

THE PULP AND PAPER MILLS IN MALAYSIA

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Currently, there are twenty pulp and paper mills in Malaysia, operating fifty machine lines. Nineteen of those mills use recycled papers as their main raw materials in paper production. The recycled papers are obtained from collection centres, which collect materials of various types, such as magazines, newspapers, writing papers, and carton boxes. Malaysia's one and only integrated pulp and paper mill, Sabah Forest Industries Sdn. Bhd. (SFI), in Sipitang, Sabah, East Malaysia, utilizes its own planted woody chips as raw materials. As reported by the Food and Agriculture Organization of the United Nations (2010), SFI acquires about 60,000 ha of industrial plantation area planted with fast-growing exotic plants, such as *Acacia mangium*, *Eucalyptus camaldulensis*, *gmelina*, and pine. Most of the mills are located in the Peninsular Malaysia in seven states: Kedah, Penang, Perak, Selangor, Pahang, Johor, and Melaka. Only three of the mills are situated in East Malaysia, including SFI.

Genting Sanyen Paper and Packaging Group (GSPP) was first established in 1992. GSPP is the main domestic player in the production of container boards. It is the largest integrated paper and packaging manufacturer in Malaysia equipped with two paper mills with an average capacity of 270,000 MT/annum and two box plants with an average capacity of 150,000 MT/annum. In 2010, GSPP operated as a subsidiary of Oji Paper Co. Ltd. (Asia's biggest and world's sixth largest pulp and paper company). Its products vary based on their basis grammage, 120-280 g/m², which include recycled test-liners (100% recycled fibres), corrugated medium papers, kraft-liners, white-liners, and corrugated carton boxes.

Malaysia Newsprint Industries Sdn. Bhd. (MNI) is located in the Temerloh Industrial Park, Mentakab, Pahang. The production capacity of the paper machine is about 250,000 MT/annum. MNI utilizes recycled old newspapers and magazines as raw materials, which are supplied by an efficient recycled paper collection centre. The role of MNI is to supply premium grade newsprints, locally.

Pascorp Paper Industries Berhad, which is located in Bentong, Pahang, was established in 1954/1980. Its main products are kraft-liner and corrugating medium paper made from recycled papers. The capacity of Pascorp Paper for a year is 200,000 MT whereby the production per annum is 150,000 MT.

Muda Paper Mills Sdn. Bhd. (Muda) consists of two branches: one in Tasek, Penang and another one in Kajang, Selangor. Muda pioneered paper milling in Malaysia, operating its first paper mill in Tasek, Penang in 1964. These mills manufacture high grade industrial brown papers, paper boards, and paper related products

either for domestic or export market. These mills used 400,000 MT/annum of waste papers, which are to be processed into recycled papers. Muda is facilitated by a water treatment plant in order to protect and conserve the environment. Its main paper products are core boards, liner boards, corrugated media, and test liners.

Nibong Tebal Paper Mill Sdn. Bhd. (NTPM) manufactures tissue paper products, such as toilet papers, facial tissues, napkins, paper towels, hand towels, kitchen towels, and other personal care paper products. NTPM operates since 1975 and has three sales branches situated in Malaysia, Singapore, and Thailand. It achieves an average production rate of 250 MT/day (about 100,000 MT/annum) with the help of eighteen paper-making machines.

CHH Pacific Papers (CHHP) Sdn. Bhd., located in Bentong, Pahang is the first and latest Greenfield paper mill in Malaysia, contributing to a sustainable environment by recycling paper. Their main product is value-added packaging paper boards, namely Coated Duplex Board. It is a high quality board that has graphical uses for products such as foods, cosmetics, electronics, toiletries, sports wears, and consumer goods. CHHP has been granted the Malaysia's Pioneer Status, complying the highest environmental and safety standards by applying the latest Korean paper making technology.

Cita Peuchoon Paper Mills Sdn. Bhd., located in Sg. Petani, Kedah, was established in 1976. The mill is equipped with four machines in order to produce joss papers, industrial core boards, and yellow wrapping papers solely from recycled papers. The total production output is 19,000 MT/annum. Currently, there are 83 technical workers and 14 capable administrative personals. Cita Peuchoon also does its part for the environment by utilizing state of art water recycling and waste water treatment technologies to ensure the effluent is not harmful to the environment.

Harta Packaging Industries Sdn. Bhd. (HPI) was first known as Harta Ngiak Sdn Bhd and established in 1987. In 1990, the name Harta Packaging Industries Sdn. Bhd. was used in order to reflect the change in its core business. The main products are corrugated boards, corrugated cartons, die-cut containers, and newly designed products, such as honey combs and paper pallets. Currently, it is one of the largest corrugated board and carton manufacturers in Malaysia with a production capacity of approximately 4,800 MT/month.

The pulp and paper industry in Malaysia is considered small, globally, in terms of the size and production

Capacity (below 300,000 MT/annum). Based on the Malaysia Pulp and Paper Manufacturers Association (MPPMA) in a report for the year 2009, five paper mills were producing less than 10,000 MT/annum, eight were producing 11,000-80,000 MT, and the remaining seven were producing 100,000 – 300,000 MT/annum.ity (below 300,000 MT/annum). Based on the Malaysia Pulp and Paper Manufacturers Association (MPPMA) in a report for the year 2009, five paper mills were producing less than 10,000 MT/annum, eight were producing 11,000-80,000 MT, and the remaining seven were producing 100,000 – 300,000 MT/annum.

Table a : Total capacity per annum paper manufacturers in Malaysia (2009)

COMPANY	TOTAL CAPACITY PER ANNUM, 000 (MT)	PAPER TYPES	TOTAL PRODUCTION PER ANNUM, 000 (MT)
CHH Pacific Papers	65.0		
Cita Peuchoon	30.0	Kraft/Corrugated Medium/Board & Joss	24.0
GS Paper	300.0	Kraft/Corrugated Medium/Board	280.0
Harta Paper	30.0	Kraft/Corrugated Medium/Board, Toilet/Facial Tissues & Joss	23.0
Johmewah Maju	35.0	Kraft/Corrugated Medium/Board	8.0
Kimberly-Clark	45.0	Toilet/Facial Tissues	35.0
Malaysia Newsprint	260.0	Newsprint	250.0
Muda Paper (Kajang)	170.0	Kraft/Corrugated Medium/Board	160.0
Muda Paper (Seberang Prai)	180.0	Kraft/Corrugated Medium/Board	100.0
Nibong Tebal	150.0	Toilet/Facial Tissues	110.0
Pascorp Paper	200.0	Kraft/Corrugated Medium/Board	150.0
Pembuatan Kertas (Perak)	3.0	Toilet/Facial Tissues & Joss	3.0
Sabah Forest	165.0	Writing/Printing	165.0
Taiping Paper	2.4	Toilet/Facial Tissues	2.4
Then Seng Paper	15.0	Kraft/Corrugated Medium/Board & Toilet/Facial Tissues	11.5
Union Paper	12.4	Toilet/Facial Tissues	6.0
United Paper Board	80.0	Kraft/Corrugated Medium/Board	75.0
Yeong Chaur Shing	3.6	Toilet/Facial Tissues	3.6
Others	75.0		
Total	1,821.4		

Source : Malaysian Pulp and Paper Manufacturers Assosiation (2009)