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Oil palm tree as raw material in plywood making

KOTA KINABALU: Logs obtained from the oil palm tree (OPT) during clearing and re-planting can be turned into a lucrative additional income for planters, thanks to its newly found potential as the raw material in plywood making.

As supply of conventional raw materials for plywood continues to be an issue, OPT is fast becoming the more suited alternative for the industry, according to the Malaysian Panel Manufacturers Association (MPMA).

Its president, Datuk Sheikh Othman Sheikh Abdul Rahman, said about 100,000 acres of oil palm plantation is cleared for replanting annually in West Malaysia alone, citing a research conducted by MPMA in 2009.

And with OPT currently priced at RM160 per tonne, the residual material from all that replanting activities represents a huge cash for the oil palm plantations.

"It is considerably a very good price, especially for something we use to treat mostly as waste," he said when delivering his paper "Commercialization of Oil

Palm Trunk Plywood - Success Story" during a conference here yesterday.

For the palm plywood itself, Othman said RM2 billion in revenue could be derived from sales in domestic and foreign markets annually.

He noted that the oil palm replanting activities in Peninsular make available about 2.54 million cubic metres of OPT suitable for plywood production every year.

And assuming that only half of the quantity is utilized by the plywood industry, it would be enough to produce about 508,000 cubic metres of palm plywood each year.

"The MPMA in partnership with MITB, MPOB, FRIM and UPM has implemented a Palm Plywood Project in 2006 to 2008 to promote the usage of OPT in the industry. Further industrial trials and R&D initiatives are ongoing.

"The good news is OPT has been utilized and produced into palm plywood and sold in the domestic market. It is workable and viable," he said.

Othman in his paper explained that apart from the tight supply of logs as raw

material, the plywood industry, which plays a key role in national development, is faced with another critical issue of the ever increasing green requirements.

Using OPT as an alternative source is a more renewable, sustainable and green approach as it means using less forest logs.

And with supply of natural hardwood logs in Malaysia depleting and its prices increasing, industry players are convinced that OPT is the future of the plywood industry in Malaysia.

"Logs from production forest remain as the mainstay for the timber and the plywood industries, but supply has become an issue, and while the plywood industry was quite ready to input rubber tree logs, the latter has been taken over by the sold wood and the furniture sector.

"For plantation forest logs, there were never any significant quantities available. Over the last decade, many plywood mills supplying to the local market have utilised coconut tree logs to produce plywood.

"But logs obtained from the

OPT during clearing and replanting appear to be the way forward for the plywood industry," he said.

In West Malaysia, there were five raw materials used for the plywood industry, namely production forest logs, rubber tree logs, plantation forest logs, coconut tree logs and OPT logs.

He said there are three areas of challenge that needed to be noted, for one, the material of OPT itself is not easy to process and it has lesser strength properties compared with hardwood.

The second area is machinery and technology available as plywood factories in Malaysia have been designed and built to process hardwood logs and not OPT.

Finally, the marketing aspect as palm plywood is relatively new in the market which means product quality must be improved and a new approach to market it must be conceptualised in order to gain acceptance.

He said with concerted effort on the part of the plywood industry, working in conjunction with government will enable the potential of palm plywood to be realised over a 10-year time frame.