

Seminar on Innovation in Biocomposites and Paper 2010

- ENGLISH VERSION ONLY -

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MENTERI PERUSAHAAN PERLADANGAN DAN KOMODITI
DI MAJLIS PERASMIAN SEMINAR ON INNOVATION IN BIOCOMPOSITES AND PAPER 2010
PADA 30 NOVEMBER 2010 (SELASA)
DI HOTEL ISTANA, KUALA LUMPUR

Saudara/Saudari Pengacara Majlis

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Tuan-Tuan dan Puan-Puan Sekalian

Selamat Pagi, Salam Sejahtera dan Salam 1Malaysia

Terlebih dahulu saya ingin mengucapkan terima kasih kepada Lembaga Perindustrian Kayu Malaysia (MTIB) selaku penganjur kerana menjemput saya untuk menyampaikan ucapan dan seterusnya merasmikan Seminar on Innovation in Biocomposites and Paper 2010 pada pagi ini. Tahniah buat MTIB kerana mengambil inisiatif untuk menganjurkan Seminar ini pada hari ini untuk menyebarluaskan hasil penemuan daripada kajian-kajian yang dijalankan oleh MTIB. Saya percaya ini merupakan satu langkah yang bukan sahaja baik tetapi juga amat penting dalam usaha kita mengkomersilkan hasil penemuan kajian, kerana penemuan yang terbaik sekalipun tidak akan membawa faedah sekiranya maklumat mengenainya tidak disebar. Ini juga merupakan salah satu sumbangan berharga kita untuk bersama-sama menyahut seruan Y.A.B. Perdana Menteri untuk mentransformasikan ekonomi negara melalui inovasi dan teknologi.

Distinguished Guests, Ladies and Gentlemen,

2. In ensuring the competitiveness of the Malaysian timber industry, The National Timber Industry Policy (NATIP) which was launched in 2009, has outlined several challenges that are facing the industry. These challenges must be continuously tackled to ensure the growth of the timber industry, and most importantly to realize the aspiration of achieving RM53 billion export value in the year 2020. One such challenge is regarding the sufficiency of raw materials to sustain the industry. It is thus recognized that to overcome the shortage of raw materials harvested from the forest, there is an urgent need to venture into alternative raw materials that can be used by the industry. Malaysia's efforts towards utilization of its biomass materials need to be reinforced. Biomass wastes are

generated from two main economic activities, namely agriculture sector such as the oil palm sector and the wood-based sector through timber and sawmilling activities. Although vast amount of these resources are being used for energy production, namely as incineration for industrial use and non-energy purposes, there remains a big volume of underutilized and readily available resources particularly from timber and sawmilling activities for the production of composite and biocomposite products. These available materials include woodchips or slabs, sawdust, oil palm trunks, empty fruit bunches from oil palm (EFBs) and biomass materials from agricultural activities. In this regard, it is pertinent upon us to explore the possibility of these resources to supplement the industry's resource base, hence reducing the dependence on forest harvested raw materials.

3. An assessment by FRIM has forecasted that the domestic timber industry could generate about 6 million cubic metres of sawmill wood residues annually. These resources which can be turned into value-added bio-composite products are mainly disposed in the incinerators of mills for energy requirements. In addition, the annual availability of oil palm trunks is optimistically estimated at 4.95 million logs based on 16,739 hectares of replanting each year. This could be converted into approximately 707,000 cubic metres of plywood. Therefore, we must tap on the availability of resources for the benefit of the timber industry. At present, the industry has produced products which are manufactured from wood wastes/sawdust in Malaysia such as door frames, mouldings, flooring, exterior decking, paneling for walls and ceilings for fencing. These products are sold locally or exported to countries such as Australia and India.

4. Therefore to ensure the continued dynamism of the timber industry, its current structure needs to be strengthened and diversified with new product offerings from bio-composites, instead of continuously depending on forest harvested raw materials. Synergistic development of the upstream and downstream activities in the timber industry is necessary in order to enhance the industry's competitiveness to meet the challenges of today.

Distinguished Guests, Ladies and Gentlemen,

5. In countries such as the United States, wood plastic composites (WPCs) have been produced for several decades. Products such as solid WPCs are sold as deck boards, landscape timbers, picnic tables, window and door component profiles, automotive door quarter panels and industrial flooring were produced and marketed in the country since the 1990s. In Europe, decking and siding are popular uses for WPCs. In Japan, uses of WPC have been in the area of decking, flooring, louvers, and indoor furniture.

6. Taking into account the above-mentioned scenario, the Government recognizes the vast market potential for biocomposites. Therefore, as a long term strategy, the Government would like to see the development of the bio-composite sector in Malaysia to further develop the tremendous wealth of natural plant fibres that are currently under-utilised. Hence intensive R&D to enhance the utilization of these materials is an important agenda for my Ministry to promote high value-added bio-composite products.

Distinguished guests, Ladies and Gentlemen,

7. I would also like to bring to your attention that the world's first oil palm-based pulp and paper mill has been established in Kunak, Sabah. This plant is designed to use industrial wastes from the oil palm industry such as empty fruit bunches (EFB) and palm oil effluent to produce useful resources such as pulp, electricity and industrial steam. This plant is expected to generate USD1.5 million of revenue from pulp annually and is testimony to the fact that, apart from pulp from wood, pulp from alternative fibres, namely EFBs, are capable of generating lucrative revenue not only for the industry but also for the country.

8. Having said all these, I would like to remind all concerned that the findings from MTIB research projects are just the beginning, and much work remains to be done to facilitate the growth of the bio-composite sector. Apart from creating new products through innovation and R&D efforts, the industry needs to ensure that the products supplied are of high quality and in compliance with international standards. The marketing and promotional aspect has to be looked into to ensure that new bio-composite products from new materials are accepted locally and in the international market. Therefore MTIB would have to ensure larger scale targeted marketing programmes and roadshows locally and abroad for bio-composite products, and pulp and paper from alternative

materials in order to penetrate both the domestic and international markets more effectively. It must be noted that bio-composite products such as wood plastic composites marketed locally would have access to a healthy domestic market with an annual market size of approximately RM7.6 billion. Therefore, there is a huge market for bio-composite products waiting to be tapped.

9. In this regard, to further facilitate the development of the wood bio-composite and pulp and paper sector, linkages will have to be forged with related Ministries, Government agencies, research institutions and specifiers, among others. In addition, the formulation of supporting financial support programmes, incentives and plans to encourage and accelerate the growth of this sector is also vital. I believe that when the supporting mechanism and incentives are in place, it will encourage new domestic investment in Malaysia in the wood bio-composite and pulp and paper sector, thus contributing to the growth of the country.

Distinguished guests, Ladies and Gentlemen,

10. I am confident that this Seminar will provide an interesting forum for all participants to be updated on some of the latest research developments, challenges and opportunities in the bio-composite and pulp and paper sectors. It is my hope that this Seminar will not only serve as a forum for exchanging views, articulating ideas and discussing findings among the participants, but also proposing directions for the future research projects that should be undertaken in order to benefit the timber industry.

11. I wish to take this opportunity once again to express my heartiest appreciation to MTIB, for organizing this Seminar. I would also like to record my appreciation to all the speakers for sharing their findings during this Seminar and thank the companies that are taking part in the mini exhibition. On this note, I have great pleasure in officially declaring this Seminar open.

Thank you.

Disediakan oleh : Safiah Aimi Md. Isa
PSU (KTK) II

Disemak oleh : Hasliana Kamarudin
KPSU (KTK) II

Diluluskan oleh : Datin Paduka Nurmala Abd. Rahim
TKSU I