



FLASH!

Cong. Iggy Arroyo Visited PWPA



Very Cordial Discussion. Cong. Iggy Arroyo (center) met with PWPA officers and directors: (l-r) directors Ramon Uy, Alfonso Keh, Jr., Luzmatim's manager Richmond Ng, president Fernando Lu, chair Antonio Olizon, director Charlie Liu, forestry & env't adviser Jose Lorenzo and director Alex Ong.

March 12, 2008 during the regular meeting of the Board of Directors.

The visit was in response to the invitation of the PWPA made during its courtesy call on him at the Batasan Complex last February 26, 2008, for PWPA to brief him on the concerns of

The PWPA said the SFMA bill, when enacted into law, not only would put order in the management of the forest resources of the country but put stability to the wood industry.

The briefing was very fruitful with Cong. Arroyo assuring the PWPA he will assist it in the resolution of the critical issues facing the wood industry as he agreed to be the champion for the natural resources in the House - as the counterpart of Senator Pia "Compañera" Cayetano, chair of the environment and natural resources in the Senate.

The courtesy call on Cong. Arroyo at his office at the Batasan Complex was led by PWPA directors Aristeo Puyat, Evaristo Narvaez, Jr., and Robert Kua with executive director Leonardo Angeles, forestry adviser Jose Lorenzo, forestry and environment coordinator Maila Vasquez and LUZMATIM's manager Richmond Ng.

Congressman Ignacio Chair Antonio Olizon and president (Iggy) Arroyo, chair of Fernando Lu thanked Cong. Arroyo for the Committee on Natural Resources, House of Representatives, visited the Philippine Wood Producers Association (PWPA) last the wood industry.

PWPA Board Meeting Held in Cagayan de Oro City

The directors of the Board of the Philippine Wood Producers Association (PWPA) had their out-of-town meeting last February 22, 2008 at the Mallberry Suites Business Hotel in Cagayan de Oro City that was hosted by Asia-Pacific Timber & Plywood Corp. of PWPA director Jhonny Young.

After the breakfast meeting, the directors had a tour of the CATIMCO's sprawling Alwana Business Park and MITIMCO's wood processing plant in Cagayan de Oro, before they proceeded to the Bukidnon Forest Inc. (BFI) tree plantation in Malaybalay. BFI president Manny Casiño toured the directors through parts of the 39,000-hectare tree planta-

(Continued on page 2)



Energizing Meeting. (Front row l-r) PWPA directors Alex Ong and Stanley Tan, LUZMATIM's Richard and Raymond Ng, PWPA executive director Leonardo Angeles, Rev. Jun Plaza of CATIMCO and PWPA manager Regino Serafico. (Back row l-r) PWPA directors Jhonny Young, Alfonso Keh, Jr. and chair Antonio Olizon, Senen Lim of MITIMCO, PWPA director Aristeo Puyat, Alarico Lim of CATIMCO, PWPA forestry & environment adviser Jose Lorenzo, PWPA director Charlie Liu, Johnny Huan of UPC, PWPA directors Ramon Uy and Robert Kua.

Lumber Standards Reviewed

The Philippine Wood Producers Association (PWPA) led by its director and VP for Lumber Ramon Uy attended the consultative meeting on the enforcement of regulations on lumber grading last January 24, 2008 at the Forest Management Bureau (FMB), Department of Environment and Natural Resources, Quezon City.

It was a sequel of the August 30, 2007 meeting called by the FMB to address a complaint referred to it by the Department of Trade and Industry (DTI) about the purported selling of undersized lumber by a hardware store.

The meeting, attended by representatives from the DENR, DTI/Bureau of Product Stan-

dards, Forest Products Research and Development Institute, Philippine Lumber Merchant Association and PWPA concluded that the issue on the purported selling of undersized lumber might have been due to the only familiarity of buyers with the English System of lumber sizes when, in fact, most manufacturers now use the Metric System in sizing lumber. The participants agreed that labeling/sizing and invoicing of lumber should now follow the Metric System, by implementing the following measures:

- Circularize PNS 173:1992 to the lumber manufacturers and dealers;
• Display samples of actual sizes of lumber [T x W x L (25mm, at least)] per PNS 173:1992 on the board for buyers to see and

order from or refer to (the rough equivalent sizes in the English System they are familiar with); and

- Law enforcement, monitoring and handling of complaints to be handled by the DENR;

Except for law enforcement, monitoring and handling of complaints the DENR shall perform, other activities shall be undertaken by government agencies and/or industry players concerned.

With director Uy were executive director L. D. Angeles, forestry and environment (F&E) coordinator M. R. Vasquez, and F&E adviser J. A. Lorenzo. PLMA was represented by its president James Lee and officers Aquino Lee and Jose Lee.

Update on the BIR Regulations

In a meeting held on January 24, 2008 at the Forest Management Bureau (FMB) office in Quezon City, FMB assistant director Neria Andin sought the views of the Philippine Wood Producers Association (PWPA) regarding the draft Bureau of Internal Revenue (BIR)-FMB Memorandum of Agreement (MOA) on implementing BIR Regulations No. 13-2007 (Prescribing the

rules on the advance payment of value added tax (VAT)/percentage tax on the transport of naturally grown and planted timber products).

PWPA executive director L. D. Angeles recommended that FMB should made a query or clarification from the BIR on the following:

- 1. Has the e-vat law considered the DOJ's opinion that planted trees are considered as agricultural crop?

- 2. Has the e-vat law superseded RA 7161 so that it is now the Commissioner of Internal Revenue who fixes the rates of forest charges rather than the DENR secretary?

- 3. Is the BIR Regulations 13-2007 in effect without the MOA?

The FMB agreed to seek the views of the BIR on above queries.

PWPA Board...

(Continued from page 1)

tion area and the 5-hectare, 5-million tree seedling capacity nursery.

During dinner in Cagayan de Oro City, hosts chair Antonio Olizon, directors Robert Kua, and Alex Ong provided a short program where Cong. Rufus Rodriguez, the author of the bill on sustainable forest management act (SFMA), was the main guest. Cong. Rodriguez spoke on the features of the SFMA bill.

The program also included the awarding of plaques of: a) recognition to

director Ramon Uy for his leadership in the clean-up of debris in Metro Manila caused by Typhoon "Milenyo"; b) appreciation to directors Charlie Liu, Ramon Uy and Stanley Tan for their outstanding contribution to the success of the PWPA 56th Annual General Assembly; and c) appreciation to chair Antonio Olizon, directors Robert Kua, Alex Ong and Jhonny Young as well as to Cagayan de Oro Timber Co., Inc., A. J. Wood Products, Inc., HCH Wood Corp., Timberwood Development Corp. and the BFI. for hosting and/or accommo-

dating the tour of the directors of PWPA. (see photos on page 11.)

The day before the meeting of the Board, on February 21, the directors had a very informative tour of the processing plants of members HCH Wood Corp and Timberwood Corp. located at the Phividec industrial zone in Tagaloan.

It was followed by a welcome dinner graciously hosted by member CATIMCO of Mr. Alarico Lim at his Marco Hotel and Resort Area in Cagayan de Oro.

Table with 3 columns: WoodStock (Bi-monthly publication of the Philippine Wood Producers Association), EDITORIAL BOARD (Antonio C. Olizon, Chairman of the Board; Fernando A. Lu, President; L.D. Angeles, Managing Editor; M. R. Vasquez, Newsletter Editor), and E-mail us at (info@pwpa.org.ph; pwpa@greendot.com.ph or philforest@greendot.com.ph for your comments, feedback or letters to the Editor).

*PWPA Dialogued
With NCIP*

As a follow-through of the consultation among the Department of Environment and Natural Resources (DENR), Department of Agrarian Reform, National Commission on Indigenous Peoples (NCIP), Chamber of Mines of the Philippines and the Philippine Wood Producers Association (PWPA) last December 18, 2007, the PWPA led by chair Antonio Olizon and president Fernando Lu met with NCIP chair Eugenio Insigne last January 23, 2008 at his office in Quezon City to discuss specific concerns of the wood industry.

President Lu referred to the letter of PWPA requesting NCIP to issue a clearance to the DENR to enable it (DENR) to process continuously applications for tenurial instruments like IFMA and development plans like CDMP while the NCIP precondition documents are being awaited so as not to lose valuable time. However, the approval will be made by the DENR only upon its receipt of NCIP pre-condition documents.

Chair Insigne said there is no law prohibit the DENR to continuously process documents. He recommended to have a joint meeting between the NCIP and DENR to come up with a Memorandum of Agreement (MOA) on the matter.

PWPA volunteered to prepare the draft MOA and chair Insigne welcomed the PWPA assistance.

With chair Insigne were NCIP Commissioner Rolando Rivera of Region 3 and executive director, now legal chief atty. Basilio Wandag.

With chair Olizon and president Lu were executive director Leonardo Angeles, forestry & environment (F&E) coordinator Maila Vasquez, F&E adviser Jose Lorenzo, LUZMATIM's Richmond Ng and SIRAWAI's Rudy Cabuay.

*TWG Made a Final Review of
the House's SFM Bill*

The technical working group (TWG), tasked by the Committee on Natural Resources, House of Representatives, to put finishing touches on the bill on the Sustainable Forest Management Act (SFMA), had its final review meeting last February 28, 2008 at the FMB Conference Room, Visayas Avenue, Quezon City.

Presided by committee secretary (ComSec) Raul Terso, the meeting was attended by the senior staff of the Forest Management Bureau, led by Asst. Director Neria Andin, and representatives from the Haribon Foundation and the Philippine Wood Producers Association (PWPA).

ComSec Terso emphasized the importance of the TWG review as the secretariat of the Committee on Natural Resources expected to make and submit the Committee Report before the recess of Congress.

The Haribon Foundation and the PWPA were invited to express their positions on the bill.

Dr. Blas Tabaranza of the Haribon Foundation said the civil society has prepared a position paper on the parallel Senate bill but he has no authority to discuss it before the TWG. The position paper has yet to be

submitted to the Senate committee on environment and natural resources.

PWPA executive director L. D. Angeles of PWPA said that in the review of the SFM bill: 1) caution must be exercised that substance of the bill, as approved by the Committee on Natural Resources, must not be altered nor modified by the TWG; and 2) the definitions of terms must conform with Philippine Official Reference for Forest-Related Terms and Definitions and with those in existing laws; otherwise, adopting new ones will repeal what has been in the previous laws.

On the most debated issue Section 22. Forest Plantation Development in Production Forestlands) wherein the insertion of the phrase "endangered species in production forestlands" which is not in the Committee's approved bill, the PWPA recommended to delete the phrase as it completely stop logging in natural forest. The PWPA said to let the DENR determine what endangered species and endangered forest are in the IRR.

Director Angeles informed ComSec Terso that PWPA will be submitting its position on the SFM bill to the Committee on Natural Resources as soon as the TWG's reviewed or fine-tuned version of the bill has been received by PWPA through email.



Courtesy Call.
(Clockwise) PWPA Forestry and Environment adviser Jose Lorenzo, Cong. Iggy Arroyo, PWPA executive director Leonardo Angeles, PWPA directors Evaristo Narvaez, Jr. Aris-teo Puyat and Robert Kua.

DENR to Issue Computerized Forms for Log Shipments

Department of Environment and Natural Resources (DENR) offices in the community level have begun issuing computerized forms for clearances of timber and lumber shipments to eliminate fraud or corruption while the forest products are being transported from their point of origin to business establishments that own them.

The computerized certificate of timber origin (CTO) and certificate of lumber origin (CLO) will be issued by the Community Environment and Natural Resources Office (CENRO) for every shipment of wood products in a system that will be supervised and monitored by the DENR regional offices.

The CTO will be the form required to accompany logs/timber/flitches being shipped/transported, their number, species,

volume in cubic meters, source and the destination and/or consignee. The CTO will show the number of pieces of lumber being shipped as well as the species, volume, and place of loading, conveyance and date of transport, its source and consignee.

The new computer-generated CTO and CLO system uses two-bar code numbers which are randomly generated as an add-in security measure. There are also computer-based serial numbers assigned for the CTO and CLO.

The old CTO/CLO forms under Administrative Order No. 07 series of 1994 entitled "Revised Guidelines Governing the issuance of Certificate of Origin for Logs, Timber, Lumber and Non-Timber Forest Products" have no tamper-proof security features. The new computer generated forms have expiry dates, aside from the bar codes and the

computer based serial numbers. Moreover, certificates issued before can be extended unlike the new computer generated forms that have expiry or a specific validity period.

The DENR regional offices will be equipped with a computer system developed for the generation and tracking of the CTO and CLO forms courtesy of the Forest Management Bureau and the information system and technology office of the DENR. Information technology (IT) experts will train the regional office staff on the CTO and CLO generation and tracking system.

"We hope that this computerized generation of CTO and CLO would prevent the illegal transport of timbers and logs, as well as would help us in easily tracing accountabilities in the disposition of forest products," Atienza said.

Source: <http://denr.gov.ph/article/articleprint/4716/-1/39/>
February 28, 2008

Atienza Lauds Creation of Green Courts

Environment and Natural Resources Secretary Lito Atienza today said the move to designate 117 trial courts as 'green' courts would expedite the prosecution of environmental criminals and bolster efforts to enforce environmental laws.

"This is a very welcome move. We have long wanted to have green courts which would give special attention to violations of environmental laws," Atienza said. "From the ranks of the judiciary will now emerge fiscals and judges who are thoroughly capable in promulgating judicial decisions on lands, forestry, conservation and other environmental laws."

With the creation of the green courts, Atienza said the DENR could concentrate on presenting documents to strengthen prosecution, leading to conviction.

The DENR chief said the green courts will serve as a big source of encouragement

to environmentalists from various sectors and organizations. "They will now pursue their advocacies with more passion and dedication because they know that their actions will bear fruit because the environmental criminals who have been reversing their gains will be prosecuted and convicted."

"Environmentalists have long waited and worked hard for the creation of green courts. This was impelled by their experience that environmental cases have been either dismissed quickly or have languished in courts for several years."

To illustrate the long time involved in deciding environmental cases, Atienza cited the cases of confiscated vehicles and forest products. "After several years since confiscation, many of these vehicles and forest products are still in the compounds of DENR offices. They are now rotting because the cases remain undecided. If the government got a favorable decision from the courts, it could have disposed of these contraband and used the proceeds for public good,"

Atienza said.

Atienza said the tribunal's program to conduct training and seminars for its personnel, including judges and fiscals, on environmental and forestry laws will guide them to expeditiously and correctly decide on environmental cases.

In 2006, DENR records showed that 1,529 cases were filed in court for violation of forestry laws alone. Of this number, 962 were still under litigation, 10 for arraignment and pre-trial, 75 cases dismissed, four for provisional dismissal, eight inquested at the Regional Trial Court (RTC), 83 filed at the Provincial Prosecutor's Office, 18 archived, and 172 still pending in court.

"With the move of the judiciary and with the help of the citizenry, we can better protect the environment," Atienza said.

Source: <http://denr.gov.ph/article/articleprint/4716/-1/39/>
February 28, 2008

PWPA Joined 2008 Philippine Energy Summit

The Philippine Wood Producers Association (PWPA) representatives were among the 2,500 participants from government agencies, NGOs, the private sector and civil society who joined the closing plenary session of the Energy Summit on February 5, 2008 at the SMX Convention Hall, Mall of Asia, Pasay City.

The Summit aimed at generating the following outputs: a) immediate, short-, medium- and long-term sectoral and multi-agency responses to the energy crisis in terms of policies, programs, and legislations; b) social mobilization as a component in the action plan implementation; and c) institutionalization of sound monitoring mechanisms.

Department of Energy (DOE) secretary Angelo Reyes, the lead convenor, called the Summit not a DOE's nor a government's but a community summit considering that outputs came from all concerned stakeholder groups.

Reyes said key stakeholders crafted the preliminary list of priority recommendations and action plans for the immediate, short, medium and long term. He said they have "color coded" the initiatives to indicate the way by which they are prioritizing the further processing of the rich output of the Summit.

Reyes outlined a number of "green" initiatives that have achieved a high level of stakeholder's consensus; thus: a) lowering power cost for the sake of the industry competitiveness and consumer welfare; b) venturing into renewable and alternative energy; c) promoting energy efficiency and conservation; d) oil price management; e) social mobilization; and f) monitoring.

President Gloria Macapagal-Arroyo keynoted the event and received the report of the Summit. She expressed her delight as she



Well Done. President Gloria Macapagal-Arroyo speaks before the stakeholders/ participants of the 2008 Philippine Energy Summit.

congratulated Reyes for successfully convening and implementing the objectives of the Summit.

President Arroyo said the Summit will ultimately promote energy independence since it will enhance policies and programs, attract investments and technology, and launch development

projects that will impact favorably on energy in the medium term. She also provided answers to some issues presented by stakeholders as she gave information on the efforts of the government to provide energy at moderate costs to ordinary Filipinos.

She also thanked everyone for supporting the Summit especially all sector representatives who presented the summary of their respective outputs from the 3-day workshop that preceded the closing plenary.

DENR SALUGNAYAN II Attended by PWPA

The Department of Environment and Natural Resources held the SALUGNAYAN II last January 16, 2008 at the Social Hall, DENR, Visayas Avenue, Diliman, Quezon City

The forum was attended by more than 100 participants representing different government agencies, non-government organizations, private institutions and the business sector including the Philippine Wood Producers Association (PWPA) represented by President Fernando Lu and forestry & environment coordinator Maila Vasquez.

The forum aimed to broaden and strengthen, at the different levels, the partnership between the DENR and the stakeholders in the management of the environment and natural resources.

DENR Secretary Jose Atienza, Jr. gave a short message thanking the participants for continuously supporting the Salugnayan activities as he informed them the main thrust of the DENR in 2008 is Information, Education and Communication (IEC) Campaign.

DENR Usec Manuel Gerochi updated the participants about the Conference on Climate Change held in Bali, Indonesia on December 3-14, 2007. He said that the main focus of

the conference was the assessment of the long-term cooperation done during the progress of the implementation of the Kyoto agreement and the broad cooperation needed for the post-2012 period when the Kyoto Protocol's first commitment period expires.

Forest Management Bureau Director Romeo Acosta stressed the need for reduced emissions from deforestation and degradation (REDD). He said REDD is not included in the current CDM under the Kyoto protocol.

An open forum ensued where secretary Atienza, usecs Gerochi and Demetrio Ignacio answered questions from the participants.

*Of Courtesy Calls, Meetings and Events***By Ferdie Lu**

"The future is not an inheritance; it is an opportunity and an obligation."

- Former US President Bill Clinton

The PWPA board made its New Year Courtesy Call on Secretary Lito Atienza on January 7, 2008. It was a very candid and warm meeting where the Secretary reaffirmed his commitment to help business and industry. Secretary Atienza also acknowledged Director Putch Puyat, his high school classmate at the Ateneo who he missed in his previous meetings with the PWPA.

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Last January 16th, the DENR invited all its stakeholders to the second Salugnayan. Secretary Atienza briefed the attendees on the results of the summit on Climate Change held in Bali. He again stressed the urgency of addressing the global warming issue. The roadmap of the Green Philippines Program that will certainly contribute to avert the disastrous phenomenon was also presented to the attendees.

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The processing of permits and licenses of natural resources projects in areas covered by Ancestral Domains of Indigenous Peoples (IPs) have been put on hold pending the issuance of Certification Precondition (CP) or Free and Prior Informed Consent (FPIC).

The process is quite tedious and time consuming as there are many steps to be taken prior to the issuance of the FPIC. Based on their experiences, companies who have been issued the CP spent from a minimum of a year to as long as three years to secure the NCIP clearance. Accordingly, the procedure is intended to protect the rights of the IPs.

Meanwhile, the stacks of documents pending action have occupied big portions of the offices of FMB Director Romy Acosta and Undersecretary Manny Gerochi.

On account of this, senior officials of the PWPA met with Chairman Eugenio A. Insigne of the Commission on Indigenous Peoples (NCIP) to discuss possibilities of expediting the processing and issuance of the FPIC. The PWPA requested the NCIP to allow the DENR to proceed with the processing of permits and licenses while awaiting the issuance of the FPIC in order not to lose valuable time.

The Chairman was amenable to the PWPA's entreaty and recommended to have a Memorandum of Agreement (MOA) among the NCIP, the DENR and the

PWPA. The PWPA volunteered to prepare the draft MOA to which the Chairman did not offer any objection.

Upon invitation of the PWPA, Chairman Insigne joined the PWPA for lunch at the Ahong Restaurant. Commissioner Rolando M. Rivera of Region 3 and the Rest of Luzon and Atty. Basilio Wandag, Director of NCIP's Legal Office, accompanied the Chairman. Continuation of the candid and warm discussions ensued.

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The New Zealand embassy lined up several events in celebration of Waitangi Day. Held annually on February 6, the national public holiday commemorates the signing of the Treaty of Waitangi, New Zealand's founding document, on that date in 1840.

Congratulations and best wishes to our friends from New Zealand!

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The PWPA board of directors met on February 22nd in Cagayan de Oro City. This is the third time a meeting of the board of directors was held out-of-town. The first was in Cebu in 2006, then in Davao in 2007.

The off-site meetings provide opportunities for the directors to visit plants of members in the different localities. This year, the directors had the chance to visit Bukidnon Forests Incorporated in Malaybalay. The project, jointly funded by the New Zealand and Philippine governments, has shown that sustainable forestry can succeed in the country.

The directors were also able to have dinner with Congressman Rufus Rodriguez, the author of the Sustainable Forest Management bill in the Congress.

Thank you to Chairman Tony Olizon and directors Robert Kua, Alex Ong and Jhonny Young as well as some of our members in Region X for hosting the meeting.

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Senior officials of the PWPA headed by director Putch Puyat, Jun Narvaez and Robert Kua made a courtesy call on Congressman Iggy Arroyo at the Batasan last February 26, 2008. Albeit short, the meeting with the Chair of the Natural Resources Committee was very cordial. Congressman Iggy said that the next meeting can be held at the PWPA office at the LTA Building.

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Of Courtesy Calls...

(Continued from page 6)

Organizers of the forthcoming Earth Day celebration paid a courtesy call on Cardinal Gaudencio Rosales. Secretary Lito Atienza headed the group together with former Secretary Bebet Gozun and Ms. Odette Alcantara, Chair and Head Convenor of Earth Day Network Philippines, respectively. This writer joined the delegation together with For. Maila Vasquez.

Undersecretary Tessam Castillo presented the scheduled program of activities. The focus of this year's celebration is water.

It is important to note that while about 70% of the earth's surface is covered with water, only 3% of our world's water resources is fresh water and we can only tap only 1% of its supply. So let us do our share in conserving this precious commodity.

During the meeting, the Archbishop showed off his bags made of eco-friendly materials as well as his famous caricature depicting him as a terror against illegal logging.

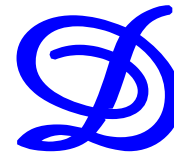
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Warmest Birthday greetings to Director Ramon Uy who was born on Valentine's Day.



The author holding Cardinal Rosales' famous caricature depicting himself as a terror against illegal logging.

EDNP Called on Cardinal Rosales



ENR secretary Jose Atienza, Jr. and the member organizations of the Earth Day Philippines Network, Inc. (EDNP) led by country coordinator Odette Alcantara and president Bebet Gozun made a courtesy call to His Eminence, Gaudencio Cardinal Rosales last February 21, 2008 at the Arzobispado, Intramuros, Manila.

The courtesy call aimed at briefing His Eminence about the different activities EDNP has prepared for the Earth Day Celebration 2008.

After Cardinal Rosales welcomed the group, secretary Atienza introduced the mission of the group as he gave the objective of the visit.

EDNP executive director Voltaire Alferez traced the history of Earth Day celebration in the Philippines: that from 1999 to 2005, it was managed by an informal group; but beginning in 2006, EDNP formally spearheads it.

DENR undersecretary Tessam Castillo detailed the different activities to be undertaken that will support the Earth Day's theme: "Tubig ay Buhay" Ating Pagyamanin at Linisin.

Some of these activities are: Forum on Philippine Rivers, Earth Day People Caravan, Tour of the Fireflies, Inter-Faith Celebrations. Activities will start as early as March 26, 2008 and culminate on the Earth Day on April 22, 2008. Earth Day activity components are: Paglalayag at Paglalakbay, Ugnayan, and Pag-aalay at Pagdarasal.

Cardinal Rosales agreed to celebrate the Holy Eucharist on April 22, 2008 at the Manila Cathedral, Intramuros, Manila.

Philippine Wood Producers Association chairman Antonio Olizon is one of the convenors of the EDNP.

New Year Courtesy Call on DENR Secretary

The Philippine Wood Producers Association (PWPA) made the traditional New Year courtesy call on secretary of environment and natural resources Jose Atienza, Jr. last January 7, 2008 at the OSEC Conference Room, DENR, Quezon City.

The meeting with secretary Atienza was cordial with a reiteration of his message earlier made during the first PWPA courtesy call on him last November 20, 2007 and also during its annual meeting on November 22, 2007 wherein he was the guest speaker. "The DENR fully supports the industries, including yours, as this is a mandate from President

Gloria Macapagal-Arroyo. However, industry practices shall be within the bounds of law," he said.

He encouraged the PWPA or any of its members to approach either undersecretaries Eleazar Quinto or Manuel Gerochi for any assistance or he can be approached directly if no actions came from them.

Led by chair Antonio Olizon and president Fernando Lu, the PWPA delegation included directors Robert Kua, Evaristo Narvaez, Jr., Aristeo Puyat, Alex Ong, Stanley Tan, Ramon Uy, executive director Leonardo Angeles, forestry & environment (F&E) adviser Jose Lorenzo, F&E coordinator Maila Vasquez, manager Regino Serafico, and LUZMATIM's Richmond Ng.

PCCI forms body to identify investment destinations

Because the government has failed to give the business community a list of ideal business destinations, the business sector has come together to look for model cities for investments.

"Instead of waiting for the government to tell us where to invest, we're scouting for prospective investments sites," Sammie Lim, president of the Philippine Chamber of Commerce and Industry (PCCI) said in an interview.

According to Lim, the foundation they formed dubbed as the Countryside Economic Development Foundation, will identify cities that are good investment destinations.

At the same time, Lim said the foundation will also study the 10 poorest areas that need private sector investment.

"We will be coming up with a master plan in order to identify specific investment destinations," Lim said.

The foundation will be outlining the do's and don'ts in investing in a particular city. They will likewise specify the risks involved in investing in a particular place.

When asked what kind of investments would be expected, Lim said it would be diverse but the most likely investments will be for housing.

However, he said the foundation has yet to set the criteria. "We will have to talk about it carefully. We want

to make the list of model investment cities and 10 poorest areas that need private sector investment credible," Lim said.

Aside from the PCCI, members of the Countryside Economic Development Foundation are the Chamber of Real Estate and Builders Association (CREBA), Chamber of Mines, Financial Executives Institute (Finex), Filipino-Chinese Chamber of Commerce and Industry (FCCI), Employers Confederation of the Philippines (ECOP), Philippine Exporters Confederation Inc. (Philexport), Federation of Philippine Industries (FPI) and the National Federation of Hog Farmers.

*Source: Article by Ma. Elisa P. Osorio
The Philippine Star, Business Section
February 20, 2008*

Sales of Existing US Homes, Prices both Plunge in Jan

Washington (AP) – Sales of existing US homes fell to the lowest level in nearly a decade in January while the median price for a home dropped for the fifth straight month.

The National Association of Realtors said Monday that sales of single-family homes and condominiums dropped by 0.4 percent last month to a seasonally adjusted annual rate of 4.89 million units, the slowest sales pace on records going back to 1999.

The median price of a home sold in January slid to \$201,100 (euro135,722), a drop of 4.6 percent from a year ago.

The drop in the sales and the fifth consecutive decline in prices underscored the continued pressure facing housing, which is struggling to emerge from its worst slump in a quarter-century.

Sales were weak in all parts of the country except the Midwest, where sales posted an increase of 3.4 percent. Sales dropped by 3.4 percent in the Northeast, 2.1 percent in the West and 0.5 percent in the South.

Sales of both existing homes and new homes tumbled for a second straight year in 2007 as the housing industry was battered by a severe credit crunch that hit in August as major financial institutions began reporting multibillion-dollar losses on their investments in risky subprime mortgages, loans made to homeowners with weak credit.

The market for subprime mortgages has essentially dried up and other types of loans have become harder to obtain as lenders have tightened their standards.

Lawrence Yun, chief economist for the realtors, said he believed the housing market may be on the verge of bottoming out with a rebound expected to start toward the end of this year.

"Subprime loans and other risky mortgage products have virtually disappeared from the marketplace, and over the past five months, this has been reflected in soft but fairly stable home sales," he said.

He said he expected demand to be bolstered in coming months by congressional action on economic stimulus bill to raise the caps on the size of loans that can be backed

by Fannie Mae and Freddie Mac and the Federal Housing Administration.

But other economists were not as optimistic, noting that there is a huge overhang of unsold homes, which rose in January to a 10.3 months supply, meaning it would take that long to exhaust existing inventories. That is about double what the inventory level had been during the housing boom.

Analysts said this overabundance of unsold homes would continue to depress sales and prices for some time to come.

"Expect sales and prices to keep falling" said Ian Shepherdson, chief US economist for High Frequency Economics. "There is no end in sight for the housing disaster."

The slump in housing that began in 2006 followed a boom period in which sales and prices had soared to record levels. Many economists believe that the sharp turnaround has severely depressed economic growth and boosted the odds that the country could fall into a full-blown recession.

*Source: The Philippine Star
February 27, 2008*

PWPA Joined SFM and Forestry Sector Outlook Study Seminar

The Forest Products Research and Development Institute (FPRDI) held a seminar on sustainable forest management (SFM) and forestry sector outlook studies last January 29, 2008 at its headquarters in Los Baños, Laguna.

The seminar was attended by representatives from industry organizations representing the pallet makers and sash manufacturers as well as the Philippine Bamboo Foundation and the Philippine Wood Producers Association.

Forester Nonito Tamayo, OIC Chief of the Natural Forest Division of the Forest Management Bureau, presented a paper entitled, "Enabling Conditions for SFM in the Philippines", focusing on the SFM bill of Cong. Rufus Rodriguez which was approved by the House Committee on Natural Resources last November 28, 2008.

He gave some statistics about forestry and the importance of SFM as he also identified the factors that affect forestry in the country, such as economy,

population, demand on energy, globalization, technological change, policy and institution and environmental issues.

He said the SFM bill is a unified national direction on the sustainable management of the country's forests but would need to be fleshed out with scientific, people-oriented and socially responsive strategies and policies to be successfully implemented.

Dr. Florentino Tesoro, former Department of Science and Technology undersecretary, presented the Philippine Forestry Sector Outlook Study 2020. He said the forestry sector is the centerpiece of country's natural resource base and ecosystem and that sustainable agriculture and industrial development would be hardly attained unless there is a viable forestry sector.

He said that with the different challenges faced by the sector, there is a need to manage effectively the remaining forests. These challenges are as follows: a) expansion of resource base; b) create a balance between production and protection forestlands; c) improve economic condition in the

upland; d) strengthen LGU and community capacity to manage forest sustainably; and e) enhance public consciousness of importance of forestry.

He added that with increasing fuel prices, demand for wood, as a source of energy, also increases and forests will continue to be the main source of fuel wood. However, there are really no fuel wood plantations in the country. Even the current log production could barely meet the industrial wood requirement.

In meeting the forestry outlook for 2020, he said there must be a policy supporting it. It is hope that the bill on SFM will be enacted into law soon.

An open forum followed where the two speakers answered questions from the participants.

Certificates of attendance were distributed to the participants by Dr. Florence Soriano, the FPRDI director, as she thanked everyone who attended the seminar and the continuous support the industry partners have been giving to the Institute.

Articles from Forest Products Research and Development Institute

Amazing Jatropha

The Jatropha plant (also known as "tubing bakod" or "tuba-tuba") is truly a biochemical wonder. Centuries before it gained popularity as a well-spring of precious biodiesel, rural communities in the tropics have already

embraced its dual identity: as a medicine for various body ailments and as a toxic plant they have to be careful about.

Dr. Eustaquio G. Aragones, Jr., botanist of the Department of Science and Technology's Forest Products

Research and Development Institute, recently scanned the literature on Jatropha's medicinal and toxicity values. "Because it is both a strongly beneficial and harmful plant thriving all over the Philippines, Jatropha is one

(Continued on page 11)

Average Plywood and Substitute Prices Survey in NCR

	Before (February 18, 2008)	Now (March 10, 2006)		Before (February 18, 2008)	Now (March 10, 2006)
	(in Pesos/piece)			(in Pesos/piece)	
3mm (1/8) plywood	219	221	18 mm (3/4) plyboard	728	726
4 mm (3/16) plywood	260	267	1/8 lawanit	170	172
5 mm (1/4) plywood ordinary	283	281	3/16 lawanit	219	220
5 mm (1/4) plywood marine	333	333	1/4 Hardiflex	373	367
10 mm (1/2) plywood	489	512			
18 mm (3/4) plywood ordinary	788	824			

Note: all pick-up prices inclusive of VAT retail prices

100 Years, still Growing Strong

CONGRATULATIONS RAUTE!

Last year, the independent Republic of Finland turned a respectable 90 years old. This year it is Raute's turn to celebrate the company's 100-year journey. When Raute was established, Finland was part of the Russian Empire. Independence, the building of a nation, wars and war reparations, changes and peaks in economic cycles are also reflected in Raute's history.

Raute also has its own history to tell. It begins with a small engineering works in Lahti that got its start fixing machines and making iron beds. The engineering works became a limited company, Lahden Rauta-ja Metalliteollis vistehdas Oy, in 1908 and began manufacturing inland waterway vessels, as well as its first frame saws. Framesaws marked the beginning of Raute's journey to becoming an expert in wood products technology.

In the 1930s, the company began manufacturing plywood machinery, and in the following decade, the furniture factory Sopenkorpi was established.

Between 1944 and 1952 the company supplied approximately 1,200 machines as part of Finland's war reparations to the Soviet Union. Finland's

neighbor to the east formed the company's main market area up until the late 1980s, when the Soviet Union collapse, and trade to the region dried up.

In the '60s, in its wood processing machinery production and scale technology, the company switched from producing single machinery to mill-scale production lines and plants. Production lines for the plywood and block board industries and in the 1970s also for the particleboard industry were manufactured.

The company's international expansion began in the 1970s, with Raute founding its first sales office in both the US and Ecuador. In the next decade Raute established operations in Canada and sales offices in Singapore, Germany and Brazil, and joined a co-operative business venture in China.

The 1980s were a time of strong growth and internationalization for Raute. Automation became the focus of product development work. Export activities were stepped up and by mid-decade, exports had increased to 80 percent. At the same time, the company established RWS Engineering Oy to respond to the growing demand for expert services. The name Raute Oy was officially adopted, although the name had already caught on in everyday use.

In the early 1990s, Raute's business activities were still divided into three units: wood-processing machinery (Raute Wood Processing Machinery Oy), scales production (Raute Precision Oy) and furniture (Sope Interior Oy). The company's furniture business was divested in 1994.

In the 2000s Raute has focused increasingly on wood products technology, through, for example, acquisitions such as the Mecano Group and Jymet Engineering. The company divested its scale operations in 2004.

Today, Raute Group is a globally operating wood products technology company specializing in project business and versatile services. The company has a leading position in the world as a supplier of mill-scale projects to selected customer industries. Raute's customer industries are the plywood and veneer industry, the LVL industry, the particleboard and MDF industry, the parquet industry and decorative veneer industry.

Raute is represented by Mr. Nicky Yao in the Philippines. He can be reached at 12 Katherine St. Parkway Village, Balintawak, Quezon City at telephone number (632) 4145747; cell phone 09175275199.

Source: RauteVision special publication



Tree Planting in Pangasinan. PWPA Pangasinan Chapter with the Department of Environment and Natural Resources, PNP-Regional Mobile Group and San Roque Power Corp. jointly undertook tree planting at the San Roque Dam Watershed area (San Nicholas side) last December 7, 2007.



PWPA Ilocos Norte Chapter General Assembly. Held last February 16, 2008 in Laoag City, the general assembly was a success. National PWPA office manager, Regino Serafico (second to the left) participates in the Assembly.

Scenes from the PWPA Directors' Meeting and Sojourn in Cagayan de Oro



Articles from Forest Research...

(Continued from page 9)

species we need to understand well," he says.

In the country's rural villages, almost all of its parts are tapped for their medicinal benefits. Aragonés gives some examples: "the leaves are good for treating cough, fever, diarrhea, and for stimulating milk production in lactating women; the roots are a remedy for edema, gout, paralysis, skin diseases and intestinal worms, while the fresh sap is said to be effective against wounds, bleeding gums, ulcers, scabies, eczema and ringworm."

FPRDI Crafts Digital Wood Moisture Meter

For wooden products like floors, doors, panels, windows, furniture and handicrafts to perform well in temperate countries, their lumber raw materials must be dried to 12 percent moisture content (MC).

When moist lumber is used, the wood tends to distort, shrink or crack in service, leading to customer dissatisfaction and costly corrective measures.

At present, the most convenient, fastest and non-destructive way for an exporter to know the MC of lumber raw material is by using a moisture meter.

Now, a newly-developed digital wood moisture meter could make things easier for interested businessman. Designed by the Department of Science and Technology's Forest Products Research and Development Institute (FPRDI) and Advance Science and Technology Institute (ASTI), the gadget costs only P4,950. It suits different local wood species, and is easy to repair as spare parts are locally available.

The imported moisture meter currently being used by the wood industry players sells at P10,000 to P40,000 and needs calibration to fit local species. It is also expensive to maintain as spare parts are imported, according to Dr. Marina A. Alipon, project leader of the team that developed the local digital moisture meter.

The moisture meter was found to be technically viable in a pilot test. However, its performance still has to be revalidated in selected areas across the country before mass producing it.

Condolences

*With sincerest condolences to the bereaved family of:
+ Valeriana Mercado Young, mother of PWPA director Mr. Jhonny Young, who passed away last February 11, 2008.*

07 January 2008

New Year Courtesy Call on DENR Secretary Jose L. Atienza
DENR, Quezon city

09 January 2008

PWPA Board Meeting
PWPA Board Room, Makati City

16 January 2008

DENR SALUGNAYAN II
DENR, Quezon City

17 January 2008

PPSQF Board Meeting
DTI, Makati City

23 January 2008

Meeting with NCIP
NCIP Office, Quezon City

24 January 2008

Meeting on Lumber Metrification, BIR Regulations and others
FMB-DENR, Quezon City

29 January 2008

Public Hearing on Rationalization of Incentives
Batasan Pambansa, Quezon City

The Philippine Wood Producers Association
3/F LTA Condominium Building
118 Perea Street, Legaspi Village,
Makati City 1229

05 February 2008

2008 Philippine Energy Summit
SMX Convention Hall, MOA, Pasay City

07 February 2008

EDNPI Convenor's Group Meeting
Blue Ridge, Quezon City

16 February 2008

PWPA Ilocos Norte Chapter Meeting
Ilocos Norte

21 February 2008

EDNPI Courtesy Call on Cardinal Rosales
Arzobispado, Intramuros, Manila

22 February 2008

PWPA Board Meeting
Mallberry Suites and Business Hotel, Cagayan de Oro

26 February 2008

Courtesy Call on Cong. Iggy Arroyo
Batasan Pambansa, Quezon City

28 February 2008

Final Review of SFM Bill
FMB-DENR, Quezon City

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