

FOREST-BASED PRODUCTS TRADE IN THE PHILIPPINES: TRENDS AND PROSPECTS

Asia-Pacific Forestry Week 2016

Stream 1: Pathways to Prosperity – Future Trade and Markets

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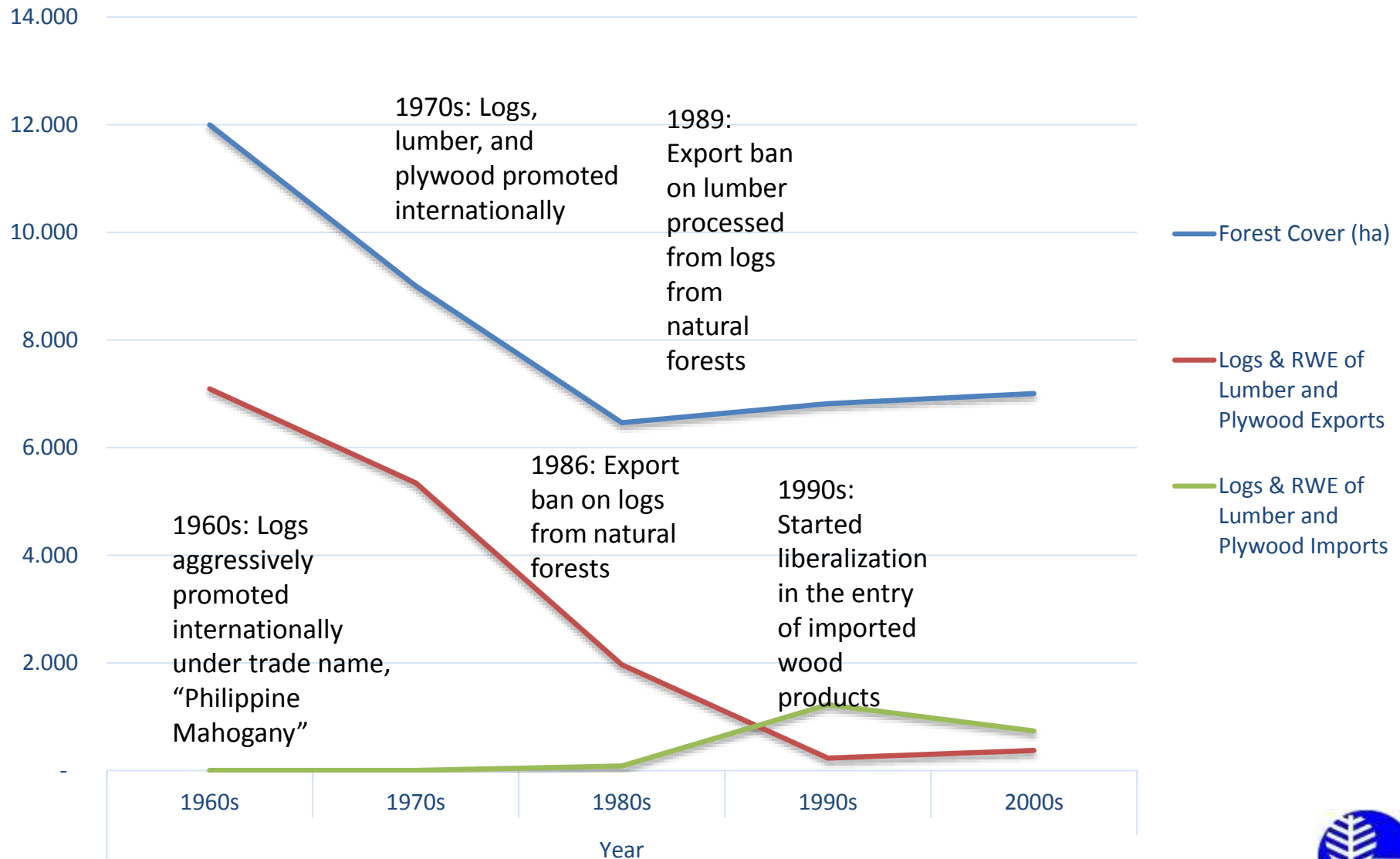


Presentation Outline

- Historical trends in logs, lumber and plywood trade vis-à-vis trade policies
- Export and import values and trade balance
- Forest-based products trading partners
- ASEAN integration: Trade prospects
- Way forward



Philippine Forest Cover (in million ha), Average of Logs and RWE Equivalent of Lumber and Plywood Exports and Imports (in million cu m) and relevant trade policies: 1960s-2000s

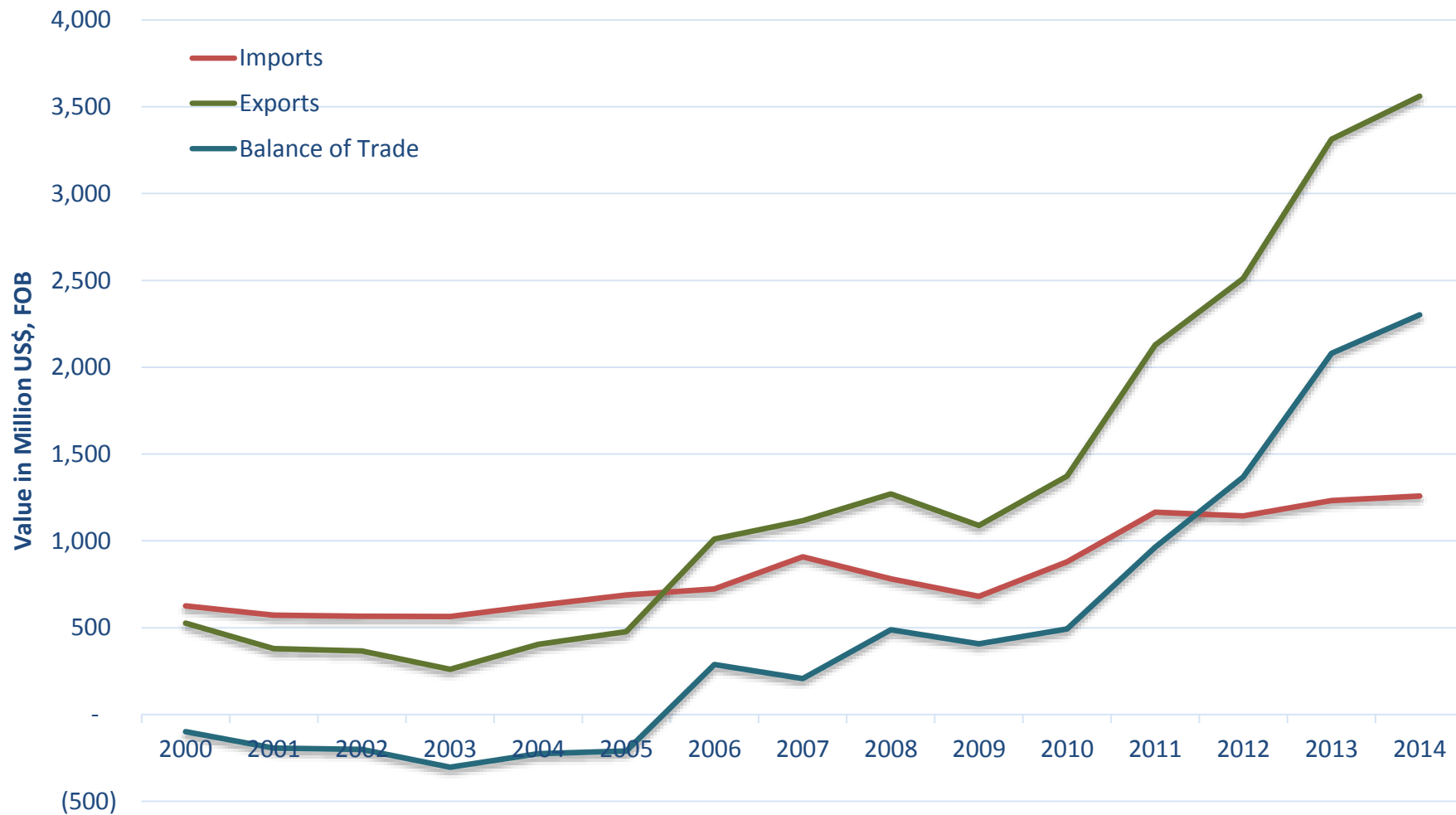


Philippine Top Exports by Major Commodity: 1980 & 2014

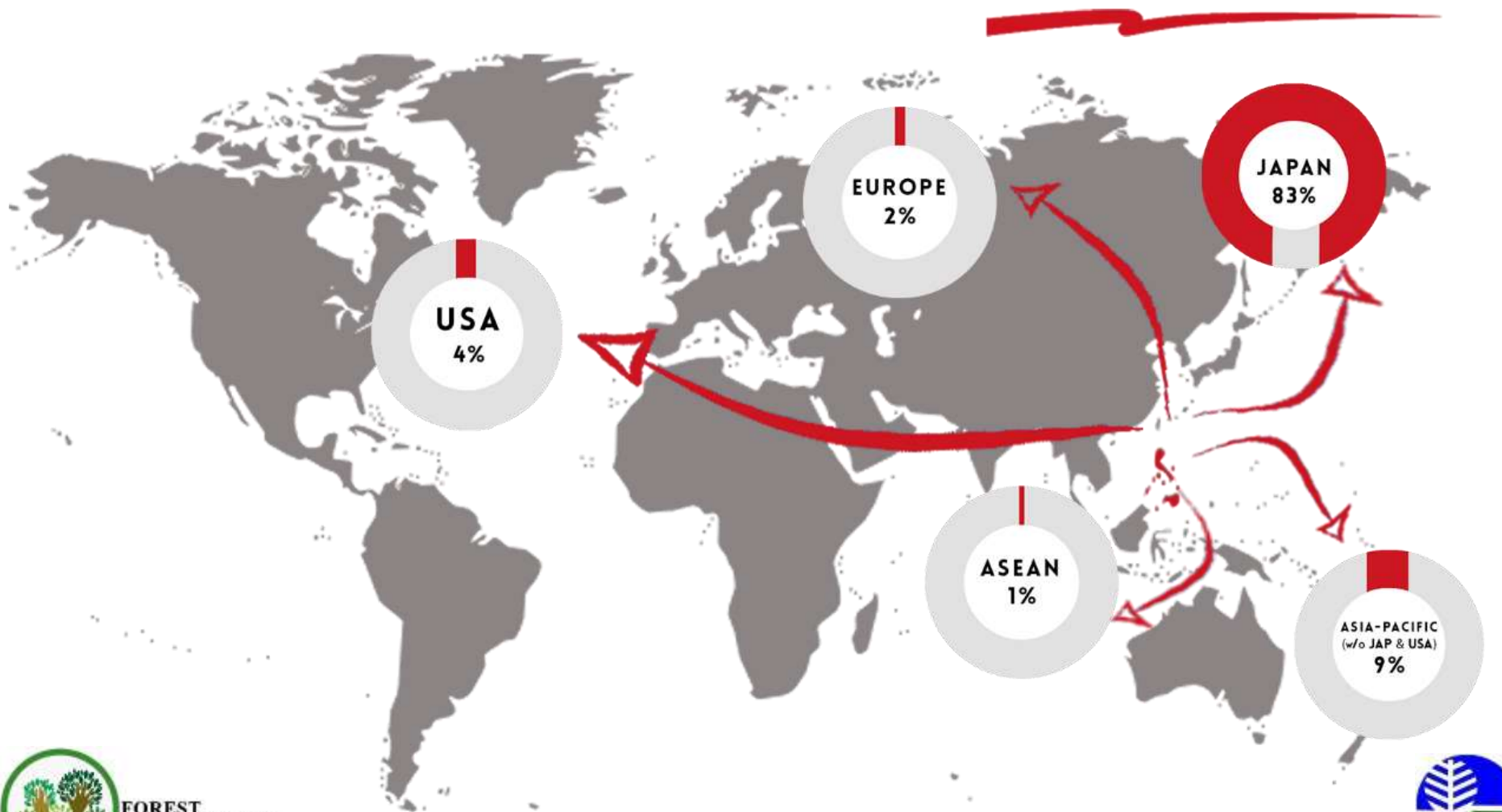
1980	2014
1. Coconut Oil	1. Electronic Products
2. Copper Concentrates	2. Other Manufactures
3. Semi-conductor Devices	3. Machinery and Transport Equipment
4. Centrifugal & Refined Sugar	4. Woodcrafts & Wood Furniture
5. Lumber	5. Other Mineral Products
6. Logs	6. Chemicals
7. Iron Ore Agglomerates	7. Ignition Wiring Sets
8. Plywood	8. Aircrafts and Ships
9. Dessicated Coconut	9. Articles of Apparel
10. Gold	10. Coconut Oil

Source: Philippine Statistics Authority

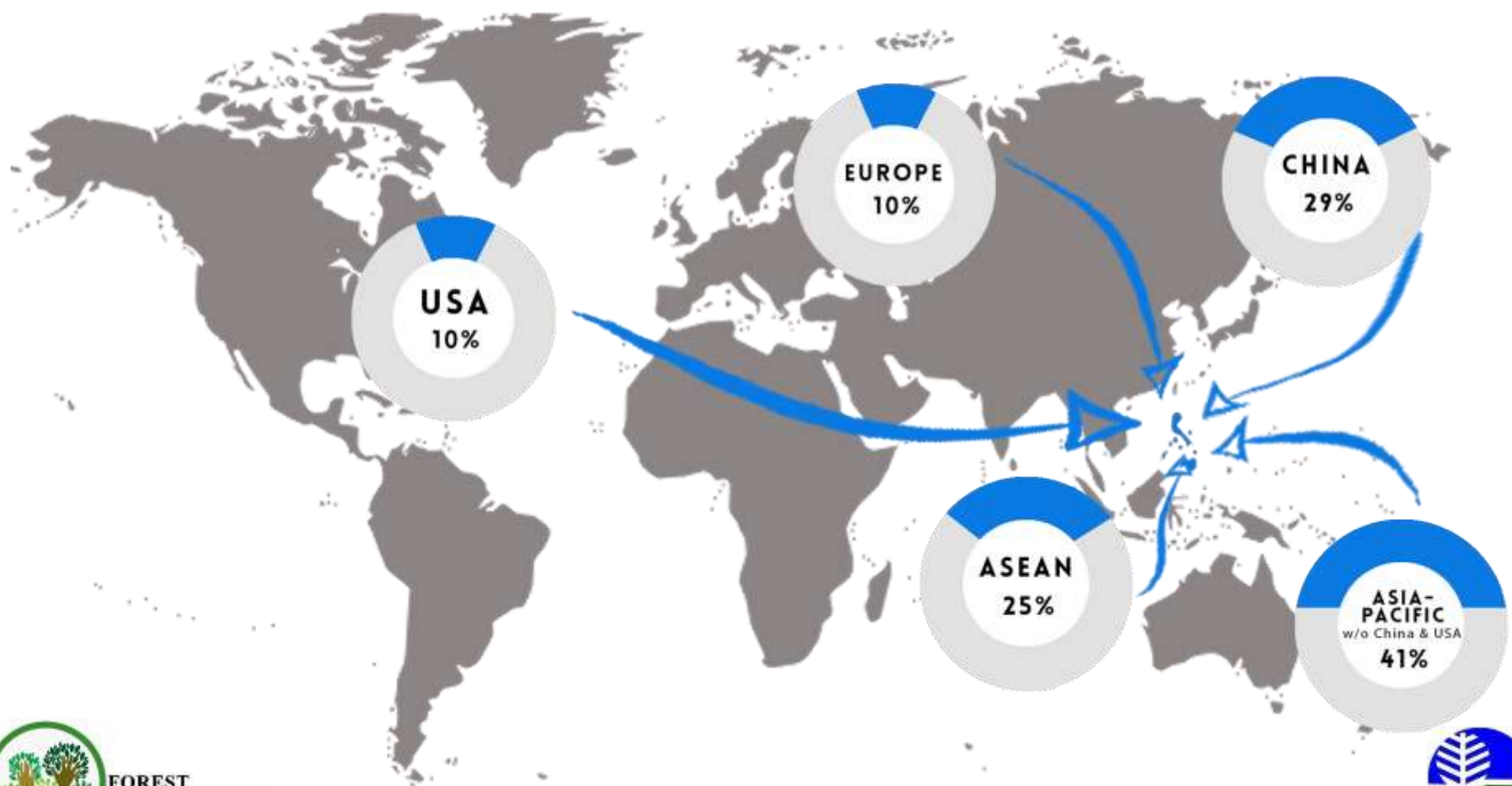
Value of Forest-based Products Imports and Exports: 2000-2014 (million USD, FOB)



MAJOR TRADING PARTNERS OF PHILIPPINES IN FOREST-BASED PRODUCTS: 2014 EXPORTS



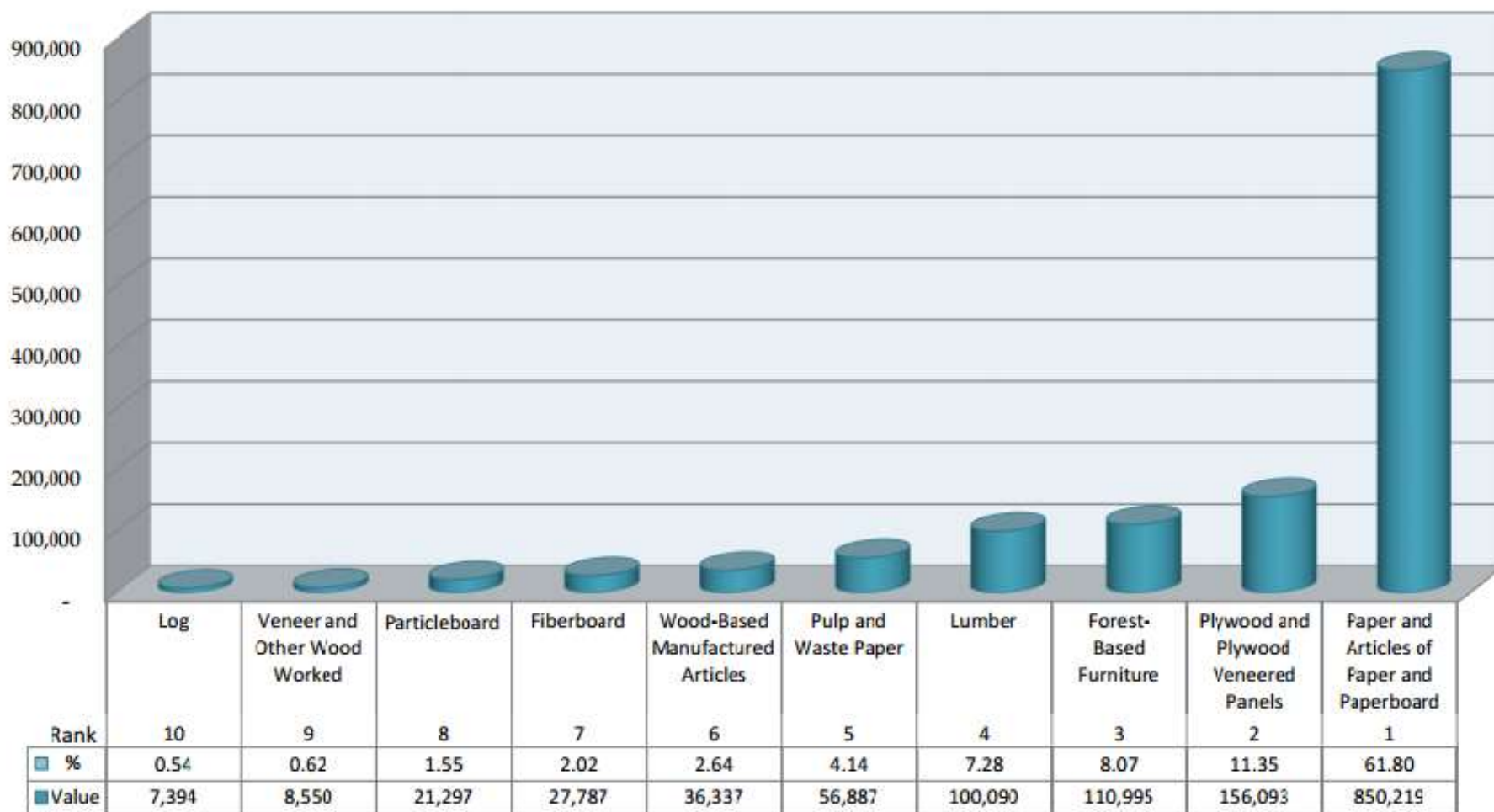
MAJOR TRADING PARTNERS OF PHILIPPINES IN FOREST-BASED PRODUCTS: 2014 IMPORTS



Profile of imports and exports of forest-based products: 2014

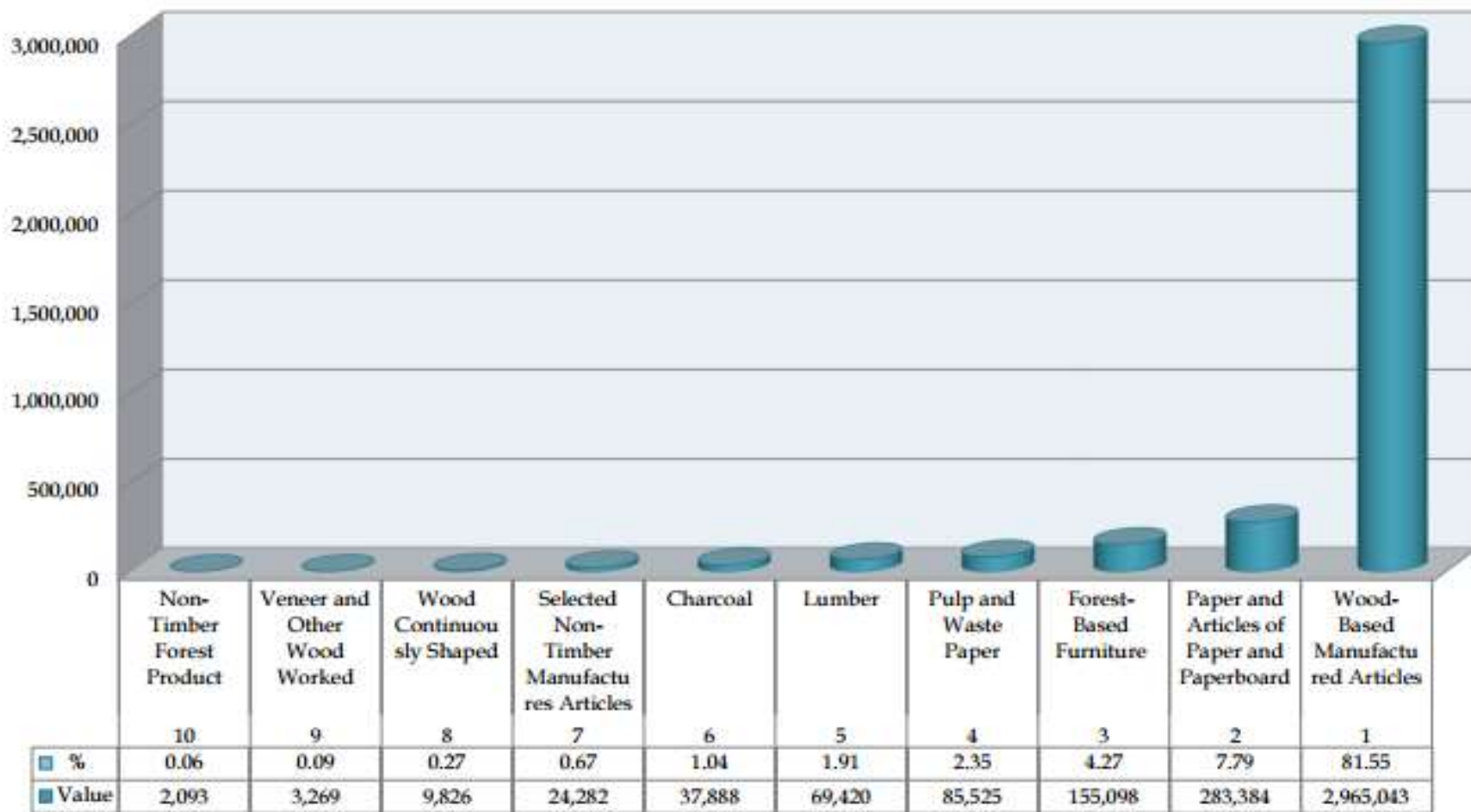
- Top imported products
 1. Plywood, veneered panels and similar laminated wood (China, Malaysia, Canada)
 2. Paper and Paperboard (Malaysia, Singapore, Vietnam)
 3. Other wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6mm (China, Malaysia, Korea)
- Top exported products
 1. Other builder's joinery and carpentry of wood, including cellular wood panels, assembled flooring panels, shingles and shakes (Japan)
 2. Paper and Paperboard (Vietnam, Thailand, Indonesia)
 3. Windows and their frames (Japan)

Top Imported Forest-based Products: 2014 (value in '000 US\$)



Source: Philippine Forestry Statistics, 2014

Top Exported Forest-based Products: 2014 (value in '000 US\$)



Source: Philippine Forestry Statistics, 2014

Examples of exported high-value products

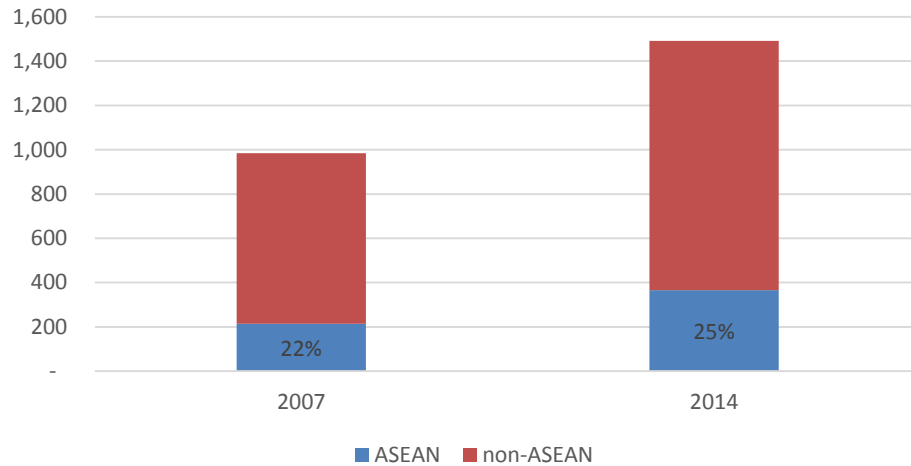


Source: Chamber of Furniture Industries, HRD group of companies, municipal government of Paete

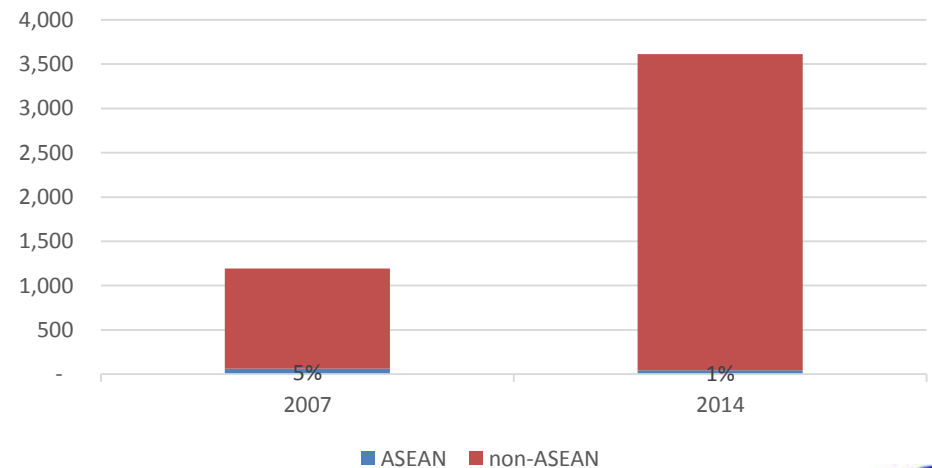
- ASEAN Integration
 - 0-5% tariffs (2015) on forest-based products, especially for top imports (*plywood & veneered panels, paper, and sawn wood products*) and exports (*other wood-based manufactures, paper, and furniture products*)
 - Implications
 - Lower prices for imported raw materials
 - Sustainability of supply in the face of increasing demand
 - Competitive advantage for exporters of high-value products

Value of Imports and Exports to ASEAN: 2007 & 2014

Imports from ASEAN: 2007 & 2014 (million US\$)



Exports to ASEAN: 2007 & 2014 (million US\$)



Profile of top imports from, and exports to ASEAN: 2014

IMPORTS	EXPORTS
1. Other plywood, veneered panels, and similar laminated wood	1. Other newsprint in rolls or sheets
2. Other uncoated paper and paperboard	2. Cigarette paper in rolls not exceeding 15cm
3. Other wood sawn and chipped lengthwise, sliced or peeled	3. Other recovered paper and paperboard
4. Particle board, oriented strand board and similar board	4. Sanitary towels, tampons, and similar articles
5. Other wood in the rough, whether or not stripped of bark or sapwood	5. Printed paper or paperboard labels

Way forward

- Continue relying on imported wood raw materials from other countries to supplement supply of local timber from timber plantations;
- In the long-term, achieving self-sufficiency in wood materials through our National Greening Program;
- Expand the sources of raw materials for non-timber forest products processing industries catering to the export market

Thank you!