



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Required Report - public distribution

Date: 7/3/2003

GAIN Report #MY3028

## Malaysia

## Solid Wood Products

## Annual

## 2003

Approved by:

**Bonnie Borris**

**U.S. Embassy, Kuala Lumpur**

Prepared by:

Raymond Hoh

---

### Report Highlights:

**2002 brought some cheers to the Malaysian timber industry. Log output rose 9% while lumber output was down by 5% in 2002. Overall export earnings from timber products rose 6.5% with the furniture sector chalking up an impressive 10% growth. Malaysian imports of U.S. temperate hardwood lumber showed a 58% jump while imports of U.S. temperate softwood suffered a 24% drop. The 2003 outlook is bright. Exports of timber products are expected to increase. The furniture industry is hopeful of an increase in demand and opportunities exist in the interiors and floorings sectors. American wood products suppliers must be price competitive and move aggressively into the Malaysian market in order to increase market share.**

---

Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Kuala Lumpur [MY1], MY

Table of Contents

Executive Summary .....	1
Production .....	4
Market Section .....	6
Trade Section .....	19
Tropical Hardwood Logs PS&D Tables .....	27
Tropical Hardwood Logs Export Trade Table .....	28
Tropical Hardwood Logs Import Trade Table .....	29
Tropical Hardwood Lumber PS&D Table .....	30
Tropical Hardwood Lumber Export Trade Table .....	31
Tropical Hardwood Lumber Import Trade Table .....	32
Temperate Hardwood Lumber PS&D Table .....	33
Temperate Hardwood Lumber Import Trade Table .....	34
Hardwood Veneer PS&D Table .....	35
Hardwood Veneer Export Trade Table .....	36
Hardwood Plywood PS&D Table .....	37
Hardwood Plywood Export Trade Table .....	38
Hardwood Plywood Import Trade Table .....	39

## Executive Summary

The Malaysian timber industry proved to be resilient despite facing economical slow-downs in several of its oversea markets. Overall export earnings from timber products rose 6.5% to US\$4.0 billion in 2002. In term of volume, exports of hardwood logs increased by one percent while exports of lumber were down by the same percent. Likewise, the increase of 1.9% in the exports of plywood was offset by the 1.8% drop in exports of veneer. The furniture sector fared better, chalking up an impressive 10% growth in export earnings.

Malaysia's total round-wood production rose 9 percent to 20.7 million cubic meters (cum) in 2002 while lumber output was down by 5 percent to 4.6 million cum in 2002. Malaysia's plywood production was down marginally by 2 percent to 4.3 million cum while veneer production rebound by 10 percent to 715,000 cum.

Malaysian imports of temperate hardwood lumber rose 24 percent to 49,981 cum in 2002 and imports from the U.S. showed a 58 percent jump compared to a 3 percent decline in 2001. U.S. exports 50,000 cubic meters (cum) accounted for 57 percent of Malaysia's total temperate hardwood import market in 2002. However, imports of softwood lumber declined by 16 percent in 2002 reflecting a sharp drop in overseas demand for softwood furniture. Imports from the US suffered a 24 percent drop. New Zealand and Finland emerged as the top two sources of temperate softwood lumber to Malaysia.

The industry is more optimistic for 2002 and exports of timber and timber-based products are expected to be strong in the next six months due to higher demand, particularly from the Middle-East. For the near term, Malaysia is also giving more attention to China, West Asia, Japan and Russia. The furniture industry is hopeful of an increase in demand as shown in another successful International Furniture Fair held in Kuala Lumpur in early March 2003. Considering the growing competition, American wood product suppliers must be price competitive and move aggressively into the Malaysian market in order to increase market share. There are additional opportunities for U.S. hardwood in interiors and floorings.

Export earnings from the timber (including furniture) sector rose to RM15.3 (US\$4.0 billion) in 2002. The timber product sector remained as the third commodity export earner after petroleum products and palm oil/palm based products (see table below). With the rapid development of down stream activities, the combined earnings from wood panel and furniture exports have far surpassed those from logs and lumber.

Malaysia's Export Earnings by Major Commodities  
(RM billion)

	2000	2001	2002
Total Exports of which,	373.3	334.3	354.4
Petroleum Products	21.4	18.7	18.3
Palm Oil/Palm Based Products	16.0	15.1	20.8
Timber Products 1/	17.7	14.3	15.3
Rubber	2.6	1.9	2.5

Malaysia: Export of Major Timber Products, January-December 2001-2002  
(FOB Value in RM million)

PRODUCTS	Peninsular Malaysia		Sabah		Sarawak		Total	
	2001	2002	2001	2002	2001	2002	2001	2002
Logs	na	na	54	171	1493	1641	1547	1812
Lumber	937	992	471	445	765	758	2174	2194
Plywood	245	237	1115	1139	2158	2445	3517	3821
Veneer	9	12	136	141	336	281	482	434
Molding	350	381	220	200	70	72	641	654
Dressed Timber	175	176	140	87	na	na	315	262
Woodchips	na	na	na	na	25	20	25	20
Chipboard	80	70	11	6	44	40	134	116
M.D.Fibreboard	738	741	na	na	135	126	872	867
Wooden Frame	79	92	3	2	na	na	82	94
Building Joinery	563	611	9	5	124	130	696	746
Wooden Furniture	3716	4107	41	44	21	23	3779	4174
Rattan Furniture	69	68	na	na	na	na	69	68
Grand Total:	6961	7487	2200	2240	5171	5536	14333	15262

Key Economic Indicators for Malaysia  
(Value in US\$ million unless otherwise specified)

	2001	2002	2003(f)
<b>Income, Production, Employment:</b>			
Population (millions)	24.0	24.5	25.1
GDP in 1987 Prices	55,389	57,722	60,316
Percent Growth	0.4%	4.2%	4.5%
GDP at Current Prices	88,050	95,157	100,551
Percent Growth	-2.2%	8.1%	5.7%
Per Capita GDP (Curr. US\$)	3,669	3,879	4,014
Official Unemployment Rate	3.6%	3.5%	3.4%
<b>Money and Prices:</b>			
Inflation (CPI)	1.4%	1.8%	1.5%
Average Commercial Rate	6.67%	7.00%	6.51%
<b>Balance of Payments:</b>			
Merchandise Exports (FOB)	88,005	93,395	99,605
Merchandise Imports (FOB)	69,605	75,260	85,361
Exchange Rate (avg., per US\$)	3.80	3.80	3.80

Sources: Bank Negara Annual Report 2002/03, Ministry of Finance Economic Report 2002/03 and US Embassy Estimates.

Note: Exchange rate pegged at US\$1.00 = RM3.80 since Sept. 1998

## Production

### -The Forest Resource Base

#### Natural Forest

The total area of natural forest in Malaysia at the end of 2002 was estimated to be 17.9 million hectares or 54% of the total land area. The proportion of forested land is higher in Sabah and Sarawak than in Peninsular Malaysia. Approximately, 5.8 million hectares (MH) are located in Peninsular Malaysia, 8.1 MH in Sarawak and 4.0 MH in Sabah. A large area of forest land was converted to agricultural land in the past year.

Of the total natural forest, Malaysia has a total of 15.0 million hectares of forested land designated as the Permanent Forest Estate (PFE) which is under sustainable management. Approximately 10.5 million hectares of the Permanent Forest Estate are production forest with the remaining 4.5 million hectares being protected, non-commercial forest.

#### Plantation Forests

Total planted forests in the country amounted to about 200,000 hectares by the end of 2002. The State of Sabah leads in planted forest with a planted area of 121,000 hectares. The three companies namely, Sabah Forest Industries, Sabah Softwoods Sdn.Bhd, and Safoda accounted for 90 percent of the planted area. About 434,150 cubic meters (cum) of logs were harvested from planted forest in Sabah during 2002.

Sarawak has planted about 23,095 hectares with fast growing exotics and indigenous tree species. Under the 8<sup>th</sup> Malaysian Plan (year 2001-2005), the annual planting target of the Forest Department, Sarawak is 1,500 hectares. The Sarawak State Government targets to establish about 1.4 million hectares under license of planted forest in the next 20 years. Investment incentives were given in the form of pioneer status, investment tax allowance, agriculture allowance, low annual land rental and reduced annual fee for planted forest licence.

Planted forest in Peninsular Malaysia recorded a slight decrease to 73,960 ha in 2002. In order to promote the rubberwood-based furniture industry, the GOM is undertaking the planting of 25,000 ha of rubber per year for 15 years. For this purpose, the GOM will establish a Rubber Forest Plantation Fund with an initial allocation of US\$52.6 million in the form of soft loans.

### Sustainability of the Forest Resources

The Malaysian timber certification scheme, operated by the Malaysian Timber Certification Council (MTCC), continued to make some progress in 2002. To date, three states ( Pahang, Selangor and Terengganu) have been awarded the Certificates for Forest Management. In October 2002, a new national standard for forest management certification, was developed and adopted by the National Steering Committee based on the principles and criteria of the Forest Stewardship Council (FSC). MTCC also became a member of the Pan European Forest Certification Council in November 2002 and has taken the initiative to promote an ASEAN approach in implementing timber certification.

The Forest Department of Sarawak was incorporated as the Sarawak Forestry Corporation. Wholly-owned by the Sarawak State government, the Corporation was formed to ensure effective sustainable forest management according to world standards. It will have six key business units, namely the Sustainable Forestry; Corporate Services; Protected Area and Biodiversity Conservation; Applied Forest Science and Industry Development; Strategic Planning; and Special Projects & Land-Use units.

#### Timber Products

##### --Production Trends

Malaysia's total round-wood production rose 9 percent to 20.7 million cubic meters (cum) in 2002, mainly due to an increase in opening of forest-land in the state of Sabah for logging. The log production in Peninsular Malaysia also recorded a small increase while Sarawak's output was down by 2.6 percent. As more logs were exported or processed into veneer, the production of lumber for the whole of Malaysia was down by 5 percent to 4.6 million cum in 2002. Malaysia's plywood production was down marginally by 2 percent to 4.3 million cum while veneer production rebounded by 10 percent to 715,000 cum in 2002. Again, the increase was sharper in Sabah where the processors were able to source more log supplies.

The outlook for log production in 2003 is more optimistic with an expected further increase in log output in the state of Sabah. Output in the state of Sarawak will show a small rebound while the output in the Peninsula should stabilize. The expected increase in log output will have a small positive impact on output of lumber, veneer and plywood in 2003.

## Market Section

### --Construction Sector

#### Industry Outlook

The Malaysian construction sector maintained a growth of 2.3 percent in 2002. Higher government expenditure in infrastructure projects and demand for residential property contributed to the growth. However, construction activity in the non-residential sector consolidated further due to the oversupply of commercial buildings and retail space.

Apart from undertaking major on-going projects, namely, the People Mover-Rapid Transit System, the new Pantai Expressway and the development of the new Administrative Center at Putrajaya, the Government has initiated the electrified double tracking of the rail lines between Rawang and Ipoh.

In May 2003, the GOM provided a stimulus package to increase house ownerships. For first-time owners of houses costing below RM100,000, the Government will provide a subsidy on housing-loan interest payments of 3 percent for the first year, and interest free loan on deposit of 10 per cent for the first year. Stamp duty exemption will be given on completed loan documents related to purchase of residential houses costing not more than RM180,000 per unit from housing developers, government agencies or cooperatives, on condition that the sale and purchase agreement is executed within a one-year period from June 1, 2003.

#### Market Impediments

Given the fact that Malaysia is one of the largest producers of hardwood in the world, US wood products are unlikely to penetrate into the Malaysian construction sector. Moreover, Malaysia is in close proximity to timber-rich countries like Indonesia and Papua New Guinea.

#### Market Opportunities

Unless the timber resources in Malaysia, Indonesia and P.N.Guinea are exhausted, market opportunities for US wood products in the construction sector are extremely limited.

### --Furniture/Interiors Sector

#### Industry Outlook

The Malaysian furniture/interiors sector rebounded in 2002, with a sharp increase in overseas demand for Malaysian-made furniture. A total rentable area of 354,500 sq meters (office and retail) were completed in and around Kuala Lumpur during Jan-Sept 2002, a 55 percent increase from the previous year. The condominium and apartment sector also fared better with 11,473 units completed, a 34 percent growth from the past year. In addition, 102 new hotels/resorts with an additional 5,785 rooms were completed throughout Malaysia. The GOM is on track in building a new Administrative Center at Putrajaya. The whole place, with impressive governmental and residential buildings, a grand mosque, hospital, shopping center and recreational facilities, is

turning into a brand new city. Next to Putrajaya is Cyberjaya, the new 'intelligent' city which is the base for international multimedia companies. Recently completed projects in Cyberjaya include the Multimedia University, NTT R&D Center and up-scale homes. In addition, in May 2003, the Government launched the Bio-Valley of Malaysia, a brand-new city to support the development of the biotechnological industry. All these developments still provide opportunities for the expansion of the furniture/interiors sector and the increased usage of US hardwood.

**Supply of Office Space, Retail Space, Condominiums and  
Apartments in Klang Valley<sup>1</sup>**

	Office Space		Retail Space		Condominiums & Apartments
	Square meters	Occupancy rate (%)	Square meters	Occupancy rate (%)	Units
1992	39,825	97.2	58,910	94.2	3,768
1993	332,246	91.5	130,345	97.3	18,232
1994	192,808	94.3	117,340	98.5	9,331
1995	362,851	94.9	341,091	96.1	17,822
1996	296,742	95.5	136,964	92.8	14,568
1997	869,394	94.9	362,574	90.5	5,473
1998	1,158,776	79.9	364,027	61.7	14,380
1999	265,645	76.2	89,787	76.6	9,547
2000	1,374,452	76.9	218,562	78.5	5,466
2001	134,826	74.7	24,096	79.7	17,067
2002 /2	234,862	75.4	119,138	81.6	11,473
<sup>1</sup> Refers to Kuala Lumpur & Selangor D. E.					
2/ Jan-Sept.					
Source: Valuation and Property Services Department					

Malaysia is within the top 10 exporters of furniture in the world. The demand for Malaysian furniture exports increase significantly, with export earnings rising 10 percent to RM4.2 billion (US\$1.1 billion) in 2002. The United States remains the largest single market for Malaysian wooden furniture (36 %), with export earnings increasing by 24 percent. With the exceptions of the Japan and Singapore, exports to most other countries recorded increases.

The industry is more optimistic for 2003 and expects overseas demand to further expand during the latter half of the year. The ninth annual Malaysian International Furniture Fair (MIFF) 2003, held in Kuala Lumpur in early March 2003, showcased the best of Malaysian manufactured furniture. With 399 exhibitors occupying 55,000 sq. meters of exhibition space, MIFF 2003 attracted more than 16,000 visitors, of which 6,021 were international buyers. US\$518 million in sales, recording a 3.5 per cent decline from the preceding year, was generated at the show.

Malaysia: Exports of Wooden Furniture  
(in million RM)

	2000	2001	2002
U.S.A.	1496	1213	1508
Japan	763	654	556
United Kingdom	408	420	448
Singapore	330	243	225
Australia	306	235	274
Canada	102	118	174
U.A.E.	125	113	130
Saudi Arabia	94	73	99
South Korea	69	66	85
Netherlands	66	48	37
Others	660	596	638
--Total	4419	3779	4174

### Market Impediments

Malaysian imports of temperate hardwood lumber rose 24 percent in 2002 and imports from the U.S. showed a 58 percent jump compared to a 3 percent decline in 2001. U.S. exports accounted for 57 percent of Malaysia's total temperate hardwood import market in 2002. Germany, Canada and Denmark were the top competitors.

Imports of softwood lumber declined by 16 percent in 2002 reflecting a sharp drop in overseas demand for softwood furniture, especially from the US market. Imports from the US suffered a 24 percent drop. New Zealand and Finland emerged the top two sources of temperate softwood lumber to Malaysia.

Lack of knowledge of US hardwood and softwood is still a constraint, especially the technical application of popular US hardwoods in making furniture and flooring in Malaysia. Lack of linkage between Malaysian

importers/users and US wood suppliers is often cited as another constraint. There is also still a need to reach a wider range of potential users such as housing, shopping, restaurants and hotel/resort developers.

### Market Opportunities

Much of the success of the Malaysian furniture industry is directly attributable to coupling cheaper native woods, such as rubberwood and particle boards, with high-value veneers from the US. Strong increases in market share of US temperate hardwood veneer in past years confirms this trend. Log imports from the US for processing into veneer also reached a historical high in 2001. As Malaysia moves into the top ten furniture exporters in the world, the US wood industry, if properly positioned, would largely benefit from the development.

The American Hardwood Export Council (AHEC) has done a commendable job of increasing the awareness of US hardwoods in Malaysia. In 2001, their main activities were participating in trade shows and working on the 'Hollywood Demonstration Project' which showcases the use of American wood in local furniture manufacturing. Post feels that AHEC should increase activities in Malaysia to assist US expansion in this region. Post strongly supports conducting technical seminars in Malaysia on a yearly basis in order to increase the level of technical knowledge and application of US hardwoods in making furniture and flooring. Post also recommends that American Forest and Paper Association to bring a team of present/potential U.S. wood users to the States for a exposure/buying mission. This might address the constraint of the lack of a large, existing distribution network in Malaysia. Post also feels that US wood suppliers should participate at trade shows in order to increase their visibility in the local market and to make direct contact with local furniture manufacturers. Without concerted marketing efforts, US market share will be slowly eroded by aggressive competitors, i.e. Australia, Germany and Canada for hardwood; and New Zealand, Russia, Canada and the Scandinavian countries for softwood.

The following events will provide opportunities for US trade associations and firms to learn more about, and to be involved in the Malaysian furniture/interior decoration market

Date : March 2-6, 2004  
Event : Malaysian International Furniture Fair (MIFF) 2004  
Venue : Putra World Trade Center, Kuala Lumpur

MIFF is developing into an international premium furniture fair in the region and received full accreditation in November 2000 from the Union des Foires Internationales (UFI), the world's leading authority on trade fairs. This export-oriented exhibition, showcasing the latest designs for the world-wide market, represents the largest collection of Malaysian furniture for the global market. It accounts for about 30 percent of Malaysia's total annual furniture exports. AHEC (S.E.Asia) was the only foreign timber association to have the privilege of participating in MIFF 2003. (For details, please e-mail [info@miff.com.my](mailto:info@miff.com.my) )

Date : February 28 - March 3, 2004  
Event : Muar Furniture Association Show, 2004  
Venue : MINES Exhibition Center, Kuala Lumpur

A smaller show, organized by the Muar Furniture Association, is offered around the same time as the MIFF. AHEC has participated in this show in the past. The show's website is [www.muarfurniture.net](http://www.muarfurniture.net) and trade show

organizers can be contacted at [muarfurn@tm.net.my](mailto:muarfurn@tm.net.my)

While the furniture manufacturers' group is still the most important target market, Malaysian architects and interior designers are showing more interest in incorporating a wider range of wood in interior designs. Malaysia is in the midst of constructing a new state-of-the-art convention center in the Capital City of Kuala Lumpur. Located just a stone's throw away from the Petronas Twin Towers, it will be the premier and most prestigious convention center in the country. The project provides a tremendous opportunity for AHEC to influence the specifiers to use U.S. hardwood in its interior. The interior designers are determined to use the very best materials. If we succeed, the Center could very well become a showcase for American hardwoods not only to Malaysia but also to the region and beyond. Post has obtained EMO funds to sponsor a Malaysian interior/architectural mission to the U.S. in July 2003 to meet with their peers in leading architectural and design firms and to see applications of U.S. hardwoods in large scale, convention and hospitality settings. It will be invaluable in terms of education and will undoubtedly influence their future specifying decisions.

Malaysia: Imports of Temperate Hardwood Lumber  
(cubic meter)

	2000	2001	2002
USA	18694	18078	28636
Germany	760	3816	8832
Denmark	5311	3478	3914
Canada	2562	3854	3743
Austria	5392	8791	2613
Australia	388	345	999
Belgium	0	0	589
China	1850	1203	506
Sweden	2166	613	149
United Kingdom	221	0	0
--Total	37344	40178	49981

Malaysia: Imports of Temperate Softwood Lumber  
(Cubic Meter)

	2000	2001	2002
USA.	14930	3803	2900
New Zealand	8367	3758	4369
Finland	2167	548	4280
Canada	3843	2361	1608
Sweden	2406	101	1412
Brazil	1536	2306	496
Italy	0	0	403
Germany	2036	2799	352
South Africa	1384	878	305
Japan	233	0	0
Australia	1332	502	0
Denmark	1015	1210	0
Austria	3403	561	0
Chile	388	0	0
France	116	0	0
China	5054	388	0
--TOTAL	48210	19215	16125

## --Materials Handling Sector

## Industry Outlook

Materials handling is very much tied to the manufacturing sector. In 2002, manufacturing output recorded a 4.5 percent growth. The electronic and food manufacturing sectors recorded the strongest growth.

## Manufacturing Production: Selected Indicators (1993=100)

	Index		Change in %	
	2001	2002	2001	2002
Radio and television sets	170.6	157.4	-8.4	-7.8
Electronics	269.1	305.2	-20.2	13.4
Manufacture of office, computing and accounting machinery	227.1	176.1	-13.1	-22.5
Manufacture of refrigerating, exhaust, ventilating and air-conditioning machinery	132.3	161.8	16.9	22.2
Textiles and wearing apparel	118.8	111.4	-8.3	-6.2
Wood and wood products	104.9	98.6	1.2	-6.0
Food Products	154.7	168.2	4.3	8.7
Beverages	138.5	121.9	3.2	-11.9
Tobacco Products	164.4	148.0	-6.0	-10.0

## Market Impediments

Malaysia has an ample supply of low-priced timber for making packaging, pallets, and crates. Furthermore, there are plenty of saw tailings for this sector.

## Market Opportunities

For the near term, market opportunities for US products are essentially nil.

--Export Sector

### Industry Outlook

Malaysia exported RM15.3 billion (US\$4.0 billion) worth of timber and timber products in 2002, including round-wood log, lumber, molding and dowel, veneer, plywood, particle board and furniture. Primary Industries Minister Datuk Seri Dr. Lim Keng Yaik said that if the momentum is sustained, the sector's performance for 2003 should match last year's. "Even though competition from developed countries is stiff, demand for our timber products is still strong". Competition includes furniture makers in Germany, Italy and Sweden. Buyers of Malaysia's timber products in West Asia include the United Arab Emirates, Saudi Arabia, Kuwait, Bahrain, Oman and Qatar. Even though the economy of the world's biggest buyer of furniture, the US, is slowing down, Malaysian furniture exporters are diversifying to other markets such as Europe and West Asia.

The industry is more optimistic for 2002 and exports of timber and timber-based products are expected to be strong in the next six months due to higher demand, particularly from West Asia. For the near term, Malaysia is also giving more attention to the following countries:

a) China - the upcoming Olympic Games to be held in China in 2008 also offers tremendous opportunities to supply timber and timber products required in the construction of various game facilities and huge complexes. The construction of stadiums, an Olympic game village and a host of other facilities such as hotels, condominiums and apartments will require massive timber usage for exterior and interior decorations.

The substantial demand for timber and timber products has prompted many timber as well as furniture producers from Italy, USA, New Zealand and even Poland to seriously establish their presence there. China presents a huge market with many opportunities timber traders could tap. There is a growing demand for, not only timber raw material but also value-added timber products; this should provide ample opportunities for Malaysia's products.

b) Middle-East - With a population of 412 million, the Middle-East is an important market for Malaysian timber products. The leading timber markets in the region are the United Arab Emirates, followed by Saudi Arabia, Kuwait and Yemen. The construction sector remains active, generating higher demand for timber. The sector has, in fact, been showing strong growth with building of hotels, convention centers, infrastructure projects, airports, hospitals, office buildings and residential projects. Currently, an estimated RM6 billion worth of infrastructure projects are at bidding stages in U.A.E., Qatar, Bahrain, Saudi Arabia and Iran.

c) Japan - Current demand for imported wooden furniture in Japan is expected to continue to grow. Many Asian imports are manufactured products from offshore facilities of Japanese manufacturers. The current consumers prefer furniture that suit their lifestyles, irrespective of brand or country of origin. As a result, many imported products are developed through strategic alliances with distributors in Japan.

d) Russia - Russia is expected to continue to import furniture as local production is still insufficient. Since Russia has an abundant supply of raw materials and low cost of labor, Malaysian manufacturers were advised to look into the possibility of forming strategic alliances through joint-ventures or partnerships with Russian counterparts. Apart from exporting complete furniture, Malaysian manufacturers are looking into the prospect of supplying furniture components since local Russian producers depend on imports of these components.

## Competitor Activities

The Malaysian Timber Council (MTC) together with the Malaysian Timber Industry Board (MTIB) in Peninsular Malaysia, the Sarawak Timber Industry Development Corporation (STIDC), and the Timber Association of Sabah are involved in efforts to promote the usage of Malaysian timber products.

Malaysian Timber Council now has three regional marketing offices located in London, Shanghai and Dubai.

The following table provides a list of fairs and exhibitions which MTC planned to participate in 2003.

<b>International Trade Fairs 2003</b>	
Date	Event
January 11-14	DOMOTEX, Hannover, Germany
January 13-19	International Furniture Fair, Cologne, Germany
January 29-31	SURFACES 2003, Las Vegas, U.S.A.
May 23-27	INTERZUM 2003, Cologne, Germany
May 25-28	Designbuild Australia 2003, Sydney, Australia
Nov 29- Dec 3	The Big 5 Show, Dubai, UAE
<b>Trade Missions 2003</b>	
May/June	MPI Economic and Technical Mission on Foresrty & Timber to Norway and Denmark
Feb 25- Mar 4	Marketing Mission to India (Chennai, Mumbai, Bangalore & Mangalore)
September 13-25	Marketing mission to Eastern Europe (Czech Rep., Poland, Hungay & Austria)
Nov/Dec	Marketing mission to UAE (Dubai) & Syria (Damascus & Lattakia)
<b>Promotion Booths 2003</b>	
<b>MTC HQ</b>	
January 21-24	The International Builders' Show 2003, Las Vegas, Nevada, USA
February 6-8	109 <sup>th</sup> NRLA Show, Boston, U.S.A.
April 21-24	Architect 2003, Bangkok, Thailand
September 24-28	INTERFURN India, Mumbai, India
<b>MTC London Branch</b>	
January 13-18	BAU, Munich, Germany

February 3-8	BOUWBEURS, Utrecht, Netherlands
March 19-23	SAIEDUE Fair, Bolongna, Italy
April 8-12	CONSTRUMA Fair, Budapest, Hungary
Aug 31-Sept 2	SPOGA/GAFA Fair, Cologne, Germany
November 3-8	BATIMAT Fair, Paris, France
November 12-15	MADARALIA Fair, Valencia, Spain
<b>MTC Dubai Branch</b>	
June 9-12	3 <sup>rd</sup> UAE Trade Exhibition, Tehran, Iran
June 25-29	CONEX Jordan 2003, Amman, Jordan
October 12-16	SAUDI BUILD 2003, Riyadh, Saudi Arabia
October 7-11	INDEX 2003, Dubai, UAE
<b>MTC Shanghai Branch</b>	
May 19-22	KO <sup>FU</sup> RN 2003, Seoul, Korea
July 2-5	2003, China International Building & Decoration Fair, Guangzhou, China
July 28-31	3 <sup>rd</sup> Shandong Building & Decoration Materials Exposition
September 25-28	4 <sup>th</sup> China Internation Floor Coverings & Carpet Fair, Beijing, China
<b>Marketing Seminar 2003</b>	
July 15	MTC Marketing Seminar

For details or updates, please visit website: [www.mtc.com.my/fairs2003.htm](http://www.mtc.com.my/fairs2003.htm)

## Trade Policy

On May 14, 2003, the Primary Industries Minister announced a ban on lumber measuring more than 60 sq inches with immediate effect. The GOM will also only issue timber import licenses to importers who can show proof of bona fide export sources. The new measures are to strengthen enforcement efforts and remove any loopholes in enforcing the ban on the import of Indonesian logs announced on June 25 last year. Malaysia has been unable to stop Indonesian logs from entering the country as exporters have evaded the ban by cutting off the edges of the log and exporting it as lumber or shipping in Indonesian timber using labels of other countries of origin. The stricter measures are also in reaction to accusations by some international environmental watchdogs and non-governmental organizations that Malaysia was not taking action to halt such illegal activities; and labeling Malaysia as a 'laundering' center for illegal logs.

The Minister of Primary Industries, Datuk Seri Lim Keng Yaik also expressed his willingness to co-operate with the EU in meeting the objectives of an EU Action Plan on Forest Law Enforcement, Government and Trade (FLEGT) to combat illegal logging and related trade illegal timber.

## Trade Section

### Malaysia: Exports of Tropical Hardwood Logs, 2001 (1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
Japan	0	11	1,354	1,365
China	0	45	1,024	1,069
India	0	0	982	982
Taiwan	0	0	660	660
Hong Kong	0	0	415	415
Indonesia	0	196	0	196
South Korea	0	3	172	175
Vietnam	0	9	75	84
Thailand	0	0	31	31
Philippines	0	12	19	31
Pakistan	0	0	27	27
Switzerland	0	0	3	3
Bangladesh	0	0	1	1
Singapore	0	0	1	1
Others	0	0	1	1
--TOTAL	0	276	4,764	5,040

Malaysia: Exports of Tropical Hardwood Logs, 2002  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
Japan	0	144	1,446	1,590
China	1	127	976	1,103
India	0	13	982	995
Taiwan	0	1	648	650
Vietnam	0	96	92	187
Hong Kong	0	10	176	186
South Korea	0	18	140	158
Indonesia	0	127	0	127
Thailand	0	9	29	38
Philippines	0	30	6	36
Pakistan	0	0	18	18
Bangladesh	0	0	2	2
--TOTAL	1	574	4,517	5,092

Malaysia: Exports of Tropical Hardwood Lumber, 2001  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	4	1	2	6
Thailand	214	95	234	544
Philippines	0	31	174	206
Netherlands	148	47	5	200
Singapore	117	5	65	186
Taiwan	9	34	130	173
China	53	8	89	151
Hong Kong	68	29	38	135
Japan	43	48	36	127
South Korea	8	44	64	116
Yemen Rep. of	9	3	70	83
Others	200	100	129	429
--TOTAL	874	446	1,037	2,357

Malaysia: Exports of Tropical Hardwood Lumber, 2002  
(1,000 cubic meters)

	Pen. Malaysia	Sabah	Sarawak	Malaysia
U.S.A.	3	3	2	7
Thailand	239	100	269	607
Taiwan	15	32	140	188
Netherlands	137	40	5	181
Philippines	2	24	148	174
Singapore	104	3	48	155
China	42	10	85	138
Hong Kong	86	26	24	136
Japan	38	45	31	115
South Korea	12	26	57	94
Yemen Rep. of	12	1	56	69
Other's	246	103	123	472
--TOTAL	935	413	987	2,336

Malaysia: Exports of Tropical Hardwood Veneer, 2001  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	0	2	0	2
South Korea	0	53	105	157
Philippines	0	7	110	117
China	0	29	80	109
Hong Kong	0	5	96	101
Taiwan	1	22	54	78
Japan	0	18	40	59
Canada	0	0	13	13
Greece	0	0	6	6
Kuwait	0	0	6	6
Singapore	0	2	0	2
Thailand	0	2	0	2
Australia	1	0	0	1
Syria	0	0	1	1
Others	0	3	0	3
--TOTAL	3	140	512	655

Malaysia: Exports of Tropical Hardwood Veneer, 2002  
(1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	0	1	0	1
South Korea	0	88	80	168
Hong Kong	0	2	155	158
Taiwan	0	22	74	97
Philippines	0	6	59	65
Japan	0	17	38	56
China	1	1	46	48
Thailand	0	1	2	3
Australia	1	1	0	2
Singapore	0	0	0	0
Syria	0	0	0	0
Other's	2	1	1	4
--TOTAL	5	140	457	601

Malaysia: Exports of Tropical Hardwood Plywood, 2001  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	6	199	194	399
Japan	25	382	1,359	1,766
South Korea	3	189	169	361
Hong Kong	3	49	117	170
Taiwan	3	92	45	141
Singapore	72	17	48	137
U.K.	28	11	52	90
China	0	24	64	88
Yemen Rep. of	0	0	69	69
U.A.E.	1	4	21	26
Thailand	0	16	9	25
Others	74	78	125	277
--TOTAL	216	1,061	2,271	3,548

Malaysia: Exports of Tropical Hardwood Plywood, 2002  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	7	225	202	435
Japan	11	350	1,355	1,717
South Korea	4	183	256	443
Taiwan	5	89	102	197
Singapore	56	15	47	118
Hong Kong	2	18	96	116
U.K.	47	5	52	103
China	0	13	53	66
Thailand	2	32	10	44
U.A.E.	1	0	26	28
Yemen Rep. of	0	0	16	16
Saudi Arabia	1	0	3	4
Other's	64	111	153	328
--TOTAL	200	1,043	2,371	3,614

**Tropical Hardwood Logs PS&D Tables**

PSD Table						
Country	Malaysia					
Commodity	Tropical Hardwood Logs				1000 CUBIC METERS	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2002		01/2003		01/2004
Production	19500	20654	19000	22000	0	21000
Imports	300	348	50	100	0	100
TOTAL SUPPLY	19800	21002	19050	22100	0	21100
Exports	4300	5092	3000	5500	0	4100
Domestic Consumption	15500	15910	16050	16600	0	17000
TOTAL DISTRIBUTION	19800	21002	19050	22100	0	21100

## Tropical Hardwood Logs Export Trade Table

Export Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Logs		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	2001		2002
U.S.		U.S.	
Others		Others	
Japan	1365	Japan	1590
China	1069	China	1103
India	982	India	995
Taiwan	660	Taiwan	650
Hong Kong	415	Vietnam	187
Indonesia	196	Hong Kong	186
South Korea	175	South Korea	158
Vietnam	84	Indonesia	127
Philippines	31	Thailand	38
Thailand	31	Philippines	36
Total for Others	5008		5070
Others not Listed	32		22
Grand Total	5040		5092

## Tropical Hardwood Logs Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Logs		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	2001		2002
U.S.		U.S.	
Others		Others	
Indonesia	666	Indonesia	249
Burma	16	Burma	37
Thailand	8	Philippines	30
P. New Guinea	4	Slovenia	10
		P. New Guinea	6
		Solomon Island	6
		Vietnam	5
		Singapore	3
		Gabon	2
Total for Others	694		348
Others not Listed			
Grand Total	694		348

**Tropical Hardwood Lumber PS&D Table**

PSD Table						
Country	Malaysia					
Commodity	Tropical Hardwood Lumber				1000 CUBIC METERS	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2002		01/2003		01/2004
Production	5000	4594	5200	4950	0	5070
Imports	1500	427	2000	500	0	600
TOTAL SUPPLY	6500	5021	7200	5450	0	5670
Exports	2500	2336	2400	2800	0	2900
Domestic Consumption	4000	2685	4800	2650	0	2770
TOTAL DISTRIBUTION	6500	5021	7200	5450	0	5670

**Tropical Hardwood Lumber Export Trade Table**

Export Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Lumber		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	2001		2002
U.S.	6	U.S.	7
Others		Others	
Thailand	544	Thailand	607
Philippines	206	Taiwan	188
Netherlands	200	Netherlands	181
Singapore	186	Philippines	174
Taiwan	173	Singapore	155
China	151	China	138
Hong Kong	135	Hong Kong	136
Japan	127	Japan	115
South Korea	116	South Korea	94
Yemen Rep. of	83	Yemen Rep. of	69
Total for Others	1921		1857
Others not Listed	429		472
Grand Total	2356		2336

**Tropical Hardwood Lumber Import Trade Table**

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Lumber		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	2001		2002
U.S.		U.S.	
Others		Others	
Indonesia	442	Indonesia	397
Thailand	10	Thailand	24
Philippines	5	Burma	4
Burma	2	Philippines	2
Total for Others	459		427
Others not Listed			
Grand Total	459		427

**Temperate Hardwood Lumber PS&D Table**

PSD Table						
Country	Malaysia					
Commodity	Temperate Hardwood Lumber				1000 CUBIC METERS	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2002		01/2003		01/2004
Production	0	0	0	0	0	0
Imports	44	50	48	60	0	70
TOTAL SUPPLY	44	50	48	60	0	70
Exports	0	0	0	0	0	0
Domestic Consumption	44	50	48	60	0	70
TOTAL DISTRIBUTION	44	50	48	60	0	70

**Temperate Hardwood Lumber Import Trade Table**

Import Trade Matrix			
Country	Malaysia		
Commodity	Temperate Hardwood Lumber		
Time period	Jan-Dec	Units:	CUM
Imports for:	2001		2002
U.S.	18078	U.S.	28636
Others		Others	
Austria	8791	Germany	8832
Canada	3854	Denmark	3914
Germany	3816	Canada	3743
Denmark	3478	Austria	2613
China	1203	Australia	999
Sweden	613	Belgium	589
Australia	345	China	506
		Sweden	149
Total for Others	22100		21345
Others not Listed			
Grand Total	40178		49981

**Hardwood Veneer PS&D Table**

PSD Table						
Country	Malaysia					
Commodity	Hardwood Veneer				1000 CUBIC METERS	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2002		01/2003		01/2004
Production	750	715	700	730	0	760
Imports	0	0	0	0	0	0
TOTAL SUPPLY	750	715	700	730	0	760
Exports	550	602	450	580	0	600
Domestic Consumption	200	113	250	150	0	160
TOTAL DISTRIBUTION	750	715	700	730	0	760

**Hardwood Veneer Export Trade Table**

Export Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Veneer		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	2001		2002
U.S.	2	U.S.	1
Others		Others	
South Korea	157	South Korea	168
Philippines	117	Hong Kong	158
China	109	Taiwan	97
Hong Kong	101	Philippines	65
Taiwan	78	Japan	56
Japan	59	China	48
Canada	13	Thailand	3
Greece	6	Australia	2
Kuwait	6		
Singapore	2		
Total for Others	648		597
Others not Listed	5		4
Grand Total	655		602

**Hardwood Plywood PS&D Table**

PSD Table						
Country	Malaysia					
Commodity	Hardwood Plywood				1000 CUBIC METERS	
	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2002		01/2003		01/2004
Production	4600	4304	4750	4450	0	4500
Imports	10	2	10	3	0	3
TOTAL SUPPLY	4610	4306	4760	4453	0	4503
Exports	3700	3614	3750	3650	0	3500
Domestic Consumption	910	692	1010	803	0	1003
TOTAL DISTRIBUTION	4610	4306	4760	4453	0	4503

**Hardwood Plywood Export Trade Table**

Export Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	2001		2002
U.S.	399	U.S.	435
Others		Others	
Japan	1766	Japan	1717
South Korea	361	South Korea	443
Hong Kong	170	Taiwan	197
Taiwan	141	Singapore	118
Singapore	137	Hong Kong	116
United Kingdom	90	United Kingdom	103
China	88	China	66
Yemen Rep. of	69	Thailand	44
U.A. Emirates	26	U.A. Emirates	28
Thailand	25	Yemen Rep. of	16
Total for Others	2873		2848
Others not Listed	276		331
Grand Total	3548		3614

**Hardwood Plywood Import Trade Table**

Import Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	2001		2002
U.S.		U.S.	
Others		Others	
Indonesia	3	Indonesia	2
Total for Others	3		2
Others not Listed			
Grand Total	3		2

STRATEGIC INDICATOR TABLE: FOREST AREA (million hectares/million cum)			
Country:Malaysia			
Report Year:	2002	2003	2004
Total Land Area	32.9	32.9	32.9
Total Forest Area	17.9	17.7	17.5
--of which, Commercial	13.5	13.4	13.3
----of commercial, tropical hardwood	13.5	13.4	13.3
----of commercial, temperate hardwood	na	na	na
----of commercial, softwood	na	na	na
--of forest area, non-commercial	4.4	4.3	4.2
Forest Type			
--Of which, virgin	3.3	3.2	3.1
--Of which, plantation	0.2	0.3	0.4
--Of which, other commercial (regrowth)	14.4	14.2	14.0
Forest Ownership			
--Nationally owned and no commercial access	4.8	4.7	4.6
--Nationally owned, commercial logging permitted	13.1	13.0	12.9
--Other publicly owned land, no commercial access	4.8	4.7	4.6
--Other publicly owned, logging permitted	13.5	13.0	12.9
--privately owned commercial forest	0.0	0.0	0.0
Total Volume of Standing Timber	na	na	na
--Of which, Commercial Timber	na	na	na
Annual Timber Removal 1/	For 2002, 4.36 million cum (ForPeninsular Malayisa only)		
Annual Timber Growth Rate	2.0-2.5cum/ha/yr (For Pen.Msia only)		
Annual Allowable Cut	42,870 ha (For Pen Msia only)		
1/ If Removals exceeds growth rate, analyze impact in text.			

STRATEGIC INDICATOR TABLE: CONSTRUCTION MARKET			
Country:Malaysia			
Report Year:	2002	2003	2004
Total Housing Starts (number of units)	na	na	na
--Of which, wood frame	na	na	na
--Of which, steel, masonry, other materials	na	na	na
--Of total starts, residential	na	na	na
----Of residential, single family	na	na	na
----Of residential, multi-family	na	na	na
--Of total starts, commercial	na	na	na
Total Value of Commercial Construction Market (\$US million)	na	na	na
Total Value of Repair and Remodeling Market (\$US million)	na	na	na
Are tariffs on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal		
Are tariffs on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal		
Are non-tariff barriers on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal		
Are non-tariff barriers on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal		
Are there market development programs for construction, softwood or plywood imports funded by foreign governments?	None		
If yes, identify the following:			
--Country(ies)			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 2/			
--Estimated annual market expansion outlay (\$US million) by country			
Is the acceptability of U.S. style timber frame construction (i.e., per building codes, mortgage availability, etc.) high, medium or low? 3/	Medium		
Are consumer preferences for solid wood materials vis-a-vis non-wood materials in construction high, medium or low? 3/	Medium		
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 3/	High		
If price quotes for construction and structural wood products are available, identify the leading source(s)	Malaysian Institute of Architects and Malaysian Institute of Interior Designers		

1/ If other than equal, explain in report text.			
2/ If "other", then explain in report text.			
3/ If low or medium, explain in report text.			

STRATEGIC INDICATORS TABLE: FURNITURE & INTERIORS MARKET			
Country:Malaysia			
Report Year:	2002	2003	2004
Total Housing Starts (number of units)	na	na	na
Total Number of Households)	na	na	na
Furniture Production (\$US million)	na	na	na
Interiors Market Size (\$US million)	na	na	na
Total Furniture Imports (\$US million)	115.0	120.0	130.0
Total Furniture Exports (\$US million)	1116	1400	1800
Are tariffs on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal		
Are non-tariff barriers on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal		
Are there market development programs for furniture or interiors market expansion funded by foreign governments?	No		
If yes, identify the following:			
--Country(ies) 2/			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 3/			
--Estimated annual market expansion outlay (\$US million) by country			
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 4/	High		
If price quotes for furniture and interiors products are available, identify the leading source(s)	Malaysian Furniture Industry Council		
1/ If other than equal, explain in text.			
2/ If more than one country, report each country individually.			
3/ If "other", explain form of subsidy in text.			
4/ If low or medium, explain in text.			
STRATEGIC INDICATOR TABLE: MATERIAL HANDLING MARKET			
Country:Malaysia			
Report Year:	2002	2003	2004
Total Value of Industrial Output (\$US million)	17.4	18.3	19.5
New Pallet Production (million units)	na	na	na

Are consumer preferences for solid wood pallets and packaging materials vis-a-vis non-wood materials high, medium or low? 1/	High		
Are industry/trade preferences for repaired/recycled pallets over new pallets low, medium or high? 1/	Low		
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 1/	na	na	na
Identify leading source(s) of price quotes:	Malaysian Packaging Association		
Are there market development programs for the materials handling market expansion funded by foreign governments?	None		
If yes, identify the following:			
--Which Countries?			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 2/			
--Estimated annual market expansion outlay (\$US million) by country			
1/ If low or medium, explain in text of report.			
2/ If "other", explain in text of report.			

STRATEGIC INDICATOR TABLE: WOOD PRODUCTS SUBSIDIES			
Country:Malaysia			
Report Year:	2002	2003	2004
Total Solid Wood Export Subsidy Outlay (\$US million)	None	None	None
Is there a ban on the export of logs, lumber, or veneer? If yes, which?	Yes- Logs from Pen. M'sia and quota for East M'sia		
Are there export taxes (yes/no)? 1/	Yes		
If yes, for which products? (Identify export tax level in tariff table)	see text		
Source(s) of Export Subsidy Information	Not relevant		
Total Wood Production Subsidy Outlay (\$US million)	Not relevant		
Are there any programs favoring the development of commercial forestry?	Yes		
If yes, Post best estimate of scope (thousands of hectares)	See text		
If yes, Post's best estimate of financial outlay (\$US million)	na		
Source(s) of Production Subsidy Information	Not relevant		
Does the country support export expansion activities similar to the Cooperator Program?	Yes		
--Which country markets are targeted?	China, Japan & Middle East		
--Which products are targeted?	Mainly lumber, furniture and moldings		
Are there significant wood products export expansion activities at the provincial or regional level?	None		
--If yes, identify key players			
--If yes, identify key market segments			
--If yes, identify key country markets			
--If yes, identify key products			
--Post's estimate for combined outlay (\$US million)			
Source(s) of Provincial/Regional Support Information			
Are there other wood products export expansion activities? If yes, describe in report.	Yes		

STRATEGIC INDICATOR TABLE: FOREST PRODUCT TARIFFS AND TAXES (percent)						
		Tariff	Tariff	Other		
Country:	Product	Current	Following	Import	Total Cost	Export
Report Year:	Description 1/	Year	Year	Taxes/Fees	of Import	Tax
	4401 Fuel Wood	20%	20%			0
	4403 Wood in rough	0	0			0 to 15%
	4404 Poles/piles	10 to 20%	10 to 20%			0
	4405 Wood wood/flour	5 to 20%	5 to 20%			0
	4406 Rail Sleepers	5%	5%			0
	4407 Lumber, sawn lengthwise	0	0			0
	4408 Veneer/plywood	0 to 20%	0 to 20%			0
	4409 Lumber, molded and rounded	20%	20%			0
	4410 Particle Board	20%	20%			0
	4411 Fibreboard of wood	20%	20%			0
	4412 Veneered Panel	25 to 40%	25 to 40%			0
	4413 Densified wood	20%	20%			0
	4414 Wooden frames	20%	20%			0
	4415 Packing cases/pallets	20%	20%			0
	4416 Cask/Barrel/Vat/Tub	20%	20%			0
	4417 Tool/handles	20%	20%			0
	4418 Builders' joinery	20%	20%			0
	4419 Wooden tableware	20%	20%			0
	4420 Jewellery cases	5 to 20%	0 to 20%			0
	4421 Other wooden articles	0 to 20%	0 to 20%			0
	4422 na					
	4423 na					
	4424 na					
	4425 na					
Pre-fabricated Houses, a subsection under chapter 96						
	9406 Prefab building- wood	25%	5 to 30%	25%		0
1/ Insert additional lines for Commodity tariff identification should tariffs vary within the four-digit designation.						