to West Asia region, total export to the region recorded an increased by 12% to 12,157 m³ from 10,884 m³ in the previous month. UAE as the largest buyer in the region showed an increase by 47% to 3,864 m³ and similarly with Iraq where export grew by 7% to 1,698 m³ for the month. Meanwhile, export to Oman decreased by 23% to 3,594 m³ from 4,650 m³ in the previous month.

Elsewhere, shipments to East Asia increased by 10% to 39,147 m³ from 35,679 m³ in July 2022. China as the main buyer increase purchases by 34% to 28,959 m³ from 21,661 m³ in the previous month. However, exports to Taiwan decreased by 20% to 4,765 m³ followed with Japan also decreased by 24% to 3,873 m³ respectively.

Meanwhile, buying from ASEAN decreased by 2% to 26,479 m³ from 27,079 m³ as registered in the previous month. Thailand as the main buyer in ASEAN increased its intake by 27% to 14,078 m³ from 11,093 m³ as recorded in the previous month. Meanwhile, exports of sawntimber to the Singapore and the Philippines fell by 15% to 5,516 m³ and 35% to 5,530 m³.

Moving to Africa region, exports to Africa improved by 30% to 2,252 m³ compared from 1,733 m³ in the previous month. Demand from South Africa increased by 68% to 1,929 m³ from 1,145 m³ recorded last month. Export to Mauritius decreased by 40% to 260 m³ whilst Egypt resumes it's buying amounting 38 m³.



Export to the North America increased by 21% to 2,336 m³ from 1,938 m³ in the previous month. The USA as a major buyer from North America increased its intake by 47% to 2,172 m³ whilst export to Canada decreased by 69% to 141 m³ from 457 m³ last month. In Oceania/Pacific region, export to Australia increased. by 15% to 1,020 m³ from 891 m³ in the previous month.

The average FOB price of sawntimber reduced by 3% to 2,231 per m³ from 2,288 per m³ in the previous month. Price of Dark Red Meranti to the Netherlands increased by 1% to 4,841 per m³ from 4,786 per m³ previously. Keruing was traded at 2,613 per m³, a decrease of 5% from 2,748 per m³ in the previous month.

Currently, Russia's war in Ukraine is shaking up the world, especially, European timber market. Under current conditions, industry experts expect further price increases for the valuable raw material. In addition, there are several export opportunities for Ukrainian wood exporters. The main importing countries of Russian and Belarusian timber such as Finland, Lithuania, Latvia, Poland, Germany, Belgium, the Netherlands, the UK and the US, these countries will need to find new suppliers and thus, it will provide Ukraine the opportunity to explore new markets. By the way, the dependency on wood supplies is higher as compared to furniture supplies.

PLYWOOD

Export for plywood in August 2022 recorded an increase by 13% in volume at 105,254 m³, however shows a decrease of 18% in value at RM234.4 million as compared to the previous month. Cumulative exports for the period of August 2022 decreased by 10% in volume but increased 20% in value to 895,638 m³ totaling RM2.4 billion over the previous corresponding period.

West Asia region has steeply recorded a jump by 616% from 1,905 m³ to 13,632 m³ in the previous month. Yemen has dramatically resumed its buying to 13,536 m³ while Oman and UAE show a decrease by 88% and 96% to 80 m³ and 9 m³ each. Plywood export to ASEAN region has grown by 19% to 3,659 m³ from 3,074 m³ in July 2022. Singapore, Thailand and the Philippines increased their import by 11%, 34% and 45% to 1,922 m³, 1,031 m³ and 356 m³ respectively.

The plywood purchases in Oceania/Pacific increased by 45% to 1,939 m³ from 1,334 m³. Australia recorded a jump by 46% to 1,918 m³ from 1,313 m³ in previous month. French Polynesia has resumed its buying at 21 m³. North America regions have significantly picked up the import of plywood by 218% to 32,869 m³ from 10,351 m³. USA as the main buyer has soar the purchase by 236% to 32,338 m³, followed by Mexico with an increase of 33% to 444 m³. Canada however declined the import by 77% to 87 m³.

Meanwhile in Africa regions, the plywood import recorded a decrease by 90% to 21 m³. South Africa dropped its purchase by 83% to 21 m³.

The EU union region recorded a decrease for plywood export by 81% from 297 m³ to 57 m³. UK has declined the import by 96% to 226 m³. The Netherlands, Italy and Turkey have resumed their buying of plywood at 42 m³, 15 m³ and 50 m³ each.

Moving to East Asia market, the export dropped by 24% to 51,789 m³ from 68,379 m³ in the previous month. Japan as the biggest buyer has decreased the import performance by 26% to 44,681 m³. This is followed by Republic of Korea with fall of 23% to 2,696 m³. However, Taiwan recorded a rise of plywood purchase by 10% to 3,687 m³. In South Asia, the export of plywood also dropped by 43% from 1,771 m³ to 1,010 m³. India and Maldives plummeted their buying by 51% and 22% to 786 m³ and 124 m³ respectively. Pakistan has resumed its buying at 100 m³.

The FOB price of plywood for August 2022 is at RM2,227 per m³, a decrease of 28% from RM3,092 per m³ from the previous month.

Exports of plywood from Russia without the ability to ship to Europe in July to August 2022 collapsed twice compared to previous months. The plywood export-oriented industry has not shown such minimum values since 2010. Undoubtedly, plywood mills are currently not being able to replace the traditional and high-margin European market in such a short time, reduce capacity utilization, suspend production and shipment of products to the market that causing importer to shift to other countries especially South East Asia to fulfill the demand of plywood.

VENEER

Export of veneer for August 2022 increased in volume by 40% to 5,948 m³ and in value by 61% to RM12.8 million as compared to the previous month. The cumulative export for August 2022 however showed a decrease in volume by 22% to 28,809 m³ but slightly increased in value by 1% to RM60.2 million over the previous corresponding period.

In East Asia, the veneer purchase increased by 48% to 5,365 m³ from 3,636 m³ in the previous month. Republic of Korea and China added up their veneer buying by 160% and 122% to 3,695 m³ and 1,391 m³ each. However, Taiwan dropped the import by 91% from 1,586 m³ to 150 m³. For ASEAN region, the export decreased by 15% to 257 m³ from 301 m³. The Philippines decrease the purchase by 16% at 250 m³, but Singapore has increased the import by 133% to 7 m³. Meanwhile, South Asia region showed a decrease trend by 18% to 167 m³ from 205 m³. India and Bangladesh both have dropped their buying by 25% and 5% to 109 m³ and 58 m³ each.

Export to Australia increased by 182% to 62 m³ from 22 m³. Meanwhile Austria, Canada and USA have resumed their buying at 33 m³, 32 m³ and 31 m³ respectively.

The average FOB price for veneer increased by 15% from RM1,874 per m³ to RM2,158 per m³ as compared to previous month.

Japanese house builders prefer ready-to-install, light, color-matched floors with polyurethane finishes. The best opportunities for those interested in exporting to Japan lies with solid soft- wood and hardwood flooring and ready-to-install veneered softwood flooring that is widely commercialized in Malaysia. Meanwhile, in Northern Japan where residential areas are located and fire regulations are not practiced, it has been the best opportunity for market expansion in the wood window sector where it withstands strong heat and can prevent fire.

MEDIUM DENSITY FIBREBOARD (MDF)

Export of MDF in August 2022 recorded 33% increase in volume at 42,101 m³ and 28% in value at RM88.8 million compared to the previous month. The cumulative export for the period of August 2022 also showed an increase in both volume and value at 7% and 33% to 303,557 m³ with total of RM610.8 million as compared to the corresponding period in 2021.

Export to ASEAN has slightly decreased by 1% from 7,073 m³ to 7,148 m³ in the previous month. Indonesia and Viet Nam recorded an increase of 27% and 25% to 3,086 m³ and 738 m³ each. However, the Philippines fall down by 17% to 3,080 m³. Elsewhere, East Asia showed an increase too by 9% from 11,976 m³ to 13,013 m³ in the previous month. Export to Taiwan dropped by 64% to 379 m³. Japan and China showed an increase by 15% and 1775% to 12,401 m³ and 94 m³ respectively.

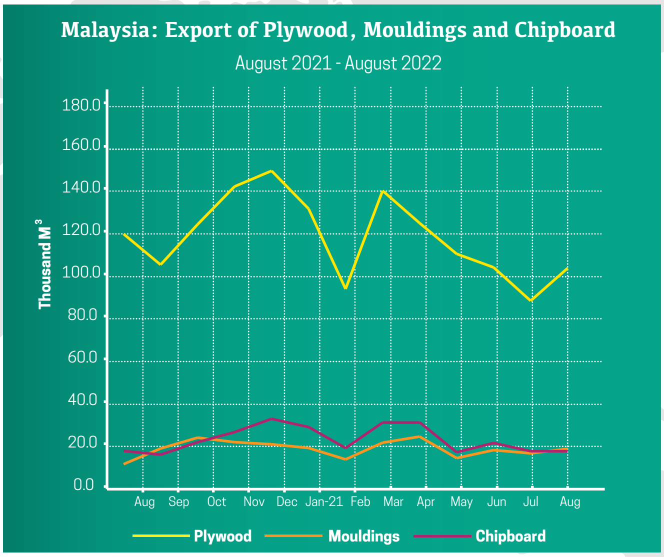
Moving to South Asia market, export has increased by 24% to 6,752 m³ from 5,447 m³. Export performance to India and Bangladesh declined by 14% and 45% to 3,247 m³ and 212 m³ respectively. However, shipping to Pakistan climbed up by 177% to 3,141 m³.

Meanwhile, export to the West Asia region reported a rapid growth by 2088% from 426 m³ to 9,322 m³ compared to previous month. UAE increased the purchase steeply by 1179% to 4,616 m³. Yemen and Iraq have resumed their MDF buying at 2,205 m³ and 2,094 m³ respectively.

Export to Oceania/ Pacific region plunged by 40% to 1,945 m³. Australia and New Zealand recorded a decrease by 38% and 5% to 1,867 m³ and 78 m³ each. Meanwhile, UK has resumed its buying at 43 m³. In North America region, the sale increased by 15% to 3,857 m³ from 3,342 m³. USA and Mexico increased their buying by 22% and 6% to 2,488 m³ and 931 m³ respectively. This is followed by Canada with an increase of 5% to 438 m³. South Africa has dropped the MDF purchase by 67% to 21 m³.

The FOB price of MDF decreased by 4% to RM2,110 per m³ from RM2,197 per m³ from the previous month.

The MDF market in Middle East is assessed to progress at a CAGR of 3.24% through the predicted years of 2019 – 2028, according to Triton Market Research. Several projects were initiated within the region in 2019, but some projects with the government concentrating further on expanding education, healthcare, infrastructural and industrial sectors scheduled to complete in 2020 have been delayed, owing to the COVID-19 outbreak. Nevertheless, the initiation of such projects holds a promising growth in the construction sector, influencing the demand for several building materials, including MDF.



MOULDINGS

Exports of mouldings for the month increased both by 12% in volume and value to 16,641 m³ worth at RM84.1 million. However, cumulative exports for the period of August 2022 increased by 13% in volume and 36% in value to 130,323 m³ worth at RM621.6 million as compared to the previous corresponding period in 2021.

Exports to the EU for the month recorded at 7,054 m³, increased 31% as compared to the previous month. Germany, the Netherlands and France increased their purchases by 78%, 25% and 14% to 1,120 m³, 4,144 m³ and 1,033 m³ respectively. Meanwhile, the UK recorded a decrease of 15% to 475 m³ compared to the previous month.

In Asia, exports to Viet Nam and Singapore increased their purchases by 83% and 11% to 491 m³ and 1,147 m³ respectively while Cambodia resumed its intakes by 45 m³ for the month. China also increased their intakes by 77% to 133 m³ while Japan and Korea decreased their purchases by 19% and 6% to 1.037 m³ and 812 m³. Meanwhile, Qatar, Maldives and India also increase their intakes by 261%, 721% and 13% to 68 m³, 337 m³ and 226 m³ respectively while Jordan resumed its purchases to 80 m³ for the month.

Meanwhile, in Oceania/Pacific region, export to Australia increased by 6% to 1,907 m³ however New Zealand decreased 48% to 19 m³ while Guam resumed its purchases to 57 m³ for the month.

Similarly, in America region, export to Canada and the US decreased by 60% and 17% to 30 m³ and 1,979 m³ respectively while Mexico increased its purchases by 0.3% to 91 m³ for the month.

Elsewhere, export to Africa region, South Africa increased its purchases by 18% to 180 m³ while Mauritius decreases its purchases by 24% to 330 m³ respectively.

Average FOB unit value for mouldings increased marginally to RM5,055 per m³ compared to RM5,063 per m³ in the previous month.

The size of the global construction industry market is anticipated to reach USD17.24 billion by 2029, with a CAGR of 7.3%. There are prospects in residential, non-residential, and infrastructure construction, which bodes well for the future of the global construction business. Due to increased urbanization and population growth, rising infrastructure costs and an increase in housing starts are the main factors driving this market's expansion. Moreover, increased infrastructure and housing spending by governments across the globe is invigorating the market growth.

BUILDERS JOINERY AND CARPENTRY (BJC)

Export of BJC for August 2022 recorded a decrease of 9% in volume and 8% in value to 12,127,207 kg worth RM118.5 million from last month. Total BJC cumulative exports for the same corresponding period last year increased 56% to RM945.3 million as compared to RM605.3 million last month.

Exports to the EU increased 48% to RM157.9 million compared RM106.8 million in the previous corresponding period. Export to Germany, Belgium and the Netherlands increased by 147%, 41% and 12% to RM21.7 million, RM41.9 million and RM19.4 million respectively. Meanwhile, export to Turkey and Norway also increased by 186% and 122% to RM1.8 million and RM29.5 million respectively. Export to the UK, however decreased by 0.2% to RM78.5 million from last year.

In Asia, exports to Singapore and Viet Nam recorded an increase of 110% and 33% to RM54.0 million and RM12.5 million respectively while Thailand decrease its intakes by 19% to RM8.4 million for the month. Exports to China, Japan and Taiwan increased by 91%, 32% and 17% to RM19.1 million, RM38.7 million and RM6.9 million respectively. Nevertheless, export to Maldives, India and Pakistan also increased by 94%, 58% and 34% to RM2.7 million, RM28.7 million and RM1.9 million respectively. Meanwhile, Qatar, the UAE and Kuwait decreased by 68%, 28% and 1% to RM340,939, RM965,530 and RM476,689 for the month.

Meanwhile, in Oceania/Pacific region, export to Australia, New Zealand and Papua New Guinea increased by 63%, 55% and 52% to RM166.2 million, RM17.2 million and RM497,837 respectively. However, in America region, the US, Uruguay and Canada also increase their intakes by 81%, 47% and 33% to RM280.6 million, RM865,472 and RM751,639 respectively. However, Mexico resumed its intake to RM10.9 million for the month.

Elsewhere, export to Africa region, Seychelles, Egypt and South Africa increased their intakes by 311%, 24% and 10% to RM5.6 million, RM781,719 and RM1.1 million respectively.

The revenue of the global construction industry is expected to grow steadily over the next years. In 2030, it is projected to be more than twice as big as it was in 2020. The size of the construction market amounted to USD6.4 trillion in 2020 and it is expected to reach USD14.4 trillion in 2030.

The demand for construction is increasing due to huge economic growth in developing countries and low interest rates in number of developed countries

Also, factors such as increasing private sectorinvestments in construction, technological development and rising disposable income are expected to propel the . growth of the market. On the other hand, rising demand for infrastructure development with the use of advanced technology, machines and equipment for construction in developed countries with the aim to reduce overall completion time of projects is expected to create ample growth opportunities for the market players in the coming years.

RM7.3 million respectively. Exports to India, Maldives and Pakistan also increased by 54%, 14% and 13% to RM30.8 million, RM3.1 million and RM2.1 million respectively. Meanwhile, Qatar, the UAE and Kuwait decreased buying by 68% 33% and 1% to RM³40,939, RM965,530 and RM476,689 for the month.

Meanwhile, in the Oceania and Pacific region, exports to New Zealand, Australia and Western Samoa increased by 79%, 70% and 20% to RM21.7 million, RM193.0 million and RM561,626 respectively. However, in the America region, Canada, the US and Uruguay also increased their intakes by 80%, 77% and 47% to RM1.0 million, RM³06.1 million and RM865,472 respectively. Mexico resumed its intake to RM12.1 million for the month.

Elsewhere, in Africa, Seychelles, Egypt and South Africa increased their intakes by 311%, 27% and 19% to RM1.1 million, RM1.1 million and RM6.4 million respectively.

The global construction market is expected to register growth in several developed countries along with massive economic growth in emerging countries. The major drivers for the growth of this market are increasing housing starts and rising infrastructure due to increasing urbanization and growing population. The surging investments by the private sector in construction, coupled with technological development and increasing disposable income, are likely to enhance the market growth of construction over the coming years.

FURNITURE

Exports of wooden furniture for the month of September 2022 dropped by 5% to RM875.3 million. However, rattan furniture exports increased by 7% to RM7.8 million respectively from the previous month, August 2022. Exports of wooden furniture for the cumulative period of January to September 2022 recorded an export value worth RM8.7 billion, an increase of 21% from its corresponding period in 2021. Meanwhile, demand for rattan furniture increased by 42% year-on-year to RM74.7 million from RM52.6 million over its corresponding period in 2021.

Exports of wooden furniture to ASEAN expanded by 78% worth RM808.3 million from RM453.9 million in its corresponding period 2021. Singapore recorded as the highest buyer with RM430.4 million, an increase of 55%. This was followed by the Philippines where exports rose significantly by 160% to RM181.0 million and Indonesia with an increase of 80% to RM69.6 million.

Moving to the East Asia region, exports rose by 23% to RM628.2 million. Japan remained the highest buyer with an export value of RM451.0 million, an increase of 27%. This was followed by Taiwan with intake increased by 78% to RM73.1 million. However, exports to China reduced by 16% to RM44.8 million over its corresponding period in 2021.

Exports to West Asia rose by 21% to RM³20.7 million from RM264.4 million in its corresponding period in 2021. Exports to the UAE, the largest buyer in the region, increased by 46% to RM140.5 million. Similarly, exports to Saudi Arabia and Kuwait both increased by 7% to RM112.6 million and RM28.5 million respectively for the month.

Meanwhile, South Asian region recorded an increase of wooden furniture intake by 62% to RM173.6 million for the month. Amongst South Asian countries, India recorded the highest intake with an export value worth RM164.3 million, an increase of 63%. Similarly, exports to Maldives and Bangladesh improved by 37% to RM6.9 million and 155% to RM1.7 million respectively.

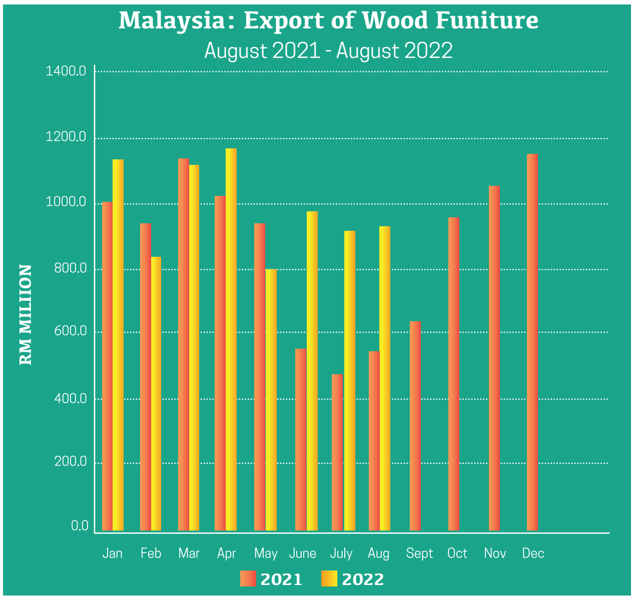
Exports to the Central Asia region dropped by 36% to RM3.2 million with exports to Kazakhstan reduced by 35% worth RM2.9 million. Meanwhile, Armenia and Azerbaijan resumed its intake at RM176,445 and RM103,012 respectively for the mentioned period.

Exports to the European Union (EU27) recorded an increase of 22% to RM300.1 million from RM245.3 million over its corresponding period in 2021. Germany as the highest buyer in the bloc recorded an increase in buying by 57% to RM50.9 million, followed by France with an increase of 8% to RM35.0 million. Similarly, Denmark recorded an increase of export by 102% to RM31.8 million.

As for Europe-other countries, exports grew by 6% to RM317.0 million. Exports to the United Kingdom and Turkey both increased by 9% to RM297.3 million and by 42% to RM5.4 million respectively. Similarly, exports to Georgia rose by 15% to RM4.5 million from RM3.9 million over the same corresponding period in 2021.

Exports to Oceania and Pacific rose by 50% to RM441.6 million from RM295.1 million over its corresponding period in 2021. Australia remained the top buyer in the archipelago region with an export value worth RM385.6 million, an increase of 50%. Exports to New Zealand also rose by 21% to RM33.1 million. Similarly, exports to Papua New Guinea recorded an increase of 126% to RM8.2 million from RM3.6 million over the same period in 2021.

Moving to the Central America region, exports of wooden furniture reduced by 6% to RM22.8 million over its corresponding period in 2021. Despite the reduced intake in the region, exports to Panama and



2022 also recorded an increase by 40% to RM66.9 million from RM47.7 million in the corresponding period 2021.

Export to ASEAN member countries recorded at RM3.3 million, an increase by 54% for the cumulative period January - August 2022. The highest buyer is the Philippines with recorded sales of RM1.6 million, an increase by 134%. Similarly, exports to Singapore and Thailand rose by 1% to RM715,508 and by 54% to RM637,916, respectively.

Likewise, East Asian region also increased its shipments by 47% to RM7.5 million. China as the largest buyer in the region increased its intake by 30% to RM4.7 million. Likewise, Japan and Mongolia also increased their buying by 122% to RM1.4 million and by 104% to RM778,990 respectively.

India as the largest buyer amongst South Asian countries recorded a decrease in intake by 14% to RM3.0 million from RM3.5 million in the corresponding period 2021. Bangladesh resumed its intake to RM16,447 for the cumulative period January to August 2022.

Export to West Asian region reduced by 31% to RM419,661 from RM609,707 over its corresponding period 2021. The largest buying nation of rattan furniture in the West Asian countries, UAE reduced its intake by 20% to RM268,886. Similarly, export to Saudi Arabia also decreased by 54% to RM57,313. However, export to Jordan increased by 56% to RM93,462 from RM60,048 in its corresponding period 2021.

Meanwhile, export to European Union recorded an increase by 72% to RM8.8 million with Ireland being the largest buyer amongst EU27 countries. Export to Ireland rose by 33% to RM2.1 million. Similarly, export to Sweden boomed by 136% to RM1.5 million from RM655,392 over its corresponding period 2021. Similarly, demand from France also increased by 272% to RM1.4 million. Moving to Europe-Others countries, demand from the group grew by 4% to RM6.3 million with intake from United Kingdom increased by 12% to RM4.5 million. However, exports to Russia and Ukraine dropped by 14% to RM1.4 million and by 66% to RM122,916 respectively.

Shipment to Oceania/Pacific archipelago region increased by 82% to RM6.8 million from RM3.7 million over the same period 2021. Australia recorded an increase by 106% to RM6.1 million and likewise, export to Western Samoa increased by 42% to RM76,606. However, export to New Zealand declined by 11% to RM560,509.

Export to North American region increased by 40% to RM28.3 million from RM20.2 million over the same period 2021. USA being the largest buyer for rattan furniture recorded an increase by 37% to RM25.1 million, followed by Canada 54% to RM2.1 million and Dominican Republic 281% to RM787,826. Amongst South American countries, export to Chile increased by 75% to RM306,011. Similarly, Uruguay also increased its buying by 553% to RM35,213 and Argentina resumed its intake by RM167,482 for the cumulative period January to August 2022.

Intake of rattan furniture by African region increased by 113% to RM2.0 million where the largest buyer, Algeria increased its buying by 237% to RM1.4 million. South Africa also increased its intake by 53% to RM255,940 while Tanzania resumed its buying to RM143,741.

As per The Business Research Company's "Home Office Furniture Global Market Report 2022", the home office furniture market is expected to grow from USD58.74 billion in 2020 to USD64.08 billion in 2021 at a compound annual growth rate (CAGR) of 9.09%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic and has led to economic sanctions on multiple countries, surge in commodity prices, and supply chain disruptions, effecting many markets across the globe. The home office furniture market is expected to reach USD81.45 billion in 2025 at a CAGR of 6.18%. The recent outbreak of the COVID-19 pandemic has led to a surge in demand for home office furniture with an increase in employees working from home. Meanwhile, the "Global Hotel Furniture Market Research Report 2022" by Market Growth Reports stated that the global hotel furniture market size is estimated to be worth USD4,345.9 million in 2021 and is forecast to a readjusted size of USD5,621.4 million by 2028 with a CAGR of 3.7% during the forecast period 2022-2028. The technical barriers of hotel furniture are relatively low, and the hotel furniture market concentration degree is dispersed. North America is the largest market, with a sales market share of over 35%. Following North America, Europe is the second place with a sales market share of over 25%.

COURSE ON THE POTENTIAL OF PLANTATION AND BAMBOO BASED PRODUCTS

MALAYSIA is recognised as a major exporter of timber and timber-related products, but not many may be aware of its bamboo-based products, which is currently showing a strong export potential. Bamboo is in fact an alternative and sustainable source raw material as it matures quickly within three to four years and can live up to 100 years.

Aware of its potential and to further develop the bamboo industry in Malaysia, MTIB organised a two-day programme entitled Potential of Plantation and Bamboo Based Products Course on 19 to 20 September 2022 in Negeri Sembilan in collaboration with Nation of Women (NOW) Negeri Sembilan and Pertubuhan Pembangunan Insan Berwawasan (INSAN). The main objective of the programme was to share knowledge and updates on the potential of bamboo plantations and products. This programme was implemented in accordance with the project scope of MTIB's Bamboo Community Farming Development Programme that had been approved under the Twelfth Malaysia Plan.

The participants with secretariat from MTIB, NOW Negeri Sembilan and INSAN

The course was conducted at Royale Chulan Hotel, Seremban and the bamboo plantation practical was carry out in Kampung Kundur Hulu in Rembau. The first session was delivered by Dato' Lai Yeng Fock, founder of Tadom Hill Resorts on the importance and the benefits of bamboo biochar. Bamboo biochar which is produced through the process of pyrolysis or gasification (the process of thermochemical decomposition of biomass). Bamboo biochar has a big potential to act as incentive for the organic farming industry, sustainable agriculture and green technology as it greatly benefits the environment.

During the second session the participants were introduced to retort technology in food processing and packaging. The talk was given by Dato' Shahrul Nizam Yunos and Dr. Harun Sarip from Bumiputera Berjaya. Retort technology enhances the quality of local bamboo shoots which adds value and makes the product for

Theory session at Royale Chulan Hotel Seremban marketable. The use of the does not only create sustainable products for the local market but also create potential for export.

The first day ended with the Introduction of Bamboo by Encik Amir Saaiffudin Kassim from Forest Research Institute Malaysia (FRIM). He has 20 years of experience in the bamboo industry. He presented on the main species of bamboo in Malaysia, techniques in identifying bamboo species and other technical aspect.

Practical session at bamboo plantation at Kampung Kundur Hulu

The following day, Encik Amir continued with a practical session in a bamboo plantation in Rembau. The bamboo plantation which is under the responsibility of Koperasi Kariah Masjid Kundur Hulu Rembau Berhad has a 10-year agreement with the National Zoo to supply Buluh Betung (Dendrocalamus asper) as food for the pandas. He educated the participants on breeding techniques and maintaining and harvesting the bamboo. He also recommended the best practices on fertilisation. Through this session, the participants were then taught ways to identify different bamboo species which are suitable for plantation, based on the type of soil. They also learn how to plan the production for the bamboo end products.

Due to the positive feedback and cooperation given by the participants, MTIB plans to organise more comprehensive bamboo-related courses with the cooperation from relevant agencies and the industry, in the hopes of taking the local bamboo industry to greater heights.

Production of bamboo biochar using furnace

The sample of bamboo biochar

CHINA

Lines Seize Golden Week Opportunity for Blank Sailings Beach

Container capacities on the main trade routes out of China are set to plummet in the weeks following Golden Week as lines blank sailings to maintain rates. China's Golden Week of public holidays runs 1-7 October and comes at an odd time for the container sector, as congestion-induced overheating cools off in the market and this year's peak season falls flat.

Alan Murphy, CEO, Sea-Intelligence noted in a recent update that container lines have spent much of the past two years struggling to meet demand, blanking sailings as vessels were unable to keep schedules due to delays at congested ports. Lines now find themselves using blank sailings to cut vessel supply to maintain freight rates.

"In the past few months… demand growth has stalled, vessels are not fully utilised, and freight rates have been dropping consistently and considerably. This is where the carriers would naturally resort to tactical blank sailings, to stem the bleeding in freight rates," said Murphy, and Golden Week presents an opportunity. to blank more sailings without angering cargo interests.

Sea-Intelligence data puts Transpacific capacity reduction at 22%-28% in the weeks after Golden Week, higher than the 15%-17% reductions seen in pre-pandemic 2019 and 9%-11% in 2014-2018. "We see higher numbers on Asia-North Europe as well, with the peak capacity reduction following Golden Week at a little under 20%, which, while in line with 2019, is higher than the 2014-2018 average," said Murphy.

Xeneta's weekly container analysis also looked at blank sailings, specifically on the Far East to US West Coast. "Despite this being the traditional peak season of the year when blank sailings usually fall as volumes rise, the past few weeks have seen the highest levels of blanked capacity since January and early February as this year's peak season has failed to materialise," said Xeneta.

The increase in blanked sailings is a response to falling spot rates, down 46.3% over the past 12 weeks, said Xeneta. Carriers blanked some 1.5m teu of capacity over the same period. Xeneta pegged capacity on the trade over the past four weeks at 13% lower than the same period in 2021, and 5.4% or 600,000 teu lower for the year to date compared with last year.

"Compared to this significant drop in capacity, the fall in demand has been more pronounced. Over the first seven months of the year, the number of containers from the Far East to the US West Coast has fallen by just under 700,000 teu (Source: CTS)," said Xeneta.

One upside to fewer ships calling the US West Cost is an increase in reliability. One in four ships are now arriving on time on the West Coast now, compared to one in six at the same point last year.

__Source:__ seatrade-maritime.com, September 22, 2022

NEW YORK

New York is Now the Nation's Busiest Port in a Historic Tipping Point for US-Bound Trade

Historic import and export container processing in the month of August pushed the Port of New York and New Jersey to the No. 1 spot, outpacing both the ports of Los Angeles and Long Beach.

This comes as the flow of trade continues to move away from the West Coast with logistics managers worried about a labour strike or lockout. The Port of Los Angeles ranked third in the nation in August, moving 805,314 total containers. That was 37,877 less than the Port of New York and New Jersey, which moved 843,191. The Port of Long Beach came in second, moving 806,940 export and import containers.

"We are exceeding pre-Covid numbers. It is astonishing, and it is a credit to the men and women who are moving the cargo with such efficiency," said Kevin O'Toole, chairman of the Port Authority. "Our planning with rail to complement the actual infrastructure and the dredging are allowing this added capacity that would not have happened four or five years ago."

This August was the busiest August in the history of the Port of New York and New Jersey and the fourth busiest month ever. The port's five busiest months have all occurred in 2022. The CNBC Supply Chain Heat Map for the U.S. shows how the continued increase in trade has East Coast ports and Gulf port as the winners in this movement of freight. Logistics companies and warehouses that serve these ports are also reaping the benefits of the additional containers. CSX and Norfolk Southern rails have moved the import and export containers on the East Coast. BNSF, owned by Berkshire Hathaway and Union Pacific moved the containers in and out of the Port of Houston.

The increase in container processing is adding to the wait off the East Coast and Gulf ports. The congestion adds to delays in arrival times for manufacturers needing components to complete their products or to place finished products on store shelves to be sold.

During the week of September 19, MarineTraffic has monitored 28 container ships waiting off of the Port of Savannah with an average wait of 9.9 days. For the Port of New York and New Jersey, 12 container vessels are waiting for an average of 9 days. The Port of Houston has 25 containerships anchored, waiting on average eight days.

"While volumes are up, the congestion at the East Coast ports may be at an inflection point after months of record-breaking import levels," said Josh Brazil, vice president of supply chain insights for Project44.

Project44 data shows that the number of vessels queued at the Port of Savannah has dropped from over 30 last month to only 16 today. New York congestion is also slightly down. However, Houston is still backed up with 20 vessels, roughly the same number as last month. "During Q4 the backlogs at ports might continue to ease by a drop in vessel numbers resulting from consumer demand slowing down," Brazil said.

Maritime prices falling

The flow of trade away from the West Coast has decreased the demand for vessel space, leading Far East to West Coast maritime freight prices to fall. "When taking out the inflation in retail sales, U.S. retail sales were flat from last month so demand has not fallen sharply," said Peter Sand, chief shipping analyst for Xeneta. "Shippers are still bringing in a lot of containers, on the East Coast and West Coast and Gulf Coast as well."

Xeneta has tracked a new record divergence between spot rates from the Far East to the coasts. "That is a sign of congestion all but cleared on the West Coast, with volumes coming in being manageable for ports and terminals," Sand said. That has caused rates to fall faster on the transpacific route than for East Coast-bound cargo.

Logistics prices are one of the key inflationary triggers the Federal Reserve has no control over. "Congestion on the US East Coast is keeping rates elevated, in a combination with added disruption to that coast coming from troubles in North Europe," he added, referring to recent labour strikes by port workers in the U.K. that have stressed Europe's port network. Shippers are still hesitant to return re-routed cargo to the U.S. West coast, Sand said.

Source: *hellenicshippingnews.com, September 26, 2022*

Change in the Air for Long-term Container Rates

Analytics firm Xeneta said long-term rates were up 4.1% on-month in August, leaving them 121.2% up on-year. Xeneta's data suggests new contract rates are starting to drop on some trade corridors, but are still much higher than the previous contracts they are replacing.

"There's no doubt the major carriers have had it their way in negotiations for some time," said Patrik Berglund, Xeneta CEO. "The spectacular results they saw in 2021 will no doubt be repeated, and even bettered, this year, as seen by the huge profits that defined many Q2 financial reports. But there is a sense that change is in the air."

Beglund pointed out negative indicators in the market, including falling volumes, lower spot rates, COVID disruption in China, macroeconomic concerns and industrial action by port workers in the UK, US and Germany.

"It's an unpleasant cocktail for the industry to swallow," said Berglund. "In addition, you also have problems seemingly exacerbated by climate change, with low water levels impacting both power and factory production, as well as hinterland logistics chains. How will this challenge the longer-term outlook for carriers that have begun to look 'bulletproof'? The data will reveal all, so, to get the best value in negotiations, stay tuned."

While the outlook for the sector may be cloudy,Xeneta said that this will have little impact on 2022 financial results, forecasting another bumper year of profits. Further ahead, HSBC predicted an 80% drop in container line profits come 2023/24.

Exports led growth in Europe, up 7.3% in July and supported by a 2% increase in imports. A 2.7% increase in Asia exports in August brought growth this year to 90%, while imports rose 4.3% in August for a 40% increase in 2022.

Berglund added further weight to the theory that rerouting cargoes in the US has simply moved port congestion from one coast to the other.

"Carriers and shippers looking to avoid West Coast port congestion moved East and, lo and behold, the congestion issues shifted coasts too. We now have a situation where schedule reliability is improving in the West, while container rates fall, whereas the opposite is true of the East. However, do stakeholders want to risk moving back West, especially when unresolved union talks may threaten any perceived benefits? It'll be another case of watch this space," he said.

Source: *seatrade-maritime.com, September 01, 2022*

EUROPEAN

Maritime Industry Unites to Call for Earmarking of ETS Revenues

European shipowners, ports, the cruise sector, shipyards and equipment manufacturers, fuel suppliers, shippers, forwarders and port operators have joined forces and called on the Member States and the European Parliament to earmark the revenues generated from the inclusion of the shipping sector in the EU ETS for the maritime sector.

Earmarked revenues should aim to lower the price gap with clean fuels, to finance R&D and innovation and the scale-up and deployment of clean energy and technologies on board and on shore. Investments in port infrastructure, connection to the grid, energy storage and deployment of renewables should be also supported. Finally, support to training, upskilling and reskilling of maritime workers is key to meet the EU climate targets.

"The maritime industry speaks with one voice today and calls on the Member States and the Council to earmark the ETS revenues and to support the energy transition- of the maritime sector. 80% of the current ETS revenues are already used for the energy transition of the ETS sectors. The Council and the Parliament have already earmarked the revenues for aviation under the current ETS revision. The maritime industry needs to be put on an equal footing, taking into account that our sector is one of the most difficult to decarbonise" says Sotiris Raptis, ECSA's Secretary General.

"The greening of the shipping sector implies huge investments for both on-board vessels and in ports, whilst the return on investment is low and uncertain for port managing bodies. The creation of a dedicated fund which supports the deployment of infrastructure for low- and zero-carbon fuels both on-board the vessel and at shore is therefore crucial to reach the aims the EU ETS is designed for" says Isabelle Ryckbost, Secretary General of ESPO.

"The cruise sector is making huge investments in new technologies to lower its carbon footprint. A dedicated fund from ETS revenues will accelerate industry efforts to deploy sustainable marine fuels as well as support the introduction of the necessary portside infrastructure. It is an important example of how public and private sector can help each other to achieve a zero-carbon future and we call on the European Institutions to lend its support to the fund creation" says Marie-Caroline Laurent, Director General, Europe, CLIA.

Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, August 2022

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m3)	% Change Jul/ Aug'22
	m3	% Change	m3	% Change	m3	% Change	m3	% Change	m3	% Change		
Sawntimber	41,377	3	9,204	575	857	11	480	51	2,616	21	54,534	22
MDF	9,270	-17	547	240	2,515	37	1,525	-34	930	-14	14,787	-11
Mouldings	10,242	6	49	29	1,462	-12	1,049	14	654	2	13,456	4
Plywood	4,416	232	0	0	322	4,284	256	0	2,366	-36	7,361	39
Veneer	799	232	0	0	29	100	11	-81	2,483	283	3,321	249
Particleboard	11,203	1	0	0	143	372	19	-100	4,919	147	16,284	24
TOTAL	**77,307**	**5**	**9,799**	**527**	**5,328**	**24**	**3,340**	**-14**	**13,968**	**37**	**109,743**	**17**

Note : Indicates percent change over the previous month

Source : MTIB

“Europe’s maritime technology industry develops the most advanced vessels and technologies in the market. The earmarking of EU ETS revenues will be of pivotal importance, accelerating innovation and scaling up the application of more sustainable fuels and technologies, also enhancing Europe’s leading role. Europe’s maritime technology industry is ready to play its part” says Christophe Tytgat, Secretary General of SEA Europe.

“CLECAT supports market-based measures such as ETS which would contribute to lowering the price differential between cleaner and conventional fuels, while respecting the “polluter-pays” principle. A fair share of the revenues generated by the auctioning of maritime ETS allowances should be ringfenced and reinvested into the sector via investments in cleaner technologies and R&D projects to accelerate the market uptake of greener and more sustainable solutions in maritime transport” adds Nicolette van der Jagt, Director General of CLECAT.

“Renewable and low carbon liquid fuels are key to decarbonise shipping. However it is common knowledge that the cost of these is higher than that of fossil fuels. Earmarking of ETS revenues to a specific maritime fund would strongly contribute to both bringing higher volumes of renewable fuels to the market and speed up the commercialisation of developing technologies” states Angel Alvarez Alberdi, Secretary General of EWABA.

“The Advanced Biofuels Coalition welcomes the continuously increased use of advanced biofuels in the maritime sector. Further measures are however needed to increase the availability of low- and zero-carbon fuels, such as advanced biofuels. Earmarking EU ETS funds to be used for innovation in the maritime sector would send a strong signal to the investor community” adds Marko Janhunen, Chair of the Advanced Biofuels Coalition LSB and Public Affairs Director at UPM.

“Maritime transport is the backbone of the European economy and invaluable for the Union’s internal and external trade. To enable sustainable trade, it is therefore all the more important to support the shift of this sector away from fossil fuels towards climate-neutral options such as eFuels through revenue from emissions trading. Such financial support through the EU ETS also enables a more ambitious FuelEU Maritime with sub-quotas for eFuels and provides investment security for eFuel suppliers” says Ralf Diemer, Managing Director of the eFuel Alliance.

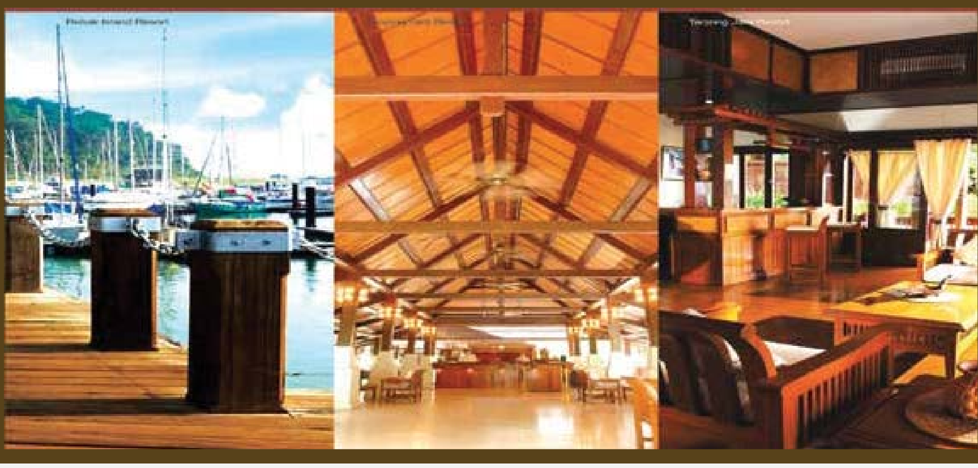
“The fund should support the decarbonisation of the sector, while maintaining its competitiveness vis-à-vis third countries with less ambitious climate policies in place. Investments in green port equipment and refuelling and recharging infrastructure could for instance help port stakeholders cope with the competitive pressure of non-EU neighbouring countries, which do not apply emissions trading to the maritime sector, while at the same time supporting the decarbonisation of the maritime and transport sectors at large” states Lamia Kerdjoudj, FEPORT Secretary General.

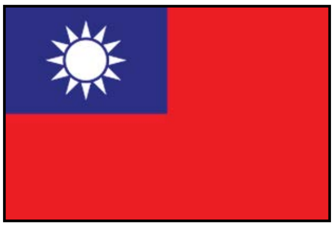
“Reducing of the carbon footprint of vessels and creating the preconditions to make maritime transport more sustainable is important for shippers. Earmarking ETS revenues to help the shipping sector decarbonise will enable international trade to continue” concludes Godfried Smit, Secretary General of ESC.

***Source:** hellenicshippingnews.com, September 30, 2022*

Multiple Uses, Variable Styles

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





TAIWAN

THE KING OF ASIAN FURNITURE

Overview

Taiwan, officially the Republic of China (ROC) is a country in East Asia. It is surrounded by the East China Sea, Philippines Sea and the Taiwan Strait. The capital city is Taipei, formed along with New Taipei City while Keelung is the largest metropolitan area of Taiwan. With an area of 36,188 km², Taiwan has a population of 23.2 million in 2022, making it one of the most densely populated large countries in the world after Bangladesh. The government system in Taiwan is a multiparty democracy which the chief of state is the president and the head of government is the premier. The ROC no longer represents China as a member of the United Nations (UN), after UN members voted in 1971 to recognize the People Republic of China (PRC) instead. Taiwan is claimed by the PRC, which refuses diplomatic relations with countries that recognize the ROC. Taiwan maintains official diplomatic relations with 13 out of 193 UN member states though many others maintain unofficial diplomatic ties through representative offices and institutions. International organizations in which PRC participates either refuse to grant membership to Taiwan or allow it to participate only on a non-state basis under various names.

Economy

Taiwan holds an important position in the global economy. According to the World Trade Organization (WTO), Taiwan was the 15th largest exporter and 18th largest importer of merchandise in 2020. The quick industrialization and rapid growth of Taiwan during the latter half of the 20th century has been called the "Taiwan Miracle". Unprecedented economic growth between the 1960s and 1990s gave Taiwan title of one of the "Four Asian Tigers" alongside Hong Kong, South Korea and Singapore. Today, Taiwan has a dynamic, capitalist, export-driven economy with gradually decreasing state involvement in investment and foreign trade.

In the first half of 2022, Taiwan's export amounted USD246.7 billion while imports totaled USD219.0 billion. This has made Taiwan a major trading nation with a healthy trade surplus. Electronic products particularly the semiconductor, a key component for machines is the major product exported from Taiwan. Interestingly, PRC which claims Taiwan as part of its own territory is the biggest trading partner of Taiwan with market share of 40% while imports from China are one-fifth of the total imports of Taiwan. ASEAN, Japan and the US are Taiwan's other major trading partners.

Forest Resources

The natural forest area in Taiwan measures 1,527,500 hectares, which represents 73% of the forestland across the country meanwhile artificial forests cover 20% of the forestland. The majority of the natural forests are of the broad-leaved type, constituting more than 60% of the natural forest area. The artificial forests are mainly the coniferous type, making up about 51% of the artificially forested area.

In the 1970s, the domestic timber production of Taiwan exceeded 1 million cubic metres. However, with the awareness of environmental protection increasing and the trend toward homeland security, Taiwan's forestry. policy goals have been transformed since 1991 to be aligned predominantly toward conserving forest resources.

Timber Production and Processing

In recent years, the annual domestic forest harvesting quantity is only about 40,000 to 60,000 cubic metres, while the total annual domestic demand for timber materials is about 4 to 6 million cubic metres, meaning that more than 99% of timber products are obtained through imports and the timber self-sufficiency rate is less than 1%.

Based on FAO statistics in 2020, the country produced around 287,337 cubic metres of major timber products. The top 3 timber productions in year 2020 were plywood (164,000 cubic metres), followed particleboard (43,000 cubic metres) and sawnwood (33,000 cubic metres). Details of Taiwanese timber production for 2016 – 2020 are as below.

Taiwan : Production of Timber Products, 2016 - 2020

Product / Year	2016	2017	2018	2019	2020
Plywood	164,000	164,000	164,000	164,000	164,000
Particleboard	43,000	43,000	43,000	43,000	43,000
Sawnwood	33,000	33,000	33,000	33,000	33,000
Veneer	30,000	30,000	30,000	30,000	30,000
Sawlogs and veneer logs	19,706	16,752	17,337	17,337	17,337
Total	**289,706**	**286,752**	**287,337**	**287,337**	**287,337**

Volume :m3 *Source: FAO Stats*

The Forestry Bureau released its fourth ever Forestry Navigation Report in 2016, stating that Taiwan's total forest coverage has increased to 60.9%, up from 58.5% in 1986. At present, the Forestry Bureau is embracing the guidelines of the standards of the Gemany-based Forest Stewardship Council (FSC), which bestows certification upon forests and timber supply chains which are managed according to its sustainability standards.

In order to boost the local timber industry, the Forestry Bureau is committed to brand building for better awareness of domestic timber and bamboo among consumers. This initiative can encourage the gradual rise of market demand, drive the growth of production and industry chain, and kick start a sustainable cycle of afforestation, utilization and reforestation of artificial forests.

The "Domestic Timber and Bamboo Certification Mark (the "Taiwan Wood" mark)" for processed forest products was then introduced. It gives domestic timber and bamboo an "ID", whereby the manufacturers acquired the Traceable Agricultural Product (TAP) validation, the Forest Products Certification by CAS (Certified Agriculture Standards) and the QR Code of Taiwan Forest Products Production Traceability System. This will become synonymous with domestic wood and bamboo products in the future. Consumers can purchase with peace of mind as long as they can recognize the "Taiwan Wood" mark. The use of domestic wood and bamboo is an act of "green consumption" that saves energy, reduces carbon emissions, protects the environment and mitigates global climate change.

Taiwan: Exports Of Timber and Timber Products

The woodworking industry is the most important part of Taiwan's export furniture market, including approximately two thousand companies. According to estimates, there are three to four hundred companies that are actively engaged in large-scale exporting with two types of large-scale woodworking factories. The first group includes major corporations who invest in and establish their own factories. Meanwhile, the second group is companies that have developed their own particular style of woodworking.

Taiwan's export of timber and timber products in 2021 increased by 12% to USD1.7 million as compared to the previous year. The main timber products exported were furniture with a total value of USD1.5 million. This was followed by plywood and BJC totalled at USD33,091 and USD18,070 respectively. Major export destinations for Taiwan are the USA, Japan, Germany, China and Mexico in 2021. Malaysia ranked at 22nd from a total of 167 export destination countries for timber and timber products.

Taiwan: Exports Of Timber & Timber Products to World, 2017-2021

Products	2017	2018	2019	2020	2021
Furniture	1,022,270	1,068,145	1,214,776	1,356,595	1,523,769
Plywood	13,731	36,681	35,126	29,848	33,091
Builders' Joinery and Carpentry	18,150	16,250	12,877	12,576	18,070
Veneer	10,425	10,041	10,679	9,138	12,549
Sawntimber	27,356	21,747	18,079	14,284	11,527
Fibreboard	3,914	4,568	4,904	5,111	5,962
Logs	20,624	9,042	3,983	2,662	4,406
Particleboard	25,741	8,857	4,225	3,128	3,123
Wooden frames	888	1,015	922	727	1,113
Mouldings	3,628	2,287	2,893	1,660	903
Others	55,194	54,878	55,504	50,144	54,251
Total	**1,201,921**	**1,233,511**	**1,363,968**	**1,485,873**	**1,668,764**

USD '000 *Source: ITC Stats, UN Comtrade*

Top 10 Exports Destinations for Taiwan, 2017-2021

Rank	Countries	2017	2018	2019	2020	2021
	World	**1,022,270**	**1,068,145**	**1,214,776**	**1,356,595**	**1,523,769**
1	United States of America	463,640	496,385	663,483	827,665	900,082
2	Japan	164,661	165,337	172,563	203,649	230,765
3	Germany	59,612	61,960	51,141	44,025	52,187
4	China	32,875	38,118	34,366	29,208	33,717
5	Mexico	4,798	5,151	5,380	5,634	29,551
6	Canada	29,233	28,525	31,012	30,357	29,095
7	Australia	24,552	24,110	24,822	27,089	27,234
8	United Kingdom	33,471	28,268	30,681	21,727	23,842
9	Netherlands	21,867	21,686	21,998	18,874	21,138
10	Italy	10,194	17,781	11,259	13,626	16,131
22	**Malaysia**	**4,039**	**4,213**	**3,223**	**3,922**	**5,582**

Malaysia ranked 22nd from 167 countries *Source: ITC Stats, UN Comtrade*

Taiwan's Imports of Timber and Timber Products

Taiwan is highly dependent on imports of solid wood material, just like Taiwan's energy demand. In the past ten years, from 2009 to 2018, it imported raw materials for solid wood products from 117 countries. Therefore, the diversity of raw material sources is a serious concern. Since both raw materials and energy rely highly on imports, the stability and risk of the raw material supply are paramount; hence the consideration of supply security and national security is also involved.

Taiwan's import of timber and timber products in 2021 increased 31% to USD1.5 million as compared to the previous year. The main timber products imported into Taiwan are sawntimber, furniture and veneer with import values of USD493,970, USD481,577 and USD94,245 respectively. Malaysia ranked 4th place as a major import resource for timber and timber products to Taiwan after China, Indonesia and Canada, followed by New Zealandat fifth place.

Taiwan : Imports of Timber & Timber Products From World, 2017-2021

Products	2017	2018	2019	2020	2021
Sawntimber	324,621	378,303	328,288	300,109	493,970
Furniture	296,691	316,464	377,257	407,204	481,577
Veneer	89,249	116,197	87,818	82,798	94,245
Logs	98,994	123,215	94,444	80,451	90,728
Mouldings	93,119	72,839	67,451	71,485	85,829
Fibreboard	48,373	49,999	44,221	50,046	68,846
Builders' Joinery and Carpentry	17,459	16,133	18,912	17,844	20,842
Wooden frames	2,441	2,357	2,958	2,284	3,146
Others	189,402	194,955	184,364	181,882	222,692
Total	**1,160,349**	**1,270,462**	**1,205,713**	**1,194,103**	**1,561,875**

USD '000 *Source: UN-Comtrade Statistics*

Top 10 Import Destinations for Taiwan Furniture & Parts, 2017-2021

Rank	Countries	2017	2018	2019	2020	2021
	World	**1,198,776**	**1,305,054**	**1,173,437**	**1,137,643**	**1,483,593**
1	China	200,073	249,980	219,011	218,184	318,753
2	Indonesia	182,820	163,551	177,486	184,264	171,810
3	Canada	95,982	119,767	74,985	65,210	161,105
4	**Malaysia**	**189,750**	**170,706**	**147,995**	**115,239**	**113,167**
5	New Zealand	48,429	58,359	45,384	40,885	71,907
6	Viet Nam	40,953	46,484	61,280	57,101	71,655
7	Thailand	36,342	39,288	29,801	36,555	69,384
8	Germany	27,068	29,659	42,419	47,110	57,180
9	Australia	85,829	72,849	62,975	50,883	56,649
10	Ukraine	2,861	18,420	13,873	14,832	45,200

Malaysia ranked 4th from 123 countries *Source: ITC Stats, UN Comtrade*

Malaysia's Exports of Timber and Timber Products to Taiwan

Malaysian and Taiwan have enjoyed positive trade and investment cooperation over the years. Taiwan was Malaysia's 5th largest trade partner while Malaysia was Taiwan's 7th largest trade partner according to statistics in 2021. Unfortunately, the export of timber and timber products to Taiwan plummeted by 16% to RM387.7 million from RM459.9 million in 2021.

Sawntimber was the main product exported with the amount of RM156.6 million, followed by plywood RM79.5 million and wooden furniture RM62.3 million. This downward trend is seen to be more significant every year since 2017 where the purchase of timber and timber products has decreased due to shift of demand to other countries.

Malaysia : Exports of Timber & Timber Products to Taiwan, 2017-2021

Products	2017	2018	2019	2020	2021
Sawntimber	144,405,824	156,857,285	149,264,748	135,329,061	156,616,439
Plywood	267,264,800	186,928,594	176,505,455	145,974,621	79,478,728
Wooden Furniture	60,912,268	63,532,285	66,922,135	64,426,210	62,258,455
Logs	97,188,113	93,079,706	64,363,868	52,370,200	37,994,273
Veneer	100,493,526	75,537,988	62,199,799	23,860,934	17,498,524
Fibreboard	9,259,009	13,389,517	12,714,170	11,987,600	11,280,883

Builders Joinery & Carpentry	16,052,278	9,927,516	11,357,280	11,605,480	9,967,581
Mouldings	2,657,961	2,074,998	2,780,135	1,403,236	995,114
Chipboard/ Particleboard	1,218,671	3,417,421	369,050	677,730	367,659
Other Products	19,596,399	15,796,939	12,423,690	12,263,951	11,273,408
Total	**719,048,849**	**620,542,249**	**558,900,330**	**459,899,023**	**387,731,064**

Value: RM *Source : MTIB/DOSM*

Malaysia's Imports of Timber and Timber Products From Taiwan

In 2021, imports of Malaysian timber and timber products from Taiwan showed slight increase of 1% to RM17.5 million from RM17.4 million in 2020. The main product imported from Taiwan was wooden furniture with a total value of RM12.2 billion, next was veneer at RM1.0 million and logs at RM829,367.

Malaysia: Imports of Timber & Timber Products From Taiwan, 2017-2021

Products	2017	2018	2019	2020	2021
Wooden Furniture	4,458,394	5,438,650	5,554,815	5,527,651	12,206,565
Veneer	1,436,310	1,929,083	3,758,723	5,851,363	1,044,701
Logs	1,115,259	0	608,666	921,193	829,367
Builders Joinery&Carpentry	141,019	46,056	105,245	26,692	186,616
Plywood	397,079	151,220	222,434	1,029,638	48,362
Chipboard/Particleboard	1,335,529	1,224,287	1,193,146	433,570	0
Fibreboard	147,684	79,806	229,148	68,756	0
Mouldings	641,812	74,918	0	9,142	0
Sawntimber	81,362	303,280	217,723	22,281	0
Other Products	9,488,317	4,567,308	4,924,616	3,554,817	3,213,815
Total	**19,242,765**	**13,814,608**	**16,814,516**	**17,445,103**	**17,529,426**

Value: RM *Source: MTIB/DOSM*

Import Tariffs

Taiwan's import duty on timber and timber products ranges from 0 – 12.5%. Import duty details are as follows:

Taiwan : Tariff Duty

HS Code	Product	MFN Duty Rates (%)
4403	Logs	0
4407	Sawntimber	0
4408	Veneer	0 - 8.5
4409	Mouldings	0
4410	Chipboard/Particleboard	0
4411	Fibreboard	0
4412	Plywood	0 - 12.5
4414	Wooden Frame	0
4418	Builders Joinery & Carpentry	0
9403	Wooden Furniture	0

Source: World Trade Organisation (WTO)

Prospects

Along with South Korea, Singapore and Hong Kong, Taiwan is one of the Four Asian Tigers. Between the 1960s and the 1990s, these areas saw fast industrialization and strong rates of economic growth. Later, they evolved into highly developed economies. Taiwan was the only Asian Tiger to record positive growth domestic

Prospects

product (GDP) growth in 2020, with a 3.1% increase, placing top in the Asia Pacific region. Taiwan now holds the 22nd place position globally in both nominal GDP and purchasing power parity (PPP).

Export of Taiwan woods dates to the 17th century during the period of Dutch control. The principal market was Europe. Nowadays, wood export items include furniture, bamboo, handicrafts, newsprint, paper, plywood, railway ties, cypress logs and rattan products. According to the Taiwan Furniture Manufacturer's Association (TFMA) over the past twenty years, at least 500 companies have shifted production to other countries. Moreover, it is estimated that roughly 1/3 of China, Viet Nam and the Philippines furniture exports result from Taiwan invesment.

Furniture has always been an essential component of the environment from Stone Age rock furniture to the space age's "modern rock" furniture. Almost every aspect of our everyday lives now includes furniture that has emerged from previous eras. With a 20% share of the global furniture export market, Taiwan has established itself as the "King of Asian Furniture". Most export furniture today is of a Western design. The export furniture industry has experienced exceptional growth over the previous nine years; even during the recent economic downturn, when other export businesses were having a hard time surviving, the furniture industry was still able to post modest growth improvements.

Two main factors for the sustainable export growth were to follow the current demand and decline of the plywood business. Firstly, because Americans as the biggest trading partner (over ½ of total furniture exports) were accustomed to Western-style furniture, local artisans created and produced furniture to suit their preference. The end result was an affordable, high-quality product that satisfies customers. The decline of the plywood sector was the second and more immediate factor in the growth of this industry. The scarcity of raw material led to the collapse of the plywood industry. Southeast Asia was the source of the import of these raw commodities. In order to save shipping costs, these supply countries decided to start their own plywood sector. Domestic labour was likewise inexpensive and plentiful. Taiwan had no chance of competing with the supplier countries, so it changed focus to making furniture in order to profit from the large surplus value and domestically available, high-quality labour force.

Therefore, looking at Taiwan's determination to increase export rates despite the unstable and deteriorating economic conditions, Malaysia should emulate Taiwan's efforts. Manufacturers need to identify the target market that will be profitable and meet their demand. Many young designers in Malaysia are highly capable in designing interesting designs to attract the interest of Taiwanese furniture buyers. Nowadays, minimalist and modern furniture designs are becoming trends to suits today's lifestyles that emphasize on sophistication but still maintain the aspect of sustainability in an effort to reduce the effects of global warming and climate change. With proper market research and marketing strategies, Malaysian furniture industry can boost the export rates by joining international furniture exhibitions to coordinate local displays and to help promote Malaysian furniture products overseas. Numerous foreign buyers will participate in these events, allowing domestic companies as excellent opportunity to make contacts and do business matching.

Despite the pandemic, Taiwan's housing market is thriving, with both demand and supply rising thanks to a strong economy and ultra-low rates. Taiwan's house prices increased for the twelfth straight quarter in Q3 2021, rising 6.95% from year earlier, slightly higher than the previous year's 6.73% gain. Meanwhile, housing transactions in Taiwan's six major cities increased by 7.3% to 213,994 units in the first ten months of 2021, compared to the same period last year. Sawntimber and plywood are the largest products exported to Taiwan and Malaysia is also the largest exporter of timber and timber products to Taiwan. Therefore, it is a very good opportunity to introduce and strengthen the Malaysian timber legalization system which is the Peninsular Malaysia Timber Legality Assurance System (MYTLAS) to the Taiwanese market. MYTLAS is the main legality verification system for Malaysia's timber products aimed at establishing Malaysia's image as a producer of timber products with a legal timber status, from sustainability managed sources. In addition, MYTLAS can expand access to the timber market and increase the growth of the timber industry.

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WOOD & LIFESTYLE FAIR WILAYAH TIMUR 2022

The Malaysian Timber Industry Board (MTIB) organised the Wood & Lifestyle Fair (WLF) Wilayah Timur 2022 at Mydin Mall Tunjong, Kota Bharu Kelantan on 22-26 September 2022.

The main objective of this programme was to introduce timber and timber products and services offered by SME entrepreneurs to domestic consumers while increasing market share for wood-related products and services. In addition, this programme also aimed to increase user awareness regarding aesthetic wood products in office and home decoration that have their own value compared to products from other materials.

The WLF Wilayah Timur 2022 was officiated by YBhg. Datuk Hishamuddin bin Abdul Karim, Chairman of MTIB. In his speech, he stated that export of timber and timber products for Jan -July 2022 was recorded at RM15.3 billion. Furniture products continued to be the main contributor to Malaysia's timber exports recording a value of RM6.9 billion for the period of Jan-July 2022. Despite facing global market challenges and rising logistics costs, wooden furniture exports are stable and exports were recorded at RM5.0 billion, the same as in 2021. Plywood exports increased by 26.9% to RM1.6 billion compared to RM1.2 billion for the same period in 2021. This situation shows that the timber industry continues to be competitive.

YBhg. Datuk Hishamuddin bin Abdul Karim, Chairman of MTIB delivering his speech

Opening Ceremony By YBhg. Datuk Hishamuddin bin Abdul Karim, Chairman of MTIB (third from left)

Bhg. Datuk Hishamuddin bin Abdul Karim at the exhibitor booth

Exhibitor booth

Wood carving demonstration

TVS demonstration

17 companies participated in this programme as exhibitors. 15 companies were from Kelantan and two from Terengganu. Various activities were carried out throughout the exhibition to attract visitors. Among the activities carried out were Timber Talk, Timber Verification Service (TVS) activities, a children's coloring competition, wood carving demonstrations and agarwood perfume demonstrations.

WLF 2022 aimed to assist in the development of SMEs and provide a platform for these furniture entrepreneurs to promote their products in the domestic market and pave the way for a subsequent foray into the international market.

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LOGS

According to the price report, timber prices in Peninsular Malaysia showed mixed conditions with Kelantan reporting an increase in line with the increasing price of raw materials, Pahang reporting a slight decrease in price and Terengganu reporting no significant change in price. This situation has an indirect impact on the average price condition of the 21 major species, which is used as a benchmark for the local market price. The average price of logs for September was also reported to be in a mixed situation, with 47% or 10 species reporting an increase in prices ranging from 1% to 19%, 4 species reporting price decreases ranging from 1% to 17%, and 7 species reporting no price change compared to the previous month.

Merbau under the heavy hardwood group, all five species under the Medium Hardwood Group (Keruing, Kempas, Kapur, Mengkulang, and Tualang), and four species under the Light Hardwood Group (Dark Red Meranti, Red Meranti, Sepetir and Jelutong) experienced average price increases this month. Mengkulang and Sepetir were the two species that experienced the greatest price increases with 13% and 19% increases respectively and were traded at RM1825 and RM1440 per tonne. Among the four species that saw a price drop, Red Balau (Membatu) showed the most significant average price drop of 17% when sold at RM2740 per tonne versus RM3300 per tonne the previous month.

Based on this scenario, the industry's demand for timber supply in August 2022 was seen as encouraging, with nearly 50% of the 21 listed species experiencing price increases. However, most companies reported that the average price of logs remained stable with the percentage increase remaining small for most of the species involved.

SAWNTIMBER

The average price of sawntimber in the three main production categories, namely General Market Specification (GMS), STRIPS and Scantling was also similar to the average price of logs in August 2022. In these three production categories, 22% of species had price increases, 24% had price decreases, and the remaining 54% had no price change.

Only the Keruing and Mengkulang species recorded the most noticeable rates of decline of around 6% and 3.5% of price changes, traded from RM2189 to RM2059 and RM1469 to RM1419 per m^3 respectively, while the Jelutong species increased by nearly 4% and was marketed at RM1907 per m3 in the current month.

In the STRIPS production category, two species, Mix Heavy Hardwood and Red Meranti, saw significant price increases of 8% and 28%, trading at RM1095 and RM2069 per m^3 respectively. The Mengkulang and Balau species on the other hand, saw an average price decline of 6.2% and 10.5% respectively, and were traded at RM1536 and RM2175 per m^3 in the current month.

The Red Meranti and Kempas species were reported to have experienced the greatest price increases of more than 10% to around 12% and 14% respectively, and were traded at RM2299 and RM2779 per m^3 compared to RM1617 and 2260 per m3 the previous month. Increases of 5%-7% were also recorded in this production category for Balau and Mix Light Hardwood species, which were traded at RM3411 and RM1130 per m^3 respectively.

PLYWOOD

For three consecutive months, the average price of plywood for the four main sizes traded in August 2022 reportedly showed no change and remained at the previous month's prices. Plywood with thicknesses of 4mm, 6mm, 9mm, and 12mm was traded at an average price of RM19.40, RM27.15, RM41.75, and RM49.85 per piece, respectively.

MEDIUM DENSITY FIBREBOARD (MDF)

Similar to plywood products, the average trading price of MDF products for August 2022 was reported to have remained unchanged for three consecutive months. To that end, MDF with thicknesses of 4mm, 6mm, 9mm, and 12mm was once again trading at RM14.90, RM23.35, RM32.80, and RM39.40 per piece in the current month.

INTRA-MALAYSIA TRADE* - AUGUST 2022

For the entire month of August 2022, trade in timber and timber products from Sabah to Peninsular Malaysia increased in value for all four categories of timber products. In the current month, there were no log trading transactions. The percentage of trade value for sawntimber, plywood, and veneer decreased by 91%, 70%, and 6% respectively, bringing the total trade value in August to RM0.08 million, RM2.1 million, and RM0.38 million. Despite the decrease in value of his trade, the value of trading volume for plywood products and veneer reportedly increased by 158% and 54% respectively, compared to the previous month.

The volume and value of trade in timber and timber products between Sarawak and Peninsular Malaysia were reported to have increased significantly. The trade in logs and veneer products continued to show no activity. The other two main products traded between Sarawak and Peninsular Malaysia, namely sawntimber and plywood, increased by a large percentage of their volume and trade value, with a 308% and 168% increase in trading volume respectively. Sawntimber and plywood trade values increased by 475 and 219 percent respectively, for total trade values of RM 1.99 million and RM 3.55 million.

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

*AVERAGE DOMESTIC PRICES OF LOGS, SAWN TIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA, AUGUST 2022 (RINGGIT MALAYSIA)

	LOGS/ton	SAWNTIMBER/m³		
SPECIES	**18" UP**	**GMS**	**STRIPS**	**SCANTLINGS**
HEAVY HARDWOOD				
Chengal	5,000	6,003	3,531	9,887
Balau	3,030	2,984	2,175	3,411
Red Balau	2,740	2,790	2,542	2,489
Merbau	3,290	3,136	3,107	2,825
Mixed Heavy Hardwood	1,237	1,114	1,095	1,218
MEDIUM HARDWOOD				
Keruing	1,990	2,059	2,034	1,808
Kempas	2,240	2,137	2,292	2,779
Kapur	1,980	1,751	1,462	1,850
Mengkulang	1,825	1,419	1,536	2,069
Tualang	1,270	1,900	1,995	2,041
LIGHT HARDWOOD				
Dark Red Meranti	2,230	2,101	1,871	3,129
Red Meranti	2,350	1,942	2,069	2,299
Yellow Meranti	1,855	1,695	1,264	1,977
White Meranti	1,500	2,507	1,801	1,977
Mersawa	1,615	1,751	1,748	2,020
Nyatoh	1,350	1,430	1,299	1,363
Sepetir	1,440	1,730	1,292	1,780
Jelutong	1,125	1,907	1,589	1,773
Mixed Light Hardwood	1,110	1,059	1,377	1,130

MALAYSIAN RUBBERWOOD *Hevea brasilienses*	LOGS/ton	SAWNTIMBER/m³			
		1" X 1"	**2" X 2"**	**3" X 3"**	**4" X 4"**
	220	1,230	1,415	1,460	1,580

PLYWOOD 4' X 8'	**4 mm**	**6 mm**	**9 mm**	**12 mm**
(RM per piece)	19.40	27.15	41.75	49.85
MDF 4' X 8'	**4 mm**	**6mm**	**9 mm**	**12 mm**
(RM per piece)	14.90	23.35	32.80	39.40

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

INTRA-MALAYSIA TRADE- AUGUST 2022

	Jul-22		Aug-22		% change in volume	% change in value
	Vol(m³)	Val(' 000 RM)	Vol(m³)	Val(' 000 RM)	Jul/Aug	Jul/Aug
Sabah						
Logs	3	2	0	0	0	0
Sawn Timber	432	857	1,115	79	158	-91
Plywood	2,882	7,071	897	2,117	-69	-70
Veneer	187	399	289	375	54	-6
Sarawak						
Logs	0	0	0	0	0	0
Sawn Timber	276	347	1,128	1,994	308	475
Plywood	960	1,113	2,576	3,551	168	219
Veneer	0	0	0	0	0	0

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

BATAI

Paraserianthes falcataria

Straight bole of a P. falcataria tree (Krisnawati et al.,2011)

Introduction

Paraserianthes falcataria or commonly known as, Batai has been widely introduced as a rapid-growing forest plantation species that can grow up to 7m in the first year of its cycle. It has, in fact, become a potential raw material for wood-based products. Batai is a large tree that can grow up to 40m, 100cm or sometimes more in diameter and can grow on a wide range of soils if drainage is sufficient. It is one of the species gazetted in Malaysia under the forest plantation programme initiated by the Ministry of Plantation Industries and Commodities (MPIC) in 2005 to sustain the supply of raw material.

Taxonomy

Botanical name: *Paraserianthes falcataria (L.) Nielsen*
Family: Fabaceae
Subfamily: Mimosoideae
Vernacular and common names:
Common names in Indonesia: jeungjing, sengon laut (Java); tedehu pute (Sulawesi); rare, selawoku, selawaku merah, seka, sika, sika bot, sikas, tawa sela Common names in other countries: puah (Brunei); albizia, batai, Indonesian albizia, moluca, paraserianthes, peacock plume, white albizia (England); kayu machis (Malaysia); white albizia (Papua New Guinea); falcata, moluccan sau (Philippines)

Distribution

Native: Indonesia, Papua New Guinea, Solomon Islands and Australia
Exotic: Brunei, Cambodia, Cameroon, Cook Islands, Fiji, French Polynesia, Japan, Kiribati, Laos, Malaysia, Marshall Islands, Myanmar, New Caledonia, Norfolk Island, Philippines, Samoa, Thailand, Tonga, United States of America, Vanuatu, Vietnam.

General Description

The sapwood is not differentiated from the heartwood; the colour of the heartwood ranges from whitish to pale pinkish-brown or light yellowish to reddish brown (in older trees).

Its vessels are medium sized to moderately large; very few or few; and in radial groups of two or three. Its rays are exclusively uniseriate and fine, just visible to the naked eye. Wood parenchyma is scanty, paratracheal, vasicentric and diffuse. Ripple marks are absent. Its texture is coarse and even with deeply interlocked and spiral grain.

Generally, the timber is lightweight and soft to moderately soft with a density of 270-880 kg/m^3 air dry. The timber is non-durable and has average treatability.

Uses

The wood is suitable for general uses such light construction (rafters, panelling, interior trim, furniture and cabinetwork), lightweight packing materials (packages, boxes, cigar and cigarette boxes, crates and pallets). It is an important source for matches, wooden shoes, musical instruments, toys, lightweight veneer and plywood, light- and medium-density particleboard, wood-wool board and hardboard, manufacture of rayon and pulp and paper.

Paraserianthes falcataria
Source: (Plantation Species. , Retrieved October 10, 2022)

Photo: E. Varis　Photo: E. Varis　Photo: H. Krisnawati

Some products made from P. falcataria wood:
(a) finger-jointed laminated panel,
(b) three-play plywood and
(c) packing material

References

1. *Krisnawati, H., Varis, E., Kallio, M., & Kanninen, M. (2011). Description of the species. In Paraserianthes falcataria (L.) Nielsen: Ecology, silviculture and productivity (pp. 1–4). Center for International Forestry Research. http://www.jstor.org/stable/resrep02123.6*

2. *Lembaga Perindustrian Kayu Malaysia. (2010). 100 Malaysian timbers: 2010 edition. Kuala Lumpur [Malaysia: Malaysian Timber Industry Board.*

3. *Plantation Species. Jabatan Perhutanan Semenanjung Malaysia - Jabatan Perhutanan Semenanjung Malaysia. (n.d.). Retrieved October 20, 2022, from https://www.forestry.gov.my/en/spesies-ladang/item/paraserianthes-falcataria*

2 September 2022
Brainstorming session between MTIB and Timber Grader Association of Malaysia (MTGA) at Menara PGRM.

5 September 2022
Universiti Putra Malaysia (UPM) from the Department of Wood & Fiber Industry, Faculty of Forestry and Environment, led by Prof. Dr. Jegatheswaran Ratnasingam on courtesy visit to MTIB.

6 September 2022
Courtesy visit from Malaysian Kayu Kumai & Tanggam Council Committee Members (MWMJC) led by Mr George Yap Hong Thien, Chairman of MWMJC

8 September 2022
Nursery Launching Ceremony and Community Farming by YB Datuk Hajah Zuraida Kamaruddin, Minister of Plantation and Commodity Enterprises (MPIC) at Batu Kikir, Negeri Sembilan.

14 September 2022
Prior achievement recognition program (PPT) at Wisdec, Banting

19 September 2022
Wood based downstream meet midstream industry visit program - Oil Palm Trunk (OPT) plywood at Profina Plywood Sdn. Bhd., Johor