

# PAVING THE WAY FOR TIMBER

## MTC seeks to drive industry growth aligned with sustainability

ALTHOUGH the impact of the Covid-19 pandemic has been felt across all industries, the Malaysian Timber Council (MTC) has stepped up its game to support the timber industry.

"The Covid-19 pandemic has called for a transformation in the council's business plans, in light of the changing global supply chain and business environment.

"The industry itself needs a catalyst for change to transform itself into a more resilient and sustainable industry," said MTC chairman Mazli Zakuan Mohd Noor.

The importance of the timber industry to the nation's gross domestic product (GDP) cannot be denied. As of 2019, it contributed 1.6% to the GDP with total exports of RM22.5bil for timber and timber-related products.

Malaysia is one of the world's biggest exporters of timber, as it is the fourth largest exporter of plywood, the sixth largest for both wooden furniture and frames, eighth largest for mouldings and 10th largest for sawn timber. It is also among the top 20 exporters for fibreboard, builders' joinery and carpentry and veneer globally.

The timber industry has grown well over the years, employing approximately 116,000 workers, with the latest figures showing that there are over 1,900 mills that produce various timber products.

This is why it is paramount to ensure that the industry maintains and grows its exports, while at the same time, becomes more resilient and sustainable, he stressed.



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To help timber players address pressing obstacles in the time of the pandemic, MTC obtains, analyses and channels feedback from the industry to the relevant ministries and agencies for further action.

It went a step further by not only conducting two surveys in April and June 2020 to understand the impact of the pandemic and its resultant movement control order on the timber industry, but also used the findings to formulate the way forward.

"MTC used these findings to revise its programmes and activities for the remainder of 2020 to better suit the dire need of the timber industry and for the post-pandemic economy," he said, adding that this includes financial assistance such as waivers on rental and grants to ease

the burden on industry players.

Aside from that, MTC also publishes updates on the impact of the pandemic on the economy and timber industry to keep the industry informed on the latest developments affecting the global timber trade and supply chain, as and when required.

As far as planning is concerned, Mazli Zakuan revealed that the MTC Roadmap 2019 to 2023 would take the timber industry to the next level to capture better global market share, with the help of MTC chief executive officer Muhtar Suhaili and the team.

MTC, a forum for players in the timber industry, was founded by five associations in 1992. In 1998, it was mandated by the Ministry of



Mazli Zakuan: MTC's role has evolved over the years.

Plantation Industries and Commodities to help with promotional and marketing efforts, as well as enhance the introduction and trading of timber products globally.

With the evolution and progress of the industry in the market, it has explored many key markets, with five overseas offices as gateways to access the world's main continents.

These offices are located in Rotterdam, the Netherlands; Bangalore, India; Dubai, United Arab Emirates; Guangzhou, China; as well as Houston, United States.

Today, with its aim to position Malaysia as a leading global timber hub, MTC has expanded its role and functions drastically as it takes on a mediating role between the industry and the government to tackle

vital issues impacting players in the timber industry.

MTC's goal is to fundamentally transform the country's timber industry by addressing the aspects of sustainable raw material availability, manpower supply and the fourth industrial revolution among others.

The goals, Mazli Zakuan said, will be achieved through various initiatives.

These include strengthening MTC's support facility to augment raw material supply for value-added manufacturing activities in the industry, expanding productivity improvement efforts for both upstream and downstream, accelerating the shift to higher value-added or more innovative products; differentiating the country's timber products through branding initiatives; improving Malaysian product design capacity and capabilities, as well as improving the image of the timber industry to attract new talents.

As for promotional and marketing activities, MTC will continue to promote Malaysian-made timber products globally as the preferred choice, especially in Asean countries, China and India, in addition to its traditional markets such as the US, Japan and Europe.

"MTC will also continue to assist the timber industry, including bumiputera companies, to penetrate new and emerging markets, while maintaining our presence in traditional markets through participation in international trade shows as well as organising trade missions," he said.