

maskayu

MALAYSIAN TIMBER INDUSTRY BOARD



VOL 8
AUG 2020

BAMBOO APPLICATIONS IN THE CONSTRUCTION INDUSTRY



■ Director General of MTIB
Makes Official Visit to TTITC,
Kuala Berang, Terengganu

■ Izwan Furniture Skills Enterprise:
Young Entrepreneur and Technopreneur
in Furniture Business

ISSN 0126-771X



9 770126 771009



3



12



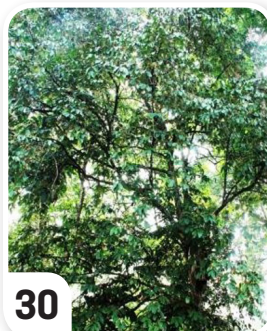
13



21



22



30



CONTENTS

HIGHLIGHTS

3 Director General of MTIB Makes Official Visit to TTITC, Kuala Berang, Terengganu

12 Bamboo Applications in the Construction Industry

13 Deputy Director General of MTIB's Official Visit to MTIB Southern Region

21 Workshop on Sapling Preparation, Planting Technique and Further Processing of Bamboo

22 Izuwan Furniture Skills Enterprise: Young Entrepreneur and Technopreneur in Furniture Business

30 Ulin



REGULAR FEATURES

4 Timber World in Brief

14 Shipping News

16 Timber Round-Up

18 Domestic Trade News

24 Market Profile : Puerto Rico as a Timber Hub for Caribbean Island Country

32 MTIB Moments



Cover : For more details, please read page 12

Chief Editor

Mohd Kheiruddin Mohd Rani
Director-General

Editorial Members

Dato' Dr. Mohd Puat Dahalan
Haji Mahpar Atan
Hajah Robiyah Haji Husin
Haji Kamaruzaman Othman
Dr. Mohd Nor Zamri Mat Amin
Saiful Bahri Salleh
Farydatul Nazly Mohd Zin
Noorazimah Sarkom@Haji Othman
Hajah Roslina Idris
Mohd Nizam Hamid
Erien Noor Md Nasir
Shamsul Azman Abdul Aziz
Hariz Reza Mohd Yazid

Publisher

MALAYSIAN TIMBER INDUSTRY BOARD
Level 13 - 17, Menara PGRM, 8, Jalan Pudu Ulu
Cheras, 51200 Kuala Lumpur, Malaysia
Tel : 603-9282 2235
Fax : 603-9200 3769/9283 9792
E-mail : info@mtib.gov.my
Website : www.mtib.gov.my



Read eMASKAYU at
www.mtib.gov.my



DIRECTOR GENERAL OF MTIB MAKES OFFICIAL VISIT TO TTITC, KUALA BERANG, TERENGGANU



Director General of MTIB is handing out token of appreciation to Tuan Haji Muhyidin Bin Haj Abdul Rashid, the Director of TTITC

Mr. Mohd Kheiruddin Mohd Rani, Director General of MTIB made an official working visit to the Terengganu Timber Industry Training Center (TTITC) on 18 August 2020. The main objective of the working visit was to discuss the potential for cooperation between MTIB and TTITC for the development of a bamboo forest plantation model project in Terengganu.

The meeting discussed the planning of activities related to the development of the bamboo forest plantation model on TTITC-owned land in Kuala Berang, Terengganu, covering 15 hectares. The project is expected to be implemented in early 2021 and will be completed in 2025. It will be implemented in phases and the initial stage involves a Memorandum of Agreement (MoA) between MTIB

and TTITC. The MoA signing ceremony will be held in conjunction with the celebration of World Bamboo Day Malaysia 2020 scheduled on 20 September 2020. This project will be the first bamboo plantation model in Malaysia.

After the meeting, the delegation of MTIB officers went to see and evaluate the soil condition, soil type, and terrain type and also location suitability for the development of the bamboo forest model. Aerial photographs were also taken from a drone to see the suitability of the location.

The delegation from MTIB comprised the Director General, Mr. Saiful Bahri Salleh, Director of Forest Plantation and Mr. Almizi Ibrahim, Senior Assistant Director of Forest Plantation.



Meeting and discussion between MTIB and TTITC on the development of a bamboo plantation model project



Site visit to the proposed bamboo plantation



VIET NAM

WOOD AND WOOD BASED PRODUCTS EXPORT INCREASED

Viet Nam exported nearly USD 6.1 billion of wood and wood-based products in the first seven months of this year, up 6.2% against the same period last year, according to the Viet Nam Administration of Forestry on Monday.

In July alone, the country reaped nearly 1.1 billion U.S. dollars from exporting wood and wood-based products, surging 20.7% year-on-year. Export showed positive signs in July as many export markets of Vietnamese wood and wood-based products have gradually eased social distancing and restrictions. However, the export prospect in the coming months is not yet positive, given complex developments of the COVID-19 pandemic in Viet Nam's key markets worldwide, according to a recent report by the country's Ministry of Industry and Trade.

Between January and July, Viet Nam spent over 1.3 billion U.S. dollars to import wood and wood-based products, posting a decline of 9.5% on-year, according to the administration. The country earned USD10.5 billion from exporting wood and woodwork in 2019, up 18.2 % year-on-year with its biggest markets being the United States, Japan and China.

Viet Nam has halted the exploitation of natural forests since 2017 & has intensified forestation as well as timber imports. In 2019, Viet Nam had more than 5,000 enterprises involved in the production and processing of wood and wood-based products compared to 100 companies in 2000, according to Viet Nam Timber and Forest Product Association.

Xinhua, 10 August 2020



VIET NAM

EU-VIETNAM FREE TRADE AGREEMENT BENEFIT FOREST INDUSTRY

With the European Union – Viet Nam Free Trade Agreement (EVFTA), which entered into force on 1 August 2020, Viet Nam's wood and wood products (W&WP) exports to the EU are expected to penetrate new markets rather than just France, Germany, Netherlands, Belgium, Denmark and Spain as was the case prior to the EVFTA.

The EVFTA tax reduction/exemption applicable to W&WP imported from Viet Nam into EU are as follows:

W&WPs under HS group 4401 - 4409, previously subject to taxation between 2-4%, now enjoy 0% tax entering EU markets. These W&WPs accounted for 1% of Viet Nams exports to the EU in 2019.

W&WPs under HS 4414/15/18/20/21 previously subject to 2.5-4% import tax will enter EU markets with 0% tax. The value of these W&WPs shares are worth 13% of total export to the EU.

Wooden furniture under HS 9403.40 - HS 9403.90 previously taxable between 2.7-5.6% will enjoy 0% tax. These W&WPs accounted for 7% of their export earnings in 2019.

Before the conclusion of EVFTA, W&WPs under HS 4410 - 4412 attracted a 6-10% of import tax. These products will benefit from 0% tax in the coming 4-6 years. Currently, these products accounted for 1.3% of 2019 earnings.

The current 0% tax will continue for HS 4413/17/16/19: Seats (other than those of heading 94.02), whether or not convertible into beds and parts thereof (HS 9401); wooden furniture of the kind used in offices (HS 940330); wooden furniture of the kind used in the bedroom (HS 940350), and other wooden furniture (HS 9403.60). The export value of these W&WPs accounted for 78.2% of 2019 exports to the EU.

According to Ngo Sy Hoai, Vice President and Secretary General, VIFOREST, with the EVFTA tax structures and the FLEGT licenses set to be issued next year, exports to the EU should double over the next 5-7 years (from USD865 million in 2019 to USD1.5 - 1.6 billion in 2025).

GWMI, 18 August 2020



VIET NAM

THE ONLINE TRADE FAIR PLATFORM WAS FIRST LAUNCHED

HOPE was launched to meet real needs, with the aim of connecting trade with domestic and foreign buyers through online exhibitions.

HOPE (HAWA Online Platform for Exhibition) is an online exhibition platform developed by Ho Chi Minh City Association of Handicraft and Wood Industry (HAWA), to connect businesses in the wood and furniture sector in Viet Nam with international buyers. Joining HOPE, the exhibitors can demonstrate their competitiveness through the intuitive and professional introduction of products, global production and supply scale to increase sales opportunities for markets. Buyers can rest assured to experience, search, and select potential suppliers based on rich information verified by HAWA, the organizer of the Viet Nam International Furniture & Home Accessories Fair (VIFA EXPO) fair. HOPE is to become a gateway for international trade, contributing to bringing Viet Nam's wood and furniture industry to the top of the world.

With the message "Virtual Gateway to Viet Nam Furniture Industry", HOPE is an effective channel to help international buyers find products and suppliers during the delay of a series of fairs due to COVID-19 epidemic. HOPE is also a long-term direction, parallel to HAWA's traditional fairs, helping customers to visit Offline (directly at the fair) and Online (after the fair ends).

With the responsibility of becoming a trade bridge to promote the development of Viet Nam's wood and furniture industry, HOPE has created the optimal platform for exhibitors, through the use of digital technology and customer access. Online exhibition space on HOPE helps businesses to introduce products, showrooms, factories visually and vividly. Visitors can observe and move from the overall premises to product details anytime, anywhere, on any device (mobile, laptop and tablet). HOPE integrates social apps, making it convenient for visitors to interact and talk directly with businesses around the clock without any geographic or time restrictions.

In addition, this platform has the ability to statistically analyse and manage user behaviour to improve the effectiveness of advertising and sales. In addition, the "invitation-only showroom" feature, allows businesses to control visitors to their online stores. Taking advantage of the strength of the international buyers' database during the 12 years of VIFA EXPO, HOPE applies digital marketing tools to reach and bring potential customers to businesses.

Goviet.org., 13 August 2020



CHINA

DEMAND FOR PARTICLEBOARD ON RISE

The prospect of particleboard is promising. Affected by the traditional off-season, the recent particleboard market buying momentum is relatively quiet, and the market is weak. However, for the market outlook, the prospects for particleboard are promising. When visiting the Guangzhou Furniture Fair, the reporter learned that the rise of self-contained home furnishings in recent years has brought new opportunities for the development of the wood-based panel market, and particleboard in particular occupies half of the entire home furnishings.

According to the person in charge of Weiye Whole House Custom Home Furnishing, currently the whole house uses multi-layer board (plywood), particle board (particle board) and other man-made boards, and particle board is the most used. The main reason is that compared with other boards, its anti-cracking ability, gripping power, and moisture-proof ability are better than other boards; the particle board is convenient for large-scale mechanized and electronically controlled production; and the price is relatively cheap. At present, the Guangdong market 1220×2440×18mm particleboard merchants are asking for 75-85 yuan/piece.

Chinatimber.org., 11 August 2020



CHINA

CURRENT WOOD IMPORTS AND INVENTORIES

Softwood log stocks at China's main ocean ports totalled 4.44 million cubic metres at the end of June 2020, a slight decline of 2.3% from the previous month. Radiata pine log inventories recorded an increase of 3.3%. European spruce log inventories totalled 653,000 cubic metres, a significant decline of 33.7%.

Softwood lumber inventories in the Taicang port totalled 1.45 million cubic metres at the end of June 2020, about the same level as the previous month. SPF inventory amounted to 180,000 cubic metres.

China's softwood log imports from Canada in 2020 year-to-date (YTD) was 315,000 cubic metres, a significant drop of 65.1% compared to 2019 (YTD), 902,000 cubic metres. New Zealand occupied the largest market share for softwood log imports in China. Compared to last year, the volume of softwood log imports from New Zealand decreased 29%, dropping from 7,375,000 cubic metres to 5,234,000 cubic metres. The softwood log imports from Russia and the USA were also down 37.1% and 60.5% respectively.

Log exports from British Columbia to China are a significant competitive issue. The combined strategies and investment that both Government and industry leaders from Canada focus their energies on, are lumber exports feeding the Chinese dream for Western-style housing.

The lumber volumes and value difference is massive. China softwood lumber imports from Canada in 2020 (YTD) was 1,212,000 cubic metres, a sharp decline of 46.4% compared to 2019 (YTD), 2,260,000 cubic metres. The softwood lumber imports from China's largest importer Russia had a fall of 13.9% from 7,043,000 cubic metres to 6,063,000 cubic metres. The softwood lumber imports from Finland and the USA decreased by 17.9% and 15.1% respectively.

GWMI, 17 August 2020



CHINA

IMPORT DEMAND OF LOGS EXPECTED TO GROW

The Cost and Freight (CFR) sale prices for logs have increased slightly as expected. The A grade price in early August was 112 USD per Japanese Agricultural Standard

(JAScubic metres) and the forecast for late August/early September is 115 USD per JAScubic metres.

Log inventory in China has been stable over the last month and sits around 4.2 million cubic metres although log stocks are expected to increase in the Lan Shan area where port discharge rates have recently increased. Daily port off-take has increased by an average of 5 thousand (8%) per day over the last month and is now 70 thousand cubic metres per day. The current daily usage is the same level as in August 2018 and 2019. This indicates construction and other activity in China has stabilised to normal levels. The significant difference from previous years is the supply coming in from other sources.

There is more log volume arriving in China from more countries. During July, the supply of softwood logs from New Zealand and Russia has been less than from the other countries combined. This is the first time this has happened since New Zealand started exporting significant log volumes to China. While New Zealand's log supply has remained strong the Russian supply has reduced over the years as their ban on log exports has taken effect.

Log exports to China from North and South America increased 35% over the first six months of 2020. In first six months, exports of Southern Yellow Pine (SYP) logs increased by 25%. This increase is mainly explained by the suspension of the retaliatory Chinese government tariffs on US forest products. The Australian supply increased to 590 thousand cubic metres in June, which was 27% or 110 thousand cubic metres higher than any previous month.

Softwood log exports from Germany have increased dramatically over the past five years, from 2.1 million cubic metres in 2014 to 7.4 million cubic metres in 2019. As late as 2017, there were practically no shipments of German logs outside of Europe. China has quickly become the largest market for German logs, accounting for almost 50% of all exported logs so far in 2020.

As the temperatures cool in China construction activity should increase and there will likely be increased demand for timber products during the rebuild and recovery after the floods. There seems to be some stability in the market and anticipated steady CFR price increases will benefit forest owners and everyone involved in the supply chain in New Zealand who have been suffering during the price fluctuations.

nz.pfolsen.com, August 2020



INDIA

FACE LOGS SHORTAGE DUE TO COVID-19

India continues to face Covid-19 issues and is currently a much smaller market for logs than previously. There was a temporary shortage of log imports from New Zealand when

much of the supply was diverted to China. This meant log suppliers from New Zealand did see better returns than log supply to China for a short time until supply and demand balanced again.

There are five shipments of logs scheduled for Kandla, India in August, three from Uruguay and two from New Zealand. The price for the Uruguay logs is usually about USD10 per cubic metre below the price for New Zealand pine. Due to the log shortage at Kandla, lumber prices are firm at INR 521 per cubic feet. Some Gandhidham sawmills have started working at 60% capacity. Labourers are being brought back from East to West by airplanes, as trains and buses are not operating.

Log demand in Tuticorin is satisfied with the container volume from New Zealand and South Africa.

nz.pfolsen.com, August 2020



INDIA

IMPORTING LOGS AND SAWNWOOD

The Directorate of Plant Protection, Quarantine and Storage (DPPQS) under the Ministry of Agriculture, Cooperation and Farmers Welfare (MOA) regulate India's log imports.

Species that are listed under VI and VII of the Plant Quarantine (PQ) order 2003 may be imported into India provided the requirements in these schedules and also the general import requirements listed under Section 9 (Requirement of Import of Wood and Timber), Chapter II (General conditions for import) of the Plant Quarantine (PQ) order are followed.

Under the current PQ Order 2003, updated as of 18 December 2018, the import of wood and wood products requires fumigation/heat treatment/kiln dried to be noted on the phytosanitary certificate issued in the supplier country.

According to the PQ Order timber/wood with or without bark shall be fumigated prior to export with methyl bromide (MBR) at 48 gram per cubic metre for 24 hours at 21 degrees Celsius or above, or an equivalent thereof, or any other treatment approved by the Plant Protection Adviser, Government of India. The treatment method shall be noted on the Phytosanitary Certificate issued by the supplier country. Imports of sawnwood are also regulated by the DPPQS, Ministry of Agriculture, Cooperation and Farmers Welfare.

Shipments of sawn or sized wood with or without bark must be either fumigated with methyl bromide at 48 gram per cubic metre for 24 hours at 21 degrees Celsius or above, or an equivalent thereof, or kiln dried at 56°C for 30 minutes (core temperature of wood) or heat treated at 56°C for 30

minutes (core temperature of wood) prior to shipment. The treatment shall be noted on the Phytosanitary Certificate issued at the supplier country.

The Indian domestic timber sector has proposed phasing out the requirements for methyl bromide fumigation as it is toxic and classified as a class 1 ozone depleting substance. Alternative treatments are said to be under consideration.

www.fordaq.com, 14 August 2020



JAPAN

LOGS IMPORT FROM CANADA DROP

Log exports from Canada to Japan have dropped in recent months despite a side deal to the Trans-Pacific Partnership designed to ensure stable supply, raising concerns of a possible first violation of the regional trade pact.

Shipments fell 77% in the January-May period to 97,380 sq. meters, according to the Japan Lumber Importers' Association. No logs were shipped at all in April, and May's figure was just 5% of the level a year earlier.

Japan relies on other countries for over 60% of its wood products. Last year, 28% of its log imports came from Canada, second only to 50% from the US. Imported logs are often used in plywood along with Japanese lumber, meaning increased shipments could help invigorate Japan's domestic wood industry as well.

"If imports from Canada stop, we could see a disruption in the use of Japanese lumber," said Atsuhiko Inoue, president of Japanese plywood maker Seihoku.

Japan's Ministry of Agriculture, Forestry and Fisheries is reviewing the situation. It could file a formal complaint with the Canadian government if it finds that Ottawa is refusing to issue export permits without a valid reason, which would be the first documented violation of the TPP.

As part of the 11-member version of TPP that took effect in December 2018, Japan agreed to lower tariffs on Canadian plywood. But because a surge in plywood shipments alone could stifle Japan's wood industry, Canada also agreed in a side letter to the TPP that it would grant export permits for logs on request. Usually, Canada only grants permits when there is a domestic surplus.

The recent plunge has been attributed to a decrease in Canadian production, caused by protracted strikes and other factors. Still, if the Canadian government does not permit requested log exports to Japan, it would be a breach of the TPP.

timberbiz.com.au, 17 August 2020



GERMANY

LOG EXPORTS REMAIN HIGH IN EARLY 2020

Wood Resources International reports that the log market in Germany has been extremely volatile in the first half of 2020, with high demand from the export market and a tight supply of fresh green logs. When COVID-19 forced sawmills to close in March, domestic demand for sawlogs fell and the price increase seen earlier in the quarter reversed – resulting in both domestic and export prices falling.

Sawlog prices varied throughout the country depending on the level of local supply, the quality of the beetle-killed timber, the availability of fresh logs, and the competition from log exporters. Log prices also varied due to contract volumes and spot purchases. Towards the end of the quarter, spot prices fell to levels that barely covered the costs for logging and hauling the timber. The first quarter 2020's estimated average sawlog price was an increase from the previous quarter but substantially lower than the first quarter 2019, according to *Wood Resource Quarterly*.

Softwood log exports from Germany have increased dramatically over the past five years, from 2.1 million cubic metres in 2014 to 7.4 million cubic metres in 2019. The oversupply of logs resulted in record high exports in the 3 quarter 2019 followed by two quarters of quarter-on-quarter declines. Despite the reduction in exports during the winter months, total shipments during the first four months of 2020 were up 38% as compared to the same period in 2019.

panelsfurnitureasia.com, 11 August 2020



UNITED KINGDOM

HIGH DEMAND CATCHES IMPORTERS OFF GUARD

Demand has improved beyond expectation but whether this is a "bubble" of activity or a longer term trend remains to be seen. TTJ's Softwood Specialist reports, the softwood industry has been through some extreme changes since February. Due to the effects from the Covid-19 pandemic the trade was forced into a lockdown position that brought wide ranging restrictions across the country. While some businesses benefited by staying open, others who closed

their doors completely suffered a major economic trauma which rippled through many different industries throughout the UK.

The building and construction sectors were heavily affected, and it is now estimated that working under social distancing regulations, labour shortages and delays, the construction industry has seen productivity levels drop by as much as 35%.

As the lockdown started to bite in April this year, demand improved well beyond expectation with timber merchants' cash business increasing dramatically, with high demand from the DIY market. All over the country, queues were forming outside the big trade and retail warehouses to a point where lines of customers hundreds of metres long were seen snaking around the carparks waiting to get in.

The government's message to keep sectors of the building trade operating, particularly on essential services projects, gave some builders merchants the chance to continue operating, as long as they stuck to social distancing rules and, when necessary, quarantined infected staff. To comply with guidelines, the merchants restricted the sales of products on a delivered only basis, or in some cases customer collections were arranged by appointment only.

On the forward market, export mills have been revising prices upwards as demand has stayed ahead of supply. In the Baltic States, increased log costs have forced up the export price of softwood in euros, and those increases have been further accentuated by the falling value of sterling. Through the second quarter, the pound fluctuated between €1.15 - €1.095 and £1, a swing of more than 4.5%.

As the trade moves into July, holiday closures across the Nordic sawmilling industry will accentuate stock gaps along the supply chain even further, and buyers who still need volume will be forced to wait longer than anticipated before new cargoes arrive.

In addition to the summer down-time, many of the sawmill inventories have been running on the low side as some March and April contracts were either cancelled or postponed earlier on by buyers and the mills held back from over-producing. When processing starts running again in August, it will still take several weeks of production to yield specifications in any reasonable volumes for shipping, and contracts are unlikely to start arriving until the end of August or early September. This will leave a void in UK inventories for some time to come.

Contacts from the domestic producers see the current demand as a main consequence of direct consumer demand, using materials for home and garden improvements during the self-isolation and the furlough period.

As people return to work or, in fact, face redundancy from company closures or cutbacks, there is a concern that the effects of the plunge in UK GDP will rein in peoples' spending power. If the current increase in demand is a "bubble" of activity, then when it bursts the trade will return to its dependency on the normal markets of construction and housebuilding.

TTJ, 5 August 2020



BELARUS

TO BOOST EXPORTS OF SAWN TIMBER TO CHINA

Since the beginning of this year, the exports of Belarusian Forestry Ministry enterprises have increased significantly. From January to May, wood processing companies exported 352,700 cubic meters of sawn timber. This is an increase of nearly 30% over the same period last year. The export for the same period in 2019 was 271,800 cubic meters.

In the future, the railway export capacity will be further expanded. This year, the Belarusian Railway will begin the construction of a new Chinese-European freight terminal. It will be located in the Great Stone Industrial Park, an industrial park jointly invested by China and Belarus. The design and preliminary works of the future cargo terminal will begin this year. At the initial stage, stakeholders intend to invest approximately US\$30 million. The project includes the construction of the freight terminal itself, cargo storage area & railway siding.

In the past, these goods were transported entirely by sea and foreign freight forwarders, which had a greater impact on the final cost of the product. At present, through direct communication with terminal buyers, the launch of container trains will enable Belarusian forestry companies not only to ensure their position in the Chinese market, but also to be competitive in this market.

At present, some Chinese domestic buyers are interested in buying Belarusian spruce and pine sawn timber. The possibility of shipping hardwood products is also being considered. It is possible also for Belarusian forestry companies to ship sawn timber to China monthly.

The Great Stone Industrial Park started construction in May 2015. It is located 25 kilometres southeast of Minsk, the capital of Belarus, close to Minsk Airport. According to the plan, the entire project will be completed in 2030. The investment in the development of this industrial park is estimated at USD 2 billion (approximately EUR 1.8 billion). Up to now, the project has invested about 430 million US dollars (about 384 million euros). At present, more than 50 companies have settled in the park, most of which are Chinese companies.

GWMI, 10 August 2020



NEW ZEALAND

LOG PRICES EXPECTED TO REMAIN LOW

Forestry returns are easing in the global market but remain strong locally. There was a strong demand in the domestic market for timber as house builds got back on track, but it is feared there would be an easing in the local housing market later in the year as the labour market weakened.

Export returns have eased now that stocks have rebuilt in China, and global demand is expected to wane, as building, manufacturing and export activities are subdued due to the detrimental effect of Covid-19 on global economies.

Supply to China increased again once New Zealand's forestry industry was able to resume work when restrictions moved to Alert Level 3 in late April. That resulted in a surge of logs being exported to China which quickly alleviated the previous shortfall, the report said.

However, the level of offtake of logs from China's wharves has now eased, as have prices. That reduction in demand is a normal seasonal trend that occur when construction activity slows during the hot summer months.

The supply of logs to China from Eastern Europe remained strong; those spruce logs were being rapidly harvested to stop the spread of a spruce beetle infestation which had already devastated many forests.

The in-market log price has now fallen 12% below the five-year average. Pricing is no longer sufficient to attract logs from Uruguay and Argentina as the higher shipping costs from South America to China make the trade unprofitable.

Supply from New Zealand is also likely to be restricted a little due to harvesting slowing in the winter months, and some smaller lot owners electing to delay harvest until returns are higher.

The domestic market for posts and poles are strong. Pole demand is underpinned by growth in the kiwifruit industry, while demand for posts is expected to be strong over the next few years as more waterways on farms are fenced.

Otago daily times.co.nz, 8 August 2020



NEW ZEALAND

SAWN TIMBER MARKETS ON RISE

The current domestic demand is buoyant with good demand for a range of sawn timber grades. However, most economists predict a slowing in the housing market in New Zealand as the labour market weakens but this may not eventuate until nearer the end of the year. The New Zealand government's wage subsidy scheme and stimulation packages, coupled with deferrals on home loan payments, means we are yet to see the full impact of COVID-19 on sawn timber demand. But as these programs are wound back the underlying economic situation will be revealed, and this is when we expect to see a reduction in demand for homes and new builds. Further details of this can be seen in the latest ANZ Research Agri Focus Report in which then predict GDP to fall by 7-9% this year.

Exports of sawntimber are positive in the US and Europe. US sawntimber prices continue to increase as US sawmills struggle to keep-up with demand, while demand from Europe for New Zealand clearwood timber remains strong. Asian markets are still difficult for sawn timber sales due to supply from around the world. New Zealand suppliers have managed to maintain price but have said they would like to be able to visit their markets to ascertain the situation and meet with their customers. Of all the Asian sawn timber markets, Thailand seems to be the most sluggish as they had a higher level of stock pre-COVID-19 combined with having a high component of packaging.

nz.pfolsen.com, August 2020



CANADA

WTO RULE US LOST IN LATEST SOFTWOOD LUMBER DISPUTE

A World Trade Organization ruling Monday on the U.S./Canada softwood lumber dispute doesn't look to help resolve the high cost of lumber in the U.S., but the decision does look good for Canadian producers.

In a settlement statement released by the WTO, the organization determined that duties put in place to help balance Canadian subsidies were in breach of global trading rules because the U.S. had not provided evidence that prices paid by Canadian firms for timber on government-owned lands were artificially low.

According to an article in Bloomberg, the U.S. responded by announcing that it is "considering options including an appeal of a World Trade Organization dispute ruling that backed Canada's claim the U.S. imposed unfair tariffs on its imports of softwood lumber."

LBM Journal, 24 August 2020



UNITED STATES

SOARING LUMBER COSTS COULD PUSH NEW HOME PRICES HIGHER

Average lumber prices have surged 80% since mid-April 2020, moving from a low of USD348 per thousand board feet to USD627 per thousand board feet as of July 31. According to NAHB chief economist Robert Dietz, this meteoric rise in lumber prices will add "thousands" to the cost of a newly built home, constrain new housing supply, and reduce affordability for new home buyers.

At the same time, single-family home demand has risen fast amid the pandemic, with new single-family home sales rising 14% in June to an annualized pace of 776,000 per year. New-home sales are up 3% in the first half of 2020, compared with the first half of 2019, while sales-adjusted inventory sits at only a 4.7-month supply.

builderonline.com, 10 August 2020



UNITED STATES

PRELIMINARY ANTIDUMPING FINDINGS FOR MOULDING AND MILLWORK IMPORTS FROM CHINA AND BRAZIL

The U.S. Department of Commerce (DOC) has issued mixed findings in its preliminary determinations on

sales of wood mouldings and millwork from China and Brazil. The preliminary determinations follow the result of investigations by the International Trade Commission from allegations by the Coalition of American Millwork Producers (CAMP) of unfair trade practices.

DOC issued its preliminary determination that China was selling wood mouldings and millwork at less than fair value during the period of investigation, July 1 through Dec. 31, 2019. However, the department's preliminary findings show no evidence that products from Brazil were being sold at less than fair value for the period in question, Jan. 1 through Dec. 31, 2019. The period of investigation differs because China is a non-market economy country.

CAMP filed the antidumping petitions on Jan. 8 claiming "dumped" moulding and millwork products by the two countries resulted in increased market share of more than 10 percentage points during the period of 2016 through 2019, while the U.S. industry lost 7 to 9 percentage points of market share during the same period.

The petitions were accompanied by a countervailing duty petition concerning imports of millwork products from China.

woodworkingnetwork, 14 August 2020



UNITED STATES

SOFTWOOD LUMBER COSTS UP NEARLY 30% SINCE APRIL

Led by softwood lumber, prices paid for goods used in residential construction continued their upward trend in July, increasing 1.8% (not seasonally adjusted) according to the latest Producer Price Index (PPI) report released by the Bureau of Labour Statistics, the National Association of Home Builders (NAHB) reports. It is the third consecutive monthly increase since the index declined three months straight by a total 5.4%.

The index has decreased 1.3% year-to-date (YTD), a larger decline than the prior record for a July YTD decrease (-0.9% in 2000). Prices paid for goods used in residential construction have only fallen five times between January and June since 2000, NAHB says.

The increase in prices paid for building materials was led by an 11% increase in softwood lumber prices, NAHB shows. Since decreasing 10.8% in April, softwood lumber prices have risen 29.3% and are now roughly equal to prices paid during the peak of the early-to mid-2018 run up. Although prices paid for softwood lumber are near 2018 records in level terms, the YTD percentage increase in 2020 (+22.0%) is far greater than it was in 2018 (+13.8%).

LBM Journal, 11 August 2020



CAMEROON

EXPORT VOLUMES DOWN EVEN AS RECOVERY PLANS DEVELOP

Timber exports from Cameroon have fallen sharply by as much as 45% and reports indicate some 60% of sawmills in the country have stopped operations.

The government is preparing a package of support for industries in the country but support will only be provided once companies can show their licenses and arrangements with the government are in order.

The industry is looking forward to the government assistance so they can begin the process of rehiring workers. Even if mills wish to resume operations they will face logs shortages, especially for timbers that are now in demand as markets are beginning to revive.

There are reports of a large volume of, mainly secondary, peeler logs for the Chinese market held up in the port and they are deteriorating fast. Timber exports from the Congo have also fallen, the result of the combined impact of the pandemic and tough implementation of the export quota system.

Control on exports is very tight in the Port of Pointe Noire. There are reports of several Chinese mills ceasing operations.

Most mills cut okoume for the Chinese and other Asian markets. There are reports of some timber shippers taking advantage of deals offered by conventional vessels looking for return cargos after delivering cement.

www.fordaq.com, 14 August 2020



GLOBAL

MASSIVE WOOD SLABS MARKET TO ECLIPSE USD 2 BILLION BY 2030

Global demand for massive wood slabs is projected to witness a significant growth over the next decade, due to increasing preference for wooden furniture among consumers, especially in developed regions.

Rapid urbanization and improved lifestyle in these regions have led to a significant demand for wooden furniture, which has subsequently increased demand for massive wood slabs.

Manufacturers have also increased their production of massive wood slabs and wood products. According to a recent Fact.MR.com report, the global massive wood slabs market will expand at an annual rate of 5 % in terms of value, and will account for more than USD2 billion by the end of forecast period (2020-2030).

Mahogany wood will hold the highest share in terms of value, and is projected to create an absolute dollar opportunity of USD124 million during the forecast period, the report said.

Rough milled slab type is expected to expand at an annual rate of 5 % in terms of value. Massive wood slabs with width over 30 inches are expected to account for a majority share in terms of value, projected to create an opportunity of around USD195 million during the forecast period.

Coffee table applications are expected to hold a majority value share in the global massive wood slabs market, and they are expected to be valued at more than twice as much as bench applications by the end of the forecast period.

"The global massive wood slabs market will create enormous opportunity during the forecast period. However, the current market will experience sluggish growth due to the unprecedented impact of Covid-19," the report stated.

woodworkingnetwork.com, 6 August 2020 



Malaysian Wood
Standing on Excellence

Lukisan Seribu Makna, Kayu Eratkan Semua
A Picture Paints a Thousand Words. Wood Binds Them All

www.mtib.gov.my





BAMBOO APPLICATIONS IN THE CONSTRUCTION INDUSTRY

The Ministry of Plantation Industries and Commodities (MPIC) is currently actively pursuing the use of bamboo in the construction industry. Towards this end, MTIB organised the Seminar on Bamboo Applications in the Construction Industry on 29 August 2020 at Kuala Terengganu. The seminar was officiated by YB Dato' Dr. Mohd Khairuddin, Minister of Plantation Industries and Commodities and YAB Dato' Seri Dr. Ahmad Samsuri, Chief Minister of Terengganu. Both dignitaries also witnessed the signing ceremony of a Memorandum of Agreement between MTIB, the State Government of Terengganu and Golden Pharos Bhd. on the construction of bamboo 'surau' in Kuala Nerus, Terengganu. After officiating the seminar, both YB Minister of Plantation Industries and Commodities and YAB Chief Minister of Terengganu visited the mini exhibition booth that showcased various bamboo-made products including the unique bamboo bicycle.

The seminar provided a platform for MTIB, industry players and relevant parties to share information on the various uses of bamboo as a new structural material suitable for use in the construction industry, as well as to be utilised as non-structural products such as furniture, flooring and various panel materials. Four papers were presented by eminent speakers from various sectors. Puan Norhazadawati Baharuddin from MTIB spoke on the Status of the Bamboo Industry. She explained the status of bamboo in Malaysia in terms of types of species and consuming regions as well as bamboo scenarios around the world. She also explained MTIB's initiatives and roles in promoting the Bamboo Plantation Scheme. The five species promoted in the scheme are Semantan, Beting, Beti, Betong, and Hitam. MTIB is currently collaborating with the Terengganu State Government to develop a bamboo model forest on a 15-hectare land for educational and tourism purposes.



YB Dato' Dr. Mohd Khairuddin Aman Razali,
Minister Of Plantation Industries And Commodities
speaking to the press

The second paper was presented by YBhg. Dato' Lai Yeng Fock, CEO of Tadom Hills Resort. He presented a paper entitled Bamboo-Based Tourism. YBhg. Dato' Lai who has been in the property development industry for more than 30 years, shared his experience with bamboo. In 2015, he made a very bold venture into the tourism industry by cooperating with the aborigines of the Temuan origin in Bukit Tadom, Banting to develop the boutique bamboo resort, Tadom Hills Resort which were constructed mainly from bamboo materials. The resort also provided employment to the Temuan tribe.



One of the speakers presented a paper on Bamboo processing applications

Ir. Tuan Haji Mazlan Othman from Bamboo Jungle Adventures (BJA) presented the third paper on Bamboo Applications in the Construction Industry. He spoke on various bamboo species, deforestation and preservation, design and bamboo construction, bamboo construction in Malaysia and around the world. He also shared the advantages of various bamboo species available locally in Malaysia. Among native species, *Dendrocalamus asper* (Betong), *Bambusa vulgaris* (Minyak), *Bambusa blumeana* (Duri), *Gigantochloa levis* (Beting) are the more popular species while among foreign species, *Dendrocalamus giganteus* (biggest), *Guadua angustifolia* (strongest) and *Thyrsostachy siamensis* are most popular.

Finally, En. Ahmad Ridzwa bin Ahmad Fathan from Citylab Projects Sdn Bhd presented the final paper entitled Kuala Nerus Bamboo Surau. With 25 years of experience in architecture, he shared the design on the proposed bamboo surau located at Dataran Tembusu, Kuala Nerus, Terengganu. The concept of the surau is more on the performance dome for the roofing. The design concept of the surau is more on the dome lifted concept for the roofing. The total area of surau is approximately 2,666 square feet which will accommodate a congregation of about 200 people.

The seminar was attended by 130 participants comprising architects, engineers and developers as well as representatives from bamboo associations, higher learning institutions and the government sector.



DEPUTY DIRECTOR GENERAL OF MTIB'S OFFICIAL VISIT TO MTIB SOUTHERN REGION

Deputy Director General (Management and Operation) of MTIB Dato' Dr. Mohd Puat Dahalan led a group of officers on a working visit to MTIB Southern Region in Johor Bahru on 10 - 12 August. He was also in Johor Bahru for the MTIB Licensing and Enforcement Road Show which was held on 10 August in Granada Hotel, Skudai. MTIB Southern Region comprises of MTIB Johor Bahru, Galeri Glulam, MTIB Johor Port, MTIB Bangunan Sultan Ismail (BSI), MTIB Pelabuhan Tanjung Pelepas (PTP) and MTIB Kompleks Sultan Abu Bakar (KSAB).

With two international ports - Johor Port and PTP - and two inland road links to Singapore - BSI and KSAB, MTIB Southern region recorded the highest number of import permit issued and physical inspections of timber product goods in Malaysia. The timber industry in Johor is driven by the furniture industry in Muar and timber trading between Malaysia and Singapore which includes export products such as panel products, sawn timber and plywood.

The group first visited the Licensing and Enforcement Road Show where about 80 participants attended the half-day session. Dr Puat and officers from the enforcement and licensing division from MTIB KL answered questions presented by the audience. In the afternoon the group visited the MTIB Johor Bahru Office at Nusa Bestari, Skudai and after that the Galeri Glulam. A briefing of MTIB Johor activities was delivered by En. Mohd Firdaus, Head of MTIB Southern Region.

On the 11 August the group continued with a visit to the MTIB checking station at BSI, known as Tambak Johor check point. This check point is the main road link to Singapore



MTIB Road Show Johor 2020 participants



MTIB Bangunan Sultan Ismail (BSI)



MTIB Plaque to Mr Asrey Buth, Grand Banks Yachts



MTIB Meeting with Johor Forestry Department in Kota Iskandar

for timber export and import. Most of the consignments here are bulk cargo such as sawn timber, plywood, wooden pallets and furniture components.

After the visit, the group continued on to Grand Banks Yacht located in Pasir Gudang. Grand Banks Yacht is an American luxury boat maker which has been operating in Malaysia for 25 years. It produces only 15 - 30 boats a year. Timber is the main material for the boat interior. Species like Teak, Balau and Chengal are chosen due to client demand and their durability against oceanic exposure. A token of appreciation was given by Dato' Dr. Puat to Mr Asryen Buth, Grand Bank Sdn Bhd Group Manager.

Following that, the group visited PTP the second international port in Johor. En. Wan Mohd Afandi gave a short briefing to the visitors. PTP only caters to container cargo for mother vessels such as Evergreen, OOCL and MAERSK Line. Timber products exported through PTP are mainly furniture and wooden panels.

There was a meeting between Dato' Dr. Puat and the Johor Forestry Department (JPNJ) in Kota Iskandar on 12 August. The meeting was chaired by Dato' Salim Aman, Director of Johor Forestry Department. During the meeting, several issues were highlighted regarding corporation activities between MTIB and JPNJ as enforcement and regulations between the two agencies are important to Johor stakeholders. At the end of the meeting Dato' Dr. Puat presented an MTIB plaque to Dato' Saliman Aman as a token of appreciation.

The group led by Dato' Dr. Puat comprised of Senior Deputy Director & officers from Licensing and Inspectorate Division.

July 2020

Malaysia

Malaysian port community win financial breaks to ease Covid-19 impact

LOGISTICS concerns in Port Klang are receiving support with a slew of financial incentives and initiatives as they recover from the Covid-19 pandemic, reported Malaysia's Star newspaper.

The Port Klang Authority (PKA) has introduced a MYR17.23 million (US\$4.03 million) financial incentive package and other initiatives to assist the port community.

This comes on the back of positive news from the port which has seen an increase in container handling since June as compared to the months of March until May.

Transport Minister Datuk Seri Dr Wee Ka Siong said the gradual reopening of economic activities since May has resulted in significant improvement.

Port Klang box volume fell 9.3 per cent year in the first half of the year to 5.99 million TEU.

"The entire projection for Port Klang in January was 14.1 million TEU with a 3.7 per cent increase. The updated forecast due to the pandemic projected 11.4 million TEU, or a 16.3 per cent decline," he said.

"If we can boost import and export activities, we may be able to reach more than 12 million TEU and we aim to bring the decline down to less than 10 per cent," he told a press conference here after his official visit to Westports, Northport and the Port Klang Free Zone (PKFZ).

From January to June this year, Port Klang recorded a two per cent increase year on year in containership arrivals from 5,027 to 5,128 ships.

Dr Wee said the bulk of the financial incentive by PKA was the deferment of up to 30 per cent of rent collection for PKFZ tenants from July to December this year.

Source: Asian Shipper

Malaysia

Cortez Subsea completes innovative pipelay project

Cortez Subsea, in partnership with Alam Maritim (M) Sdn Bhd, has announced the successful completion of the first ever subsea pipeline using the Zap-Lok™ mechanical connector, offshore Malaysia.

The project championed new and proven technology for faster and more cost-effective completion of subsea pipelay and recorded a best average lay rate of 4.7km in 24 hours with the rigid pipelay section completed within 20 days, the company said in its release.

This lay rate is considerably faster than traditional welded pipelay and meant the project was completed at a cost saving rate.

The pipeline system was developed specifically for the Tembakai Non-Associated Gas (TNAG) Development by Vestigo Petroleum Sdn Bhd, a wholly-owned subsidiary of PETRONAS Carigali Sdn Bhd. It uses NOV-Tuboscope Zap-Lok™ connectors to link the rigid pipeline via diverless connections.

The work included the engineering, procurement, construction, installation and pre-commissioning of the pipeline system and was delivered from Cortez Subsea's office in Kuala Lumpur.

Source: PortNews



Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, July 2020

Product	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all Ports M³	% Change July 2020/ June 2020
	M³	% Change July 2020/ June 2020	M³	% Change July 2020/ June 2020	M³	% Change July 2020/ June 2020	M³	% Change July 2020/ June 2020	M³	% Change July 2020/ June 2020		
Sawntimber	55,383	7	9,612	140	982	18	354	56	6,712	-5	73,043	14
MDF	14,108	12	0	-100	2,876	-10	1,162	-15	8,876	15	27,023	7
Mouldings	12,120	13	61	-68	2,312	-6	815	-3	1,249	12	16,558	8
Plywood	4,543	27	0	-100	174	306	462	-14	13,629	23	18,817	21
Veneer	245	-12	20	100	0	-100	44	82	1,302	1,613	1,610	263
Particleboard	17,442	-17	421	79	710	-45	0	0	6,356	29	24,929	-9
TOTAL	103,841	4	10,115	102	7,055	-10	2,837	-5	38,124	19	161,972	10

Source: MTIB

China

Container throughput of Chinese ports dropped 5.4% in the first half year

From January to June 2020, the cargo volume of Chinese ports was 675213 million tons, a year-on-year increase of 0.6%; the container throughput of Chinese ports was 120.19 million TEU, a year-on-year decrease of 5.4%, Ningbo Zhoushan Port Group said in its release. The overall downward trend has gradually stopped. The chart below shows the cargo throughput and container throughput data of the eight major ports in China.

In July, Ningbo exported containers towards an upward trend. In terms of container freight rates, by July 21, the average value of the Ningbo Container Freight index (NCFI) 1 in July was quoted at 737.26 points, with a slight increase of 5.19% compared to last month. In the North American route, market transportation demand remained at a relatively high level; some box liners pushed up freight rates again this month. The average freight rate of 40GP from Ningbo Port to Los Angeles Port in July was \$2790, at a month-on-month increase of 8.7%.

Source: PortNews



Port of Rotterdam fully operational in first half of 2020 results

The Port of Rotterdam achieved a throughput of 218.9 million tonnes in the first six months of 2020, 9.1% less than in the first half of 2019, which was a throughput record at the time. Despite the disruptive impact of the COVID-19 pandemic on the economy, production and logistics, the Port of Rotterdam remained 100% operational. The economic impact of the COVID-19 pandemic is the primary factor which explains the decrease in volume, reported by the port administration.

According to Allard Castelein, CEO of the Port of Rotterdam Authority: 'The Dutch economy and the Port of Rotterdam are dependent on developments in world trade. The negative economic impact of the COVID-19 pandemic is being felt worldwide. It should therefore come as no surprise that throughput volumes in the past six months were considerably lower than in the same period last year. On the positive side, the throughput volumes in the second quarter turned out to be better than initially expected. Nevertheless, it is not in Rotterdam's nature to sit back and watch. That is why the Port Authority has conducted a review to determine which public-private investment projects can be accelerated. In that way, the government and the Port of Rotterdam can team up to further the sustainability of the economy, while giving it a kick-start at the same time.'

Source: PortNews



United States

Port of Virginia throughput declines 16.8pc in July to 221,028 TEU

The Port of Virginia posted a 16.8 per cent year-on-year decline in July's container throughput to 221,028 TEU, reported the American Journal of Transportation.

All categories were down, with laden export boxes declining 15.3 per cent year on year to 68,594 TEU, laden imports were down 15.6 per cent to 105,692 TEU, rail containers down 19.1 per cent 39,680

TEU, trucked containers down 17.4 per cent to 777,000 TEU, barged containers down 15.6 per cent to 5,066 TEU and Richmond Marine Terminal containers were down 11 per cent to 3,241 TEU.

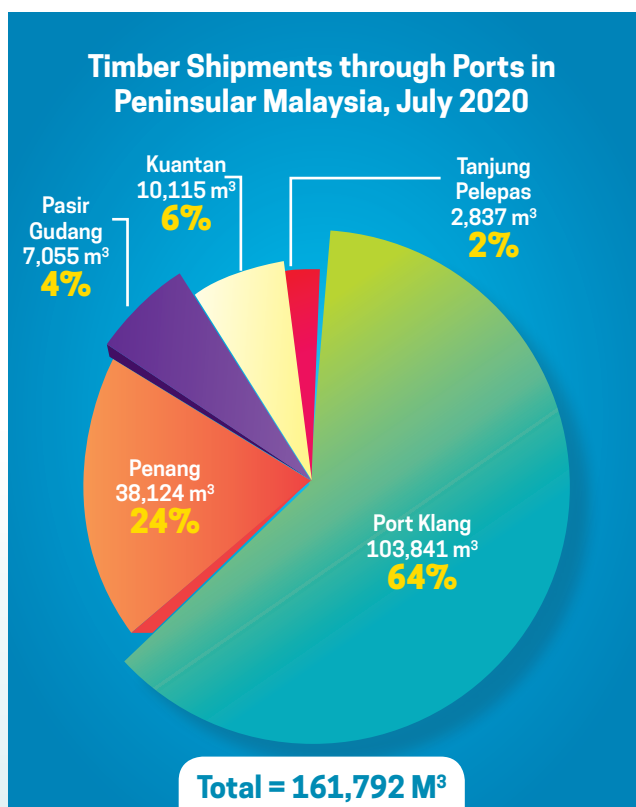
"The number of blank sailings is reducing and we are seeing an uptick in volume on some services, so the month-to-month cargo losses should subside during the near-term. This is still a very unpredictable trade environment, so our team is preparing for any eventuality." Also in July the governor announced that the port will get US\$14 million from the state's settlement with Volkswagen for the car manufacturer's emissions scandal. That money will help defray the cost of purchasing two new cranes for the south berth at Norfolk International Terminals (NIT) and electric cargo moving equipment to be used at Richmond Marine Terminal.

"We are continuing to invest in The Port of Virginia and look for ways to leverage our assets to build our revenue. We are speaking with the cruise industry about PMT, we're preparing to receive a 15,000-TEU ship sometime in September, we are quickly bringing the capacity expansion project at NIT to its end and we have just committed to invest \$42 million on 20 new shuttle trucks for Virginia International Gateway, two new cranes for NIT and electric cargo moving equipment for Richmond Marine Terminal.

This fall, the two new cranes will arrive at NIT, which will give the terminal 10 units on its south berth while in late 2021 two more cranes will arrive. "This will give us 12 cranes at NIT South, meaning we can work multiple ultra-large container vessels at once with a high-level of productivity and efficiency, which is what the ocean carriers and cargo owners are looking for," Mr Reinhart said.

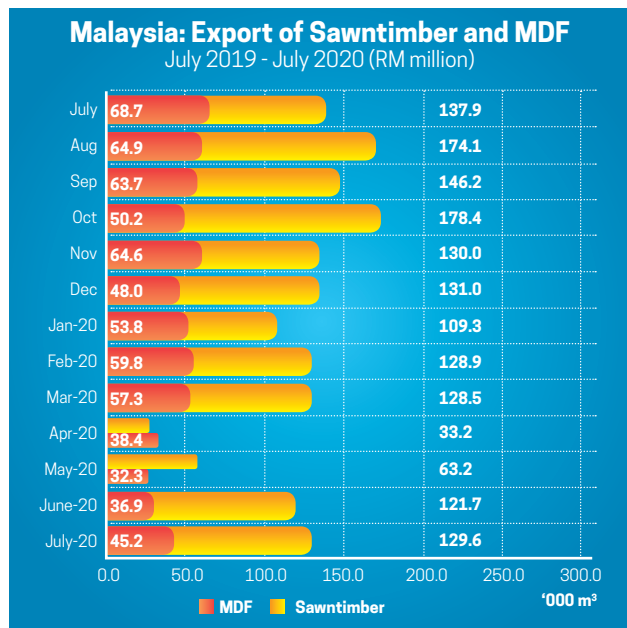
"We are working through the pandemic and our team is operating safely, showing resilience, productivity and a high-level of professionalism. There is a lot of positive activity here and the evolution of the Port of Virginia is continuing."

Source: Asian Shipper



July 2020

The total export of Malaysian timber and timber products in July 2020 increased by 12%, valued at RM2.2 billion over the previous month. However, cumulative exports for the period of January to July 2020 decreased by 6% valued at RM11.8 billion over the previous corresponding period.



SAWNTIMBER

The total export of sawntimber in July 2020 increased both in volume at 129,564 m³ and in value at RM234.9 million as compared to the previous month. Cumulative exports for the period of January to July 2020 decreased by 32% in volume and 34% in value to 714,433 m³ totalling RM1.3 billion over the previous corresponding period.

Exports of sawntimber to the EU for the month increased by 21% to 6,847 m³ over the previous month as a result of higher demand from major countries in the region. The Netherlands as the main buyer increased by 17% to 3,407 m³ from 2,906 m³ in the previous month. Exports to Germany also increased by 6% to 882 m³ from 834 m³ as recorded in the previous month followed by Italy with 144% higher to 470 m³ while France increased by 153% to 735 m³. Meanwhile in other European countries, exports to the UK also increased by 80% to 1,310 m³ from 730 m³ in the previous month.

Tw total export to West Asia increased by 50% to 22,289 m³ from 14,919 m³ as recorded in the previous month. Yemen as the main buyer from West Asia increased significantly to 9,864 m³ from only 3,235 m³ recorded in the previous month. Exports to Saudi Arabia and Iraq also increased significantly to 1,425 m³ and 2,467 m³ respectively from only 403 m³ and 992 m³ recorded in the previous month. Similarly, exports to Bahrain also increased by 45% to 1,056 m³ from 731 m³ while Qatar also improved significantly to 1,001 m³ from only 511 m³ recorded in the previous month. However, exports to the UAE decreased by 22% to 4,098 m³ from 5,269 m³ recorded in the previous month followed with Oman by 39% lower to 2,154 m³.

Elsewhere, buying from ASEAN decreased by 4% to 45,461 m³ from 47,413 m³ as registered in the previous month. Thailand as the main buyer in ASEAN decrease its intake by 19% to 23,438 m³ from 28,805 m³ as recorded in the previous month. Exports of sawntimber to the Philippines increased by 34% to 18,028 m³ from 13,428 m³ in the previous month followed by Viet Nam by 27% to 1,285 m³ while intake by Indonesia increased by 17% to 113 m³. Meanwhile, exports to Singapore decreased by 37% to 2,566 m³ from 4,070 m³ as recorded in the previous month.

Shipments to East Asia decreased by 10% to 25,843 m³ from 28,847 m³ in the previous month. China as the main buyer decreased purchase by 19% to 11,938 m³ from 14,799 m³ as recorded in the previous month. Exports to South Korea also decreased by 35% to 2,112 m³ followed by Japan by 24% to 3,261 m³ and Hong Kong by 21% to 123 m³ respectively. However, exports to Taiwan increased by 33% to 8,409 m³ from 6,315 m³ as recorded in the previous month.

Elsewhere, exports to the USA decreased by 26% to 865 m³ while Australia increased by 34% to 958 m³ as compared from the previous month. Meanwhile, demand from South Africa increased tremendously to 2,750 m³ from only 768 m³ recorded in the previous month.

The average FOB price of sawntimber increased slightly to 1,813 per m³ from 1,786 per m³ in the previous month. Meanwhile, price of Dark Red Meranti to the Netherlands also increased slightly to 3,338 per m³ from 3,247 per m³ in the previous month. Keruing was traded at 2,124 per m³, an increase of 5% from 2,020 per m³ in the previous month.

MEDIUM DENSITY FIBREBOARD (MDF)

Exports of MDF in July 2020 increased both in volume and value by 22% to 45,163 m³ worth RM66.2 million compared to the previous month. Contrarily, cumulative exports for January to July 2020 based on year-on-year recorded a decrease in volume by 38% to 323,596 m³ and by 30% in value worth RM446.8 million over the previous corresponding period.

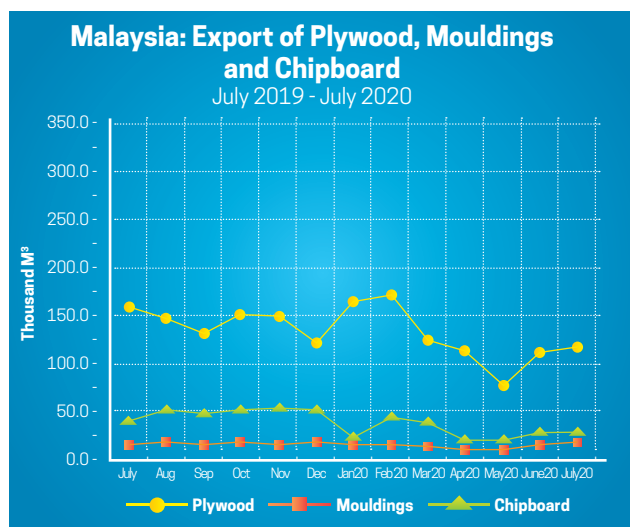
In ASEAN, total export decreased slightly to 7,308 m³ from 7,334 m³ in the previous month. Exports to Indonesia reduced by 21% to 2,741 m³, followed by Viet Nam with 5% to 1,653 m³ and Singapore 78% to 18 m³. Nevertheless, the Philippines increased buying by 53% to 2,649 m³ for the month. Moving to the East Asia region, exports were down by 9% to 12,516 m³. Japan as a major importer of MDF decreased intake by 7% to 11,565 m³, followed by Taiwan with 17% to 748 m³, China including Hong Kong with 56% to 133 m³ and South Korea 15% to 56 m³.

Meanwhile, exports to the South Asia region increased by 26% to 5,279 m³ for the month. Exports to Pakistan increased by 82% to 2,328 m³, followed by India with 27% to 2,048 m³ and Sri Lanka 222% to 690 m³. However, Bangladesh reduced its MDF imports by 80% to 213 m³ for the month. Similarly, exports to the West Asia region increased by 73% to 12,132 m³ from 7,008 m³ in the previous month. The UAE, as the major buyer in the region increased intake by 33% to 4,691 m³, followed by Bahrain with 602% to 1,123 m³ and Saudi Arabia 44% to 678 m³. Qatar also increased intake to

947 m³ for this month. In contrast, Kuwait reduced buying by 14% to 1,264 m³, followed by Oman with 44% to 609 m³ and Jordan 10% to 247 m³. Iran and Syria didn't make any purchase this month.

Elsewhere, exports to the USA grew to 2,435 m³ from 2,005 m³ in the previous month. Similarly, exports to Australia increased significantly to 2,714 m³ from only 38 m³ in the previous month. Exports to South Africa also increased by 22% to 224 m³, but exports to the UK and Mauritius reduced by 90% to 36 m³ and 20% to 103 m³ respectively.

The FOB price of MDF decreased slightly to RM1,465 per m³ from RM1,497 per m³ in the previous month.



PLYWOOD

Exports of plywood in July 2020 both increased in volume and value by 6% and 8% to 123,168 m³ totalled at RM242.3 million as compared to the previous month. However, cumulative exports for January-July 2020 based on year-on-year showed a decrease in volume by 10% to 913,371 m³ and in value by 16% worth RM1.7 billion over the previous corresponding period.

Exports of plywood to the EU increased by 118% to 1,701 m³ for this month from 780 m³ in the previous month. Exports to Denmark, Ireland and Germany increased by 119% to 448 m³, 338% to 705 m³ and 16% to 50 m³ respectively. Meanwhile, Belgium and Italy reduced intake by 50% to 132 m³ and 55% to 39 m³ respectively. The Netherlands resumed its buying to 254 m³ while France did not make any purchase this month. Meanwhile, in other European countries, the UK increased buying by 5% to 4,976 m³ while Turkey did not make any purchase for this month.

Exports to ASEAN and the East Asia region recorded an increase of 7% to 81,231 m³ compared from 76,100 m³ in the previous month. In the East Asia region, Japan as the main importer of Malaysian plywood increased buying slightly to 48,372 m³, followed by Taiwan with 77% to 9,871 m³ and Hong Kong 51% to 2,884 m³. Contrarily, South Korea and China decreased buying by 6% to 13,312 m³ and 22% to 719 m³ respectively. Meanwhile, Malaysia's plywood trade with its ASEAN partners showed a mixed trend for this month. The Philippines and Brunei Darussalam increased

buying by 166% to 1,508 m³ and 8% to 421 m³ respectively. However, Thailand and Singapore decreased intake by 21% to 2,965 m³ and 16% to 1,159 m³ respectively. Indonesia did not make any purchase for this month.

Exports to the West Asian region also recorded an increase of 25% to 11,705 m³ from 9,356 m³ in the previous month. Yemen increased its intake by 42% to 7,586 m³ followed by Saudi Arabia with 20% to 963 m³, Bahrain 166% to 319 m³ and the UAE 16% to 875 m³. Meanwhile, exports to Kuwait decreased by 27% to 125 m³ whilst Qatar did not make any purchase for this month.

The African region also showed positive growth for the month. Sierra Leone, South Africa and Morocco resumed intake to 995 m³, 86 m³ and 64 m³ respectively. However, exports of plywood to the Americas region decreased by 14% to 17,468 m³ as compared from 20,395 m³ in the previous month. Our main buyer in the Americas region, the USA decreased its intake of plywood by 24% to 14,014 m³ from 18,421 m³ last month. Canada also reduced its buying by 57% to 122 m³ whilst exports to Mexico increased by 97% to 3,332 m³. Moving to the Oceania region, exports to Australia and New Zealand declined by 21% to 3,324 m³ and by 84% to 21 m³ respectively.

The FOB price of plywood decreased slightly to RM1,898 per m³ from RM1,925 per m³ in the previous month.

MOULDINGS

Exports of mouldings for the month increased by 19% in volume and 30% in value to 18,489 m³ worth at RM72.3 million. However, cumulative exports for the period of January to July 2020 decreased by 27% in volume and 25% in value to 102,365 m³ worth at RM385.5 million as compared to the previous corresponding period in 2019.

Exports to the EU for the month recorded at 7,736 m³, increased by 26% as compared to the previous month. Germany, Belgium and the Netherlands increased purchase by 53%, 45% and 36% to 764 m³, 623 m³ and 5,436 m³. However, Italy did not make any purchase. Meanwhile, the UK recorded an increase of 16% to 449 m³ for the month.

Exports to the ASEAN region decreased as Singapore and Viet Nam decreased purchase by 47% and 2% to 371 m³ and 546 m³. Meanwhile, Indonesia did not make any purchase.

Likewise, Hong Kong, Taiwan, China and South Korea decreased intake by 73%, 32%, 29%, and 23% to 57 m³, 67 m³, 264 m³ and 1,156 m³ respectively. However, Japan increased intake by 21% to 1,540 m³ compared to the previous month.

Elsewhere, exports to the US, Canada and Australia increased by 99%, 35% and 13% to 2,915 m³, 93 m³ and 2,367 m³ respectively.

Average FOB unit value for mouldings increased marginally to RM3,911 per m³ compared to RM3,565 per m³ in the previous month.

July 2020

LOGS

The demand of logs was reported slowed down in due to pandemic Covid-19.

Log prices for the species of Chengal remained at RM5,040 per ton. Meanwhile, the prices for Balau and Red Balau decreased by 8.6% and 2.2% at RM3,200 per ton and RM2,250 per ton respectively. Similarly, the prices for Keruing and Kempas fell by 6.7% and 4.4% to RM1,400 per ton and RM1,720 per ton. The prices for Dark Red Meranti decreased by 1.1% to RM1,880 whilst Red Meranti remained at RM1,830 per ton. On the other hand, logs prices for Mixed Heavy Hardwood and Mixed Light Hardwood decreased by 4.3% and 2.9% at RM1,100 per ton and RM1,020 per ton respectively.

MEDIUM DENSITY FIBREBOARD (MDF)

Industry reported that the supply of MDF to the domestic market continued to be sufficient whereby slow demand from domestic markets. Prices of the MDF slightly drop by 0.3% - 6.7% on average for the month under review. The MDF of 4mm, 6mm, 9mm and 12mm of thicknesses were traded at RM12.80, RM15.20, RM21.70 and RM28.50 per piece respectively.

SAWNTIMBER

The average sawntimber prices for the month remain firm although some species recorded a slight decrease in price.

The sawn timber prices of Chengal and Balau decreased slightly by 1.9% and 1.8% to RM7,274 per m³ and RM3,390 per m³ respectively. Meanwhile, the prices for Keruing remained at RM1,250 per m³ whilst Kempas increased slightly by 1.4% to RM2,472 per m³ respectively. The prices for Dark Red Meranti and Red Meranti remained to RM2,036 per m³ and RM2,013 per m³ respectively. On the other hand, sawn timber prices of Mixed Heavy Hardwood and Mixed Light Hardwood fell by 1.4% and 3.7% to RM996 per m³ and RM918 per m³ for this month.

PLYWOOD

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

INTRA-MALAYSIA TRADE * - JULY 2020

The shipments of logs from Sabah to Peninsular Malaysia for the month decreased tremendously by 73% in volume from 1,687 m³ to 450 m³ worth at RM2,000. Meanwhile, trade of sawn timber increased in volume from 87 m³ to 840 m³ worth at RM260,000. Trade of veneer in volume to 242 m³ worth at RM346,000.

Trade of sawn timber from Sarawak to Peninsular Malaysia drop by 35% in volume from 1,273 m³ to 828 m³ worth at RM1.3 million. Similarly, trade of plywood fell by 21% in volume from 1,709 m³ to 1,346 m³ worth at RM1.5 million. Trade of veneer fell in volume to 38 m³ worth at RM70,000.

No intra trade from Peninsular Malaysia to Sabah and Sarawak was recorded during the month under review.

*AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA, JULY 2020 (RINGGIT MALAYSIA)

	LOGS/tonne	SAWNTIMBER/m³			
SPECIES	18" UP	GMS	STRIPS	SCANTLINGS/m³	
HEAVY HARDWOOD					
Cengal	5,040	7,274	5,720	7,980	
Balau	3,200	3,390	3,107	3,164	
Red Balau	2,250	2,825	2,613	3,390	
Merbau	3,570	4,696	3,884	4,096	
Mixed Heavy Hardwood	1,100	996	883	1,236	
MEDIUM HARDWOOD					
Keruing	1,400	1,250	1,271	2,203	
Kempas	1,720	2,472	2,260	2,549	
Kapur	1,680	1,746	1,412	1,751	
Mengkulang	1,300	2,119	1,419	2,154	
Tualang	1,400	2,472	2,331	2,493	
LIGHT HARDWOOD					
Dark Red Meranti	1,880	2,036	1,681	2,754	
Red Meranti	1,830	2,013	1,624	2,133	
Yellow Meranti	1,250	1,518	1,236	1,412	
White Meranti	1,380	2,458	1,306	2,507	
Mersawa	1,710	2,013	1,660	2,048	
Nyatoh	1,250	1,624	1,342	1,518	
Sepetir	1,170	1,706	1,003	1,751	
Jelutong	1,110	1,674	1,309	1,836	
Mixed Light Hardwood	1,020	918	812	1,010	
MALAYSIAN RUBBERWOOD	LOGS/tonne	SAWNTIMBER/m³			
	175	1" X 1"	2" X 2"	3" X 3"	4" X 4"
Hevea brasilienses		1,038	1,104	1,356	1,557
PLYWOOD 4' X 8'	4 mm	6 mm	9 mm		12 mm
(RM per piece)	14.60	22.00	38.00		48.00
MDF 4' X 8'	4 mm	6mm	9 mm		12 mm
(RM per piece)	12.80	15.20	21.70		28.50

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

* Prices are only indicative

INTRA-MALAYSIA TRADE - JULY 2020

From	Product	June 2020		July 2020		% Change in volume	% Change in value
		Vol (m³)	Val (RM'000)	Vol (m³)	Val (RM'000)	June2020/July 2020	June2020/July 2020
SABAH	Logs	1,687	580	450	2	-73	-100
	Sawntimber	87	245	840	260	866	6
	Plywood	3,124	4,856	0	0	-100	-100
	Veneer	0	0	242	346	100	100
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	1,273	2,021	828	1,324	-35	-34
	Plywood	1,709	1,879	1,346	1,480	-21	-21
	Veneer	1,330	1,764	38	70	-97	-96

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

Cont. from page 17

veneer

Exports of veneer for July 2020 grew significantly in volume by 103% to 6,004 m³ and 52% in value worth RM9.5 million as compared to the previous month. In contrast, cumulative exports for January to July based on year-on-year showed a decrease in volume by 46% to 34,896 m³ and in value by 44% worth RM55.6 million over the previous corresponding period.

Exports to Taiwan, China and the Philippines increased significantly for this month. Taiwan recorded an increase of 273% to 1,720 m³, followed by China with 1,119 m³ and the Philippines 1,011 m³. Similarly, exports to Canada and Italy increased to 36 m³ and 38 m³ respectively. However, exports to South Korea reduced by 4% to 1,026 m³, followed by India with 18% to 178 m³, Australia 47% to 56 m³ and the USA 73% to 20 m³. Meanwhile, Singapore and Viet Nam didn't make any purchase for this month.

The FOB price of veneer for July 2020 was at RM1,577 per m³, a decrease of 25% from RM2,107 per m³ in the previous month.

builders joinery and carpentry (BJC)

Exports of BJC for July 2020 recorded an increase of 20% in volume and 16% in value to 12,520,645 m³ worth RM99.1 million from last month. Total BJC cumulative exports for the same corresponding period last year decreased by 7% to RM523.3 million as compared to RM564.2 million. Exports to the EU decreased by 40% to RM104.5 million. Exports to the Netherlands, Germany, France and Italy decreased by 30%, 28%, 27%, and 3% to RM10.2 million, RM11.9 million, RM10.3 million and RM3.0 million respectively. However, exports to Sweden, Belgium, Denmark and Turkey increased by 113%, 17%, 23% and 8% to RM11.7 million, RM29.9 million, RM15.3 million and RM71,307 respectively. Meanwhile, exports to the UK increased slightly to RM68.5 million from RM67.3 million in the previous month.

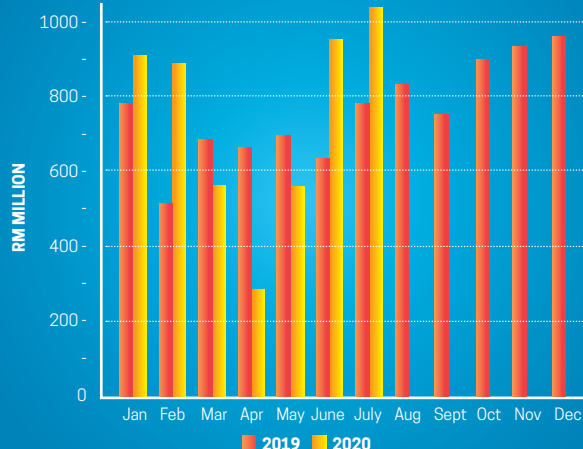
In Asia, exports to the UAE and Saudi Arabia recorded a decrease of 90% and 74% to RM453,945 and RM335,086 respectively. Meanwhile, Egypt increased purchase by 281% to RM739,832. Singapore, Viet Nam, Pakistan, Japan and India decreased by 59%, 46%, 36%, 21% and 16% to RM18.2 million, RM8.7 million, RM964,203, RM31.2 million and RM19.2 million respectively. However, exports to South Korea, Thailand and Taiwan increased by 48%, 12% and 3% to RM1.5 million, RM12.8 million and RM7.1 million compared to the previous month. Meanwhile, Qatar and Bahrain did not make any purchase.

Export to South Africa and Australia decreased by 51% and 20% to RM5.3 million and RM95.8 million respectively. However, exports to the USA and Mauritius increased by 34% and 9% to RM97.9 million and RM501,859 compared to the previous month.

furniture

Exports of wooden and rattan furniture for the period of January to July 2020 recorded an increase of 10% to RM5.2 billion from RM4.8 billion in the previous corresponding period. The USA as a main buyer of wooden furniture has increased purchase by 63% to RM3.2 billion from RM1.9 billion in the corresponding period in 2019. In Europe, shipments to Germany decreased by 23% to RM24.7 million, while exports to the Netherlands increased by 12% to RM18.7 million from RM16.7 million compared in the previous corresponding period. Exports to Greece decreased by 21% to RM13.3 million, France by 30% to RM25.2 million and Poland 14% to RM17.7 million.

Malaysia: Export of Wooden Furniture
July 2019 - July 2020 (RM million)



Shipments to the UK also decreased by 20% to RM231.0 million for the month. Similarly, purchases by Russia decreased by 26% to RM8.5 million from RM11.5 million in the same period last year. Demand from Canada and Australia also decreased by 22% to RM132.8 million and RM204.8 million respectively.

In East Asia, exports to Japan reduced by 22% to RM262.3 million from RM336.0 million in the same period last year. However, South Korea increased consumption by 10% to RM55.7 million whilst exports to China decreased by 33% to RM69.8 million. Exports to India also decreased by 44% to RM68.4 million from RM122.4 million in the previous corresponding period.

In the ASEAN region, exports to the Philippines and Singapore recorded at RM62.5 million and RM135.4 million respectively. Elsewhere, exports to Saudi Arabia and Qatar also decreased by 24% to RM81.8 million and 60% to RM3.4 million respectively. The UAE also reduced buying by 27% to RM62.7 million followed by Kuwait which reduced by 51% to RM13.9 million and Oman by 69% to RM6.6 million respectively.

Rattan furniture shipments for January to July 2020 recorded at RM50.4 million from RM78.8 million in the previous corresponding period. Exports to the USA has decreased by 36% to RM15.7 million from RM24.4 million in the corresponding period in 2019. Demand from Canada and Australia also decreased by 19% and 1% to RM1.5 million and RM2.4 million respectively.

In Europe, exports to Germany and the Netherlands both decreased by 25% to RM328,063 and RM514,473 respectively compared in the previous corresponding period. Exports to the UK also decreased by 35% to RM4.2 million followed by France by 36% to RM968,539 and Poland 87% to RM162,354. Similarly, purchases by Russia declined by 54% to RM1.4 million from RM3.0 million in the same period last year. Meanwhile in North Africa, Algeria increased purchase by 25% to RM2.3 million from RM1.8 million in the previous corresponding period.

In East Asia, exports to Japan increased by 26% to RM1.2 million from RM964,529 recorded in the same period last year. However, China and India declined intake by 37% and 70% to RM6.4 million and RM1.2 million compared from RM10.0 million and RM3.9 million respectively in the previous corresponding period. Meanwhile in the ASEAN region, exports to Singapore and Thailand recorded at RM913,633 and RM227,417 respectively.

Elsewhere in the Middle East, exports to the UAE decreased by 51% to RM288,782 from RM594,067 recorded in the same period 2019. Meanwhile, Viet Nam, Cote D' Ivore, Sri Lanka and Oman didn't make any purchase compared to the previous corresponding period in 2019.



WORKSHOP ON SAPLING PREPARATION, PLANTING TECHNIQUE AND FURTHER PROCESSING OF BAMBOO



The participants of the workshop

To ensure a better understanding of the local bamboo industry, MTIB, with the cooperation of Bamboo Jungle Adventures (BJA) organised The Workshop on Sapling Preparation, Planting Technique and Further Processing of Bamboo at Sungai Siput, Perak on 11 - 12 August 2020. The workshop objectives were to provide technical knowledge and introduction on the bamboo species, sapling preparation, bamboo tree maintenance, harvesting methods and advanced processing for the production of bamboo products. The workshop, offering the latest perspectives on the bamboo industry in Malaysia, attracted many companies, entrepreneurs and individuals interested in the potential of bamboo.

Both theoretical and practical sessions were held during the 2-day workshop. The presentation on the theoretical aspect and the discussion that followed were held at MH Sentral Hotel, Sg. Siput on the first day while on the second day, practical training was conducted at BJA Bamboo Resort, located about 20 minutes away from MH Sentral Hotel.

On the whole, the participants gave a positive feedback and expressed their satisfaction with the content of the workshop, which included the theory presentation and the practical session facilitated by the BJA technical staff. The participants also hope to be able to attend another similar bamboo workshop again in the future. Some participants suggested that the organisers expand their scope to species used for ornamental use, and to the means of



Presentation on the Introduction and related information about bamboo by Ir Hj. Ahmad Mazlan Othman

obtaining government incentives and guidance to start in the bamboo industry. Overall, this workshop is considered to have succeeded in achieving its objectives in providing knowledge and experience to participants in preparing bamboo seedlings, learning methods and techniques of appropriate cultivation and also methods of making preservative treatment for bamboo poles.

28 participants attended the workshop and they comprised people from various different backgrounds; the self-employed, company representatives, representatives from agricultural related companies and new entrepreneurs interested in venturing into the bamboo industry. 

IZUWAN FURNITURE SKILLS ENTERPRISE

YOUNG ENTREPRENEUR AND TECHNOPRENEUR IN FURNITURE BUSINESS

Mohd Izuwan Bin Mat Rabi started as an entrepreneur and technopreneur in the furniture business in 2018 at the age of 23. He possess a Sijil Kemahiran Malaysia and Diploma Kemahiran Malaysia (Furniture). He established a company Izuwan Furniture Skills Enterprise with only RM10,000 as capital and began to venture into the furniture business in Klang Valley. Currently, Izuwan Furniture Skills Enterprise is participating in the MTIB incubation programme, "MTIB Timber Cube" at the Wood Industry Skills Development Centre (WISDEC) Banting Selangor. MTIB Timber Cube is a pioneer incubation programme which was designed to assist and nurture young entrepreneurs and technopreneurs through the challenging early stages of developing and growing a business. There are three phases of this programme: Phase 1 – Pre Incubation, Phase 2 – Incubation and Phase 3 – Post Incubation (Acceleration). The duration of this programme is about two years. As a participant of the programme, Izuwan is able to utilize the facilities at the workshops at WISDEC as well as receive technical advice from MTIB.

Incubators have been established everywhere in the world including Malaysia to assist start-up companies. Incubation is an ideal medium to support start-up and emerging micro, small and medium sized businesses. MTIB through WISDEC offers support to existing and start-up businesses by providing incubation facilities for aspiring entrepreneurs and technopreneurs with skills in the furniture business. The objective of the MTIB Incubation programme is to ensure that emerging and existing micro or small business in the woodworking and furniture business survive at the start-up period and grow into successful business entrepreneurs and technopreneurs. This is in line with the NATIP's objective to increase the number of bumiputera entrepreneurs like Izuwan, in the industry.

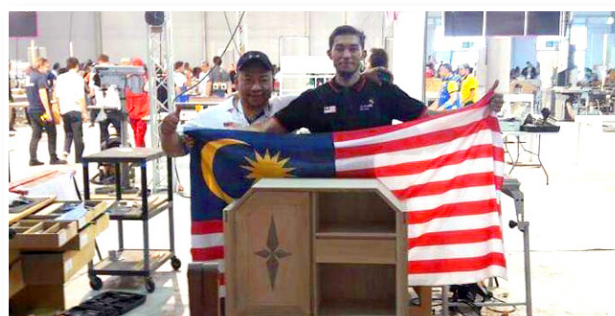
Incubation is hands-on management assistance; training, information, technical and business support services; networking resources, marketing and financial advice tailored to the company's needs. The success of an incubation service lies in its flexible combination of skills training and business development processes, infrastructure, and people. It is designed to nurture and protect new and existing small businesses by assisting selected entrepreneurs with all aspects of starting up and developing their company into a

sustainable business. As a micro enterprise and at the infant stage in the business, Izuwan is guided by several mentors and established companies.

Mohd Izuwan has an impressive track record at the international level; he represented Malaysia in the 44th Worldskills Competition (WSC), which was held in Abu Dhabi, United Arab Emirates (UAE) in October 2017 and he won the Medallion of Excellence in the cabinet making category. At the 11th ASEAN Skills Competition (ASC), which was held in Malaysia from 19 to 29 September 2016, he won a gold medal in the cabinet making category. At the national level, he won a bronze medal in World Skills Malaysia (Youth) in 2014 and a silver medal in World Skills Malaysia (Youth) in 2015.

Achievements of Mohd Izuwan in Skills Competition

No.	Skills Competition	Achievement
1.	Worldskills Competition (WSC) 2017	Medallion Of Excellence
2.	ASEAN Skills Competition (ASC) 2016	Gold Medal
3.	World Skills Malaysia (Youth) Competition in 2015	Silver medal
4.	World Skills Malaysia (Youth) Competition in 2014	Bronze medal



Izuwan during the World Skills Competition (WSC) 2017, Abu Dhabi



Izuwan during the Malaysia Skills Competition (WSMB) 2016, Kuala Lumpur



Wardrobe



Partition and TV panel



Final installation of kitchen cabinet

MTIB, through WISDEC, has been involved in many skills competitions, at the national level, the ASEAN level as well as at the international level. To develop human capital in the timber industry, MTIB was appointed as an Industry Lead Body (ILB) by the Department of Skills Development (JPK), Ministry of Human Resources. As ILB, MTIB has undertaken various technical training programmes and activities in order to elevate the level of skilled human resource in the timber industry.

Izuwan has achieved a high level of competency namely at the WorldSkills' level. WorldSkills is a skills competition and a job and career event held in a member country every two years. It is a competition for youths ranging from 17 to 22 years to demonstrate their excellence in skilled professions.

Among its main objectives are:

- To promote the exchange between young professionals from various regions of the world
- To exchange information on skills, experience and technological innovations
- To raise the understanding in governments, the education institutions and local industries to the importance of skills training
- To raise the awareness of youths and those who influence youth to the opportunities available in skilled professions

When asked what motivated him to start the business, he said, "Furniture business has huge opportunities for me based on my skills and competency. I am confident that I will be able to make and sell good quality furniture products". To date, Izuwan Furniture Skills Enterprise has made more than 200 wood and furniture products and gross sales have reached six-digit numbers. He explained that his furniture business is made up of two major parts: making and selling. He got started making and selling products on a small scale. "Start slow and don't bite off more than you can chew" he reiterated. Among the products that his company produces are kitchen cabinets, wardrobes, partitions, TV panels, cabinets, benches, tables, chairs and beds.

However, the movement control order (MCO) which was enforced by the Malaysian government due to the COVID-19 pandemic beginning 18 March 2020 has

had many implications for businesses especially micro business including Izuwan Furniture Skills Enterprise. The MCO and the pandemic have also made opportunities for some businesses to leverage on the ICT and digital platforms. Mohd Izuwan explained that "Although I was not able to operate my business during MCO, I still managed to reach out to customers through the online platform and social media".

His success has not been without challenges. According to him, "At this moment I am facing a lot of challenges such as no permanent premise for operations; and shortage of working space, machinery, equipments, tools, and working capital. I wish to acquire a building to operate my own business, buy basic machines and equipments, employ workers, keep enough stock of raw materials and keep some funds for future expansion". The people who are supporting his business are his parents, wife, friends, MTIB/WISDEC officers and many others.

The development of entrepreneurs and technopreneurs requires a longer process involving the commitment of many parties. Educational policies in Malaysia are designed and coordinated by the human capital needs of this country. The Technical and Vocational Education Training (TVET) sector has been identified as a career path that is right for nurturing young entrepreneurs and technopreneurs. TVET graduates or trainees are expected to have the capability to generate their income through job creation rather than employment seeking. The incubator is an approach through TVET curriculum based on two core businesses of exhibiting and entrepreneurship education. The goal of the programme is to expose the real business world to graduates or trainees. This programme emphasizes on the importance of incubators for those interested in starting a business. Graduates or trainees can look forward to starting their own business after graduation. Through the TVET programme, Izuwan gained benefits in terms of the acquisition of the right skills and technical knowledge related to furniture and woodworking. TVET prepares students with specific skills for a specific job, thus, making employment easier as they are trained and equipped with the right skills. This gives TVET graduates an advantage in the job market.

To get further information, please visit his Facebook page (**Mohd Izuwan Mat Rabi**), Instagram (**Izuwan Furniture Skills Ent.**) or by phone **010-3721038**.

PUERTO RICO AS A TIMBER HUB FOR CARIBBEAN ISLAND COUNTRY



relationship with the United States federal government, which controls its foreign policies while exerting trading restrictions, particularly in its shipping industry.



Overview

Puerto Rico, officially Commonwealth of Puerto Rico, Spanish Estado Libre Asociado de Puerto Rico, self-governing island commonwealth of the West Indies, associated with the United States. The easternmost island of the Greater Antilles chain, it lies approximately 50 miles (80 km) east of the Dominican Republic, 40 miles (65 km) west of the Virgin Islands, and 1,000 miles (1,600 km) southeast of the U.S. state of Florida. It is situated in the northeastern Caribbean Sea, its northern shore facing the Atlantic Ocean. Two small islands off the east coast, Vieques and Culebra, are administratively parts of Puerto Rico, as is Mona Island to the west. Compared with its Greater Antillean neighbours, Puerto Rico is one-fifth as large as the Dominican Republic, one-third the size of Haiti, and slightly smaller than Jamaica. It is roughly rectangular in shape, extending up to 111 miles (179 km) from east to west and 39 miles (63 km) from north to south. The capital is San Juan.

Puerto Ricans, or *puertorriqueños*, have an intermingled Spanish, U.S., and Afro-Caribbean culture. The island's social and economic conditions are generally advanced by Latin American standards, partly because of its ties with the United States (including the presence of U.S.-owned manufacturing plants and military bases in the commonwealth). Although that relationship has become politically controversial, the vast majority of Puerto Rican voters have continued to favour permanent union with the United States, with a slightly greater number favouring the current commonwealth relationship rather than statehood. A small but persistent minority has advocated independence.

Puerto Rico's economy faces some significant challenges such as an extremely high public debt, which is valued at 103% of the gross national product, and an extremely high budget deficit of approximately USD2.5 billion. Puerto Rico's economy has been experiencing depression for roughly 12 years that began in 2006. Experts believe that Puerto Rico's economic downturn has been caused by some factors such as the highly political nature of its public policy as well as mismanagement by the local government.

The economy likely contracted sharply in the final half of fiscal year 2020, which ended in June, due to regular earthquakes since January, causing infrastructure damage, and the fallout from the coronavirus pandemic. According to new and revised monthly data, economic activity slumped in March–April. Moreover, given that the territory-wide lockdown lasted from 15th March to 12th June 2020, activity in May–June 2020 have also fallen. Turning to the new fiscal year, which began in July, the economy should gradually recover as restrictions ease and the government opens up the spending taps, despite its constrained fiscal standing. The new budget increases total spending compared to the previous fiscal year by approximately USD2.0 billion.

The economy will likely recover modestly in fiscal year 2021, after contracting in fiscal year 2020 due to the coronavirus pandemic and earthquakes. The extent of the recovery in fiscal year 2021 will depend on the severity of the virus, while natural disasters, such as earthquakes or hurricanes, pose a downside risk. Panelists forecast that Puerto Rico GNP will expand 1.5% in fiscal year 2021, which is up 5.6 percentage points from last month's estimate, and 2.4% in fiscal year 2022.

Economy

The economy of Puerto Rico is classified as a high income economy by the World Bank and as the most competitive economy in Latin America by the World Economic Forum. The main drivers of Puerto Rico's economy are manufacturing, primarily pharmaceuticals, textiles, petrochemicals, and electronics; followed by the service industry, notably finance, insurance, real estate, and tourism. The geography of Puerto Rico and its political status are both determining factors on its economic prosperity, primarily due to its relatively small size as an island. It is also lack of natural resources used to produce raw materials and consequently, its dependence on imports as well as its

Natural Resources

Arable land is one of Puerto Rico's most important natural resources. Despite its importance, only 6% of the region's total area is considered arable. Experts believe that the low amount of arable land could pose a huge challenge to attaining food security. To ensure constant food security, the Puerto Rican government is forced to import vast quantities of food each year. Some of the main crops grown in the region include avocados, mangos, and grapefruits. According to official government records, the agricultural sector in Puerto Rico accounts for slightly less than 1% of the region's gross domestic product. Some estimates indicate that in 2013, agriculture contributed close to USD808 million to the gross domestic product.

Forest area in Puerto Rico was reported at 56.29% in 2016 by FAO. Other than picturesque beaches and a tropical climate, Puerto Rico has limited natural resources. The mountainous terrain that dominates much of the island's surface considerably handicaps agriculture. Only clay, silica sand, and stone are found in economically significant quantities. Large deposits of copper, and some gold, exist in the mountains south of Utuado and Lares but have not been mined, in part because of environmental concerns. Meanwhile agriculture and forestry account for a relatively tiny amount of the gross domestic product (GDP) and employment. Bamboo and tropical hardwoods support a small furniture industry.

Timber Production

The timber industry has been virtually non-existent in Puerto Rico for several decades. Innovative practitioners are reviving interest and developing markets for local timber and value-added wood products. Increasing timber production has the capacity to greatly increase the economic productivity of working lands given the relatively high growth rates and highly valued tropical wood species found in Puerto Rico.

Low impact and selective timber to be harvested have the potential to minimize conflicts between working lands and conservation lands, and between forestry and agricultural uses. By developing markets for local timber, non-timber forest products, and value-added wood products, land owners and

managers of both conservation and agricultural lands can take advantage of these markets for controlled harvests that maintain the ecological or agricultural services of a forest tract. For example, occasional timber from woodlots or farm buffers can be a source of income to farmers, as can thinning of plantations and secondary forest on conservation lands, or even salvage harvest of timber from urban lands.

With that, Puerto Rico was taking the initiative to become a trade or strategic hub for exporting and importing timber from foreign countries to Caribbean Island countries. With the capacity of this country, it has become a timber distribution hub in Caribbean Island territories.

Puerto Rico's Export of Timber and Timber Products

Puerto Rico's export of timber and timber products in 2019 decreased 37% to USD12.1 million from USD19.3 million in the previous year. Puerto Rico's major products exported were plywood with a total of USD5.1 million, a decrease of 44% from USD9.1 million in 2018. Similarly, exports of sawntimber and Builders' Joinery and Carpentry (BJC) also registered a decrease of 49% and 33% to USD2.4 million and USD1.1 million compared in the previous corresponding period. Other products exported by Puerto Rico were furniture, wood packing cases, logs and veneer.

Puerto Rico: Exports of Timber and Timber Products, 2015-2019

(Value USD'000)

HS CODE	PRODUCT	2015	2016	2017	2018	2019
4412	Plywood	6,022,490	4,001,608	6,861,130	9,136,568	5,087,316
4407	Sawntimber	1,663,595	1,995,218	2,489,203	4,758,015	2,415,177
4418	Builders' Joinery and Carpentry	442,407	560,062	849,632	1,587,308	1,061,158
9401-03	Furniture & Parts	32,400,020	33,995,955	10,889,867	1,866,406	987,636
4415	Wood Packings Cases	1,471,424	1,250,074	704,592	949,779	855,065
4403	Sawlogs	89,782	20,830	358,998	351,433	641,246
4408	Veneer	40,860	25,240	-	23,006	430,155
4411	Fibreboard	27,781	12,279	40,046	42,487	244,556
4409	Moulding	128,519	56,321	204,705	187,314	117,641
4421	Articles of Wood	877,490	243,715	48,857	92,395	74,781
4417	Tools/tool & Broom Bodies	24,024	5,998	14,880	195,496	65,262
4420	Wood Marquetry	47,949	45,900	179,088	41,515	58,689
4401	Fuel Wood	2,945	6,461	-	4,164	31,500
4404	Hoopwood	104,503	53,135	20,802	4,807	28,231
4410	Particle Board	61,571	152,452	17,884	11,100	12,417
4402	Wood Charcoal	-	-	15,712	3,200	4,500
4416	Casks, Barrels, Vat and Parts	26,810	12,745	42,878	43,546	-
4419	Tableware and Kitchenware	-	10,280	5,043	-	-
	TOTAL	43,432,170	42,448,273	22,743,317	19,298,539	12,115,330

Source: US Census Bureau

Puerto Rico's Export of Timber and Timber Products-by destination

As a hub of distribution of timber and furniture for Caribbean nation, most furniture produced in Puerto Rico are exported to

British Virgin Island, Anguilla, St. Kitt and Nevis, Sint Maarten, Guadeloupe, Dominica and Dominican Republic which are located in the Caribbean Island. In 2019, the total value of exported timber product and furniture to the Caribbean Island reached USD9.6 million.

Puerto Rico: Exports of Timber and Timber Products, 2015-2019-by destination

(Value USD'000)

RANK	COUNTRY	2015	2016	2017	2018	2019
	World	43,432,170	42,448,273	22,743,317	19,298,539	12,115,330
1	**British Virgin Islands	3,184,185	2,670,671	4,377,761	7,301,571	4,145,492
2	**Anguilla	1,156,252	1,234,580	1,362,265	2,590,245	1,665,734
3	**St Kitts and Nevis	1,249,032	1,026,471	1,560,798	1,663,239	1,298,731
4	**Sint Maarten	1,811,061	930,898	1,630,001	2,140,444	1,292,111
5	**Guadeloupe	567,330	353,942	632,344	848,113	467,532
6	**Dominica	191,379	169,303	383,997	764,041	442,724
7	Venezuela	-	7,200	177,415	385,880	338,469
8	Germany	84,975	63,592	46,014	372,384	335,313
9	Spain	219,544	520,162	264,571	-	318,746
10	**Dominican Republic	31,115,399	32,553,923	9,896,852	871,948	292,944

Source: US Census Bureau
Note: Total 61 Countries

**Caribbean Island

Puerto Rico's Import of Timber and Timber Products

Puerto Rico's import of timber and timber products in 2019 decreased 38% to USD178.0 million over the previous corresponding period. Puerto Rico imported mainly furniture,

plywood, sawntimber and Builders' Joinery and Carpentry (BJC) in 2019. Imports of furniture and plywood decreased 31% and 73% to USD138.8 million and USD50.3 million compared to 2018. Similarly, imports of sawntimber and BJC in 2019 declined 32% and 40% to USD9.2 million and USD7.4 million compared from the previous year.

Puerto Rico: Imports of Timber and Timber Products, 2015-2019

(Value USD'000)

HS CODE	PRODUCT	2015	2016	2017	2018	2019
9401-03	Furniture & Parts	130,731,664	119,781,747	118,895,009	201,421,137	138,753,798
4412	Plywood	22,303,617	14,725,925	24,983,031	50,256,014	13,350,231
4407	Sawntimber	9,072,812	7,389,705	8,858,449	13,414,024	9,185,150
4418	Builders' Joinery And Carpentry	7,006,340	5,378,911	6,163,371	12,264,399	7,358,894
4411	Fibreboard	579,654	385,065	485,673	2,044,324	2,485,145
4410	Particle Board	2,075,585	1,004,655	848,388	1,326,851	1,282,232
4420	Wood Marquetry	1,202,002	652,746	945,095	1,101,205	1,116,384
4421	Articles of Wood	1,690,591	814,197	932,964	1,232,425	866,087
4416	Casks, Barrels, Vat and Parts	5,668	98,775	146,934	939,747	852,164
4403	Sawlogs	42,295	286,687	233,162	327,637	638,596

Cont. from page 26

HS CODE	PRODUCT	2015	2016	2017	2018	2019
4409	Moulding	784,066	728,938	443,288	532,894	624,991
4419	Tableware and Kitchenware	385,727	275,464	708,600	345,708	432,480
4417	Tools/tool & Broom Bodies	460,776	418,664	334,493	690,488	423,694
4402	Wood Charcoal	475,335	222,630	264,791	341,650	329,916
4414	Wooden Frames	124,349	220,588	129,531	475,062	251,997
4404	Hoopwood	64,326	323,374	33,524	147,066	32,261
4415	Wood Packings	49,113	52,264	27,488	48,119	31,963
4401	Fuel Wood	3,539	-	-	-	-
4408	Veneer	35,126	-	47,771	14,333	-
4413	Densified Wood	-	-	-	56,045	-
	TOTAL	177,092,585	152,760,335	164,481,562	286,979,128	178,015,983

Source: US Census Bureau

Puerto Rico's Import of Timber and Timber Products-by destination

In 2019, the majority of timber and timber products imported by Puerto Rico was mainly from China, Brazil, Viet Nam and Malaysia. Imports of timber products, furniture and parts from China amounted USD63.1 million, a decrease of 33% from

USD94.0 million over the previous year. Similarly, imports from Brazil and Viet Nam also have decreased by 50% and 27% to USD27.9 million and USD20.1 million from USD55.4 million and USD27.6 million in the previous year. Malaysia which is ranked 4th as Puerto Rico's import partner for timber products also decreased by 65% to USD11.7 million from USD33.1 million over the previous corresponding period.

Puerto Rico: Imports of Timber and Timber Products, 2015-2019-by destination

(Value USD'000)

RANK	COUNTRY	2015	2016	2017	2018	2019
	World	177,092,585	152,760,335	164,481,562	286,979,128	178,015,983
1	China	73,041,466	64,784,367	63,500,656	94,040,489	63,061,197
2	Brazil	28,641,048	22,678,471	32,794,056	55,383,553	27,894,002
3	Viet Nam	14,531,254	12,246,446	15,344,698	27,594,086	20,093,036
4	Malaysia	12,739,521	11,234,855	14,163,554	33,123,591	11,739,316
5	Italy	6,838,054	6,906,979	5,649,835	10,449,433	10,124,255
6	Canada	11,471,541	8,588,392	6,999,121	10,290,121	7,827,375
7	Spain	3,166,176	3,208,860	2,774,699	4,509,618	4,527,169
8	Colombia	2,592,774	2,455,928	1,719,364	2,771,361	3,501,911
9	Mexico	2,374,388	1,973,264	1,933,401	4,313,719	3,038,279
10	Poland	1,514,767	2,179,913	1,936,490	3,793,255	3,023,045

Source: US Census Bureau

Note: Total 96 Countries

Puerto Rico's Import of Furniture and Parts

Furniture are the most imported product by Puerto Rico which totalled USD138.8 million or 78% out of the Puerto Rico total import amounted USD178.0 million in 2019. The majority of furniture and parts imported by Puerto Rico was mainly from

China, Viet Nam and Malaysia. Imports of furniture and parts from China and Viet Nam have decreased by 33% and 29% to USD59.8 million and USD19.4 million from USD88.9 million and USD27.4 million in the previous year. Malaysia's export which ranked 3rd as Puerto Rico's import partner for furniture and parts also decreased by 65% to USD11.6 million from USD32.9 million over the previous corresponding period.

Puerto Rico: Imports of Furniture and Parts, 2015-2019

(Value USD'000)

RANK	COUNTRY	2015	2016	2017	2018	2019
	World	130,731,664	119,781,747	118,895,009	201,421,137	138,753,798
1	China	66,850,444	60,596,790	59,555,924	88,904,535	59,790,385
2	Viet Nam	14,531,254	12,246,446	15,344,698	27,445,083	19,362,652
3	Malaysia	12,679,000	11,232,747	14,163,554	32,877,109	11,579,304
4	Italy	6,728,865	6,865,344	5,599,317	10,387,932	10,047,835
5	Brazil	5,561,536	6,479,682	6,024,607	11,837,572	8,961,244
6	Canada	7,145,163	4,171,265	2,446,663	4,514,557	5,246,208
7	Poland	1,514,767	2,173,864	1,934,310	3,793,255	3,023,045
8	Spain	1,682,763	2,101,011	1,576,635	2,169,182	2,811,442
9	Mexico	2,266,696	1,827,293	1,867,609	4,007,264	2,798,188
10	Colombia	1,963,734	1,836,057	1,484,565	1,898,742	2,752,990

Source: US Census Bureau
Note: Total 86 Countries

Malaysia's Export of Timber and Timber Products to Puerto Rico

In 2019, exports of Malaysian timber and timber products to Puerto Rico decreased by 61% to RM38.1 million from RM98.7 million in the previous corresponding period. For record, Malaysia does not import timber and timber products from Puerto Rico.

Exports of wooden furniture to Puerto Rico for the year 2019 recorded at RM38.0 million, a decrease of 61% from RM97.9 million in 2018. Similarly, exports of plywood to the Puerto Rico declined 90% to RM79,556 from RM771,018 recorded in 2018. Puerto Rico ranked 42nd market partner of Malaysia's timber and timber product export in 2019.

Malaysia: Exports of Timber and Timber Products to Puerto Rico, 2015-2019

(Value RM)

PRODUCT	2015	2016	2017	2018	2019
Plywood	118,915	-	-	771,018	79,556
Wooden Furniture	34,516,715	37,011,300	49,004,936	97,907,118	37,974,818
TOTAL	34,635,630	37,011,300	49,004,936	98,678,136	38,054,374

Source: DOS/MTIB
Note: Puerto Rico ranked 42nd market partner in 2019

Puerto Rico Import Tariff

Puerto Rico's import duty on timber and timber products ranges from 0 – 10.7%. Import duty details are as follows:

HS CODE	PRODUCT	MFN RATE
4401	Fuel Wood	0
4402	Wood Charcoal	0
4403	Logs	0
4404	Hoop Wood	0
4405	Wood Wool & Wood Flour	3.2
4406	Sleepers	0
4407	Sawntimber	0
4408	Veneer	0
4409	Mouldings	0 - 4.9
4410	Chipboard / Particleboard	0
4411	Fibreboard	0 - 6

HS CODE	PRODUCT	MFN RATE
4412	Plywood	0 - 8
4413	Densified Wood	3.7
4414	Wooden Frame	3.9
4415	Packing Cases	0 - 10.7
4416	Casks, Barrels, Vats & Tubs	0 - 3.2
4417	Tool Bodies & Handles	0 - 5.1
4418	Builders Joinery & Carpentry	0 - 8
4419	Tableware & Kitchenware	0 - 5.3
4420	Wood Marquetry	0 - 4.3
4421	Other Articles of Wood	0 - 10.7
9401-03	Furniture & parts	0

Source: US Department of Commerce
Note: Puerto Rico - US territories

Prospects as a Timber Hub Distribution

As previously mentioned, Puerto Rico has very limited resources in their country. Because of this, Puerto Rico have to find alternative resources to generate their economy. Puerto Rico had one of the most dynamic economies in the Caribbean region until 2006; however, growth has been negative for the last 11 years. The downturn coincided with the phaseout of tax preferences that had led US firms to invest heavily in the Commonwealth since the 1950s, and a steep rise in the price of oil, which generates most of the island's electricity.

In 2018, goods and services with a value of around USD60.57 billion were exported from Puerto Rico. Since they have the capability to export timber and timber products from foreign countries and selling back to Caribbean Island countries, it becomes a great opportunity for Malaysia to penetrate the market in North America. Malaysia can further export wooden furniture to Puerto Rico and other potential timber products to the market, after sorting out their political conflict which they are facing currently.

Therefore, Malaysian wooden furniture exporters should explore ways to enhance Malaysian wooden furniture design and manufacturing to make it more appealing for the Puerto

Rico market. Malaysian exporters are encouraged to penetrate not just the Puerto Rico market, but to other North Americas countries as well by looking potential partnership or joint ventures with companies or organisations in Puerto Rico.

References:

- International Trade Centre
- MTIB's statistics
- The World Bank
- MTIB's Statistics International Trade Centre
- <https://www.britannica.com/place/Puerto-Rico/The-economy>
- www.focus-economic.com/Puerto-Rico
- www.timber.trade.portal/Puerto-Rico
- UN- Comtrade Statistic
- ITC MacMap Data
- <http://www.cifor.org>
- <http://www.forestlegality.org>
- <http://www.fao.org>
- <https://comtrade.un.org>
- <https://www.statista.com>
- <https://dfa.gov.ph>
- <https://www.bworldonline.com>
- <https://www.statista.com/outlook/digital-markets>
- <https://www.tradingeconomics.com/puerto-rico/forest-area>



Resak Vatica spp.

Malaysian Wood
Standing on Excellence

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

www.mtib.gov.my



ULIN

INTRODUCTION

Ulin (*Eusideroxylon zwageri*) is a slow growing (0.5 metres per year) tall evergreen tree with a straight bole (usually host to *Cassytha*, a parasitic vine with leaves reduced to scales, up to half of the tree's height). It is slightly fluted at the base, up to 150–220 cm in diameter. The trunk has many small, rounded buttresses that give the base an elephant-foot like appearance. Individual trees may reach an age of 1,000 years or more. Common commercially exploitable trees attain a height of 30 or more metres (100 ft) with trunk diameters of exploitable trees up to 92 cm (36 inches). Protected trees are towering giants of the forest, attaining a height of up to 50 metres and a diameter of 220 cm – though height is routinely reduced by lightning strikes. An Ulin tree discovered in 1993 in Kutai National Park, is one of the largest plants in Indonesia. It is an estimated 1,000 years old, and has increased its diameter from 2.41 to 2.47 metres in the 20 years since its discovery. Its height was however reduced from some 30 metres to only 20 after a lightning strike. Another at Sangkimah in the west of the park has a diameter of 2.25 metres and a height of some 45 metres.

The trees' leaves are dark green, simple, leathery, elliptical to ovate, 14–18 cm long (5.5–7.5 inches) and 5–11 cm wide (2–4 inches), and are alternate, rarely whorled or opposite, without stipules and petiolate. The leaf blade is entire (unlobed or lobed in *Sassafras*) and occasionally with domatia (crevices or hollows serving as lodging for mites) in axils of main lateral veins (present in *Cinnamomum*).

PROPERTIES

The heartwood when cut is coloured light brown to almost bright yellow. During the aging process the heartwood darkens to deep reddish brown, very dark brown or almost black. The sapwood is bright yellow when cut, and darkens slightly. The wood texture is fine and even, with a straight grain or only slightly interlocked. The timber retains a pleasant lemon odour. This odour, along with the woods' natural high lustre, make it prized by cabinet-makers and fine furniture craftsmen.

The inflorescences which are in the axils of leaves or deciduous bracts, include panicles (rarely heads), racemes, compound cymes, or pseudoumbels (spikes in *Cassytha*), and are sometimes enclosed by decussate bracts. The flowers are bisexual only or staminate and bisexual on some plants, pistillate and bisexual on others. The flowers are usually yellow to greenish or white, rarely reddish. The hypanthium are well-developed, resembling calyx tube tepals and the stamens perigynous. The tepals are in groups of 6 to 9, in 2 or 3 whorls of 3 and sepaloid. If tepals are unequal they will then usually possess 3 outer smaller rather than inner 3. This is occasionally absent in *Litsea*. The stamens are in multiples and whorls of 3, but 1 or more whorls are frequently staminodial or absent. The stamens of the third whorl has 2 glands near its base. These are 2–4 locular, with locules opening by valves.

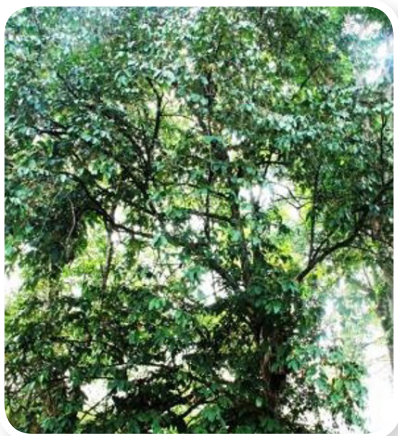
There is one pistil and one carpel. There is a one locular ovary with a basal placentation; one ovule; a subsessile stigma, which is discoid or capitate. The fruit are drupes, a drupe borne on a pedicel with or without persistent tepals at its base, or is seated in a deeply cup-shaped receptacle (cupule), or is enclosed in an accrescent floral tube. The fruit contains one seed without an endosperm. The fruit are poisonous to humans but have medicinal properties.

The parasite vine, *Cassytha* is sometimes placed in its own family, *Cassythaceae*. *Eusideroxylon zwageri* seedlings require some shade, while older trees need plenty of light. It can be found in valleys and on hillsides and even on low ridges when soil moisture is sufficient at elevations between sea level and 625 m. The standing timber volume of trees with a diameter of over 50 cm may be as much as 90–112 m³. *Eusideroxylon zwageri* has a very slow growth rate of mean radial growth of 0.058 cm per year. It is a canopy species in primary forests. The species is considered unsuitable for large-scale plantations due to slow growth and inadequate seed and seedling supply. Manual selection of trees in natural forests is common.

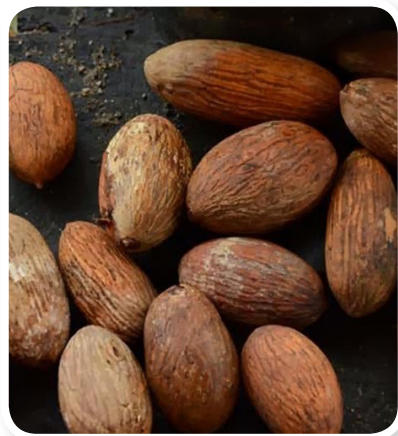
The wood is dense, and texture is moderately fine to fine and even. Also attractive to users is the resistance to insects, bacteria, fungi and marine borers. The wood has anti-bacterial properties (for local medicinal use). Vessels are diffuse-porous, medium-sized and generally evenly distributed, arranged in short radial rows (2–3 vessels). There is moderate abundance of aliform paratracheal parenchyma. Growth rings boundaries are indistinct or absent. Tyloses are often present.



Wood colour



The tree



The seeds

The wood has a radial shrinkage rate of 2–4.5% and a tangential shrinkage rate of tangential 4.5–7.5%. The timber dries slowly, and care is needed to avoid checks and splits. The wood is famed for its easy working characteristics, despite its high density. The wood planes, bores and turns cleanly, producing smooth and often lustrous surfaces. Nailing requires pre-bores prior to nailing. Saw blades and cutting instruments are only moderately

blunted during working with the timber. Apparently, the wood is difficult to glue with synthetic resins.

Its heartwood is rated as very durable – immune to termite attack, service life of up to 100 years in direct soil contact and more than 20 years for marine work in tropical waters has been reported.

CHARACTERISTICS

Odour	Its odour resembles lemons.
Color	The sapwood is pale yellowish. The heartwood varies from yellow-brown to reddish yellow-brown, becoming dark brown or almost black on exposure.
Grain	It is straight, only occasionally interlocked.
Texture	The texture is from fine to medium.
Luster	The heartwood is somewhat lustrous.
Natural Durability	It is very durable and very resistant to teredos and termites attack.
Silica Content	Silica Content: It is reported to contain up to 0.5% silica. Silica Value: 0.5
Resistance To Impregnation	The heartwood is extremely resistant to preservative treatment.

PHYSICAL PROPERTIES

Basic Density or Specific Gravity	0.88 G/CM ³
Air-Dry Density	1.02 G/CM ³
Total Shrinkage Tangential (Saturated to 0%MC)	7.7 %
Total Shrinkage Radial (Saturated to 0%MC)	4.3 %
Drying Defects	Ease of Drying: Air seasoning is reported to be easy. Drying Defects: Little warping and checking are reported. Kiln Schedules: Schedule suggested for Thitmin.
Recommended Dry Kiln Schedule	UK-B; US-T2-C2
Dimensional Stability Ratio (Total Tangential Shrinkage % / Total Radial Shrinkage %)	1.8 %

MECHANICAL PROPERTIES

Bending Strength	1648 KGF/CM ²
Stiffness	185212 KGF/CM ²
Compression Parallel to Fiber	819 KGF/CM ²
Shear Strength Radial	129 KGF/CM ²
Janka Hardness (Side)	1276 KGF
Janka Hardness (End Grain)	1094 KGF

MACHINING PROPERTIES

The timber is reported to be easy to saw and work.

Sawing	Sawmilling of this species is reportedly easy to fair.
Rotary Veneer Cutting	Good veneer can be made, but it is too dense and insufficiently ornamental for this purpose.
Sliced Veneer	Good veneer can be made, but it is too dense and insufficiently ornamental for this purpose.
Blunting Effect	It blunts saw-teeth fairly rapidly, owing to its hardness. The teeth should be cleaned regularly from oily deposits.
Planing	Planing of this species is reported to give good results despite its hardness.
Boring	Too high boring speeds may cause burning of the surface.
Mortising	This wood glues fairly well. It is easy to mortise.
Nailing	The timber is reported to require special precautions for gluing.
Sanding	This species is reported to be easy to sand.

REFERENCES:

- <https://www.frim.gov.my/colour-of-frim/eusideroxylon-zwageri-the-official-tree-of-sarawak/wppaspec/oc1/cv0/ab88/pt355>
- <http://www.tropicaltimber.info/specie/ulin-eusideroxylon-zwageri/#lower-content>
- https://en.wikipedia.org/wiki/Eusideroxylon_zwageri
- <http://junglemikey.blogspot.com/2013/12/a-market-near-sarawak-kalimantan-border.html>



Courtesy visit from Persatuan Pengusaha Gaharu Bumiputera Malaysia (PENGHARUM), MTIB, 13 August



Wood-Based Premium Product Skills Development Programme - Larik Products (EPOXY), 24 - 28 August 2020 in Langkawi, Kedah



Courtesy visit to MTIB by Tn Hj Ariffin bin Abdullah, Kuala Nerus Terengganu District and Land Officer and Encik Muhammad Ridzuan Hashim, UPEN Terengganu, 14 August



Ir Hj. Ahmad Mazlan Othman explaining to the participants during a Workshop on Preparation, Method of Planting and Processing Bamboo, organised by MTIB from 11 - 12 August in Sg. Siput, Perak