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Solid Wood Products

Annual

2001

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Report Highlights:
2000 was a banner year for US timber. Exports of US hardwood logs and lumber to Malaysia reached historical records. Malaysian imports of US temperate hardwood lumber rose 60 percent in 2000 with US exports accounting for half Malaysia's temperate hardwood market. 2000 also brought more cheers to the Malaysian timber industry with production of all the four major timber products recording positive growth. Export earnings from the timber sector rose 3.5 percent to US$4.7 billion in 2000. The impressive performance of the Malaysian furniture and interior sectors benefitted US temperate wood products.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

2000 was a banner year for US timber products. Exports of U.S. hardwood logs and lumber to Malaysia reached historical records. 2000 also brought more cheers to the Malaysian timber industry as much confidence and optimism returned to the market. Production of all the four major timber products (namely logs, lumber, plywood and veneer) recorded positive growth. The impressive performance of the Malaysian furniture/interiors sector benefitted US temperate wood products. Malaysian imports of temperate hardwood lumber from the U.S. rose 60 percent in 2000 with U.S. exports accounting for half Malaysia's temperate hardwood market. Imports of softwood lumber rose by only 2.4 percent in 2000 after a blistering growth in 1999. Imports from the US were flat in both quantity and market share. With the Asian economies recovering albeit having a 'hiccup' at the moment, Malaysian timber product exports are expected to remain buoyant over the next two years. Timber demand from China, South Korea, West Asia, India and Europe is expected to remain high. The only limiting factor is the cut-back in domestic logging activities in line with the International Tropical Timber Organization (ITTO)'s Year 2000 objective. The Malaysian furniture/interiors sector remains a shining star with export earnings topping US1.2 billion in 2000; the outlook is bright with a projected 10-15 percent annual growth in export earnings until year 2005. Interest in utilizing temperate hard/soft wood in this sector is very encouraging. Considering the growing competition, American wood product suppliers must be price competitive and move aggressively into the Malaysian market in order to increase market share.

Export earnings from the timber sector rose 3.5 percent to US$4.7 billion in 2000. The timber product sector remained as the second commodity export earner after petroleum products (see table below). With the rapid development of down stream activities, earnings from wood panel and furniture exports have far surpassed those from logs and lumber.

Malaysia's Export Earnings by Major Commodities
(RM billion)

	1998	1999	2000
Total Exports of which,	286.6	321.2	373.3
Petroleum Products	10.1	13.3	21.4
Timber Products 1/	14.2	17.1	17.7
Palm Oil/Palm Based Products	22.7	19.5	12.5
Rubber	2.8	2.3	2.6
Cocoa (Bean/Butter)	0.6	0.5	0.3

1/ includes wooden/rattan furniture

Malaysia: Export of Major Timber Products, January-December 1999-2000
(FOB Value in RM million)

PRODUCTS	Peninsular Malaysia		Sabah		Sarawak		Malaysia	
	1999	2000	1999	2000	1999	2000	1999	2000
Logs	na	na	354	192	2328	2326	2682	2518
Lumber	1108	1200	964	970	748	897	2820	3067
Plywood	353	277	1177	1198	2521	2367	4051	3842
Veneer	16	12	417	356	462	438	895	805
Molding	481	531	269	295	75	68	825	895
Dressed Timber	192	219	na	na	na	na	192	219
Woodchips	na	na	na	na	25	21	25	21
Chipboard	120	97	11	14	39	49	170	160
M.D. Fibreboard	634	689	na	na	105	134	739	823
Building Joinery	na	632	na	15	na	122	715	768
Wooden Furniture	na	4374	na	25	na	20	3900	4419
Rattan Furniture	na	69	na	na	na	na	61	70
Grand Total	2904	8188	3192	3069	6303	6442	17075	17670

Key Economic Indicators for Malaysia
(Value in US$ million unless otherwise specified)

	1999	2000	2001(f)
Income, Production, Employment:			
Population (millions)	22.7	23.3	23.8
GDP in 1978 Prices	50,873	55,096	57,840
Percent Growth	6.1%	8.3%	5.0-6.0%
GDP at Current Prices	79,037	89,659	92,960
Percent Growth	6.0%	13.4%	4.1%
Per Capita GDP (Curr. US$)	3,480	3,848	3,905
Official Unemployment Rate	3.4%	3.1%	3.1%
Money and Prices:			
Inflation (CPI)	2.8%	1.6%	1.5-2.0%
Average Commercial Rate	8.56%	7.45%	7.27%
Balance of Payments:			
Merchandise Exports (FOB)	83,933	98,105	102,421
Merchandise Imports (FOB)	61,161	77,184	83,684
Exchange Rate (avg., per US$)	3.92	3.80	3.80

Sources: Bank Negara Annual Report 2000/01 Ministry of Finance Economic Report 2000/01 and US Embassy Estimates.

Exchange rate
1999 average: US$1.00 = RM3.80
2000 average: US$1.00 = RM3.80
2001 (June) : US$1.00 = RM3.80

Production

Forest Situation

--The Forest Resource Base

Natural Forest

The total area of natural forest in Malaysia at end of 2000 was estimated to be 18.2 million hectares or 55% of the total land area. The proportion of forested land is higher in Sabah and Sarawak than in Peninsular Malaysia. Approximately, 5.9 million hectares (MH) are located in Peninsular Malaysia, 8.2 MH in Sarawak and 4.1 MH in Sabah. While some forest land has been converted to agricultural land in Sarawak and Sabah, some agricultural land in Peninsular Malaysia has been reverted to forest land.
Of the total natural forest, Malaysia has a total of 15.9 million hectares of forested land designated as the Permanent Forest Estate (PFE) which is under sustainable management. Approximately 11.4 million hectares of the Permanent Forest Estate are production forest with the remaining 4.5 million hectares being protection and non-commercial forest.

Plantation Forests

Total planted forests in the country amounted to 203,000 hectares by the end of 2000. This figure has been revised as the previous year's data were intended area rather than planted area. The State of Sabah leads in planted forest with Sabah Forest Industries having 42,000 hectares in order to supply raw material for its pulp and paper mill. The State of Sarawak has issued 15 planted forest licenses covering 1,130,644 hectares but only 6,000 ha have been planted. Peninsular Malaysia has about 77,000 ha of planted forest.

First Commercial Tree Plantation To Be Awarded ISO 14001

A tree plantation project undertaken by Borneo Pulp & Paper Sdn. Bhd. (BPP) in the state of Sarawak is the first in Malaysia to be awarded the ISO 14001 Environmental Management System certification by SGS International Certification Services. The project is to see the development of a forest plantation through a sustainable and responsible forest management system. The company is a joint-venture between state - owned Sarawak Timber Industry Development Corporation (STIDC) and New York-listed pulp and paper giant Asia Pulp & Paper Company Ltd. It took BPP, incorporated in 1995, one and a half years to complete the fulfillment of the ISO 14001 requirements. With the certification, the company looks to answer global environmental challenges such as the increasing public utilization and biodiversity concern as well as community welfare and needs.

Sustainability of the Forest Resources

An International Tropical Timber Organization (ITTO) report, *Review of Progress Towards the Year 2000 Objective*, prepared by consultants Dr. Duncan Poore and Mr. Thang Hooi Chiew at the request ot ITTO's governing body, the international Tropical Timber Council, found only six countries including Malaysia appeared 'to be managing some of their forests sustainably at the forest management unit level to achieve the ITTO Year 2000 Objective' although none of them has yet achieved ‘full implementation in the forest’. Reportedly, Malaysia has a demarcated permanent forest estate complemented by well-managed networks of totally protected areas and virgin jungle reserves. Silviculture is adequately funded and backed by improving knowledge on forest dynamics. Management plans are implemented and annual allowable cuts followed. There is a need to have a greater involvement of interested parties, but the country ‘has a clear strategy towards achieving the Year 2000 Objective’.

Nevertheless, in their summary report, Poore and Thang noted ‘a very considerable improvement over the forest management situation recorded in 1988. It is possible to affirm that significant progress has been made in policy and legislative reform’. They also remarked that ‘considerable progress has been made in most countries in establishing a permanent forest estate’. A greater degree of consultation with local communities ‘is having some effect in gaining local support for sustainable forest management and reducing encroachment and damage.’ Nevertheless, illegal logging and poaching remain problems in many countries.

Despite the improvements noted in many countries and efforts to devise new strategies for sustainable forest management, ‘there is not yet strong evidence that the strategies are being acted upon’. All six countries reported the lack of trained personnel and of finance as the main reasons for this. The impression, said Poore and Thang, ‘is that the will to implement is there but the means are lacking’.

Reduced Impact Logging (RIL)

The Asia-Pacific Forestry Commission (APFC), Food and Agriculture Organization (FAO), and nine other organizations convened the *International conference on the Application of Reduced Impact Logging to Advance Sustainable Forest Management: Constraints, Challenges and Opportunities* in Kuching, Sarawak, from 26 February to 3 March 2001. The conference was intended to significantly increase awareness and build political and institutional support for the regional Code of Practice, reduced impact logging and improved forest management in the region.

The conference emphasized that RIL is an essential component of sustainable forest management, and called upon government, industry, research institutions and international organizations to cooperate in furthering the adoption and application of RIL. The full recommendations are available on the website of APFC at http://www.apfcweb.org

Timber Products

--Production Trends

Considered to be out of the woods, Malaysia’s timber industry is in a buoyant mood. Production of all major timber recorded positive growth. Malaysia's total roundwood production rose 5.4 percent to 23.1 million cubic meters (cum) in 2000. Output of lumber also rose by 7 percent to 5.6 million cum in 2000. Malaysia’s plywood production increased 7.6 percent to 4.4 million cum while veneer production rose 7 percent to 1.1 million cum in 2000.

The outlook for log production in 2001 is for a small decline in line with the various state governments’ moves to gradually lower production quotas year by year. In its effort to regenerate the forest, the Sabah state government endeavors to reduce logging for the next 10 years. The Sarawak state government is also committed to cutting back on logging to meet ITTO's Year 2000 objective. The expected drop in log output will have a negative impact on output of lumber and plywood in the near term.

Market Section

--Construction Sector

Industry Outlook

The Malaysian construction sector turned around to record a growth of 1.1 percent in 2000 compared to a drop of 5.6% in 1999. Construction activity was supported mainly by the implementation of infrastructure projects under the fiscal stimulus package, as well as housing development in response to strong demand and low interest rates. However, growth of the construction sector continued to be constrained by the oversupply of commercial buildings and retail space.

The revival of stalled privatized projects, namely, the Express Rail Link to the Kuala Lumpur International Airport, the People Mover-Rapid Transit System, and the new Pantai Expressway are all underway. By end-2000, the Development Bank approved US$2.6 billion for financing of infrastructure projects. New privatized projects include the Janamanjung Electric Project and the Kajang-Seremban Expressway Project. However, it will still take some time to clear the oversupply situation of hotels, condominiums, office space and shopping complexes.

Market Impediments

Given the fact that Malaysia is one of the largest producers of hardwood in the world, US wood products are unlikely to penetrate into the Malaysian construction sector. Moreover, Malaysia is in close proximity to timber-rich countries like Indonesia and Papua New Guinea.

Market Opportunities

Unless the timber resources in Malaysia, Indonesia and P.N. Guinea are exhausted, market opportunities for US wood products in the construction sector are extremely limited.

--Furniture/Interiors Sector

Industry Outlook

The Malaysian furniture/interiors sector continued to achieve impressive growth. In 2000, a total let table area of 971,740 sq meters (office and retail) were completed in and around Kuala Lumpur. In addition, 88 new hotels/resorts were completed throughout Malaysia. The GOM is on track in building a new Administrative Center at Putrajaya. The whole place, with impressive governmental and residential buildings, a grand mosque and recreational facilities, is turning into a brand new city. The Eighth Malaysia Plan (2001-2005) is expected to focus on building more affordable medium and low-cost houses. This can translate into increased requirements for more timber, in particular lumber and plywood. All these developments provide tremendous opportunities for the expansion of the furniture/interiors sector and the increased usage of US hardwood.

Supply of Office Space, Retail Space, Condominiums and Apartments in Klang Valley[1]

	Office Space		Retail Space		Condominiums & Apartments
	Square meters	Occupancy rate (%)	Square meters	Occupancy rate (%)	Units
1991	12,331	96.7	17,502	92.0	13,560
1992	39,825	97.2	58,910	94.2	3,768
1993	332,246	91.5	130,345	97.3	18,232
1994	192,808	94.3	117,340	98.5	9,331
1995	362,851	94.9	341,091	96.1	17,822
1996	296,742	95.5	136,964	92.8	14,568
1997	869,394	94.9	362,574	90.5	5,473
1998	1,158,776	79.9	364,027	61.7	14,380
1999	510,210	76.2	89,787	76.6	9,547
2000 2/	732,701	75.4	239,039	78.8	N.A.
[1] Refers to Kuala Lumpur & Selangor D. E.					
2/ Jan-Sept.					
Source: Valuation and Property Services Department					

Malaysia is the top exporter of furniture among the ASEAN region with exports recording a rapid growth during the last five years. Export earnings jumped 13 percent to RM4.4 billion (US$1.2 billion) in 2000. During 2000, the United States continued to be the largest single market for Malaysian wooden furniture (34 %), followed by Japan (17%), United Kingdom (9%), Australia (7%) and Singapore (7%).

The world furniture market is still on the growth path. The Malaysian furniture industry is now poised for further growth and is confident of achieving a targeted furniture export value of RM7 billion (US$1.8 billion) by the year 2005. In order to achieve this target, the industry is challenged to further improve the quality and design of Malaysia's furniture in order to position its furniture exports in the higher-end segments as well as counter the competition from lower-cost producers. In addition, the sector must take up the challenge of a changing market environment by ensuring continuous supply, consistency of product quality through R&D, as well as technology upgrading and aggressive marketing through market diversification and niche market development.

The seventh annual Malaysian International Furniture Fair (MIFF) 2001, held in Kuala Lumpur in early March 2001, showcased the best of Malaysian manufactured furniture. With 348 exhibitors occupying 45,000 sq. meters of exhibition space, MIFF 2001 attracted 17,059 visitors, of which 6,000 were international buyers from 115 countries. US$508 million in sales, recording a 5 per cent increase from the preceding year, was generated at the show.

Malaysia: Exports of Wooden Furniture
(in million RM)

	1998	1999	2000
USA.	1270	1452	1496
Japan	509	565	763
United Kingdom	214	337	408
Singapore	279	342	330
Australia	169	267	306
U.A.E.	87	93	125
Canada	89	95	102
Saudi Arabia	54	70	94
Taiwan	74	45	69
Hong Kong	55	52	60
Others	446	582	666
Total	3246	3900	4419

Market Impediments

Malaysian imports of temperate hardwood lumber rose 36 percent in 2000 and imports from the U.S. showed a 60 percent increase. U.S. exports accounted for half Malaysia's total temperate hardwood import market in 2000 compared to 43 percent in 1999. Austria, Denmark and Canada were the top competitors and imports from all these countries showed significant increases.

Imports of softwood lumber rose by only 2.4 percent in 2000 after a blistering growth in 1999. Imports from the US were flat in both quantity and market share. China was the biggest gainer with sales quadrupling over the year, while Brazil emerged as a formidable competitor. Experts in the industry suggest that China re-exported smuggled softwood from Russia. Canada and Finland also managed to increase sales to Malaysia while South Africa suffered a significant drop.

Lack of knowledge of US hardwood and softwood is still a constraint, especially the technical application of popular US hardwoods in making furniture and flooring in Malaysia. There is also still a need to reach a wider range of potential users such as housing, shopping, restaurants and hotel/resort developers.

Market Opportunities

Much of the success of the Malaysian furniture industry is directly attributable to coupling cheaper native woods, such as rubber wood, with high-value veneers from the US. Strong increases in market shares of US temperate hardwood veneer in past years confirms this trend. Since five of the top seven export markets for Malaysian furniture are purchasing products made from material which are familiar to them, Malaysia is poised to import more temperate hardwood and softwood in the future. In addition, Malaysia aims to be among the top ten furniture exporters in the world by 2005; the US wood industry, if properly positioned, would largely benefit from the realization of such a vision.

The American Hardwood Export Council (AHEC) has done a commendable job of increasing the awareness of US hardwoods in Malaysia. Their main activities including educational programs for the furniture industry, seminars, trade shows and conventions, are highly relevant in assisting US expansion in this region. It may also be appropriate to conduct a seminar dealing with the technical application of popular US hardwoods in making furniture and flooring in Malaysia. Post also feels that US wood suppliers should participate at trade shows to make direct contact with local furniture manufacturers. Without concerted marketing efforts, US market share will be slowly eroded by aggressive competitors, i.e. Australia, Denmark and Canada for hardwood; and New Zealand, Russia, Canada and the Scandinavian countries for softwood.

Coming events which provide opportunities for US associations and firms to be involved are as follows:

-1) The Malaysian Timber Marketing Convention, which has been scheduled for 24-25 September 2002 is the meeting point for buyers and timber industry players from all corners of the globe. Potential business partners from at least 20 different countries and all sectors of the Malaysian timber industry are expected to attend. In conjunction with the Convention, opportunities are available for product exhibition and promotion through cost-effective advertising and sponsorship packages. (For details, please e-mail mtmc@mtc.com.my or mwia@tm.net.my)

-2) The Malaysian International Furniture Fair (MIFF) 2002 is scheduled to be held on 5-9, March 2002. MIFF is becoming a premium furniture fair in the region and received full accreditation in November 2000 from the Union des Foires Internationales (UFI), the world's leading authority on trade fairs. UFI represents the international recognition of the professional standards achieved by the show. This export-oriented exhibition, showcasing the latest design for the world-wide market, represents the largest collection of Malaysian furniture for the global market. It accounts for about 30 percent of Malaysia's total annual furniture exports. However, MIFF generally does not offer exhibition space to foreign timber associations or timber trading companies. AHEC SEA was the only foreign timber association to have the privilege of participating in MIFF 2001. (For details, please e-mail info@miff.com.my)

-3) On a smaller scale, the Muar Furniture Association organizes another show at the Mines Exhibition. For 2002, the dates are from March 3 till 7. AHEC has also participated in this show for the past years. Their website is www.muarfurniture.net and e-mail is muarfurn@tm.net.my

Another cost-effective promotion is to submit well-written articles on usage of American wood with plenty of photographic materials for complimentary inclusion in local tabloids and relevant magazines.

Malaysia: Imports of Temperate Hardwood Lumber
(cubic meter)

	1998	1999	2000
USA.	17853	11719	18694
Austria	2063	3527	5392
Denmark	2396	3346	5311
Canada	3448	1589	2562
Sweden	1486	2544	2166
China	2334	2218	1850
Germany	445	415	760
Australia	902	991	388
United Kingdom	0	0	221
Japan	0	1	0
New Zealand	552	880	0
Finland	0	230	0
Taiwan	771	1	0
Netherlands	768	0	0
Switzerland	697	0	0
--Total	33715	27461	37344

Malaysia: Imports of Temperate Softwood Lumber
(Cubic Meter)

	1998	1999	2000
USA.	11876	14838	14930
New Zealand	2022	8462	8367
China	954	1178	5054
Canada	1739	1196	3843
Austria	0	3971	3403
Sweden	1339	2926	2406
Finland	310	335	2167
Germany	1081	3369	2036
Brazil	0	0	1536
South Africa	497	3818	1384
Australia	1005	1979	1332
Denmark	733	1177	1015
Chile	0	0	388
Japan	0	0	233
France	0	1000	116
U.K.	247	0	0
Taiwan	518	253	0
Netherlands	119	639	0
Switzerland	854	1917	0
– Total	23294	47058	48210

-Materials Handling Sector

Industry Outlook

Materials handling is very much tied to the manufacturing sector. In 1998, manufacturing output rose by a slower pace. Apart from semiconductors and television sets and plywood, other output that requires packaging registered negative growth.

Manufacturing Production: Selected Indicators (1993=100)

	Index		Change in %	
	1999	2000	1999	2000
Radio and television sets	155.5	186.3	-0.3	19.8
Semiconductors	232.8	337.2	21.2	44.8
Manufacture of office, computing and accounting machinery	199.9	261.2	12.4	30.7
Manufacture of refrigerating, exhaust, ventilating and air-conditioning machinery	71.5	113.21	-2.3	58.3
Textiles and wearing apparel	119.2	129.6	4.0	8.7
Wood and wood products	99.6	103.6	-7.3	4.0

Market Impediments

Malaysia has an ample supply of low-priced timber for making packaging, pallets, and crates. Furthermore, there are plenty of saw tailings for this sector.

Market Opportunities

For the near term, market opportunities for US products are essentially nil.

--Export Sector

Industry Outlook

Confidence and optimism returned to the industry in 2000. With the uptrend in timber prices, total overall export earnings rose 3.5 percent. Increases in earnings from lumber and down-stream timber products more than offset lower earnings from logs, ply and veneer exports. In terms of volume, Malaysia's exports of hardwood logs declined 3 percent in 2000. Japan, China and Taiwan were the top three buyers of Malaysian logs, accounting for 66 percent of total log exports in 2000. Logs exports to Hong Kong, Indonesia and Vietnam also recorded significant increases. Exports of lumber increased 4 percent in 2000, with Thailand, the Netherlands, Philippines, Japan and Taiwan being the top five markets (56 percent of total lumber exports). With the exception of Singapore, all major lumber markets increased their imports of Malaysian lumber. Due to the oversupply situation in the global market, exports of plywood were flat in 2000 with Japan and the US being the predominant buyers. However, exports of veneer dropped 6 percent with the main destinations being China, the Philippines, South Korea and Thailand.

Malaysian timber product exports are expected to remain buoyant over the next two years. For the near term, Malaysia is also giving more attention to the following countries:

a) China - Since the announcement of the Chinese Government (GOC) of the ‘Preserve the mountains, nurture the forest, and prohibit tree-felling in natural forest’ policy, imports of timber products into China have increased significantly. In addition, import duties of log and lumber were reduced respectively from 3% and 6% to zero percent, whereas that of plywood, from 30% to 15%. Import volume from Malaysia and Indonesia represents a considerably big share in the China market over the past two years and is projected to be on the increase to meet the expansion of plywood manufacturing capacity, estimated to be about 10 million cubic meters by the end of the year 2000. While beech is the most popular specie in the interior decoration sector in the China market, Malaysian hardwoods are used for door-frames, staircases and hand-rails. China also aims at an annual production of town houses of around 0.2 billion plus square meters. This means that the wood flooring industry will be having good prospects in the China market.

b) South Korea - As the recovery of Korea’s economy is gaining momentum, prospect for higher imports in the immediate term is good. Malaysia had been a significant hardwood products supplier to South Korea particularly for lumber, plywood, veneer and moldings. It has also made progressive inroads into the furniture market. However, Korea’s potential as a market for value-added timber has been over-shadowed arising from the prominence given to countries such as Japan and China. More aggressive marketing such as keeping constant contacts with buyers through visits and discussions would strengthen future trade relationship with Korean importers.

c) United Arab Emirates and West Asia - Revenues derived from oil exports since the mid-sixties have led to the rapid economic development of U.A.E. over the past two decades which also brought about a boom in the construction sector. Timber products were imported in large quantities to fuel the numerous building and infrastructure projects. In addition, the excellent port facilities built during the period of high economic growth has turned UAE into the region import and re-export hub for timber products. Furthermore, these increased activities in the building sector have led to a growth in supporting industries such as the joinery and furniture industries in Dubia and Sharjah. Notwithstanding the current slowdown, activities in the building & construction sector are expected to pick-up by late 2000 or early 2001 as the economy improves with the current high crude oil prices. Hence, imports of timber products by U.A.E. should continue to grow.

c) Vietnam - Initially, an exporter of logs and lumber, Vietnam has now become an importer of timber, and is increasingly dependent on imported timber to supply its growing export-oriented wood processing industry. For the year 2001, it is expected that about 1 million m^3 of wood will be imported and wood imports will likely continue to increase in the near future. FAO estimates that Vietnam will need some 35 million m^3 of wood in the early 21st century to compensate for the unavailability of raw material to cater for the growing wood processing sector. As the economy recovers, local demand is expected to rise following increasing construction and renovation of residential and office units. Furthermore, considerable investment in mostly small-scale furniture factories will step up demand for timber. The Government of Vietnam is in full support of the importation of timber by providing several incentives such as tax holidays and preferential rates to foreign companies which invest in the processing of wood products in the country. Low import duty is imposed for timber products, i.e. zero percent for logs and lumber while duties for veneer and value-added wood products range from one to five percent.

d) India - The Government of India gives full support and encouragement to joint-venture projects with Indian partners with export commitment or buy-back arrangements. The joint-venture project of a large furniture-manufacturing plant in South India by a Malaysian company, M/s Long Huat Sdn. Bhd. is an example in which the production will be bought back by M/s. Long Huat. This project is under implementation at present. Finished products from this project will be available at a very competitive price due to low labor cost in India. The project has also generated good business for Malaysia for wood-processing machinery which was supplied to the project. Such plants can import raw materials and timber processing machinery at 0% or minimum duty. Similarly, plants set up without joint-venture but with a commitment for 100% export will also enjoy low duties. In addition, land on long-term lease is available for such projects. It is said that an investment of US$100 million can bring in a return of US$1 billion after a period of 15 years.

A large number of housing complexes, hospitals, hotels, colleges and universities, technical institutes, commercial complexes for Indian and multinational corporation are coming up very fast all over India and the demand for Malaysian timber products is bound to increase in the immediate and near future.

Competitor Activities

The Malaysian Timber Council (MTC) together with the Malaysian Timber Industry Board (MTIB) in Peninsular Malaysia, the Sarawak Timber Industry Development Corporation (STIDC), and the Timber Association of Sabah are involved in efforts to promote the usage of Malaysian timber products. In 2000/01, MTC participated in various exhibitions in Paris (International Furniture Fair), Cologne (International Furniture Fair), Berlin (Bautec 2000), Dubai (Index 2000), Bologna, Italy (SAIEDUE 2000), Nantes, France (6th Carrefour International du Bois), Birmingham (INTERBUILD 2000), Johannesburg (INTERBUILD 2000), Chicago (International Hardware Show), Birmingham (BFM Summer Furniture Show & GLEE 2000), Cologne (Spoga/Gafakoln Fair), Sweden (Elmia Timber 2000), Saudi Arabia (SAUDIBUILD 2000), Dubai (INDEX 2000), San Francisco (Mart Winter Market 2001), Utrecht (Bouwbeurs 2001) and Birmingham (Furniture Show 2001).

Trade/technical study missions were sent to the Czech Republic, the United States, Germany, Italy, China and Turkey. The annual Malaysian International Furniture Fair is fast becoming an important venue for the promotion of Malaysian furniture. Some 508 million in sales were clinched at the last Fair held at Kuala Lumpur in March, 2001.

Malaysian Timber Council now has three regional marketing offices located in London, Shanghai and Dubia.

The following table provides a list of fairs and exhibitions which MTC intends to participate for the rest of 2001:

Jul 05 - Jul 08	The 3rd China International Building & Decoration Fair (CBD 2001), Guangzhou, China
August *	Marketing Mission to South Africa.
Aug 15 - Aug 17	AFRIBUILD 2001, Johannesburg, South Africa.
Sep. 07 - Sep. 11	Chengdu International Building Expo 2001, Chengdu, Sichuan Province, China
Oct. 03 - Oct. 07	Middle East International Furniture & Interior Design Exhibition (INDEX), Dubai, UAE.
Oct. 18 - Oct. 19	German Timber Day, Wieabaden, Germany
Oct 28 - Nov. 01	Saudi Build 2001, Riyadh, Saudi Arabia
Oct. 28 - Nov. 06	Technical Study Mission to Japan and Taiwan
Nov. 05 - Nov. 10	BATIMAT, Paris, France
Nov. 07 - Nov. 10	MADERALIA, Valencia, Spain
Dec. *	Dutch Timber Day, Utrecht, The Netherlands

* Exact dates to be confirmed

Trade Section

Malaysia: Exports of Tropical Hardwood Logs, 1999
(1,000 cubic meters)

Destination	Pen. Malaysia	Sabah	Sarawak	Malaysia
Japan	0	212	2,072	2,284
China	0	382	1,288	1,670
Taiwan	0	58	862	920
India	0	11	830	841
Hong Kong	0	10	430	440
South Korea	0	73	321	394
Indonesia	0	253	0	253
Thailand	0	30	68	98
Philippines	0	22	40	62
Pakistan	0	0	18	18
Vietnam	0	6	3	9
Bangladesh	0	0	2	2
Saudi Arabia	0	0	2	2
Singapore	0	1	1	2
U.A.E.	0	0	1	1
Maldives	0	0	1	1
Australia	0	0	1	1
-- Total	0	1,058	5,940	6,998

Malaysia: Exports of Tropical Hardwood Logs, 2000
(1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
Japan	0	130	2,051	2,181
China	0	160	1,244	1,404
Taiwan	0	9	891	899
India	0	5	868	872
Hong Kong	0	8	534	541
Indonesia	0	324	1	325
South Korea	0	51	250	302
Vietnam	0	1	115	116
Thailand	0	9	93	101
Philippines	0	3	34	37
Pakistan	0	0	21	21
Singapore	0	0	2	2
Bangladesh	0	0	1	1
Maldives	0	0	1	1
TOTAL	0	698	6,105	6,802

Malaysia: Exports of Tropical Hardwood Lumber, 1999
(1,000 cubic meters)

Destination	Pen. Malaysia	Sabah	Sarawak	Malaysia
USA.	8	3	7	18
Thailand	218	119	153	490
Netherlands	178	88	6	272
Philippines	4	83	183	270
Japan	47	177	36	260
Singapore	172	11	66	249
Taiwan	6	44	161	211
South Korea	9	71	64	144
China	14	43	82	139
Hong Kong	10	62	48	120
Yemen Rep. of	26	6	35	67
Others	282	144	122	548
-- Total	974	851	963	2788

Malaysia: Exports of Tropical Hardwood Lumber, 2000
(1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	7	7	8	22
Thailand	222	141	200	563
Netherlands	201	71	7	278
Philippines	0	65	208	274
Japan	47	184	37	268
Taiwan	8	43	177	229
Singapore	135	8	78	220
China	20	21	95	135
South Korea	8	60	62	130
Yemen Rep. of	22	6	86	114
Hong Kong	14	51	50	114
Other's	262	156	137	554
TOTAL	944	813	1,144	2,901

Malaysia: Exports of Tropical Hardwood Veneer, 1999
(1,000 cubic meters)

Destination	Pen. Malaysia	Sabah	Sarawak	Malaysia
USA.	0	2	3	5
China	8	238	204	450
Philippines	0	22	138	160
Taiwan	1	76	70	147
Japan	0	33	40	73
South Korea	0	11	61	72
Hong Kong	1	15	29	45
Thailand	0	1	1	2
Singapore	0	2	0	2
-- Total	10	401	546	957

Malaysia: Exports of Tropical Hardwood Veneer, 2000
(1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	0	3	0	3
China	0	191	211	402
Philippines	0	15	108	123
South Korea	0	29	89	118
Taiwan	1	65	50	116
Hong Kong	0	12	59	72
Japan	0	19	42	62
Singapore	1	1	0	2
Thailand	0	0	1	2
Australia	1	0	0	1
Other's	1	3	0	4
TOTAL	4	336	562	902

Malaysia: Exports of Tropical Hardwood Plywood, 1999
(1,000 cubic meters)

Destination	Pen. Malaysia	Sabah	Sarawak	Malaysia
USA.	4	124	318	447
Japan	46	400	1,150	1,597
Hong Kong	9	123	153	285
China	8	72	109	189
Singapore	98	26	52	176
South Korea	2	98	71	171
Taiwan	5	65	99	169
U.K.	41	8	54	104
Yemen Rep. of	0	0	27	27
Thailand	1	8	12	21
Ireland	8	0	11	19
Others	58	17	49	135
-- Total	281	942	2,117	3,340

Malaysia: Exports of Tropical Hardwood Plywood, 2000
(1,000 cubic meters)

Destination	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	4	132	206	342
Japan	39	456	1,233	1,729
South Korea	1	132	129	261
Hong Kong	2	85	135	222
Singapore	88	19	50	158
China	3	25	126	153
Taiwan	5	93	55	152
U.K.	20	12	42	74
Yemen Rep. of	0	1	39	41
Thailand	2	13	16	30
Ireland	10	0	12	22
Other's	52	160	300	512
TOTAL	222	995	2,137	3,355

Tropical Hardwood Logs PS&D Tables

PSD Table						
Country	Malaysia					
Commodity	Tropical Hardwood Logs				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	20000	23074	19000	21000	0	20000
Imports	1700	582	2000	1000	0	1000
TOTAL SUPPLY	21700	23656	21000	22000	0	21000
Exports	6000	6804	5000	6000	0	4500
Domestic Consumption	15700	16852	16000	16000	0	16500
TOTAL DISTRIBUTION	21700	23656	21000	22000	0	21000

Tropical Hardwood Logs Export Trade Table

Export Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Logs		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	1999		2000
U.S.		U.S.	
Others		Others	
Japan	2284	Japan	2181
China	1671	China	1404
Taiwan	919	Taiwan	899
India	840	India	872
Hong Kong	439	Hong Kong	541
South Korea	394	Indonesia	325
Indonesia	253	South Korea	302
Thailand	98	Vietnam	116
Philippines	62	Thailand	101
Pakistan	18	Philippines	37
Total for Others	6978		6778
Others not Listed	20		26
Grand Total	6998		6804

Tropical Hardwood Logs Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Logs		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Indonesia	578	Indonesia	539
Burma	18	Thailand	15
P.New Guinea	14	P.New Guinea	13
Thailand	9	Burma	12
Solomon Island	8	Solomon Island	3
Gabon	7		
Somalia	5		
Total for Others	639		582
Others not Listed			
Grand Total	639		582

Tropical Hardwood Lumber PS&D Table

PSD Table						
Country	Malaysia					
Commodity	Tropical Hardwood Lumber				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	4900	5589	4500	5200	0	5000
Imports	1800	1285	2600	1600	0	2000
TOTAL SUPPLY	6700	6874	7100	6800	0	7000
Exports	2500	2901	2300	2600	0	2500
Domestic Consumption	4200	3973	4800	4200	0	4500
TOTAL DISTRIBUTION	6700	6874	7100	6800	0	7000

Tropical Hardwood Lumber Export Trade Table

Export Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Lumber		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	1999		2000
U.S.	17	U.S.	22
Others		Others	
Thailand	490	Thailand	563
Netherlands	271	Netherlands	278
Philippines	269	Philippines	274
Japan	260	Japan	268
Singapore	249	Taiwan	229
Taiwan	212	Singapore	220
South Korea	143	China	135
China	140	South Korea	130
Hong Kong	120	Yemen Rep. of	114
U.A.E.	77	Hong Kong	114
Total for Others	2231		2325
Others not Listed	540		554
Grand Total	2788		2901

Tropical Hardwood Lumber Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Lumber		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Indonesia	1120	Indonesia	1047
Thailand	35	Thailand	232
Burma	18	Philippines	3
Philippines	2	Burma	3
P.New Guinea	1		
Cambodia	1		
Total for Others	1177		1285
Others not Listed			
Grand Total	1177		1285

Temperate Hardwood Lumber PS&D Table

PSD Table						
Country	Malaysia					
Commodity	Temperate Hardwood Lumber				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	0	0	0	0	0	0
Imports	30	37	40	40	0	45
TOTAL SUPPLY	30	37	40	40	0	45
Exports	0	0	0	0	0	0
Domestic Consumption	30	37	40	40	0	45
TOTAL DISTRIBUTION	30	37	40	40	0	45

Temperate Hardwood Lumber Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Temperate Hardwood Lumber		
Time period	Jan-Dec	Units:	CUM
Imports for:	1999		2000
U.S.	11719	U.S.	18694
Others		Others	
Austria	3527	Austria	5392
Denmark	3346	Denmark	5311
Sweden	2544	Canada	2562
China	2218	Sweden	2166
Canada	1589	China	1850
Australia	991	Germany	760
New Zealand	880	Australia	388
Germany	415	United Kingdom	221
Finland	230		
Taiwan	1		
Total for Others	15741		18650
Others not Listed	1		
Grand Total	27461		37344

Hardwood Veneer PS&D Table

PSD Table						
Country	Malaysia					
Commodity	Hardwood Veneer				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	1200	1116	1300	1250	0	1350
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1200	1116	1300	1250	0	1350
Exports	1000	902	1000	1050	0	1100
Domestic Consumption	200	214	300	200	0	250
TOTAL DISTRIBUTION	1200	1116	1300	1250	0	1350

Hardwood Veneer Export Trade Table

Export Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Veneer		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	1999		2000
U.S.	5	U.S.	3
Others		Others	
China	450	China	402
Philippines	160	Philippines	123
Taiwan	147	South Korea	118
Japan	73	Taiwan	116
South Korea	72	Hong Kong	72
Hong Kong	45	Japan	62
Thailand	2	Singapore	2
Singapore	2	Thailand	2
		Australia	1
Total for Others	951		898
Others not Listed	1		1
Grand Total	957		902

Hardwood Plywood PS&D Table

PSD Table						
Country	Malaysia					
Commodity	Hardwood Plywood				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	4000	4435	4400	4600	0	4700
Imports	10	7	100	10	0	10
TOTAL SUPPLY	4010	4442	4500	4610	0	4710
Exports	3160	3355	3530	3660	0	3710
Domestic Consumption	850	1087	970	950	0	1000
TOTAL DISTRIBUTION	4010	4442	4500	4610	0	4710

Hardwood Plywood Export Trade Table

Export Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	1000 CUM
Exports for:	1999		2000
U.S.	447	U.S.	342
Others		Others	
Japan	1597	Japan	1729
Hong Kong	285	South Korea	261
China	189	Hong Kong	222
Singapore	176	Singapore	158
South Korea	171	China	153
Taiwan	169	Taiwan	152
United Kingdom	104	United Kingdom	74
Yemen Rep. of	27	Yemen Rep. of	41
Thailand	21	Thailand	30
Ireland	19	Ireland	22
Total for Others	2758		2842
Others not Listed	135		171
Grand Total	3340		3355

Hardwood Plywood Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	1000 CUM
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Indonesia	9	Indonesia	5
		Japan	1
		Taiwan	1
Total for Others	9		7
Others not Listed			
Grand Total	9		7

STRATEGIC INDICATOR TABLE: FOREST AREA (million hectares/million cum)			
Country: Malaysia			
Report Year:	2000	2001	2002
Total Land Area	32.9	32.9	32.9
Total Forest Area	18.2	18.1	18.0
--of which, Commercial	13.3	13.5	13.6
----of commercial, tropical hardwood	13.3	13.5	13.6
----of commercial, temperate hardwood	na	na	na
----of commercial, softwood	na	na	na
--of forest area, non-commercial	5.1	4.7	4.6
Forest Type			
--Of which, virgin	3.3	3.3	3.3
--Of which, plantation	0.2	0.3	0.5
--Of which, other commercial (regrowth)	14.7	14.5	14.2
Forest Ownership			
--Nationally owned and no commercial access	4.8	4.8	4.9
--Nationally owned, commercial logging permitted	13.4	13.3	13.1
--Other publicly owned land, no commercial access	4.8	4.8	4.9
--Other publicly owned, logging permitted	13.4	13.3	13.1
--privately owned commercial forest	0.0	0.0	0.0
Total Volume of Standing Timber	na	na	na
--Of which, Commercial Timber	na	na	na
Annual Timber Removal 1/	For 2000, 5.07 million cum (For Peninsular Malayisa only)		
Annual Timber Growth Rate	2.0-2.5cum/ha/yr (For Pen.Msia only)		
Annual Allowable Cut	46,040 ha (For Pen Msia only)		
1/ If Removals exceeds growth rate, analyze impact in text.			

STRATEGIC INDICATOR TABLE: CONSTRUCTION MARKET			
Country: Malaysia			
Report Year:	2000	2001	2002
Total Housing Starts (number of units)	na	na	na
--Of which, wood frame	na	na	na
--Of which, steel, masonry, other materials	na	na	na
--Of total starts, residential	na	na	na
----Of residential, single family	na	na	na
----Of residential, multi-family	na	na	na
--Of total starts, commercial	na	na	na
Total Value of Commercial Construction Market ($US million)	na	na	na
Total Value of Repair and Remodeling Market ($US million)	na	na	na
Are tariffs on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal		
Are tariffs on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal		
Are non-tariff barriers on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal		
Are non-tariff barriers on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal		
Are there market development programs for construction, softwood or plywood imports funded by foreign governments?	None		
If yes, identify the following:			
--Country(ies)			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 2/			
--Estimated annual market expansion outlay ($US million) by country			

Is the acceptability of U.S. style timber frame construction (i.e., per building codes, mortgage availabity, etc.) high, medium or low? 3/	Medium		
Are consumer preferences for solid wood materials vis-a-vis non-wood materials in construction high, medium or low? 3/	Medium		
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 3/	High		
If price quotes for construction and structural wood products are available, identify the leading source(s)	Malaysian Institute of Architects and Malaysian Institute of Interior Designers		
1/ If other than equal, explain in report text.			
2/ If "other", then explain in report text.			
3/ If low or medium, explain in report text.			

STRATEGIC INDICATORS TABLE: FURNITURE & INTERIORS MARKET			
Country: Malaysia			
Report Year:	2000	2001	2002
Total Housing Starts (number of units)	na	na	na
Total Number of Households)	na	na	na
Furniture Production ($US million)	na	na	na
Interiors Market Size ($US million)	na	na	na
Total Furniture Imports ($US million)	159.0	170.0	180.0
Total Furniture Exports ($US million)	1658	1870	2100
Are tariffs on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal		
Are non-tariff barriers on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal		
Are there market development programs for furniture or interiors market expansion funded by foreign governments?	No		
If yes, identify the following:			
--Country(ies) 2/			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 3/			
--Estimated annual market expansion outlay ($US million) by country			
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 4/	high		
If price quotes for furniture and interiors products are available, identify the leading source(s)	Malaysian Furniture Industry Council		
1/ If other than equal, explain in text.			
2/ If more than one country, report each country individually.			
3/ If "other", explain form of subsidy in text.			

4/ If low or medium, explain in test.			
STRATEGIC INDICATOR TABLE: MATERIAL HANDLING MARKET			
Country: Malaysia			
Report Year:	2000	2001	2002
Total Value of Industrial Output ($US million)	15.8	17	19
New Pallet Production (million units)	na	na	na
Are consumer preferences for solid wood pallets and packaging materials vis-a-vis non-wood materials high, medium or low? 1/	high		
Are industry/trade preferences for repaired/recycled pallets over new pallets low, medium or high? 1/	low		
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 1/	na		
Identify leading source(s) of price quotes:	Malaysian Packaging Association		
Are there market development programs for the materials handling market expansion funded by foreign governments?	None		
If yes, identify the following:			
--Which Countries?			
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 2/			
--Estimated annual market expansion outlay ($US million) by country			
1/ If low or medium, explain in text of report.			
2/ If "other", explain in text of report.			

STRATEGIC INDICATOR TABLE: WOOD PRODUCTS SUBSIDIES			
Country: Malaysia			
Report Year:	2000	2001	2002
Total Solid Wood Export Subsidy Outlay ($US million)	None	None	None
Is there a ban on the export of logs, lumber, or veneer? If yes, which?	Yes - Logs from Pen. Msia and quota for East Msia		
Are there export taxes (yes/no)? 1/	Yes		
If yes, for which products? (Identify export tax level in tariff table)	refer to page17		
Source(s) of Export Subsidy Information	Not relevant		
Total Wood Production Subsidy Outlay ($US million)	Not relevant		
Are there any programs favoring the development of commercial forestry?	Yes		
If yes, Post best estimate of scope (thousands of hectares)	See text		
If yes, Post's best estimate of financial outlay ($US million)	na		
Source(s) of Production Subsidy Information	Not relevant		
Does the country support export expansion activities similar to the Cooperator Program?	Yes		
--Which country markets are targeted?	Japan, China and Middle East		
--Which products are targeted?	Mainly Lumber furniture and moldings		
Are there significant wood products export expansion activities at the provincial or regional level?	None		
--If yes, identify key players			
--If yes, identify key market segments			
--If yes, identify key country markets			
--If yes, identify key products			
--Post's estimate for combined outlay ($US million)			
Source(s) of Provincial/Regional Support Info.			
Are there other wood products export expansion activities? If yes, describe in report.	Yes		

STRATEGIC INDICATOR TABLE: FOREST PRODUCT TARIFFS AND TAXES (percent)						
		Tariff	Tariff	Other		
Country:	Product	Current	Following	Import	Total Cost	Export
Report Year:	Description 1/	Year	Year	Taxes/Fees	of Import	Tax
4401	Fuel Wood	20%	20%			0
4403	Wood in rough	0	0			0 to 15%
4404	Poles/piles	10 to 20%	10 to 20%			0
4405	Wood wood/flour	5 to 20%	5 to 20%			0
4406	Rail Sleepers	5%	5%			0
4407	Lumber, sawn lengthwise	0	0			0
4408	Veneer/plywood	0 to 20%	0 to 20%			0
4409	Lumber, molded and rounded	20%	20%			0
4410	Particle Board	20%	20%			0
4411	Fibreboard of wood	20%	20%			0
4412	Veneered Panel	25 to 40%	25 to 40%			0
4413	Densified wood	20%	20%			0
4414	Wooden frames	20%	20%			0
4415	Packing cases/pallets	20%	20%			0
4416	Cask/Barrel/Vat/Tub	20%	20%			0
4417	Tool/handles	20%	20%			0
4418	Builders' joinery	20%	20%			0
4419	Wooden tableware	20%	20%			0
4420	Jewellery cases	5 to 20%	0 to 20%			0
4421	Other wooden articles	0 to 20%	0 to 20%			0
4422	na					
4423	na					
4424	na					
4425	na					
Pre-fabricated Houses, a subsection under chapter 96						

9406	Prefab building-wood25%	5 to 30%	25%			0
1/ Insert additional lines for Commodity tariff identification should tariffs vary within						
the four-digit designation.						