

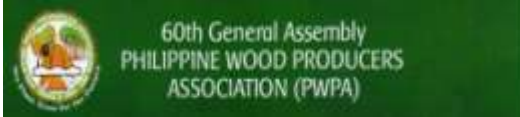


PWPA Holds Forum to Mark 60th Year

The Philippine Wood Producers Association (PWPA) held a forestry forum last August 24, 2011, at Makati Shangri-la Hotel with the theme *An Outlook: The Future of Philippine Forestry* to mark its 60th founding anniversary. The forum discussed the current state of Philippine forests encompassing the impact of the logging moratorium on the wood industry, the role of forests in national development and in climate change mitigation.

Speakers representing the government, academe, business and international agencies were invited to provide their views in relation to the forum theme.

FMB Director Neria Andin delivered DENR Secretary Ramon Paje's paper, with the topic *Thrust of the Department vis-a-vis Forest Resource Sustainability and Wood Industry*



Development. Society of Filipino Foresters President Renato de Rueda covered *Attuning Forestry Practices for Forest Resource Sustainability and Climate Change Adaptation.*

FAO Senior Forestry Officer Patrick Durst discussed *The Relationship between De/Reforestation and Flood*, while SUDECOR President Aristeo Puyat presented *The State of the Wood Industry, Concerns and Action Plans.*

UPLB College of Forestry and Natural Resources Dean (now UPLB

Chancellor) Rex Victor Cruz served as moderator in the open forum following the presentations.

PWPA's sole forum presenter, R.I. Chemical Corporation, through Manager for Plywood Adhesives Allen Diez, also delivered a technical paper on *Regulating Formaldehyde Emission from Wood Products.*

In his opening message, PWPA Chairman Fernando Lu said, "Now is a good time to revisit the aims and aspirations of our association. Have we been faithful to our organization's objectives? On the whole, I would say that we have... Those of us who are still here religiously practice sustainable forest management. We are still operating in the same forests where we started over fifty years ago. These remain to be the most luxuriant in the country. We strongly believe that,

(Continued on p. 3)

PWPA Pledges 5 Million Trees for NGP

The Philippine Wood Producers Association (PWPA), through Chairman Fernando Lu, and the Department of Natural Resources (DENR), through Assistant Secretary Marlo Mendoza representing Secretary Ramon Paje, jointly signed last August 24, 2011, at Makati Shangri-la Hotel a Memorandum of Commitments ensuring the availability of 1 million tree seedlings per year, for the next five years, for this administration's National Greening Program (NGP). The total of 5 million tree seedlings substantially contributes to the 1.5 billion trees targeted by DENR to be planted between Year 2011 – Year 2016. Serving as

witnesses were FMB Director Neria Andin for DENR and President Antonio Olizon for PWPA.

As lead implementing agency of E. O. No. 26, Series of 2011, otherwise known as the National Greening Program (NGP), the DENR has called on "all sectors of Philippine society to support the purposes, goals and realization of the NGP." In response, PWPA heeded the call and during its 60th Year anniversary event, pledged to be DENR's partner in the NGP implementation.



PWPA Chairman F. A. Lu and DENR Assistant Secretary M. D. Mendoza seals the MOC with a handshake.

Confronting Our Industry's Biggest Challenges

by Tony Olizon

I believe the wood industry faces its most monumental challenge to date. Not that our association has not done anything to try to take us out of this seeming Ondoy or Pedring scale of a situation. But we are faced with a tsunami. The odds - these monstrous waves - have not changed course. They continue to bear on us and batter us to pieces.

Our main hurdle is Executive Order No. 23. Even before it became effective, the leaders of PWPA met with Executive Secretary Paquito Ochoa and briefed him about our industry. We were confident that we had effectively and convincingly communicated our message, because he reassured us, "The President will get to know your position."

Sec. Ramon JP Paje, on the other hand, had been very straight-forward. He would not assist or make an appointment with the President for us, he declared. He did not want to appear to be lawyering for the private sector. Sec. Paje probably also realized that we would present to President Aquino the issues relative to EO 23 - and since the fundamentals of EO 23 came from him - it then seemed logical for Sec. Paje not to appeal to the President on our behalf.

The situation we face today is quite the reverse of what we'd experienced with past DENR Secretaries. Remember when the late President Cory Aquino accommodated our comprehensive industry presentation - complete with merienda and souvenirs, courtesy of then Sec. Jun Factoran?

We know that other DENR/FMB officials could not even implement the other important provisions of EO 23 - for reasons known only to them. We of course see programs seemingly

progressing; but everyone knows the real score; and people could read between the lines!

One former secretary commented, "I don't know if the President intends to see this industry die!"

I believe we still have well-meaning friends who want to help us - because they believe in our valuable role as countryside developers and as a significant economic force. But they can only do so much; and to expect them to stick their head out or take the bullet for us might be asking for the moon.

After giving him the lowdown on EO 23, I received this advice from one Cabinet member: the key is in finding the key to open the door. Well, we just have to heed his advice - find the key, and find it fast, to unlock and uncork the President's ears to our voice.

We don't want to be presumptuous, but we believe that given a chance to verbalize the economic significance of our industry - as well as our very legitimate yet mostly unheralded role as guardians of our country's environment - we can get the President to listen and convince him that, yes, this industry must be allowed to thrive, for the sake of the millions of Filipinos who depend on us for their very lives.

Now, let me discuss the second issue - plywood smuggling.

Unbelievable but true! Based on the records of "China Plywood Exports", this year's January to August China plywood export to the Philippines totaled 91,000 cubic meters. With simple computation, this figure amounts to some 3,500 plywood crates a month, equivalent to 20% of our monthly domestic production.

This development has become so precarious for our domestic plywood plants which didn't have much choice but to crush their prices to remain competitive. Clueless consumers couldn't care less if they buy substandard or inferior quality plywood! They too don't care if the plywood they buy does not have the Import Commodity Clearance (ICC) or BPS mark; or if the plywood has been glued excessively with formaldehyde - a chemical to embalm the dead! - which is very hazardous to anyone's health. As long as the price is cheap, the consumer will buy it!

Our Association has appealed to Customs Commissioner Alvarez to contain this outright and blatant smuggling (of course no taxes!); and the rampant mis-declaration/ under declaration of these imports. We have made representations with the Department of Trade and Industry and Bureau of Product Standards. The status? So far, there has been no - repeat NO - apprehension by the Bureau of Customs. The DTI has pounced on a few hardware stores selling substandard China plywood (unmarked, unlabelled) but these are just drops in the bucket - not even one percent of the volume of smuggled/ substandard plywood in the market.

We are being deluged by hurricanes. It's up to us if we will remain standing or cave in. To act, to look for that key, to remain vigilant and prove our detractors wrong. Because what we're standing for is worth our blood, sweat and tears.

We have to re-assess our position and pray hard how to overcome these challenges to our wood industry.

“Ply-by-Night” Plywood

With the issuance of Executive Order No. 23 or the moratorium on harvesting trees in natural or residual forests, the price of wood products in the local market have increased by 25-30% due to lack of supply, while prices of wood products in the world market have also increased by 60%.

Similarly, starting in April, 40-foot container loads numbering about 200 to 450 containers per month have been brought into the country. Majority of these imports were reported not to have paid the right duties or taxes as they were either mis-declared, or outright smuggled into the country.

Market information indicates that for the first half of the year 2011, 73,608 cubic meters of plywood was exported from China into the Philippines. This is roughly equivalent to 1,472 40-foot container loads. These exports peaked in May where an estimated 447 containers were shipped to the Philippines from China. A check

with the Bureau of Import services showed that only a very small portion of these importations have been properly declared with the Bureau of Customs.

To further validate industry information and assess how widespread these Chinese plywood have penetrated the market, the Department of Trade and Industries (DTI) and Bureau of Product Standards (BPS) carried out a market monitoring program to help in the enforcement of mandatory standards. (See related story on pages 10 & 11). The drive has started to make a difference in checking hardware and lumber outlets and in charging erring stores. We now see importers beginning to declare their imports and apply for Import Commodity Clearance with the BPS.

PWPA has also previously apprised BOC of this state of affairs because, apart from depriving our government of hundreds of millions in taxes and duties, the “savings” of

these imports also allowed them to unfairly compete and undercut the prices of locally-manufactured plywood.

At this level of import surge, Chinese plywood have very swiftly taken away almost 25% of the local plywood market, unfairly competing with their substandard products, improperly imported, under declared, or outright smuggled, and with an export subsidy given by the Chinese government under the guise of an “export rebate.”

With over 30 plywood mills in the Philippines, directly employing over 30,000 workers whose families depend on them, these unmarked and improperly documented imports are endangering the livelihood of Filipinos. Based on trade statistics, for every container of Chinese plywood brought in, 16 local workers lose their jobs. Beyond the business, the local workforce’s welfare is now a true cause of concern.

PWPA Holds Forum... (Continued from page 1)

properly protected, our forests are perpetual... Contrary to popular belief, the wood industry is actually environment-friendly. We deal with a renewable resource. Our industry is a mitigating agent against climate change and every aspect of our business demonstrates this.”

An audio visual presentation traced the 60-year history of PWPA. Highlight of the program was the presentation and signing of the

Memorandum of Commitment, where PWPA pledged to continue to be a long-term partner in greening the country by donating, through its members, 1 million tree seedlings per year, a total of 5 million seedlings, for the next five years to the government’s National Greening Program.

For his outstanding leadership and devotion of time in his role as 2011 Chairman of the PWPA’s 60th Annual General Assembly, PWPA Vice

President and Director Charlie Liu was presented with a plaque of appreciation during the program.

The Business meeting and reelection of the same members of the Board of Directors for 2011, except for one, by the General Membership Assembly concluded the half-day activity.

(See list of PWPA 2011-2012 Board Members on page 5.)

WoodStock

Bi-monthly publication of the Philippine Wood Producers Association

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Forum Papers Excerpts

The State of the Wood Industry and Measures to Overcome Major Concerns

By *Aristeo G. Puyat*
Business Executive

Of all the problems that have beset our industry, the promulgation of the EO 23 is the most serious and most alarming as it might even spell the demise of the legitimate operators in the industry...



While members of the PWPA have all complied with their obligations and have preserved their forest resources thru measures formulated and ordered by the government, they are on stand-by, not knowing what the future holds for them. They are apprehensive that illegal loggers and poachers would swoop down their forest areas they have zealously protected, some for more than 50 years.

EO 23 provides that a review and evaluation of tenurial agreements like the IFMAS be undertaken to determine those who committed serious violations but up to now, the process has not yet began.

Government officials should realize that the wood is a lifetime need of the people, from cradle to grave and that the legitimate players in the wood industry can satisfy this need utilizing modern processes and following scientific measures that will ensure that our forest resources will always remain productive for the next generation... When and after that happens the wood industry can be an important partner of the government in its national greening program as the government and the wood industry have these parallel intentions in this heroic government effort.

I still believe that the President will not allow an industry like the wood industry to perish on account of the acts of those who operate outside the law... Let us always keep uppermost in our hearts that our country and our people are the reasons why we exist.

Attuning Forestry Practices for Sustainable Forest Resources Management, Biodiversity Conservation and Climate Change Adaptation

By *Forester Renato de Rueda*
President, Society of Filipino Foresters



The following issues continue to hound and negatively affect the country's forestry sector...

- Unstable implementation of forest policies
- Plantation development is not moving forward as desired
- Limited government support in the rehabilitation of watersheds
- Reduced investment in the forest-based industries sector
- Open access forest areas
- Management of forest areas covered by ancestral land titles
- Balance in forest protection and forest production areas
- Continued poaching and illegal logging...

Considering the many changes that happened in the forestry landscape since the 1986 EDSA revolution, the DENR should, by now and in partnership with the different forest managers, be less of regulatory and more of developmental. This calls for

the DENR to complement its traditional regulatory roles to become mentor, facilitator, trainer on sustainable forest ecosystems management of the SIFMA, CBFMA and other tenure holders, who are not in a position to hire professional foresters and/ or related disciplines to help them in the systematic management of their tenured areas.

Global Perspective on the Future for Philippine Forestry

By *Patrick B. Durst*
FAO Senior Forestry Officer



How has Vietnam been able to do so well in forestry? If I can list a few things:

- Supportive, stable policies in forestry
- Clear signals of support to the sector from government
- Establishment of clear and secure forest tenure
- Simplification of regulations and reduction of red tape
- Favorable tax treatments for forestry
- Emphasis on market development, including exports
- Attention to value-added processing

Active engagement of forestry officials in regional and international fora.

All of these things should offer hope and point the way toward opportunity for the Philippines.

2011-2012 PWPA Members of the Board of Directors



Edith A. Alcantara



Victor A. Consunji



Calvin T. David



Alfonso C. Keh, Jr.



Robert W. Kua



Fernando A. Lu



Charlie H. Liu



Evaristo M. Narvaez, Jr.



Antonio C. Olizon



Aristeo G. Puyat



Stanley Q. Tan



Ramon Y. Uy



Jhonny M. Young



Forum Generates Media Mileage

Reporters from TV5, Channel 13, The Philippine Star, Manila Times, Manila Bulletin, Business Mirror, Business World, Malaya Business, Manila Standard, People's Journal, and Philippine Daily Inquirer covered PWPA's 60th year anniversary celebration and forestry forum. Post-event news and publicity of the day's program were subsequently released in the dailies, as collage shows, and on TV5 by Ms. Cherie Mercado as well as on Channel 13.

PWPA 60TH GENERAL ASSEMBLY SNAP SHOTS
AUGUST 24, 2011, MAKATI SHANGRI-LA MAKATI CITY

Registration



Program Proper



The Speakers/Moderator



Signing of Memorandum of Commitment for NGP



Open Forum



Media Interaction



PWPA Calls On Sen. Koko Pimentel

Senator Aquilino Pimentel, Jr. welcomed the Philippine Wood Producers Association's briefing about the Association, the wood industry in general, and Executive Order No. 23. This was during PWPA's courtesy call last September 5, 2011, at his Senate Office in Pasay City led by Director Aristeo Puyat.

When Senator Pimentel said that he is pro-Total Log Ban, Director Puyat informed him that PWPA has somehow convinced former Senator Miguel Zubiri, a long advocate of total log ban, to positively consider the merits of sustainable forest management, following a similar PWPA presentation. Thus, as

the erstwhile chair of the Senate Committee on Environment and Natural Resources, Senator Zubiri espoused the SFM bill. Director Puyat thus requested Senator Pimentel for the chance to provide him the same presentation.

Senator Pimentel asked incisive and clarifying questions to further enlighten him, to which PWPA responded fully. His queries covered issues such as the establishment of forest line, extent and danger of illegal logging, the need for wood products that can only be manufactured from natural timber like furniture, the face and back of plywood, marine plywood



for fishing boats, among others.

After the one and a half hour meeting, Senator Pimentel said he will further study the presentation of PWPA and EO No. 23.

Long Trek to Review and Evaluation

Eight months after the issuance of the Executive Order No. 23 on February 1, 2011, the Department of Environment and Natural Resources (DENR) has not yet officially undertaken the review and evaluation (R/E) of forest tenurial instruments, including IFMAs, as stipulated in EO No. 23.

The R/E is supposed to determine who among the holders of forest tenurial instruments have or have not violated the terms and conditions of their contracts and other pertinent forestry laws, rules and regulations.

The Philippine Wood Producers Association (PWPA) has twice written both the DENR Secretary and the Of-

fice of the President for the immediate conduct of the R/E. The office of the President endorsed PWPA's letter request to the DENR Secretary for action on the R/E.

The DENR Office of the Undersecretary for Operations and the Forest Management Bureau (FMB) met with stakeholders concerned twice last August to discuss and review the draft guidelines of the R/E of forest tenurial instruments.

On September 16, 2011, the FMB again called the IFMA holders to show that it is ready to conduct the first phase of the R/E. Accordingly, the FMB and DENR Regional Offices con-

cerned are proceeding with the R/E even without the approved guidelines. As of this date, the set of guidelines for the R/E is still for signing by the DENR Secretary.

However, latest information has it that the OSEC returned the draft memorandum that will officially start the R/E process to FMB for revision.

The PWPA hopes that the DENR is serious in conducting the much delayed evaluation. Some PWPA members are just wondering about the intent of the evaluation because many DENR/FMB key officials have already seen their operations and are very much satisfied with what they saw.

PWPA Appeals to RDCs

The Philippine Wood Producers Association (PWPA) appealed to the Regional Development Councils (RDCs) to request DENR to immediately review/evaluate (R/E) the IFMAs of PWPA company-members so that the logging moratorium in natural or residual forests may be lifted on those qualified.

RDC – Region III

In response, the Sectoral Committee on Economic Development (SCED) of the Regional Development Council (RDC) of Region III chaired by Governor Bella Angara-Castillo invited the PWPA to present their cause in a meeting held July 5, 2011, in San Fernando, Pampanga.

PWPA, represented by Chairman Fernando Lu, shared that in compliance with EO No. 23, its members have stopped operations and brought down all their equipment from the forests. However, five months after the EO's issuance, the R/E of IFMA areas has not been undertaken nor the guidelines released. He also said that

Continued on page 10)

House Committee Approves SFM Bill

The SFMA bill, mainly authored by brothers Cong. Rufus and Cong. Maximo, Jr. Rodriguez, which the wood industry supported was approved October 4, 2011, during the Executive Session of the Joint Committees on Natural Resources and Reforestation co-chaired by Cong. Francisco Matugas and Cong. Victor Yu, respectively.

Cong. Max Rodriguez, Jr. relayed the “news” to the Technical Working Group (TWG) representatives from SFF, FMB/DENR, academe, NGO and PWPA who were at the lobby during the Executive Session, all present to

render any needed technical assistance. This completed *Step 1*.

Step 2 is “cleaning” of the bill, and the preparation of the Committee Report for submission to *Step 3*, plenary deliberation (second reading – period of debate and amendments). The House approval-timeline for the SFMA is December 2011.

As a related development, the Senate counterpart of the SFMA bill, after undergoing 10 session-meetings of the TWG, is finished. It is a “clean” bill, as far as the wood industry is concerned. The report of its Joint

Committees was signed by erstwhile chair, Sen. Miguel Zubiri, before he resigned his Senate seat, and is now with new chair Sen. Chiz Escudero. The TWG, specifically its SFF and academe members, plans to call on and brief Sen. Escudero on the importance of passing SFMA as the Philippine contribution to the International Year of the Forest which is being celebrated this year.

According to the newspaper accounts, the Joint Senate-House Consultative Meeting considers the SFMA as one of the 20 priority bills of the present Congress.

Visitors Explore Tie-Ups with PWPA

FuturaGene Vice President for Business Development Dr. Nissim Che recently visited the Philippines to explore the possibility of forging a partnership with private companies that may be interested to use genetically engineered trees in plantations. Israel-based FuturaGene has developed a germplasm technology protocol specifically for *Eucalyptus spp.* that improves growth and yield until harvest. It is now being used by the Suzano Company, a huge *Eucalyptus* plantation in Brazil, wherein FuturaGene is in a technology partnership.

PWPA informed Dr. Che that the local wood industry also uses plantation timber, among them is the native *Eucalyptus deglupta* called locally as *Bagras*. Originally, intended for pulp and paper, the *Bagras* is beginning to find use in veneer and plywood manufacture.

However, the main species being planted and used by the wood industry at present is *Falcata* for the manufacture of veneer and plywood and *Gmelina* for furniture. The PWPA suggested that FuturaGene considers developing protocols for these planta-

tion species. It also suggested touching base with Claveria Tree Nurseries, Inc. that clones fast growing species like *Mangium* for a possible partnership.

Meralco SME Business Group Relationship Manager Ramuel Camanay called on PWPA to introduce the benefits of Meralcos’ SME Group programs and products and which PWPA members may find useful and efficient to their operations.

Mr. Camanay introduced the Time of Use (TOU) Rate Program offered to small and medium enterprise (SME) consuming 500KW and less. TOU is an alternative pricing scheme that may be taken advantage of by using electricity when generation rates are cheaper, i.e. during off peak hours. TOU may apply, on a registered meter-basis, to factories or manufacturing plants like sawmills, that can shift their operation more during off peak hours or effectively transfer all or most of their electrical loads during off peak hours or on Sundays. PWPA members who are within MERALCO’s concession or franchise area may avail of the program.

The Philippine Disaster Recovery Foundation (PDRF), through Ms. Liesl Lim, met with PWPA to give a short presentation on the initiatives being undertaken by the Foundation, particularly its main program called “The Marikina Watershed Initiative” the aim of which is to protect, reforest and rehabilitate the watershed.

The program’s short-term and long-term initiative are: Short-term – build on existing efforts; rehabilitate 600 hectares and develop the Integrated Marikina Watershed Management Plan; Long-term – implement the Integrated Marikina Watershed Management Plan

Lim reported that, to date, PDRF has already planted 135 hectares in the area and that aside from the planting activities, they also conduct community organizing, livelihood training and other related activities that will ensure the seedlings planted will be protected and maintained even if PDRF is no longer in the area.

Present during the meeting were PWPA President Tony Olizon who said

(Continued on page 11)

Plywood Council Joins DTI Monitoring Team

The Department of Trade and Industry-Regional Operations and Development Group (DTI-RODG), in response to the request of PWPA to monitor the surge in the local market of unmarked imported plywood from China, has intensified its monitoring drive to check hardware and lumber stores selling them. PWPA's Plywood Council Coordinator Ricardo Patawaran represents PPSQF in the team.

The DTI-created regional/provincial monitoring and enforcement team is composed of representatives from the DTI-Bureau of Products Standards (BPS) and the Philippine Product Safety and Quality Foundation (PPSQF) wherein the PWPA is a member.

Since May, an estimated 800 40-

foot container vans of plywood from China reportedly entered the country. From May to date, the team has monitored 150 of such stores in the National Capital Region (NCR), Cavite, Batangas, Laguna, Quezon Province, Ilocos Norte and Pangasinan of which 123 were found selling plywood in compliance with DTI product standards while the rest found non-compliant were charged.

Local plywood, being covered by mandatory standards, are required to be marked with the PS label. On the other hand, imported plywood are required to have Import Commodity Clearance (ICC) marks obtainable from DTI. During the monitoring period, however, it was verified that almost all imported plywood carried by non-compliant stores have no ICC marks, only brand names in some.

Foreign brand names without the ICC markings do not qualify under the PNS196:2000.

The monitoring team has suggested that DTI head office issue a memorandum to DTI Regional/Provincial Offices to the effect that: 1) all imported plywood must comply with ICC marking requirements, and 2) punitive actions be taken against stores selling Chinese plywood dubiously marked with local PS mark.

Through DTI's active local monitoring program, the PWPA hopes to stem the influx of sub-standard, unmarked Chinese plywood in the market that not only cause unfair competition and irreparable damage to the local plywood manufacturers but also deprive the country of employment and revenues opportunities.

PWPA Appeals... (Continued from page 8)

with operations stopped, workers of PWPA members have been laid off.

Gov. Angara-Castillo agreed these companies should be immediately reviewed as they are legitimate operators and providers of raw materials of furniture makers and other wood dependent industries. She added that laying-off workers will also put pressure in the forests in the long term.

The SCED recommended the drafting of a resolution for the immediate R/E of RDC chair with a definite time frame and to send it to the President.

RDC – Region IX

In a similar manner, the RDC IX Agri-Industrial Development Committee (AIDCom) invited the PWPA last August 9, 2011 in Zamboanga City to brief and clarify the issues and concerns as well as required actions relative to the implementation of the EO No. 23.

PWPA Forestry and Environment Adviser Jose Lorenzo and Sirawai Plywood and Lumber Corp. Rudy Cabuay represented the PWPA in the meeting. They provided the Committee with the issues and required action especially on the R/E of the IFMA areas of company-members.

The DENR representative said there is an on-going evaluation being undertaken in the region hence RDC IX AIDCom suggested to wait for the result of the evaluation before coming up with a recommendation or resolution on the same.

RDC – Region XI

RDC XI Vice Chairperson and NEDA XI Director Ma. Lourdes Lim, in a letter dated June 21, 2011, informed the PWPA that their Council will include the PWPA's request for review in their next meeting's agenda. She also said that they have referred the matter to the DENR Region XI and have requested for the status of the

evaluation in the region.

Also, Lim furnished PWPA with the resolutions passed by the RDC XI relative to EO No. 23, to wit:

- a) RDC XI Resolution No. 48, Series of 2011 – Requesting the DENR to reconsider the requirement for sawmills, veneer plants and other wood processing plants to present proof of sustainable sources of legally cut logs for a period of at least 5 years provided for under the EO No. 23, series of 2011 in view of its immediate adverse impact on the Davao Region's wood industry; and
- b) RDC XI Resolution No. 50, series of 2011 – Requesting the DENR Central Office to provide the Council with pertinent guidelines and issuances governing the application of Section 2.2 of EO No. 23, series of 2011, which allows tree cutting associated with cultural practices pursuant to the Indigenous Peoples Rights Act.

PWPA Meets BOC Commissioner Biazon

The Philippine Wood Producers Association (PWPA) led by President Antonio Olizon met with new Bureau of Customs (BOC) head, Commissioner Rozzano Rufino Biazon, last October 17, 2011, at his Office in Manila for a courtesy call and briefing on the impact of imported plywood from China.

With President Olizon were Directors Alfonso Keh, Jr. and Stanley Tan together with Executive Director (ED) Leonardo Angeles, Deputy ED Maila Vasquez, Mr. Florio Bunag of Furniture Group, Inc., Ms. Sylvia Cortes of Alsons, and Mr. Ramon Lim of SMWPI.

Commissioner Biazon welcomed the PWPA and said other industries also seek the support of BOC on import-export matters.

President Olizon briefed the Commissioner that the influx of imported plywood from China in the local market has gravely affected the local plywood manufacturers. He added that unscrupulous importers/traders even resort to illegal use of registered trade

names of some PWPA members, like that of SMWPI which is known for its quality marine plywood, so that they may sell China plywood. He cited the danger of using sub-standard imported marine plywood to make fishing boats as they will delaminate at sea, sink the boat and drown fishermen.

Director Keh, Jr. also said that not only are China plywood substandard and hazardous to health, but they also endanger the livelihood of local people because for every container of Chinese plywood brought in, 16 local workers lose their jobs.

President Olizon suggested to Commissioner Biazon that it would help the local plywood business if the BOC would make a public statement that it will now seriously start monitoring the illegal entry of Chinese plywood. He informed the Commissioner that on its own, the PWPA has published a warning advertisement on the matter in a widely circulated Chinese newspaper. He also mentioned the parallel efforts being undertaken by the PWPA and Department of Trade and Industry, particularly on the

importance of the issuance and use of Import Commodity Clearance (ICC) as a control to the proliferation in the market of substandard, poor quality imported China plywood.

The directors also raised the issue on the export tax on *Falcata* logs which used to be not collected by BOC. They said last year PWPA has informed the past BOC administration of the issue; however, the PWPA has not been updated whether or not the tax collection is being implemented or not. Director Tan said the export of *Falcata* logs is going on and the government might be losing substantial revenue from the non-collection of log export tax.

Commissioner Biazon said he will personally push the BOC to implement the pertinent laws. He asserted that a public statement may have to be issued on the matter of plywood importation as it involves public interest or welfare. He added he will check with the BOC export division about the status of the collection of export tax on *Falcata* logs.

Visitors Explore... (Continued from page 9)

an area that PWPA can be a partner with is through seedling production, and PWPA Chair Ferdie Lu, who noted the need for wood of the people, suggested there should also be an area for fuel wood production. The beneficiaries he said will have a specific area where they can get their needs for fuel and also a possible source of income. Lu also said that PWPA may also assist in their production areas when the comprehensive plan of the watershed is completed and provide technical assistance.

Ms. Lim appreciated the suggestions and said she will inform the Foundation how these can be arranged between PWPA and PDRF.

The Mindanao Development Authority (MinDA), through its

Presidential Staff Officer Cecilia Trino and Sr. Economic Development Specialist Milva Lunod-Carinan, presented to PWPA last October 10, 2011 its "MindaNOW: Nurturing Our Waters Program" under its MinDA Riverbasin Development Plan.

The program has adopted an integrated management approach covering production, protection and settlement vis-à-vis impacts on development, climate change, peace and order and especially governance. It has six components, namely: a) institutional development and capacity building; b) plan integration and harmonization; c) knowledge management; d) river basin and watershed

management; e) policy review, development, advocacy and implementation; and f) constituency building.

PWPA expressed support to the program with Director Aristeo Puyat noting that for any collaboration to proceed effectively the roles of parties involved should clear. President Antonio Olizon, on the other hand, suggested for MinDA to consider launching a pilot project before the bigger program. Once the pilot succeeds, MinDA can then replicate it in other areas.

Other support that PWPA can extend, according to Director Puyat, is to provide technical assistance that they may need and for the MinDA program staff to hold office at PWPA when in Manila.

Metro Manila Survey of Plywood Prices in Peso/Panel

As of August 15, 2011 vs. Oct. 18, 2011

PLYWD (3mm)	PLYWD (4mm)	PLYWD (5mm)	PLYWD (10mm)	PLYWD (18mm)	PLYBRD (18mm)	MARINE PLYWD	LA- WANIT 4 X 8	LA- WANIT 4 X 8	HARDI FLEX	HARDI FLEX	GYP- SUM BOARD
1/8	3/16	1/4	1/2	3/4	3/4	1/4	1/8	3/16	1/4	3 1/2	1/2
225/220	325/308	353/338	595/576	969/931	900/832	392/370	211/218	285/298	432/448	350/383	382/368

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



RI CHEMICAL CORPORATION



Our Major Products

Our **ALKYD, PHENOLIC, ACRYLIC, MALEIC, EPOXY AND EMULSION RESINS** are used widely by the paint industry for architectural and industrial coatings.

Our **UNSATURATED POLYESTER RESINS (UPR)** are raw materials for the handicraft industries, for the fabrication of boats, vehicle components, for furnitures and a large variety of industrial, architectural and consumer products.

Our **URES (Urea Formaldehyde Adhesives), PHENORES (Phenol Formaldehyde Adhesives), and HOTMELT ADHESIVES** are used by all the plywood mills, particle board and Laminated Veneer Lumber (LVL) plants in the Philippines.

Our **POLYVINYL ACETATE ADHESIVES** are used by the woodworking and packaging industries.




A trusted player in the synthetic resins industry

- ◆ With over 50 years of tradition in chemical manufacturing.
- ◆ Serving several essential industries locally and internationally.
- ◆ Committed to building a winning organization that fosters excellence, creativity, and innovation and safeguarding the community and the environment.

Plant & Sales Office

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