



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 m³
vs. Global demand 2,165
M m³

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

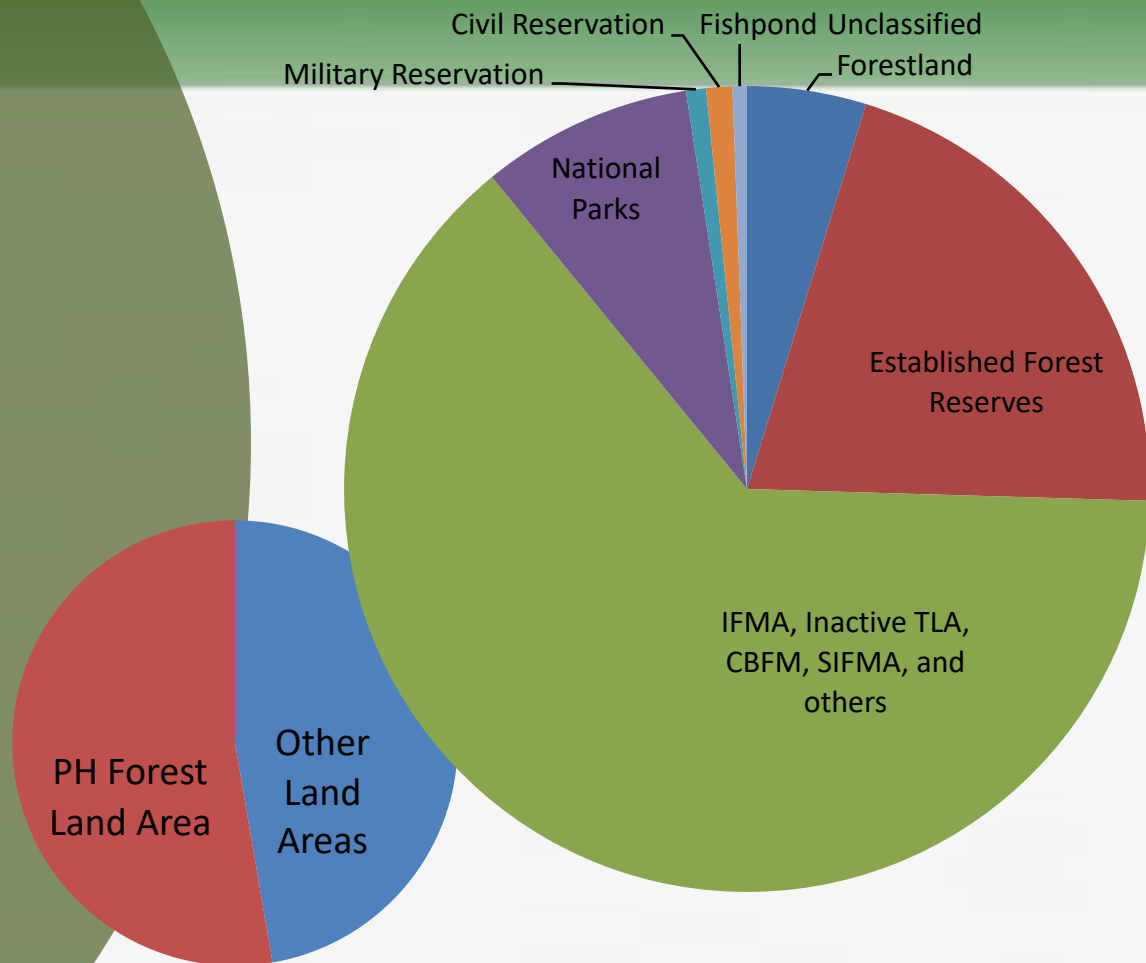
- Job creation
 - Downstream (secondary processing, among others)
- Taxes

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 m³ 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.