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News - Comments - Market Information - Policy Development
- R & D Technology - Opportunities



WOODSTOCK

THE OFFICIAL NEWSLETTER OF PWPA

PHILIPPINE WOOD EXP 2016

Wood as a Solution for Climate Change

Special Feature

Inside!

National Governing Board for Forest Certification System Created; PH Hosts Asia-Pacific Forestry Week; Wood Industry Opportunities in the New Administration; and more....

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National Governing Board for Philippine Forestry Certification System Created

To promote sustainable forestry via a unified front, a group of industry and government advocates collectively signed a Memorandum of Understanding (MOU) and organized the National Governing Board for the establishment of the Philippine Forest Certification System. The signing was held last March 1, 2016 at the Richmonde Hotel during the Symposium on the Establishment of a National Forest Certification System.

Among those who signed were Ricardo Calderon, Director of the Department of Environment and Natural Resources' Forest Management Bureau (DENR-FMB); Tommy Valdez, National President of the Society of Filipino Foresters, Inc. (SFFI); Charlie H. Liu, Chairman of the Philippine Wood Producers Association (PWPA); Dr. Priscilla Dolom, Head of the UP Los Banos College of Forestry and Natural Resources-Forestry Development Center (UPLB CFNR-FDC); Gillian Dunuan of the National Commission on Indigenous Peoples (NCIP); Antonio Antonio, Managing Director of the Integrated Forest Management Association of the Philippines (IFMAP); Vinancio Cueno of the National Community-Based Forest Management PO Federation of the Philippines (NCBFMPOFPI); Honorable Secretary Neric Acosta, Chairperson of the Philippine Center for Environmental Protection and Sustainable Development, Inc. (PCEPSDI); and June Alvarez, President of the Philippine Center for Environmental Protection and Sustainable Development, Inc. (PCEPSDI). Present to witness signing were the Programme for the Endorsement of Forestry Certification (PEFC) International and the Philippine Business for the Environment (PBE).

Under the MOU, the National Governing Board will be the highest decision-making body of the national forest certification scheme which will officially be called the Philippine Forest Certification System (PFCS).

PCEPSDI Chairperson Acosta said "We need a bolder and more ambitious transformation of



MOU Signatories (L-R) Back row: Charlie Liu of PWPA, Tom Valdez of SFFI, Neric Acosta of PCEPSDI, Ricardo Calderon of DENR-FMB, Gillian Dunuan of NCIP. (L-R) Front row: Priscilla Dolom of FDC, Antonio Antonio of IFMAP, Richard Laity of PEFC, Vinancio Cueno of NCBFMPOFPI, Shanta Laura Paras of PBE, and June Alvarez of PCEPSDI.

stakeholders to embrace sustainable forestry, and the very structure of the forestry sector, ranging from governance to industry, through a national forestry certification" and he challenged the forestry sector to contribute to the country's sustainable development.

During the panel discussion, DENR-FMB Director Calderon cited Executive Order 23 mandating the DENR to "implement a national forest certification system to ensure sustainability of legal sources and chain of custody of timber and other wood products" followed by For. Valdez of SFFI presenting the proposed road map for the Philippine Sustainable Forest Certification System (PSFCS). Chairman Liu of PWPA said that the wood industry welcomes timber certification as it will encourage the industry to be more predictable adding it will be best if the wood industry is guided by three principles: economic viability, sustainability, and social responsibility.

The event was sponsored by the Swiss Programme for the Endorsement of Forest Certification (PEFC) standing as a post activity of this year's Asia Pacific Forestry Week.

Philippines Celebrates a Historic Earth Day Celebration

The country’s Earth Day celebration this year, held April 22, 2016, was made more meaningful because of the Philippines signing into the Paris Climate Change Agreement (PCCA) during the 21st Conference of Parties in New York and the Philippine Earth Day Covenant.

To celebrate, representatives from Department of Environment and Natural Resources (DENR), other government agencies (OGAs), non-government organizations (NGOs), civic society, Earth Day Network Philippines (EDNP) and the private sector including the Philippine Wood Producers Association (PWPA) celebrated at the DENR Social Hall in Quezon City with this year’s theme, “Step up and deliver, #GreenEnvironmentGawingForever.”



PWPA Vice Chair Ramon Uy signing the 2016 Philippine Earth Day Covenant

With the historic signing of the PCCA, DENR Assistant Secretary for Planning Atty. Michelle Angelica Go shared the commitments agreed upon during last year’s Paris Climate Conference (COP 21).

Atty. Cuenca of the Climate Change Commission presented the Philippines’ efforts towards the Nationally Determined Contribution (NDC) while DENR Environment Management Bureau Assistant Director Eva Ocfemia presented the Institutionalization of the GHG Inventory.

PWPA Vice Chair Ramon Uy, alongside representatives from various bodies, signed this year’s Covenant on Climate Change Mitigation and Adaption of the Philippines or the 2016 Philippine Earth Day Covenant.

Some aspirations the Paris Agreement highlighted of which the covenant supports include efforts to halt the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels.

Likewise, the covenant aspires to reduce harmful emissions and hopes to plant more trees to contribute to the increase of the tree population of the world that will help absorb carbon in the atmosphere thereby mitigating climate change.

This year’s celebration marks the beginning of the five- year countdown to the 50th Earth Day Celebration.

WoodStock

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EDITORIAL STAFF

M. R. Vasquez, Editor-in-Chief
R.M. Serafico, Manager
Kitin L. Miranda

E-mail us at :

info@pwpa.org.ph or
philwood@globelines.com.ph
for your comments, feedback
or letters to the editor
Download the PDF version at
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Philippines Hosts Asia-Pacific Forestry Week 2016

The country proudly hosted the 3rd Asia-Pacific Forestry Week held in the Clark Freeport Zone last February 23 to 26, 2016 where leading experts, businessmen, members of financial institutions and government officials from countries such as the United States of America, Australia and the EU gathered together to discuss the status of the environment and the forestry sector in the region.

This year's theme, "Growing our Future," aims to create new and innovative ways to guide the development of future forestry dividing the topic to five sub-themes focusing on specific areas and sectors which included policies, governance, trade and investments. Highlighted during the convention was an exhibit showcasing local and internationally-funded programs in the environment and forestry sector.



On behalf of Philippine Wood Producers Association (PWPA), Executive Director Forester Maila Vasquez participated in the "Updates on Timber and Trade" seminar-workshop covering research projects and activities related to forest products trade and timber legalities. The seminar disclosed studies showing efficacy of the Lacey Act Amendment (LAA) of 2008, the importance of having a Due Care Training Course for wood producers and environmental law enforcement in the United States of America.

Another seminar, "Emerging Governance Mechanisms in ASEAN: Supporting Improved Standards and Conformance Infrastructure," covered different stakeholders sharing experiences and best practices in the trade of sustainable and legal forest products. Consultations were held to come up with ways to improve standards and to explore possible regional programs to support said standards. Of the ASEAN members, Indonesia and Malaysia lead the development while Philippines, Laos and Vietnam are behind. Philippines pointed out the need for support in developing its certification standards.

The event was organized by the Department of Environment and Natural Resources' Forest Management Bureau (DENR-FMB) and was supported by both the United Nations' Food and Agriculture Organization and the Asia-Pacific Forestry Commission.

Ramon Uy is New Chair of Construction Materials Group

Last April 6, 2016, the Federation of Philippine Industries (FPI) Board of Directors appointed PWPA Vice Chairman Ramon Uy as the Chair of the Construction Materials Group (CMG).

The FPI serves as the private sector champion of the Philippine industry to the Philippine government. The CMG, formed to cover all construction materials from structural to architectural, was formed to monitor threats to local construction material market and voice industry concerns to the Philippine government.

PHILIPPINE
WOOD
EXP 2016

WHAT IT IS

The PWPA is very proud to host the 2016 Philippine Wood Expo - the first exclusive, by-invitation exposition for the wood industry in the Philippines slated on October 25-26, 2016 at the Manila Hotel. The Philippine Wood Expo aims to converge wood specialists, businesses, and enthusiasts from different parts of the world with the key business drivers of the wood and construction industry of the Philippines.

WHAT TO EXPECT

Free to all PWPA members, the Philippine Wood Expo will help the local \$5.03 billion wood market as the event will showcase sustainable trends and innovation in the local wood industry. Aside from this, there will be breakout sessions with keynote speakers who will allow participants to understand pressing environmental issues and how wood is a solution to mitigating climate change.



HOW TO HELP

Help us have an amazing event by participating or by inviting possible Presenting or Exhibit Sponsors!

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Wood Industry Opportunities in the New Administration

The days of the local wood business as a "sunset industry" may be numbered with the dawn of the new administration of President Rodrigo Duterte. With opportunities to make the Philippine wood business environment friendlier with its shift from simple traditional logging and manufacturing to importation and open markets, the PWPA hopes this may be the time the following actionable items be adopted so another stable pillar to the economy of the country may be formed.

Enactment into law the bills on the National Land Use Act and the Sustainable Forest Management Act (SFMA). It is high time both bills be revived to update PD 705 (enacted in 1975) for these can be the unmoving reference points for issuing of stable policies, regulations and measures for all wood-based sectors in road-mapping their respective development and growth.

Promulgation investment-friendly policies. Philippine policies must be similarly, if not more, competitive than nearby countries so the economy enjoys a fair share of local and foreign investments projected to flow into Asia. Policies, regulations and measures adopted must likewise use economics, science and technology as basis so as not to be too prohibitive and restrictive for business growth.

Adoption of Project Portfolio approach as standard by the government. By making project portfolios ready and available nationwide, entrance of private investors into the wood industry becomes easier and faster, encouraging them to proceed with assurance that they can start their projects in a timely manner.

Revival of the idea of a "Timber Industry Board" that allows regular decisive convergence of all Philippine government agencies related to the wood industry and forestry sector. Similar to project portfolio, this aims to hasten decision-making concerning the wood and forestry sector among key drivers like the Departments of Environment and Natural Resources, Trade and Industry's Board of Investments, Finance's Bureau of Customs, National Economic and Development Authority, the Office of the President's Trade Commission and the National Commission on Indigenous Peoples by creating a regular forum that can transparently address and decide on urgent issues besetting the industry and sector as a whole.

Review production outputs of DENR programs for recalibration. Excellent programs such as the Upland Development Program, the National Greening Program, Community-Based Forest Management Agreements and Industrial Forest Management Agreements, among others on land management agreements need assessment and realignment as many have been performing below expectations when they could have been good sources of the industry's legitimate raw materials.

Review efficacy of controls on wood and wood product import and export activities. With the increasing shift to outsourcing raw and finished wood products, effective control measures to ensure correctness of duties and declarations will contribute further to the improvement of Philippine economy. Improved governance and policy enforcement allows a fair and competitive playing field for all players.

With political will and private sector cooperation taking advantage of the opportunities presented by the new administration, PWPA sees a revived wood industry that will usher improvement not only in the socio-economic climate of the Philippines but also our natural environment.

Republic Act on “Green Jobs” & Executive Order Expanding the National Greening Program Signed

Critical to success of any greening program is the continuity and sustenance of such from one political administration to the next. With this in mind, President Benigno S. Aquino III issued Executive Order (EO) 193 or the Expansion of the Coverage of the National Greening Program as well as signed Republic Act (RA) No. 10771 or the “Philippine Green Jobs Act of 2016” last November 12, 2015 and April 29, 2016, respectively.

Executive Order 193- The Expansion of the Coverage of the National Greening Program

Issued November 12, 2015, this move effectively expands the coverage of the current National Greening Program in order to encompass all of the “unproductive, denuded and degraded forestlands” in the Philippines, and the expiry date was extended from 2016 to 2028.

It orders that all sectors of society, especially the private sector, to actively participate in all of the current and future programs that the government has for its National Greening Program which is being run by the Department of Environment and Natural Resources (DENR).

All of the rules and regulations of the National Greening Program will be disseminated by DENR who, in turn, hold the funds for the program reflected in their annual budget proposal.

Worthy to note that Executive Order took effect on the date it was issued. In doing, President Aquino called on all Filipinos to help protect the natural resources of the Philippines, while promoting and supporting a “greener economy” to alleviate the effects of climate change.

Republic Act No. 10771- The Philippine Green Jobs Act

First conceived last July 27, 2015, the third regular session of the sixteenth congress of the Congress of the Philippines saw RA 10771 signed and approved by Speaker of the House of Representatives Feliciano Belmonte Jr., Senate President Franklin Drilon, Secretary General of the House of Representatives Marilyn B. Barua-Yap, and Senate Secretary Oscar G. Yabes.

The act supports and encourages businesses to promote and create jobs, goods and services that use technology that will allow the country to lean towards a more environmental friendly economy and society.

The government commits to provide monetary and non-monetary incentives for businesses that adopt these practices, such as duty free tax for imports materials and a fifty percent tax deduction for any research development or skills training done in the pursuit of green jobs, goods and services.

The act also calls on various government and non-government agencies, such as the Department of Labor and Employment (DOLE), the Department of Finance (DOF), Commission on Higher Education (CHED), the Technical Education and Skills Development Authority (TESDA), the National Economic and Development Authority (NEDA), and the Department of Environment and Natural Resources (DENR), to help come up with programs that will allow the promotion of green jobs.

National Governing Board of Philippine Forest Certification System Holds First Meeting

Members of the recently formed National Governing Board held its first meeting at the Forest Management Bureau (FMB) last April 20, 2016. Hosted by FMB Director Ricardo Calderon, the meeting was attended by representatives of the Society of Filipino Foresters, Inc. (SFFI), Philippine Wood Producers Wood Association (PWPA), Integrated Forest Management Association of the Philippines (IFMAP), National Commission on Indigenous Peoples (NCIP), Forestry Development Center (FDC), and Philippine Center for Environmental Protection and Sustainable Development, Inc. (PCEPSDI).

Covered in the agenda where member's expectations re forest certification where FMB and FDC representatives shared their initiatives on forest certification and PCEPSDI Executive Director June Alvarez presenting how to go about establishing a certification system.

Also discussed were several proposed programs and activities that included a Securities and Exchange Commission registration of the board, training workshops for the board members on interpreting and understanding the forest certification system, and fund raising programs to support planned programs and activities.

The meeting concluded with a suggestion that the board hold a regular meeting every last Friday of the month.

PWPA Executive Director Recognized at UP Los Banos Alumni Homecoming

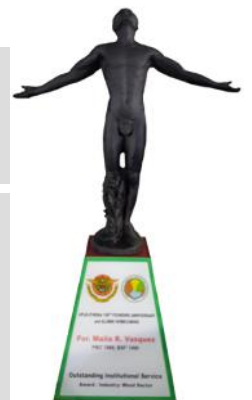
Philippine Wood Producers Association (PWPA) Executive Director Forester Maila R. Vasquez was awarded with an Outstanding Institutional Service Award in the Wood Industry Sector

during the 106th Foundation Day and Alumni Homecoming of UP Los Banos last April 14, 2016.

Award was in recognition for her efforts in helping the Philippine wood industry get back on its feet serving as the PWPA Executive Director.

Among the major contributions cited were her active participation in the Philippine Forestry Development Forum, various local and international discussions on forestry development, PWPA position papers for public hearings and publishing the official newsletter of the PWPA.

Vasquez received the award together with other colleagues from the government, academe and the private sector.



PWPA Meets the Malaysian Timber Industry Board

Philippine Wood Producers Association (PWPA) welcomed the Malaysian Timber Industry Board (MTIB) for a two-day meeting to check on the status of builders' joinery & carpentry (BJC) and moulding products in the Philippines as well as to promote and increase exports of Malaysian-made products in the local market last March 10 to 11, 2016.



The delegates from the PWPA, PWWA, MTIB, DENR & DOST are all smiles after a fruitful round table discussion.

The meeting was divided into two parts - a round table discussion held at the AIM Conference Center in Makati City and plant visit to four BJC and Moulding product plants.

Present at the round table discussions were Philippine representatives from PWPA, Department of Environment and Natural Resources' Forest Management Bureau (DENR-FMB) and Department of Science and Technology's Forest Products Research and Development Institute (DOST-FPRDI). The Malaysian delegation was comprised of representatives from the MTIB and the Malaysian Trade Commission.

During the meeting, PWPA Chairman Charlie Liu shared that the country enjoyed an unprecedented consistent growth rate of 6-8 % every year for the past six years. Alongside this is an increase in housing construction and residential permits from ten million sq.m. to fifteen million sq.m. in 2015, with a consistent growth rate of approximately 7-10% per annum. Despite this, a backlog of 5M in housing requirements still existed.

With 2011 issuance of Executive Order 23 suspending the harvest of trees in natural and residual forests in the country, local wood industry key players made strategic decisions to serve the local market thus more aggressive collaboration with international companies and suppliers was borne.

In closing, PWPA Chair Liu invited the MTIB to participate in the 1st Philippine Wood Expo which will be held in October of this year to give Malaysian wood companies further opportunities to campaign that wood as one of the solutions for climate change.

Sharing the same sentiment, MTIB Senior Deputy Director Robiyah Husin commended PWPA for the upcoming Wood Expo and she further suggested that the PWPA should collaborate with other ASEAN countries to promote this campaign for a bigger impact.

Presented in the meeting was the Malaysia-Philippine bilateral trade agreement as well as the status of the local wood industry and the PWPA.

The open forum yielded that 80% of the wood products that are imported and exported are BJC and moulding products from Juken Sangyo, Philippines and Wukong, located in the Freeport zones of Clark and Cavite, respectively. These companies import raw materials and export the final products, only catering to specific international companies.

For the plant tour, MTIB visited Banson Lumber Corp., Pacific Timber Export Corp. (PATECO), Extensive Wood Processing Corp. and Soon Chiong Trading Corp.



In Memoriam: Forester-Lawyer Wilfrido "Willy" S. Pollisco

March 12, 1940 - July 13, 2015

Att. Wilfrido "Willy" Pollisco, a forester and a lawyer, served the government with honour, excellence, passion and integrity.

He started his career as a timber scaler, rose from the ranks and became the Regional Executive Director and the Director of the Biodiversity Management Bureau of the Department of Natural Resources (DENR), back when it was known as the Protected Area and Wildlife Bureau.

A thorough worker, some of his advocacies included campaigning for the passing of the national land use

and sustainable forest management acts, as he wanted to ensure the future of the forestry sector.

He never stopped advocating these causes and continued to do so well into retirement by becoming one of the senior advisers of the Society of Filipino Foresters, Inc. (SFFI). While there, he crafted forestry bills, position papers and presentations that provided a clearer view on the sector and its issues for lawmakers.

The wood industry will always remember him for his incredible work ethics and for his passion for the development of the forestry sector.

God speed, Willy!

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