

MTC Inks MOU With Thai Counterparts

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In a move to enhance ASEAN member countries' competitiveness as a region, the Malaysian Timber Council (MTC) signed a Memorandum of Understanding (MoU) with the Thai Hevea Wood Association (THA) and the Wood Processing Industry Club at The Federation of Thai Industries (FTI) in Songkhla, Thailand, yesterday.

The MoU, which was signed by MTC CEO Mr. Muhtar Suhaili, THA President Mr. Nikorn Likhitwangphanit and FTI Wood Processing Industry Club's Chairman Mr. Akarin Vongapirat, will help to promote the development of the Malaysian and Thailand timber trade as well as establish timber trade standardisation between the two countries. The MoU also includes promotional activities for MTC's upcoming Malaysian Wood Expo (MWE) to encourage participation from Thai timber-industry players in the fair.

The signing ceremony was witnessed by Consul General of Malaysia in Songkhla, Mr. Muhammad Ridzuan Abu Yazid, Director of the Industrial Promotion Centre Building 11th Region Mr. Dome Tanomboon, Assistant Director of The Rubber Authority of Thailand (Southern Thailand) Mr. Prapas Satiernungsarid, Director of Commercial Affairs Songkhla Ms. Chatsuda Chumsaeng, MTC's Board of Trustees' Member Tuan Haji Farosham Naizamohideen and MTC's Market Promotion and Product Development Director Ms. Alexis Chang.

MTC CEO Mr. Muhtar said this partnership with the Thai counterparts was timely as the economy emerged from the COVID-19 pandemic.

“While we are on the path of economic recovery, we need to undertake all necessary efforts in ensuring rapid and sustainable economic growth between both countries,” he said in his welcoming address.

“Malaysia and Thailand have long enjoyed and shared strong trading partnerships within ASEAN,” said Mr. Muhtar.

In 2021, Malaysia was one of the Top 5 major timber export destinations for Thailand’s major timber products, especially for sawntimber. Malaysia was the largest export country for Thailand’s sawntimber which amounted to USD44.3 million. Thailand also exported USD7.8 million worth of wooden furniture and USD10 million worth of plywood to Malaysia in 2021.

The MoU signing was followed by a Business-To-Business (B2B) matching session between 19 timber companies from Malaysia and 15 companies from Thailand.

“We need to strengthen our business ties and help escalate each other’s imports and exports in international markets,” he said, adding that the MoU was prompted during an earlier market visit to Bangkok in April this year.

“Both MTC and FTI came up with the idea of organising a Rubberwood Sourcing Mission from Malaysia to the Songkhla province which is the second-largest rubber producer in Thailand with 330,240ha of planted area,” said Mr. Muhtar.

Sourcing and augmenting raw material supply for local timber-based manufacturers is one of MTC’s top priorities and Thailand’s rubberwood is much sought-after. MTC started reaching out to its trade partners within ASEAN to revive business and trade relationships that were halted due to the COVID-19 pandemic. This year alone, MTC visited Singapore in March, Thailand in April, Vietnam in June, Indonesia in July and is scheduled for a visit to The Philippines in November.