

perkasa

sarawak timber industry development corporation

july-sept 2018

quarterly magazine

**Sarawak To
Boost Export
Revenue Of
Timber And
Timber Products
To RM10 Billion
By 2030 In
Which Furniture
Export Revenue
Is Projected
To Grow From
RM100 Million to
RM6 Billion**

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STIDC website:
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editorial

Workshop for forestry and timber industry Master Plan in Sarawak was organised to generate new ideas and to acquire input particularly from industry players and stakeholders on how to propel and sustain the industry in the next five to twenty years.

Forestry and timber sectors are the pillars of the economy of Sarawak and its people. The future of these sectors is, therefore, everyone's concern. The workshop was timely in charting the future direction of the industry. It was also part of our consistent efforts to sustain the timber sector and at the same time to give a ray of hope particularly to industry players, stakeholders and the people.

We are committed to our task to devise and to ensure a comprehensive Master Plan a reality through strategic

collaboration with the industry players, consultants and stakeholders for mutual benefits.

Among the pertinent matters addressed in the workshop were sources of raw materials, technology, research and development initiatives, incentives structure for industry players and challenges in bringing foreign workers.

Through commitment, undivided support and team spirit rendered by the consultants, industry players, stakeholders and our officers, we are optimistic that the draft Master Plan will be completed soon. We hope to table this Master Plan to STIDC Board of Management and to the Steering Committee before the end of the year for approval and endorsement.



Sarawak To Boost Export Revenue To RM6 Billion

Australia is one of Sarawak's important trading partners for timber and timber products. In 2017, Sarawak registered RM59 million in export revenue from timber and timber products to Australia. For the first half of 2018, Sarawak recorded more than RM26 million in export earnings from timber and timber products to Australia. The main export items were plywood, wooden stakes, veneer, laminated beams/posts, laminated veneer lumber and

wooden lattice. Other products included finger joint, moulding, furniture parts and sawn timber.

Recognising the importance of the Australian market, once again STIDC participated in the Australian International Furniture Fair (AIFF) on 19-22 July 2018 at Melbourne Exhibition Centre.

STIDC's participation in AIFF 2018 manifested its continuous stride to promote and commercialise made-in Sarawak furniture particularly those designed and developed by the Pool of Young Designers (POYOD) in order to penetrate and expand Sarawak's furniture market in Australia.

It also augured well with the aspiration to boost export revenue of timber and timber products to RM10 billion by 2030 in which furniture export revenue is projected to grow from RM100 million to RM6 billion. In tandem with this, STIDC aspires to transform this sector in twelve years by establishing six anchor companies through partnership with the major local industry players or foreign investors.

Planted Forests - *The Way Forward*

Being the mainstay of the economy of Sarawak, the Wood-based sector continues to generate income, employment and investment opportunities. The export value earned from this sector in 2017 was RM6 billion, making it the fourth largest income generator after liquefied natural gas (RM41.1 billion), palm oil (RM13 billion) and crude petroleum and petroleum products (RM10.3 billion). The main export items were plywood, logs, sawn timber, fibreboard, veneer, woodchips, particleboard and dowel/moulding. The major markets were Japan, India, Korea, the Middle East, Taiwan, the Philippines, Indonesia, Thailand, Vietnam and China.

The installed capacity of the wood-based sector remains stable at 11 million cubic metres per year. On the contrary, the utilised capacity has declined from eight million cubic metres to five million cubic metres per year. The downturn was attributed to reduced production from natural forests because the mills were installed with technology to process logs from natural forests. The decline in utilised capacity could result in more mills becoming dormant or operating at lower operational capacity.

Raw material supply from natural forests is on a declining trend with production dropped from 14 million cubic metres in 2000 to 5.6 million cubic metres in 2017. The installed capacity of industry utilising logs from natural forests is already saturated. Enhanced management as well as research and development in

natural forests are therefore, imperative to improve future yield.

Planted forests are vital in mitigating pressure on natural forests. Planted forests also complement raw materials from natural forests. Recognising the importance of planted forests, the state government of Sarawak aspires to establish one million hectares of planted forests by 2020. Presently, more than 440,000 hectares have been planted with fast growing tree species such as Acacia and Eucalyptus globulus.

Planted forests started to produce raw materials in 2011 and the production is now on upward trend. The annual production of raw materials from planted forests is expected to improve in future. Similarly, enhanced management and research and development in planted forests are crucial to boost yield particularly in new areas and second rotation areas. Through these initiatives, planted forests are poised to become the main source of raw materials for future growth of the wood-based industry of Sarawak.

The other sources of raw materials are mill residues and non wood material such as bamboo. Mill residues are sourced from primary industry.

Raw materials play pivotal role in determining the structure of the wood-based industry. Looking at the current momentum and moving towards 2020 and beyond, this sector is poised to be a planted forest based industry.

Raw materials from planted forests can be categorised into plywood or sawmill grade and pulpwood grade. The former can be used to produce veneer, plywood, sawn timber, engineered timber, finger joint, laminated board and furniture. On the other hand, the latter is ideal for the production of MDF, particleboard, woodchips, wood pallets, compressed wood and pulp.

Initiatives to establish planted forests are timely in enhancing growth by utilising raw materials from these forests. Towards that end, consistent promotion, research and development as well as capacity building are vital in order to achieve the desired results.

Promotion can be done through investment promotions, exhibitions, networking and collaboration. As far as research and development is concerned, serious attention should be given to product designs, utilisation and new products. Capacity building can be carried out through information sharing, industry engagement and collaboration.

Raw materials will continue to determine the structure of the wood-based industry in Sarawak. Over the years, the industry has been relying on timber from the natural forests. Nevertheless, the future of this industry will rely on planted forests for raw material supply. Innovation is, therefore, integral among the industry players in utilising timber from planted forests and other material such as bamboo in order to catalyse growth.





Promoting Tanjung Manis Through Fishing Safari

More than 100 anglers statewide contested under various categories in the Tanjung Manis Fishing Safari 2018. The Fishing Safari which entered its 15th edition in STIDC's calendar of events was held on 10-12 August 2018. It was part of STIDC's continuous efforts to promote Tanjung Manis New Township and to update the people on the economic spin-off such as new employment and business opportunities brought by new developments. This year's event was graced by Tanjung Manis Member of Parliament, The Honourable Ir. Yusuf Abd Wahab and STIDC Acting General Manager, Tuan Haji Hashim Haji Bojet.

STIDC, being the state government's agency entrusted to facilitate and oversee the overall development of Tanjung Manis, plays its pivotal role in encouraging the local populace as well as industry players to support the government's development agenda particularly in this new township.

Commending STIDC for its tireless efforts in encouraging the locals to participate in the development of Tanjung Manis, Ir. Yusuf said, the people's undivided support is crucial in ensuring the success of the development plans.

"Although there is huge potential in fishing industry, it is yet to be fully tapped by

our local fishermen partly due to lack of modern fishing technology among them. Let us, therefore, concert our efforts to promote this aquatic sport among the people. In future, we also hope to invite foreign media to cover this event in order to lure international participants. Undoubtedly, this will promote Tanjung Manis and Sarawak to global communities," he said.

In recognition of the economic potential of this activity he proposed that the Federal Ministry of Tourism allocate a budget to leverage this sport to greater height parallel with the government's aspiration to make Tanjung Manis a preferred destination for marine activities in the region.

Meanwhile, Haji Hashim described the Tanjung Manis Fishing Safari as a platform to enlighten the locals on the business potential of our fishing industry as it provided information on the government's assistance for this industry. He added that fishing activities complement other sectors particularly hospitality and tourism industries and ultimately help to spur the economy. These activities augur well with the government's objective to position Tanjung Manis on par with other growth nodes.

This year's event also featured other activities such as cooking and singing competitions.



Promoting Utilisation Of Wood From Planted Forests

STIDC promotes wood utilisation from planted forests of Sarawak



Wood-based sector, being the mainstay of Sarawak's economy, continues to generate income, employment and investment opportunities for the people. This sector contributed RM6 billion in export revenue in 2017, making it the fourth largest income generator after liquefied natural gas (RM41.1 billion), palm oil (RM13 billion) and crude petroleum and petroleum products (RM10.3 billion). Export revenue derived from this sector for the first half of 2018 was RM2.7 billion compared with RM3.1 billion during the corresponding period last year. The main export items were plywood, logs, sawn timber, fiberboard, veneer, woodchips, particleboard and dowel/moulding. The major markets were Japan, India, Korea, the Middle East, Taiwan, the Philippines, Indonesia, Thailand, Vietnam and China.

STIDC Acting General Manager, Tuan Haji Hashim Haji Bojet said, presently the industry is focusing on the export of value-added timber products such as furniture using raw materials from planted forests particularly

Acacia. This augurs well with our log quota policy with the reservation of 80% of logs for local processing and the remaining 20% for export. The policy aims to ensure continuous supply of raw materials for our wood-based industry. At the same time, STIDC is promoting the use of non timber such as bamboo and wood residues to complement the wood-based raw materials.

To bring our furniture industry to greater height, he said, STIDC in collaboration with University Malaysia Sarawak (UNIMAS) is embarking into Research and Development (R&D) activities in furniture designing with emphasis on local motif and local materials. STIDC is also collaborating with Samling to develop a pool of young designers (POYOD) to meet the needs of the industry.

To promote wood utilisation further, Seminar On Wood Utilisation For Construction Structure was organised recently where policy makers, scientists, industry players and stakeholders shared information and expertise about wood

utilisation for construction structure and the best practices related to it.

"Through this seminar, we hope to promote wood products and components that fulfill construction structure requirements and to provide guidance to designers and architects in choosing wood products construction components. The seminar manifested our contribution to the construction industry by providing input and acquiring feedback for continuous improvement", Haji Hashim said.

The seminar featured eight papers by experts of varied fields besides a keynote paper by STIDC. The papers were 'To Provide Guidance to Designers and Architects in Choosing Wood Products as Construction Components', 'Timber for Structural Construction in Malaysia', 'Conservation of Historical Timber Structures in Sarawak', 'Demystifying Wood as Sustainable Construction Material', 'Modified Wood as Construction Materials', 'Treatments and Testing of Woods for Enhanced Engineering Properties', 'Optimising Utilisation of Planted Timber Through Lamination and Preservative Treatment' and 'Laminated Acacia Veneer Lumber Properties'.

"We hope everyone will take this opportunity for business networking and information sharing besides leveraging on the technical expertise of our distinguished speakers and the new technology in bringing our construction industry to greater height. Hopefully, today's event will mark the beginning of the future Seminar On Wood Utilisation For Construction Structure for win-win benefits", Haji Hashim added.

The seminar was held in conjunction with STIDC 45th anniversary this year.

Ray Of Hope In Forestry And Timber Sectors



Tuan Haji Hashim (seated 6th left) together with STIDC management members and senior officers at the First Workshop For Forestry And Timber Industry Master Plan. •

The First Workshop For Forestry And Timber Industry Master Plan In Sarawak was initiated to acquire input from industry players and stakeholders to facilitate our consultants to come up with comprehensive Master Plan for the next 20 years.

The workshop addressed various topics of common interest such as raw materials, technology, research and development initiatives, incentive structure and challenges in bringing foreign workers.

STIDC Acting General Manager, Tuan Haji Hashim Haji Bojet emphasised the

importance of raw materials, technology, research and development initiatives, incentive structure and challenges in bringing foreign workers to propel and to ensure sustainable industry.

According to him, STIDC was given the mandate by the forestry and timber industry taskforce to conduct a study and to devise a comprehensive Master Plan for the timber and forestry sectors in Sarawak for the next five to twenty years.

“It is hoped that the participants would give constructive feedback to our consultants in order to devise

comprehensive Master Plan for the timber and forestry sectors in Sarawak. We are committed to ensuring that the documents are practical and provide guidelines to set our targets towards a brighter future of the timber and forestry sectors in the next five to twenty years”, he said.

A successive discussion is, therefore, imminent to scrutinise the proposals and suggestions raised in the workshop in order to come up with the draft Master Plan, he added.

“We hope to table this Master Plan to STIDC Board of Management and Steering Committee before the end of the year for approval and endorsement”, he said.

He thanked the consultants for guiding and moderating the workshop and also the participants for their undivided support in ensuring the desired results and success of the Master Plan towards a robust and sustainable forestry and timber sectors. Through this initiative, there is still a ray of hope and the future of these sectors remains promising.



A group of the workshop participants. •

Reduced Accidents In Timber And Forestry Sectors

Consistent efforts between the Department of Occupational Safety and Health (DOSH), Sarawak Timber Association (STA) and STIDC in creating and promoting awareness concerning occupational safety and health has successfully reduced accidents in the wood-based and forestry sectors in Sarawak. DOSH Enforcement Section Head, Mr. Sadiyuk Henry Rigit disclosed that in 2017, there were 87 OSH accidents in these sectors with four fatalities, one permanent disabilities and 82 non-permanent disabilities compared with 129 cases in 2016 with nine fatalities, nine permanent disabilities and 111 non-permanent disabilities. He added that for the first seven months of 2018, there were 37 cases reported with one fatality, five permanent disabilities and 31 non-permanent disabilities in comparison with 54 cases during the corresponding period last year with one fatality, two permanent disabilities and 51 non-permanent disabilities.

Occupational Safety and Healthy (OSH) is an integral part of our lives. It warrants serious attention by all parties including the government, employers and employees. Occupational accidents particularly those that caused fatality pose adverse impacts to the affected parties. For employers, fatal accidents result in loss of talents and skills which affect productivity and tarnish reputation. For employees, fatal accidents cause loss of loved ones and sources of income.

OSH Campaign was mooted in 2015 by the three agencies to address OSH issues in these sectors. Since then, the agencies continue to organise the campaigns across the state to create and promote OSH culture at workplaces. The latest campaigns were carried out in Miri and Sibu Divisions on 24-25 July and 4-5 September 2018 respectively.

Various topics were discussed during the campaigns including the Occupational

Safety and Health Act 1994 (OSHA); Hazard Identification, Risk Assessment and Risk Control (HIRARO); Occupational Safety and Health Committee at Workplaces; Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease Regulation 2004 (NADOPOD) and Use and Standard of Exposure of Chemicals Hazardous to Health (USECHH Regulation).

Through this initiative, it is hoped that there would be local wood-based companies nominated in future and won the OSH Excellence Awards for greater customers' confidence and acceptance as well as to create benchmark for wood-based sector in Sarawak.

"Forest certification is crucial in the forestry sector. Under this initiative, safety and health of employees is a prerequisite to get forest concessions certified. It is therefore, vital to view certification and OSH seriously in order to comply with the global market requirements", STIDC Acting General Manager, Tuan Haji Hashim Haji Bojet said.



Mr. Sadiyuk (front - 5th right) posing with the participants. •



OSH campaign participants in Sibu. •

To prevent occupational accidents, he emphasised that organisations must be aware of the hazards at workplaces and manage employees' safety and health effectively. Apart from employers, employees are equally responsible for OSH by making it a culture.

"Tripartite co-operation among the government, employers and employees on OSH should be intensified. All policies, strategies and programmes related to OSH warrant undivided support from the three parties in order to achieve the desired results", he added.

Sarawak To Leverage On Local Acacia Wood



Datuk Amar Haji Awang Tengah (front - 6th right) posing with the delegates. •

Sarawak and Vietnam enjoy a long-standing and strong trade relationship particularly in terms of timber and timber products. Sarawak registered RM114.123 million in export revenue from timber and timber products to Vietnam in 2017. The export value for the first half of 2018 was RM36.797 million. The main export items were logs, sawn timber, plywood, laminated board/flooring, fibreboard, particleboard and door skin.

Vietnam's role as the world's leading player in Acacia industry at both upstream and downstream levels sets a new benchmark for STIDC in spearheading the advancement of the Acacia and furniture industry in Sarawak. Vietnam is also the major furniture producer in South East Asia with an annual export earnings of USD10 billion.

Vietnam is leveraging on Acacia wood to produce furniture. Sarawak hopes to emulate Vietnam by leveraging on Acacia wood and at the same time adopt its kiln drying technology. Sarawak has abundant supply of Acacia wood from planted forests.

products, once again a ministerial visit was organised to Hanoi and Ho Chi Minh City, Vietnam on 27-30 July 2018. It was a follow-up visit following the encouraging outcome of the previous ones.

The visit aimed to share information and to explore collaboration opportunities in areas of common interest as well as to lure investors.

The visit was led by Datuk Amar Haji Awang Tengah Ali Hasan, Deputy Chief Minister, Minister of Industrial and Entrepreneur Development and Second Minister of Urban Development & Natural Resources and Chairman of STIDC Board of Management.

“Sarawak hopes to boost timber and timber products export revenue to RM10 billion by 2030 in which furniture export revenue is projected to grow from RM100 million to RM6 billion. In tandem with this, STIDC aspires to transform this sector in twelve years by establishing six anchor companies through partnership with prominent industry players or foreign investors,” he said.

Inspired by the success story of Vietnam, he added that STIDC in collaboration with

Universiti Malaysia Sarawak (UNIMAS) is initiating the Pool of Young Designers (POYOD) programme to groom young professional furniture designers to meet the needs of the industry.

The three-day programme included the visit to Vietnam Academy of Forest Science, Malaysian Ambassador to Vietnam, Acacia plantation site, Tan Phat Animal Feed, Investment and Industrial Development Corporation, Poly Poxy Coatings Co. Ltd., Acacia furniture showroom and Sudima Panels Co. Ltd.

The visit was participated by the Assistant Minister of E-Commerce, Assistant Minister of Entrepreneur and Small, Medium Enterprise (SME) Development, Datuk Haji Mohd Naroden Haji Majais, Assistant Minister of Urban Planning, Land Administration and Environment, Datu Haji Len Talif Salleh, Assistant Minister of Industries and Investment, Mr. Malcolm Mussen Lamoh, STIDC Acting General Manager, Tuan Haji Hashim Haji Bojet and his Deputy, Puan Dayang Nena Abang Bruce as well as industry players.



A random interview was conducted among the participants of the 10th Occupational Safety and Health (OSH) Campaign on 4-5 September 2018 in Sibu, Sarawak. The interview showed that the participants recognised the importance of OSH and at the same time, they felt that there is room for improvement for future campaigns.

“ The campaign was timely in creating awareness concerning occupational safety and health (OSH). Through this campaign, we realised the importance of having OSH committee and standard operating procedures for machinery. We are now familiar with the documents and reports required for auditing purposes by the Department of Safety and Health. To make the campaign more interesting in future, I would like to suggest that it include video presentations and site demonstrations. ”

Hah Haw Ping
Senior Clerk
LCN Wood Industries Sendirian Berhad

What They Said About OSH Campaign



“ Efforts to organise this campaign were indeed commendable. The campaign was informative besides generating ideas to devise occupational safety and health (OSH) programmes. Hopefully it will be pursued in order to impart knowledge and to create the OSH culture across the board. ”

Garuka Anak Kadot
OSH Manager
Subur Tiasa Holdings Berhad

“ The topics discussed during the campaign were appropriate and relevant to current situation. I am of the opinion that the campaign duration should be extended to ensure more space for group exercises and presentations. Site audit is equally important to help participants to comprehend and practise what they have learnt through the campaign. ”

Sii Toh Leong
Production Manager
Hwa Sen Veneer & Plywood Industry Sendirian Berhad

“ The campaign was beneficial to the participants as well as to the industry although there is room for improvement particularly in terms of scope and contents. Demonstration, site visit and video presentation particularly on chemical handling are vital to help participants to understand the topics better. ”

Liyana Fairuz Binti Bustamin
Trainee Safety and Health Officer
Ta Ann Plywood Sendirian Berhad



Datuk Amar Haji Awang Tengah (centre) witnessing the exchange of Memorandum of Understanding documents between Tuan Haji Hashim Haji Bojet (left) and Subur Tiasa Holding Managing Director, Dato Tiong Ing (right).



Wood For Construction Structure

The Seminar On Wood Utilisation For Construction Structure was timely in providing a platform for policy makers, scientists, industry players and stakeholders to share information and expertise about wood utilisation for construction structure and the best practices related to it.

Deputy Chief Minister of Sarawak, Datuk Amar Haji Awang Tengah Ali Hasan said, the government is committed to contributing and ensuring the wood-based industry remains vibrant.

"We are aware of the issues affecting the wood-based industry, particularly those related to the perception about the depleting raw materials. This issue warrants our serious attention in charting the future direction of the wood-based industry in the next 20-30 years. We will continue to find new ways to boost revenue from this sector in order to contribute further to the state. The future of this industry is everyone's concern. Let us, therefore, concert our efforts to ensure that the industry remains vibrant", he said.

Meanwhile, the Acting General Manager of STIDC, Haji Hashim Haji Bojet said, the seminar aimed to enhance knowledge and awareness about wood utilisation for construction structure.

"Through this seminar, we hope to promote wood products and components that fulfill construction structure requirements and to provide guidance to designers and architects in choosing wood products construction components. This seminar reflects our contribution to the construction industry by providing input and acquiring feedback for continuous improvement", he said.

The seminar featured eight papers by experts of varied fields besides a keynote paper by STIDC. The papers were 'To Provide Guidance to Designers and Architects in Choosing Wood Products as Construction Components', 'Timber for Structural Construction in Malaysia', 'Conservation of Historical Timber Structures in Sarawak', 'Demystifying Wood as Sustainable Construction Material', 'Modified Wood as Construction Materials', 'Treatments and Testing of Woods for Enhanced Engineering Properties', 'Optimising Utilisation of Planted Timber Through Lamination and Preservative Treatment' and 'Laminated Acacia Veneer Lumber Properties'.

The speakers came from the Institute of Infrastructure Engineering and Sustainable Management, Forest Research Institute Malaysia, Pertubuhan Arkitek Malaysia Sarawak, Universiti Putra Malaysia, Universiti Malaysia Sarawak, Sarawak Forestry Corporation and Universiti Malaysia Sabah.

"We hope everyone will take this opportunity for business networking and information sharing besides leveraging on the technical expertise of our distinguished speakers and the new technology in bringing our construction industry to greater height. Hopefully, today's event will mark the beginning of the future Seminar On Wood Utilisation For Construction Structure for win-win benefits", Haji Hashim added.



2018 market performance

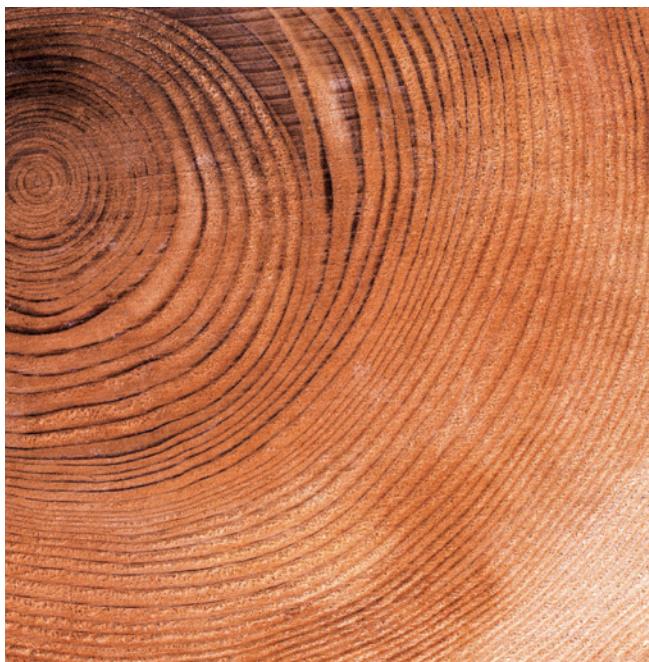
for January to June

Export Value of Logs & Timber Products

Timber and timber products accounted for RM2.7 billion for the first half of 2018 compared with RM3.1 billion during the corresponding period last year. This represented a decrease of 12% due to weaker export performance of the overall timber products including plywood (7%), fibreboard (8%), particle board (10%), sawn-timber (21%), veneer (24%), logs (33%) and dowel (43%).

Significant growth in export value were recorded for block-board (189%), woodchips (123%), moulding (76%) and laminated board/flooring (28%). The main timber products contributed 83% to the export value including plywood, logs and sawn-timber at RM1.5 billion, RM429 million and RM332 million respectively. **(Table 1)**

Logs

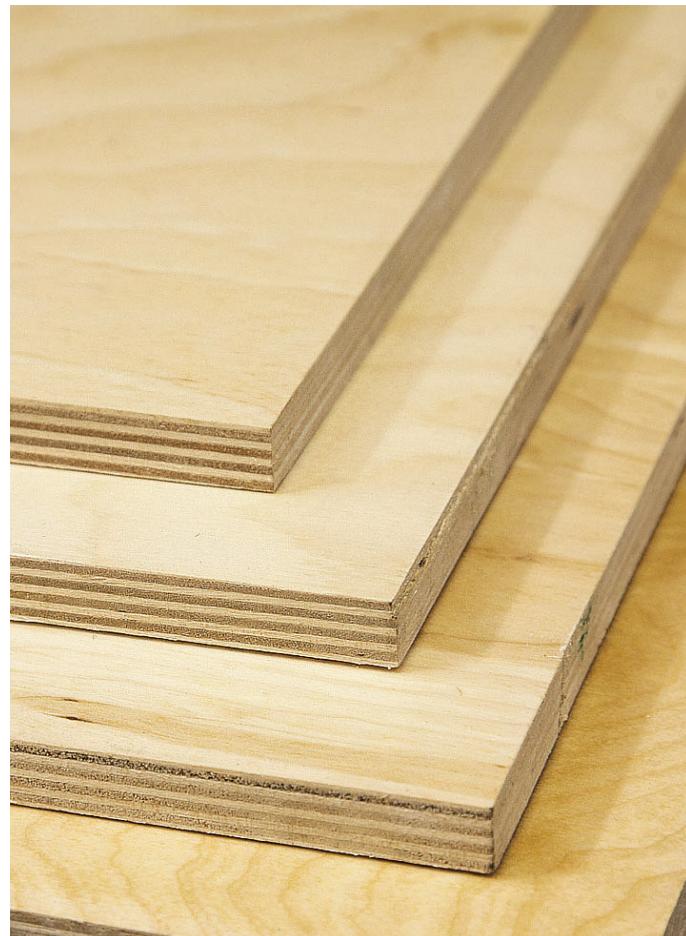
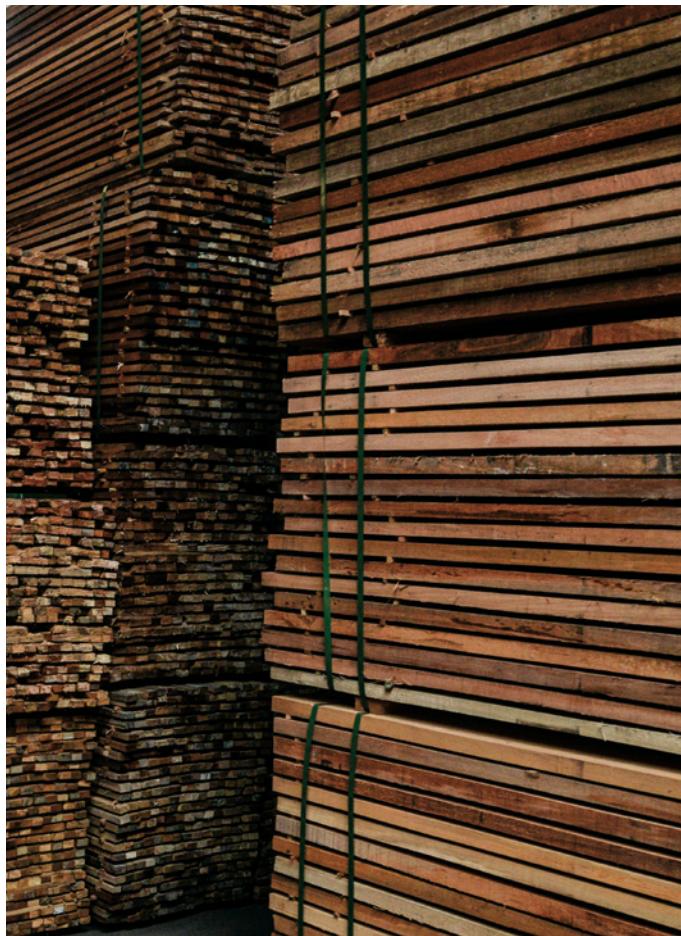


The first half of 2018 saw a decline in export volume of logs by 28% to 871 thousand m³ from 1.2 million m³ and 33% in export value to RM429 million from RM640 million during the same period last year.

Indonesia remained as the top consumer with 477 million m³ of *Acacia mangium* although its import volume dropped by 18%. Similarly, India and Taiwan also cut consumption by 32.5% (315 thousand m³) and 31.6% (39 thousand m³) respectively. The market performance of logs was on the downturn in 2018 due to lower output.

These countries constituted 95% of the total export volume and 94% of the total export value of logs for the first half of 2018.

The average FOB unit value of logs from planted forests increased by 10% from RM170 to RM187 for the first half of 2018 compared with natural forest resources which decreased by 7% from RM868 to RM865 during the same period last year. **(Table 2)**



Sawn-timber

The export volume of sawn-timber slid by 30% to 192 thousand m³ during the first half of 2018 compared with 275 thousand m³. The export value also decreased by 21% to RM332 million from RM419 million compared to the same period in 2017.

The Philippines, being the top consumer, accounted for 65 thousand m³ in export volume and RM108 million in export value. This was followed by the Middle East and Thailand with a decrease in export volume by 19% (46 thousand m³) and 52% (23 thousand m³) respectively.

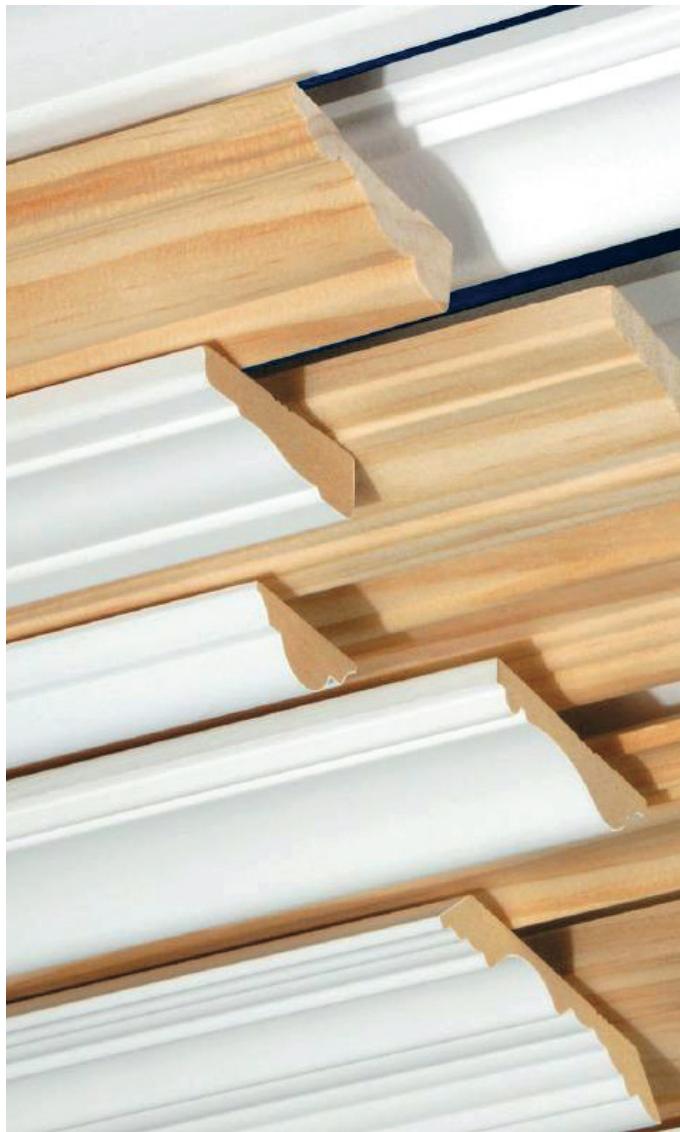
The average FOB unit value of sawn-timber increased by 13% from RM1,523 to RM1,726 for the first half of 2018 compared to the similar period in 2017. **(Table 3)**

Plywood

The export volume of plywood declined by 17% to 743 thousand m³ from 899 thousand m³ during the first half of 2018. The export value also dropped by 7% from RM1.6 billion compared with the same period last year. Plywood accounted for RM1.5 billion or 55% of the overall revenue earned from the export of logs and timber products in Sarawak.

Japan maintained its position as the top consumer of plywood with decreased consumption of 9% at 484 thousand m³ or 65% in terms of export value at RM998 million. Other major plywood importers were Korea and the Middle East with a decrease in volume by 38% and 25% respectively.

These countries contributed 85% to the total export volume and value of plywood for the first half of 2018. The average FOB unit value of plywood increased by 13% from RM1,785 to RM2,010 for the first half of 2018 compared with the similar period in 2017. **(Table 4)**



Other Timber products

Other timber products included veneer, dowels, moulding, particleboard, fibreboard, block board, laminated board, woodchip and others (Table 1). These products accounted for RM0.56 billion and represented 16% of the overall value of the timber and timber products for the first half of 2018.

The export value of various products declined including veneer (28%), dowel (43%), fibreboard (8%) and particle board (10%). The export volume, however, increased for laminated board/flooring (28%), moulding (76%), block-board (189%) and woodchips (123%) for the first half of 2018 compared to the corresponding period last year.

(Table 5, 6, 7, 8, 9 & 10)

Outlook

Sarawak will continue to focus on the production of downstream timber products despite lower output of logs. At the same time, the state also aims to focus further on downstream activities such as producing high value products including furniture. Pool of Young Designers (POYOD) is a new programme to develop talented and professional furniture designers in tandem with the demand from furniture industry. During the first half of 2018, the export value of furniture and furniture parts decreased by 15% from RM24 million during the same period last year to RM20 million.

TABLE 1
EXPORT SUMMARY OF TIMBER AND TIMBER PRODUCTS FROM SARAWAK

PRODUCTS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
LOG	870,502	429,486	15.97	1,204,037	639,875	20.92	(27.70)	(32.88)
SAWNTIMBER	192,276	331,929	12.34	274,716	418,632	13.69	(30.01)	(20.71)
PLYWOOD	742,572	1,493,108	55.51	899,876	1,606,415	52.53	(17.48)	(7.05)
VEENEER	43,924	68,739	2.56	61,290	90,965	2.97	(28.33)	(24.43)
LAMINATED BOARD / FLOORING	4,980	17,926	0.67	3,630	14,021	0.46	37.20	27.85
MOULDING	4,774	8,815	0.33	1,986	5,000	0.16	140.33	76.31
DOWEL	83	287	0.01	113	506	0.02	(26.78)	(43.18)
FIBREBOARD	87,105	141,458	5.26	86,718	154,574	5.05	0.45	(8.49)
BLOCKBOARD	1,621	2,154	0.08	512	745	0.02	216.63	189.07
PARTICLE BOARD	28,964	18,198	0.68	30,638	20,179	0.66	(5.46)	(9.82)
OTHER PRODUCTS*	83,317	100,094	3.72	54,413	57,705	1.89	53.12	73.46
OTHER PRODUCTS**[Units]	2,142,687	19,984	0.74	1,854,376	23,567	0.77	15.55	(15.20)
WOODCHIP [Tonne]	138,603	57,744	2.15	64,740	25,889	0.85	114.09	123.05
TOTAL (m³) (RM)	2,060,119	2,689,924	100	2,617,929	3,058,072	100	(21.31)	(12.04)

***OTHER TIMBER PRODUCTS:**

- Charcoal
- Chopping board
- Core Plugs
- Densified wood
- Door & door frames
- Doorskin
- Finger jointed
- Lamin Board
- Laminated beam
- Laminated post
- Laminated Veneer Lumber (LVL)
- Railways sleepers
- Wood Pellets
- Wooden Fence
- Wooden frames
- Wooden lattice
- Wooden handle
- Wooden panels
- Wooden stakes

****OTHER TIMBER PRODUCTS:**

- Furniture & Furniture parts
- Wooden pallets

Notes:

- > Fibreboard include MDF and HDF
- > Total of volume (m³) does not includes woodchips (tonne) and other product (units)
- > a = actual data & total does not include application/permit to transport goods within the Federation [Customs Declaration Form No.3 (CDF3)]
- > p = preliminary data & total does not include application/permit to transport goods within the Federation [Customs Declaration Form No.3 (CDF3)]

EXPORT VALUE (%) OF MAJOR TIMBER & TIMBER PRODUCTS

FROM SARAWAK (RM'000) : 2018 / 2017

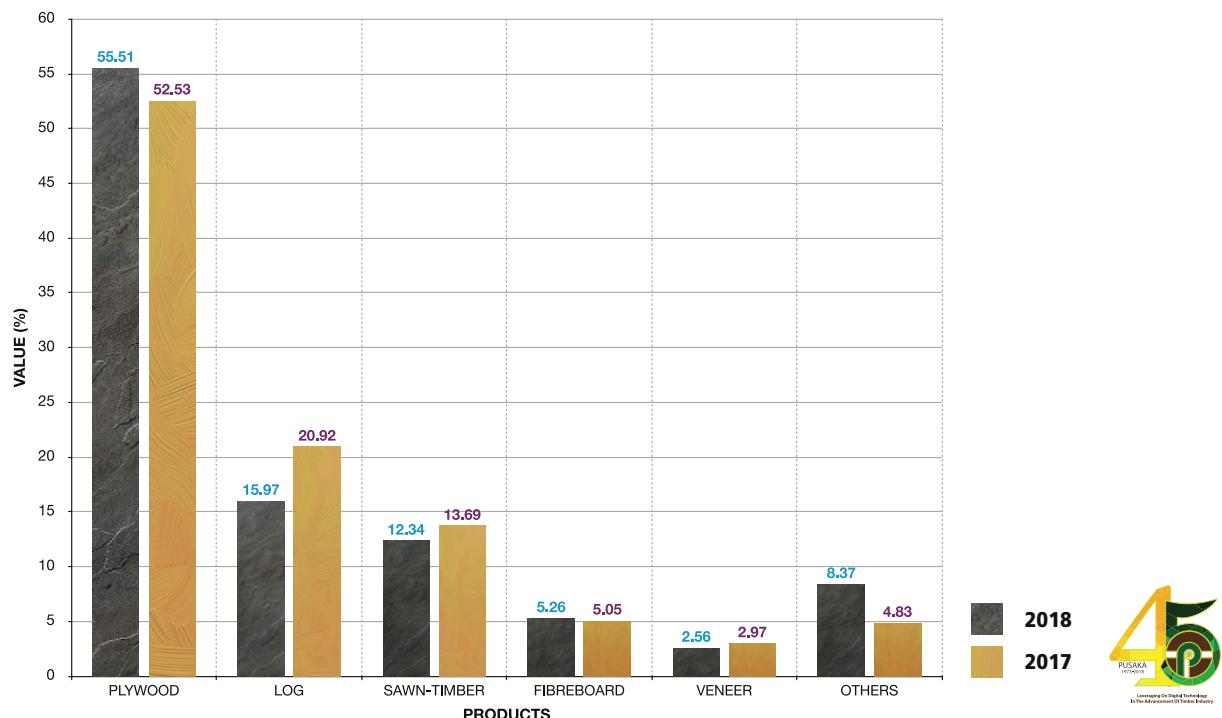


TABLE 2
EXPORT OF LOGS BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
INDONESIA	477,140	89,153	20.76	580,206	98,401	15.38	(17.76)	(9.40)
INDIA	314,910	277,681	64.65	466,329	417,242	65.21	(32.47)	(33.45)
TAIWAN	38,820	35,531	8.27	56,776	49,381	7.72	(31.63)	(28.05)
VIETNAM	20,386	10,266	2.39	61,080	43,594	6.81	(66.62)	(76.45)
JAPAN	11,263	10,453	2.43	19,548	17,414	2.72	(42.38)	(39.97)
CHINA	6,731	4,552	1.06	15,066	10,536	1.65	(55.32)	(56.80)
KOREA	1,253	1,851	0.43	5,005	3,258	0.51	(74.97)	(43.18)
OTHERS*	-	-	-	27	48	0.01	(100.00)	(100.00)
TOTAL	870,502	429,486	100	1,204,037	639,875	100	(27.70)	(32.88)

***OTHER DESTINATIONS:**

- UNITED STATES

EXPORT VALUE (%) OF LOGS TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

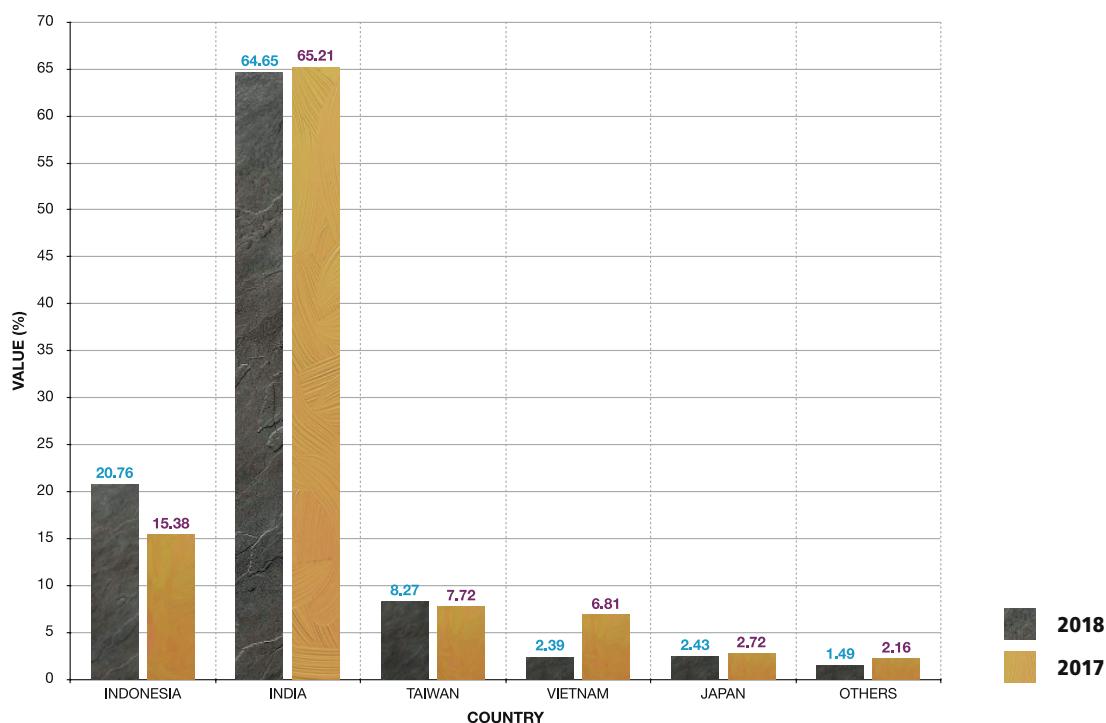


TABLE 3
EXPORT OF SAWN-TIMBER BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
PHILIPPINES	65,006	108,371	32.65	107,151	149,339	35.67	(39.33)	(27.43)
MIDDLE EAST	45,509	89,018	26.82	56,056	106,456	25.43	(18.81)	(16.38)
THAILAND	22,548	29,611	8.92	47,158	60,487	14.45	(52.19)	(51.05)
TAIWAN	22,528	37,420	11.27	26,704	32,055	7.66	(15.64)	16.74
KOREA	10,319	17,723	5.34	9,473	17,007	4.06	8.92	4.21
JAPAN	7,110	16,044	4.83	9,006	20,921	5.00	(21.05)	(23.31)
CHINA	6,047	6,960	2.10	5,921	7,174	1.71	2.14	(2.99)
INDIA	2,963	5,231	1.58	3,169	5,958	1.42	(6.49)	(12.21)
SRI LANKA	2,655	5,318	1.60	2,473	4,743	1.13	7.36	12.12
SOUTH AFRICA	2,034	3,567	1.07	1,338	2,675	0.64	52.05	33.36
OTHERS	5,557	12,667	3.82	6,269	11,816	2.82	(11.36)	7.21
TOTAL	192,276	331,929	100	274,716	418,632	100	(30.01)	(20.71)

***OTHER DESTINATIONS:**

- AUSTRALIA
- BRUNEI DARULSALAM
- EU
- HONG KONG
- MALAYSIA (Peninsular or Sabah-free zone)
- UNITED STATES
- MALDIVES
- MAURITIUS
- PAKISTAN
- SEYCHELLES
- SINGAPORE
- REUNION
- VIETNAM

EXPORT VALUE (%) OF SAWN-TIMBER TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

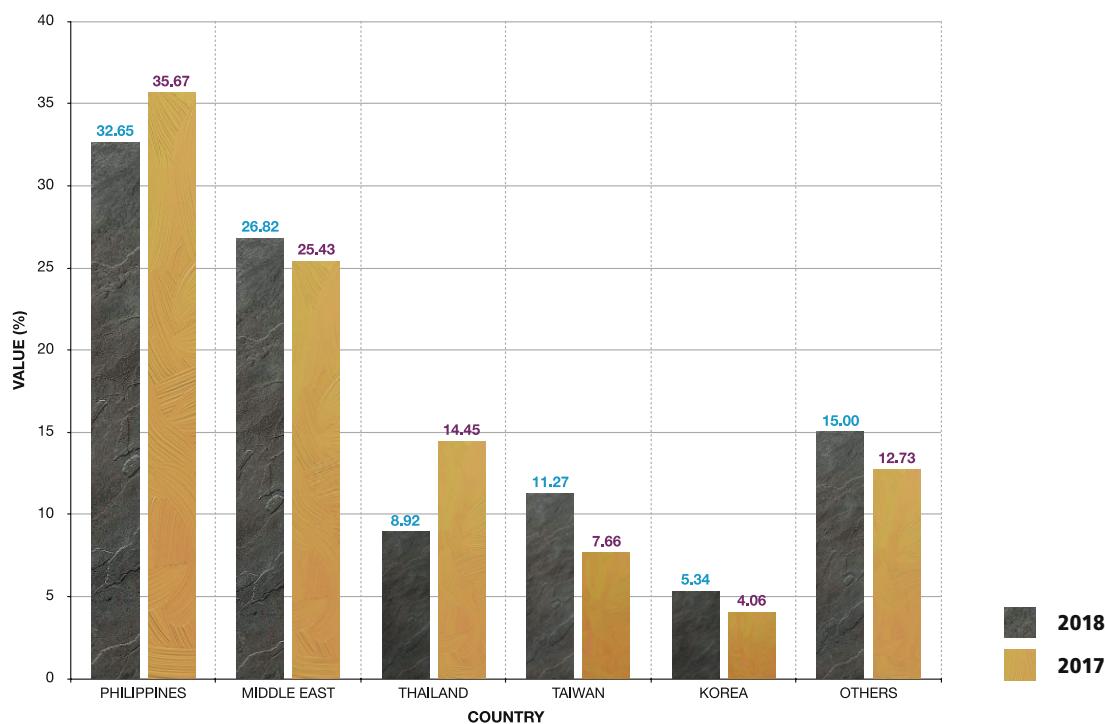


TABLE 4
EXPORT OF PLYWOOD BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
JAPAN	483,667	998,011	66.84	532,785	993,296	61.83	(9.22)	0.47
KOREA	76,321	159,950	10.71	124,011	196,229	12.22	(38.46)	(18.49)
MIDDLE EAST	72,314	111,177	7.45	96,491	147,023	9.15	(25.06)	(24.38)
TAIWAN	47,817	81,520	5.46	70,170	112,918	7.03	(31.86)	(27.81)
UNITED STATES	18,815	48,563	3.25	9,948	18,910	1.18	89.14	156.81
CHINA	7,833	15,103	1.01	12,798	24,304	1.51	(38.80)	(37.86)
AUSTRALIA	7,046	17,482	1.17	7,099	17,287	1.08	(0.74)	1.13
INDIA	5,657	13,661	0.91	8,199	19,957	1.24	(31.00)	(31.55)
HONG KONG	4,892	10,127	0.68	12,751	23,653	1.47	(61.63)	(57.18)
VIETNAM	4,847	10,153	0.68	3,843	8,228	0.51	26.12	23.39
OTHERS	13,364	27,363	1.83	21,781	44,609	2.78	(38.64)	(38.66)
TOTAL	742,572	1,493,108	100	899,876	1,606,415	100	(17.48)	(7.05)

***OTHER DESTINATIONS:**

- BRUNEI DARUSSALAM
- CANADA
- DJIBOUTI
- EGYPT
- EU
- FIJI
- INDONESIA
- MALAYSIA (Peninsular or Sabah-free zone)
- MALDIVES
- MEXICO
- NEW ZEALAND
- NORTHERN MARIA ISLAND
- PAKISTAN
- PAPUA NEW GUINEA
- PHILIPPINES
- PUERTO RICO
- SINGAPORE
- SOLOMON ISLANDS
- SOMALIA
- SOUTH AFRICA
- SRI LANKA
- THAILAND
- TURKEY

EXPORT VALUE (%) OF PLYWOOD TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

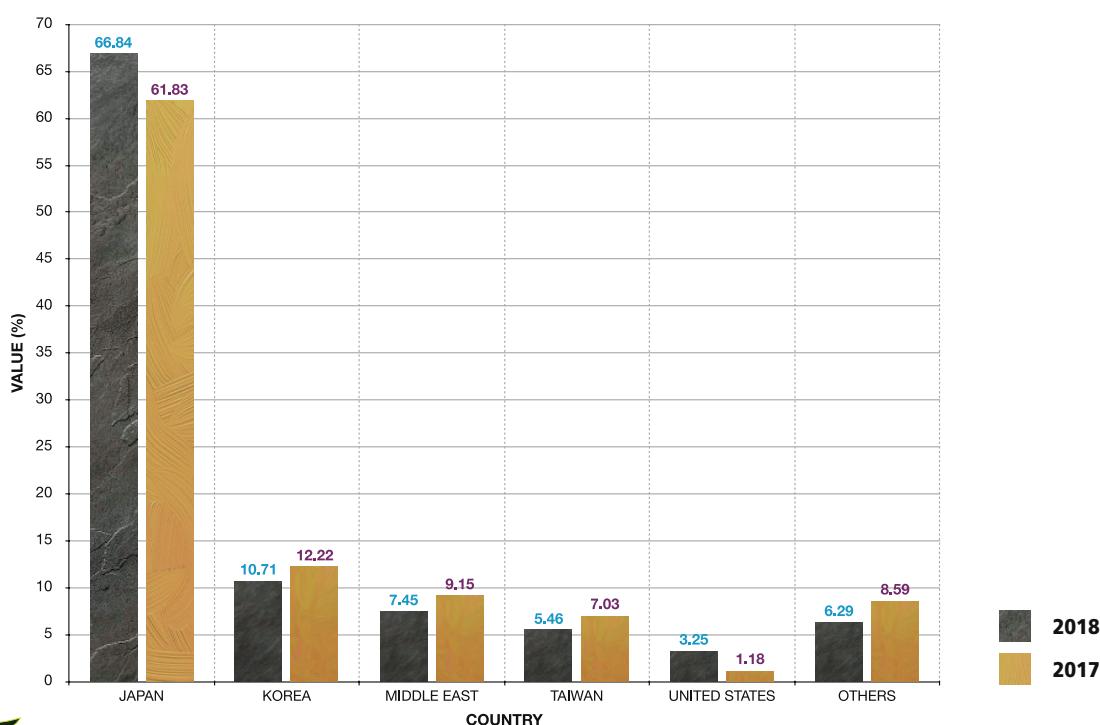


TABLE 5
EXPORT OF VENEER BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
KOREA	20,139	33,963	49.41	28,683	47,101	51.78	(29.79)	(27.89)
TAIWAN	16,566	22,687	33.01	26,653	33,464	36.79	(37.85)	(32.20)
CHINA	3,054	4,017	5.84	2,335	3,076	3.38	30.75	30.59
JAPAN	2,383	5,206	7.57	1,782	4,172	4.59	33.73	24.79
PHILIPPINES	1,430	1,582	2.30	1,076	1,201	1.32	32.90	31.72
AUSTRALIA	353	1,284	1.87	525	1,949	2.14	(32.84)	(34.13)
BRUNEI DARUSSALAM	-	-	-	235	2	0.00	(100.00)	(100.00)
TOTAL	43,924	68,739	100	61,290	90,965	100	(28.33)	(24.43)

EXPORT VALUE (%) OF VENEER TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

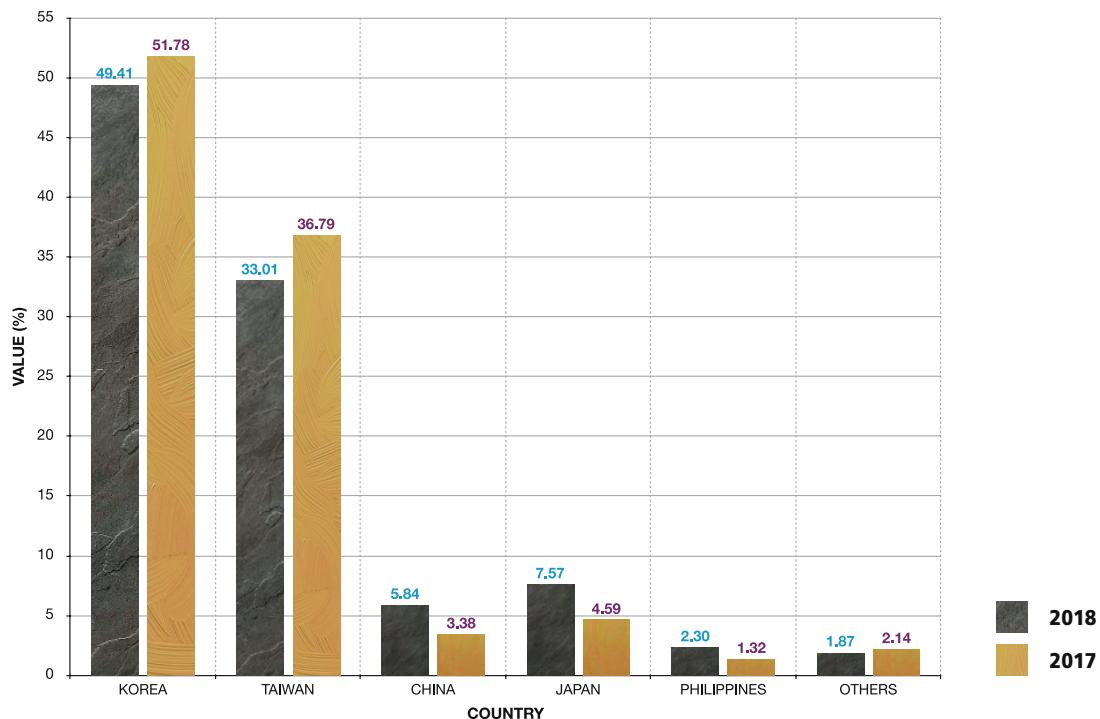


TABLE 6

EXPORT OF LAMINATED BOARD/FLOORING BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
UNITED STATES	2,195	9,107	50.80	1,246	5,969	42.57	76.17	52.58
VIETNAM	1,560	5,243	29.25	1,174	4,525	32.27	32.83	15.87
TAIWAN	615	1,502	8.38	472	1,232	8.79	30.21	21.90
EU	170	696	3.88	-	-	-	100.00	100.00
INDONESIA	161	488	2.72	253	739	5.27	(36.45)	(33.95)
KOREA	109	270	1.51	203	475	3.39	(45.95)	(43.16)
BRUNEI DARUSSALAM	84	355	1.98	111	350	2.50	(24.16)	1.55
MIDDLE EAST	23	43	0.24	69	142	1.01	(66.65)	(69.96)
MYANMAR	22	80	0.45	89	546	3.89	(75.29)	(85.30)
SINGAPORE	22	87	0.49	-	-	-	100.00	100.00
OTHERS	20	53	0.30	14	43	0.31	44.28	23.52
TOTAL	4,980	17,926	100	3,630	14,021	100	37.20	27.85

***OTHER DESTINATIONS:**

- CHINA
- JAPAN

EXPORT VALUE OF LAMINATED BOARD / FLOORING TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

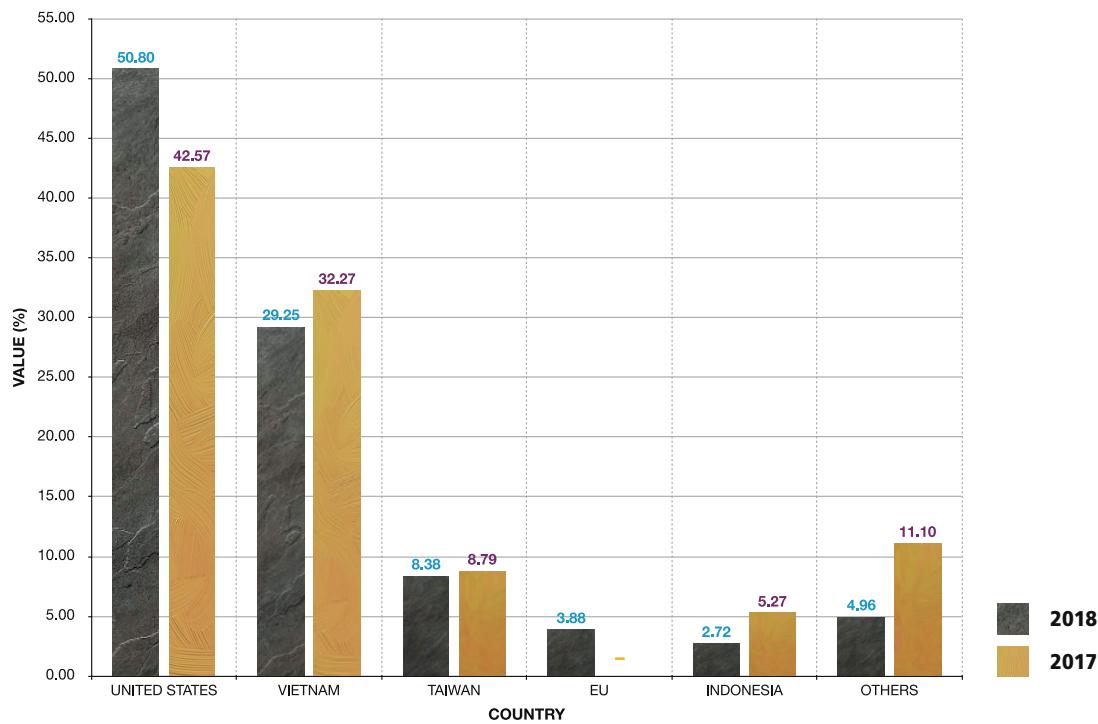


TABLE 7
EXPORT OF MOULDING BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
KOREA	1,530	2,846	32.28	114	286	5.73	1247.50	893.64
JAPAN	1,514	3,430	38.91	1,741	4,302	86.04	(13.03)	(20.27)
CHINA	1,223	1,168	13.25	-	-	-	100.00	100.00
TAIWAN	256	387	4.38	-	-	-	100.00	100.00
SOUTH AFRICA	135	507	5.76	27	90	1.80	407.29	463.12
AUSTRALIA	34	136	1.54	40	185	3.69	(14.80)	(26.37)
UNITED STATES	30	122	1.38	52	87	1.73	(41.72)	40.10
OTHERS	50	220	2.50	13	50	1.00	288.18	338.13
TOTAL	4,774	8,815	100	1,986	5,000	100	140.33	76.31

***OTHER DESTINATIONS:**

- EU
- MALDIVES
- MAURITIUS

EXPORT VALUE OF MOULDING TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

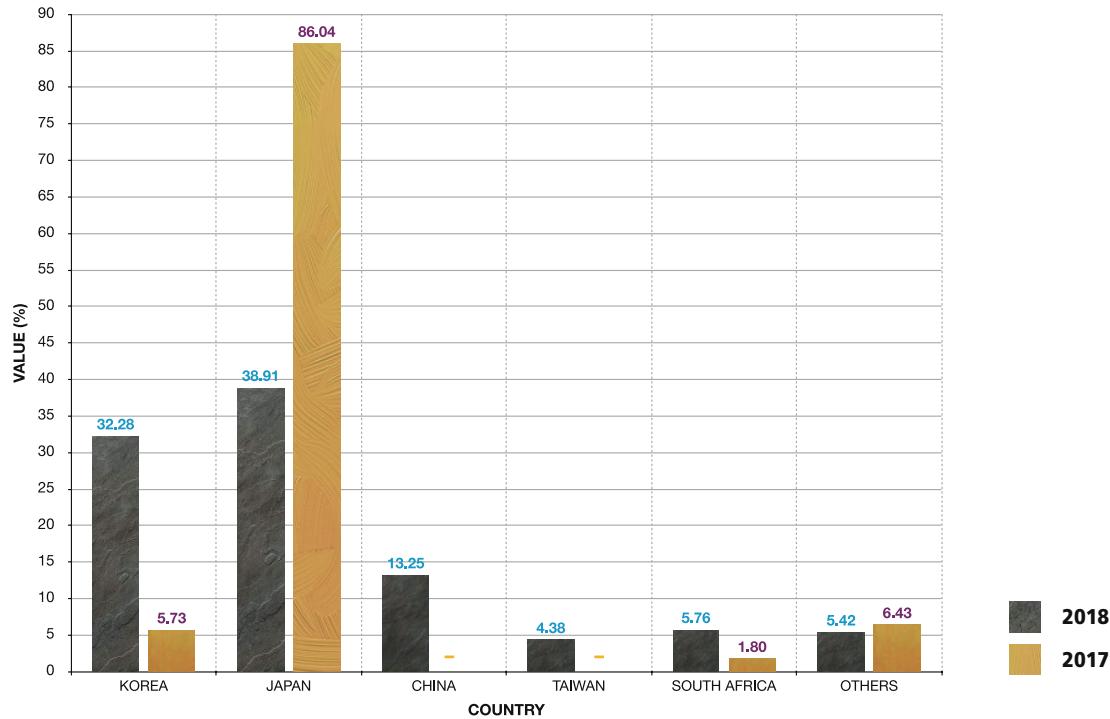


TABLE 8
EXPORT OF DOWEL BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
SOUTH AFRICA	83	287	100.00	44	182	35.99	88.50	57.90
OTHERS	-	-	-	69	324	64.01	(100.00)	(100.00)
TOTAL	83	287	100	113	506	100	(26.78)	(43.18)

***OTHER DESTINATIONS:**

- EU
- INDIA
- JAPAN
- UNITED STATES

EXPORT VALUE OF DOWEL TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

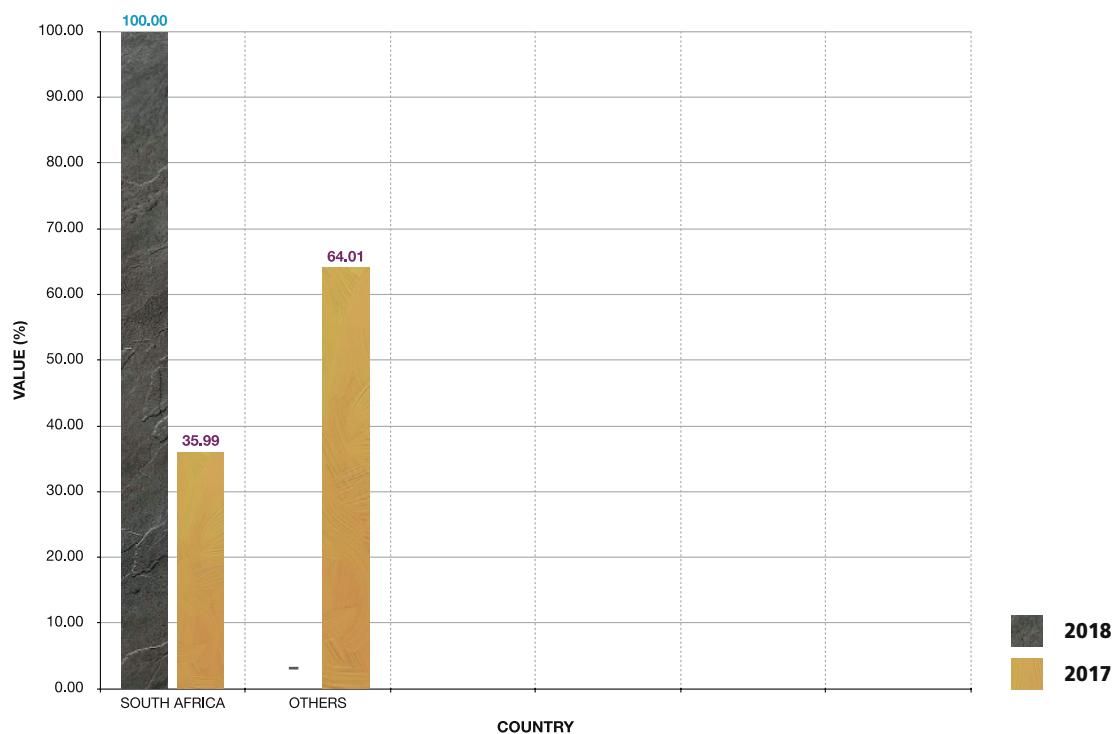


TABLE 9
EXPORT OF FIBREBOARD BY COUNTRY OF DESTINATIONS

DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
JAPAN	68,896	112,088	79.24	68,764	124,768	80.72	0.19	(10.16)
PHILIPPINES	8,519	13,810	9.76	5,216	7,706	4.99	63.35	79.20
INDONESIA	3,794	5,345	3.78	4,166	6,764	4.38	(8.93)	(20.97)
VIETNAM	2,984	5,833	4.12	3,134	6,137	3.97	(4.79)	(4.96)
KOREA	1,318	1,960	1.39	3,152	5,970	3.86	(58.19)	(67.16)
TAIWAN	1,231	1,987	1.40	1,206	2,241	1.45	2.06	(11.33)
BRUNEI DARUSSALAM	242	194	0.14	44	48	0.03	444.38	305.77
OTHERS	121	240	0.17	1,036	941	0.61	(88.28)	(74.44)
TOTAL	87,105	141,458	100	86,718	154,574	100	0.45	(8.49)

***OTHER DESTINATIONS:**

- INDIA
- SOUTH AFRICA

EXPORT VALUE OF FIBREBOARD TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017

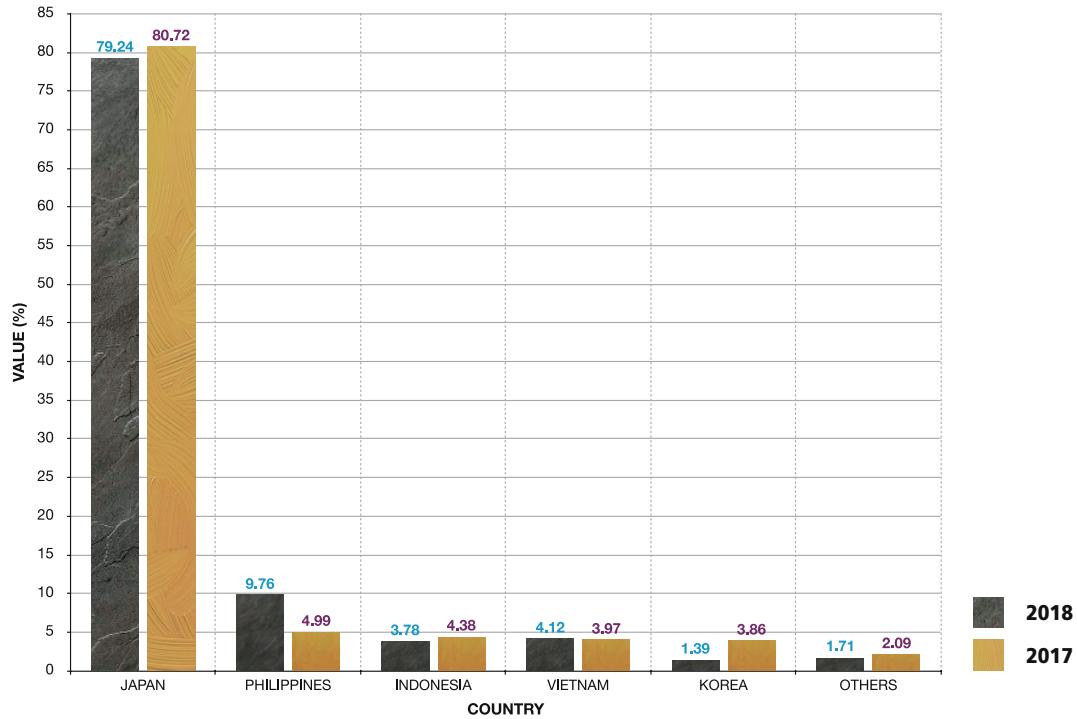


TABLE 10
EXPORT OF PARTICLE BOARD BY COUNTRY OF DESTINATIONS

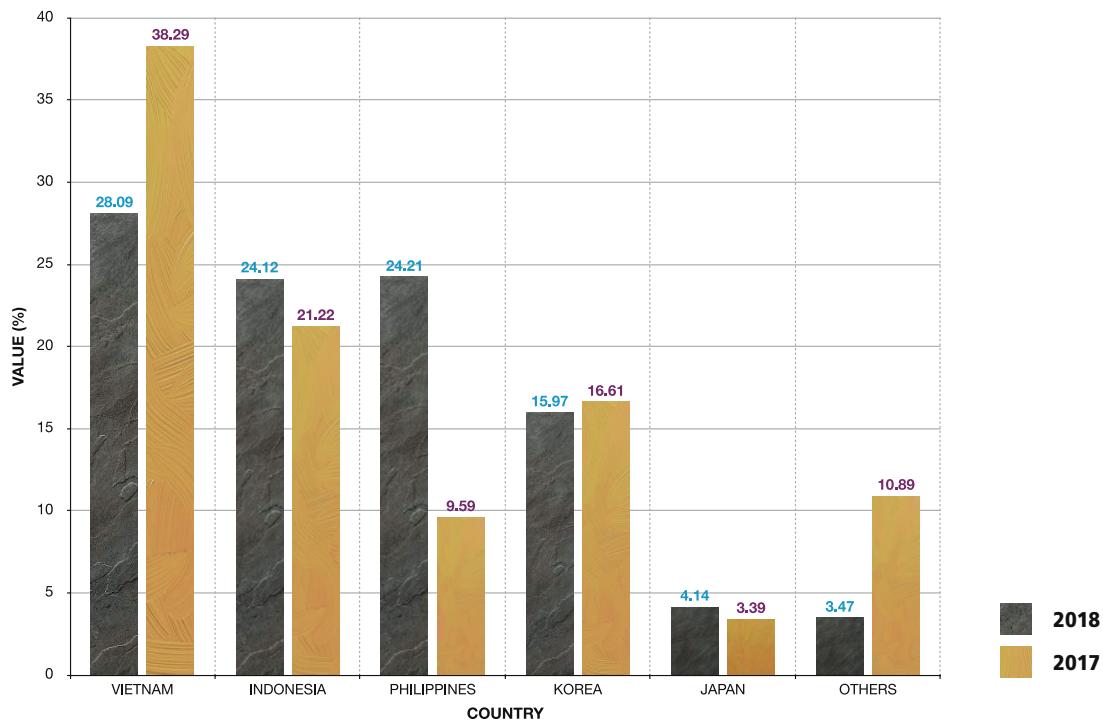
DESTINATIONS	2018 ^p January - June			2017 ^p January - June			% Change 2018 / 2017	
	Volume (M ³)	FOB Value (RM'000)	Value %	Volume (M ³)	FOB Value (RM'000)	Value %	Volume	Value
VIETNAM	8,508	5,111	28.09	11,824	7,727	38.29	(28.04)	(33.85)
INDONESIA	7,360	4,389	24.12	6,405	4,283	21.22	14.90	2.48
PHILIPPINES	6,523	4,406	24.21	3,151	1,935	9.59	107.04	127.65
KOREA	4,334	2,906	15.97	4,699	3,352	16.61	(7.77)	(13.28)
JAPAN	1,168	753	4.14	1,029	684	3.39	13.56	10.11
BANGLADESH	1,006	588	3.23	1,955	1,195	5.92	(48.53)	(50.79)
NEW ZEALAND	43	29	0.16	-	-	-	100.00	100.00
OTHERS	21	15	0.08	1,575	1,003	4.97	(98.64)	(98.51)
TOTAL	28,964	18,198	100	30,638	20,179	100	(5.46)	(9.82)

***OTHER DESTINATIONS:**

- BRUNEI DARUSSALAM
- CHINA
- MIDDLE EAST
- SINGAPORE
- SRI LANKA

EXPORT VALUE OF PARTICLE BOARD TO MAJOR DESTINATIONS

(RM'000) : 2018 / 2017





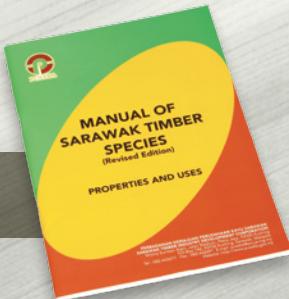
RM 25

Commercial Timber Species Of Sarawak
(a set of 3)



RM 20

Sarawak Timber Industry Directory
(2015/2016)



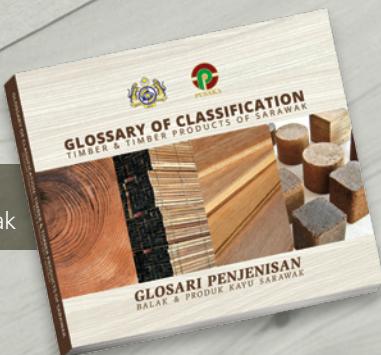
RM 10

Manual Of Sarawak Timber Species (Revised Edition)



RM 5

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Timber & Timber Products Of Sarawak



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