

Timber industry urged to achieve higher exports at MTC Marketing Seminar 2017



Officially opening the MTC Marketing Seminar 2017: (From left): Puan Zurina Pawanteh, Deputy Head of Secretaries of the Ministry of Plantation Industries and Commodities; Datuk Gooi Hoe Hin, Chairman of the Malaysian Timber Council; Datuk Datu Nasrun Datu Mansur, Deputy Minister of the Ministry of Plantation Industries and Commodities; and Datuk Dr Abdul Rahim Nik, CEO of the Malaysian Timber Council.

At the intensive one-day seminar organised by the Malaysian Timber Council (MTC) on 18 April 2017, timber industry experts from from China, India, Europe, South Africa, the Philippines and the United States came together to speak about export opportunities present for the Malaysian timber industry. The speaker from Singapore shared her knowledge on global economic scenarios.

The seminar titled “Global Timber Market Outlook and Export Opportunities for Malaysian

Timber Products and Furniture” was organised in conjunction with MTC’s 25th anniversary this year.

Deputy Minister of Plantation Industries and Commodities ministry (MPIC) Datuk Datu Nasrun Datu Mansur, quoting from the speech for MPIC Minister Datuk Seri Mah Siew Keong, said timber and timber products constitute the country’s third most important commodity and commodity-based products exported, after palm oil and rubber, accounting for 17.92% of the total export earnings of the commodity sector and 2.78% of the country’s total export earnings in 2016.

The timber industry achieved RM21.86 billion in exports last year despite the challenging economic situation and difficult market conditions. The export receipts of value-added finished downstream products such as wooden furniture and builders’ joinery and carpentry grew 3.8% and 9%, respectively, year-on-year.

TIMBER EXPORTS FORECAST TO GROW

Datu Nasrun said India has the potential to be a major importer in three to four years due to a growing middle-class population. In 2016, India imported about RM1.6 billion worth of timber and timber products from Malaysia. Export values of sawn timber, plywood and medium-density fibreboard grew over 25% compared with 2015.

To this, he said he is pleased to announce that the MTC will be setting up and operationalizing a regional office in Bangalore by June this year thus expanding Malaysia’s exports to India, and enabling local exporters to penetrate neighbouring countries like Pakistan, Bangladesh and Sri Lanka.

Apart from India, Japan is another big importer of Malaysian timber such as veneers, fibreboards and chipboards amounting to RM3.73 billion last year. US exports comprising mainly carpentry and decking materials grew 7.5% to RM3.3 billion. Meanwhile, China, moving towards a consumer-driven economy is another market that will provide more export opportunities for Malaysian exporters to tap into.

“I urge industry players to expand their businesses, particularly to bilateral and regional free trade agreement markets that Malaysia has established, and also leverage on prospective markets such as China, India and Asean countries,” he said.

Datu Nasrun also said to this end, he is happy to note that the MTC has allocated about RM5 million under its Import Assistance Programme to help local timber manufacturers, particularly the SMEs, to import raw materials to supplement and augment supply.