



Bill on National Land Use Act is Approved Natural & Residual Forests Under Protection Land Use

The House of Representatives has approved the House Bill No. 4382 known as “National Land Use and Management Act of the Philippines (NLUA)” on June 2, 2014. It was transmitted to and received by the Senate on June 4, 2014.

The NLUA bill provides for the framework for land use planning and categorized land uses as follows: a) protection land use; b) production land use; c) settlements and institutional land use; and d) infrastructure land use. It also mandates for the review and assessment of current land use system to ensure that it reflects the actual use of the land. The result of the review shall be considered in the formulation of the planning guidelines.

The NLUA also provides for the criteria for the classification or re-classification of current land-uses and the

process on how the land use planning shall be done. It gives definite time frame for the completion of base mapping program, ground delineation of permanent forest, cadastral surveys, ground delineation of land use, among others. Incentives, sanctions and penalties were also provided by the Act.

The NLUA bill categorized all existing areas within forestland containing primary and secondary forests and all existing areas within forestland containing secondary growth or residual forests of whatever type of species as protection land use.

The Society of the Filipino Foresters, Inc. (SFFI) has apprehension with the approval of the bill as it could affect the Bill on the Sustainable Forest Management (SFM) Act which is, at present, in the Technical Working Group

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PWPA at the Bangsamoro Forum Shares Experiences on SFM

Philippine Wood Producers Association (PWPA) President Antonio Olizon made a presentation on the experiences of the PWPA members in implementing sustainable forest management (SFM), its challenges and recommendation during the Land and Property Rights Workshop on Bangsamoro last June 4, 2014 at the UP Law Center, Diliman, Quezon City.

Olizon was invited to react to the paper of Land Equity International Managing Director Mr. Anthony Burns re: Lessons from Other Countries. Part of Olizon's recommendations was to look into the practices and experiences of the Yayasan Sabah Group in Kota Kinabalu as the culture, climate, topography and resources are almost similar with the country.



Land and Property Rights Workshop Participants, June 4, 2014 at the UP Law Center, Diliman, Quezon City. (Photo by FEF)

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Forester L. D. Angeles Retires



Forester Leonardo D. Angeles retires as Executive Director of the Philippine Wood Producers Association (PWPA) last June 30, 2013 at the age of 78.

“Ding” as he is fondly called by friends and colleagues has been serving the profession for 55 years in the government service, academic and research service and the wood industry. Half of his professional service, 27 years, has been with the wood industry.

Angeles has already retired from the PWPA in August 2002 but was

requested to continue his service as Executive Director.

During the “*despedida-tribute*” of PWPA to Forester Angeles, he said that because he loves his work, he did not notice the years passed quickly. He said it was a very rewarding and fulfilling professional life that he had served the forestry profession and the wood industry. He said he has given the full measure of his dedication, loyalty and honesty to PWPA and thanked the Association for having him served it and thanked everyone for their respect.

On his second retirement, the PWPA gave Forester Angeles a

Certificate of Appreciation for his dedicated service and able leadership as the Executive Director of the PWPA as well as sharing his technical knowledge and experiences for the improvement of the wood industry of the country. Together with the certificate is a framed photo memorabilia with a dedication and token of gratitude from the members of the Board of Directors.

The members of the Board of Directors and staff shared their experiences, the lessons they learned and thanked him for sharing his technical expertise to the Association.

CA Confirms Paje After Four Years

The Commission on Appointments, on June 11, 2014, has finally confirmed the appointment of Department of Environment and Natural Resources Secretary Ramon Paje after four (4) years of being in office.



Paje’s confirmation, which was referred to the plenary on June 10, 2014, took 7 hearings, the longest among all the cabinet secretaries. His confirmation was also the only one with a negative vote (Senator Sergio Osmena III) since all other government officials were confirmed without objections. During previous hearings, Senator Osmena III questioned the veracity of Paje’s report on his reforestation program and the alleged operation of illegal mining under his term.

Paje was confirmed together with Justice Secretary Leila de Lima, Social Welfare and Development Secretary Corazon “Dinky” Soliman, COA Commissioners Heidi Mendoza and Jose Fabia.

Local Plywood Mills Slows Down China Plywood in the Market

Ten medium to big local plywood mills temporarily stopped its operations since 2012 while the rest are in partial operation resulting to the decreasing supply of *locally manufactured* plywood in the market.

However, shortage of supply is not felt by the consumer as there are more than enough plywood in the market, dominated by China plywood and surprisingly, these are cheaper than the locally manufactured ones.

The influx of plywood made in China that enters the Philippines is one of the causes of the temporary closure of plywood plants. These plywood are either outrightly smuggled or misdeclared/underdeclared. Aside from this, China plywood are substandard in specifications (in thickness, in lamination and in drying) - it is sundried; the face and back are laminated and is less than 0.2 mm and cannot be sanded because it will be easily peeled-off and it can easily delaminate when soaked with water; China plywood are inferior in quality and are a health hazard to the users, consumers and carpenters because of the glue (high formaldehyde content) used to manufacture it; and scrupulous importers do not pay the correct taxes (import duties/EVAT, etc.) or no taxes at all are being paid.

The comparative figures of the Customs Bureau of China and the DTI Bureau of Import Services showed a remarkable discrepancy both in volume and in value.

Example would be the September – December 2012 records: Exported to the Philippines.

Bureau of Customs – China

US\$29.8 million in value

DTI Bureau of Import Services – Phils

US\$1.9 million in value

Another one of the causes is the limited raw materials for the manufacture of the face & back and core veneers. With the issuance of the Executive Order

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PWPA at Congress

On Sustainable Forest Management Act

The Philippine Wood Producers Association (PWPA) joined the Technical Working Group (TWG) meeting of the Committees on Natural Resources and Reformation to make a preliminary discussion on the proposed SFM bills filed/re-filed in the Congress last March 26, 2014 at the House of Representatives, Quezon City.

Congressman Teddy Baguilat, chair of the TWG, gave high hopes that the bill will be passed by this Congress.

He said that there were five bills that have been filed/re-filed and said bills will be the focus of discussion. He mentioned also that since there were items that were already been agreed upon during the last Congress, he believes that the discussion on the harmonization of the bills will be easier than before.

Representatives from the government, civil society, professional group and the private sector were requested to give their thoughts about the SFM bills and all were in agreement for the need to have the SFM bill passed into law this Congress.

Taking note that there were no representatives from the academe and also the members of the defunct Anti-Illegal Logging Task Force, it was suggested to invite representatives from them as resource persons on the next scheduled meeting and was noted by the Committee Secretary.

On Fiscal Incentive Act

The Philippine Wood Producers Association (PWPA) attended the joint Committee meeting of the Ways & Means and Trade & Industry on the Fiscal Incentive Act on May 20, 2014. The meeting was chaired by Hon. Romero Quimbo, Chairman of the Committee of Ways and Means.

Congressman Quimbo said that the meeting seeks the views, comments and recommendations of the different industries with regards to the proposed bills on Fiscal Incentive Act. He added that they are also evaluating the incentives given to

each industries and whether said incentives should remain or be removed.

The industry representatives (jewelry, small enterprise, wood) present during the meeting gave their views and recommendations on the bills provided.

PWPA gave support to the consolidation of the bills further adding that aside from a realistic and practical incentive program, businesses need stable law and policies that will provide good business-friendly environment thereby making business transactions easy.

Bill on National...

(Continued from page 1) (TWG) review at the House.

During its recent SFM TWG meeting, its Chair, Congressman Teddy Baguilat expressed that the SFM bill should be consistent with the approved NLUA bill which is already submitted to the Senate.

Forester/lawyer, Atty. Willie Pollisco of SFFI said during the meeting, he made his statement regarding how SFM has been implemented in the country. He said he shared his experiences as one of those who implemented it and monitored how it was undertaken considering that he started as a tree marker in the field.

He said the real SFM includes the right management of the forest and forestlands including the natural and residual forests.

With this, SFFI President Tom Valdez suggested to make a briefing, SFFI led in coordination with the Forestry Development Center and the Philippine Wood Producers Association, on how SFM works and implemented in the country including the effect of passing the NLUA bill to SFM TWG chaired by Congressman Baguilat, Congressman Rufus Rodriguez, author of one of the SFM bill filed at the House and the TWGs for the NLUA and SFM bills in the Senate.

Table with 3 columns: WoodStock (A publication of the Philippine Wood Producers Association), EDITORIAL STAFF (M. R. Vasquez, Deputy Executive Director; R. M. Serafico, Manager), and E-mail us at (info@pwpa.org.ph or philwood@globelines.com.ph or FB: Philippine Wood Producers Association for your comments, feedback or letters to the Editor).

PWPA at the EUTR Awareness

The Chamber of Furniture Industries of the Philippines in coordination with the Philippine Wood Producers Association (PWPA) hosted the Forum on European Union (EU) Timber Regulation: Awareness and Alternative Solutions last March 26, 2014 at the Oakwood Premier Joy-Nostalj Center Manila, ADB Avenue, Ortigas Center, Pasig City.

The forum, that aims to promote awareness on the EU Timber Regulation implemented by the EU in March 2013 and finding alternative solutions for industries in the country exporting to the EU, was attended by more than 100 participants representing government agencies, academe, furniture and wood industry sectors.

PWPA VP-Director Ramon Uy welcomed the participants to the forum and gave the rationale for having the forum. He hoped that the participants would learn about the FLEGT, VPA and EU Timber Regulation (EUTR), its impact and how to find alternative solutions to overcome challenges and diffi-

culties. He also encouraged the participants to be open and give ideas on how the country will have a practical, economical and fitting due diligence system.

Mr. Bill Maynard of Global Forestry Services discussed about the EUTR. He said that with the regulation, the EU market would not accept timber and timber products unless the legality of the source is verified. He also said that the legality verification depends on the law or regulations of the exporting country.

Maynard said EUTR requires due diligence or FLEGT licensing. He added that the legality verification would focus on the different implementation of activities such as licensing, planning, felling operations, production of timber, collection of taxes or royalties, transport, etc. Traceability of materials from the forest through production and auditing the chain of custody are some key elements of verifying legality.

He also shared some experiences of Ghana, Malaysia, Indonesia, among

others on how they are developing their legality system.

FMB representative, For. Raul Briz, made a presentation about forestry permits and transport documents for forest products and timber tracking. He also made a presentation on the Philippine Criteria and Indicators System for SFM which could be used for audit or assessment procedure.

He also made a presentation on the updates of forest certification, chain of custody and timber legality assurance system.

The SGS provided an overview of the FSC COC Certification process and the different services they are offering.

CFIP President Nicolaas de Lange made a situationer of the furniture industry of the country and its challenges.

Open forum ensued.

CFIP Executive Director Salvio Valenzuela, Jr. moderated the forum.

DOF Extends Application Period for Importers and Custom Brokers

The Department of Finance, through Department Order No. 033-2014 dated May 21, 2014, extended the application period for importers' and custom brokers' accreditation with the Bureau of Internal Revenue (BIR) and Bureau of Customs (BOC) until June 30, 2014 for them to have ample time to prepare and comply with the requirements pursuant to Department Order No. 12-1014, as amended by DO 18-2014.

The Order stated that failure to file the proper application on the said date would deem the accreditation automatically cancelled effective July 1, 2014 or the date of expiration as indicated in their accreditation, whichever is earlier.

For those who filed their applications in accordance with the rules and regulations, their accreditation shall be extended until further notice from the BOC provided that the BIR has not denied their applications; otherwise it will be cancelled from the date of its denial. Hence, the BIR has

been instructed to inform the BOC of the accreditation results which will serve as basis for giving notice to the importers and customs brokers.

The BOC issued Customs Memorandum No. 11-2014, known as the Revised Guidelines for Registration of Importers And Customs Brokers With The Bureau Of Customs (BOC) Pursuant To DOF Department Order No. 33-2014, with the following objectives: a. To implement DOF Department Order No. 33 - 2014; b. To prescribe, revise and simplify rules for the accreditation of an importer or customs broker; c. To ensure the effective and proper enforcement of the Tariff and Customs Code of the Philippines, as amended (TCCP) and all other relevant laws, rules and regulations by ensuring that only legitimate entities are accredited as importers and customs brokers; d. To guard the interest of the government against abuse of accreditation privileges; and for other purposes.

PWPA Attends the Forest Asia Summit

The Philippine Wood Producers Association represented by its Deputy Executive Director Maila Vasquez, through the sponsorship of the Food and Agriculture Organization, attended the Forest Asia Summit last May 5-6, 2014 at Jakarta, Indonesia.

The Summit, organized by the Center for International Forestry Research (CIFOR) and co-hosted by the Indonesian Ministry of Forestry, was participated by more than 2,000 stakeholders across the Southeast Asia and globally who shared interests in sustainably managing the region's forests and landscapes.

Indonesian President, H. E. Susilo Yudhoyono, gave the keynote address during the opening program while 10 government ministers and deputy ministers from across Southeast Asia gave plenary speeches on what their respective countries are doing regarding the sustainable management of their resources and other related activities on environment. DENR Undersecretary Demetrio Ignacio is the representative of the Philippines.

The Summit has discussion and high-level forums that revolves along five main themes: a) Governance and legal frameworks to promote sustainable landscapes; b) Investing in

landscapes for green returns; c) Climate change and low emissions development on the ground; d) Forest landscapes for food and biodiversity; and e) Changing communities, sustainable landscapes and equitable development.

The Forests Asia Summit aims at addressing a number of interesting issues such as governance and trade and investment opportunities, climate change mitigation and adaptation, livelihoods, sustainable food systems and nutrition.

FAO Forum: SFM Important in Green Economy and Poverty reduction

During the Forest Asia Summit held in Jakarta, Indonesia on May 5-6, 2014, the Food and Agriculture Organization organized a discussion forum on equitable development – sustainable landscapes, green growth and poverty reduction that highlighted the role of forests and sustainable forest management (SFM) in the green economy and poverty reduction.

With Asia's significant progress in achieving Millennium Development Goal Targets that brought tremendous environmental and social challenges, there is an urgent need for the region to balance economic growth with social equity while reducing environmental risks and ecological scarcities. To achieve this, landscape approach is critically important, as the balance requires close coordination among all land-based sectors.

The following are excerpts from the different experts that shared the progress of Asia's forests towards green economy including opportunities and challenges they might face as it strives for green growth; how green

investment will create incentives and benefits for concerned stakeholders; and the role of ASEAN in moving forward to green economy.

Yurdi Yasmi, Forest Policy Officer, FAO RAP, opened the discussion forum; summarized the main achievements of the forest sector towards greener forestry and sustainable landscapes. He said, "sustainable forest management (SFM) practices have a lot to offer to green-economy and sustainable development goals. Experiences from assisted natural regeneration and leasehold forestry projects, for example, demonstrate how these interventions contribute to effectively achieving social, economic, and environmental objectives." He further described three key opportunities that can support green-economy objectives through forestry: promoting sustainable practices in forestry, expanding natural assets and creating forestry jobs.

Dr Hadi Susanto Pasaribu, Executive Director Association of South East Asian Nations (ASEAN)-Korea Forest Cooperation (AFoCO), shared their experience on how the sustainable

landscapes approach supported by grassroots movements can benefit green growth in Asia through multi-stakeholder collaboration. He said, "South Korea's Saemaul Undong (new community development), with its focus on land preparation and restoration, has proven successful in changing landscapes. AFoCO is supporting human capacity development and multi-stakeholder collaboration towards action-oriented and country-driven initiatives on degraded forest land linked with poverty issues in ASEAN."

Ms Aida Greenbury, Managing Director, Sustainability for the Asia Pulp & Paper Group, discussed global trends in corporate social responsibilities aimed at implementing "zero deforestation," changing market behavior, protecting biodiversity while creating forestry jobs, and managing conflicts through free, prior and informed consent. She said, "I believe forest management can support both green growth and poverty alleviation. Sustainable business is one that survives and thrives long-term."

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Forestry can be big business in the Philippines

FORESTRY AS a sector contributes a measly amount to the gross domestic product (GDP) of the Philippines. This is understandable because production forests in the Philippines are almost non-existent. The little left of our forests is basically for watershed areas and those declared as national integrated protected areas systems (NIPAS). The latter include those areas that are important biodiversity habitats, have unique land features, or are home to endangered plant and animal species.

Fifty-three percent of land area in the country is officially classified as forest lands. However, much of it is bereft of forest and is simply grassland: I was in Bohol recently to look into the possibility of having a tie-up with a state university for the Farm

Business School project of the Management Association of the Philippines (MAP). On the way to their campus in Bilar, we passed inside a man-made forest. I could also see forest-covered hills and low mountains all over the area between Bilar and Carmen. I was truly amazed!

I wonder why this can't be done in many parts of the Philippines. It also reminded me of an article I wrote in 2000 about forestry potentials in the country. For those interested, you may check a reprinted copy in one of the chapters in the book *4Es: Pathways Out of Poverty* published late last year.

I still believe that given the proper investment policy and programs, forestry can be a major industry in the Philippines. Such an industry can generate millions of jobs, especially for

By Jose Rene C. Gayo

the upland dwellers who are counted as among the poorest of the poor.

The other benefit to such a program is the environmental dividends. Every summer, water becomes scarce, leading to cutbacks in the supply for irrigation, and a shortage of electricity. What is happening in Mindanao with blackouts these past few months is truly pathetic. Billions in revenue are lost and thousands of man-hours wasted due to work stoppages as a result. If our mountains are forested, springs would have continued to flow, feeding our rivers and dams with precious water.

Come the rainy seasons, the opposite happens. We have excess water

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Selective indignation: Causes that shape our nation

INDIGNATION means anger aroused by something unjust, unworthy, or mean, according to the reference source. Selective is self-explanatory.

Various interest groups have their own causes. Civil society groups, private sector organizations, church groups, and individuals want their voices to be heard. This is welcome in a democratic society.

But what if the choices of causes can be very selective and justice is ignored? What are the examples of this?

- **Urban Bias.** The government subsidizes MRT/LRT riders to the tune of P11,000 each person per year. The subsidy eats some P12 billion of government resources each year which could be better used for the 20 million poor in the countryside. When there is a move to increase the fare,

there are threatening reactions from certain groups.

Now, why are there so few reactions with regard to the meager support to the coconut farmers and workers? They received less than P1,000 per capita for the last three decades, and they are the poorest of the poor. The same can be said for the poor fisherfolk, and the indigenous peoples.

- **Rural Job Destruction.** Of the 12 million or so agriculture and rural workers, very few have full-time jobs. The rate of underemployment is massive. The rural areas cry for stable jobs.

Yet, there are causes which result to more job losses. In October 2011, insurgents burned the Taganito Mining facility in Claver, Surigao del Norte, for the company's refusal to pay revolutionary taxes, affecting thousands of workers. Mining operations and nickel

ore loading was suspended because of the damage.

One day in September 2013, the *Sun Star* reported that NPA Front 72 burned the factory and warehouse of standard Rubber Development Corp. for alleged violation of workers' rights and for not paying them the right "taxes". About 150 workers lost their jobs permanently.

Then, Rappler reported that on April 10 this year, the NPA also burned at least 20 vehicles and mining equipment of Apex Mining in Maco, Compostela Valley. Lots of work hours were lost.

Where is the noise about the suffering of families who lost wages and jobs? Do we reward job creators or job destroyers? Who will invest in the countryside if this is the way existing investors are being treated? Who will

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Partners for the Environment. The Deforestation Global Issues Network Club of the Chinese International School of Manila (CISM) led by Ms. Serena Uy, had a joint Tree Planting Activity with the Philippine Wood Producers Association (PWWA) and the Department of Environment and Natural Resources-National Capital Region (DENR-NCR) on March 22, 2014 in Taguig City.

Prior to the activity, PWWA Deputy Executive Director Maila Vasquez briefed the participants on the importance of planting trees and its effect on the environment while DENR-NCR Forester Joel Rosal gave them tips on how to properly plant trees. About 150 trees were planted.

Upper left photo shows DGIN Club members with PWWA and DENR-NCR staffs while the lower photo shows the members in action.



Due Diligence System for the Philippines.

PWWA VP/Director Ramon Uy gave the welcome remarks during the Forum on EU Timber Regulations: Awareness and Alternative Solutions held on March 26-27, 2014 at Oakwood Primer Joy-Nostalj Center, Ortigas Center, Pasig City. (see related story on page 4)



Partners in Development. The Juken Sangyo Philippines is the newest associate member of the Philippine Wood Producers Association (PWWA). At their invitation, the PWWA visited their plant at Subic Bay Freeport Zone on April 23, 2014 to witness their operations and the different products they produce.

Juken Sangyo, established in 1935 and incorporated in 1952, is a Japanese company with local subsidiaries in New Zealand, Shanghai, China, Hongkong and the Philippines. With forest management rights in New Zealand - where they plant, grow and harvest trees - they have a mission to pass on their limited resources to future generations by continuing to plant 2M seedlings each year.

(Left photo) Juken Sangyo Philippines led by its General Manager, Masaaki Matsumoto (3rd from the left) poses with PWWA Directors and staff led by Chairman Fernando Lu and President Antonio Olizon (7th & 8th from left, respectively).

Local Plywood Mills...

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No. 23, the Moratorium on the Cutting of Trees and Harvesting of Trees in Natural and Residual Forest and the Creation of the Anti-Illegal Logging Task Force, plywood manufacturers increased the importation of raw materials for the face & back veneer. However, imports have been difficult due to the high costs of raw materials, export quota and the value-added requirement of the exporting countries. In terms of the core veneer, raw materials from local plantations are continuously on the decline due to the exportation of small diameter logs and lumber to China.

ALSONS, APTPCO, EMCO, PATECO, SUDECOR, UPC are among the plywood plants that temporarily stopped its operations. Accordingly, they will resume operations once the business environment become encouraging and favorable.

PPSQF conducts CIDG Awareness Program

Philippine Product Safety and Quality Foundation (PPSQF) conducts a series of orientation program to different agencies responsible for monitoring of construction materials entering the country, the latest of which is with the Criminal Investigation and Detection group (CIDG) last June 5, 2014 at the PNP Engineering Service Office, Camp Crame, Quezon City.

According to PPSQF Executive Director Ma. Victoria Unson, the CIDG was deputized by the Department of Trade and Industry on the monitoring of construction materials and CIDG has requested them to be their partner in the education part or the briefing/orientation in terms of the product standards of each construction material.

COMP to Malacanang: Review tax scheme

The Chamber of Mines of the Philippines (COMP) was dismayed on the action of the Mining Industry Coordinating Council (MICC) to continue with the proposed increased tax policy without considering the comments and observations not only of the mining industry that will be directly affected by it but also by authoritative third parties.

COMP requested Malacanang for a review of the taxation scheme by MICC as it will discourage investments in the extractive sector.

The MICC imposed either a 10-percent tax on gross revenues or a tax of 55 percent on adjusted net mining revenues plus a percentage of windfall profit, whichever would give higher revenues to the government.

COMP said that the proposed tax structure cannot be considered as fair or equitable and will not attract quality investment to develop, in a responsible manner, its mineral resources.

The revenue-sharing based on actual profit is being proposed by the Miners.

FAO Forum...

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Mr Adam Grant, Manager of Investments and Operations for New Forests Asia, put the spotlight on forest landscape management in Asia and the potential for creating incentives for business and investment. He said, "the forestry sector in Asia is changing rapidly and the institutional investors are looking closely into emerging markets in South East Asia as part of their diversified portfolios." He noted that a key challenge for private investors is how to engage effectively with smallholders, where issues of tenure and risk are greater.

Mr Bruno Cammaert, Forestry Officer FAO, made an observation based on the last presentation that there seems to be an incompatibility between private-sector and smallholder modes of operation. He said that this may pose a challenge, there is a need to ensure that smallholders can be assisted to take advantage of the opportunities provided by green growth.

Dr Doris Capistrano, Senior Advisor of the ASEAN–Swiss Partnership on Social Forestry and Climate Change (ASFCC) and Senior Fellow at the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA), reflected on the implications for ASEAN countries of the key points arising from the preceding discussion.

She said, "ASEAN countries individually and collectively have a unique opportunity to move towards a green economy based on sustainable, multiple-use landscapes. Transformative policies are required at all levels, cross-sectoral and multi-stakeholder collaboration, the re-imaging of the face of the private sector to more centrally include small and medium-sized businesses, and achieving greater equity in the distribution of benefits across the value chains. Enlightened corporate players can assist in this transformation and stand to benefit through reduced risks to investments and reputations and an improved bottom line."

Processes and mechanisms already exist within ASEAN that can facilitate this transformation. ASEAN's Multisectoral Framework for Climate Change: Agriculture and Forestry Towards Food Security is a cross-sectoral mechanism, which although still in the early stages of development can potentially play an important role.

The forum concluded that forestry has very big potential to contribute to green growth and green economy goals and targets in Asia. However, forestry alone won't be able to tackle the challenges (economic, social and environmental) to achieve these goals, nor can such challenges be addressed without forestry as an integral part. To create an enabling environment for green growth, fundamental challenges such as land-tenure insecurity, conflicts, misaligned incentive structures, uneven playing fields for business enterprises, the low capacity of stakeholders, and inadequate policy frameworks should be overcome. Forest management, in particular, needs to be contextualized and reoriented in a manner that more effectively and simultaneously supports green growth and poverty reduction. The knowledge and experience that has been accumulated as a result of decades of research and experimentation with integrated rural development and the sustainable management of watersheds and forests provides a solid starting point for action. However, the realization of the vision of inclusive green growth can only be possible with strong and sustained action and commitment from all stakeholders, and committed leadership, especially from governments.

Modified from the article written by Yurdi Yasmi, Forest Policy Officer for Asia and the Pacific, FAO and Soojin Kim, Programme Officer, Sustainable Environment and Natural Resources Management, FAO; originally posted on [FAO InFO News](#); re-posted at [Forest Asia Summit 2014](#).

Forestry can be...

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flowing down the mountains causing soil erosion, flooding in the lowland areas, with lives and properties lost. If only our mountains were forested, such damage would be minimized because trees absorb water like sponges.

THREE FARMING

For decades now, the Department of Environment and Natural Resources (DENR), foreign groups, and aid agencies have invested billions of pesos for greening programs. Unfortunately, little has been achieved in terms of performance. Real forest cover in the country has barely grown over the past 80 years.

The constant flip-flopping of presidents on the issue of a total log ban has discouraged private business from investing in forestry projects. Why should one sink money if there is no guarantee that one can harvest the trees when these are ready for harvest?

There is a need for a change in mindset. Forestry has to be seen as a strategic industry to address the poverty problem, environmental degradation, and climate change adaptation. Trees still have the most efficient way of capturing carbon dioxide from the atmosphere. Thus, if millions of trees are planted, several million tons of carbon credits can be traded to generate extra income for tree farmers.

TREE FARMING AND WATER RESOURCE MANAGEMENT

As I mentioned earlier, forests do a dual function for conserving water. During the rainy season, they can control the amount of water flowing down the mountains. During the summer months, forests continue to feed watershed areas with the precious flow of water.

Our country is generally mountainous. So there is a big potential for impounding water during the rainy

season and storing it in dams (large and small). Such a strategy can mitigate floods in lowland areas and conserve water when it's needed during the summer months. With proper planning, it can also generate several thousands of megawatts of electricity. Given current technology, power generation is possible even with small dams and small rivers. We don't need many of those big dams that require massive investments, but hundreds or few thousand small and mini-hydroelectric plants spread all around the country can supply our growing energy requirements.

I should commend Aboitiz Power Co. for showing us the way. Over the past few years, it has developed a number of mini-hydroelectric plants in Luzon, Visayas and Mindanao.

Doing so will give us added benefits. Our agricultural production, especially rice, will also increase because water during summer months can be made available. I learned recently that many farmers in Central Luzon cannot plant a third crop since water for irrigation from Pantabangan Dam is limited during the summer months. This simply shows that there is not enough water when it's most needed.

POLICY CHANGES

For tree farming to deliver on its promise, there is a need for policies to make it conducive for the industry to grow and contribute significantly to the country's economic development.

First, there is a need for a definitive land use policy, especially with forest lands. What is needed is to delineate conservation forests and productive forests. The first refers to forests for watersheds, sensitive biodiversity spots, and for public recreation. The latter refers to open and cogonal "forest lands" that can be used for commercial tree farming.

Second, the limit for lease-holds for production forests lands should be

amended from the present 25 years to 50 years with the option for renewal for another 49 years. This is what most countries that have shown significant strides in their forestry industry have done. Since forest take years to grow, the longer time frame for private forest developers will make it an attractive investment proposition.

Third, permits to cut and to transport logs should be lifted because this is just an opportunity for graft and corruption. If government authorities suspect that the logs come from conservation forests, then the burden of proof should be on the apprehending authority. Today the presumption when one is caught transporting logs is that it is illegal.

I think that if these three policies are in place, we shall see a thriving forestry industry in years to come. A group called TREES Consortium was also formed a few years ago and to this day continues advocating tree farming as a viable vehicle for sustainable agricultural and rural development. Interested parties may join its Pinoy Tree Farmers group on Facebook.

(This article reflects the personal opinion of the author and does not reflect the official stand of the Management Association of the Philippines. The author is a member of the MAP Agribusiness and Countryside Development Committee, the Project Manager for MAP's Farm Business School project, and the Dean of the MFI Farm Business School. Send feedback to mapsecretariat@gmail.com and renegayo@gmail.com. For previous articles, visit www.map.org.ph)

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Selective indignation...

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pay taxes to the local governments?

- **Smuggling.** Despite incessant complaints by groups like Alyansa Agrikultura, the smuggling of onions and garlic from China, palm oil from Malaysia, and meat from various places continues. It costs hundreds of pesos to release one container out of the customs. And billions in taxes are lost from which the poor could have benefited. Where is the indignation?

- **Unstable Policies.** More than 15 years ago, the Metropolitan Waterworks and Sewerage System (MWSS) agreed to a concession agreement with two water utilities on the water rates. Manila Water became the east zone concessionaire during its privatization on Aug. 1, 1997, with its counterpart Maynilad Water Services, Inc. as the concessionaire for the west zone.

Then, the policy changed course unilaterally which reduced water rates. Investors put in large sums of money for the long term in water projects. Certain formulas had been earlier agreed upon. The case is new for international arbitration. Is being popular the right way? Why are there very few complaints?

- **China vs. America.** Why are some groups very quiet regarding China's behavior in the West Philippine Sea, and so noisy about the Enhanced Defense Cooperation Agreement? Who are concerned about the plight of small fishers who are losing income? And what about the poaching of endangered species? Who questions the basis of the nine-dash lines? This vague boundary was first officially published on a map by China's Nation-

alist government in 1947 and has been included in subsequent maps issued under Communist rule.

- **Qualified and Unqualified.** The Filipinos will consult medical specialist for their ailments. They hire architects for their houses, and look for the best pre-schools for their children. Professional posts like accountants, engineers, and doctors have to pass the board before they can practice. Professors must have doctorate degrees.

Yet, Filipinos would vote for government officials with questionable qualifications. Would people ride a plane if they knew that the pilot is an automechanic? But they would vote for someone without capability and integrity to critical positions. Then, they whine about poor governance.

- **Filipino and foreign employers.** Some groups criticize multinationals as "exploiters" of workers. And yet most graduates want to join the likes of Citibank, Nestle, Procter & Gamble, Shell and Unilever. Why? These employers treat their people better. They give great training. They are true to their corporate philosophy that people are their main assets.

- **Domestic and foreign investors.** There is strong opposition to the entry of foreign investors in media, utilities, education, etc. yet the quality of service of many local providers is found wanting. Why are Singapore and Malaysia so welcoming to foreigners, and we are not? Why are their economies devoid of mass poverty? Where will the long-term capital for large investments come from? Who suffers in the end due to lack of jobs? It is the poor.

- **Miners: Small and Big.** Who are more destructive to the environment? The small miners, of course. They do not have a code of ethics to live by and the global stakeholders to answer to. For example, small miners have poisoned the rivers of Compostela Valley with mercury. But the big firms are the ones always maligned. Why? Is bigness a sin?

- **Honest and Dishonest Wealth.** Is there a distinction in the way we accord respect to hardworking and honest rich as against the highly questionable acquisition of wealth? Do donations to a church absolve the sinner?

The list goes on ...

Justice is giving to the other party what is due to him/her. Is there evenhandedness with selective indignation? Or is selective indignation already a way of life in this country?

(This article reflects the personal opinion of the author and does not reflect the official stand of the Management Association of the Philippines. The author is the Chair of the MAP Agribusiness and Countryside Development Committee, and the Executive Director of the Center for Food and Agribusiness of the University of Asia & the Pacific. Send feedback to mapsecretariat@gmail.com and rdyster@gmail.com. For previous articles, visit map.org.ph)

Source:

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Announcement!

Mr. Ricardo Patawaran of the Philippine Wood Producers Association (PWPA) Plywood Council is no longer connected with PWPA effective January 2014 and his services as its Industry Technical Expert (ITE) consultant for the Federation of Philippine Industries has been terminated. Mr. Patawaran retired last 2010.

PWPA at Bangsamoro

(Continued from page 1)

He said the Yayasan Sabah Group started from simple harvesting to downstream processing of timber, it has diversified to new areas such as agro-plantation, tourism, shipping and real estate development, biotechnology and horticulture, fisheries and food industries. He added that Yayasan Group is known worldwide for its biotechnology exports of tissue culture of superior quality teak.

The workshop, part of a workshop series to enhance the business and investment climate in Bangsamoro, was sponsored by the Foundation for Economic Freedom (FEF), the Philippine Center for Islam and Democracy (PCID) and the UP College of Law.

The workshop was opened by statements from: a) UP College of Law Dean Danilo L. Concepcion; b) FEF President Calixto Chikiamco; c) PCID President Amina Rasul Bernardo; and d) Australian Embassy First Secretary Warren Hoye. It was moderated by former NEDA Solicitor General Cayetano Paderanga, Jr.

Other papers presented during the workshop were: 1) The National Picture and its Relevance to the Bangsamoro by former DENR Undersecretary Elmer Mercado; and 2) Lessons from ARMM by World Bank Scoping Mission for Mindanae Team Leader Dr. Fermin Adriano.

Key points of the Comprehensive Agreement on the Bangsamoro

MANILA, Philippines -- The Moro Islamic Liberation Front (MILF) is set to end four decades of armed struggle when it signed the Comprehensive Agreement on the Bangsamoro with the government on Thursday.

Here are key facts about the peace pact:

MILF. It has about 10,000 armed followers, according to the military, which makes it easily the biggest Muslim rebel group in the Philippines.

It has long fought for an independent homeland for the nation's Muslim minority to be carved out of the southern Philippines.

It split in the 1970s from the-then main rebel group, the Moro National Liberation Front (MNLF). The MNLF had agreed to autonomy, and founding MILF leader Hashim Salamat was intent on fighting for independence. Internal rivalries were another reason for the split.

PEACE PACT. The "Comprehensive Agreement on the Bangsamoro."

The Bangsamoro refers to people who at the time of Spanish conquest and colonization were considered natives or original inhabitants of the southern Philippines. Their descendants and spouses are recognized as Bangsamoro.

Bangsa means nation. Moro derives from the term "Moors" used by Spanish colonialists to refer to Muslims.

AUTONOMY. The MILF has dropped its claims for a separate state in Mindanao and will settle for parliamentary self-rule in the Bangsamoro autonomous region. This will be established by 2016.

The Bangsamoro will replace the Autonomous Region in Muslim Mindanao, which was created through the peace agreement with the Moro National Liberation Front but which government says has failed.

DISARMAMENT. The MILF will "gradually" decommission its forces and put the weapons "beyond use." A

local Bangsamoro police force will assume law enforcement functions from the Philippine National Police and military.

POWERS. The Philippine government will retain exclusive powers over defense, foreign policy, currency and citizenship matters.

TAXES/REVENUES. The autonomous government will receive 75 percent of all local taxes, fees and charges, 75 percent of revenues from metallic minerals and control of fishing areas up to 12 nautical miles from the coastline.

ISLAMIC LAW. The region will not be an Islamic state, rather a secular government. Sharia law will apply only to Muslims and only for civil cases, not for criminal offences. All residents are guaranteed basic rights to life, movement, privacy, and freedom of religion and speech.

TERRITORY. To cover five provinces, plus two cities, six towns and 39 villages, comprising about 10 percent of the Philippines' total land area.

Key Points on...

ENABLING LAW. Aquino will ask Congress to pass the "Bangsamoro Basic Law" for the autonomous region by the end of this year.

PLEBISCITE. People living in areas to be included in the Bangsamoro will need to ratify the Bangsamoro Basic Law in a plebiscite to be held in 2015.

TRANSITIONAL AUTHORITY. After the basic law is approved and ratified by the plebiscite, a 15-member "Bangsamoro Transition Authority" will govern the region until a regional parliament is elected. Aquino appoints the

members of the transitional authority, but the MILF will have a majority and the chairman.

ELECTIONS. A regional parliament, expected to have 50 seats, is to be elected in conjunction with national elections in May 2016.

By: **Agence France-Presse**, March 27, 2014 2:56 PM
InterAksyon.com The online news portal of TV5

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