

Headline **Future plywood will be obtained from oil palm trunks**
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Future plywood will be obtained from oil palm trunks

KOTA KINABALU: The future of the plywood industry in Peninsular Malaysia, and in time, the country, depends on the oil palm trees.

Malaysian Panel Manufacturers Association (MPMA) president, Datuk Sheikh Othman Sheikh Abdul Rahman, said the plywood industry and Malaysian Timber Industry Board, Malaysian Palm Oil Board and Forest Research Institute Malaysia shared the same view.

"They and the timber industry in general are convinced this is the way forward.

"Oil palm plywood, rather than another commodity product, can claim a niche in the First World export markets as a green and environmentally-friendly product soon," he said in a paper on 'Commercialisation of Oil

Palm Trunk Plywood – A Success Story' at the conference on New Business Opportunities In Oleochemicals, Biomass and Nutraceuticals Sectors here.

Sheikh Othman said the plywood industry in Malaysia faced three critical issues – tight raw material supply, severe competition in the international markets and 'green' requirements.

"These structural and market changes necessitated a long-term solution at the industry level to ensure the survival and the development of the country's plywood industry on a sustainable basis," he said.

In Peninsular Malaysia, five types of raw materials were used to make plywood – production forest logs, rubber tree logs, plantation forest logs, coconut tree logs and OPT logs, he

said.

"Logs from production forest remain the mainstay for the timber and the plywood industry, but supply has become an issue.

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

"But logs obtained from oil palm trees during clearing and replanting, appear to be the way forward for the plywood industry," he said.

Sheikh Othman said according to the association's research paper in 2009, an estimated annual revenue of RM2 billion could be obtained from the sales of palm oil plywood to the domestic and overseas markets.

"It is believed that concerted effort between the plywood industry and the government will enable this potential to be realised over a 10-year period," he said.

However, he said, oil palm trunks were not easy to process and were not strong compared to hardwood.

"In terms of machinery, plywood factories in Malaysia have been designed and built to process hardwood logs, not oil palm trunks. Thus modifying processing techniques and equipment are sometimes necessary to discharge operations effectively," he said.

He said in terms of marketing, oil palm plywood was relatively new.

"To gain acceptance, product quality must be improved and a new approach to marketing must be conceptualised," he said.



Old oil palms being replanted