

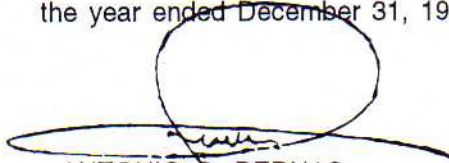


**PHILIPPINE  
WOOD  
PRODUCTS  
ASSOCIATION**

# **1992 ANNUAL REPORT**

# BOARD RESOLUTION

The Board of Directors of the Philippine Wood Products Association, by unanimous concurrence, submits here with the Statement and Annual Report of the Chairman of the Board and the President as its Report to the Members for the year ended December 31, 1992.



ANTONIO G. BERNAS  
Chairman



ANTONIO C. OLIZON  
President



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# COMPARATIVE STATISTICAL HIGHLIGHTS



## INDUSTRY PERFORMANCE:

• RESOURCES	1992	1991	Variance
TLA's in existence, number	62	69	- 10
Annual allowable cut, '000 cu.m.	4,127	4,600	- 10
Forest area under license, '000 ha	2,345	2,625	- 11
ITPLA's (IFMA) number	142	65	+ 49
ITPLA's (IFMA) area, '000 ha	443	356	+ 24
• PRODUCTION (Volume in '000 cu m)	1992	1991	
Logs	1,431	1,922	- 26
Lumber	452	726	- 38
Plywood	256	321	- 20
Veneer	54	54	0

EXPORT (Volume in '000 cu.m.; Value in US\$, FOB)

	1992 p		1991		Variance	
	Volume	Value	Volume	Value	Volume	Value
Logs	-	-	2	142		
Lumber	56	14,546	58	16,634	- 3	- 13
Plywood	71	27,816	112	41,761	- 37	- 33
Veneer	22	7,528	33	9,457	- 33	- 20
Other wood-based panel	13	3,661	5	1,628	+ 160	+ 125
Other wood-based manufactured articles	79,324,455 GK	116,546	a	120,249	-	- 3
Furniture, n.e.s. of wood	7,365,277 GK	30,955	a	25,451	-	+ 22

IMPORTS (Volume in '000 cu m; Value in '000 US\$, FOB)

	1992 p		1991		Variance	
	Volume	Value	Volume	Value	Volume	Value
Logs	530	48,115	395	23,258	+ 34	+ 107
Lumber	43	9,729	10	1,798	+ 330	+ 441
Plywood	a	86	3	521	-	- 83
Other wood-based manufactured products	504,189 GK	1,022	a	2,522	-	- 59

Source: Data furnished by FMB/DENR, 01 July 1993 (p-preliminary, a-less than 1 cu. m.)

## ASSOCIATION INFORMATION:

	1992	1991	Variance (%)
Regular Members	116	143	- 19
Associate Members	5	7	- 29
Revenues	8,059,975	7,679,733	+ 5
Expenses	7,193,186	5,876,625	+ 22
Assets	6,579,633	6,046,240	+ 9



# TO OUR MEMBERS



## THE WOOD-BASED INDUSTRIES IN REVIEW

For the wood-based industries, 1992 was a period of transition. From tremendous anxieties to a beginning of hope.

From a no clear direction of forest industry policies of the passing Aquino administration to the evolving, pragmatic policies rooted in sustainable development, of the new Ramos administration. From a sapping weakness to a renewed strength the wood-based industries had underwent.

From a near collapse of the wood-based industries - had SB1404 have prevailed over HB21223 during the dying days of the last Congress - to a rebirth of positive outlook. From an enveloping threat to a developing opportunity the wood-based industries had been challenged.

From the heavy onus heaped on the wood-based industries by past administrative fiats like TLA suspension and cancellation, logging moratorium, shifting of logging from virgin to residual forest and annual allowable cut reduction to the awesome adjustment in the operation.

The settling impact of this transition maybe reflected in the performance of the wood-based industries in 1992. The negative growth yet attained by the wood-based industries squeezing through this transition period was generally less alarming than the previous period as maybe appreciated from the preceding comparative performance highlights and from the following.

## ROUNDWOOD OR LOG SUPPLY

A low log production in 1992, at 1.43 million cum, 26% below 1991 production, was attributed to the shifting of the logging operation from virgin to residual forest and the concomitant reduction in annual allowable cut.

The requirement for logs by the primary wood processors was met significantly by log importation and partially by the use of local plantation logs. The volume of log import in 1992, at 0.53 million cum, was 34% higher than the preceding year despite a more than 50% increase in their relative FOB prices.

## PRODUCTION OF WOOD PRODUCTS

The downtrend in production of wood products such as lumber and plywood was mainly reflective of the low availability of log supply.

Lumber and plywood produced in 1992 was only 0.45 million cum and 0.27 million cum, a reduction from the 1991 levels by 38% and 20%, respectively.

Aggregate production of lumber, plywood and veneer was 30% less than the previous year, from 1.10 million cum in 1991 down to 0.76 million cum in 1992.

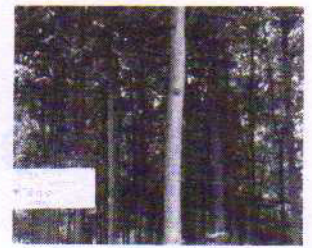
## MARKETS

Out of the aggregate production in 1992 *supra*, only 21% or 0.16 million cum went to the export markets, with plywood, veneer and other wood-based panels accounting for 65% of the export. However, the total volume of export was about 50% less than the previous year; thus the revenue from the export of these products went down by 23%, from US\$69.48 million in 1991 to US\$53.55 million in 1992.

The combined export in 1992 of wood-based manufactured articles and furniture of wood in 1992 increased, valuewise, by only 1% from that of the preceding year (from US\$145.70 million up to US\$147.50 million). Notwithstanding an export value decrease by 3% of the wood-based manufactured articles and an increase by 22% of the furniture of wood, between them, the former still accounted for nearly 80% of the export revenue.

Significantly, however, the combined export receipts from these commodities in years 1991 and 1992 were higher by 52% and 64%, than the combined export receipts from lumber, plywood, veneer and other wood-based panels. Valuewise, in 1991 and 1992, the former constituted 68% and 73% of the total wood export receipts, that, including the latter, was placed at US\$215.18 million and US\$201.05 million, respectively.





## MAJOR ISSUES FACED

The near passage in mid-1992 of the total commercial logging ban bill into law by the last Congress was the most excruciating issue ever faced by the wood-based industries; for it would have been the *coup de grace* to the sector, which was never prepared for a sudden post-logging scenario.

Hurdling it during the period was but a respite. On the convening of the new Congress, the Senate immediately refiled the bill banning commercial logging; however, the House of Representatives concentrated on the administration-certified bill, the Forestry Code of the Philippines, that embodies the policy of the Ramos government allowing logging on the basis of sustainable development.

The order of the Department of Environment and Natural Resources to shift logging from the virgin to the residual forest that took effect on 01 January 1992 created a serious crisis in forest management and in the operation of the wood-based industries. Forestry experts contended that the shift will break the sustainable growth and harvest cycle of the natural forest. On the other hand, the shift will dislocate the operation of all remaining TLA-holders, wood processors and wood-dependent downstream manufacturers because the shift, coupled with the logging moratorium

declared for Palawan Province, will mean a continuing scarcity of locally-sourced logs.

Elsewhere in this Report in a summary of the major issues that the wood-based industries tried to address during the period in review.

## THE ASSOCIATION

Your Association exerted its best efforts at protecting the general interest of the wood-based industries. Your directors of the board, officers and a significant number of the members of the Association sacrificed their valuable all to stem the popular albeit unconscionable move to banish our sector from the national economy and social scene.

This Report cannot conceivably cover the little and great acts performed and the seemingly insignificant and key critical milestones achieved by the Association during the year that was. What counted most was the result: in 1992, a watershed year, the wood-based industries SURVIVED.

Truly, this singular feat of surviving - if it were - would not have been attained were it not for sustained moral and physical support of all members which we are all thankful and grateful for. We look forward to the continued assistance by the members in the coming year.

ANTONIO G. BERNAS  
Chairman

ANTONIO C. OLIZON  
President



# 1992 MAJOR INDUSTRY ISSUES



The Issues	Position Taken by PWPA	Status
<b>A. Arising from DENR's DAOs, MCs and MOs</b>		
1. Prescribing the formula, per DAO 02-1992 that reduces by 40% + the annual allowable cut of TLAs.	PWPA questioned the values for reduction factor (f) as 50% and cutting cycle as 60 years as it requested for a technical review.	DENR revoked DAO 02-1992 and issued in March DAO 12-1992 that made f as 70% and cutting cycle as 35 years.
2. Release and utilization of annual allowable cut (AAC) for 1992		
2.1 Slow processing of residual forest inventory data delaying the grant of 1992 AAC.	PWPA requested DENR that temporary AAC, based on previous one semester production, be granted TLAs.	DENR granted most TLAs, deemed temporarily qualified, with at least a quarter interim AAC.
2.2 Imposing a submission and approval of a 1992 IAOP even only one quarter AAC was granted, thus delaying logging operation.	PWPA appealed that submission and approval of only a temporary operation plan should suffice.	Through a Memorandum to REDs, DENR heeded the PWPA recommendation.
2.3 DENR not ready to release final 1992 AAC, thus creating a lull in operation.	PWPA urged DENR to expedite the release of the final 1992 AAC in order to take advantage of the logging season.	DENR released in batches to TLAs a much reduced 1992 AAC.
2.4 The final 1992 AAC revealed further the inequity of DAO 12-1992 formula.	PWPA recommended a thorough review/evaluation of the AAC formula prescribed by DAO 12-1992.	DENR through SO 1065-1992 created a multi-agency committee that included PWPA to review DAO 12-1992.
2.5 Non-issuance of 1992 AAC to a number of TLAs.	PWPA appealed to the DENR the cases of these TLAs; individually TLAs also appealed to the DENR.	DENR issued MO 05-1992 prescribing the re-evaluation of cases of TLAs not granted AAC.
3. Granting no operating permit to any sawmill and mini-sawmill without an assured source of logs equivalent to 100% of its log requirement per DAO 38-1992.	PWPA was for a complete phase-out of mini sawmills but requested DENR that an operating permit be granted a sawmill with assured legitimate source of logs not necessarily 100% of its log requirement.	DENR issued MC 03-1992 clarifying DAO 38-1992 as follows: <ul style="list-style-type: none"> <li>● Sawmills with TLA back-up, no percentage requirement on volume log input;</li> <li>● Greater Manila sawmills, exempted from 100% log input requirement; and</li> <li>● Mini sawmills and other sawmills strictly on a 100% log requirement - which for the latter PWPA re-appealed.</li> </ul>
4. DENR field officers insisting on submission of aerial photographs as condition of IAOP approval.	DENR was reminded that negotiation with NAMRIA and flying firms re: implementation of DAO 88-1991 was still on-going.	DENR issued DAO 17-1992, revoking the DAO 88-1991, and likewise issued MC 07-1992 making open-ended the submission of aerial photos. Towards end of 1992, however, MC 16-1992 revoked MC 07-1992, placing deadline for submission as 31 March 1993.
5. Declaring a logging moratorium in Palawan, per DAO 45-1992.	With the Palawan Council for Sustainable Development and member-TLAs in Palawan, PWPA appealed for the immediate lifting of the logging moratorium.	Up to end of the 1992, DENR has not acted on the appeal, reasoning out that zoning and delinication of ECAN has not been completed.



## B. Arising from Congress

1. Decision of the bicameral conference committee; whether HB 21223 with a feature of selective logging ban or SB 1404, a total logging ban, should be adopted.
2. At the Senate, the total commercial logging ban, exactly the same as SB 1404, was refiled by Senator Mercado immediately upon convening of the 9th Congress.
3. At the House of Representation, the Forestry Code of the Philippines was introduced following the State of the Nation Address of newly elected President Ramos.

Before the recess, to give way for the national elections, and up to the adjournment or termination of the 8th Congress, PWPA lobbied for the enactment of the better HB 21223.

PWPA perforce remained consistent with its position. It lobbied, that the Senate instead considers the administration-certified bill, the Forestry Code of the Philippines.

Because of its features, among others, allowing logging under sustainable development, PWPA supported the Forestry Code of the Philippines.

The "reconciled bill" on total ban "died" in the bicameral conference committee and therefore was not ratified by the 8th Congress.

Sen. Mercado's bill passed on first reading and submitted to the Committee on Natural Resources chaired by Sen. Tatad. No senator sponsored the Forestry Code of the Philippines.

Passed on first reading and submitted to the Committee on Natural Resources chaired by Congressman R. Yap.



Our continuing source of wood: National residual forest (left) and industrial tree plantation (right).



# OUR MEMBERS



## Region II

### JPE Dev'l. Corp.

3/F Quad Star Building  
Ortigas Ave., Greenhills  
San Juan, Metro Manila  
Mr. Jaime Cua

### La Villa Res. Corp.

3/F EWAN Building  
Quintin Paredes St., Binondo, Manila  
Mr. Charlie Chan

### Luzon Loggers, Inc.

3/F Quad Star Bldg.  
Ortigas Ave., Greenhills  
San Juan, Metro Manila  
Mr. Jaime Cua

### Amunitan Bay Tbr. Lic. Inc.

R-673 Wellington Bldg.  
Binondo, Manila  
Mr. Florio Bunag

### Consolidated Log. & Lbr. Mills, Inc.

R-503 # 37 Greenhills Mansion  
Annapolis, Greenhills  
San Juan, Metro Manila  
Mr. Victor Ang

### Isabela Lumber Ind., Inc.

3/F Quad Star Building  
Ortigas Ave., Greenhills  
San Juan, Metro Manila  
Mr. Jaime Cua

### Jones Logging Corp.

20 Bulletin St.  
West Triangle  
Quezon City  
Mr. Alejo Dy

### La Pena Sawmill Co., Inc.

560 Padilla delos Reyes Bldg.  
232 Juan Luna St., Binondo, Manila  
Mr. Francisco U. Pena

### Liberty Logging Corp.

123 Kaingin Road  
Quezon City  
Mr. Wilson Lim

### Luzon Mahogany Tbr. Ind., Inc.

# 44 Edison Tech. U.E. Subd.,  
Malabon, Metro Manila  
Mr. Bienvenido L. Rillo

### Northern Isabela Lumber

Producers Corp.  
124 G. Araneta Avenue  
Quezon City  
Mr. Alex Coseto

### Cagayan Plywood Corp.

G/F W & W Building  
106 Aguirre St., Legaspi Village  
Makati, Metro Manila  
Mr. Vicente S. Chan

### Security Sawmill Co., Inc.

900 Reina Regente  
Binondo, Manila  
Engr. Benjamin Dy

### Southern Plywood Corp.

No. 220 Wilson Street  
Greenhills, San Juan  
Metro Manila  
Mr. Gene Pantig

### United Tbr. Lic., Inc.

R-673 Wellington Bldg.  
Binondo, Manila  
Mr. Florio Bunag

### W J J Enterprises, Inc.

Mejore Compound  
E. Rodriguez Jr. Ave.,  
Libis, Quezon City  
Mr. James See

### Monte-Alto Tr. Res. Corp.

R-407 Anita Building  
1300 Quezon Avenue  
Quezon City  
Mr. Romeo Y. de Jesus

### North Luzon Mahogany Exporter, Inc.

155 Pasig Boulevard Ext.,  
Pasig, Metro Manila  
Mr. Arthur Dee

### North East Timber Corp.

### Producers Tbr. Dev'l Corp.

3/F EWAN Building  
Quintin Paredes St.,  
Binondo, Manila  
Mr. Chin San Cordova

### Sierra Madre Wood Ind., Inc.

c/o Emco Plywood Ind., Inc.  
Gr./F W & W Building  
106 Aguirre St. L.V.  
Makati, Metro Manila  
Mr. Vicente Chan

### Twin Peaks Dev'l. Corp.

3/F OMI Bldg. 20th St.  
cor. Bonifacio Drive  
Port Area, Manila  
Mr. Jose Lorenzo

Sta. Teresita Wood Industries

## G M W P A

### A & A Wood Corp.

205 Maysan Road  
Valenzuela, Metro Manila  
Mr. Manuel Anbio

### Alaska Lumber Co., Inc.

2071 Int. Raxa Bago St.  
Juan Luna, Tondo, Manila  
Mr. Felipe Lee

### Atlas Wood Industries, Inc.

387 Mac Arthur Highway  
Malinta, Valenzuela,  
Metro Manila  
Mr. Jimmy Lim

### Canada Sawmill

Marulas, Valenzuela,  
Metro Manila  
Mr. Juan S. Ong

### Capitol Sawmill Corp.

Paseo de Blas, Valenzuela  
Metro Manila  
Mr. Rufino Chua

### Elco Wood Processing Corp.

San Juan, Balagtas  
Bulacan  
Mr. Juan L. Santiago

### Goldenforest Trade Int'l. Corp.

173 Gen. Luis St.,  
Novaliches, Quezon City  
Mr. Benjamin Uy

### Great World Ind'l Int'l Corp.

Bo. Canumay, Valenzuela  
Metro Manila  
Mr. Benjamin Coquingo

### Great Wood Corp.

Vicente Reales St.,  
Valenzuela, Metro Manila  
Mr. Alfredo Go

### Oversea Sawmill, Inc.

473 Mac Arthur Highway  
Valenzuela, Metro Manila  
Mr. Adriano Chua



**Canumay Wood Corp.**  
T. Santiago St.  
Bo. Canumay Valenzuela  
Metro Manila  
Mr. Jose L. Chua

**Century Hardwood & Lbr. Co., Inc.**  
2627 T. Earnshaw St.  
Tondo, Manila  
Mr. Tay Chun Lai

**East Asia Sawmill Corp.**  
1235 E. delos Santos Avenue  
Balintawak, Quezon City  
Mr. James Lee

**Extensive Wood Processing Corporation**  
Km. 15 Mac Arthur Highway  
Dalandanan, Valenzuela, Metro Manila  
Mr. Johnny Chan

**Golden Star Industrial Corp.**  
Bo. Patubig, Marilao  
Bulacan  
Mr. Benjamin Coquenco

**Grand Pacific Ent., Inc.**  
17-1/2 Km. Mac Arthur Highway  
Meycauayan, Metro Manila  
Mr. David Golangco

**Guinguinto Intg. Wood Ind., Corp.**  
Guinguinto Tambang, Bulacan  
Mr. Walter Villanueva

**Atlanta Wood Dev'l Corp.**  
12 T. Santiago St.  
Canumay, Valenzuela  
Metro Manila  
Mr. Tan Chin

**Panama Sawmill Co.**  
Bry. Karubatan  
Valenzuela, Metro Manila  
Ms. Tan Tiong Hua

**Philwood Sawmill Co., Inc.**  
2037 J. Luna Int.  
598 Raxa Bago, Tondo, Manila  
Mr. Henry Tan

**Sahara Wood Corp.**  
2T. Santiago St.  
Canumay, Valenzuela, Metro Manila  
Mr. Tan Chin

**Sta. Ana Industrial Corp.**  
2735 Old Panaderos St.,  
Sta. Ana, Manila  
Mr. Edward Coquenco

**Tabang Sawmill, Inc.**  
Tabang, Guinguinto, Bulacan  
Mr. Jose Ong, Jr.

**Valenzuela Hardwood Ind'l & Supply, Inc.**  
Malinta, Valenzuela  
Metro Manila  
Mr. Tony Tan

**South Palawan Wood Processing Corporation**  
Bangsa, Meycauayan  
Metro Manila  
Mr. David M. Golangco

**Southern Sawmill**  
1331 Dagupan St.  
Tondo, Manila  
Mr. Tiong Ben dela Cruz

**Tanduay Lumber, Inc.**  
Bo. Wakas, Bocaue  
Bulacan  
Mr. Andrew Loo

### Region III

**Goodyear Timber Products Corp.**  
Maple Resources Dev'l Corp.  
Pandayan, Meycauayan  
Metro Manila  
Mr. Benny Coquenco

**Industrial Timber Corp.**  
R-504 ITC Building  
337 Sen. Gil J. Puyat Ave.  
Makati, Metro Manila  
Dr. Tomas T. Tangsac, Jr.

**Rosewood Processing, Inc.**  
1012 E. delos Santos Avenue  
Project 7, Quezon City  
Mr. Julian Ong

**Lauan Pacific Res. Corp.**  
123 Kaingin Road, Balintawak  
Quezon City  
Mr. Maria Carina Evangelista

**New Olympic Industrial Corp.**  
25 Km. Mac Arthur Highway  
Bunlo, Bocaue, Bulacan  
Ms. Imelda Rogando

**Scala Sawmill**  
R-560 Padilla delos Reyes Bldg.  
232 Juan Luna St., Binondo  
Manila  
Mr. Francisco U. Pena

### Region IV

**Inter-Pacific Forest Res. Corp.**  
R-203 Anita Building  
1300 Quezon Avenue, Circle  
Quezon City  
Mr. Alfredo Ong

**Pagdanan Timber Products, Inc.**  
c/o Columbian Motors  
Andrews Ave. cor. Aurora Blvd.  
Pasay City  
Mr. Jose Ch. Alvarez

**RCC Timber Corp., Inc.**  
IDC Compound, E. Rodriguez, Jr.  
Avenue, ugong Norte  
Quezon City  
Mr. Roberto Hallare

**Mt. Banahaw Wood Ind., Inc.**  
Km. 114 Barangay Sto. Cristo  
Sariaya, Quezon  
Mr. Rafael Tantuco

**Pacific Timber Export Corp.**  
2/F LGI Building, Ortigas Ave.  
Greenhills, San Juan, Metro Manila  
Gen. Felizardo R. Tanabe

**Industries Devl. Corp.**  
IDC Compound E. Rodriguez, Jr.  
Avenue, Ugong Norte  
Quezon City  
Mr. Joselito Ong

**Nationwide Princessa Tbr. Corp.**  
c/o Columbian Motors  
Andrews Ave. cor. Aurora Blvd.  
Pasay City  
Mr. Peter Roxas

**Palawan Lbr. Manufacturing Corp.**  
3/F JAKA II Bldg., Legaspi St.  
Legaspi Village, Makati  
Metro Manila  
Mr. Jose C. Baltazar I

**Verdant Agro-Forest Dev'l Corp.**  
Ground Flr. Metrobank Building  
Wilson St., San Juan, Metro Manila  
Mr. Godofredo B. Alla

**Roberto Gopuansuy, Sr.**  
2152-A Kanluran Street,  
Balut, Tondo, Manila  
Mr. Roberto Gopuansuy, Sr.

**Tableria Tan Tao Sawmill, Inc.**  
5/F APMC Bldg., Amorsolo St.  
Legaspi Vil., Makati, Metro Manila  
Mrs. Sandra Yu Shaw

### NCR

**Far East Timberland & Plywood Corporation**  
# 917 Susano Avenue  
Novaliches, Quezon City  
Mr. Gregorie Lee

**International Plywood Corp.**  
346 Isabel St., Sta. Ana  
Manila  
Mr. Raymundo Ong

**Prime Mahogany Producers Corp.**  
65 Antonio St., Dalandanan  
Valenzuela, Metro Manila

**Republic Wooden Commodities Manufacturing Corp.**  
917 Susano Ave., Novaliches  
Quezon City

### Region VII

**Philwood (Cebu), Inc.**  
671-673 C. Padilla St.,  
Cebu City  
Mr. T. Tam Ngo



# BOARD OF DIRECTORS

**ANTONIO G. BERNAS**  
Chairman

**CELSO E. ABASTILLAS**  
(Zamboanga Wood Products, Inc.)

**EDITH I. ALCANTARA**  
(C. Alcantara & Sons, Inc.)

**JOSE CH. ALVAREZ**  
(Pagdanan Timber Products, Inc.)

**JOSELITO C. BALTAZAR I**  
(Palawan Lbr. Mfg. Corp.)

**MARTIN S. CHAN**  
(Extensive Wood Processing Corp.)

**RENE DIZON**  
(Provident Tree Farms, Inc.)

**DAVID C. GOLANGCO**  
(Grand Pacific Ent.)

**SEVERINO T. DE GUZMAN**  
(Industries Dev. Corp.)

**JOSE A. LORENZO**  
(Twin Peaks Export Corp.)

**FERNANDO A. LU**  
(Pacific Timber Export Corp.)

**EVARISTO M. NARVAEZ, JR.**  
(Paper Industries Corp. of the Phils.)

**ANTONIO C. OLIZON**  
(Timber Industries of the Phils., Inc.)

**ERNESTO F. SANVICTORES**  
(Ares-Asan Timber of Co., Inc.)

**FELIX T. TAMESIS**  
(Nasipit Lumber Co., Inc.)

## ADVISORY COUNCIL

**ARISTEO G. PUYAT**  
Chairman, Advisory Council

**ERNESTO F. SANVICTORES**  
Co-Chairman Advisory Council

**MAGNOLIA W. ANTONINO**

**GERMAN B. ARANEZ**

**EDUARDO C. ARROYO, JR.**

**JOSE E. DELA ROSA**

**MANUEL L. MORATO**

**PETER T. ROXAS**



BERNAS



ABASTILLAS



ALCANTARA



ALVAREZ



BALTAZAR



CHAN



DIZON



GOLANGCO



DE GUZMAN



LORENZO



LU



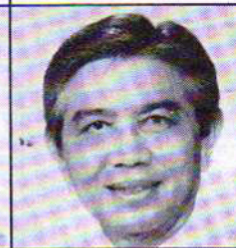
NARVAEZ, JR.



OLIZON



SANVICTORES



TAMESIS



PUYAT



# EXECUTIVE OFFICERS

**ANTONIO C. OLIZON**  
President

**FERNANDO A. LU**  
Executive Vice-President

**CELSO E. ABASTILLAS**  
Treasurer

**EDITH I. ALCANTARA**  
VP-Plywood & Other Panel Products

**JOSE CH. ALVAREZ**  
VP-Timber

**JOSELITO C. BALTAZAR I**  
VP-Forestry/Reforestation/Plantation

**SEVERINO T. DE GUZMAN**  
VP-Legal & Government Relations

**DAVID C. GOLANGCO**  
VP-Lumber

**JOSE A. LORENZO**  
VP, Membership

**RENE DIZON**  
VP-Public Information

**FELIX T. TAMESIS**  
AVP-Legal & Government Relations

**LEONARDO D. ANGELES**  
Executive Director and Board Secretary

# SECRETARIAT

**CELIA P. DUCAY**  
Administrative Officer

**REGINO M. SERAFICO**  
Accounts Officer



OLIZON



LU

ABASTILLAS

ALCANTARA



ALVAREZ

BALTAZAR I

DE GUZMAN



GOLANGCO

LORENZO

DIZON



TAMESIS

ANGELES



DUWAY

SERAFICO



## Region VIII

### Region IX

**Westmin Forest Products, Inc.**  
Formerly El Salvador Tbr. Corp.  
Mintrade Drive, Lanang  
Davao City

**Mindanao Estates Tbr. Corp.**  
2227 Jose Abad Santos Ave.  
Tondo, Manila  
Mr. Jose Dy

**Sirawai plywood & Lumber Corp.**  
1881 Pres. Quirino Ave. Ext.,  
Plaza Dilao, Paco, Manila  
Mr. Antonio G. Bernas

**First Plywood Corp.**  
1881 Pres. Quirino Ave., Ext.  
Plaza, Dilao, Pandacan, Manila  
Mr. Antonio G. Bernas

**Great Pacific Tbr. & Dev't. Co.**  
5/F VRC Bldg.  
221 Sen. Gil J. Puyat Ave.  
Makati, Metro Manila  
Mr. Celso E. Abastillas

**Zamboanga Wood Products, Inc.**  
5th Floor, VRC Bldg.  
221 Sen. Gil J. Puyat Ave.,  
Makati, Metro Manila

### Region X

**Agusan Wood Ind. Inc.**  
R-504 ITC Building  
Sen. Gil J. Puyat Ave.  
Makati, Metro Manila  
Dr. Tomas T. Tangsac, Jr.

**Casilayan Softwood Dev'l. Corp.**  
2111 Pasong Tamo cor. Tindalo Sts.  
Makati, Metro Manila  
Ms. Angeline G. Avinado

**Emco Plywood Corp.**  
Gr. Flr. W & W Bldg.  
106 Aguirre St., Legaspi Vil.  
Makati, Metro Manila  
Mr. Louis S. Coson

**Liberty Forests, Inc.**  
91 Sen. Gil J. Puyat Avenue  
Makati, Metro Manila  
Mr. Jose T. Ching

**Master Wood Ent. Corp.**  
Phividec Ind'l. Estate  
Baluarte, Togoloan  
Misamis Oriental  
Mr. Willie Tan

**Nasipit Lumber Co., Inc.**  
5/F Maritima Building  
117 Dasmariñas St.  
Binondo, Manila  
Mr. Pedro Nisperos

**Provident Tree Farms, Inc.**  
PHIMCO Compound  
A. Bautista Street  
Punta, Sta. Ana, Manila  
Mr. Rene Dizon

**Royal Match, Inc.**  
2111 Pasong Tamo  
Tindalo Sts. Makati  
Metro Manila  
Mr. Luis Roldan

**Timber Ind. of the Phils., Inc.**  
Suite 502 State of Condominium I  
Salcedo St., Legaspi Village  
Makati, Metro Manila  
Mr. Antonio C. Olizon

**Anakan Lumber Co.**  
5/F Maritima Building  
117 Dasmariñas Street  
Binondo, Manila  
Mr. Pedro Nisperos

**Cagayan de Oro Timber Corp.**  
Puntod, Cagayan de Oro City  
Mr. Prudencio T. Plaza, Jr.

**Davao Mahogany Products, Inc.**  
No. 10th, 13th Street  
New Manila, Quezon City  
Ms. Helen D. Sanchez

**Mainit Lbr. & Dev'l. Co., Inc.**  
91 Sen. Gil J. Puyat Ave.  
Makati, Metro Manila  
Mr. Jose T. Ching

**Phil. Wallboards Corp.**  
5/F Maritima Building  
117 Dasmariñas Street  
Binondo, Manila  
Mr. Pedro Nisperos

**Sta. Ines-Melale Corporation**  
3/F Maripola Building  
109 Perea St., Legaspi Village  
Makati, Metro Manila  
Ms. Emiliana P. Crisostomo

**Union Plywood Corp.**  
R-502 State Condominium I  
Salcedo St., Legaspi Village  
Makati, Metro Manila  
Mr. Antonio C. Olizon

**Top Forest Developers, Inc.**  
G/F Cordova Building  
Valero St., Salcedo Village  
Makati, Metro Manila  
Mr. Robert N. Kua

**Agusan Plywood Corp.**  
No. 220 Wilson St.  
Greenhills, San Juan  
Metro Manila  
Mr. Alfredo C. Roxas

### Region XI

**Aras-asan Timber Co., Inc.**  
30 Scout Tuazon St., Diliman  
Quezon City  
Mr. Ernesto F. Sanvictores

**C. Alcantara & Sons, Inc.**  
ALSONS Bldg., 2286 Pasong Tamo  
Ext., Makati, Metro Manila  
Ms. Edith I. Alcantara

**Davao Enterprises Corp.**  
788-790 Juan Luna Street  
Binondo, Manila  
Ms. Evelyn Uy

**Davao Plywoods Co., Inc.**  
R-6A Vernida I Building  
Amorsolo St., Legaspi Village  
Makati, Metro Manila  
Mr. Robert Limso

**Consolidated Plywood Ind., Inc.**  
R-202 Cityland III Herrera cor.  
Esteban Streets  
Legaspi Village, Makati, Metro Manila  
Mr. Henry C. Wee

**Landasan Timber Corp.**  
444 Luisa Street  
Juna Subd., Matina  
Davao City  
Mr. Josue G. Tesado

**Liang Bay Logging Co., Inc.**  
2/F Emerald Bldg., Emerald Ave.  
Ortigas Complex, Pasig  
Metro Manila  
Mr. Armando Cruz

**Surigao Dev'l. Corp.**  
4/F ENZO Building  
399 Sen. Gil J. Puyat Ave.  
Makati, Metro Manila  
Mr. Aristeo G. Puyat

**Valderrama Lbr. Mfrs. Co., Inc.**  
13 Juna Avenue, Matina  
Davao City  
Mr. Leodegario Bautista

**San Manuel Wood Products, Inc.**  
Dallia Toril  
Davao City  
Mr. Manuel G. Ting

**Mindanao Lbr. Dev'l. Co. Inc.**  
15/F G. Antonino Building  
T.M. Kalaw St., Ermita  
Manila  
Mrs. Magnolia Antonino

**Paper Ind. Corp. of the Phils.**  
Center Point Condominium  
Julia Vargas Ave.,  
corner Garnet St., Pasig  
Metro Manila  
Mr. Evaristo M. Narvaez, Jr.



**Super Plywood Corp.**  
R-601 State Condominium I  
Salcedo St., Legaspi Village  
Makati, Metro Manila  
Engr. Julius Farin

**Timber Producers & Mktng. Corp.**  
Gr. Flr. W & W Building  
Aguirre St., Legaspi Village  
Makati, Metro Manila  
Mr. Louis S. Coson

**Ventura Timber Corp.**  
Zamora St. cor. Luz Village  
Km. 2, Butuan City  
Mr. Mario G. Vijungco

## **Region XII**

**Ever Sun Dev'l. Ltd.**  
Sarmiento Building # II  
Pasong Tamo Ext., Makati, Metro Manila  
Mr. Aristides M. Escosora

**Cotabato Timberland Co., Inc.**  
1881 Pres. Quirino Ave. Ext.  
Plaza Dilao, Pandacan Manila  
Mr. Antonio G. Bernas

**Findlay Millar Tbr. Co.**  
Unit C Ground Floor, Cordova Bldg.  
Valero Cor. Sedenos Sts.,  
Salcedo Village, Makati, Metro Manila  
Ms. Maria Teresita N. Kua

**Vicmar Dev'l. Corp.**  
Unit C Ground/F Cordova Bldg.  
Valero Cor. Sedenos Sts.,  
Salcedo Village, Makati, Metro Manila  
Ms. Maria Teresita N. Kua

**Minrico Lumber Ent. Co., Inc.**  
Suite 502 State Condominium I  
Salcedo St., Legaspi Village  
Makati, Metro Manila  
Mr. Celso C. Dionisio

**Tbr. Ind. & Dev'l. of Mindanao Inc.**  
26-C South Drive  
Gilmore Town Homes  
Granada St., Quezon City  
Datu Saripada A. Pacasum

## **ASSOCIATE MEMBERS**

**Borden Int'l. Phils. Inc.**  
Suite 1001 Filipinas Life  
Ayala Ave., Makati, Metro Manila  
Mr. Reynaldo Adriano

**Carl Ronnow (Phils.), Inc.**  
Rm. 401 Greenbelt Mansion  
106 Perea St., Legaspi Village  
Makati, Metro Manila  
Mr. Jan Nowakowski

**A G & P Co., Inc.**  
Pasong Tamo Ext.  
Makati, Metro Manila  
Mr. C. Sumbilla

**Monark Equipment Corp.**  
150 E. Rodriguez Jr. Ave.  
Libis, Quezon City  
Mr. Jose Antonio Banson

**Resins, Inc.**  
E. Rodriguez Jr. Ave.  
Bagong Ilog, Pasig  
Metro Manila  
Mr. Meneleo Carlos

**German Machineries**  
110 Timog St.  
Quezon City  
Mr. Eberhard Junginger



THE SGV GROUP

**SGV & CO.**  
**SYCIP GORRES VELAYO & CO.**

6760 Ayala Avenue Makati  
Metro Manila Philippines  
Tel 632 819 3011  
Fax 632 819 0872  
Telex 63743 SGV PN  
Cable CERTIFIED

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

The Board of Directors  
Philippine Wood Products Association, Inc.

We have examined the balance sheets of Philippine Wood Products Association, Inc. (a nonstock, nonprofit corporation) as at December 31, 1992 and 1991, and the related statements of revenues and expenses and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Philippine Wood Products Association, Inc. as at December 31, 1992 and 1991, and its revenues and expenses and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

*Sycip, Gorres, Velayo & Co.*

March 27, 1993



**PHILIPPINE WOOD PRODUCTS ASSOCIATION, INC.****(A Nonstock, Nonprofit Corporation)****BALANCE SHEETS**

	December 31	
	1992	1991
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Note 4)	₱138,427	₱2,956,322
Short-term cash investments	4,100,064	1,771,387
Due from members (net of allowance for doubtful accounts of ₱635,914 in 1992 and ₱195,940 in 1991)	666,734	470,216
Other receivables	1,280,780	409,853
Total Current Assets	6,186,005	5,607,778
Property and Equipment - net (Note 3)	383,958	428,762
Other Assets	9,700	9,700
	₱6,579,663	₱6,046,240
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Accounts Payable and Accrued Expenses	₱911,120	₱1,244,265
Dues Collected in Advance	17,641	17,862
<b>Members' Equity</b>		
Balance at beginning of year	4,784,113	2,981,005
Excess of revenues over expenses	866,789	1,803,108
Balance at end of year	5,650,902	4,784,113
	₱6,579,663	₱6,046,240

*See accompanying Notes to Financial Statements.*



**PHILIPPINE WOOD PRODUCTS ASSOCIATION, INC.****(A Nonstock, Nonprofit Corporation)****STATEMENTS OF REVENUES AND EXPENSES**

	<b>Years Ended December 31</b>	
	<b>1992</b>	<b>1991</b>
<b>REVENUES</b>		
Membership dues	<b>₱3,248,318</b>	<b>₱3,802,092</b>
Special assessment	<b>3,863,900</b>	<b>620,000</b>
Assessment dues	<b>234,172</b>	<b>516,741</b>
Associate membership dues	<b>14,000</b>	<b>22,000</b>
Interest and others (Note 4)	<b>699,585</b>	<b>2,718,900</b>
	<b>8,059,975</b>	<b>7,679,733</b>
<b>EXPENSES</b>		
Public relations and information expenses	<b>3,076,382</b>	<b>2,190,902</b>
Provision for doubtful accounts	<b>694,426</b>	<b>395,603</b>
Salaries, wages and employees benefits	<b>685,980</b>	<b>462,175</b>
Donations and gifts	<b>440,695</b>	<b>367,782</b>
Office expenses	<b>415,391</b>	<b>74,029</b>
Transportation and travel	<b>410,741</b>	<b>571,739</b>
Meetings and conferences	<b>347,068</b>	<b>216,606</b>
Regional chapters expenses (Note 5)	<b>260,073</b>	<b>332,363</b>
Condominium expenses, light and water	<b>214,761</b>	<b>108,150</b>
Professional fees	<b>176,533</b>	<b>288,799</b>
Special project expenses	<b>166,526</b>	<b>500,450</b>
Telephone, telegram and postage	<b>90,759</b>	<b>134,083</b>
Depreciation	<b>80,005</b>	<b>82,741</b>
Loss on foreign exchange	<b>49,886</b>	<b>-</b>
Insurance	<b>29,498</b>	<b>42,702</b>
Membership dues	<b>19,400</b>	<b>77,400</b>
Taxes and licenses	<b>14,429</b>	<b>12,671</b>
Miscellaneous	<b>20,633</b>	<b>18,430</b>
	<b>7,193,186</b>	<b>5,876,625</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>₱866,789</b>	<b>₱1,803,108</b>

*See accompanying Notes to Financial Statements.*



**PHILIPPINE WOOD PRODUCTS ASSOCIATION, INC.****(A Nonstock, Nonprofit Corporation)****STATEMENTS OF CHANGES IN FINANCIAL POSITION**

	Years Ended December 31	
	1992	1991
<b>SOURCES OF FUNDS</b>		
Excess of revenues over expenses	₱866,789	₱1,803,108
Depreciation, an item not affecting funds	80,005	82,741
Total from operations	946,794	1,885,849
Increase in accounts payable and accrued expenses	—	867,515
Net book value of office equipment transferred to PWPA Reforestation Trust Fund	—	24,325
Decrease in due from members - net	—	143,884
	946,794	2,921,573
<b>USES OF FUNDS</b>		
Acquisition of property and equipment	35,201	697
Decrease in:		
Dues collected in advance	221	62,893
Accounts payable and accrued expenses	333,145	—
Increase in:		
Other receivables	870,927	154,065
Due from members - net	196,518	—
	1,436,012	217,655
<b>INCREASE (DECREASE) IN CASH AND SHORT-TERM CASH INVESTMENTS</b>	<b>(₱489,218)</b>	<b>₱2,703,918</b>

*See accompanying Notes to Financial Statements.*



## PHILIPPINE WOOD PRODUCTS ASSOCIATION, INC.

(A Nonstock, Nonprofit Corporation)

### NOTES TO FINANCIAL STATEMENTS

#### 1. Organization

The Philippine Wood Products Association, Inc. (Association) is an association of corporations, partnerships and individuals engaged in logging, sawmilling, veneer and plywood manufacture, wood preservation, and other related activities. Incorporated as a nonstock, nonprofit corporation, the Association aims to achieve unity in the wood industry under a single integrated association that would serve as spokesman for the entire wood industry in its continuing dialogue with government authorities. Its services, programs and activities are all geared towards the promotion and development of the lumber and plywood industry.

The Association is exempt from payment of income tax with respect to revenues received in accordance with the provisions of Sec. 26 (f) of the National Internal Revenue Code.

#### 2. Summary of Significant Accounting Policies

##### Membership and Assessment Dues

Membership dues of Timber License Agreement (TLA) holders, sawmillers and associate members are based on fixed monthly rates. Assessment dues of TLA holders are computed based on the area (in cubic meters) of logs actually produced.

##### Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed on the straight-line method based on the estimated useful lives of the assets ranging from 5 to 15 years. Ordinary repairs and expenditures which do not benefit future periods are expensed as incurred.

##### Foreign Currency Transactions

Foreign exchange gains or losses are credited or charged to current operations.

#### 3. Property and Equipment

This account consists of the following:

	1992	1991
Condominium office building	₱1,010,396	₱1,010,396
Office furniture, fixtures and improvements	129,043	129,043
Office equipment	192,733	157,532
	1,332,172	1,296,971
Less accumulated depreciation	948,214	868,209
	₱383,958	₱428,762

#### 4. Interest Income

In accordance with the Memorandum of Agreement between the Association and the TLA holders, all interest accruing to the Reforestation Trust Fund Deposit shall become part of the general funds of the Association.

#### 5. Association's Regional Chapters

The Association maintains a number of regional chapters within the Philippines. These chapters (organized during the latter part of 1979 and during 1980) act as extensions of the Association in their respective regions. Dues collected by these chapters are turned over to the Association. Ten percent of such collections are remitted back to the chapters to cover their administrative expenses. For purposes of accounting, such amounts are treated as expenses upon receipt of the chapters' collections.





#### **PRESIDENT FIDEL V. RAMOS ON SUSTAINABLE DEVELOPMENT OF FORESTS**

*"I urge this Congress to take up anew the ban on logging which should, however, consider the possibility of identifying the areas where logging can be permitted under the concept of sustainable development (State of the Nation Address before Congress, July 27, 1992)"*

#### **SUSTAINABLE DEVELOPMENT CONCEPT AND GOALS**

*The Brundtland Commission's definition of sustainable development term - "meeting the needs of the present generation without compromising the needs of future generations".*

*There is no difference between the goals of development policy and appropriate environmental protection. Both must be designed to improve welfare. It is not plausible to argue that all natural resources should be preserved. (World Development Report 1992. Development and the Environment. The World Bank.)*

#### **SUSTAINABLE MANAGEMENT OF TROPICAL FORESTS**

*Sustainable forest management is the process of managing permanent forest land to achieve one or more clearly specified objectives of management with regard to the production of a continuous flow of desired forest products and services without undue reduction of its inherent values and future productivity and without undue undesirable effects on the physical and social environment. (ITTO - Policy Development Series No. 3. 1992).*

