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# M'sia wants to be Asia's gaharu trading centre

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**KUCHING:** Malaysia is aiming to become the centre for 'gaharu' trading in Asia with Sarawak to contribute substantially.

Forest Research Institute Malaysia (FRIM) deputy director-general Dato Dr Abdul Rashid Abdul Malik said Sarawak had the potential to become the nation's biggest contributor of gaharu essential oil and resins because of the state's vastness.

"We are working closely with the Malaysian Gaharu Association to make Malaysia the centre for gaharu trade in Asia," he said when opening a seminar on the establishment and management of 'Aquilaria Plantation for Gaharu Production' at a hotel here yesterday.

He said at the moment, trading activities take place in Singapore which gets gaharu from Malaysia, so Malaysia has to play a major role to convert itself into a gaharu trading centre other than being a producer.

He said Malaysia has about 1,000 hectares of gaharu plantation with 30 hectares reaching maturity after seven years.

As such, he expects Malaysia to be able to become a trading centre in seven years' time if more people begin planting gaharu now.

He said the people,



Dato Dr Abdul Rashid Abdul Malik

especially villagers who have land, should venture into planting the 'aquilaria' tree (commonly known as agarwood or 'kayu karas') which produces the gaharu resins as it brings good returns.

"The potential to produce gaharu in Sarawak is good because you have the land.

"This is also a good way for villagers to improve their livelihood as gaharu is in demand and fetches a good price," he said.

He said the world demands 4.5 million kilogrammes of gaharu per year and that is only the official figure.

Unofficially, the world demands around six million kilogrammes per year, he said.

However, the producing countries could only meet 35 per cent of the demand and Malaysia comes in third place with only six per cent, he said.

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Dato Dr Abdul Rashid Abdul Malik, Forest Research Institute Malaysia (FRIM) deputy director-general

India is the main producer, contributing only 12 per cent with Indonesia in second place, contributing seven per cent.

Thailand, Laos and Cambodia come after Malaysia.

Rashid elaborated that 80 countries use gaharu with the Middle East the biggest importer, getting 25 per cent of gaharu resins and its essential oil - known as the 'Oud' oil - in a year.

According to him, there are 25 species of agarwood worldwide, out of which only 12 were able to produce gaharu.

Malaysia only has five species that produce gaharu with the most popular being 'aquilaria malaccensis'.

He said gaharu, depending on its grade, can fetch from RM4,000 to RM20,000 per kilogramme.

Based on studies, he said, one tree can produce about 1.5 kilogrammes of gaharu on average but then again, this all depends on the size and age of the tree and the inoculation given.

"We normally nurture the tree for four years then inoculate it and after three years, you can chop it for gaharu.

"If we do not inoculate this

agarwood tree, it would not necessarily produce gaharu," he explained.

He said an acre of land could accommodate 800 trees and on average it could take RM15,000 to RM20,000 to nurture an acre of plantation, adding that most of cost goes to getting the seedlings which could cost from RM8 to RM10 each.

He said research and development on gaharu showed that it has medicinal properties and although it has yet to be identified specifically, this adds to its demand.

He hoped the people would seize the opportunity before big commercial entities monopolise the market.

The one-day seminar held by FRIM saw six papers being deliberated including 'Silviculture and Management of Aquilaria Malaccensis for agarwood production', 'Production of high quality aquilaria planting materials' and status of gaharu producing 'Species in Sarawak: An overview'.

FRIM head of plantation programme Dr Ahmad Zuhaidi Yahya and Batu Danau assemblyman Paulus Gumbang were also at the function.