Furniture market booming

Uggah: Focus on value-added products with ethnic identity to attract international buyers

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KUCHING: Sarawak, being a major producer of tropical timber and timber products in the world, has the potential to become the country’s leading contributor in furniture export.

This could be achieved through value-added products with local traditional ethnic identity for international niche markets, said Natural Resources and Environment Minister Datuk Seri Douglas Uggah Embas.

He, therefore, urged furniture manufacturers and related industry players in the state to fully embrace and explore various available technologies, expertise, incentives and new materials to enhance the design and quality of their products for export markets.

He said the industry must also take into account of trade barriers and requirements for green products resulting from concerns over environmental issues, particularly the conservation and sustainability of biodiversity and forest resources.

“Furniture manufacturers should look into producing green products in line with increasing global pressure for sustainable timber products.

“Among others, you should give more attention on aspects such as zero or low formaldehyde emission and life cycle analysis to ensure the environment would always be protected,” he said when officiating at the opening of a seminar, “Sarawak Furniture Industry Development” here yesterday.

The Forest Research Institute Malaysia (FRIM), Sarawak Timber Industry Development Corporation (STIDC) and Universiti Malaysia Sarawak (Unimas) jointly held the two-day seminar aimed at providing a platform for networking and sharing of information among industry players, researchers, designers, furniture manufacturers and non-governmental organisations (NGOs) in the state.

It also aimed at promoting
sustainable development in furniture industry based on research and development and commercialisation.

Uggah said the furniture industry was a growing and dynamic economic segment with total global trade reaching more than US$100bil in 2010 from US$42bil in 1997, according figures from the Centre for Industrial Studies in Milano, Italy. Statistics from International Trade and Industry Ministry showed that 1,800 furniture companies provided employment to about 34,000 people, he said.

"More than 90% of the furniture produced would be exported to America, Japan and Singapore," he said, adding that total value for furniture export for 2010 was RM7.96bil versus RM5.09bil in 2001.

Within the same period, total value for furniture import had increased from RM0.38bil to RM1.31bil, he said.

Uggah said although the market for furniture was bright, Sarawak had to face stiff competition from new economic powerhouses such as China, Indonesia and Vietnam.

"The state still lacks information and experts in latest furniture technology and design; and furniture produced are still mainly for the medium and low-end markets," he pointed out.

The minister said the Federal Government had come up with the National Timber Industrialisation Policy to help improve wood-based industries, including furniture-making.

Among others, the policy aimed to reduce export of premium timber, sawn timber and plywood to 40%, and increase the downstream products to 60% by the year 2020.

"The policy has entrusted FRIM to focus on innovation and technology development as means to produce value-added products," he said.

Under the 10th Malaysia Plan, he said FRIM would focus on three strategic planning covering the usage and development of new, green and cost-effective processing technology for small timber; and optimising the usage of fibre from forest and agriculture resources towards producing new value-added products with high commercial value.

The strategic plan would also make FRIM’s lab as the authoritative for standard and certification body in line with international standards for wood-based products, said Uggah.