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Sarawak Planted **Forests**

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03 New Hope For Stability And Continuity For Business Sectors Including The Timber Industry

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editorial

New hope for stability and continuity for business sectors including the timber industry

Sarawak's 10th general election is over. Barisan Nasional ruling coalition victory in retaining the two-thirds majority brings new hope for stability and continuity for business sectors including the timber industry at least for the next five years.

With the victory, the government has the mandate to proceed with its economic development programmes through various initiatives such as the Economic Transformation Programme and Sarawak Corridor of Renewable Energy (SCORE).

One of the constituencies captured by the coalition was Belawai (N35). Its success

in defending this seat is crucial as it is the focal point of SCORE, a 20-year development master plan for the central region of Sarawak. It is also where Tanjung Manis New Township and Tanjung Manis Halal Hub are located.

Presently, the Belawai Assemblyman is the Honorable Datu Haji Len Talif Salleh who held key positions in the civil service previously including the Director of Forests, Deputy Permanent Secretary of the Ministry of Planning and Resource Management and General Manager of STIDC. With over 30 years working experience, he definitely will help in realising the government's aspiration to transform Tanjung Manis into a vibrant port city and the world's largest halal hub by 2030. This will certainly benefit the locals particularly in terms of business and employment opportunities.

STIDC continues to stand by the government of the day to ensure successful outcome particularly on the development of Tanjung Manis New Township and Tanjung Manis Halal Hub. It is also hoped that the timber industry would continue to support the government policies for mutual benefit.

PLANTED FOREST PROJECTS

Sarawak Planted Forest Sendirian Berhad (SPF) is among the local timber companies in Sarawak participating in planted forest project



- *Seven years old and above Acacia trees at SPF plantation in Bintulu*

Concerted efforts were made by the State Government of Sarawak to ensure sustainable supply of forest resources for the benefit of the local wood-based industries and the people as a whole. This is evident with the existence of planted forest projects in the state which were being implemented through joint venture initiatives with the private sector. The designation of Bintulu Division as the Planted Forest Zone (PFZ) manifests the government's commitment in realising its objective to establish one million hectares of planted forests by 2020. This is in support

of the proposed state's first pulp and paper mill in Bintulu by supplying high quality pulpwood from the planted forests. The projects which provide an alternate source of raw materials emphasise on fast growing tree species such as *Acacia mangium*.

Sarawak Planted Forest Sendirian Berhad (SPF) is among the local timber companies in Sarawak participating in planted forest project. It was tasked by the State Government to manage the project in the PFZ. Hence, SPF uses the facilities of the Forest Department's nursery at Samarakan, Bintulu for the production of *Acacia* seedlings. The nursery uses superior quality *Acacia mangium* seeds to ensure that only the healthy, high growth-potential seedlings are planted. Being one of the most modern nurseries in Malaysia, Samarakan nursery is equipped with state-of-the-art technology and is capable of producing 36 million seedlings annually. Additionally, smaller nurseries, each at Nanga Kakus and Nanga Tubau also supplement seedling supplies as well as to hold the seedlings from Samarakan.

With steady supply of seedlings, SPF is able to fulfill the task of planting *Acacia mangium* smoothly. As at 30th June 2011, 124,618 hectares were planted. This represents 83% of the planting target of 150,000 hectares.

In undertaking its task, SPF is committed to sustainable forest management principle. This is achieved through research and development programmes which focus on continuous genetic improvement of *Acacia mangium* by establishing a breeding programme that involves progeny trials, clonal seed orchard establishment and genetic gain trials. The improved genetic materials are expected to yield a Mean Annual Increment (MAI) of 30 m³/ha/year. The research and development programmes had resulted in the world-class productive, cost-effective and sustainable forest plantation.

- *Bee keeping*





- *Workers at the Samarakan nursery*



- *SPF R&D measurement team on field duty*

In ensuring the success of planted forest project, the State Government through SPF had initiated a Community Development Programme (CDP) in order to build rapport with the peoples in the PFZ and to gain their support for the project. CDP which aims to improve their living standard includes agricultural projects (bee keeping, vegetable and fruit growing, livestock rearing as well as other food crop producing), improvement of village facilities and amenities, socio-economic survey providing education on concept of forest planting operations, assisting in land disputes and claims as well as other liaison works.



- *A view of SPF R&D laboratory*

The planted forest project and its downstream activities particularly pulp and paper mill are poised to benefit the rural communities significantly especially those in the PFZ. Businesses will surely boom and employment opportunities will definitely arise. Local peoples could be employed in the forest plantation and also in the pulp and paper mill. The planted forest project is also likely to lead to other development projects and services like roads, infrastructures, facilities, transport service and many others. These help to keep the rural folks in their settlements and mitigate rural-urban migration.

SUMMARY

- Concerted efforts were made by the State Government of Sarawak to ensure sustainable supply of forest resources.
- As at 30th June 2011, 124,618 hectares were planted with *Acacia mangium*.
- The planted forest project and its downstream activities particularly pulp and paper mill are poised to benefit the rural communities significantly especially those in the PFZ.

PLANTED FORESTS SHOWING POSITIVE RESULT

Planters begin to harvest Acacia to produce sawn-timber

Sarawak is embarking on planted forest establishment through smart partnership with the private sector. This is in realisation of the State Government's aspiration to plant one million hectares of planted forests by 2020 with emphasis on fast growing tree species including Acacia mangium. This is to ensure sustainable supply of raw materials for local processing as well as to mitigate over dependency on raw materials from natural forests.

Planted forest projects are showing positive result as the planters begin to harvest the Acacia to produce sawn-timber. In Bintulu Division, Sarawak, Kilang Papan Bintulu Sendirian Berhad is processing Acacia sawn-timber since January this year. The company obtains its raw materials from the nearby industry players who participate in planted forest establishments.

The company's managing director, Mr. Loi Chee Kiong said his company is processing



• Acacia sawn-timber



• Engineered Acacia door

Acacia sawn-timber in support of the government's efforts to mitigate pressure from natural forests. The company's three production lines are run by thirty staff who are both locals and foreigners.

According to him, Acacia woods with the average diameter of 20-30cm are processed to produce sawn-timber. With the monthly production of 300 tons, the sawn-timber is sold to other players in Miri Division and the Peninsular Malaysia. The sawn-timber is kiln-dried to ensure high quality end products. Among the uses of Acacia sawn-timber is for manufacturing door-frames, louvers and engineered doors. The finished products are either used locally or exported to Europe. Wood residues are sold to the nearby wood-chip companies to produce charcoal briquette and therefore nothing goes to waste.



- *A close view of Acacia sawn-timber*

“The prospect of Acacia wood is better compared with other timber species due to continuous supply of raw materials. This is because the State Government is promoting intensive planted forest establishments with emphasis on Acacia. Some people said that Acacia is not viable, however I find that it is the otherwise because of the sustainable supply of raw materials and strong demand. With adequate knowledge and skills on this timber species, the future is promising”, Mr. Loi said.

He opined that research and development on Acacia wood is imperative in order to support the down-stream industry as well as to add value and diversity the finished products. This will help to expand the industry besides accelerating the economy and its spin-off benefits.

A counterpart in Miri Division said, presently, his company is using Acacia sawn-timber on experimental basis and is looking into the possibility of acquiring high recovery rate of the products. Aiming to be the leader

in terms of Acacia products, it aspires to focus on product diversification in order to penetrate the global market and secure a bigger share.

Although Acacia is a new alternative, eventually the wood-based industries will rely on this timber species because of its sustainability. In view of this, there is a need to know more about Acacia.



SUMMARY

- Sarawak is embarking on planted forest establishments to plant one million hectares of planted forests by 2020.
- The prospect of Acacia wood is better compared with other timber species due to continuous supply of raw materials.
- Research and development on Acacia wood is imperative in order to support the down-stream industry as well as to add value and diversity the finished products.

- *Louvers made from Acacia wood*

GLOBAL WOODMART

Providing a premier one-stop selling, buying and networking platform for local and international timber suppliers and buyers for temperate boreal and tropical timber

Following a successful debut in 2010 in Kuala Lumpur, the MTC Global WoodMart (MGW) 2012 will once again take centre-stage at the Kuala Lumpur Convention Centre from 4th – 6th October 2012 providing a premier one-stop selling, buying and networking platform for local and international timber suppliers and buyers for temperate boreal and tropical timber.

MGW 2012 was launched on 4th April 2011 by Tan Sri Bernard Dompok, Minister of Plantation Industries and Commodities (MPIC) in a ceremony attended by representatives from the industry and government agencies. The Minister was represented by the Secretary General of MPIC, Datin Paduka Nurmala Abdul Rahim.

Representatives from 13 companies and

government agencies including STIDC which had confirmed participation in MGW 2012 signed Letters of Undertaking during the launch witnessed by Datin Paduka Nurmala, MTC Chairman, Datuk Aaron Ago and MTC Chief Executive Officer, Mr. Cheah Kam Huan.

A new feature of MGW 2012 is the 'Wood in Art' section, specially introduced for craftsmen to express their creativity in timber in various finished forms. There will also be a 'Best Presentation Award' for the most creative exhibitor's booth.

Apart from facilitating business among local and overseas suppliers, agents, distributors, importers, manufacturers, wholesalers and others in the supply chain, the MGW 2012

