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Mahathir-timber

TROPICAL TIMBER PRODUCING COUNTRIES MUST BE UNITED, SAYS MAHATHIR

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KUALA LUMPUR, June 18 (Bernama) -- Countries producing tropical timber must unite as competition among them would only benefit the consumer countries, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He added that co-operation among producing countries like Malaysia and Indonesia was necessary to ensure that the price of tropical wood did not decline.

"If we compete with one another, it will benefit the buyers, not the sellers," he told reporters after witnessing the signing of a RM2.59 billion reverse takeover agreement between Sabah-based Construction and Supplies House Bhd. (CASH) and Indonesia's Barito Pacific Group, the world's largest plywood operator.

He also said there was a need to thwart any negative efforts by producers of temperate timber to expand their markets.

"If we are united, we can thwart their efforts which are really aimed at increasing the markets for temperate timber. They are in no way linked to the environment issue but trade," he added. -- more

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Asked about efforts to replant tropical timber in felled areas, Dr Mahathir said Malaysia was studying replanting methods in Indonesia with a view to adopting similar technology.

Although Malaysia's forest area was not as vast as Indonesia's, the country had its own replanting programme, he added.

He was also asked about the smuggling of timber logs from Indonesia to Malaysia through Melaka and Batu Pahat in Johor.

He said it could be curbed with close co-operation between the two countries.

"On the other hand, if there is a legal way to import it, that will be better. It will benefit Indonesia and us if it is allowed by Indonesia," he added.

The agreement was signed by CASH Managing Director Joseph Ambrose Lee and Barito Pacific Group chairman Prajogo Pangestu.

Also present were the Indonesian Minister for Investment Sanyoto Sastrowardoyo, Sabah Chief Minister Tan Sri Sakaran Dandai and CASH chairman Abdol Mulok Awang Damit. -- Bernama

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