



# SUSTAINABLE WOOD PRODUCTION

SOCIETY OF FILIPINO FORESTERS, INC.  
NATIONAL CONFERENCE 2018

# **Sustainable Wood Production**

**Wood industry  
players' DREAM**

# Sustainable Wood Production

- (1) Social
- (2) Economic
- (3) Environment



**INCLUSIVE  
GROWTH**

# Wood industry

- Dependent on import
- Average of \$1.4 billion worth of imports

# Wood industry

- Global population growth
- Local demand 6.32 M m<sup>3</sup>  
vs. Global demand 2,165  
M m<sup>3</sup>

# Wood industry

- Local supply from plantations
- Few productive plantations

# Inclusive Growth

- Supply majority of local requirements
- Creation of jobs
- Livelihood
- Taxes

# **Tree Farms/Plantations Development**

- **Lucrative business**
- **Increase investment 600%**
- **50% per year ROI for 10 years**

# Tree Farm/Plantation Development

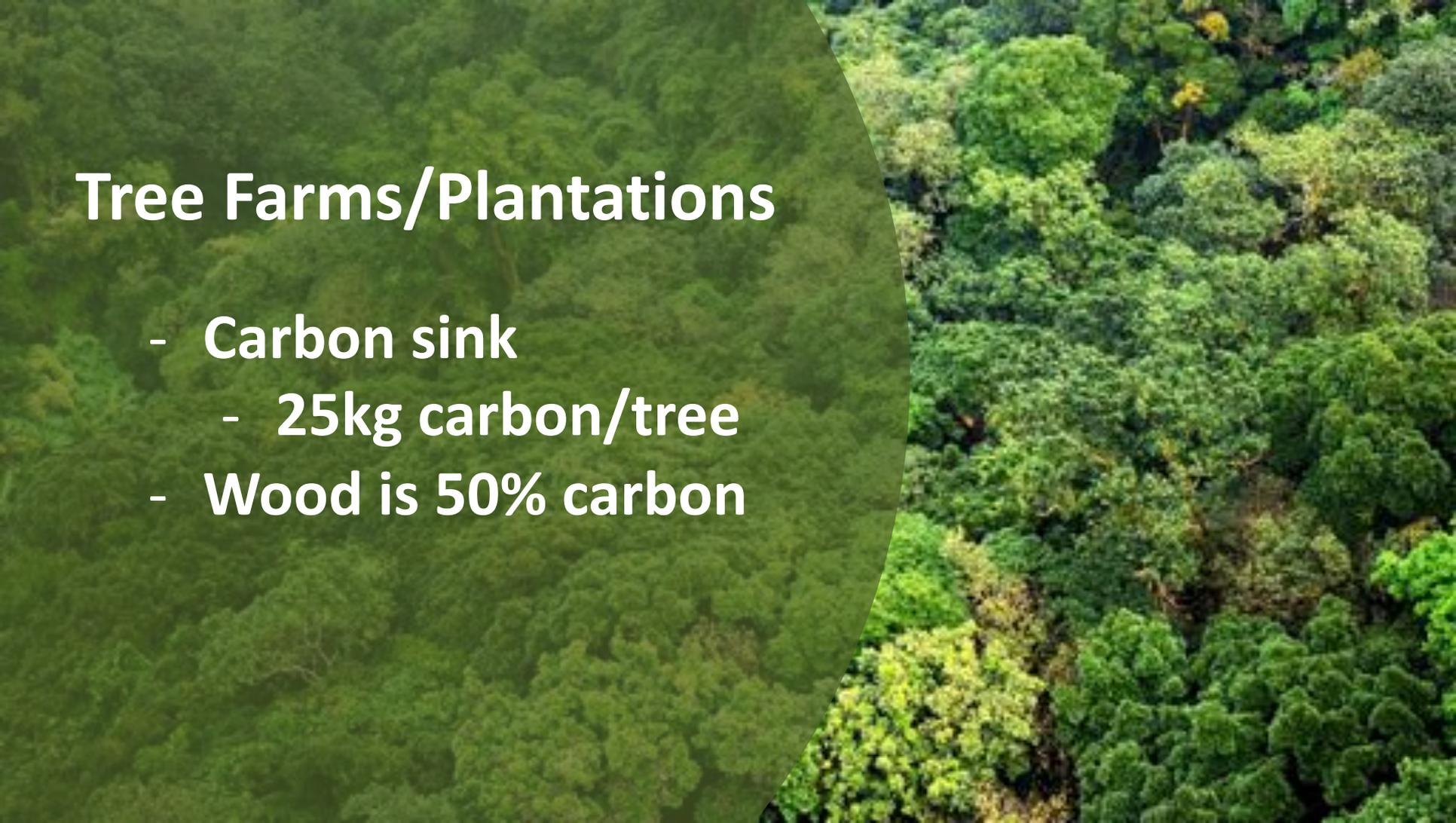
- Job creation
  - Development (321,800 jobs/year, 100,000 ha)
  - Primary Processing (236,500 jobs/year)

# Tree Farm/Plantation Development

- Job creation
  - Downstream (secondary processing, among others)
- Taxes

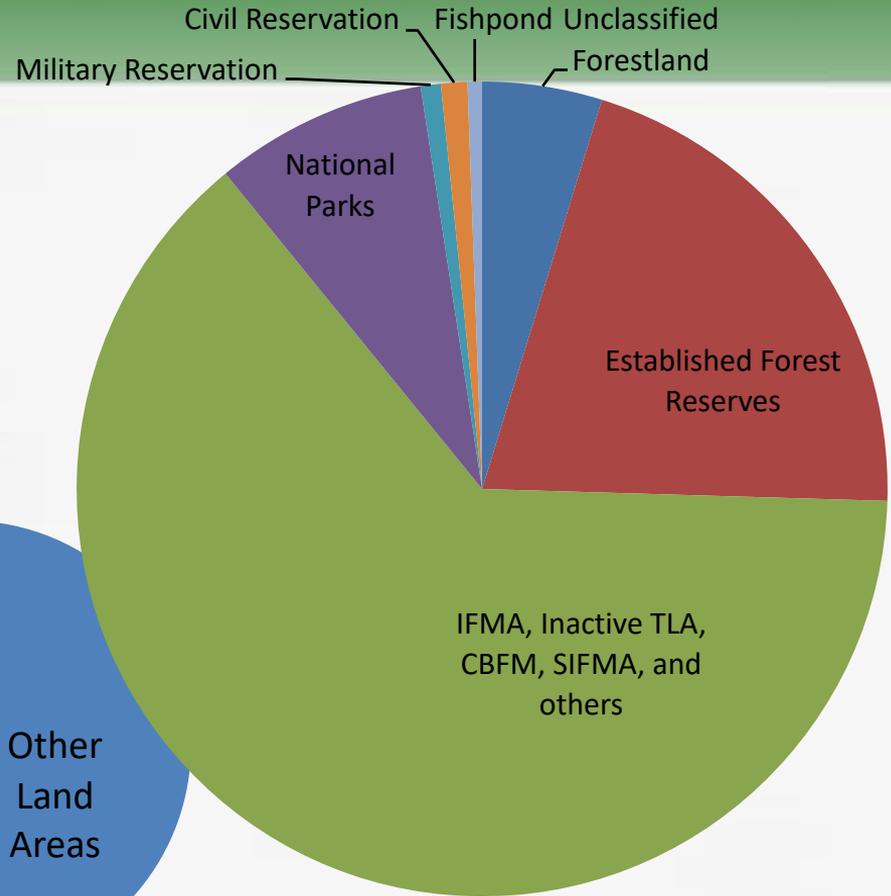
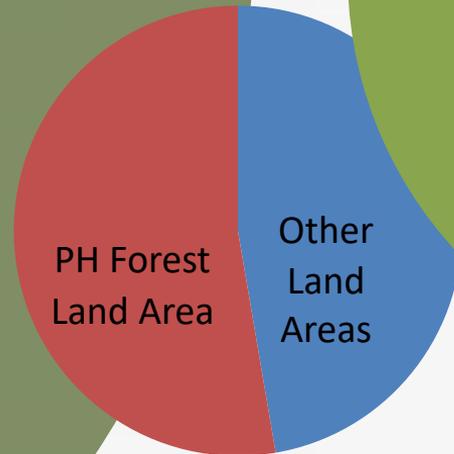
# Tree Farms/Plantations

- Carbon sink
  - 25kg carbon/tree
- Wood is 50% carbon



# PHILIPPINE FOREST LAND USE DISTRIBUTION

SOURCE: 2015 PHILIPPINE FORESTRY  
STATISTICS, FMB-DENR



# Tree Farms/Plantations

## Availability of Resources

- Available areas
- Wood processing mills

# Tree Farms/Plantations

## Comparative Advantage

- Skills & Experience
- Climatic Conditions

# Finland

- **Production EUR 20 B (2013)**
- **20% of export revenue**
- **15% industrial jobs**
- **80,000 employed in forestry cluster**
- **60% Carbon absorption**

# Tree Farms/Plantations

## Forecast Needs

- Construction boom
  - 2017 and 2026 = 9.8%
- Wood demand
  - 9.35 M m<sup>3</sup> by 2025

# Comparative Advantage

- Abundance of sunlight and rain
- Availability of land
- Resource & research facilities

# Comparative Advantage

- Extensive skills and experiences
- Available labor

# Passing of Bills into Law

- **National Land Use Act Bill**
- **Forest Limits Bill**
- **Sustainable Forest Management Act Bill**

# **TAILOR-FIT IRRs**

**For Protection Areas =  
Natural, Residual Forest**

**For Production Areas =  
Tree Farm PRODUCTION:  
Portfolio Approach or  
State-initiated Tree Farming**

# National Certification System

- Wood & wood products from legal & sustainably managed forest

# Investment Friendly, Simple Guidelines

- Streamlined and deregulated
- Assurance of the return of investments

# Conclusion

- **Steady income**
- **Job creation**
- **Population decongestion**
- **Taxes from jobs and income**

# Conclusion

- Forest cover increase
- Climate change mitigation
- Meeting of wood demand
- Savings for dollar exchange



**LET'S TALK WOOD TOGETHER.**