

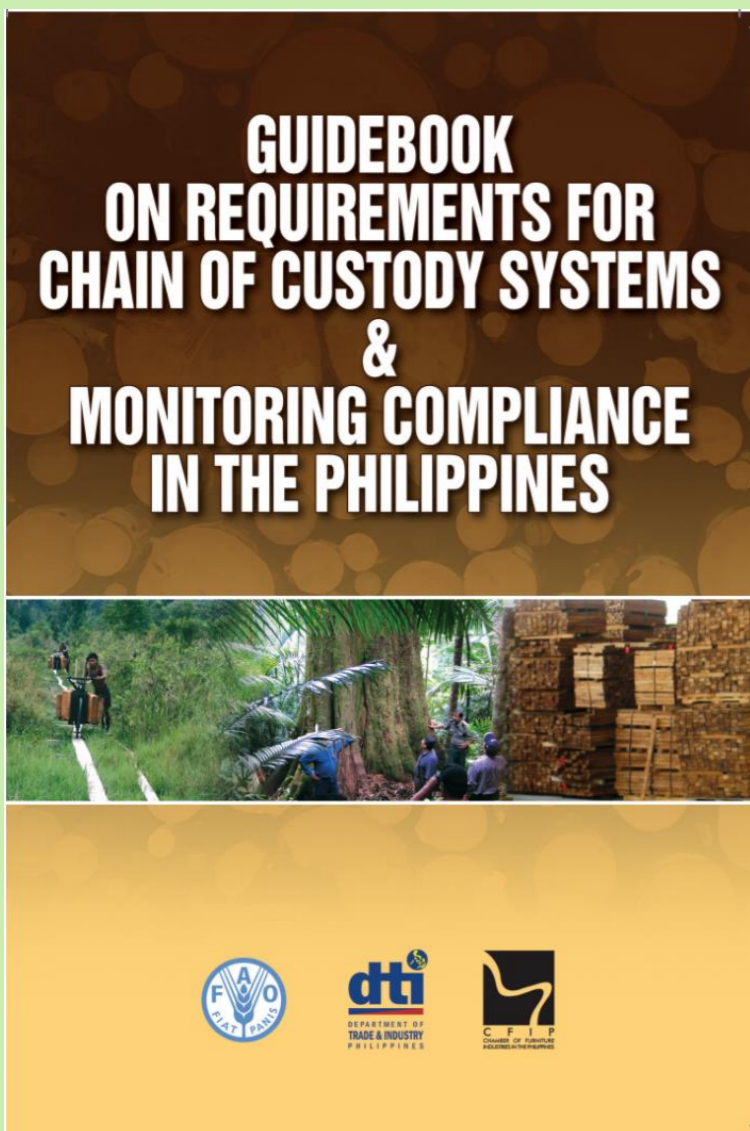


RESPONSE FROM THE FURNITURE INDUSTRY

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**DUE DILIGENCE REQUIREMENTS:
OPERATING PROCEDURES FOR THE
FOREST SECTOR INDUSTRY IN THE PHILIPPINES**

GUIDEBOOK



The Structure of the Guidelines

- **Section 1:** Background on legality in the Philippines in regards to the timber industry & structure of the system.
- **Section 2:** Procedures for purchasing raw material from domestic sources based on legal regulations within the Philippines
- **Section 3:** Procedures for importing timber that complies with Philippine import regulations and can be considered low risk to the international market
- **Section 4:** Procedures for chain of custody (CoC) system for process control of manufacturing and trade
- **Section 5:** Procedures for sales and exports of wood products

Section 6: Procedures for monitoring compliance by Timber Associations.



With this draft guidebook...

- Industry aims to comply with the standards set by the EU regarding sustainable source of timber that was effective March 2013
- Industry aims to arrest the potential decrease in the exports of wood based products in the EU market and increase exports to EU



GREEN HOME



Project

GREEN HOME

(Sustainability. Design. Seal): A Green Approach to Promote Sustainable Consumption and Production in the Philippine Homestyle Industry

Target beneficiaries

- **300** Small and Medium Enterprises (SMEs) from various regions

Project Duration : 36 months

Project Cost:

EURO 1,700,000

Project Impact:

- *Contribute to economic prosperity*
- *Generate additional employment to eventually reduce poverty levels*
- *Support the development of a green economy. Promote sustainable production and consumption*

Social/Economic Impact

- Domestic – Construction and housing industry including household buyers in the Philippines
- International Consumers – specifically the EU market
- Farmers, Civil societies and Communities in the rural areas – a sustainable sourcing system will increase awareness and enable these groups to develop sustainable supply of materials from plantation to harvesting.
- Government institutions will be involved in the establishment of Green Standards that will be implemented to protect the consumers
- 5.4 million direct and indirect workers that comprises the labor force of the industry as well as the 16 million Filipinos dependent on the industry

Expected output:

- The action will reduce the environmental and social costs of consumption and production by introducing environment-friendly technologies and practices, sustainable designs and product development and green procurement/sourcing. Through this component, overall resource efficiency will be increased. Moreover, the effective marketing strategy will increase the consumption of the global and the local market for “green products”.
- The partnership with a regulatory body to award the “Green” seal will establish “green practices standards” that should be followed by the SMEs in order to create a “green” business environment.

Objectives of the Project

- Increase awareness of both the consumers and producers on sustainable practices and patterns;
- Develop a sustainable and effective green supply chain for the homestyle industry;
- Capacitate Business Support Organizations (BSOs) to promote and channel sustainable consumption and production systems to its member companies;
- Develop and “upcycle” products through intensive research, with sustainable designs;
- Establish “green” standards for the homestyle industry through partnership with a regulatory body and accredit sustainable consumption and production practices through the awarding of a “GREEN” seal;
- Develop an effective marketing strategy to stimulate demand for “green” homestyle products of the Philippine manufacturers in the global market;
- Boost sales of SMEs to generate more jobs and contribute to economic growth; and

Green Activities

- Benchmarking mission for Green practices in the international markets (1st 3 months)
- Hiring of International consultants on Green compliance (4th month – 5th month)
- Capacity Strengthening of Business Support Organizations (BSOs) (6th month – 8th month)
- Hiring of Product Development designers (9th month – 14th month)

- Formulation of a “Green Marketing Plan” - Green Products Promotion in the local and international markets (17th month -28th month)
- Documentation of Green processes and info dissemination (28th month onwards)
- Establishment of Green Standards as a policy tool (15th month onwards)
- Access to Finance for SMEs who are investing in Green production (4th month onwards)

Other GREEN projects:

1. Establishment of Private Plantations for future sustainable source of materials for the industry (under the Government's National Greening Program)
2. High End Bamboo Furniture Program
3. Green Furniture Design Competition

THANK YOU..

