



Seminar on Life Cycle Assessment (LCA) of Primary Wood Products in Malaysia

Celebrating World Wood Day 2025:
Embracing Sustainable Living with Wood

Celebrating Malaysian Design DNA:
Identity Development Workshop Strengthens National Design Narrative

Content

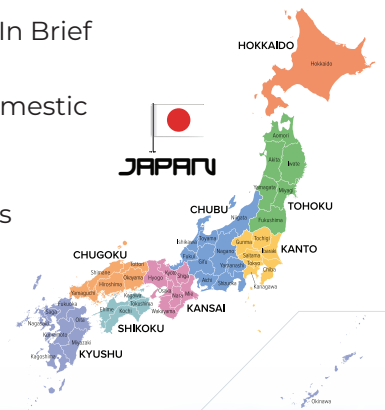
HIGHLIGHTS

- 3 Advancing Environmental Responsibility in The Timber Sector - Seminar on Life Cycle Assessment (LCA) of Primary Wood Products in Malaysia
- 5 Celebrating Malaysian Design DNA: Identity Development Workshop Strengthens National Design Narrative
- 6 Celebrating World Wood Day 2025: Embracing Sustainable Living with Wood



REGULAR FEATURES

- 8 Company Profile : Woodsfield Glulam Manufacturing Sdn. Bhd.
- 10 Timber Round Up
- 16 Market Profile: Japan
- 23 Timber World In Brief
- 28 Shipping & Domestic News
- 34 Timber Species
- 36 MTIB Moment



Cover: For more details please read page 3

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Advancing Environmental Responsibility in The Timber Sector - Seminar on Life Cycle Assessment (LCA) of Primary Wood Products in Malaysia

Prepared by: Ts. Loh Yueh Feng (Dr)

On 22 May 2025, the Malaysian Timber Industry Board (MTIB), in collaboration with the Forest Research Institute Malaysia (FRIM), successfully organised the Seminar on Life Cycle Assessment (LCA) of Primary Wood Products in Malaysia at Bangi Resort Hotel, Selangor. The event gathered over 200 participants, including representatives from the timber industry, government agencies, timber associations, research institutions, and academia, both from public and private universities.



Participants at the seminar

This seminar marked the successful culmination of a national-level LCA study on timber products such as sawntimber, plywood, and wood mouldings. The project was initiated following a proposal by the Malaysian Wood Industries Association (MWIA) in 2021 and was jointly executed by MTIB and FRIM. The objective of the study was to comprehensively evaluate the environmental impacts associated with the production of timber products in Peninsular Malaysia and to provide a foundation for more sustainable manufacturing practices within the industry.



The main objective of the seminar was to disseminate the findings of the LCA study and promote LCA as a tool to support evidence-based decisions for sustainable production. The availability of LCA data helps manufacturers better understand their environmental footprint and supports alignment with global certification schemes, environmental declarations, and sustainable procurement practices.

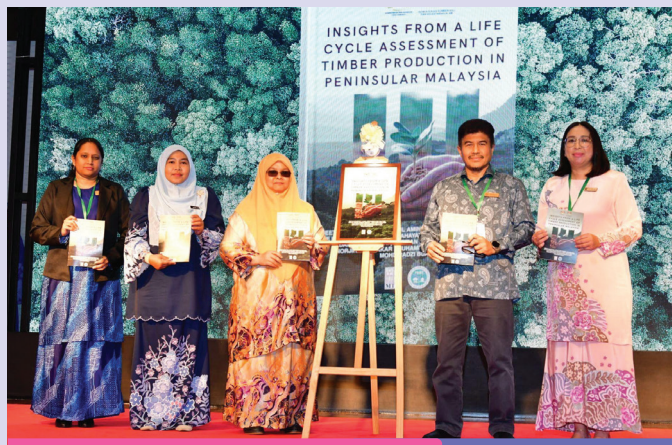
The seminar was officiated by YBrs. Ts. Farydatul Nazly Mohd Zin, Deputy Director-General (Development and Commercialisation) of MTIB. In her opening speech, she emphasised the growing importance of adopting science-based frameworks like LCA to improve environmental performance and align Malaysian timber products with global market expectations.



Opening speech by YBrs. Ts. Farydatul Nazly Mohd Zin



A major highlight of the event was the official launch of the book entitled “Insights From A Life Cycle Assessment of Timber Production in Peninsular Malaysia”. The publication presents the findings of the national LCA study, outlines key environmental hotspots across production processes, and recommends actions to reduce negative impact while improving efficiency and product sustainability.



Launch of the book entitled “Insights From A Life Cycle Assessment of Timber Production in Peninsular Malaysia”.

The technical programme featured a series of expert presentations that reflected the comprehensive scope of the study:

- i Keynote Address: Life Cycle Assessment (LCA) for a Systematic, Environmental Understanding of Forest and Timber Products and Services by Professor Emeritus Richard Murphy, University of Surrey, United Kingdom
- ii Scope of the Study by Dr. Geetha Ramasamy, FRIM
- iii Life Cycle Assessment of Log Harvesting Operations: A Case Study from Peninsular Malaysia by Encik Zairul Amin Rabidin, FRIM
- iv Exploring Sustainability of Sawn Timber Production in Peninsular Malaysia with Life Cycle Assessment (LCA) by Dr. Geetha Ramasamy, FRIM
- v Evaluating the Environmental Impact of Plywood Production in Peninsular Malaysia: A Life Cycle Assessment (LCA) Approach by Dr. Suffian Misran, FRIM
- vi Life Cycle Assessment of Wood Moulding: Integrating Data from Sawn Timber to Product Manufacture by Dr. Mohd Fahmi Awalludin, FRIM



The sessions offered critical insights into each segment of the timber value chain from log harvesting to end-product manufacturing covering emissions, energy consumption, material inputs, and process-level improvements to enhance environmental outcomes.



Panel discussion, moderated by ChM Ts. Dr. Loh Yueh Feng, FIDEC MTIB

The seminar concluded with an engaging panel discussion, moderated by ChM Ts. Dr. Loh Yueh Feng from Fibre and Biocomposite Centre (FIDEC), MTIB. The session brought together all speakers and an invited panellist, Encik Lim Yi Syuen, Secretary General of MWIA, who contributed industry perspectives on practical challenges, readiness, and future outlooks in implementing LCA. The panel explored issues such as data accessibility, industry capacity-building, and the importance of public-private cooperation in driving long-term sustainability transformations.

The seminar ended with a closing address by YBhg. Dato' Dr. Ismail Haji Parlan, Director-General of FRIM, who highlighted the significance of research collaborations in enhancing the sustainability and competitiveness of the nation's wood-based industries.



Closing Remark by YBhg. Dato' Dr. Ismail Haji Parlan

In conclusion, the seminar served as a key milestone in promoting environmentally responsible production within the timber sector. It reinforced the importance of transparency, innovation, and multi-stakeholder collaboration in supporting Malaysia's aspirations towards sustainable industrial development and increased competitiveness in the global timber market.

Celebrating Malaysian Design DNA: Identity Development Workshop Strengthens National Design Narrative

Prepared by: Puan Nik Zuraiyah Nik Mohamad



Participants engaging in a focused group discussion



One of the groups presenting their key findings to fellow participants



The workshop flyers

The Malaysian Timber Industry Board (MTIB) successfully hosted the highly engaging Identity Development Workshop at Dorsett Hotel Putrajaya on 8–9 May 2025. The event marked a significant step forward in shaping a unified national design narrative for Malaysia's wood-based creative industry.

Organised as an open-invitation event, the workshop attracted an overwhelming response from across the design ecosystem including industry players, professional designers and academics. A representative from Dewan Bandaraya Kuala Lumpur (DBKL) was also present, emphasising the growing inter-agency interest in design-led innovation.

The event was officiated by YBrs. Ts. Farydatul Nazly Mohd Zin, Deputy Director General (Development & Commercial) of MTIB, who highlighted the crucial role of design in positioning Malaysia's wood products not only as globally competitive commodities, but also as cultural ambassadors that reflect the nation's values, history and aspirations.

The two-day programme was structured to offer a balance of discourse, discovery and design action. On the first day, participants were guided through sessions that laid the foundation for exploration, beginning with opening remarks, then a keynote address entitled "Global Perspectives on National Design Identity" by Dr. Mohamad Hariri Hj Abdullah, followed by a sharing segment on designer insights. Next was the first workshop session which focused on understanding Malaysia's cultural DNA through the lens of heritage, aesthetics, tropical influences and local narratives. Participants continued in a plenary session in the evening to share key findings and ideas drawn from earlier discussions.

On the second day, the workshop shifted towards application and co-creation. Participants engaged in structured sessions to co-design a preliminary national design identity framework. This was followed by collaborative work to test the application of the framework across various industry segments such as furniture, product design, visual communication and architecture. The final session of the day focused on consolidating key design principles, motifs, materials and narrative approaches that could define Malaysia's unique design identity moving forward. The event concluded with a wrap-up discussion on the evaluations. Throughout the two days, the participants also enjoyed curated design sprints, group discussions and industry-driven labs, all of which encouraged hands-on collaboration and open dialogue between professionals from different backgrounds.

The workshop received highly positive feedback, with participants praising the programme's depth, structure and purpose-driven outcomes. Many expressed strong support for the development of a national design framework that not only inspires but also guides the production and branding of Malaysian wood-based products in a way that authentically reflects the country's cultural richness.

With this initiative, MTIB reaffirmed its commitment to advancing a recognisable, value-driven Malaysian design identity and to building a stronger ecosystem that empowers designers, manufacturers and institutions to tell compelling Malaysian stories through world-class designs.





Celebrating World Wood Day 2025: Embracing Sustainable Living with Wood

Prepared by: ChM. Ts. Yeoh Beng Hoong (Dr)

The World Wood Day 2025 celebration was held on 21 May 2025 at Universiti Putra Malaysia (UPM). Organised under the inspiring theme “Sustainable Living with Wood,” the event brought together professionals, academics, students, and stakeholders from both the timber and environmental sectors to highlight the significance of wood as a renewable, sustainable, and climate-friendly resource.

Jointly hosted by the Faculty of Forestry and Environment, UPM, and the Malaysian Timber Industry Board (MTIB), the event also garnered strategic support from numerous institutions and organisations including the Malaysian Timber Council (MTC), Universiti Malaysia Sabah (UMS), Universiti Teknologi MARA Pahang (UiTM Jengka), and the Association of Malaysia Bumiputera Timber and Furniture Entrepreneurs (PEKA), all of whom played a vital role in ensuring the programme’s success.

The objectives of the event were as below:

-  To promote awareness on wood conservation and the critical role of forests in supporting ecosystems and addressing climate change
-  To facilitate knowledge exchange and dialogue on the wood industry, woodcraft, and the sustainable utilisation of wood waste

 To encourage environmental responsibility through exhibitions and sustainable design initiatives, particularly in furniture and wood-based products

 To strengthen academic-industry partnerships in research, education and innovation



The programme was officiated by Ts. Farydatul Nazly Mohd. Zin, Deputy Director (Commercial and Development) of MTIB and co-chaired by Dr. Paiman Bawon, Senior Lecturer, UPM, and Ts. ChM. Dr. Yeoh Beng Hoong, Senior Deputy Director of MTIB, both of whom are renowned for their work in timber sustainability and wood technology. The initiative was guided by Dr. Norzalia Saadun, Head of Department, Faculty of Forestry and Environment, UPM, whose strategic direction ensured a well-curated and impactful agenda.

A key symbolic highlight of the day was the tree planting ceremony held within the faculty grounds. More than just a tradition, this act represented a shared commitment to greening the future, reinforcing the vital link between trees, wood, and a liveable planet. The ceremony served as a living reminder of how forestry, conservation, and industry must grow hand in hand.

The event also featured an engaging Webinar Session comprising six paper presentations from invited speakers representing Malaysia, China, and Indonesia. Each presentation offered unique insights into the role of timber and wood-based innovations in the context of sustainable development.

The six papers presented were:

01

"International Marketing for Sustainable Malaysia Timber" By Encik Tan Ting Wai, Malaysian Timber Council (MTC)

This presentation highlighted Malaysia's strategic positioning in global timber trade, underscoring the importance of green branding and sustainable supply chains.

02

"Timber Industry in Sabah" By Puan Melissa Sharmah Gilbert, Universiti Malaysia Sabah (UMS)

This was a detailed exploration of Sabah's timber sector, challenges, and its alignment with environmental compliance and socio-economic development.

03

"Development and Utilization of Biodegradable Materials" By Professor Dr. Chan Qi Quan, Institute of Bast Fiber Crop, China Academy of Agricultural Sciences, Beijing

This international contribution brought attention to fibre crops and biodegradable innovations that align with low-carbon, circular economy principles.

04

"Wood Sustainability in the Wood Carving Industry" By Puan Normieza Mohd Yusoff (PENGUKIR)

This presentation celebrated the artistic and cultural importance of wood carving while exploring the sustainability challenges artisans face today.

05

"FLEGT Licence: A Step Towards Legal Sustainable Timber Trade in Indonesia" By Dr. Syahidah, S. Hut., Hasanuddin University, Indonesia

This was an insightful look into Indonesia's forest law enforcement and governance strategies and the broader implications of the FLEGT licensing scheme.

06

"The Roof of the Matter: Sustainable Starts with Wood" By Encik Teo Nam Kun, Universiti Putra Malaysia (UPM)

This was a forward-thinking perspective on how building design, especially roofing systems, can contribute to sustainability when wood is used responsibly.

Beyond the scholarly discourse, the event featured various interactive and educational activities designed to engage students and the public. Among these were:

- Kahoot quiz challenges that tested participants' knowledge on wood and forestry topics
- Woodcraft demonstrations showcasing traditional and modern wood-based craftsmanship
- Games and exhibits promoting environmental awareness and creative use of wood

These side activities added a festive and educational atmosphere to the event, especially drawing the interest of students and young participants.

“This year's celebration of World Wood Day served not just as an academic and professional gathering, but also as a cultural and environmental milestone. It successfully fostered greater awareness of wood's critical role in combating climate change, reducing carbon footprint, and promoting eco-conscious consumer behaviour.”

This year's event attracted over 500 participants, comprising both physical attendees and virtual participants via the online webinar platform. Delegates included representatives from Malaysia, Indonesia, and China, reflecting the international relevance of sustainable timber initiatives and the global movement toward environmentally responsible wood utilisation. The hybrid format ensured broader accessibility and greater impact, allowing voices from across the region to join in knowledge-sharing discussions.






WOODSFIELD
Group Of Companies

WOODSFIELD GLULAM MANUFACTURING SDN. BHD.



Prepared by: Encik Muhammad Shaiful Nordin

Woodsfield Glulam Manufacturing Sdn. Bhd. (Woodsfield) began its operations in 1998 as a timber trading company, supplying timber to Malaysia's oil and gas, railway, and construction sectors. As time went by, Woodsfield has grown by leaps and bounds and currently, it provides finger-jointed (non-structural) and glued laminated timber (glulam) for structural purposes. Other products not related to glulam supplied by Woodsfield include railways sleepers and crossing, wooden blocks, large scantling planks and wooden wages. Installation and maintenance are also services provided by Woodsfield.

With a vision to create sustainability through innovation, using timber as a renewable material, and providing the best products and designs with wood as a mission, Woodsfield aims to develop climate-smart and low-carbon emission timber buildings in Malaysia.

Currently, in Malaysia, Woodsfield has established itself as a dominant player in engineered timber products (glulam). Woodsfield's entry into the glulam industry began when it was appointed as the manufacturer and supplier of tropical hardwood glulam components for Galeri Glulam in Johor Bahru. Construction began in 2009 and was completed in 2011. The building consists of 39 sets of glulam load-bearing structures.



Galeri Glulam, Johor Bahru

Following that, Woodsfield has been involved as manufacturer and supplier of glulam for various projects in Malaysia. The second project was Pioneer Hall, located at *Pangkalan Tentera Laut Diraja Malaysia* (TLDM) Lumut, Perak. This glulam project involved a glulam beam with a span of 40 metres connected with timber purlin trusses and multi-nail steel connectors.



Pioneer Hall (TLDM), Perak

The Malaysian Pavilion for Expo Milano 2015 in Italy was also one of Woodsfield's projects. The pavilion was manufactured, packed, and transported from Malaysia to Italy. In total, 200 metric tonnes of glulam were used for this successful project.



Malaysian Pavilion, Expo Milano 2015

Another project was Crops for the Future, located at the University of Nottingham Malaysia. The component of the glulam structure included curved glulam beams to cover up three domes with a diameter of 21.2 metres at a height of up to 17 metres.



Crops for the Future

Woodsfield has also undertaken on its own initiative to showcase its glulam manufacturing capabilities: Grumpy Goat and Friends Restaurant, Johor Bahru; Vivo Pizza, Johor Bahru; various F&B kiosks in Johor and Woodsfield in-house facilities.

Other glulam projects include roof trusses for Hospital Setiu, Terengganu; the Beach Grill Restaurant located at Ritz-Carlton Langkawi; and a drop-off canopy for Sarawak Timber Industry Development Corporation (STIDC).



Grumpy Goat and Friends Restaurants



Beach Grill Restaurant, Ritz-Carlton Langkawi

To strengthen their business in the glulam and engineered wood industry, Woodsfield is also working with national and international parties, looking forward to new limits and changes in ways to build with timber. They are establishing partnerships with renowned testing and research institutions to continuously and consistently provide high-standard products. Woodsfield also has a certification from the European Technical Assessment Body as a manufacturer of Keruing glulam.

The company's commitment to innovation, sustainability, and high-quality products has not only helped the Malaysian timber construction industry progress but has also demonstrated its abilities through iconic projects.



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Total export of Malaysian timber and timber products in April 2025 decreased by 5%, in value totalling at RM1.7 billion, from the previous month. However, the cumulative export for the period of January – April 2025 decreased by 6% valued at RM7.2 billion over RM7.6 billion in the previous corresponding year. Malaysia's timber exports are poised to gain a competitive advantage in the US market following the recent imposition of the higher US import tariffs on regional rivals, in which 45% was imposed on Vietnam and Indonesia while a 24% tariff was imposed on Malaysia. With the US as the largest buyer accounting for over half of Malaysia's timber and furniture exports (RM3.8 billion in 2018 to RM7.7 billion in 2022). Malaysia is well-positioned to increase its market share. The current 90-day pause on tariffs announced on 2 April, provides time for negotiation but unless competitors receive relief Malaysia stands to benefit.

“Meanwhile, the Iran-Israel conflict could open future reconstruction-driven demand and Malaysia is being urged to shift from OEM to stronger OBM, branding to capture higher value rather than volume in global markets.”

SAWNTIMBER

Total sawntimber exports in April 2025 were recorded at 94,863 m³ with a value of RM156,767,424 reflecting a 17% increase in volume but a 6% decrease in value compared to 81,086 m³ valued at RM165,921,287 in March 2025. Cumulative exports for January to April 2025 stood at 311,586 m³ worth RM582,456,031, showing a 2% decrease in volume and a 14% drop in value compared to 316,313 m³ valued at RM676,371,053 in the same period of 2024.

Exports to the European Union in April 2025 reached 22,612 m³, marking a significant 497% increase from 3,790 m³ recorded in the previous month. The Netherlands, the leading destination, saw a 30% decline, with imports dropping to 1,203 m³ from 1,719 m³ in March. In contrast, Belgium's imports rose by 68%, reaching 779 m³ compared to 464 m³ previously. Germany's intake fell by 28% to 442 m³, down from 617 m³. Meanwhile, exports to the United Kingdom declined by 31%, totalling at 806 m³, compared to 1,165 m³ in March.

In South Asia, April shipments increased by 32% to 10,438 m³ from 7,887 m³. India, the region's largest market, received 5,675 m³, a 39% increase from 4,095 m³ in the previous month. Maldives' imports rose by 84% to 2,324 m³ from 1,264 m³, while Sri Lanka's purchases showed a slight increase of 1% to 1,654 m³ from 1,643 m³.

Exports to West Asia declined by 33%, falling to 12,335 m³ from 18,339 m³ in the previous month. The United Arab Emirates, the region's top importer, registered a 20% decrease, with shipments down to 3,415 m³ from 4,278 m³. Iraq's volume also dropped, declining 25% to 1,543 m³ from 2,070 m³. In contrast, Saudi Arabia recorded a 15% increase, with imports rising to 1,136 m³ compared to 992 m³ in March.

Exports to East Asia declined by 18%, reaching 23,878 m³ in April 2025, compared to 28,937 m³ in the previous month. China recorded a sharp drop of 34%, with imports falling to 14,225 m³ from 21,668 m³. On the other hand, Taiwan saw a substantial increase of 102%, with shipments rising to 6,917 m³, up from 3,432 m³. Meanwhile, Japan's imports decreased by 33%, amounting to 1,716 m³, down from 2,562 m³.

In contrast, demand from the ASEAN region saw a slight decline, with total shipments decreasing by 3% to 15,476 m³ in April 2025, down from 15,933 m³ in the previous month.

The Philippines posted a notable increase of 36%, importing 3,811 m³ compared to 2,801 m³ previously. In comparison, Thailand's imports dropped by 10% to 5,384 m³, from 5,991 m³, while Singapore registered a 5% decline, with volume falling to 5,717 m³ from 6,016 m³.

In Africa, exports rose by 182% to 5,200 m³ from 1,847 m³ in the previous month. South Africa imported 2,490 m³, a 75% increase from 1,427 m³, while Mauritius took in 403 m³, a 65% rise from 245 m³.

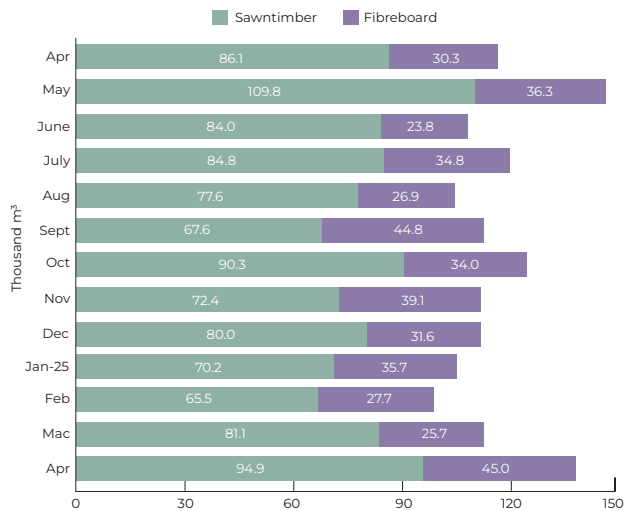
Exports to North America reached 3,367 m³ in April 2025, reflecting a 32% increase from 2,546 m³ in the previous month. The entire volume was shipped to the United States, which saw a 34% rise in imports, from 2,479 m³ in March to 3,332 m³. In the Oceania/Pacific region, exports to Australia climbed by 30%, totalling at 751 m³, up from 579 m³ in the prior month. Meanwhile, there were no exports to New Zealand in April, compared to 21 m³ as recorded in March.

The average FOB price of sawntimber declined by 19% in April 2025, falling to RM1,653 per m³ from RM2,046 per m³ in the previous month. The price of Dark Red Meranti (DRM) exported to the Netherlands remained relatively stable, registering a slight decrease of 1%, from RM3,682 per m³ to RM3,661 per m³. Keruing showed a positive price movement, increasing by 8% to RM3,353 per m³, up from RM3,113 per m³ in March 2025.

The European sawntimber industry is undergoing a profound structural transformation, driven by an unprecedented wave of mergers and acquisitions (M&A) estimated to exceed €450 million (\$516 million) between 2024 and 2025. This signals a decisive shift toward greater market consolidation, vertical integration, and regional specialisation—particularly favouring the Baltic states as emerging production hubs. From Stora Enso's €137 million acquisition of Finland's Junnikkala, adding 700,000 m³ of capacity, to HS Timber Group's aggressive expansion in Latvia with 550,000 m³ of combined capacity, and Estonia's Combiwood acquiring AS Toftan to form a €276 million revenue entity, industry leaders are racing to secure scale and strategic positioning. While the full implications for market dynamics may take time to materialise, this consolidation wave points toward a future with reduced price volatility, fewer independent players, and heightened competition based on operational efficiency.

and supply chain control. For buyers and traders, this means adapting to a more concentrated market landscape—one where long-term partnerships and predictable volumes increasingly outweigh spot-market flexibility.

Malaysia: Export of Sawn Timber and MDF



PLYWOOD

Export of plywood in April 2025 recorded a decrease of 14%, a decrease in volume at 91,123 m³ and a 14% decrease in value to RM182.7 million as compared to the previous month. The cumulative exports for the period of January – April 2025 showed a 4% increase in volume to 368,898 m³ but a 9% decrease in value totalling at RM742.5 million, compared to the corresponding period in 2024.

The EU region recorded an increase of 12% in plywood import rising from 1,392 m³ to 1,560 m³. The Netherlands resumed its purchase, totalling at 167 m³, while Poland decreased its purchase by 46% to 227 m³. Meanwhile, Germany did not make any purchase for the month. In other parts of Europe, exports decreased by 6% to 5,905 m³ from 6,303 m³ in the previous month. The plywood purchases by the UK decreased by 29% to 2,994 m³, while Turkiye increased purchases by 38% to 2,911 m³.

Moving to the East Asia market, volume declined by 12% to 58,049 m³, down from 65,685 m³ in March. Japan, as the largest importer from the region, reduced its purchases by 13% to 48,883 m³, followed by South Korea, with a decrease of 8% to 3,184 m³. In contrast, Taiwan increased its purchase by 6% to 5,598 m³. In the ASEAN region, imports decreased by 4% from 4,025 m³ to 3,884 m³. Plywood exports to the Philippines increased by 155% to 687 m³, and Singapore increased purchases by 20% to 2,366 m³. Meanwhile, Thailand decreased its buying by 60% to 547 m³.

In the South Asia region, plywood purchases recorded a slight increase of 2% from 252 m³ to 257 m³. India resumed imports, receiving 84 m³, while Maldives decreased purchases slightly by 0.1% to 173 m³. Pakistan made no purchase for the month. The West Asia region recorded a 24% decrease with exports falling to 9,180 m³ from 12,124 m³ in the previous month. Import performance in Yemen, the UAE and Jordan fell by 13% to 8,033 m³, 53% to 361 m³ and 36% to 313 m³ respectively.

In Africa, plywood exports also declined by 72% from 509 m³ to 144 m³ with the purchases being only from South Africa. The North America region showed a 29% decrease, from 12,995 m³ to 9,247 m³. The USA as the main buyer reduced purchases by 37% to 7,619 m³. In contrast, Mexico increased

purchases by 59% to 1,588 m³. Meanwhile, Canada resumed its purchase at 40 m³. Plywood exports to the Oceania/Pacific region decreased by 5% to 2,897 m³, down from 3,058 m³. Australia reduced its purchase by 17% to 2,418 m³.

The FOB price of plywood for April 2025 was at RM2,005 per m³, showing an increase of 0.1% from RM2,003 per m³ from the previous month.

Mexico's construction industry is on a steady growth path, expected to reach MXN 2.04 trillion by 2025 with a 5.5% annual growth rate and further expand to MXN 2.56 trillion by 2029. The sector's strong performance from 2020-2024, supported by urbanisation, government initiatives and technology adoption, continues to drive momentum across residential, commercial, institutional, industrial and infrastructure segments. Key opportunities include affordable housing, flexible office spaces, healthcare and education facilities, high-tech industrial zones and major infrastructure projects like the Maya Train. Despite challenges such as rising costs, labour shortages and regulatory delays, Mexico's construction sector remains resilient through public-private partnerships, sustainability efforts and smart construction solutions.

VENEER

Export of veneer for April 2025 decreased in volume by 30% to 1,846 m³ and 21% decrease in value worth RM4.3 million as compared to the previous month. The cumulative export for January – April 2025 showed a decrease in both volume and value by 21% to 10,034 m³ and 34% to RM18.9 million over the previous corresponding period.

ASEAN recorded a decrease in veneer import by 71% from 350 m³ to 101 m³. Singapore added up purchase by 31% from 3 m³ to 4 m³. In East Asia, import increased by 9% from 1,356 m³ to 1,478 m³. Japan and China reduced their veneer import by 78% to 105 m³ and 53% to 322 m³ respectively. South Korea resumed its purchase with 161 m³. In contrast, the South Asia region recorded a decrease in import of 38% to 181 m³ from 294 m³ in the previous month. Veneer purchases by India dropped by 64% to 81 m³ while Bangladesh added up its buying by 50% to 100 m³.

Moving to North America, veneer import recorded a decrease of 83% to 64 m³ from 375 m³. The USA reduced its buying by 91% from 375 m³ to 35 m³ while Canada resumed its purchase with 29 m³. In the Africa region, purchases improved by 642% from 3 m³ to 22 m³ with purchase being from South Africa.

The average FOB price for veneer increased by 13% from RM2,073 per m³ to RM2,345 per m³ as compared to previous month.

South Korea's construction market is set to grow by 3.5% annually, reaching KRW 119.24 trillion in 2025, with continued expansion projected to KRW 137.84 trillion by 2029. Growth is fuelled by government-drive housing initiatives, including plans to build 252,000 public housing units and a KRW 26 trillion support package for the semiconductor industry that is expected to boost related construction. Despite strong momentum, the sector faces challenges such as rising costs, high unsold housing inventory, labour shortages and land constraints. Opportunities lie in sustainable residential development, smart industrial facilities and public-private partnerships, with a focus aligning with government incentives, improving regulatory frameworks and investing in workforce upskilling and construction technology to ensure long-term competitiveness and resilience.

MEDIUM DENSITY FIBREBOARD (MDF)

Export of MDF in April 2025 recorded a 2% increase in volume at 26,112 m³ but an 11% decrease in value at RM45.0 million compared to the previous month. Similarly, the cumulative export for the period of January – April 2025 recorded a decrease in volume of 17% to 115,269 m³ and also in value of 21% totalling at RM210.0 million as compared to the corresponding period in 2024.

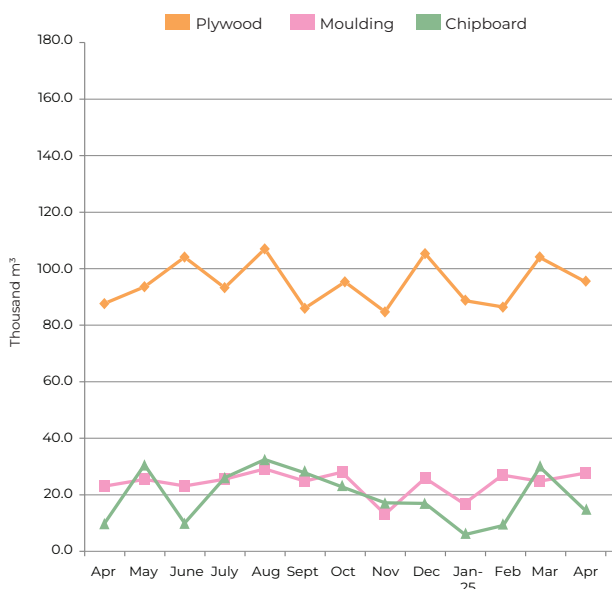
Export to ASEAN increased by 43% to 6,163 m³ from 4,297 m³ in the previous month. The Philippines and Vietnam increased their imports by 105% and 1% to 3,580 m³ and 1,209 m³ respectively. Meanwhile, Indonesia reduced import by 3% to 948 m³.

Elsewhere, East Asia purchase of MDF decreased by 50% from 11,959 m³ to 6,043 m³ compared to the previous month. Import of MDF from Japan, Taiwan and South Korea recorded a decrease of 54%, 17% and 19% to 5,017 m³, 496 m³ and 426 m³ respectively. Moving to the South Asia market, export improved by 15% from 1,688 m³ to 1,942 m³. Export performance to India depleted by 33% to 131 m³, while Pakistan added up its volume by 13% to 1,511 m³.

Export to the West Asia region recorded an increase of 97% from 3,878 m³ to 7,653 m³ compared to previous month. The UAE decreased orders by 68% to 1,048 m³ while Yemen resumed its purchase with 5,890 m³. In Europe, the UK reduced its purchases by 3% to 19 m³, while in Central America, Guatemala resumed its buying with 62 m³. On the other hand, countries of the EU and South America didn't make any purchase of Malaysian MDF for the month.

Export to the Oceania/Pacific region recorded a decrease of 21% to 1,374 m³ from 1,746 m³. Australia and New Zealand decreased their purchases by 21% to 1,353 m³ and 2% to 21 m³ respectively. MDF import by North America showed an increase of 34% from 2,011 m³ to 2,694 m³ compared to the previous month. MDF purchases by Canada and Mexico dropped by 12% to 357 m³ and 2% to 425 m³ respectively. The USA increased its buying by 63% to 1,912 m³. In the Africa region, MDF purchases also recorded an increase of 8% to 130 m³ with the purchases being from South Africa.

**Malaysia: Export of Major Timber Product
April 2024 – April 2025^P**



The average FOB price of MDF decreased by 13% to RM1,723 per m³ from RM1,971 per m³ in the previous month.

The construction industry in the UAE is experiencing strong momentum, supported by over USD770 billion in ongoing investments across infrastructure, energy and real estate. Driven by a thriving tourism sector, robust real estate performance and forward-looking government initiatives, the sector is projected to grow at an annual rate of 4.26%. The industry is also evolving through the integration of advanced technologies, a growing commitment to sustainability and the adoption of modular construction methods. However, the sector continues to grapple with challenges such as labour shortages and supply chain constraints for essential materials.

MOULDINGS

In April 2025, exports of mouldings rose by 5.0% in volume to 22,681 m³ and increased by 11.4% in value to RM81.4 million, compared to 21,599 m³ valued at RM73.1 million in March 2025. Cumulatively, for the period of January to April 2025, exports declined sharply by 60.6% in volume to 86,301 m³ and decreased by 4.0% in value to RM297.2 million, compared to 219,258 m³ valued at RM309.6 million in the same period of 2024.

In the ASEAN region, exports of mouldings dropped by 24% to 623 m³ in April, compared to 823 m³ in March 2025. The decrease was mainly due to lower shipments to Vietnam, which fell from 230 m³ to just 21 m³, representing a significant decline of 91%. On the other hand, exports to Singapore increased from 511 m³ to 603 m³, a rise of 18%.

In East Asia, exports were almost unchanged, going down slightly by 1%, from 1,402 m³ in March to 1,391 m³ in April. Shipments to Japan increased by 4%, rising from 655 m³ to 678 m³, and exports to South Korea grew by 10%, from 552 m³ to 609 m³. However, exports to Hong Kong dropped sharply by 70%, from 140 m³ to 42 m³.

In South Asia, exports fell by 76%, from 294 m³ in March to 71 m³ in April. There were no shipments to India and Sri Lanka in April. Exports to the Maldives also decreased, from 144 m³ to 71 m³, a 51% drop. In West Asia, there was an improvement as 90 m³ of mouldings were exported to the UAE in April, after recording no export in March.

In the European Union, exports of mouldings increased by 19%, from 4,234 m³ in March to 5,036 m³ in April 2025. This rise was mainly driven by higher shipments to the Netherlands, which went up by 28% to 3,265 m³, and to France, which rose by 27% to 736 m³. However, exports to Belgium fell sharply by 76%, from 580 m³ to just 137 m³. In other parts of Europe, exports decreased by 8%, from 373 m³ in March to 344 m³ in April. The drop was due to lower demand from the United Kingdom, which fell by 29%, from 373 m³ to 264 m³.

In the Oceania/Pacific region, exports of mouldings increased slightly by 2%, rising from 1,160 m³ in March to 1,180 m³ in April 2025. This small increase was fully contributed by higher demand from Australia, which recorded the same growth of 2%.

Exports to North America showed a 6% increase, reaching 13,533 m³ in April, up from 12,779 m³ in March. Shipments to the United States, the main market in this region, grew by 5% to 13,262 m³. Meanwhile, exports to Canada rose sharply by 49%, from 182 m³ to 271 m³.

In Africa, exports dropped by 23%, from 534 m³ in March to 413 m³ in April. This was mainly due to lower shipments to Mauritius, which fell by 20% to 223 m³. However, exports to South Africa recorded a 9% increase, reaching 190 m³.

The Construction Europe highlights the increasing use of timber in the French construction sector, particularly in facade systems. Industry organisations such as the Professional Committee for the Development of the French Furniture and Wood Industries (CODIFAB) and Forest, Cellulose, Wood-construction and Furniture Technology Institute (FCBA) are spearheading efforts to evaluate and certify the durability and water resistance of timber cladding. Their findings are expected to inform national construction standards by mid-2025, which could boost confidence in using wood for external building applications. The report also discusses how French construction firms are balancing innovation with financial constraints, positioning timber as a key material in meeting sustainability goals.

In addition, the issue covers broader industry trends, including major trade events like Bauma, where timber-related technologies and innovations are increasingly visible. It explores advancements in roadbuilding and construction automation that align with environmentally conscious building practices. Collectively, the publication reflects a growing momentum behind timber as a central element in Europe's transition toward greener and more efficient construction systems.

BUILDERS JOINERY AND CARPENTRY (BJC)

In April 2025, exports of Builders Joinery and Carpentry (BJC) decreased by 18% in volume to 10.3 million kg, compared to 12.6 million kg in March 2025. In terms of value, exports also fell by 18% to RM91.9 million, down from RM111.8 million recorded in the previous month. However, looking at the cumulative performance for the period January to April 2025, exports of BJC increased by 7% in volume to 46.6 million kg, and rose by 3% in value to RM435.3 million, compared to 43.7 million kg worth RM423 million recorded in the same period of 2024.

Exports of BJC to ASEAN countries recorded a significant contraction of 70%, declining to RM28.73 million in the first four months of 2025, compared to RM95.17 million during the same period in 2024. This substantial drop was primarily attributed to lower demand from Singapore and Vietnam. Exports to Singapore, Malaysia's largest ASEAN market for BJC, fell by 42% to RM17.00 million from RM29.10 million in the previous year. Shipments to Vietnam dropped even more sharply by 49%, from RM6.15 million to RM3.15 million. These reductions indicate weaker construction and renovation activity in those markets or possibly a shift in sourcing preferences. Conversely, Thailand recorded a 20% increase, with export values rising from RM4.68 million to RM5.61 million, suggesting steady or recovering demand in the country's building materials segment.

Exports to the East Asia region decreased by 30%, amounting to RM24.02 million compared to RM34.20 million in the corresponding period of 2024. The decline was observed across all three key markets - Japan, China, and Taiwan. Exports to Japan, the main East Asian destination, fell by 26%, from RM25.60 million to RM18.97 million, indicating softer demand or reduced procurement by importers. Similarly, shipments to China dropped significantly by 52%, from RM4.49 million to RM2.18 million, reflecting either slower construction activity or higher competition from other suppliers. Taiwan recorded a decline of 46%, falling from RM2.75 million to RM1.50 million.

The South Asia region recorded a decline in BJC exports, dropping by 59% to RM6.99 million in January–April 2025

compared to RM17.05 million during the same period in 2024. India, the leading market in this region, registered a drop of 44%, with exports decreasing from RM9.20 million to RM5.15 million. Meanwhile, Maldives saw a sharp drop in import value, from RM2.46 million to RM945,049, indicating a possible slowdown in tourism-related construction. Exports to Bangladesh remained unchanged at RM114,747, showing no growth from the previous period and continuing at a low volume.

Unlike other regions, West Asia saw a strong performance, with BJC exports soaring by 867% to RM10.36 million, up from just RM1.07 million in the same period of 2024. This growth was predominantly driven by Saudi Arabia, where exports soared from RM77,964 to RM9.59 million, marking a dramatic increase of over 12,200%. This may reflect new infrastructure and housing projects, or successful entry into the market by Malaysian exporters. Kuwait also saw an increase of 599%, rising from RM7,093 to RM49,593. On the other hand, exports to the UAE decreased by 34%, falling from RM985,987 to RM649,400, indicating weaker demand or market adjustments in the country.

Exports of BJC products to the European Union grew by 6%, reaching RM90.82 million in the first four months of 2025 compared to RM85.84 million in the same period last year. This upward trend reflects improved demand in key EU markets such as Belgium and France, although some countries saw a decline. Belgium recorded the most significant increase in the bloc, with exports rising from RM25.24 million to RM35.18 million, indicating strong growth of BJC intake possibly driven by increased construction or renovation activity. Exports to France also showed marginal improvement, increasing slightly to RM5.53 million, suggesting stable demand. In contrast, the Netherlands experienced a decrease of 10%, with exports dropping from RM30.29 million to RM27.19 million, which may point to market saturation or shifts in sourcing.

In contrast to the EU market, exports to non-EU European countries saw a decline of 15%, falling to RM45.77 million in January–April 2025 from RM53.55 million in the same period of 2024. The United Kingdom, which remains the largest non-EU market for Malaysian BJC, recorded a drop of 12%, with export values decreasing from RM50.36 million to RM44.22 million. This decline could be attributed to slower construction activity or increased local competition. Exports to Norway dropped significantly from RM2.38 million to RM1.15 million, while Turkey also saw lower demand, with exports halving from RM805,382 to RM405,311, reflecting a contraction in orders or reduced project activity.

Exports to the Oceania/Pacific region declined by 5%, totalling at RM75.78 million in the first four months of 2025 compared to RM79.83 million in the same period last year. The drop was mainly driven by reduced demand from Australia, though New Zealand provided a notable counterbalance. Shipments to Australia, the dominant market in the region, fell by 6% to RM68.34 million, down from RM73.14 million a year earlier. This dip may reflect delayed project execution or a temporary slowdown in construction sector demand. Meanwhile, exports to New Zealand increased significantly by 19%, rising from RM5.23 million to RM6.20 million. Exports to Tonga, though small in value, also decreased to RM115,152, from RM297,123 in the previous year.

Exports of BJC to North America showed a strong upward trend, increasing by 42% to RM149.53 million in the first four months of 2025, up from RM105.11 million in the same period last year. The growth was driven almost entirely by the United States. Exports to the USA, which accounted for the

vast majority of shipments to the region, rose significantly by 43%, from RM102.92 million in 2024 to RM147.46 million in 2025. On the other hand, exports to Canada declined sharply by 90%, falling from RM1.99 million to just RM201,043, suggesting a major drop in orders or a shift in sourcing strategies by Canadian buyers.

Exports of BJC to South America were non-existent in the first four months of 2025, compared to RM507,289 in the same period of 2024. Exports to the African region recorded a growth of 14%, increasing from RM2.95 million in 2024 to RM3.35 million in 2025, indicating moderate demand recovery or expansion into new markets. Exports to Mauritius rising slightly by 3%, from RM451,826 to RM466,328, reflecting stable demand in the island market. Shipments to Morocco resumed in 2025 with exports amounting to RM571,650, having recorded zero shipments in the same period last year. In contrast, exports to South Africa dropped by 18%, from RM1.84 million to RM1.52 million, which may reflect slowing market conditions or fluctuations in procurement needs.

The 6Wresearch forecast steady growth in China's mass timber construction market, highlighting rising demand for engineered wood products such as cross-laminated timber (CLT), glued laminated timber (glulam) and nail-laminated timber (NLT). While these products are primarily used in structural applications, the broader shift toward timber-based and prefabricated construction also creates a supportive environment for Builders Joinery and Carpentry (BJC) products. In China's growing urban and public infrastructure sectors, BJC items such as wooden doors, windows, staircases and interior fittings are increasingly specified in building designs aligned with green construction and low-carbon goals. As developers seek ready-made, high-quality timber components to reduce on-site construction time and meet environmental benchmarks, demand for imported BJC products may benefit indirectly from the mass timber trend.

Meanwhile, O'Kelly Timber Advisory reported that China's overall lumber demand has been declining by approximately 6% per year, due in part to the slowdown in the property sector and adjustments in global timber trade. However, despite this contraction in raw material demand, BJC products may remain resilient as the construction market transitions towards modularity, interior fit-out efficiency, and higher-quality finishings. Builders and contractors in China are increasingly turning to BJC products as alternatives to on-site carpentry, particularly in commercial and hospitality projects where uniformity and finishing standards are crucial. As such, even within a cooling timber market, niche opportunities for BJC exports to China could persist where value-added timber applications are preferred.

FURNITURE

The total export of wooden furniture in April 2025 dropped by 7% to RM708.6 million from RM763.4 million, whereas the cumulative export in the period of January - April 2025 also reduced by 3% with a total value of RM3.1 billion as compared to the previous corresponding year, 2024.

Shipments of wooden furniture to ASEAN were valued at RM370.3 million, a 5% decrease from RM389.1 million. Singapore, as the main buyer increased its purchases by 7% to RM246.7 million compared to the previous year. However, there have been a cutback on exports to both Philippines and Thailand at 19% and 4%, valued at RM68.1 million and RM23.1 million respectively.

In the East Asia region, exports decreased by 11% from RM187.5 million to RM166.2 million. Japan, despite being the main buyer from this region, reduced its purchases by 9% to RM135.3 million from RM148.1 million over the same corresponding period. Similarly, exports to Taiwan and South Korea also declined by 5% to RM14.0 million and by 35% to RM8.0 million respectively.

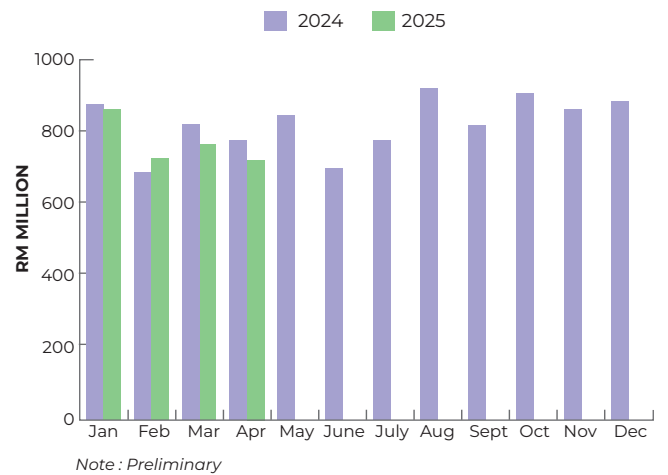
Exports to South Asia totalled at RM47.3 million, a decrease of 5% from RM49.7 million in the corresponding period in 2024. Both India and Maldives decreased their imports by 0.4% to RM44.1 million and by 50% to RM2.2 million respectively. However, Bangladesh increased its purchases significantly from RM3,602 to RM0.3 million in the period of January - April 2025. Meanwhile, Kazakhstan increased its buying by 0.1% worth RM0.9 million for the stated period.

As for the West Asia region, total export of wooden furniture decreased by 6%, totalling at RM157.3 million as compared to the amount of RM167.2 million in the previous year. The main buyer of this product was the UAE with a total purchase of RM65.4 million, decreased by 20% from RM81.4 million in the previous corresponding year. Both Saudi Arabia and Oman increased their imports of wooden furniture by 7% to RM59.2 million and by 34% to RM9.0 million, respectively.

The total export of wooden furniture to the European Union region declined by 20%, falling from RM133.0 million to RM106.4 million. Intake from Belgium decreased by 11% valued at RM14.2 million and was followed by France, where export dropped by 26% amounting to RM11.6 million. Similarly, export to Poland fell by 28% to RM10.3 million from RM14.3 million over the same period. Meanwhile, the imports into other parts of Europe, declined by 1% with a total amount of RM161.8 million. The United Kingdom increased its intake by 4% value at RM152.0 million. Demand from Georgia also grew by 6%, reaching RM5.4 million, while Turkiye reduced its intake by 74% valued at RM1.7 million for the stated period.

Shipments to the Oceania/Pacific region decreased by 16% to RM159.1 million in the period of January – April 2025. Australia as the main buyer decreased its purchases by 14% with a total value of RM142.8 million from RM165.2 million in the previous corresponding year. Similarly, both New Zealand and Papua New Guinea dropped their intake by 11% and 74%, totalling at RM11.3 million and RM1.6 million, respectively.

Malaysia: Export of Wooden Furniture



Shipments to North America increased by 3%, amounting to RM1.8 billion whereas the USA as the main buyer from this region increased its purchases by 3% with a total value of RM1.6 billion, followed by Canada with an export value worth RM133.0 million. Similarly, exports to Puerto Rico increased by 49% to RM24.0 million.

In the Central America region, exports decreased by 4% amounting to RM12.8 million for the stated period. Panama, as the largest buyer in the region increased its intake by 45% worth RM5.1 million. Similarly, exports to El Salvador and Guatemala grew by 21% to RM2.9 million and by 15% to RM3.0 million, respectively. Moving to South America countries, exports decreased by 29% to RM26.5 million with Chile and Venezuela decreasing their purchases by 39% to RM14.4 million and by 15% to RM1.3 million, respectively. Similarly, Peru also reduced its buying by 22% worth RM5.1 million.

Shipments to Africa, on the other hand, decreased by 7% to RM42.7 million in the period of January – April 2025. There was a decrease in imports of wooden furniture into South Africa by 6% from RM13.3 million to RM12.5 million. Similarly, Tanzania dropped its purchases by 18% to RM2.3 million. Meanwhile, imports from Libya grew by 24% to RM2.1 million from RM1.7 million in the same corresponding period.

In April 2025, the total export of rattan furniture from Malaysia recorded an increase of 9% in value to RM6.0 million, while a cumulative export in the period of January - April 2025, exports also increased by 9% in value to RM22.5 million from RM20.7 million in the previous corresponding year.

Export of rattan furniture to the ASEAN region recorded a decrease of 33% worth RM1.8 million from RM2.7 million in the previous year. Singapore as the main importer in this region, decreased its imports by 35% valued at RM0.5 million as compared to the year before. Meanwhile, exports to Thailand and Indonesia showed an improvement of 88% and 513% with both countries recording an export value of RM0.2 million for each country.

Export to the East Asia region increased by 48% worth RM0.8 million with Japan as the largest buyer. Shipments to Japan were worth RM0.4 million with an increase of 75%. Similarly, exports to Hong Kong increased significantly by 1,486% worth RM90,965. Nevertheless, exports to China decreased by 70% worth RM69,816. India was the only country Malaysia exported its rattan furniture to in the South Asia region. The total export increased by 104% at RM0.3 million as compared to the previous year.

As for the West Asia region, the total export was valued at RM1.1 million, a decrease of 7% from the previous corresponding year. The UAE, the main buyer from this region dropped its intake by 40% with a total value of RM0.4 million. Meanwhile, exports to Qatar increased by 46% to RM23,394 while Iran resumed its intake worth RM0.2 million.

Export to the European Union region increased by 42%, valued at RM4.9 million as compared to the previous year that which was worth RM3.5 million. Poland and the Netherlands improved their intake, worth RM0.6 million and RM0.4 million, respectively, while exports to France dropped by 31% to RM0.6 million for the stated period. Meanwhile, in other parts of Europe, exports to the United Kingdom decreased by 49% to RM1.4 million while Switzerland resumed its intake with RM860. Similarly, Russia decreased its buying by 75% worth RM49,179 from RM197,449 in the same corresponding period.

Exports to the Oceania/Pacific region had a total value of RM1.3 million, an increase of 27% from the previous corresponding year, with exports to Australia, the main

buyer of this product, improving by 45%, valued at RM1.3 million. Shipments to the North America region increased by 27% to RM10.0 million from RM7.9 million, with the USA as the main purchaser, with a total export increasing by 36%, valued at RM8.8 million from RM6.5 million in the previous corresponding year. Similarly, Canada increased its purchases by 14% worth RM0.6 million. However, the Dominican Republic reduced its intake by 9% worth RM425,643 for the period January – April 2025. Meanwhile, exports to Chile grew by 17% worth RM0.4 million for the stated period. Moving on the Africa region, exports to Kenya dropped by 17% to RM66,087 from RM79,283 in the corresponding period of 2023.

After a period of extraordinary growth followed by an inevitable correction, the global furniture industry enters 2025 in a state of cautious transition, navigating a complex landscape marked by both challenges and transformative trends. In 2024, according to CSIL, world furniture production reached approximately USD470 billion, reflecting a stabilisation after two years of decline. However, this apparent stability masks varied regional performances. The Asia-Pacific remains the dominant production hub, accounting for more than half of global output. China, while still the largest producer, experienced a modest return to growth after two years of contraction, thanks in part to the recovery of exports.

India has emerged as the third-largest manufacturing country, reflecting the growing strength of its domestic market and expanding industrial base. In contrast, production in North America and Europe contracted, being weighed down by weaker consumer demand and the lingering effects of inflation and tightening monetary policy. Despite these headwinds, the furniture sector remains inherently global, with international trade having grown by 25% over the past ten years, reaching approximately USD 174 billion in 2024. However, this interconnectedness also brings vulnerability to protectionist trade policies, a factor amplified by the evolving trade landscape. The long-term implications of these developments are still unfolding, particularly in North America, where the reconfiguration of trade policy under the newly elected US administration introduces further unpredictability.

Looking ahead, CSIL forecasts a gradual recovery in global furniture consumption in 2025 and 2026. The path forward, however, will remain uneven across regions. Asia-Pacific is expected to continue as the primary engine of growth, underpinned by structural drivers such as population expansion, urbanisation, and rising incomes. Europe is likely to remain in a fragile position, with only tentative signs of stabilisation expected beyond 2025. North America may begin a gradual rebound, although much depends on the evolution of domestic policies and trade conditions. However, the outlook for world furniture trade suggests a slower recovery, with a growth of around 2% in 2025, followed by near stagnation in 2026. The spectre of evolving trade of policies, particularly tariffs, adds a layer of complexity to the outlook. The potential for increased protectionist measures poses a significant downside risk to the global furniture trade. The uncertainty surrounding future US trade policy is a major concern for the medium-term outlook, particularly for North America. Historical examples, such as the US anti-dumping measures against China in 2004 and subsequent tariffs, illustrate how trade policies can lead to shifts in manufacturing locations, with Vietnam emerging as a significant player. The current trade tensions are again influencing sourcing decisions.

Sustainable Forestry and Timber Industry in JAPAN



Country Overview

Japan, located on the eastern edge of Asia, is an archipelago made up of four main islands—Hokkaido, Honshu, Shikoku and Kyushu—along with nearly 4,000 smaller islands. Surrounded by Russia, Korea and China, Japan is largely mountainous with the Japanese Alps running through Honshu and Mount Fuji standing as its highest and most sacred peak. Sitting at the convergence of three tectonic plates, the country is highly prone to earthquakes and volcanic activity with over 60 active volcanoes.

Japan is the country with a reigning emperor, who holds no actual political power but remains a respected symbol of the nation's traditional and unity. The country is facing a significant demographic shift as its population is projected to drop from 123 million to 87 million, with the proportion of people over 65 rising from 29% to 40% by 2060. This trend poses serious challenges for economic growth and public finances, prompting the government and businesses to explore strategies to mitigate its impact. Nonetheless, the aging and shrinking population is expected to fundamentally influence economic demand and reshape opportunities across various sectors.

According to Focus Economic portal, Japan holds the position of the world's third-largest economy by nominal GDP, though its global economic influence has declined since 1980s when it nearly rivaled the USA economy. Its industrial sector particularly automotive, robotics, machinery and electronics remains central to its strength, showcasing Japan's reputation for innovation and precision. The service sector also plays a vital role with Tokyo acting as a major global financial hub. Despite these strengths, Japan has struggled with persistent deflation, prompting ultra-low and even negative interest rates until 2024.

Looking ahead, the government aims to stimulate domestic demand, increase defense spending, encourage higher female workforce participation and invest in digital and green industries. However, due to an aging and shrinking population, economic growth is expected to remain below 1%. In trade, manufactured goods dominate both exports and imports with total exports and imports reaching USD692.7 billion and USD715.7 billion respectively, in 2024.



Japan Forestry and Timber Production

Large amounts of timber were needed for military supplies during World War II and for reconstruction materials after the war, which led to extensive logging. A strong social demand for rapid forest recovery in logged areas led to the progress of reforestation with conifers such as cedar, for which reforestation techniques were well established. Abandoned logged areas were almost reforested about 10 years after the war.

Japan's forests cover about 25 million hectares, which accounts for two-thirds of the national land area. About 40% of them are planted forests. 64% of the planted forests are aged above 50 years and entering their period of use. The forest area consists of private forests, public forests and national forests which account for 57%, 12% and 31% respectively.

According to FAO's 2023 Statistics, sawlogs and veneer logs were the most produced timber production in Japan, with an annual production volume of approximately 16 million cubic metres. The production of sawlogs and veneer logs were recorded at a steady volume except in 2020 when production dropped to 16 million cubic metres. The second largest Japanese timber production was sawnwood, averaging approximately around 7.4 million cubic metres, followed by woodchips and particles at 5 million cubic metres and plywood 2.6 million cubic metres. The other timber productions in Japan were particleboard, fibreboard, LVL, veneer sheets and wood charcoal.

JAPAN: TIMBER PRODUCTIONS (2019 – 2023)

Product	Unit	2019	2020	2021	2022	2023
Sawlogs and veneer logs, coniferous	m ³	17,479,000	15,682,000	17,365,000	17,754,000	16,070,000
Sawnwood, coniferous	m ³	8,282,000	7,522,000	8,457,000	8,018,000	7,367,000
Woodchips and particles	m ³	4,431,000	4,314,000	5,467,000	4,925,000	5,023,000
Plywood	m ³	3,337,000	2,999,000	3,172,000	3,059,000	2,532,000
Particleboard	m ³	1,051,000	961,000	1,004,000	985,000	935,000
Medium/high density fibreboard (MDF/HDF)	m ³	404,000	350,000	378,000	394,000	328,000
Other fibreboard	m ³	330,000	300,000	310,000	290,000	265,000
Laminated Veneer Lumber (LVL)	m ³	0	0	0	250,000	228,000
Veneer sheets	m ³	60,000	60,000	60,000	60,000	60,000
Wood charcoal	t	15,000	13,000	12,000	12,000	14,000
Other industrial roundwood, coniferous	m ³	1,151,000	1,312,000	1,397,000	1,299,000	1,483,000

Source : FAO STATS



Japan's Exports of Timber and Timber Products

A growing overseas demand for Japanese timber has led to a steady increase in exports over the past decade. The upward trend has continued since fiscal 2013, against the backdrop of increasing demand for timber in China and the growing popularity of cypress for use in home interiors in South Korea. In the five-year export trends between 2020 to 2021, the export values ranged between USD412.5 million to USD523.6 million. Global lumber prices soared in 2021, partly due to increased housing demand in the US and other countries, making Japanese timber more attractive to international buyers. However, the export performance recorded fluctuating trends over the years. In 2024, the export recorded at USD443.3 million, an increase of 1% from USD439.8 million in 2023. The main timber products exported in 2024 were logs, wooden furniture and plywood totalled at USD186.6 million, USD87.9 million and USD48.9 million respectively. The primary log species exported included Japanese Cedar (sugi) and Japanese Cypress (hinoki).

JAPAN: EXPORT OF TIMBER & TIMBER PRODUCTS TO WORLD (2020 – 2024)

USD'000

Products	2020	2021	2022	2023	2024
Logs	153,111	191,970	157,476	164,899	186,612
Wooden furniture	78,180	90,900	77,694	79,740	87,883
Plywood	54,024	71,174	87,956	73,159	48,877
Sawntimber	63,311	88,913	70,399	46,207	48,840
Builders' joinery & carpentry (BJC)	14,570	20,415	29,582	21,000	17,440
Chipboard/Particleboard	4,214	6,225	3,901	4,127	6,414
Mouldings	2,672	5,413	4,974	4,166	4,760
Veneer	3,900	2,860	2,587	2,026	2,794
Fibreboard	3,343	2,836	3,070	2,435	1,943
Wooden frames	316	438	551	754	261
Others	34,895	42,499	43,108	41,310	37,431
Total	412,536	523,643	481,298	439,823	443,255

Source: ITC Stats

The size of the domestic timber market has contracted due to the fall in Japan's population. Overseas markets, on the other hand, have been expanding due to economic growth and increasing populations in emerging countries. Thus, the government is focusing on capturing the global market centered on China, the USA, South Korea and Taiwan, and is working to promote exports by popularising the construction of Japanese-style structures, expanding sales channels for highly durable timber and enhancing the brand value of Japanese timber products.

China was the main Japanese timber and timber products (HS44) export destination, worth USD196.1 million. This was followed by the Philippines (USD58.6 million), the USA (USD37.1 million) and South Korea (USD21.2 million). Meanwhile, Malaysia ranked at 18th place as an export destination with imports worth USD453 thousand in 2024.

**JAPAN: EXPORT OF TIMBER & TIMBER PRODUCTS BY MAJOR DESTINATIONS
(HS CODE 44) (2020 – 2024)**

USD'000

Rank	Importers	2020	2021	2022	2023	2024
1	China	159,630	201,495	166,396	177,045	196,057
2	Philippines	60,791	93,641	111,170	79,868	58,609
3	United States of America	35,649	47,600	47,157	37,635	37,055
4	Korea, Republic of	28,202	33,971	28,161	20,008	21,189
5	Taipei, Chinese	18,896	22,295	21,719	18,872	16,937
6	Indonesia	4,588	5,505	4,686	4,199	4,255
7	Vietnam	6,823	6,446	5,279	3,713	3,504
8	Thailand	1,708	1,977	2,448	2,086	2,422
9	Hong Kong, China	2,566	2,426	2,188	1,681	2,176
10	United Kingdom	1,176	1,334	1,079	1,278	1,744
18	Malaysia	417	723	770	268	453
	Others	13,909	15,329	12,562	13,429	10,969
	TOTAL	334,355	432,743	403,607	360,082	355,373

Source: ITC Stats



Japan's Imports of Timber and Timber Products

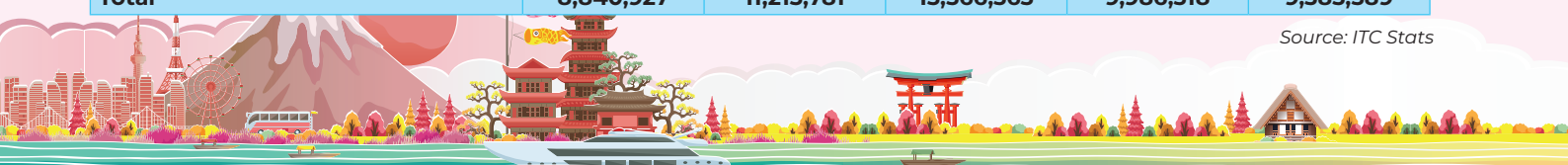
For the last five years, the import performance of timber and timber products to Japan increased steadily from 2020 to 2022. However, imports dropped 25% in 2023 due to combination of factors, including a shrinking population, a decline in new housing construction and increased self-sufficiency in timber production. These trends have reduced the overall demand for imported timber products. In 2024, imports decreased 4% to USD9.6 billion. The main imported timber products to Japan were wooden furniture, sawntimber, BJC and plywood totalled at USD2.6 billion, USD1.5 billion, USD1.4 billion and USD 1.1 billion respectively.

JAPAN: IMPORT OF TIMBER & TIMBER PRODUCTS FROM WORLD (2020-2024)

USD'000

Products	2020	2021	2022	2023	2024
Wooden furniture	2,833,617	3,165,716	3,117,441	2,665,765	2,593,823
Sawntimber	1,728,484	2,580,560	2,990,808	1,395,725	1,527,412
Builders' joinery and carpentry (BJC)	1,417,366	1,730,097	2,124,963	1,410,316	1,381,443
Plywood	1,184,011	1,584,859	1,939,278	1,165,582	1,123,009
Logs	569,779	776,082	901,471	559,661	470,265
Fibreboard	224,210	233,818	327,902	263,395	228,011
Chipboard / Particleboard	165,308	190,576	276,136	177,495	165,013
Mouldings	202,156	214,223	220,098	171,314	142,981
Veneer	106,791	128,126	75,360	48,558	42,339
Wooden frames	30,141	33,173	32,997	31,779	30,381
Others	3,212,681	3,744,267	4,477,550	4,762,693	4,472,535
Total	8,840,927	11,215,781	13,366,563	9,986,518	9,583,389

Source: ITC Stats



For import of furniture (HS9403) in 2024, China was the main supplier to Japan with a value of USD1.5 billion, followed by Vietnam (USD370.7 million), Taipei (USD131.6 million) and Indonesia (USD 102.6 million). Malaysia ranked at 4th position with a total of USD121.3 million from a total of 81 countries that supply furniture to Japan which amounted to USD2.6 billion.

JAPAN: IMPORT OF FURNITURE & PART THEREOF, 2020-2024

USD'000

Rank	Exporters	2020	2021	2022	2023	2024
1	China	1,377,796	1,608,158	1,583,142	1,451,146	1,455,471
2	Vietnam	494,192	470,734	504,436	381,028	370,733
3	Taipei, Chinese	216,568	248,473	205,534	145,745	131,616
4	Malaysia	175,502	162,268	175,116	133,352	121,296
5	Indonesia	123,627	142,125	142,593	117,497	102,637
6	Philippines	102,771	128,632	114,726	105,506	100,928
7	Austria	84,169	106,484	96,416	77,608	77,400
8	Italy	44,554	53,988	56,608	57,568	50,715
9	Thailand	69,275	71,973	62,410	41,835	42,574
10	Germany	16,308	21,125	20,728	20,848	23,130
	Others	128,853	151,758	155,732	133,634	117,326
	TOTAL	2,833,617	3,165,716	3,117,441	2,665,765	2,593,823

Source: ITC Stats

*Malaysia ranked 4th from 81 countries



Malaysia's Export of Timber and Timber Products to Japan

Japan has historically been a major importer of timber and timber products from Malaysia, particularly plywood. While the volume of exports may fluctuate, Japan consistently ranks among the top destinations for Malaysian timber, reflecting strong trade ties between the two countries. However, the exact nature of this trade relationship can vary from year to year, with factors like global economic conditions, construction activity in Japan and even specific regulations impacting the trade flow. In 2024, the export of timber and timber products from Malaysia to Japan increased slightly by 1% from RM2.82 billion in 2023 to RM2.84 billion, while the highest export was in 2022, amounted RM3.8 billion. Plywood was the main product exported at the amount of RM1.3 billion, followed by wooden furniture (RM437.8 million) and fibreboard (RM294.4 million).

MALAYSIA: EXPORT OF TIMBER & TIMBER PRODUCTS TO JAPAN (2020 – 2024)

Value: RM '000

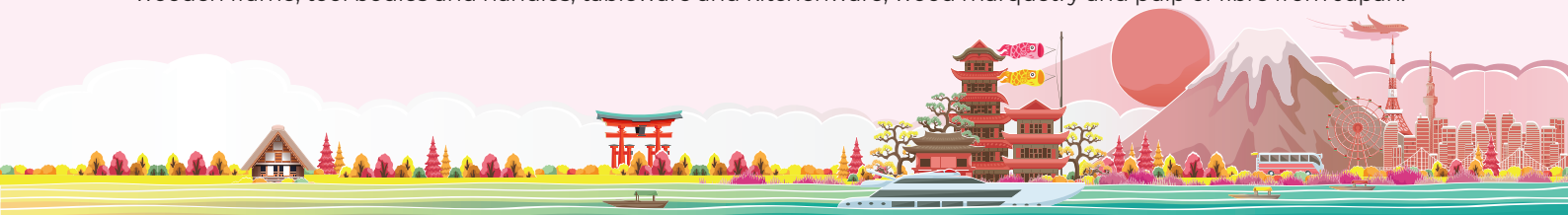
Products	2020	2021	2022	2023	2024
Plywood	1,376,609	1,755,712	2,024,143	1,333,864	1,305,718
Wooden Furniture	474,288	522,195	602,415	481,253	437,792
Fibreboard	251,935	238,440	367,951	321,821	294,371
Sawntimber	105,683	104,118	136,880	109,347	95,367
Builders Joinery & Carpentry	55,178	46,758	58,682	62,000	64,008
Mouldings	67,236	56,841	58,217	58,981	46,640
Chipboard/Particleboard	29,865	35,977	66,988	41,939	42,858
Logs	19,893	16,145	23,964	14,498	15,177
Veneer	11,587	16,710	9,047	8,046	11,511
Other Products	343,040	331,730	410,604	388,340	535,278
Total	2,735,313	3,124,626	3,758,890	2,820,090	2,848,719

Source: MTIB & DOSM



Malaysia's Import of Timber and Timber Products from Japan

Malaysia has gradually improved the import of timber and timber products from Japan and significantly increased its imports by 68% from RM65.3 million in 2023 to RM109.7 million in 2024. That increment was contributed by the RM4.6 million purchase of wooden furniture, followed by BJC (RM656.8 thousand), fibreboard (RM232.4 thousand), logs (RM195.1 thousand) and veneer (RM176.7 thousand). Malaysia also imports other types of timber products such as packing cases, wooden frame, tool bodies and handles, tableware and kitchenware, wood marquetry and pulp of fibre from Japan.



MALAYSIA: IMPORT OF TIMBER & TIMBER PRODUCTS FROM JAPAN (2020 -2024)

Value: RM '000

Products	2020	2021	2022	2023	2024
Wooden furniture	2,101	2,152	3,579	3,750	4,580
Builders Joinery & Carpentry (BJC)	42	7	12	491	657
Fibreboard	147	42	62	49	232
Logs	245	233	438	201	195
Veneer	52	618	1,591	417	177
Sawntimber	3	930	1,214	17	118
Plywood	0	12	91	21	12
Chipboard/Particleboard	10	364	0	9	6
Mouldings	153	0	3	4	0
Others	8,825	11,291	34,682	60,375	103,744
Total	11,577	15,649	41,671	65,334	109,721

Source: MTIB & DOSM



Japan on Free Trade Agreements and Import Tariffs

To strengthen its economic interdependence and build political trust with partner nations, Japan has signed 21 Free Trade Agreements (FTAs) or Economic Partnership Agreements (EPAs), with six more currently under negotiation and two under suspensions. In the case of Malaysia, the two countries have established one bilateral FTA and participate in three regional FTAs together. Malaysia benefits from the ASEAN-Japan Comprehensive Economic Partnership (AJCEP), which expands on the Malaysia-Japan Economic Partnership Agreement (MJEPA) by offering advantages such as cumulation in rules of origin and faster tariff reductions for certain products. Through the other regional FTAs such as Regional Comprehensive Economic Partnership (RCEP) and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), both countries have committed to progressively reducing or eliminating tariffs on a wide range of industrial and agricultural goods.

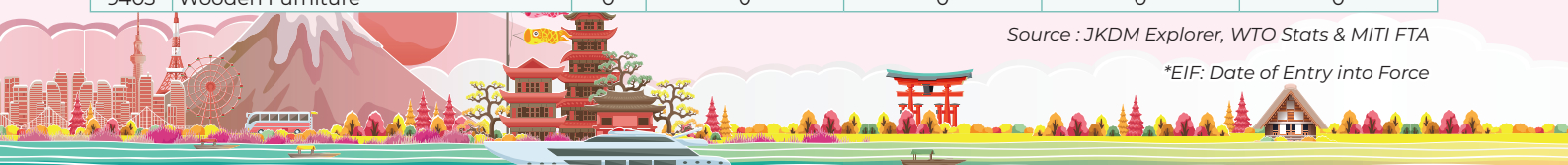
Japan's Most-Favored-Nation (MFN) rate range between 0% to 10% with chipboard/particleboard 5% - 7.9%, plywood 6% - 10% and mouldings 0% - 7.5%. Only seat and parts thereof face up to 3.8% of duty as compared to wooden furniture at 0%.

JAPAN: TARIFF DUTY

HS CODE	PRODUCTS	MFN (%)	ASEAN-Japan Comprehensive Economic Partnership (AJCEP) EIF: 1 Feb 2009	Malaysian-Japan Economic Partnership (MJEPA) EIF: 13 Jul 2006	Regional Comprehensive Economic Partnership (RCEP) (2025) EIF: 1 Jan 2022	Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) (2025) EIF: 30 Dec 2018
4401	Fuel Wood	0	0	0	0	0
4402	Wood Charcoal	0	0	0	0	0
4403	Logs	0-3.5	0	0	0	0
4404	Hoopwood, Split polis, Piles	0-7.5	0	0	0	0
4405	Wood wool; Wood flour	2.5	0	0	0	0
4406	Railway sleepers	0	0	0	0	0
4407	Sawntimber	0-6	0	0	0-4.5	0
4408	Veneer	0-6	0	0	0-4.5	0
4409	Mouldings	0-7.5	0	0	0-4.8	0
4410	Chipboard/Particleboard	5-7.9	0	0	0-5	0
4411	Fibreboard	2.6	0	0	1.7-2.6	0
4412	Plywood	6-10	0	0	5-10	0
4413	Metalised wood or other densified wood	7	0	0	5-7	0
4414	Wooden Frame	3.2	0	0	2.4-3.2	0
4415	Packing cases	2.8-3.9	0	0	0-3.9	0
4416	Casks, barrels, vats, tubs	2.2	0	0	0	0
4417	Tools, tool bodies, tool handles	2.2-2.8	0	0	0	0
4418	Builders Joinery & Carpentry	0-6	0	0	0-2.9	0
4419	Tableware and kitchenware, of wood	2.7-4.7	0	0	0	0
4420	Wood marquetry and inlaid wood	0-10	0	0	0-3.5	0
4421	Other articles of wood, n.e.s.	0-10	0	0	0-7.5	0
9401	Seat and parts thereof	0-3.8	0	0	0-3.1	0
9403	Wooden Furniture	0	0	0	0	0

Source : JKDM Explorer, WTO Stats & MITI FTA

*EIF: Date of Entry into Force

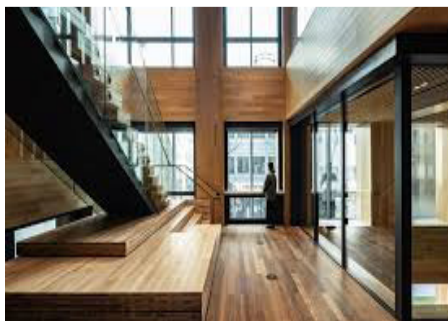
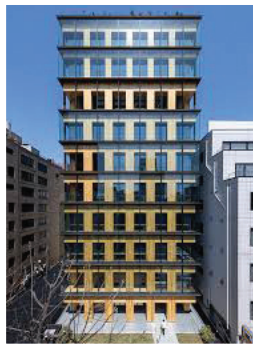




Prospects

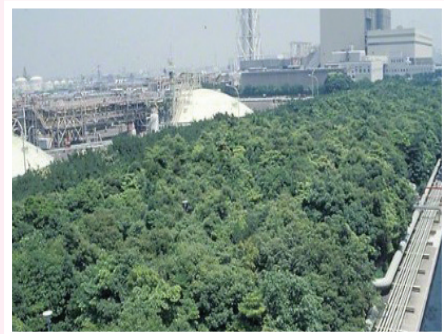
Japan's latest economic update for Q2 2025 indicates continued weakness, following a 0.7% annualised contraction in Q1. The World Bank has downgraded the country's GDP growth forecast for a year to just 0.7%, attributing this to subdued global demand, trade tensions and persistent policy uncertainty. The contraction in Q1 was primarily due to weak exports and reduced consumer spending amid inflation, marking the first quarterly decline in a year. The economic recovery is expected to continue into fiscal 2026. With the normalisation of trade transactions, the global economy, including the USA and China friction, is expected to recover and the real GDP growth rate for fiscal 2026 is expected to rise to 0.8% year-on-year.

Japan has emerged as the world's most attractive market for the timber industry thanks to a powerful combination of strong demand, supportive government policies and favorable economic conditions. The country's softwood timber imports surged 23% year-over-year now commanding the highest global prices as developers increasingly favor timber for residential and mid-rise construction. This boom is underpinned by a weak yen, raising import appeal and reinforcing Japan as a cost-effective timber hub for the Asia-Pacific region. Additionally, proactive government measures such as visa incentives for timber professionals, subsidies for mass-timber construction and legislation promoting timber in public buildings are accelerating the shift toward timber-rich architecture from homes to ambitious skyscrapers. Port Plus is Japan's first high-rise pure wooden fireproof building completed as the company's next-generation training facility in Yokohama, Kanagawa Prefecture. All of the above-ground structural members (columns, beams, floors and walls) are made of wood, and the building is the tallest in Japan at 44 metres (11 stories). The use of wood contributes to a sustainable society by reducing CO₂ emissions and promoting the use of recyclable resources.



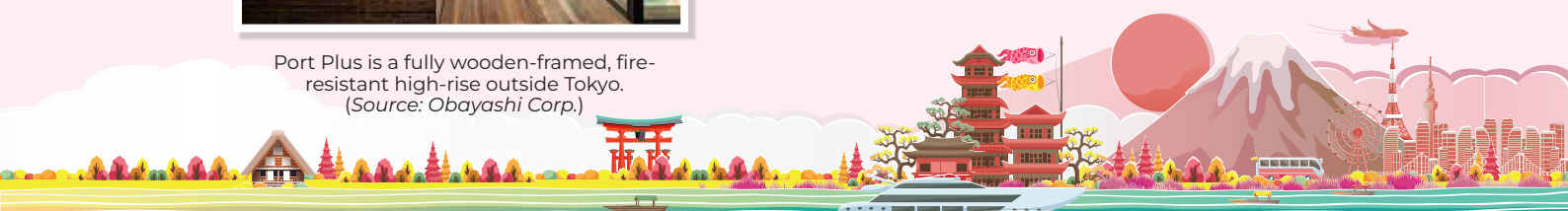
Port Plus is a fully wooden-framed, fire-resistant high-rise outside Tokyo.
(Source: Obayashi Corp.)

Japan's forest plantation efforts are deeply rooted in post-war reforestation policies, with over 40% of its forests now consisting of planted trees, primarily fast-growing conifers like cedar (sugi) and cypress (hinoki). These plantations were established mainly in the 1950s – 70s to meet timber demand but have since faced challenges such as neglect due to declining domestic timber use and an aging forestry workforce. As a result, many plantations are overgrown and under-maintained, leading to issues such like biodiversity loss and soil erosion. In recent years, Japan has shifted focus toward sustainable forest management, restoration of native ecosystem and promoting biodiversity through methods like the Miyawaki, aiming to balance timber production with environmental conservation.



The man-made forest at Tokyo electric Power Company's Higashi-Ogishima Thermal Power Station in Kawasaki, Kanagawa Prefecture. Since the 1980s, saplings were planted at site, first just one plant per square meter, as shown at left. Later planting increased this to tree. More than 10 years later, the trees, which have yet to reach full height, have formed a dense forest.
(Source: Miyawaki Akira)

Japan is rapidly increasing its timber self-sufficiency and reducing reliance on imports by leveraging domestic forests and government support. Domestic timber output has steadily risen since the early 2000s and the self-sufficiency rate surpassing 40% in recent years is the highest in five decades. Policies encouraging domestic usage, thinning overgrown planted forests, biomass demand and incentives for mass timber construction have combined, although timber imports have fluctuated due to supply dynamics. Simultaneously, Japan is investing in engineered timber products and green building strategies, further bolstering its forest industry and establishing itself as a more self-reliant and sustainable market leader in timber.



The Revised Clean Wood Act, passed in May 2023 and taking effect on 1 April 2025, significantly strengthens Japan's efforts to combat illegal logging by making legality verification mandatory for importers and first-market-entry timber businesses (Type 1). They must collect detailed raw material data such as species, harvesting location and official legal documentation to conduct risk-based due diligence, records for a minimum of five years, information to downstream partners and annual reports if volumes exceed specified thresholds (30,000 m³ logs or 15,000 tonnes of wood products). The law also expands its scope to include retailers and introduces stricter penalties, including fines up to ¥1 million for non-compliance.

Japan's ready-to-assemble (RTA) furniture market is rapidly expanding, driven by urbanisation, a growing number of single-person households and a cultural preference for a minimalist, space-saving design. Valued at around USD620 million in 2023, it is expected to grow at a compound annual rate of approximately 6% - 7%, with the broader home furniture sector also tracking solid growth at 2.5%-4% annually. The rise of e-commerce alongside increasing demand for sustainable and ergonomic pieces especially as the population ages has further fueled the market. Despite some resistance from consumers who prefer traditional handcrafted wood furniture and challenges from premium pricing, the ecosystem is adapting with modular, eco-friendly and senior-friendly products. These trends indicate that Japan's households and businesses are embracing RTA furniture as a practical, affordable and sustainable choice.



Malaysian furniture for Japan's market
(Source: Deep Furniture)

Japan is taking major steps to promote timber construction by extending the recognised lifespan of wooden non-residential buildings. Stating 1 April 2025, the Japanese Ministry of Land, Infrastructure, Transport and Tourism is introducing new standards to evaluate the durability of wooden buildings, focusing on waterproofing and potentially extending their legal lifespan to 50 years or more. This initiative aims to encourage the use of timber in construction by making it easier for building owners to secure loans with longer repayment terms. The standards are initially targeted at non-residential buildings like offices and will involve third-party evaluations of a building's ability to withstand water penetration. Also, this enhancement will ease access to financing for timber projects and support decarbonisation goals by encouraging greater use of timber in construction.



Japandi (Japanese mixed Scandinavian) interior design for bedroom
(Source: Tokyo SMEs)



Household cabinets and shelves
(Source: Chungchin)

Malaysian timber exporters should capitalise on existing Free Trade Agreements with Japan to significantly boost their exports of timber and timber products. A key opportunity lies in supplying prefabricated components like beams, mouldings, doors and windows to Japanese construction companies apart from continuously trade traditional products such as plywood, wooden furniture, fibreboard and sawntimber. To achieve this, local exporters need to proactively engage in business matching events and international exhibitions to explore new market avenues in Japan. Furthermore, strengthening Malaysia's position in the global timber trade requires developing strong collaborations within the construction sector, leveraging e-commerce platforms and withstanding Japanese product preferences for timber and timber products.



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INDONESIA



Seeks Rollback of US Reciprocal Tariff on Furniture

According to Trade Minister Budi Santoso, the government is pushing for the elimination of a reciprocal tariff imposed by the United States on Indonesian furniture and craft products.

Trade Minister Budi Santoso explained that all furniture products entering the US are subject to a sectoral tariff of 3 percent. This would surge to 35 percent if the US's 32 percent reciprocal tariff were imposed.

"That's why we're asking for the reciprocal tariff to be eliminated," he explained in Jakarta on Wednesday.

Currently, during the 90-day suspension of the US reciprocal tariff, Indonesian furniture products face

a baseline tariff of 10 percent plus the 3 percent sectoral tariff, he added.

Trade Minister Budi Santoso stated, the government is negotiating for an easing of the reciprocal tariff. The value of Indonesia's furniture and craft exports to the US currently stands at USD1.64 billion.

The government is also working on deregulating exports and imports to support the ease of doing business.

This deregulation policy is expected to boost exports, including those of furniture and craft products, and elevate Indonesia's position as a furniture and craft exporter.

The country is currently ranked 20th globally, with the total value of its furniture and craft exports pegged at USD2.43 billion.

"If possible, we want to be among the top 10 furniture exporters," Santoso stated.

As part of drafting the deregulation policy, the Ministry of Trade has held discussions with associations and the Ministry of Forestry so that wood derivative products, such as furniture and crafts, do not require V-Legal documents (wood product export licenses).

Source: <https://en.antaranews.com>, 21 May 2025

VIETNAM



New Zealand and Vietnam Expand Timber Trade Partnership

According to the cooperation agreement, New Zealand will increase timber exports while Vietnam will remove potential trade barriers.

The arrangement will see New Zealand's radiata pine recognised under Vietnam's evolving timber construction standards, opening more opportunities in this growing market.

Forestry and Trade Minister Todd McClay stated "This will grow our USD 2.68 billion two-way trade and significantly bolster the USD 48 million worth of sawn timber we currently export to Vietnam".

McClay emphasised that Vietnam's economy has more than doubled in the past decade and

is expected to see some of the fastest global income growth over the next. That means more construction, more demand for sustainable products, and more opportunity for New Zealand timber.

This agreement is expected to add value to New Zealand wood products and offer opportunities in addition to exporting logs. It boosts New Zealand's export potential and helps double the country's exports by value in 10 years.

As reported by Wood Central, Vietnam is closing in on Australia, which is New Zealand's fourth-largest market for lumber (behind China, the US, and South Korea).

According to New Zealand ambassador, "Forestry is an important sector for New Zealand, significantly contributing to our trade relations with Vietnam. New Zealand's timber exports to Vietnam were valued at NZD 80 million (USD 50.8 million) in the year ending 2018, making this our second-largest export sector".

New Zealand ambassador also stated, "This agreement successfully combines New Zealand's sustainable radiata pine with Vietnam's expertise to enable Vietnamese furniture manufacturers to produce sustainable, strong and high-quality products".

Source: <https://vir.com.vn>, 29 May 2025



China's Wood Import Volume Declined in April

In April 2025, China's wood imports decreased by 2% month-over-month to 5.34 million cubic meters, a 15% reduction compared to the same period in 2024. The import value also declined, falling by 4% to USD 1.052 billion, a 22% contraction year-on-year.

Log imports remained sluggish: In April, log imports amounted to 2.93 million cubic meters, a sharp 19% decrease year-on-year, with the import value falling to USD 460 million, a 27% decline year-on-year. Among the major log suppliers, imports from New Zealand and Russia decreased by 4% and 15%, respectively, while imports from Papua New Guinea plummeted by 24%. Notably, Bosnia and Herzegovina, and Slovakia saw a significant surge in wood exports to China, increasing by 273% and 116% year-on-year, respectively. Latvia and Japan also recorded growth of 45% and 26%, respectively.

Meanwhile, sawnwood imports reached 2.41 million cubic meters, the highest level in the first four months of 2025. However, the volume fell by 10% year-on-year, with the import value decreasing by 18% year-on-year to USD 587 million.

Source: <https://www.itto.int>, 1 May 2025



EU Anti-Dumping Measures Targeting Plywood Imports

The decline in European imports of temperate hardwood plywood from Kazakhstan and Turkey in 2024 followed the extension of EU anti-dumping measures on imports of birch plywood, previously applied to Russian products, to imports from the two countries.

The European Commission announced the extension in May last year following an investigation which concluded that EU anti-dumping duties on imports of birch plywood from Russia were being circumvented by imports transhipped from Russia to Kazakhstan and Turkey, or sent for final completion to these countries before shipment of the finished product to the EU.

In October 2024, the European Commission initiated an additional anti-dumping investigation, this time concerning imports of hardwood plywood from China.

That investigation is still ongoing. As part of this procedure, in December 2024 the EU introduced a law requiring registration of all hardwood plywood imports from China.

The measure is designed to ensure that all such imports entering the EU are meticulously recorded by national customs authorities. According to the law, the purpose of registration is "to ensure that, if the investigation results in findings leading to the imposition of anti-dumping duties, those duties can, if the necessary conditions are fulfilled, be levied retroactively on the registered imports".

In March this year, the European Commission launched an anti-dumping investigation into allegations by a consortium of large European plywood producers that Brazilian softwood plywood imports in the EU are being sold at unfairly low prices.

As part of the probe, all Brazilian softwood plywood imports must now be registered at EU borders to allow customs authorities to retroactively impose additional duties if the investigation confirms dumping practices.

Source: <https://www.itto.int>, 8 May 2025



Germany's Wood Pellet Prices Fall in May, Production Hits Record Quarter 1 High

Wood pellet prices in Germany dropped sharply in May 2025, even as domestic production reached a record high for the first quarter. According to the German Pellet Institute (DEPI), the average price per tonne of pellets fell by 7.9% from April to EUR 315.89, continuing a downward trend driven by ample supply and moderate demand.

Prices vary across regions for typical orders of six tonnes. In southern Germany, pellets cost EUR 310.65/t, while central regions recorded an average of EUR 320.46/t. Northern and eastern Germany reported the highest prices at EUR 325.27/t. Bulk orders of 26 tonnes traded at lower rates: EUR 297.04/t in the south, EUR 305.41/t in central Germany and EUR 310.49/t in the north and east.

Despite falling prices, German pellet producers reported a strong start to the year. Q1 production reached 948,000 tonnes — the highest volume ever recorded for a first quarter. This marks an increase of approximately 40,000 tonnes compared to both the fourth quarter 2024 and the first quarter 2024.

The share of bagged pellets fell significantly to 17%, down from 28.1% in the previous quarter and 20.1% in the same period last year. Export volumes also declined, with just 9.1% of pellets sent abroad — well below the 2020–2024 average of 14.8%.

Sawmill residues remained the dominant raw material, accounting for 92.9% of production inputs, though this was slightly below the previous quarter's 95.3%. Notably, industrial-grade pellets made up 1.4% of output, double the 0.7% average from the previous year.

Source: www.globalwoodmarketsinfo.com, 22 May 2025

Germany's Furniture Industry Recorded a 4.6% Drop in The First Quarter

Germany's furniture industry recorded EUR 3.9 billion in revenue in the first quarter of 2025, a 4.6% decline compared to the same period last year, according to official data.

Domestic sales fell 5% (EUR 2.6 billion), exports dropped 3% (EUR 1.3 billion), and the export ratio stayed steady at 33%.

The kitchen furniture segment showed early stabilization with a 1.8% dip, supported by a slight increase in orders. In March, overall industry sales rose 0.6%.

"Our sector still feels the impact of political crises and high living costs," said Jan Kurth, CEO of VDM/VHK. "People are saving instead of spending."

The consumer climate improved slightly in April (GfK), and the Ifo Institute reported a modest rise in industry sentiment, reflected in reduced use of short-time work: from 44% in the first quarter to a projected 20% in the second quarter.

By segment: living/bedroom furniture dropped 3.8%, office/store furniture 6.3%, upholstered furniture 9.8%, and mattresses 18.3%. The number of firms with 50+ staff fell 3.5% to 401, and employment declined 4% to 69,159.

Kurth expects better consumer sentiment by fall and calls for quick implementation of coalition plans to boost housing, cut bureaucracy, and ease taxes.

Source: www.fordaq.com, 20 May 2025



Swedish Forestry Increases Timber Imports in 2024

Imports of roundwood to the Swedish forest industry increased by as much as 26 per cent in 2024 compared with the previous year. This is shown by new statistics from Biometria.

The amount of imported timber increased from 6.8 (2023) to 8.6 million m³fub last year. The total consumption of Roundwood (pulpwood and sawn timber) increased from 72.1 (2023) to 72.8 million m³fub in 2024. The increase was due to the pulp industry. The sawmills' consumption was basically unchanged, according to Biometria.

Overall, this means that the consumption of round timber of Swedish origin decreased by just over one million m³fub and landed at 64.2 million cubic meters.

Lars Björklund, responsible for Biometria's report, says in a press release that the consumption of wood of Swedish origin has decreased by about nine percent since 2021.

The amount of imported roundwood in 2024 (8.6 million m³fub) stands out in the statistics for the last five years. In 2019, however, the figure was about the same, according to the report.

Source: <https://globalwood.org>, 16 May 2025



US Imports Of Tropical Timber Rose in March

With the threat of impending trade tariffs looming, imports of tropical hardwood and related products rose significantly in March as US merchants increased inventories. Imports of hardwood plywood surged by 30% in March, imports of hardwood moulding rose 26% and imports of hardwood flooring and assembled flooring panels both rose more than 20%.

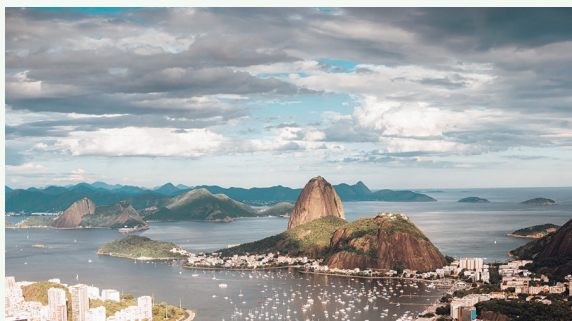
US imports of sawn tropical hardwood rose 12% and imports of wooden furniture edged up by 2%. Not every product area saw a gain, as US imports of tropical hardwood veneer fell 11%.

While imports from most trade partners rose, imports from China fell notably. US imports of furniture from China fell 19% in March, hardwood mouldings fell 47%, hardwood veneer fell 40%, assembled floor panels fell 62% and hardwood flooring fell 23%.

“While the volume of hardwood plywood imported by the US from China rose in March, dollars spent on those imports fell 3% from the previous month. This echoed the current overall decline in US imports from China.”

The share of US imports from China in the first quarter of the year fell to the lowest in over 20 years as the high tariffs on Chinese goods clamped down on trade. Imports from China reached USD 102.7 billion in the first three months of the year that puts the share of imported goods from China at just 11% in the first quarter, down sharply from over 22% seven years ago.

Source: www.fordaq.com, 22 May 2025



Wood Panel Exports Increased in 2024

The Brazilian planted forest sector showed a strong export performance in 2024 according to the Brazilian Tree Industry (Ibá) with a record trade surplus of USD 15.7 billion, representing growth of 23.5% compared to 2023.

According to Ibá, in 2024 the main products that recorded increased exports were wood-based panels, up by 37% (USD 409 million), followed by plywood (+23%; USD 793 million) and paper (+5%; USD 2.5 billion). Pulp, the sector's main export product, ended 2024 with a 33% increase (USD 10.6 billion).

In terms of production, Brazil achieved record figures in 2024, reaching 25.5 million tonnes of pulp (a 5.2% increase) and 11.3 million tonnes of paper (+4.6%).

Wood panel exports totalled 1.4 million cubic metres, marking a significant growth of 39%, while domestic demand rose to 8.3 million cubic metres, an increase of 16%.

“The forest sector accounted for 4.7% of Brazil's total exports (up 1% compared to 2023) and represented 9.5% of the country's agribusiness exports (up 1.9% from 2023). Key international markets also showed strong performance: China imported USD 4.8 billion (+21%), Europe USD 3.6 billion (+45%) and North America USD 3.5 billion (+24%).”

In 2024, China increased its imports of the three leading export products from Brazil compared to the previous year: pulp (+21%), paper (+63%) and wood panels (+94%). In North America, overall imports increased by approximately 24%, with wood panels standing out with a 57% rise. However, the bulk of the trade value came from pulp shipments, which totalled USD 1.7 billion, a 40% increase over 2024.

Source: www.fordaq.com, 16 May 2025



CAMEROON



Cameroon's Timber Output Projected To Rise in 2025 Despite Higher Export Taxes

Timber production in Cameroon is set to grow in 2025, even though the country has been tightening taxes on wood exports for several years. The Central Bank of Central African States (BEAC) forecasts a national output of 5.22 million cubic metres for the year, up from 5.19 million cubic metres in 2024. That marks a year-on-year increase of 28,700 cubic metres.

This rise in production is expected despite Cameroon's increasingly strict tax policy on the forestry sector. Between 2017 and 2023, the government gradually raised the export duty on logs, lifting it from 17.5% to 60%. According to BEAC, this change represents a total increase of 343% over that period.

In 2024, the export duty was raised again, from 60% to 75% of the FOB value. That means exporters now pay three-quarters of the declared value of each log in taxes. The same trend applies to sawn timber, which is wood that has gone through a first level of processing. Between 2016 and 2023, the export tax on these products jumped by 165%, according to the Cameroonian Timber Industry Group (GFBC).

“The government says the goal of these higher taxes is to discourage raw and semi-processed wood exports and to promote value-added processing inside the country. To support this strategy, Cameroon is also offering tax breaks on wood processing equipment.”

These incentives were introduced in the 2023 finance law, which exempts companies from paying import taxes on machinery used in wood transformation. At the same time, the government has set aside two industrial zones dedicated to wood processing. Located in the eastern region, Cameroon's main forestry and mining area, these zones cover a total of 224 hectares and are now open to businesses in the sector.

Whether these efforts will lead to more factories and jobs remains to be seen. For now, the production outlook suggests that despite the heavier tax burden, the forestry sector is still pushing forward.

Source: www.businessincameroon.com, 5 May 2025

GLOBAL



Global Furniture Supply Chain Facing Shock

The recent announcement of a reciprocal tariff policy by the US will target several major sources of American furniture imports and is expected to have a significant impact on the global furniture supply chain.

Data shows that Vietnam currently accounts for 37% of the total furniture imports by the US and has been subject to a 46% tariff, while China faces a tariff rate of 34%. This, combined with the existing 20% tariff rate, brings the actual tariff rate on Chinese furniture to 54%. At present, China and Vietnam account for 60% of the total furniture imports by the US.

In addition, other major furniture suppliers to the US, such as Mexico, Canada, Italy, Malaysia, Indonesia and Thailand have all been subject to double-digit tariff rates. The emerging supplier, Cambodia is facing a tariff rate of 49%, even higher than that of Vietnam.

The tariff rates of EU countries including Poland, Italy, Turkey and Portugal are 20%. However, considering the high manufacturing costs of these countries, they will find it difficult to gain any significant advantage from this tariff adjustment.

As early as 2004, after the US imposed anti-dumping duties on China's bedroom furniture, Vietnam began to make its mark in the global furniture supply chain.

During the China-US trade friction in 2019, many furniture manufacturers moved their production lines from China to Vietnam, enabling it to rise from second place to the top exporter of US furniture. This tariff policy may change this pattern again.

Regarding the policy's goal of bringing manufacturing back to the US industry experts point out that labour shortages are one of the main challenges, especially when many industries affected by tariffs are seeking to localise production and this issue may become even more prominent.

This extensive tariff adjustment is expected to affect all furniture imports entering the US and the global furniture purchasing pattern may undergo fundamental changes as a result.

Source: <https://www.itto.int>, 6 May 2025

Uptick in blank sailings as US and China trade tariff blows

Global supply chain managers are having to contend with more blanked container sailings as the world's top two economies show no sign of giving ground in an escalating trade war.

China responded today to US president Donald Trump's cumulative 145% tariffs, placing 125% tariffs on US products, effectively foregoing business between the two countries.

Chinese president Xi Jinping called on the European Union to join Beijing in opposing "bullying" from the US, saying "there are no winners in a tariff war".

Shippers looking to get goods in from other manufacturing powerhouses, such as Southeast Asia, are now scrambling as the Trump administration has given them until July 9 before possibly raising tariffs around the world once again.

Liner shipping is watching the situation carefully, calibrating accordingly.

"We have seen an uptick in blanks announced in the last couple of weeks and spread out over the coming months," said Simon Sundboell, CEO and founder of eeSea, a Danish liner analysis platform. Sundboell said the decision to blank sailings was down to general market uncertainty and weakening fundamentals.

"Carriers have started to blank out of China in particular again, as bookings dropped sharply," commented Peter Sand, chief analyst at Xeneta, a Norwegian container rates platform.

"There is a straightforward effect of the trade war: lower demand. Carriers will act on this by blanking more sailings in the coming weeks and months," Sand predicted.

Splash247_20 Apr 2025

Global Shipping 'Stifled' by Trump's Tariffs

Shipping stocks remain under severe pressure today as the world comes to terms with the immensity of Wednesday's tariff announcements from US president Donald Trump.

The average US tariff rate has now been set at just under 25%, levels not seen since the 1930s and the days of the Great Depression.

The Trump tariffs resulted in the second biggest wipeout of US stock market values in history in dollar terms, \$3.1trn, yesterday with stock markets in Asia-Pacific continuing to trade down today.

The scale of the tariffs makes comparisons with Trump's earlier tariff tactics eight years ago irrelevant, however, some in shipping are pinning their hopes to Trump admitting yesterday he is open to lowering tariffs if other countries can offer something "phenomenal", signalling the White House is willing to negotiate despite the insistence of some top officials.

"There is really no comparing Trump's trade war this year with the steps he took starting in 2017," analysis by container booking platform Freightos suggested, adding: "This time, the tariffs are so broad and so high that there are few duty-free alternatives."

Most economists are now predicting slower and modest US GDP growth, an increased likelihood of recessions in the US and beyond, and therefore a possible contraction of global trade as well.

"Global shipping is expected to be stifled as a result of the broader tariffs," argued US investment bank Jefferies in a note to clients yesterday.

Jefferies said the container sector was likely to be the most "sensitive" to tariffs, a point of view shared by BIMCO's chief shipping analyst, Niels Rasmussen.

"From a shipping perspective, the container sector will be affected the most. Many tanker and dry bulk commodities have so far been exempted from the tariff increases but most goods shipped in containers will face import tariff increases," Rasmussen said.



In a scenario where the tariff increases would result in zero growth in US container imports, it would reduce global container volume growth by 0.5 percentage points, according to BIMCO estimates.

In related container news, speculation is growing that French liner CMA CGM's big plans for investment in the US might be put on hold.

On March 6, CMA CGM's chairman Rodolphe Saadé went to the White House (pictured), unveiling a \$20bn planned investment into the US over the coming four years.

Now, however, in the wake of Trump's 20% tariffs on European Union nations, Saadé's friend, Emanuel Macron, the French president, has hinted such investments should be reviewed.

"Future investments, investments announced in the last weeks, should be suspended for a time for as long as the situation with the United States is not clarified," Macron told a group of French politicians and business leaders yesterday.

Wednesday's tariffs are yet another example of the colossal, upending change brought about in the opening months of the second Trump administration, something broker BRS has neatly encapsulated below.

Up next for global shipping, Trump will make a decision on whether to penalise Chinese-built tonnage calling at US ports.

Splash247_4 April 2025

Beijing Looks To Put The Brakes On The Sale Of Hutchison Ports

Beijing has moved to prevent the sale of CK Hutchison's ports division to BlackRock and Mediterranean Shipping Co (MSC), a transaction that was meant to have gone through tomorrow.



“The decision last month by the Li Ka-shing-controlled conglomerate to sell 80% of Hutchison Ports for \$22.8bn in a record-breaking ports transaction that covers 43 ports comprising 199 berths in 23 countries has been viewed very poorly by Chinese authorities. Now Beijing has made clear it will try and block the sale.”

“The State Administration for Market Regulation has indicated it will conduct a review according to the law to protect fair market competition and safeguard public interest,” Chinese Foreign Ministry spokesman Guo Jiakun said at a press conference in Beijing yesterday.

Guo said Beijing “always firmly opposes using economic coercion and acts of hegemonic bullying that infringe upon and harm the legitimate rights and interests of other countries.”

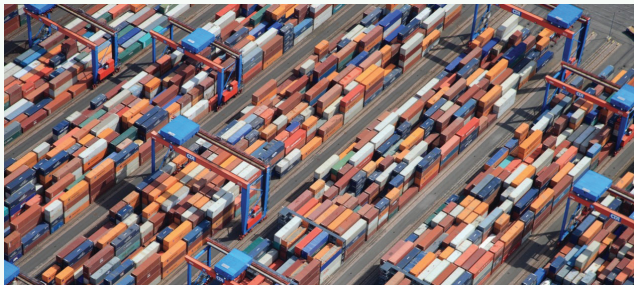
If the deal goes through, MSC, the world's largest container line, would also top Drewry's Global Terminal Operator (GTO) league table.

MSC's deal with BlackRock to take over Hutchison's non-China terminals would see the carrier vault over the likes of PSA International, COSCO, APM Terminals and DP World on Drewry's list to boast a combined volume of 78.3m teu.

Hutchison Ports was the original global terminal operator, moving beyond its Hong Kong origins in the early 1990s to invest initially overseas in Felixstowe and Shenzhen, rapidly building up a portfolio that for many years was the largest network of container terminals in the world to go alongside the conglomerate's other interests in property, telecoms, and retail. Over the past 20 years, CK Hutchison's ports dominance has slipped from first to sixth spot among global terminal operators.

splash247_1 April 2025

Trade Heads Into A Gathering Storm



A World Trade Organization (WTO) report highlights the uncertainty in markets and the gathering economic clouds that threaten to unleash a whirlwind on markets global container trades.

As the major economies battle it out with tariffs, least developed countries (LDCs) are set to benefit from the economic uncertainty, picking up trade to the US in agriculture and apparel that would ordinarily be fulfilled by Chinese exporters.

“Counterintuitively, the recent rise in tariffs and uncertainty is projected to have a positive impact on merchandise trade flows of LDCs in 2025, with export volume growth rising to 4.8% in the adjusted forecast from 3.5% in the [WTO's] baseline forecast,” said the report.

LDCs' imports are also projected to increase to 7.6% in the WTO's adjusted forecast from 7.0% in the baseline.

Meanwhile, on the major trades, the tariffs on China are set to have major effect on both European and US trade. WTO argues that trade policy uncertainty will act as a

drag on trade growth, forecasting a -0.2% reduction in global merchandise trade this year.

Under its baseline projections, the WTO expected trade volume growth in 2025 and 2026, even though the proportions from North America and Asia would have been smaller than in 2024.

“Europe was also expected to make a positive contribution to trade growth in 2025 for the first time in two years, and a slightly larger one in 2026. In the adjusted forecast that better represents the current policy environment, North America now subtracts 1.7 percentage points from world trade growth in 2025, pulling global growth down to -0.2%.”

Trade disruption between the US and China expected to trigger diversions of freight to alternative markets, with WTO reporting that Chinese merchandise exports are expected to increase by 4% to 9% across all regions outside of North America.

In a nod to the fast-moving nature of the current situation, the WTO said its forecasts were based on the situation as of April 14, warning that a further deterioration in trade relations could bring a -1.5% contraction in merchandise trade in 2025.

The WTO trade projection appears to have been felt in the container shipping markets already with Xeneta reporting increases in capacity from the Far East to Europe.

“We are looking at record-breaking container shipping capacity leaving the Far East for North Europe this week, which means carriers know something is boiling,” said Xeneta chief analyst Peter Sand.

He added: "At the same time as record capacity, we are seeing an uptick in spot rates from the Far East to North Europe. This suggests a nervous market, but the demand must also be there to put upward pressure on rates."

Xeneta reported this week that average spot rates to the US from the Far East have been flat this month, at \$3,951/feu to the East Coast and \$2,910/feu to the West Coast.

Conversely spot rates to North Europe increased 4.8% on 15 April to stand at an average of \$2,457/feu. While average rates to the Mediterranean increased 6.8% to \$3,270/feu.

According to Sand the real question is, "Whether this record capacity and rate increase is a consequence of the tariff threat, if shippers are redirecting goods from the Far East to Europe instead of the US? What we can say is that this is usually a slack time of year for container shipping, so an uptick in pressure is likely related to the tariffs in some way."

Congestion at ports in the Hamburg-Le Havre range, including London Gateway, has increased, but Xeneta believes that these bottlenecks are likely to be caused by poor weather, crane maintenance, and labour unrest, rather than the uncertain trading conditions created by tariffs.

That said with record capacity heading for Europe this week, that could lead to "carnage" as these vessels reach their European destinations, if congestion levels remain high.

"Average transit time from the Far East to North Europe is 55 days, so there could be serious issues on the horizon in June. As we saw in 2024, congestion is toxic for ocean container shipping and can quickly spread across global supply chains," concluded Sand.

Seatrade Maritime_17 Apr 2025



US and Panama Cool off with Security Declaration

“US Secretary of Defense Pete Hegseth said he signed “a couple of historic deals” at the Panama Canal last week during a visit to Panama.”

Hegseth pitched the agreements as the US taking back control of the canal from “Chinese interests”, although the Panama Canal is owned and operated by the Panamanian government.

The Panama Canal Authority (ACP) said it had signed a joint declaration on security matters that “reaffirms respect for, and the recognition of, Panamanian sovereignty over the interoceanic waterway, as well as compliance with the Neutrality Treaty and the legal framework governing its operation.”

ACP said the declaration also states that efforts will be made to develop a mechanism to allow compensation for services provided to warships and auxiliary vessels, “seeking a cost-neutral basis”. The mechanism will be evaluated jointly with the Ministry of Security of Panama and will consider as part of its compensation definition the existing co-operation with the US Department of Defense on in areas including engineering, security, and cybersecurity.

Speaking with US president Donald Trump, Hegseth said the deal established a framework for US vessels “first and free” through the Panama Canal.

Earlier this year, ACP refuted claims made by the US State Department that it had secured free passage for US government vessels and Panama’s president José Raúl Mulino

accused the US of spreading lies and falsehoods. US Secretary of State Marco Rubio later walked back the comments.

At the time, ACP said the US had paid a total of \$25.4m over the last 26 years for warship transits.

“Panama’s Minister of Canal Affairs has stated his country cannot legally exonerate ships from canal fees, but that the proposed mechanism would compensate the tolls with services Panama receives from the US.”

US attention has been focused on the transoceanic waterway since President Trump said in January that he planned to “take back” the Panama Canal, over a perceived loss of control to China.

Hegseth said the proposed mechanism and an agreement to revive US bases along the canal for training and other purposes was made in order to counter “China’s maligned influence” in Panama.

“The remarks from the US officials are filled with ideological bias and cold war mentality - they represent outright lies and fallacies,” said China’s Foreign Ministry spokesman Lin Jian.

Seatrade Maritime_15 Apr 2025

Analysts Surprised by Rate Rise, but Tariffs are a Drag

Uncertainty generated by the rapid on-off tariff regime in the US had analysts expecting the falling trend in rates to continue, particularly on the Pacific, instead Drewry's composite WCI showed a 3% boost, driven, by the Pacific headhaul trade, according to Drewry analyst Simon Heaney.

"Carriers are doing what they can to bolster rates," including introducing a GRI and blanking sailings, said Heaney, adding that the uptick was small compared to recent declines, "but at least the lines have stopped haemorrhaging money, it's a little bit of forward momentum."

Heaney then ran through the possible economic obstacles to stronger rates and concluded that the 3% uptick on the Pacific would be "short-lived".

“Adding the major tariff additions in the US will have an effect on Chinese imports, even if other countries have seen the highest import taxes paused for 90 days, with the expectation that they will be reintroduced just as the peak season is about to start.”

"We are hearing that shippers in China are cancelling orders, but to what extent that is happening is uncertain," explained Heaney.

A US Trade Representative (USTR) investigation into China's apparent manipulation of the shipbuilding market is expected to report next week, and could see Washington row back a little from the threat of charging \$1.5m per ship per port call. Although Heaney says there are signs that this ruling will be softened, the impact will be felt.

"In the long-term tariffs, the vessel charge and a falling dollar will act as a drag on demand," said Heaney.

European rates have also seen a mini-revival with Drewry's WCI up 4% on the week and rates out of Rotterdam to New York showing an incremental increase of 1%.

Analyst Darron Wadey, at Dynamar in the Netherlands, was surprised: "That is indeed counter-intuitive, especially in combination with wider economic indicators up to the first half of this week. I think we would have needed many more blanked sailings for them to have had such a sudden impact on these rates."

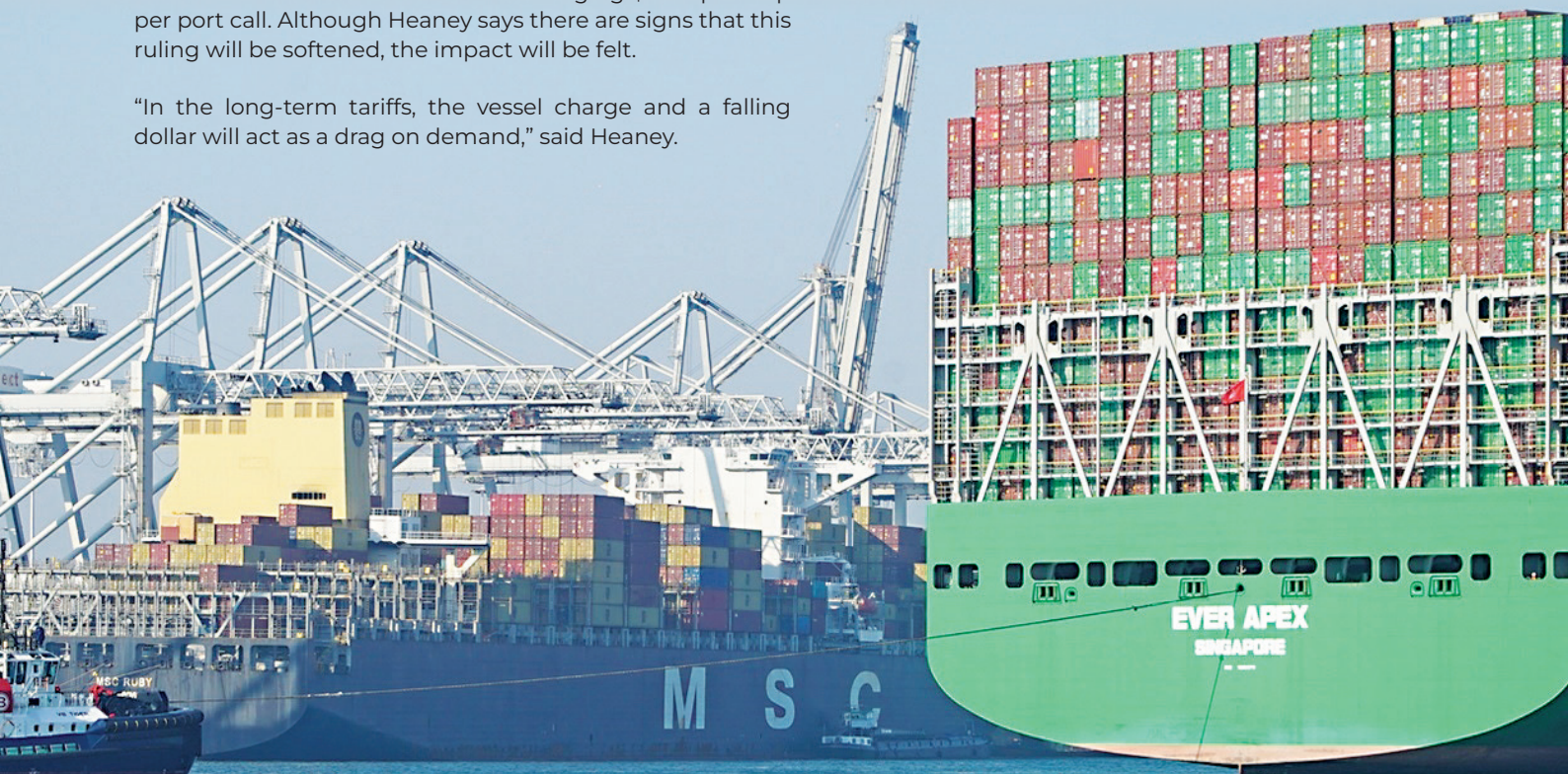
According to Wadey, congestion in North European ports may have played a part, though he wanted to see a more sustained elevation in rates.

"Next week's figures will make interesting reading to see whether this is an anomaly or signs of an upturn, however unexpected or short-term that may turn out to be," he said.

Braemar's Container Quarterly this week gave carriers little hope for the remainder of the year, with new capacity also expected to add to the drag on rates.

"In 2025 challenges are mounting," writes Braemar research Jonathan Roach, "Our base case estimate projects oversupply rising from 12% in 2024 to 18% in 2025 (not accounting for continued Cape of Good Hope transits). If CGH transits remain in place for all of 2025, oversupply could be limited to 8%."

Splash247_11 Apr 2025



**Shipments of Timber and Timber Products
Through Ports in Peninsular Malaysia, APRIL 2025**

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m³)	% change Jan'25/ Feb'25
	m³	% Change	m³	% Change	m³	% Change	m³	% Change	m³	% Change		
Sawn Timber	33,591	11	6,643	5,609	593	91	427	-30	3,579	-9	44,833	28
MDF	8,964	14	0	0	2,666	52	557	471	3,359	4,543	15,545	59
Mouldings	17,782	23	0	0	1,055	-20	1,426	-32	264	9	20,527	13
Plywood	3,443	43	0	0	39	100	339	-47	9,467	8	13,289	12
Veneer	259	-71	0	0	0	-100	0	0	1,134	13	259	-71
Particleboard	16,154	64	0	0	6	-94	0	0	4,543	-47	20,703	12
Total	80,193	22	6,643	5,609	4,360	25	2,749	-21	22,346	-1	116,290	22

LOGS

The timber price showed a slight increase around 2%- 3% in April 2025 compared to last month. Heavy hardwood logs like Chengal were recorded at RM3,300/tonne, Balau was priced at RM3,735/tonne, Red Balau was priced at RM2,140/tonne and Merbau RM2,850/tonne. For medium hardwood, the price didn't show a significant change compared to last month such as Keruing (RM1,930/tonne), Kempas (RM1,503/tonne), Kapur (RM1,865/tonne), Mengkulang (RM1,769/tonne) and Tualang (RM1,400/tonne). For light hardwood, the price showed a small decrease compared to last month for Dark Red Meranti (RM1,765/tonne), Red Meranti (RM1,917), Yellow Meranti (RM1,627), White Meranti (RM1,667/tonne), Mersawa (RM1,415/tonne), Nyatoh (RM1,373/tonne), Sepetir (RM1,177/tonne) dan Jelutonneg (RM1,140/tonne). As for rubberwood, the price increased slightly to RM 206/tonne as compared to last month.

PLYWOOD

In April 2025, the Plywood price segment didn't show any changes compared to last month. The prices for 4mm sheets were RM19.50/sheet, 6mm sheets were RM26.08/sheet, 9mm sheets were RM38.30/sheet and 12mm sheets were RM48.95/sheet.

MEDIUM DENSITY FIBREBOARD

As of March 2025, the MDF segment showed a small increment compared to last month. The prices for MDF of 4mm thickness was RM12.90/piece, 6mm thickness was RM23.95/piece, 9mm thickness was RM31.70/piece and 12mm thickness was RM37.80.

SAWN TIMBER

As of April 2025, the price for Chengal sawntimber showed an increment compared to last month particularly in the General Market Specification (GMS) grade at RM5,508/m³, while the price for scantling remained at RM6,356/m³. This was followed by Balau with its GMS grade price decreased to RM3,055/m³ while scantlings remained at RM4,590/m³. As for medium hardwood, timber species such as Keruing was priced at RM3,037/m³ for GMS, scantling (RM2,495/m³) and strips (RM2,425/m³). Meanwhile, for Kempas, the price for GMS was RM2,166/m³, scantling (RM2,154/m³) and strips (RM2,072/m³). The price of rubberwood sawntimber in April 2025 generally increased to RM1,1240/m³ for 1"×1", RM1,316/m³ for 2"×2", RM1,400/m³ for 3"×3" and RM1,465/m³ for 4"×4" pieces.

TRADE IN MALAYSIA – APRIL 2025

In April 2025, commerce between Sabah and Sarawak with Peninsular Malaysia totalled at 2,971 m³, with a value of RM5.57 million. Sabah remained the top contributor to the trade value for Peninsular, recording a trade value of RM4.02 million (1,907 m³) for plywood, followed by sawntimber with RM0.74 million and Veneer with RM0.29 million. Meanwhile, the trade value for Plywood in Sarawak was RM0.52 million.

*AVERAGE DOMESTIC PRICES OF LOGS, SAWN TIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA				
RINGGIT MALAYSIA				
APRIL 2025				
SPECIES	LOGS/ton	SAWN TIMBER/m ³		
	18" UP	GMS	STRIPS	SCANTLINGS
HEAVY HARDWOOD				
Chengal	3,300	5,508	2,790	6,356
Balau	3,735	3,055	1,718	4,590
Red Balau	2,140	2,754	2,119	2,419
Merbau	2,850	3,754	3,225	3,725
Mixed Heavy Hardwood	1,122	1,351	1,137	1,255
MEDIUM HARDWOOD				
Keruing	1,930	3,037	2,425	2,495
Kempas	1,503	2,166	2,072	2,154
Kapur	1,865	1,746	1,289	1,685
Mengkulang	1,769	1,201	1,377	1,871
Tualang	1,400	1,924	1,448	1,766
LIGHT HARDWOOD				
Dark Red Meranti	1,765	2,095	1,960	3,337
Red Meranti	1,917	1,777	2,013	2,331
Yellow Meranti	1,627	1,854	1,577	1,801
White Meranti	1,667	2,036	1,801	1,624
Mersawa	1,415	2,013	1,295	2,154
Nyatoh	1,373	1,783	1,819	1,201
Sepetir	1,177	1,819	1,660	1,295
Jelutong	1,140	2,119	1,589	1,819
Mixed Light Hardwood	1,223	1,278	1,095	1,165
MALAYSIAN RUBBERWOOD Hevea brasiliensis	LOGS/ton 206	SAWN TIMBER/m ³		
		1" X 1"	2"X2"	3"X 3"
		1,240	1,316	1,400
PLYWOOD 4' X 8' (RM per piece)	4mm 19.50	6mm 26.08	9mm 38.30	12mm 48.95
MDF 4' X 8' (RM per piece)	4mm 12.90	6mm 23.95	9mm 31.70	12mm 37.80

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

* Prices are only indicative

INTRA-MALAYSIA TRADE

	March 2025		April 2025		% change in volume	% change in value
	Vol(m ³)	Val(' 000 RM)	Vol(m ³)	Val(' 000 RM)	MAR/APR	MAR/APR
Sabah						
Logs	0	0	0	0	0	0
Sawn Timber	266	241	413	742	55	208
Plywood	1,232	2,510	1,907	4,018	55	60
Veneer	888	1,959	151	289	-83	-85
Sarawak						
Logs	0	0	0	0	0	0
Sawn Timber	187	429	0	0	-100	-100
Plywood	942	1,005	501	522	-47	-48
Veneer	132	371	0	0	-100	-100

Source: Department of Statistics Malaysia
Tabulated: Malaysian Timber Industry Board

Pelawan

Prepared by: Encik Yusri Yusmaidi



Introduction

Pelawan is the Standard Malaysian name for the timbers of *Tristania* spp. and it belongs to family of Myrtaceae. There are six (6) species of *Tristania* in Peninsular Malaysia. The major species that are commonly found in Peninsular Malaysia are *T.merguensis* Griff, *T. Whitiana* Griff and *T.obovata* R. Br.

Pelawan is also known as Pelawan-pelawan in Sabah, Selunsor in Sarawak, Pelawan in Indonesia and Malabayabas in the Philippines.

Pelawan is a hard to very hard and a heavy to very heavy timber, although it is small tree. It can grow from 20m to 35m in diameter. The species is recognised for its durability and reddish bark.

It is used for all heavy constructional works including posts, tools and handles, boat framing and other marine construction. It is a native habitat to a terrestrial shoreline ecosystem. The tropical species in the Malaysia rainforest is propagated from seed.

“Pelawan also grows well in the ecosystem of an island and rocky headland as highly identified in Terengganu. The tree has aesthetic value due to its attractive and colourful bark. In the landscape, Pelawan beautifies the streetscape and parks.”

Wood Anatomy

The growth rings of Pelawan are absent. The vessels are moderately numerous to numerous and small to medium-sized. They are exclusively solitary with a strong tendency towards arrangement in tangential groups. Tyloses are common and white deposits abundants.

Wood parenchyma are sparse and visible only with a hand-lens. The paratracheal occurs as incomplete or narrow borders around vessels with a tendency towards the aliform type. Rays are very fine, not visible to naked eye and not conspicuous on the radial surface. Ripple marks and intercellular canals are absent.

Sawing and Hardworking

Pelawan is a heavy to very heavy hardwood. Sawing is challenging due to its density and hardness sharp, durable saw blades are recommended. It is difficult to nail and plane, but it can be finished smoothly and attractively although it often requires pre-boring for nails and screws.

Seasoning

Pelawan is considered as a moderately slow drying timber. Air drying takes a long time due to the wood's high density. It is prone to surface checking and warping if not properly handled and should be stacked and protected properly during drying to minimize defects.

Kiln-Drying

Kiln-drying needs to be done slowly and carefully to avoid cracking and distortion. It requires controlled temperature and humidity settings. Once kiln-dried, the wood is dimensionally stable and suitable for most uses.

Mechanical Properties

Pelawan's density ranges between 880 to 1,150 kg/m³ (at 15 % moisture content). It exhibits high bending strength and stiffness, suitable for heavy structural applications. It also offers good impact resistance and compressive strength.

Durability

The timber is reputed to be a very durable wood but no recent test results are available. It is naturally resistant to fungi and termites and ranks as moderately to high durable, particularly in dry conditions. When it is used in damp or soil-contact environments, additional protection is recommended.

Preservative Treatment

Due to its dense structure, Pelawan is difficult to treat with preservatives. Pressure or vacuum treatment may be necessary to enhance durability. It is commonly used untreated in indoor or sheltered outdoor applications.

Uses

The timber is suitable for all heavy construction, piling, posts, tools and handle manufacture as well as columns, boat framing and other marine construction. It is also suitable for heavy duty flooring and power transmission poles.



References

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Anon (1982) – FRI *Research Pamphlet* No. 91
Desch, H.E. (1954) – *Manual of Malayan Timbers*. Mal. For. Rec. No 15 Vol. 11
Ng, F.S.P (1978) – *Tree Flora of Malaya* Vol. 3 Longman Malaysia.
Wong, T.M. (1982) – *A Dictionary of Malaysian Timbers*. Mal. For. Rec. No 30.



6 MAY 2025

Awareness Training on EU Regulation on Deforestation Free-Products (EUDR) For Malaysia's SMEs, held in Kuala Lumpur

28 APRIL – 9 MAY 2025

MTIB Lean Management Program led by Encik Mohd Nizam Hamid, Director of the Strategic Planning Division

7 MAY 2025

Cooperation Programme on Governance of Permit Issuance and Inspection with the Malaysian Quarantine and Inspection Services Department (MAQIS)

9 – 11 MAY 2025

MTIB Enforcement Retreat 2025: Empowering Integrity and Excellence, held in Pahang

15 MAY 2025

Engagement Session with The Timber Industry Related to MyTLAS Towards Preparing for The Implementation of The European Union Deforestation-Free Regulation (EUDR)

19 – 20 MAY 2025

Meeting of MTIB Regional/State Heads chaired by YBrs. Tuan Saiful Bahri Salleh, Director General of MTIB

24 MAY 2025

Do It Yourself (D.I.Y) Course - Tasbeih Making for Senior Officials of the Ministry of Plantations and Commodities at WISDEC, Banting