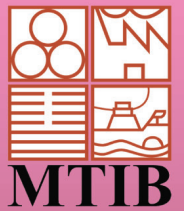


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MASKAYU



**MALAYSIA REPATRIATES SMUGGLED
SIAMESE ROSEWOOD TO THAILAND**

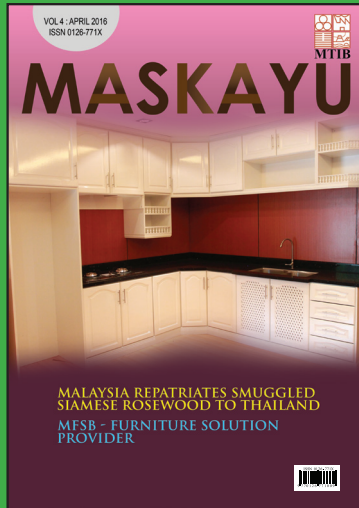
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PROVIDER**

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Cover : Kitchen cabinet manufactured by Meranti Furniture Sdn. Bhd. To know more about the company, please refer pages 22-24.

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MALAYSIA REPATRIATES SMUGGLED SIAMESE ROSEWOOD TO THAILAND



Mr. Somchai Channarongkul, Director-General of the Agriculture Department of Thailand (centre) shaking hands with Puan Hj. Norchahaya Hashim, Deputy Director-General of MTIB (second from right).

MTIB as the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Management Authority (MA) of Malaysia (Timber) repatriated 158 pieces of Siamese Rosewood (*Dalbergia cochinchinensis*) to the Department of Agriculture (DOA), Thailand at a ceremony held at Region 8, Agricultural Research and Development Centre in Songkhla's Hat Yai district on 25 April. The ceremony marked the first event for Malaysia repatriate confiscated timber specimen to the origin country which estimated value of BT20million (RM2.3 million). The timber poles had been confiscated by the Royal Malaysian Customs Department (RMC) in May 2013 at the Malaysia–Thai border. As Parties of CITES, both Malaysia and Thailand are jointly obligated under the Convention to ensure the repatriation of listed timber species. Hence, MTIB with the cooperation of RMC, handed over the Siamese Rosewood to, acting as CITES MA for Flora of Thailand.

The Repatriation Ceremony of Siamese Rosewood between Malaysia and Thailand was officiated by Mr. Somchai Channarongkul, Director-General of the Agriculture Department of Thailand. In his welcoming remarks, he extended his warm welcome to Malaysian delegates and guests. He noted that Siamese Rosewood is considered as first – class prime timber highly valued by international market for its colour, hardness and durability.

Since it is vulnerable to extinction from over exploitation of local forest, it has become rare and the species is depleting from its natural habitat. He added that Siamese Rosewood is a protected species under Thailand's Plant Act B.E. 2518 and has been listed under CITES's Appendix II since the 16th Conference of Parties (CoP) in March 2013, held in Bangkok, Thailand. Mr. Channarongkul then expressed his sincere appreciation to MTIB as the CITES MA Malaysia

(Timber) and RMC for their continuous cooperation.

The Malaysian Delegation was led by Puan Hj. Norchahaya Hashim, Deputy Director-General of MTIB. In her speech, she thanked the DOA of Thailand as organiser and extended her heartfelt appreciation to the DG of DOA for officiating the ceremony. She noted that Malaysia has been a CITES Party since 1978 and has since been sharing a common concern with all CITES Parties, which is to be responsible in implementing the resolutions and decisions made by the Convention. In Malaysia, Ministry of Natural Resources and Environment is the Lead Management Authority and acts as the forefront in implementing the national legislation Act 686 (International Trade of Endangered Species) which is enforced in line with the Convention. MTIB, as MA is responsible for



A group photo after the ceremony.



VIET NAM

EU Agree on Timber Export Regulations

Viet Nam and the European Union have agreed that the Timber Legality Assurance System of Viet Nam (VNTLAS) will be applied to wood and wood products exported to the EU, and also to other countries, as well as the domestic market. The two sides reached an agreement during their sixth session negotiating the Voluntary Partnership Agreement (VPA) on Forest Law Enforcement, Governance and Trade (FLEGT), said Deputy Minister of Agriculture and Rural Development Hà Công Tuấn at a press conference in Hanoi on Wednesday.

Tuấn stated that during the sixth session, Viet Nam and the EU also reached a consensus on applying the FLEGT licensing mechanism to timber exported to the EU. The two sides entered into negotiations on FLEGT-VPA in October 2010. All FLEGT-licensed timber and timber products from Viet Nam will be considered legal and, as such, not subject to the requirements of the EU Timber Regulation. The EU, which is responsible for about one-fourth of world timber consumption, is now the fourth largest importer of Viet Nam's timber and wood products, after the US, Japan and China.

thejakartapost.com, 16 April

INDIA

Plywood and Particleboard Replaced by Alternatives

Rising prices for logs and processed chemicals and the continual shortage of labour are creating problems for plywood and particleboard industries which have found they are losing market share to MDF, HDF and WPC boards. Composite panels are finding wider acceptance in the more sophisticated urban markets and are slowly eating away at the market share held by plywood and particleboard.

In India, pre-laminated particleboard and MDF panels are finding a ready market as they are perceived as elegant and less expensive than plywood. Indian plywood and particleboard manufacturers were slow to embrace overlay lamination. Because of this, new enterprises are interested in buying raw boards from the manufacturers and applying laminates. However, this depends on finding skilled craftsmen to apply laminates, and now, many such craftsmen have migrated to Middle East and African countries

attracted by higher wages. Today, many Indian board manufacturers have invested in laminating and selling ready-to-use panels to furniture and door manufacturers.

Board manufacturers without laminating capacity now face marketing problems. WPC boards are gaining popularity as they are strong and water resistant and can be manufactured from a wide range of residues. WPC boards are not only cheaper than conventional panels but are suitable for a wide range of end uses.

Fordaq.com, 11 April

CHINA

Production of Furniture in 2015

According to the China Furniture Association, the value of China's furniture output increased 0.4% year-on-year and the 2015 income generated by the main enterprises rose 9% with a corresponding rise in profitability (+14%). In 2015 the value of China's furniture exports rose 2% year-on-year to USD54.28 billion and there was an 11% decline in furniture imports. According to Chinese analysts, bamboo and rattan furniture will play a greater role in the development of the furniture industry in China. These raw materials are easier to source than timber and they are fast growing and early maturing, and they generate high yields of a raw material that is easy to process.

Globalwood.org, 15 April

JAPAN

Lumber Demand from Europe and North America Expected to Drop

Japan Forestry Agency members met to discuss the wood demand forecast for the first three quarters of 2016. They had assumed that the consumption tax increase would begin in 2017 and that the logs, plywood and laminated lumber imports would increase, compared to 2015. Yet, lumber imports may decrease in quarter two and quarter three of 2016. Compared to the forecast made last December, the North American logs, the European lumber, the Radiata Pine logs and the lumber coming from New Zealand and Chile, along with the imported plywood may decrease in quarter one of 2016.

The domestic logs production for lumber manufacturing is expected to grow quarter by quarter in 2016, as long as the plywood manufacturing is lower than in 2015. Moreover, the total logs import from North America, South

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Sea, Russia and New Zealand may increase in 2016, compared to the previous period starting quarter one of 2014, as the Forestry Agency forecast reported.

Japanese lumber imports are not expected to be high in 2016. Imports of North American lumber may decline in quarter one of 2016 and increase in the second half of the year. As for imports of European lumber, the volumes might decline for quarter two and quarter three of 2016, due to production curtailment caused by log supply tightness from the major sawmills. The Radiata Pine, logs and lumber imports from New Zealand and Chile, which are mainly used for crating lumber, may decrease in quarter one of 2016, compared to 2015, because of slow demand and excessive inventories.

Both housing and general construction sectors have started to increase, so the demand for domestic softwood plywood will continue to go up. Plywood imports may decrease in quarter one, but considering the active demand for concrete forming panel and floor base, it may also increase later on in the year. The Forestry Agency reports also showed that the structural laminated lumber demand might increase in 2016 and there is an oversupply forecast for quarter three. The housing forecast has also grown, from 909,000 units in 2015, to 928,000 units in 2016.

globalwoodmarketsinfo.com, 28 April

MIDDLE EAST **Hot Market for the US and European Timber Producers**

The Middle East market is currently purchasing a large amount of timber. This is currently encouraging European and US wood companies to work toward increasing their sales across the Middle East and North Africa (MENA) market.

The announcement that the US and European companies want to expand their sales into MENA was made at the Dubai WoodShow 2016, the largest specialised wood trade show for producers, manufacturers, importers, exporters, dealers, suppliers and other players in the wood industry.

Also discussed during the trade show was the legal use of timber. On the second day of the event, participants noted that green initiatives developing in the Gulf have called for the use of more wood. The second day highlighted the attendance of many trade visitors, architects, representatives of associations and commercial boards, interior designers and furniture manufacturers.

During the trade show, many products were put on display including wood, woodworking machinery, blades, knives, tools and abrasives. The Dubai Woodshow was held from 4 to 6 April at the Dubai International Convention and Exhibition Centre.

gulfnewsjournal.com, 8 April

GERMANY **Furniture Exports Surpassed EUR10 Billion Threshold**

German furniture exports in 2015 were 6.6% higher than the year before at EUR10.125 billion, thereby surpassing the EUR10 billion mark for the first time ever. Provisional figures from the federal statistics office published by the German Furniture Industry Association however, show that Germany's furniture imports underwent similar growth of +5.4% to EUR11.932 billion. As such, their value remained above those of the furniture exports. The value of the furniture exports and imports had drawn continuously closer together from 2000 to 2007 whereby the imports were always higher than the exports. The figures drifted apart again from 2008 onwards, resulting in a high foreign trade deficit of EUR1.8 billion in 2015.

Euwid.com, 6 April

SWEDEN **Sawlog Prices Drop Slightly**

The average delivery prices of sawlogs in Sweden fell by 2% in quarter one of 2016, compared to quarter four of 2015. The prices fell by 3% in the Northern region and decreased by 5% and 3% in Central and Southern regions respectively, the Swedish Forest Agency reported. Pulpwood prices remained unchanged in the mentioned period, compared to the quarter four of 2015. Also, the pulpwood prices increased by 4% in the Northern region and, at the same time, fell by 1% in the Central region.

At the moment, the Swedish rising economy offers great benefits to sawmills. The competitiveness of the Swedish sawntimber and pulp and paper sectors are benefiting from the weak Swedish krona. In quarter one 2016, Sweden's economy continued to stand relative to similar countries. Extremely low interest rates and the recent weak krona determined growth for the economy. Yet, given the mediocre development in the rest of the world, it is not realistic to expect that the Swedish economy will continue to boom in the upcoming period.

Most sectors of the Swedish forest industry encountered a slight slowdown in early 2016,

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except for the construction sector, which has actually grown in recent months. The consumption of wood products has also gone well. But the Swedish sawmills experienced a prolonged period of falling export prices caused by the lingering global oversupply and fierce competition. Sweden's production of pulp had a positive development in 2015 and the positive trend continued in January and February 2016. The confidence indicator for the Swedish pulp and paper industry showed a strong rebound in the first two months only to fall back slightly in March. However, the indicator is well above its historical average. Moreover, Swedish manufacturers expect a slight growth in the coming months.

Fordaq.com, 22 April

EUROPEAN UNION Tropical Sawn Hardwood Imports Rose 9%

In 2015, the EU imports of tropical sawn hardwood were 1.05 million m³, 9% more than previous year. The value of the EU imports increased by 15% to EUR772 million. The average unit value of tropical sawn hardwood imports into the EU in 2015 was EUR732 per m³, up from EUR670 per m³ the previous year, the increase due to the euro being on average 20% weaker against the US dollar in 2015 compared to 2014.

While the rise in the EU imports of tropical sawn hardwood in 2015 is encouraging, the volume of imports remains at historically very low levels. Import volume in 2015 was only 40% of the level prevailing before the global financial crises and it fell short even of the level between 2009 and 2011 in the immediate aftermath of the crisis.

Globalwood.com, 17 April

BRAZIL Domestic Economic Crisis Affecting the Brazilian Timber Industry

The Wood Trade Brazil - Lignum Brazil Fair promoted by the Brazilian Association of Mechanically-Processed Timber Industry (ABIMCI), the Federation of Industries of Paraná State (FIEP) and Malinovsky Events was held in Curitiba early March. This brought together representatives of the timber industry, log producers and professionals involved in the wood supply chain. During the event the state of the Brazilian economy and its effect on the timber industry were discussed. The consensus was that negative domestic economic growth is diminishing opportunities in the domestic market and that, to survive, the industry must seek

alternative markets.

At the beginning of this decade the timber industry in Brazil were operating in a favourable economic climate but this did not last and the sector soon began to experience great difficulties to the point that output and sales fell. In 2015, the timber industry saw production drop by almost 5%. As the situation deteriorated there was a fall in sector employment but this was less so in the sawmilling sector than in manufacturing. With regard to exports, although volumes sales rose, prices dropped. However, the impact on the profitability of Brazilian companies was cushioned by the weakening Real against the US dollar. Speakers at the Fair concluded that throughout 2016 the lack of confidence and rising uncertainty will remain intense.

According to the ABIMCI presentation during the fair, resumption of activity in the North American construction sector should have a positive impact on Brazilian wood product exporters. In addition, in other markets such as Mexico as well as some African and Middle Eastern countries demand remains firm. Even in Europe there is a steady demand for Brazilian wood products especially Pine plywood.

Brazil has an advantage over some competitors in the European market as ocean freight charges are low. Brazilian exporters also benefit from good, long term relationships and partnership with companies in Europe. Such partnerships are the foundation for the development of new products such as cross laminated timber and other prefabricated wood products for the EU market

Fordaq.com, 8 April

UNITED STATES Export Industry's Impacts on Southern Forests Markets

Growth of the pellet export industry in the southern US—from zero in 2008 to 3.6 million tonnes in 2014—has caused some to question the impact exporting pellet mills are having on forest inventory and wood fibre prices. Claims that this impact is significant and disastrous are largely exaggerated, however. Forest2Market's data indicates that these impacts are eclipsed by the effects of a range of supply and demand factors in the region, including increased demand from pulp, paper and panel manufacturers and supply restrictions. Overall, forest inventory in the US South increased by nearly 1.2 billion tonnes between 2000 and 2014. Data shows that pulpwood harvests for export facilities are a small fraction of overall harvests when compared

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implementing and coordinating the management and enforcement of timber species as listed within the Convention .

Puan Hj. Norchahaya also noted that as Siamese Rosewood is listed under CITES Appendix II, all export , import and re-export must be accompanied by legal CITES permits. She further stated that although Malaysia is not a range state, it is fully committed to combating illegal timber trade. She

also called consignment transit and destination countries to undertake full investigation and where appropriate, prosecute those involved in the illicit trade. She also urged all Parties to return the specimens to the origin country .

The Malaysian delegation comprised officials from MTIB, the Consulate General Malaysia, Songkhla, Thailand and Royal Malaysian Customs Department.



Malaysian and Thailand enforcement officials explaining cases to guest of honour.



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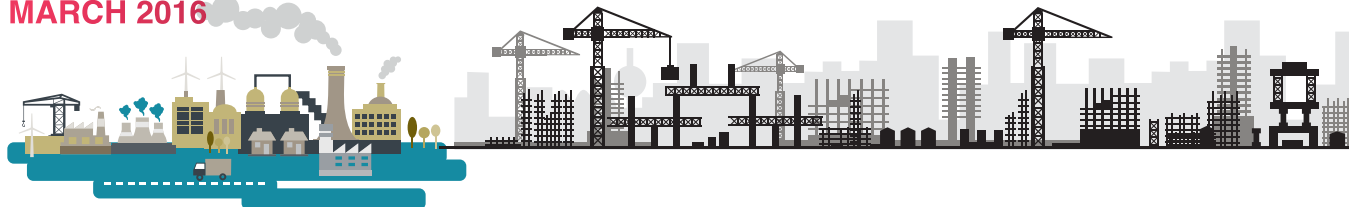
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MARCH 2016



Malaysia: Xin Hwa Holdings Obtains Contract Worth RM25 Million from PTP

A RM25 million (EUR5.48 million/USD6.17 million) contract from Pelabuhan Tanjung Pelepas (PTP) has been obtained by integrated logistics service provider Xin Hwa Holdings in Malaysia. The project is to provide services at Tanjong Pelepas Port in Johor. According to the integrated logistics service provider Xin Hwa Holdings, the new contract marks the second contract PTP has awarded to it within the initial quarter of 2016. The company adds that both contracts by PTP will help it in maximising its revenue for the upcoming few years, besides also benefiting its bottom line. The contract is for a term of five years. Under the said deal, the company will appoint its unit, Xin Hwa Trading and Support (XHTT) to supply labour, trailer services and prime movers for depot operation and Internal Terminal Transfer at Tanjong Pelepas Port from 1 April 2016 up to 31 March 2021.

Source : The Star, 22 March

Viet Nam: Da Nang to Convert Lien Chieu into Major Cargo Port

Da Nang will invest VND3 trillion (EUR119.80 million/USD133.76 million) to convert Lien Chieu Port into a major cargo port. The deep-sea port will be upgraded to accommodate cargo ships with loading capacity of 8,000 TEUs and 100,000-tonne vessels. Lien Chieu Port, which presently handles container ships with 50,000 deadweight tonnage, can also be linked to road and rail systems in the East-West Economic Corridor No 2. The conversion will help reduce congestion at Tien Sa Port, which is set to reach its 11 million tonnes cargo capacity by 2025.

Source : Viet Nam News, 28 March

Spain: Tarragona Port Expects Traffic to Grow 4% in 2016

The Tarragona Port Authority expects to handle 34.5 million tonnes of traffic during 2016, which would represent a 4% growth compared to 2015 and allow it to return to pre-crisis levels. Traffic grew

3.9% in 2015. The port is to invest EUR36 million (USD 39.35 million) in 2016, with EUR13.7 million going towards projects and works, EUR14.6 million towards railway and logistics measures, EUR2 million towards protection and security, EUR2.2 million towards IT, and EUR2.1 million towards acquisitions. Part of this investment will go towards the construction of a Logistics Activity Zone. The port generated a profit of EUR6.2 million in 2015, which represents a 17% growth, whilst turnover went up 4.48% to EUR51.3 million. Debt totalled EUR60 million.

Source : Expansión Spain, 2 March

India: Sagarmala Shipping/Port Plans to Save INR250 Billion in Logistics Cost

With the current coastal shipping volume of 80 million tonnes expected to increase by between five and six times by 2025, the government of India aims to save INR250 billion (EUR3.39 billion/USD3.73 billion) on logistics costs through the promotion of its Sagarmala project. The coastal shipping/port initiative is said to be an umbrella for more than 150 projects that will draw in investments of over INR4 trillion and create 10 million new jobs, 4 million of which will be direct positions, over the upcoming decade.

Source : The Economic Times, 7 March

United Arab Emirates: Port Operator DP World Posts 30.7% Profit Increase in 2015

DP World, the port operator based in the UAE, has reported its 2015 profit at USD883 million (EUR791.59 million) following a 30.7% increase over the year from the USD675 million collected in 2014. Meanwhile, its revenue from both local and international operations rose from USD3.41 billion up to USD3.97 billion.

Source : Zawya, 17 March

Mexico: TEC II Receives Certification to Perform Coastal Cargo Operations

Mexican port operator Contecon Manzanillo, which manages the TEC II international container terminal

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MARCH 2016

at Manzanillo port, has announced that the general customs administrator (AGA) had awarded the terminal a certification to perform coastal cargo operations. AGA had previously validated that TEC II had allocated a dedicated space for coastal cargo, separated from the goods aimed for deep-sea operations. TEC II also received authorisation from Manzanillo port operator (API) to handle the new Istmo Pac services between the terminal and Salina Cruz port. The new services will be carried out weekly using a multipurpose vessel with a capacity for 500 TEUs.

Source : T21-16 March

Singapore: Cosco-PSA Terminal to Invest in Three New Container Berths

Hong Kong-based Cosco Pacific and PSA International (PSA) signed an investment agreement on 28 March 2016. The Cosco-PSA Terminal, a joint venture of the two companies, will invest in three new container berths at the Pasir Panjang Shipping Terminal in Singapore. The berths will be 100% integrated with PSA's infrastructure and are designed to accommodate mega container vessels. The three new berths are scheduled to begin operations in 2017.

Source : The Straits Times, 29 March

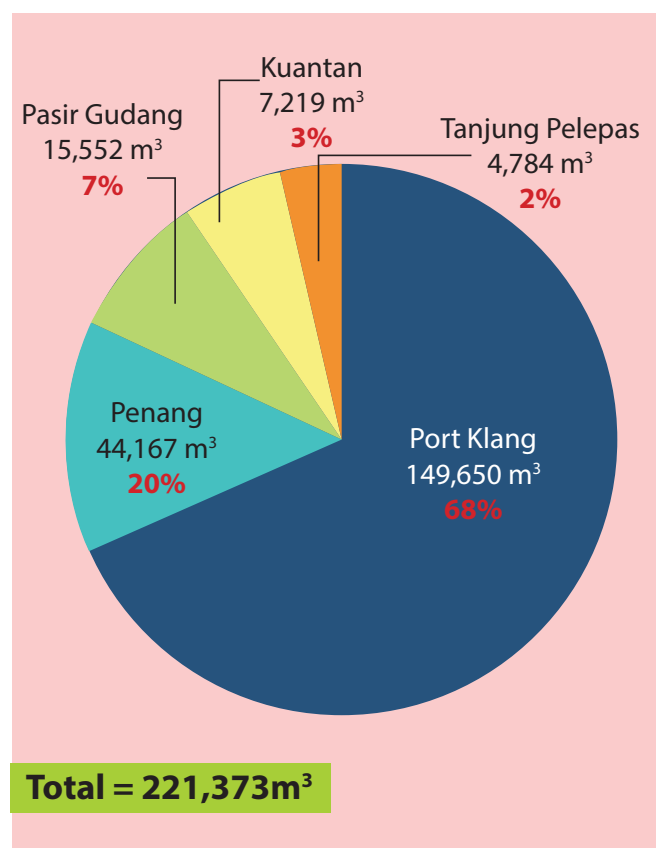
Finland: Volumes of Goods Transported by Sea Decreased in 2015

According to the Finnish Transport Agency, the volume of goods transported from or to Finland in international seaborne trade exceeded 89 million tonnes in 2015. Exports accounted for 44.7 million tonnes, down 7.4% from 2014. Imports accounted

for 44.5 million tonnes, down 7.4% from 2014. In 2015, over 30,200 vessels arrived in Finnish ports, up 1.5% from 2014. About 10,200 of them were Finnish vessels. In transit traffic through Finnish ports, exports decreased by 16.7% and imports by 40%. The volumes transported in transit traffic fell by 20.7% to 4 million tonnes in 2015. The number of passengers in Finland's international maritime transport increased by 2.0% to 18.5 million in 2015.

Source : Press Release, Finnish Transport Agency, 24 March

Timber Shipment through Ports in Peninsular Malaysia, March 2016



Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, March 2016

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all Ports m³	% Change Mar 2016/ Feb 2016
	m³	% Change Mar 2016/ Feb 2016	m³	% Change Mar 2016/ Feb 2016	m³	% Change Mar 2016/ Feb 2016	m³	% Change Mar 2016/ Feb 2016	m³	% Change Mar 2016/ Feb 2016		
Sawntimber	60,183	69	4,150	0	1,793	14	450	88	9,355	80	75,931	62
MDF	33,690	40	0	0	11,584	-5	6,239	82	17,574	87	69,087	41
Mouldings	12,715	30	385	145	2,061	4	445	93	1,608	16	17,215	27
Plywood	8,010	29	0	0	18	0	48	4	11,102	156	19,178	81
Veneer	167	-52	8	100	0	-100	9	100	1,040	60	1,224	21
Particleboard	34,885	9	241	-29	96	28	28	-54	3,488	72	38,738	12
TOTAL	149,650	39	4,784	3	15,552	-2	7,219	80	44,167	92	221,373	42

MARCH 2016

Total export of Malaysian timber and timber products in March 2016 increased 23% valued at RM1.96 billion over the previous month. Furthermore, cumulative export for the period of January to March increased 8% valued at RM5.6 billion over the corresponding period.

SAWNTIMBER

Export of sawntimber in March 2016 increased 29% in volume and 28% in value to 167,616 m³ with a value of RM291.7 million as compared to the previous month. Cumulative export for the first quarter of 2016 decreased 15% in volume however increased 12% in value to 457,714 m³ totalling RM801.6 million over the previous corresponding period.

Export of sawntimber to the EU for the month increased 43% to 14,401 m³ from 10,080 m³ in the previous month resulting from improved purchases by major markets in the region. Export to the Netherlands and UK improved 46% and 95% to 5,932 m³ and 2,829 m³ respectively from the previous month. Similarly, export to Germany increased 56% to 1,465 m³, followed by France by 6% to 1,224 m³ and Belgium by 82% to 1,504 m³.

Total exports to West Asia decreased 15% to 18,062 m³ from 21,325 m³ recorded in the previous month due to declining purchases from Yemen and Qatar. Export of sawntimber to Yemen decreased 85% to 1,097 m³ from 7,485 m³ followed by Qatar by 50% to 657 m³ from 1,303 m³. However, export to the UAE and Oman registered an increase of 12% to 6,006 m³ and 7% to 4,485 m³ respectively. Saudi Arabia improved purchases significantly to 3,021 m³ from 869 m³ recorded in the previous month.

Buying from ASEAN increased 28% to 71,074 m³ from 55,463 m³ registered in the previous month. Export of sawntimber to Thailand, a major buyer of sawntimber from Malaysia increased 52% to 35,757 m³ from 23,483 m³ in the previous month. Likewise, export to Singapore and Viet Nam improved 85% and 43% to 10,897 m³ and 1,196 m³ respectively. However, export to the Philippines declined 8% to 23,114 m³ from 25,201 m³ in the previous month.

Shipments to East Asia showed positive growth by 39% to 33,742 m³ due to increasing purchases made by major market in the region. Export to China increased 56% to 19,093 m³ from 12,209 in the previous month. Similarly, export to Taiwan and Japan increased 9% and 87% to 6,733 m³ and 5,872 m³ respectively. However, export of sawntimber to South Korea declined 33% to 1,772 m³ from 2,646 m³ in the previous month.

Elsewhere, exports to the US increased 139% to 1,969 m³ whilst intake by Australia increased 18% to 1,123 m³. Similarly, demand from South Africa increased 43% to 5,002 m³ from 3,493 m³ in the previous month.

The average FOB price of sawntimber declined marginally to RM1,740 per m³ from RM1,742 per m³ in the previous month. Price of Dark Red Meranti (DRM) decreased 24% to RM1,646 per m³ from RM2,168 per m³ in the previous month. Price of DRM to the Netherlands increased 13% to RM3,441 per m³ from RM3,044 per m³ in the previous month. Keruing was traded at RM1,755 per m³, an increase of 4% from RM1,691 per m³ in the previous month.

PLYWOOD

Total export of plywood in March increased 20% in volume and 15% in value to 223,595 m³ valued at RM406.1 million as compared to the previous month.

Total exports to the EU increased by 68% to 10,211 m³. Likewise, shipments to Belgium, France, the Netherlands and UK increased by 258%, 738%, 9% and 48% to 615 m³, 637 m³, 686 m³ and 7,700 m³ respectively whilst Denmark and Ireland resumed their intake. However, Germany and Italy did not make any purchases.

Exports to ASEAN region increased as Brunei, Singapore, Thailand and Philippines intake of plywood increased by 112%, 50%, 218% and 1% to 1,287 m³, 3,504 m³, 8,016 m³ and 5,249 m³ respectively whilst, Indonesia resumed its intake. In East Asia, exports to China, Hong Kong, Japan, South Korea and Taiwan increased by 65%, 42%, 23%, 34% and 1% to 3,972 m³, 4,829 m³, 103,809 m³, 25,075 and 15,916 m³ respectively.

Overall, exports to West Asia decreased by 17% as compared to the previous month due to reduced purchasing by most of its major markets. Similarly, shipments to Bahrain, Saudi Arabia, Kuwait and Yemen decreased by 79%, 15%, 31% and 56% to 320 m³, 1,667 m³, 407 m³ and 4,146 m³ respectively. However, the UAE and Qatar increased their intake by 9% and 532% to 3,852 m³ and 828 m³ respectively.

Elsewhere, exports of plywood to Canada, Australia and the UK increased by 84%, 13% and 48% to 374 m³, 3,555 m³ and 7,700 m³ respectively whilst Turkey resumed its intake. However, South Africa, Mauritius, the US and Mexico reduced their intake by 44%, 77%, 52% and 11% to 275 m³, 15 m³, 3,929 m³ and 5,140 m³ whilst Norway did not make any purchases.

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MARCH 2016

The FOB price of plywood decreased by 4% to RM1,816 per m³ from RM1,898 per m³ in the previous month.

VENEER

Exports of veneer for March 2016 showed a decrease of 15% in volume and 10% in value to 13,327 m³ at RM22.9 million as compared to the previous month. Exports to China, Taiwan, India and Australia reduced by 26%, 81%, 8% and 43% to 466 m³, 1,331 m³, 245 m³ and 199 m³ respectively whilst Chile did not make any purchases. On the other hand, Singapore and South Korea increased their intake by 167% and 41% to 16 m³ and 9,267 m³ respectively, whilst the Philippines, Viet Nam, Canada and Italy resumed their intake.

The FOB price of veneer increased to RM1,717 per m³ from RM1,617 per m³, an increase of 6% from the previous month.

MEDIUM DENSITY FIBREBOARD (MDF)

Peninsular Malaysia's exports of MDF for March 2016 showed an increase of 18% in volume and 13% in value from the previous month. Export totalled 99,548 m³ at RM112.2 million.

Exports to East Asia registered a slightly decrease of 1% to 13,569 m³ from 13,681 m³ in the previous month due to the slow economy growth in the region. Export to China (including Hong Kong) registered positive growth by 96% to 391 m³ and export to Japan slightly increased by 3% to 12,385 m³. However, export to South Korea and Taiwan decreased by 43% to 146 m³ and 46% to 647 m³ respectively.

Exports to West Asia market also recorded positive growth with an increase of 29% in volume to 44,159 m³ from 34,231 m³ in the previous month. This is due to the increased purchasing by some of the major markets in the region resulting from the improvement in world oil price. Export to Bahrain recorded an increased of 441% to 811 m³ followed by Saudi Arabia at 85% to 11,633 m³. Qatar increased its imports by 46% to 2,090 m³, Lebanon by 39% to 1,508 m³, Kuwait by 34% to 4,470 m³ and UAE by 9% to 16,251 m³. On the other hand, Jordan and Oman decreased their purchases by 14% to 240 m³ and 71% to 513 m³ respectively. Syria did not make any purchases.

Furthermore, export to South Asia also recorded positive growth by 79%. Export to India increased by 102% to 4,667 m³, followed by Pakistan by 90% to 10,384 m³, Sri Lanka by 49% to 3,065 m³ and Bangladesh by 25% to 1,146 m³.

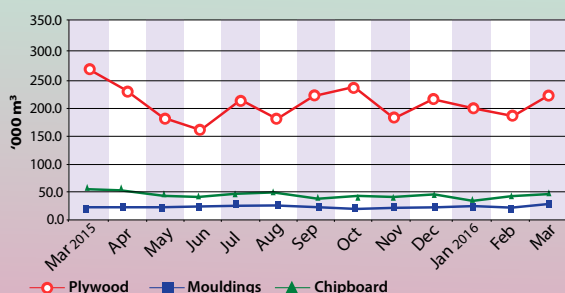
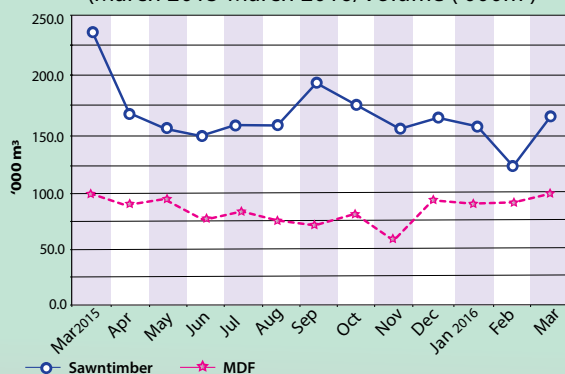
Export to the UK showed an increase by 210% to 779 m³. Demand from Australia also increased by 80% to 3,253 m³ and the US increased by 11% 2,024 m³. However, exports to South Africa showed a decrease of 40% to 163 m³ whilst Mauritius resumed its intake.

In ASEAN, total export to ASEAN region for this month decreased by 3% to 13,865 m³ from 14,276 m³ in the previous month. However, exports to Singapore increased by 55% to 217 m³. Nevertheless export to the Philippines registered negative growth by 1% to 1,792 m³, Indonesia and Viet Nam down by 3% to 2,854 m³ and 4% to 8,978 m³ respectively.

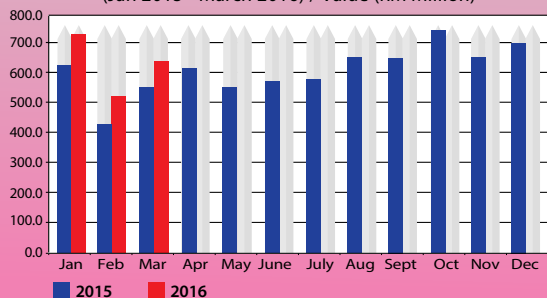
MOULDINGS

Exports of mouldings for the month increased by 28% and 31% in both volume and value to

Malaysia : Export of Major Timber Products
(March 2015-March 2016/Volume ('000m³)



Malaysia : Export of Wooden Furniture
(Jan 2015 - March 2016) / Value (RM Million)



Source : Department of Statistics, Malaysia

MARCH 2016



LOGS

In March, the timber industry was ready to get back into business after long Chinese New Year holiday celebration although trading remained quite slow at the moment. The weak trading activities and low stock has contributed to the fluctuation of prices of logs for some species.

Log price for Merbau increased by 1.9% to be traded at RM2,700 per tonne. Price of Red Balau were traded at RM2,650 per tonne respectively. Meanwhile, prices of Chengal and Balau logs stood firm at RM4,000 per tonne and RM3,000 per tonne respectively. Prices for Kempas and Keruing increased by 3% to RM1,600 per tonne and RM1,700 per tonne respectively. Likewise, price of Red Meranti increased by 2.7% to be traded at RM1,900 per tonne. However, price for Mersawa declined by 6.3% to RM1,500 per tonne. Prices for Mixed Heavy Hardwood dropped by 10.5% to RM850 per tonne while Mixed Light Hardwood continued to chart at RM1200 per tonne for this month.

SAWNTIMBER

The average prices of sawntimber remained about the same level as last month due to the weak demand from the overseas market coupled with the slow activities in the domestic market.

Price of Chengal sawntimber remained firm at RM6,638 per m³. Balau and Merbau were traded at RM3,178 per m³ and RM 2,966 per m³ respectively. Similarly, prices of Kempas and Mengkulang

remained at RM2,013 per m³ and RM1,412 per m³ respectively. Prices of Dark Red Meranti and Nyatoh charted at RM2,013 per m³ and RM918 per m³ respectively. Sawntimber prices of Mixed Heavy Hardwood grew slightly to RM953 per m³ whilst Mixed Light Hardwood prices maintained at RM1,201 per m³.

PLYWOOD

The supply of plywood to the domestic market reported to be sufficient. Plywood of 4mm, 6mm, 9mm and 12mm of thicknesses were continued to be traded at RM14.60, RM22.00, RM34.50 and RM41.50 per piece respectively.

MEDIUM DENSITY FIBREBOARD (MDF)

Domestic supply of MDF remained stable as prices continued to chart at last month's level. MDF of 4mm, 6mm, 9mm and 12mm of thicknesses were sold at RM12.10, RM15.80, RM21.70 and RM28.10 per piece respectively.

INTRA-MALAYSIA TRADE * - MARCH 2016

In March 2016, the shipments of sawntimber from Sabah to Peninsular Malaysia increased by 107% to 407m³, valued at RM1.0 million from 197m³ recorded in February 2016. Similarly, shipments of plywood also rose by 16% in volume from 8,530 m³ to 9,886 m³, valued at RM18.4 million. Meanwhile, no exports of logs and veneer were recorded for the month.

INTRA-MALAYSIA TRADE – MARCH 2016

From	Products	FEBRUARY 2016		MARCH 2016		% Change in Volume Mar 2016 / Feb 2016	% Change in Value Mar 2016 / Feb 2016
		Volume (m ³)	Value (RM '000)	Volume (m ³)	Value (RM '000)		
SABAH	Logs	0	0	0	0	0	0
	Sawntimber	197	706	407	1,032	107	46
	Plywood	8,530	16,375	9,886	18,413	16	12
	Veneer	0	0	0	0	0	0
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	107	534	1,049	1,160	880	117
	Plywood	4,966	6,686	9,684	13,398	95	100
	Veneer	7,158	9,610	6,550	9,234	-8	-4

Source : Department of Statistics, Malaysia

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MARCH 2016

Exports of sawntimber from Sarawak to Peninsular Malaysia increased significantly by triple digits to 1,049 m³ from 107 m³ recorded last month. Export of plywood grew by 95% in volume and 100% in value to RM13.4 million. However, export of veneer fell by 8% to 6,550 m³ valued at RM9.2 million.

No intra trade from Peninsular Malaysia to Sabah and Sarawak was recorded in March 2016.

* Source: Department of Statistics, Malaysia 

***AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA
MARCH 2016 (VALUE IN RM)**

SPECIES	LOGS/tonne	SAWNTIMBER/m³			
	18" UP	GMS	STRIPS		SCANTLINGS
HEAVY HARDWOOD					
Chengal	4,000	6,638	7,062		8,828
Balau	3,000	3,178	3,249		3,531
Red Balau	2,650	2,966	3,037		3,178
Merbau	2,700	3,778	2,825		3,319
Mixed Heavy Hardwood	850	953	989		1,024
MEDIUM HARDWOOD					
Keruing	1,700	1,766	1,836		2,203
Kempas	1,600	2,013	2,048		2,083
Kapur	1,700	1,836	1,907		2,331
Mengkulang	1,350	1,412	1,448		1,575
Tualang	1,340	2,472	2,472		2,493
LIGHT HARDWOOD					
Dark Red Meranti	1,900	2,013	2,119		2,860
Red Meranti	1,900	1,907	1,977		1,977
Yellow Meranti	1,150	1,342	1,236		1,554
White Meranti	1,040	2,119	2,189		2,260
Mersawa	1,500	1,624	1,660		1,694
Nyato	950	918	1,201		1,236
Sepetir	850	1,130	1,448		1,469
Jelutong	1,100	1,589	1,624		1,780
Mixed Light Hardwood	1,200	1,201	1,222		1,236
MALAYSIAN RUBBERWOOD <i>Hevea brasiliensis</i>	LOGS/tonne	SAWNTIMBER/m³			
	150	1" X 1"	2" X 2"	3" X 3"	4" X 4"
		989	1,050	1,150	1,280
PLYWOOD 4' X 8' (RM per piece)	4mm	6mm		9mm	12mm
	14.60	22.00		34.50	41.50
MDF 4' X 8' (RM per piece)	4mm	6mm		9mm	12mm
	12.10	15.80		21.70	28.10

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

* Prices are only indicative

Cont. from page 6

Timber World In Brief

to harvests for non-pellet facilities. In 2014, pellet exports from the Southern US to Europe were 3.6 million metric tonnes, or 40% of Europe's 9 million metric tonne industrial pellet consumption.

The data also shows that wood fibre removals for this demand represent a minor portion of harvests. In 2014, removals of Pine pulpwood for export pellet production totalled approximately 3.7 million tonnes, compared to 117.7 million tonnes for non-pellet production. Removals of hardwood pulpwood inventory for pellet production in 2014 totalled approximately 2.4 million tonnes.

Comparatively, all other consumers of hardwood pulpwood harvested 33.6 million tonnes. Pellet removals represented 0.2% of the total hardwood pulpwood inventory and just 0.06% of total hardwood inventory (pulpwood and sawntimber). What about the future? Many who believe that the export pellet industry is harming the US forests base that belief on an inflated view of how much demand from Europe will grow. Estimates based on outdated announcements of new facilities and not on actual demand from Europe do not realistically take into consideration recent developments in Europe, including changes in incentives in the UK and increased scrutiny of biomass projects by the EU. 

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20,725 m³ and RM74.9 million respectively. However, cumulative exports for the period of March 2016 decreased by 11% in volume and increase by 14% in value to 57,764 m³ and RM208.5 million respectively as compared to the previous corresponding period in 2015.

Exports to the EU for the month recorded at 7,235 m³, an increase of 25% compared to the previous month. Italy, the Netherlands Germany and the UK increased their purchases by 7292%, 22%, 62% and 32% and to 3,622 m³, 3,622 m³, 1,389 m³ and 584 m³ respectively. However, shipments to Belgium decreased by 10% to 686 m³.

Exports to ASEAN region increased as Singapore and Viet Nam intake of mouldings increased by 138% and 3% to 1,271 m³ and 220 m³ respectively. However, Indonesia did not make any purchases.

Meanwhile, exports to Japan, South Korea, Hong Kong and Taiwan increased by 92%, 13%, 54% and 17% to 2,909 m³, 1,708 m³, 284 m³ and 56 m³ respectively. However, China decreased by 15% to 297 m³ compared to the previous month.

Elsewhere, export to the US decreased by 14% to 2,239 m³ compared to the previous month. Meanwhile, export to Australia and Canada increased by 31% and 118% to 2,689 m³ and 233 m³ respectively.

FOB unit value increased to RM3,615 per m³ and increase of 2% compared to the previous month.

BUILDERS JOINERY AND CARPENTRY (BJC)

Total cumulative exports of BJC from March 2016 increased 26% to RM292.1 million as compared to RM232.4 million in the corresponding period last year. Export to the EU increased 18% to RM76.9 million. Export to the UK, Denmark, Germany, Italy and Turkey increased by 31%, 80%, 334%, 63% and 271% to RM46 million, RM5.6 million, RM6.4 million, RM1.2 million and RM975 thousand respectively. However, export to Belgium, France and Sweden decreased by 45%, 25% and 5% to RM8.5 million, RM4.1 million and RM1.6 million compared to the previous year. Meanwhile, Netherlands resumed its intakes.

In Asia, exports to Viet Nam and Saudi Arabia decreased 18% and 19% valued at RM7.2 million and RM1.2 million respectively compared to the previous year. However, exports to Singapore, Japan, India, Pakistan, Thailand, Taiwan, the UAE and South Korea grew 28%, 18%, 15%, 26%, 40%, 4%, 33% and 16% to RM34.3 million, RM18.7 million, RM16.5 million,

RM13.8 million, RM12.6 million, RM4.1 million, RM882 thousand and RM668 thousand respectively. Meanwhile, Qatar resumed its intake and Bahrain did not make any purchases.

Exports to Australia increased by 53% to RM50.8 million compared to the previous year. However, South Africa decreased its purchases by 17% to RM3.9 million. Likewise, the US increased its intake by 40% to RM24.7 million from RM17.6 million in the previous corresponding period. Meanwhile, Mauritius did not make any purchases.

FURNITURE

Wooden and rattan furniture exports for the first three months of the year reported an increase of 17% to RM1.9 billion as compared to RM1.6 billion recorded in the previous corresponding period of last year. Purchase of wooden furniture from Malaysia for the January to March 2016 duration increased 17% to RM1.9 billion from RM1.6 billion compared to the same period in 2015.

Demand from the US reported to improve by 27% from RM529.1 million to RM669.5 million. Shipment to Japan grew by 32% to RM184.5 million while exports to Australia rose 14% to RM152.3 million. Similarly, demand from Singapore, the UK and Canada recorded an increase by 28% to RM109.3 million, 30% to RM116.9 million and 7% to RM60.1 million respectively.

Demand from Saudi Arabia recorded an increase of 22% to RM46.7 million. However, demand from the UAE recorded a decline of 6% to RM58.5 million. Demand by India increased by 27% to reach RM34.1 million. Likewise, Philippines also increased imports by 45 % from RM19.6 million in 2015 to RM28.4 million. However, demand from South Korea recorded a decline of 1% to RM31.6 million.

Meanwhile, exports of rattan furniture increased tremendously by 124% to RM16.3 million in 2016 from RM7.3 million in 2015. France is the top importer with an intake of RM5.7 million, recorded an increase of 1,716%. Demand from the Singapore also increased by 215% to RM2.52 million from RM800 thousand in 2015. Similarly, imports by Australia grew at 243% to RM1.7 million. Imports by the UK increased by 37% to RM1.8 million and imports by the US also increased by 23% to RM415 thousand.

Shipments to China, increased by 146% to RM490,000. On the other hand, India and Thailand reduced their importation by 60% and 30% to RM606,000 and RM144,000 respectively. 

FIFTH MEETING ON ISO/PC 287: COC FOR WOOD AND WOOD-BASED PRODUCTS



Posing for the camera.

The Fifth Meeting on ISO/PC 287: Chain of Custody for Wood and Wood-based Products was held on 11-15 April in Sundsvall, Sweden. The objectives of this meeting was to continue the discussion on the draft of the proposed Chain of Custody (CoC) standards brought forward from the previous meeting held in London. This committee is responsible for the development and standardisation of the standards to facilitate tracking of the source of wood, wood-based products and lignified materials other than wood, such as cork and bamboo. The task of the committee is in tandem with the initiatives of its establishment based on three main reasons as follows:

- To produce a standard that would unify the current CoC standard [referring to the Programme for the Endorsement of Forest Certification (PEFC) and the Forest Stewardship Council (FSC) Standards] on traceability of wood forest products;
- To reduce the current very high and expensive certification cost;
- To increase the percentage of wood forest products traceable to their sources which at the moment only covers about 25% of the productive forest around the world.

The purpose of this standard is to provide a framework for implementing a chain of custody system for tracing information regarding wood

and related material from the source to the final products. A CoC system is a process by which products can be tracked from the source to the finished material. This standard was designed to provide a consistent basis on which the chain of custody of such products can be assessed. It can be used in several ways. It can facilitate business-to-business communications by providing a harmonised framework that allows them to speak the same language when describing their CoC system and process.

This International standard is intended to be used by enterprises of all sizes. Purchasers can use this standard to evaluate the validity and quality of the information they receive from suppliers to help identify suitable input material for their processes. Other standards and certification schemes can use this standard as reference on how to provide information regarding CoC systems and processes. This standard does not cover Sustainable Forest Management (SFM).

The Malaysian delegates who participated in this meeting were Tuan Hj. Mahpar Atan, MTIB Director of Industry Development as well as Puan S.K. Phang from Malaysian Wood Industries Association. The next meeting will be held in Beijing, China. 

12TH RCEP TRADE NEGOTIATING COMMITTEE AND RELATED MEETINGS



Meeting in progress.

The 12th Regional Comprehensive Economic Partnership (RCEP) and Related Working Groups and Sub-Working Groups Meetings were held from 17 to 25 April in Perth, Australia. RCEP is a proposed free trade agreement (FTA) between the ten member states of the Association of Southeast Asian Nations (ASEAN) and the six states with which ASEAN has existing FTAs (Australia, China, India, Japan, South Korea and New Zealand).

RCEP is ASEAN led and aims to achieve a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement among its members. RCEP aims to bring together the 16 countries into a cohesive economic partnership with emphasis on promoting inclusive and equitable growth. It further aims to streamline and integrate the ASEAN+6 FTAs into a single and more coherent trade and investment architecture in the region. RCEP will cover Trade in Goods, Trade in Services, Investment, Economic and Technical Cooperation Intellectual Property, Competition, Dispute Settlement, and Other issues as agreed by RCEP Parties.

MTIB participated in The Ninth Meeting of the RCEP Sub Working Group on Rules of Origin (SWG-ROO) which was held on 17-24 April. Representatives from ASEAN Member States (AMS) and ASEAN FTA Partners (AFPs), and staff members of the ASEAN Secretariat attended the meeting. The meeting was chaired by Ms. Suchaya Chinwongse, Director of Rules of Origin Division, the Customs Department of Thailand and co-facilitated by Mr. Paul Gibbons,

Director, Departments of Foreign Affairs and Trade of Australia.

The 10th Meeting of the RCEP SWG-ROO was held in plenary. The meeting discussed Product Specific Rules (PSRs), Origin status (RCEP origin or a party origin or produced exclusively (PE)), cumulation, documentary evidence of origin, application of chemical and plastic production process rule, use of wholly obtained 'WO' in the PSR schedule, and the definition of 'WO'.

The meeting noted and deliberated on ASEAN's proposal of 1,352 additional subheadings out of the total number of PSRs that have reached an internal consensus on 2,676 subheadings. AFPs noted that it was necessary for ASEAN to submit the full PSR list prior to the next meeting for AFPs to be able to study and undertake consultations on ASEAN's proposals. The upcoming 11th RCEP SWG-ROO meeting will be held in parallel with the 13th RCEP TNC which is scheduled to convene on 11-15 June 2016 in Auckland, New Zealand.

The Malaysian delegation to the RCEP SWG-ROO meeting was led by Encik Muthafa Yusof, Strategic Trade Controller of the Ministry of International Trade and Industry. The Malaysian delegation comprised Encik Mohd Nazri Abd Ghani (MITI), Puan Habsah Kamaron (The Royal Customs Department), Puan Ayunni Ayub (MPIC) and Encik Mohd Afthar Amir (MTIB).



TANGGAM – CRAFT FOR THE FUTURE

On 12 to 17 April, TANGGAM yet again successfully unveiled new modernistic furniture designs at SaloneSatellite for

Salone Del Mobile 2016, in Milan, Italy.

SaloneSatellite is a place for interaction between businessmen and up-and-coming designers, a talent scout in its own right, acting both as a launch pad and an international showcase for creations by young designers. SaloneSatellite provides the opportunity for them to present themselves with credibility in the city of Milan, which itself has honed its reputation as the capital of design.

This time around, the TANGGAM group has again designed an experimental series which reflects our culture and heritage. The furniture featured our diverse cultural Malaysian background - a beautiful interpretation of Malaysian ethnicity and eclectic approach.

The designs were depicted from traditional and modern sources such as batik tapestry, traditional Malay carvings, the *zapin* dance, an ice cream scoop and old copper pipes in rural houses. The idea was forwarded as part of MTIB's efforts in promoting not only Malaysia in general but also timber/wood value and expression.

Tremendous respond has been received during the exhibition and praises on how the TANGGAM Designer's can be more involved into intricate design expression. Such respond was encouraging and indeed positive, which can be part of TANGGAM future inspirational move. Among the

comments was about the uniqueness of the design approach used by the designers. Use of wood in the design product has been a frequent discussion among the visitors and the designers. Among the visitors was Alessandro Colombo, an Italian living in Milano, that finds the local approach in modern furniture design is interesting and ought to be develop into mass market. It was an encouraging effort from the designers to come out with such design approach as describe from his perspective.

SaloneSatellite was located at Pavilion 13-15, with free entry through Cargo 4, easily accessible from the centrally located South Gate and the Service and Congress Centre.

Following the success of the 2015 edition – attended by 310,840 visitors - the 2016 edition had an unprecedented 372,151 number of attendees, showcasing 650 young designers, under the theme 'New Materials, New Design'. The event also included the International Furnishing Accessories Exhibition; more than 1,300 exhibitors showcased their products in an area which stretched over 150,000 square meters, split into Classic and Design sections.

With 67% of attendees from abroad, most of them high profile and with robust spending power, according to comments from exhibitors, this edition has yet again confirmed the strong international vocation and importance of exports as a crucial segment of the sector today.

The increasingly international Salone, therefore, drew in attendees from all over the world, attracted by the creative and productive excellence of the industry, acknowledging the value of quality furnishing. Due recognition of the relevance of the Salone – which has evolved over time from simple trade fair into a "must-see" event, as per the publicity – and of the importance of the sector was confirmed by the presence of a large number of institutional figures from all sides of the political spectrum, and especially by Prime Minister Matteo Renzi's visit to the fair, presiding over the 7th SaloneSatellite Design Award ceremony on 13 April.

MTIB was represented by Puan Nik Zuraihah Nik Muhamad from Industry Development and six designers from the TANGGAM group including, Encik Shahril Faisal, Encik Shahrul Anuwar Md. Yusoff, Encik Addy Putra Zulkifli, Cik Stephanie Ng, Encik Chan Yung Khan and Encik Nasaruddin Shah Morani. 



Posing with professional designers from Italy.

ISO/IEC 17021-1:2015 STANDARD FAMILIARISATION INITIATIVE



Briefing in session.

MTIB has been officially recognised as the Accredited Certifying Body (ACB) for timber products in accordance with the ISO/IEC 17065:2012 Standard, an international standard that ensures competence of organisations that perform product certifications. MTIB acts in conformance with international requirements and regulations for certification bodies, and guarantees the competence, impartiality, confidentiality and independence of its certification activities.

In line with the standard requirements, the Certification Bodies (CB) shall establish, implement and maintain the procedures to manage the competencies of the personnel involved in the certification process. As such, MTIB, through the Product Certification Unit, conducted a course on the ISO/IEC 17021-1:2015 Conformity Assessment – Requirements for bodies that conduct auditing and certification of management systems, Part 1: Requirements.

The course was held from 6 to 7 April in Kuala Lumpur. MTIB invited SIRIM Training Services Sdn. Bhd. to deliver a detailed briefing on the ISO/IEC 17021-1:2015 Standard. The objectives of the course were to provide a better understanding of the principles of conformity assessment related to the product certification process and the requirements of the standard.

The ISO/IEC 17021 Standard specifies requirements for conducting auditing and certification of management systems. It gives generic requirements for such bodies performing the audit and certification in the field of quality, environment and other types of management systems.

Participants were given tasks to help them gain a better understanding of the clauses in the standard. The course was attended by 26 participants including implementors, auditors and panels from MTIB and other agencies. Puan Sarimah Othong was the trainer for the two-day course.



One for the album - Puan Sarimah Othong, Trainer from SIRIM Training Services Sdn. Bhd. (third from right) and participants.

NEW TECHNICAL COMMITTEE - ISO/TC 296: BAMBOO AND RATTAN

The Technical Committee on ISO/TC 296: Bamboo and Rattan was purposed by China as currently there was no technical committee of standardisation directly related to bamboo and rattan. At the moment, there are more than 50 producers for bamboo and rattan and the global trade volume for bamboo and rattan products amount to USD5 billion. However, lack of unified standards has hindered the development of the international trade of bamboo and rattan. Therefore, the initiative to develop an international standard, an ISO, can make a great difference in the use of global bamboo and rattan resources to meet the needs of economic growth and people's livelihood.

The meeting was held in Beijing, China from 25 to 29 April and was hosted by the Standardisation Administration of China. The meeting was opened by Dr. Fei Benhua as Chairman of the new TC assisted by Dr. Yu Yan, as secretary. The work plan of this TC is mainly to oversee the standardisation of bamboo and rattan, and derived materials, including terminology, classification, specifications, test methods and quality requirements. The meeting focused on the following topics:

- Establishing working group for draft resolution
- Discussing TC scope
- Discussing TC business plan

Since this is a new TC, the delegates discussed its structure that should be set up to enable substantial work. Following that, the TC agreed to set up three WGs (WG on terminology and classification, WG on bamboo charcoal, and WG on bamboo flooring). The appointment of convenors was also discussed and the resolution was as follows:-

- WG 1 Terminology and classification- Indonesia is to act as convenor (to be confirmed), if Indonesia does not accept then Malaysia is next in line;
- WG 2 Bamboo floorings – China is the convenor;
- WG 3 Bamboo charcoal – Jamaica is to act as convenor (to be confirmed), if Jamaica does not confirm, China will act as convenor.

Currently there are three new projects under ISO/TC 296 which are Terminology of Bamboo Products, Bamboo Charcoal and Bamboo Floorings.

The meeting was attended by 30 delegates from seven countries namely Malaysia, China, France, Netherlands, Indonesia, Jamaica and Egypt. Malaysia was represented by two MTIB officials; Puan Syafinaz Abd Rashad from Industry Development and Encik Mohd Zamakhsyary Mustapa from Forest Plantation.



At the official opening.



Attendees during the meeting.

NEW SYNERGY ON ASEAN WORKING GROUP ON CITES AND WILDLIFE ENFORCEMENT



Attendees during the meeting.

The Eleventh Meeting of the ASEAN Wildlife Enforcement Network (11th ASEAN-WEN) was held in Siem Reap, Cambodia from 22 to 23 March. It was hosted by the Ministry of Agriculture, Forestry and Fisheries, Cambodia. The meeting was attended by all ASEAN Member States (AMS): Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam. Also included were representatives from the ASEAN Secretariat and the ASEAN – WEN Programme Coordination Unit. Representatives from the USAID ARREST Programme and FREELAND Foundation, the USA Government, Traffic Southeast Asia and Wildlife Alliance also attended the open session.

The common objective of the meeting was to assess the present level of illegal wildlife trade and devise new strategies and actions to protect and conserve biological diversity. The efforts are fundamental to all living organisms; for both research purposes and livelihood. Better wildlife management and control particularly among the ASEAN Member States will deter the adverse impact of ecological deterioration.

The meeting was officially opened by H. E. Dr. Chea Sam Ang, Deputy Director-General of Forestry Administration, Ministry of Agriculture, Forestry and Fisheries, Cambodia. He extended his warm welcome to all delegates on behalf of the host country and highly appreciated all AMS being able to participate in the meeting proving the importance of addressing wildlife conservation and habitat protection in ASEAN.

In his opening remarks, H. E. Dr. Chea underlined the fact that the Southeast Asia region has a rich biodiversity and unique natural resources. Therefore there was a need for AMS to develop concerted effort to promote the conservation of their biological diversity and the protection of their wildlife. He also noted that the balance between economic, ecological and social aspects was important in managing forest and biodiversity resources sustainably.

He then highlighted the importance of combating illegal trade of endangered wildlife

across borders, beyond the jurisdiction and capacity of individual member states. The collective effort to address exploitation should be done in collaboration among AMS with support from other stakeholders.

Through ASEAN-WEN, it was observed there was an increasing number of trafficking of wild fauna and flora in all AMS. These problems have created the need for the CITES Management Authorities and ASEAN-WEN to meet and discuss emerging issues, resolutions and actions to guide wild plants and animals across-border trade management and enhance awareness to ensure further cooperation and coordination, information sharing and establishing of inter-agency taskforces.

The decisions and resolutions would encourage donors, and the national and international communities to provide financial and technical support to ASEAN countries in strengthening scientific research and monitoring wild fauna and flora not detrimental to the wild population. Concluding, H. E. Dr. Chea urged the delegates to participate actively in the discussions so that the goals of ASEAN Community would be realised for the benefit of all AMS.

Following the 11th Meeting of The ASEAN-WEN was the 12th Meeting of the ASEAN Expert Group on the Convention on International Trade in Endangered Species of Wild Flora and Fauna (11th AEG – CITES) on 25 – 26 March. The meeting was attended by all AMS and the ASEAN Secretariat.

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The meeting was officiated by Mr. Soun Palla, Deputy Director, Department of Wildlife and Biodiversity, Forestry Administration of Cambodia on behalf of H. E. Dr. Cheng Kim Sun, Cambodia ASEAN Senior Officials On Forestry (ASOF) Leader. He expressed sincere appreciation and welcomed delegates for participating in this meeting. He also highlighted the need for ASEAN to ensure sustainable forest management and conservation of wild flora and fauna under the CITES convention.

The meeting deliberated on several issues including the agreement to merge the ASEAN–WEN and AEG–CITES to become the ASEAN Working Group on CITES and Wildlife Enforcement as decided on the 18th ASOF held on 6–8 August 2015 in Yogyakarta, Indonesia. The final draft of the Term of Reference (ToR) and Rules of Procedure (RoP) of the new Working Group will be submitted at the 19th ASOF Meeting which will be held tentatively on August 2016, for consideration and endorsement. The meeting also decided that the existing modalities and personalities under ASEAN–WEN and AEG–CITES will be maintained considering that the scope of work of the bodies has been merged into the ASEAN Working Group on CITES and Wildlife Enforcement. The next Meeting of the Working Group will be held next year in Indonesia.

During the meeting, matters related to the 22nd Meeting of the CITES Plants Committee held on 19–23 October 2015 in Georgia were discussed.

The meeting was also informed about the Phase 1 Study on Timber Trade Data Compilation Based on Custom Declarations. The study documents the scale and complexities of exporting wood products of the range States and demonstrates that there is potential using CITES-listed tree species in value-added processing. The study also highlights trends in specific range States and product groups that require further examination.

The meeting also noted the proposals for consideration at the 17th Conference of Parties, September 2016 in South Africa; Thailand proposed an amendment in the annotation of Siamese Rosewood (*Dalbergia cochinchinensis*) in Appendix II from #5 to #4. Malaysia supported the proposal, hence the amendment will cover all parts and derivatives which are similar to the annotation of Ramin (*Gonystylus* spp.). Malaysia also stated that confiscated specimens of 158 timber poles of Siamese Rosewood would be repatriated to Thailand under the spirit of ASEAN and the CITES Convention, in April 2016.

Malaysia was represented by the Ministry of Natural Resources and Environment, Department of Wildlife and National Parks, Department of Agriculture, Department of Fisheries, MTIB and Sabah Fisheries Department. MTIB was represented by Encik Zahari Hamid from Licensing and Enforcement. 



Malaysian delegates.

MFSB - FURNITURE SOLUTION PROVIDER

Introduction

Meranti Furniture Sdn. Bhd. (MFSB) is well-known as the furniture solution provider to most of Malaysia's local ministries, government agencies, universities, colleges and private sectors. Since its inception, MFSB has managed to supply furniture and interior works worth more than RM120 million. With a team of 100 well trained and experienced personnel, MFSB is able to satisfy the demand of their esteem customers all over Malaysia particularly in Kuala Lumpur and Klang Valley areas. MFSB products also have been well received in Malaysia and overseas market namely Kuwait, United Arab Emirates and Sudan. It has acquired a highly reputable name internationally as a leading manufacturer for furniture and interior works.

Company History

MFSB started its humble beginning in 1989 at a factory lot in Puchong, Selangor, with a work force of only five people. Through the hard work and determination of its founders, Dato' Md Pishal bin Ab Raub and Datin Mariah bt Abdul Wahid, the company succeeded in overcoming adversities and establishing itself as one of the biggest indigeneous (Bumiputera) furniture company in Malaysia. In 1996, following the diversification of products and services the company started to offer value-added services ranging from consulting, designing, manufacturing and supplying of furnitures to big projects in the country.

Today, MFSB has a paid-up capital of more than RM1.5 million and a work force of more than 100 people. Through the entrepreneurial leadership of its Board of Management, MFSB has been outperforming itself from year-to-year. This also has been attributed to its motto "Quality Comes First" which has served well to gain the company wide recognition in the industry along the years.

Company Profile

MFSB focuses on the design and installation of interior works to meet the demands and needs of its clients. Some of MFSB's well-known project are Selayang Hospital in Selangor, Psychiatric Hospital Permai in Johor Bahru, Kuala Lumpur International Airport and Putrajaya - the new federal government administrative complexes. These projects have proven not only the quality of MFSB products and services but also the capabilities of Bumiputra entrepreneurs in supplying quality products and services.

MFSB has been appointed as furniture solution provider to several local universities projects namely Universiti Malaya (UM), Universiti Kebangsaan Malaysia (UKM), Universiti Putra Malaysia (UPM), Universiti Teknologi Malaysia (UTM), Universiti Teknologi MARA (UiTM), and Islamic Institution University Malaysia (IIUM). The company's involvement in the Malaysian Community Development Department (KEMAS) project, of which MFSB is the sole furniture provider for all kindergartens and pre-schools in the country has also brought phenomenal impact on MFSB's vast experience.

Company Mission

To provide innovative product and services that meet customer satisfaction and at the same time instilling environmental friendly atmosphere for MFSB's staff and client.

Manufacturing Facilities

MFSB, with five blocks of industrial factory buildings on 152,460 square feet land has made a large investment in the development of its manufacturing capabilities including machineries, equipment and management system which has been instrumental in reducing its production cost to a competitive level while maintaining the highest standards of its product quality. Some of the machineries are CNC 5 axis, CNC AMADA, panel saw optimiser, steel and metal sheet fabrication and electrostatic powder coating.

Quality Practices

MFSB is committed to a high standard of manufacturing, design and installation services for every product to its clients for whom the company supplies furniture and undertakes interior works services. This is to ensure that every one of its clients is satisfied with the company's products and performances. For MFSB, each project undertaken will be carried out in accordance with relevant local statutory requirements, current code of practices and manufacturer's instructions.

MFSB has instilled a quality system namely Meranti Quality Management System (MQMS) which is designed to conform to the requirements of ISO 9001:2008. MQMS was established to assist all MFSB's employees and operations to meet client's criteria. It is recognised that all MFSB's employees have a direct responsibility for ensuring that the

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From left: Datin Mariah binti Abdul Wahid (Operation Director), Dato Md Pishal bin Ab Raub (Managing Director), Encik Umar bin Dato Md Pishal (General Manager).

quality of their work and products is achieved with cooperation of every employee.

Corporate Social Responsibility (CSR)

Despite the hectic activities in the company, MFSB is concerned with the needy. In 2015, MFSB contributed wardrobes, student tables, beds and mattresses as well as chairs and study tables to Rumah Amal Limpahan Kasih; a welfare and education centre for orphans, the poor and single mothers located in Puchong, Selangor.

In addition, since 2011 MFSB has also provided financial sponsorship to support students and staff activities of some tertiary education institutions around Klang Valley namely IIUM, UiTM, UKM and UPM.

Award and Recognition.

In 2015, MFSB was awarded a 4-Star rating under the SME Competitiveness Rating for Enhancement (SCORE) programme which is administrated by MTIB and SME Corporation Malaysia. The four star rating is awarded based on seven core criteria namely business performance, financial capability, innovation, management capability, production capability, quality system and technical capability. With the acknowledgement of the 4-Star rating, MFSB management is confident to effectively penetrate the international market.

In 2013, MFSB was also honoured with the LEVERAGE AND SYNERGY award and THE BEST OVERALL PERFORMANCE award given by the Furniture Technology Industry Centre (FITEC) in

collaboration with ActionCoach Business Coaching (a business coaching consultancy company). The LEVERAGE AND SYNERGY award was given to MFSB as a result of a successful joint-venture with a developer to build "Rumah PR1MA" which is a project to build affordable housing residence worth RM110 million. Meanwhile, another award, the Best Overall Performance, was received due to MFSB's full commitment and cooperation during the coaching period of FITEC's project and being able to gain sales worth RM120 million within 10 years.

Future Planning

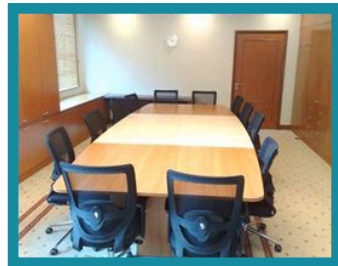
In order to be more competitive in the export market, MFSB is currently in the process of establishing its new plant in Muar, Johor. The build-up area of the new plant is around 200,000 square feet. The product that will be produced there are various wooden and bamboo based-furniture specifically for IKEA and its related outlets. With this new factory outlet, MFSB will also develop its corporate strategic plan focusing more on market expansion targeting the Middle East, Australia, Europe and South East Asian countries. As such, a proper international marketing plan, programmes & budget for the respective targeted international markets will be strategically planned with specific key performance indicators (KPIs).

In line with its customers' tastes and preferences, MFSB is also vigorously planning to have its own R&D unit to enhance its design and branding capability. MFSB targets that by the end of 2016, it will have its own product branding to be introduced to the global market.

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Factory of Meranti Furniture



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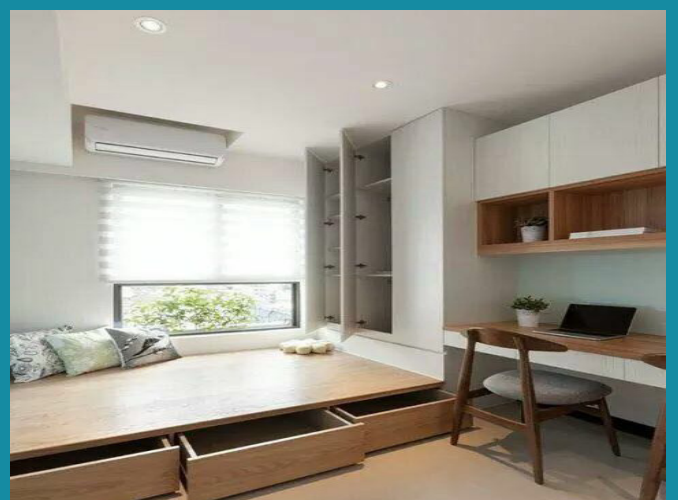
MFSB's booth at MIFF 2016



model : floria racking



Among MFSB's products



model : livin'

MTC RESOURCE AND BUSINESS MISSION TO NEW ZEALAND



Group photo at Sequel Lumber Limited Partnership.

New Zealand has a total forest cover of 8.1 million hectares, approximately 30% of the country's total area. There are 6.4 million hectares of natural forest and 1.7 million hectares of plantation forest. Radiata Pine (*Pinus Radiata*) originally a native of California represents nearly 90% of New Zealand's timber industry. This is because it grows faster in New Zealand than in almost anywhere else in the world. In addition, a majority of plantation forests in the country are Forest Stewardship Council (FSC) certified.

Seeing New Zealand as a potential major source of Radiata Pine timber based materials and to address the shortage of raw materials by the Malaysian timber manufacturers, Malaysian Timber Council (MTC) led a Resource and Business Mission to New Zealand from 3 to 10 April with the assistance of New Zealand Trade and Enterprise (NZTE). The main objectives of the mission were to source Radiata Pine based timber materials such as sawntimber, veneer and medium density fibreboard for timber industry players in their respective fields as well as to establish network between the Malaysian and New Zealand timber industries through business matching sessions.

The seven-day programme included a visit to the Forest Research Institute (SCION) and Pine plantation areas in Rotorua. Among the companies and factories visited were Pan Pac Forests Limited,

Sequel Lumber Limited Partnership, Napier Pine Limited located in Napier and Kawerau. The group also visited several timber structure applications to further expose them to the utilisation of timber in New Zealand's construction sector. In addition, the group was given opportunities to have business matching session with New Zealand's timber suppliers.

The visit to SCION, formerly known as the Forest Research Institute of New Zealand, was to expose the group to the functions of SCION and its activities in the development of Radiata Pine in New Zealand's timber industry. SCION provides assistance to forest growers to produce material that meets consumer needs in a profitable, efficient and sustainable manner. SCION's capabilities include quantitative silviculture which understands the response of stands to various silvicultural treatments, development of empirical growth and yield models based on 50 years of data from planted forests in New Zealand and other countries.

From the factory visits, the group was able to understand various types of logs and sawntimber used by the New Zealand timber industry. The specifications and physical view of logs and sawntimber normally exported to Asian countries were also shown to the group. The factories visited also applied a high degree of mechanisation and highly skilled labor in their operations. There

RUBBERWOOD PLANTATION DEVELOPMENT COURSE



Paper presentation.



At the Rubberwood plantation.

In an effort to enhance knowledge amongst forest plantation owners, MTIB once again organised the Basic Development in Rubberwood Forest Plantation Course in Kuala Krai, Kelantan on 6-7 April.

The objective of the course was to reinforce knowledge on best practices in managing rubber forest plantations and rubber forest nurseries. In addition, it was also to provide guidance on the techniques that can be applied in rubber forest plantation management to ensure good economic returns in the future.

Encik Saiful Bahri Salleh, MTIB Deputy Director of Forest Plantation, in his welcoming speech said that the course was one way to widen knowledge and experience on the application of good practices

agriculture in forest plantations. Besides giving soft loan to borrowers, MTIB also plays a role in skills upgrading by organising training courses on a continuous basis. Encik Saiful also encouraged and welcomed those from the private sector to join the training programme to help improve their forest plantations management system.

The course methodology involved presentations and lectures on rubber forest plantations as well as Q&A session. The two-day course was attended by 30 participants including four representatives from MTIB Kelantan. The two speakers were Prof. Dr. Md Noor Hashim from Universiti Malaysia Kelantan spoke on disease and treatment of Rubberwood while Encik Mohd Nani Mohd Daud from Kolej RISDA on best practices in rubber forest plantations.

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Timber News

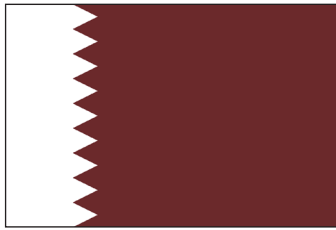


Business matching session with New Zealand timber suppliers.

were also certified sawmills supplying Radiata Pine, including treated and untreated products focusing on different lengths and thickness.

Twenty-three participants comprised representatives of mouldings, furniture, wood packaging and construction material manufacturers; one representative from Forest Plantation Development Sdn. Bhd.; and representatives from MTC and MTIB. MTIB was represented by Puan Hazlinda Zainal Abidin from Forest Plantation and Cik Erien Noor Md Nasir from Trade Development.

BOOMING OPPORTUNITIES IN QATAR



Overview

Qatar, is a sovereign Arab state, located in Western Asia, occupying the small Qatar Peninsula on the northeasterly coast of the much larger Arabian Peninsula. Its sole land border is with Saudi Arabia to the south, with the rest of its territory surrounded by the Persian Gulf. A strait in the Persian Gulf separates Qatar from the nearby island state of Bahrain.

Qatar is one of the most prosperous countries in the world and has the fastest growing economy in the Gulf Cooperation Council (GCC). Qatar economic growth, which was subdued in 2015 partly due to weaker activity in the oil sector, continues to be driven by the non-oil sector. Depressed oil prices, coupled with flat oil output growth, dragged growth in the mining and quarrying sectors in the fourth quarter, which merely expanded 0.7% year-on-year. Conversely, non-oil output growth came in at a buoyant 7.4% in the same period on the back of the ongoing USD200 billion infrastructure investment program associated with the 2022 World Cup. Overall, the economy grew 4.0% annually in Q4. Meanwhile, after a decade of budget surpluses, the country is set to plunge into deficit this year despite government efforts to adjust public spending. Following increases in local gasoline prices and layoffs in state-owned companies at the beginning of the year, the government scrapped gasoline and diesel subsidies starting in May in order to reduce government spending.

The Qatar Statistics Authority estimated that the population of Qatar was approximately 2,346,502 in 2015 and 73.7% of the country's population resides in Doha. Like other GCC nations, non-Qatari nationals make up the majority of the population in Qatar.

More recently, Qatar has distinguished itself from other GCC nations by focusing on hosting sporting events and becoming a major hub for sports entertainment in the region. Notably, Qatar hosted the 2006 Asian Games, the 2010 International Association of Athletics Federation World Indoor



Championships and the 2011 Asian Football Confederation Asian Cup. In 2010, Qatar won the right to host the FIFA 2022 World Cup which will necessitate major infrastructure works including the construction of up to 12 new stadiums as well as new roads and transportation facilities. In 2011, the Emir of Qatar issued Resolution No. (27) of 2011 establishing the Supreme Committee for Qatar 2022 as the primary governmental authority responsible for planning and executing the works necessary to host the FIFA 2022 World Cup. In addition, Doha is expected to submit a bid for the right to host the 2024 Olympics Games.

Forest Resources

According to the FAO, forested area in Qatar is negligible. However, Qatar has some 151 known species of amphibians, birds, mammals and reptiles according to figures from the World Conservation Monitoring Centre. In addition, Qatar is also home to at least 355 species of vascular plants.

Import of Timber and Timber Products

In 2015, Qatar imports of timber and timber products increased 5% to USD665.0 million. Furniture was the main product imported valued at USD327.5 million followed by plywood USD102.0 million, sawntimber USD73.1 million and BJC USD51.9 million. China is the major import partner for timber and furniture products.

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Qatar: Import of Timber Products, 2011 - 2015

(Value : USD'000)

Product	2011	2012	2013	2014	2015
Plywood	73,317	90,080	74,653	89,339	102,038
Sawntimber	30,043	52,144	52,254	67,226	73,077
Builders Joinery and Carpentry	30,215	34,733	34,398	36,929	51,933
Fibreboard	15,280	21,956	17,871	25,889	40,499
Particleboard / Chipboard	6,428	6,565	7,797	9,990	10,476
Mouldings	7,957	15,515	11,044	8,945	7,293
Wooden frames	1,299	2,497	2,206	3,745	3,877
Veneer	2,440	2,289	6,057	2,835	3,074
Logs	21,986	1,242	715	5,505	1,806
Furniture	313,997	343,916	336,942	334,123	327,533
Others	29,742	39,006	35,661	46,723	43,381
TOTAL	532,704	609,943	579,598	631,249	664,987

Source: UN Stats

Export of Timber and Timber Products

Qatar exports a small value of timber and timber products. In 2015, exports increased 160% to USD26.0 million compared to year 2011. Articles

of wood and furniture were the main products exported, valued USD16.0 million and USD3.5 million respectively.

Qatar: Export of Timber Products, 2011 -2015

(Value : USD'000)

Products	2011	2012	2013	2014	2015
Furniture & Parts	2,402	3,192	0	0	3,506
BJC	628	982	0	0	986
Logs	168	7	0	0	13
Sawntimber	364	685	0	0	354
Plywood	1,182	496	0	0	948
Packaging	350	502	0	0	534
Articles of wood	1,556	4,689	0	0	16,011
Others	3,371	1,739	883	364	3,671
Total	10,021	1,229	883	364	26,013

Source: UN Stats

Malaysia's Export of Timber and Timber Products to Qatar

In 2015, Malaysia's exports of timber and timber products to Qatar increased 96% to RM120.0 million over the previous year. Qatar ranked 28th with 0.54% of Malaysia's total market share. Sawntimber

was the main export with a total value of RM60.2 million in 2015, followed by wooden furniture at RM23.1 million and MDF at RM18.1 million.

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Malaysia: Export of Timber and Timber Products to Qatar, 2011 -2015

(Value in RM)

Product	2011	2012	2013	2014	2015
	RM	RM	RM	RM	RM
Sawntimber	9,764,156	14,391,831	22,465,706	18,509,462	60,240,359
Wooden Furniture	30,880,521	37,593,696	24,017,129	19,488,364	23,058,443
MDF	8,644,569	8,264,367	9,037,092	10,770,151	18,130,630
Plywood	8,264,133	10,301,501	5,257,312	6,996,306	9,330,243
BJC	3,388,350	545,267	6,183,760	5,473,170	9,056,528
Mouldings	0	0	131,832	19,588	144,882
Rattan Furniture	0	0	92,384	33,271	0
Logs	0	0	14,319	0	0
Wooden Frame	0	7,481	0	0	0
Others	54,309	32,094	14,870	0	0
Total	60,996,038	71,136,237	67,214,404	61,290,312	119,961,085

Source: Department of Statistics Malaysia and MTIB

Malaysia: Export of Timber and Timber Products to Qatar, 2011 – 2015(Volume in m³)

Product	2011	2012	2013	2014	2015
	Qty	Qty	Qty	Qty	Qty
BJC	318,249	126,468	622,652	579,244	356,780
Sawntimber	7,821	9,708	14,130	12,466	55,428
Fibreboard	9,797	8,047	12,582	11,793	17,679
Plywood	5,814	8,095	3,800	4,848	5,871
Mouldings	0	0	54	10	64
Logs	0	0	18	0	0
Wooden Frame	0	519	0	0	0
Total	341,681	152,837	653,236	608,361	435,822

Source: Department of Statistics Malaysia and MTIB

Import Tariffs

Qatar's import duty on timber and timber products ranges from 0 – 5%. Details are as follows:

HS Code	Products	Duty (%)
4401	Fuel Wood	0-5
4402	Wood Charcoal	0
4403	Logs	5
4404	Hoop Wood	5
4405	Wood Wool and Wood Flour	5
4406	Sleepers	5
4407	Sawntimber	5
4408	Veneer	5
4409	Mouldings	5
4410	Chipboard/Particleboard	5
4411	Fibreboard	5
4412	Plywood	5
4413	Densified Wood	5
4414	Wooden Frame	5
4415	Packing Cases	5
4416	Casks, Barrels, Vats and Tubs	5
4417	Tool Bodies and Handle	5
4418	Builders Joinery and Carpentry	5
4419	Tableware and Kitchenware	5
4420	Wood Marquetry	5
4421	Other Articles of Wood	5
9401,9402,9403	Wooden Furniture	5

Source: WTO

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Import Regulations

Qatar is a member of the WTO and a party to various regional free trade agreements, most notably within the GCC. As a result of its participation in the GCC Customs Union, Qatar has been applying the GCC Common External Tariff Law No. (41) of 2002 that implements the GCC unified customs tariff in Qatar, imposing a 5% tariff on the invoice value of most imported products. The GCC unified customs tariff has allowed exemptions for approximately 400 goods, including certain basic food products as well as all timber products. Tobacco and manufactured tobacco substitutes are subject to a customs duty of at least 100%. The Qatar Science and Technology Park (QSTP) free zone does not impose import duties. As with many GCC states, the importation of pork is prohibited and the importation of alcohol is severely restricted.

Qatar is a member of the Greater Arab Free Trade Area (GAFTA) pursuant to which Qatar eliminated customs duties on certain products from GAFTA members' states. Entities wishing to import goods into Qatar must generally be registered in the Importers' Register and must be approved by the Chamber of Commerce. Projects funded by the Qatar Development Bank or designated by the Ministry of Energy and Industry (generally those in the construction, oil gas, water and electricity sectors) can be granted a customs duty waiver for the import of machinery, raw materials and industry equipment.

Free Zone

The Qatar Financial Centre (QFC) and the QSTP are the only two free trade zones in Qatar. Qatar plans to have at least three free trade zones to be located near the New Doha International Airport, the Doha Industrial Area and the Mesaieed Industrial City.

Qatar offers business and tax incentives as well as the ultimate location in terms of geographical proximity to Asia, North America, Europe and other regions in the Middle East. By becoming a major hub, Qatar would be an ideal place to invest or set up a business.

Prospects

The construction industry in Qatar is among the biggest in GCC countries. 'Build it and they'll come'. That is the vision of Qatar. In 2020 Qatar will be hosting the 2022 soccer World Cup and



Doha city

the government will be relocating USD130 billion for infrastructure and the building of hotels and apartments which comprise 10% value of active construction projects in GCC countries. Qatar is also building 12 new stadiums as part of the preparation for the FIFA World Cup; thereby providing increased opportunities for the application of timber and timber products. As for doing business in Qatar, Malaysian entrepreneurs must have resilience and must focus only on what they can do well, pitching realistic levels and teaming up with the right local partners.

Taking advantage of this positive economy and building construction industry prospects, the Malaysian government through MATRADE has established the Malaysian Trade Centre in Doha. The opening of this trade centre has opened doors for Malaysian businesses to connect and network with their counterparts there. They are highly encouraged to promote their products including timber and timber products as well as furniture in this trade centre to maximise promotions particularly in Qatar and in the Middle East in general.

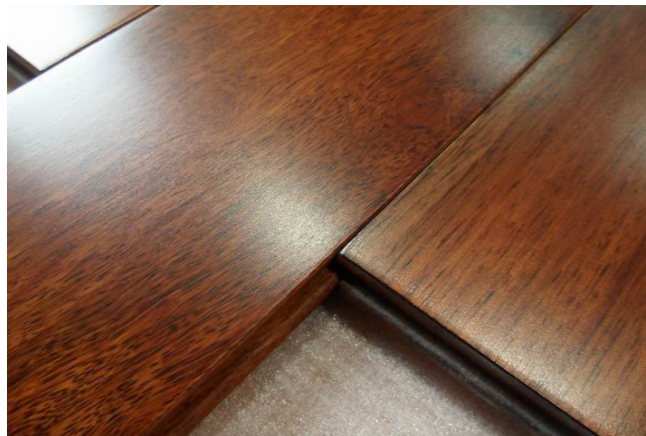
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 WTO
Qatar Customs
Living In Qatar, p 140
Doing Business in Qatar, p1, 9
Country Report: Qatar p 33,35

MERBAU LALAT – SUITABLE FOR INTERIOR FINISHING



Cross section of Merbau Lalat.



Merbau flooring.

Introduction

Merbau Lalat is the Standard Malaysian name as well as the ASEAN Standard name for Sympetalandra spp. (leguminosae). The timber is moderately heavy with a density of 640-720 kg/m³ air dry. It is a small to medium tree reaching 21 m tall and has a 1.8 m girth with a large and thick buttress up to 2.5 m high. The bole is cylindrical to irregular and it's branchless up to 18 m. The trees are found scattered, but are locally common in primary forest up to 600 m altitude. The species is also known as Kerangas.

Vernacular names applied include Bellotan (Sabah), Merbau Laut (Sarawak) and Potai Munjit (Sabah). Major species include *S. borneensis* and *S. unijuga*. Both *S. borneensis* and *S. unijuga* are common in Sabah and Sarawak, but *S. hildebrandii* is very rare in Peninsular Malaysia.

Wood Characteristic

The sapwood is light pink-brown and is distinct from the heartwood, which is pink-brown to brown with a red tinge. The texture is rather coarse and uneven due to the presence of thick confluent bands of parenchyma. The grain is interlocked. Layers of parenchyma bands form zig-zag markings on a flat-sawn surface.

The timber has not been fully tested by FRIM, Kepong. However, the nailing property has been tested and found to be poor. The timber seasons slowly with a moderate amount of cupping, bowing

and insect attacks as the main sources of degrade. Boards of 13 mm take approximately three months to air dry, while 38 mm boards take six months. Shrinkage is fairly high, especially in the radial direction. Radial shrinkage averages 1.7% while tangential shrinkage average 2.4%. The timber is durable under exposed conditions (graveyard test result: average 5.2 service life)

Wood Anatomy

Growth rings are distinct, marked by layers of parenchyma bands and zones which are lacking in vessels. Vessels are medium-sized to large, are solitary and are in radial multiples of two to four, sometimes with large vessels. The tyloses are sparse, gum-like and reddish or chalky white deposits occur in the vessels. Apotracheal parenchyma are in wavy and confluent bands whereas the paratracheal parenchyma are in vasicentric, aliform to confluent bands. The rays are fine to medium-sized and are visible to the naked eye. Ripple marks are absent. Intercellular canals are not observed.

Uses

The timber is suitable for light to medium construction under cover, rotary peeled veneers and plywood, and possibly for interior finishing such as partitions, cabinets and floorings.

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- Wong, T. M. 1982. *A Dictionary of Malaysian Timbers*. Revised by Lim, S. C. & Chung, R. C. K. *Malayan Forest Record No. 30*. FRIM Kuala Lumpur. 201 pp.
- The 100 Malaysian Timbers 2010 Edition*, MTIB, Kuala Lumpur
- MTC Wood Wizard. 



Encik Ramli Mohamad Khanafiah, Head of MTIB Central Region giving a briefing on timber products to students of the Faculty of Forestry, UPM during their visit to Gunung Seraya Sdn. Bhd., Telok Gong, Port Klang, Selangor, on 18 April 2016.



Participants of the Furniture Finishing Course, held on 18-29 April 2016 at WISDEC Selangor, with their final products.



MTIB's course on CNC 3 Axis and CNC Boring Software, held on 19-21 April 2016 at WISDEC Selangor.



A discussion on Creanova Lean Programme between MTIB, Malaysian Productivity Corporation (MPC), Muar Furniture Association (MFA) and representatives from the timber industry, held on 20 April 2016 in Muar, Johor.



The Innovation and High Performance Course for MTIB personnel held on 22-24 April 2016 in Port Dickson, Negeri Sembilan.



The Creanova Lean 2016 Competition, organised by MPC and MTIB held on 28 April 2016 in Shah Alam, Selangor.