



**Republic of the Philippines
Ministry of Natural Resources
OFFICE OF THE MINISTER
Diliman, Quezon City**

7 March 1981

Memorandum Circular No. 1
Series of 1981

TO : Dir. Edmundo V. Cortes
Dir. Filiberto S. Pollisco
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FROM : Dakila B. Fonacier
Assistant Secretary

SUBJECT : Wood Industry Development Study
(WIDS) Decision Meeting

In November 1980, Phase I of the Wood Industry Development Study being conducted by the Atlanta Consult of Germany was completed. The first phase, which established the data base for subsequent sectoral planning exercise has two major outputs:

- a) Five base survey reports on resources, industry, market, institutions and infrastructure
- b) Draft report on broad development alternatives

Consequently, a Review Committee and a Secretariat were created by virtue of Special Order No. 262 dated 20 October 1980, for the purpose of evaluating, among others, the consultants' reports vis-a-vis terms of reference and validity of data assumptions. The Review Meeting was conducted last December 2, 3 and 4, 1980 at the MNR Conference Room.

As stipulated in the Terms of Reference, Phase II would commence with the optimization of the production/investment alternatives on the basis of the discussions and decisions made during the Review Meeting on the broad development alternatives and optimization of the mill models linked with the said alternatives. A short and long term forest industries development plans and a restricted number of investment projects proposed for separate analysis at the pre-investment and conceptual investment levels, to be presented in a draft development plan (1982-2000) will be submitted by the consultants to the Ministry for evaluation and approval.

In this regard, a Decision Meeting shall be held on March 17, 18 and 19, 1981 at the DAP Training Center. Specifically, the objectives of the Decision Meeting are:

- a) To review and evaluate the wood-based industries development plans
- b) To evaluate the results of the optimization of the broad development alternatives
- c) To review and prioritize the numerous investment projects proposed by the consultants on the basis of economic costs and benefits to the country.

In addition to the Atlanta Consultants, members of the Review Committee and the Secretariat, the Decision Meeting shall also be attended by representatives from the NEDA and the Board of Investments.

During the Decision Meeting, only technical matters will be decided upon by the Review Committee. Major policy decisions shall only be made after the committee members have consulted their respective agencies on the following major issues:

- a) Identification of specific objective functions which the Philippine government feels are of high priority, and if possible, provision of specific transformation rates for the numerous objective functions used in the optimization process.
- b) Selection of ten projects (four short-term and six long-term) to serve as case studies at the pre-investment and conceptual investment levels.

After the individual deliberations of the concerned agencies, the Review Committee shall convene once more and this time without the presence of the Atlanta Consult, to finalize the decisions of the Philippine Government in general.

Enclosed is the draft development plan for your reference.

For your information and proper guidance.

By Authority of the Minister:


DAKILA B. FONACIER
Assistant Secretary