

The Effects of the APEC Early Voluntary Sectoral Liberalization (EVSL) on the Forest Products Sector*

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Abstract

This paper examines the effects of the EVSL on the forest product sector. Despite having shown export competitiveness and efficiency in the world market, wood manufacturers would be vulnerable to liberalization because of decreasing computed revealed comparative advantage. Paper and paperboard are nonetheless found to be efficient industries.

Given the available natural resources, processed wood products and the tree growing and the conservation activities may be excluded from the EVSL to assure investments in replanting and reforestation. The imported inputs of paper and paper products nonetheless should be liberalized immediately. Economic and technical measures are discussed.

* The views expressed herein do not necessarily represent the official views of the Philippine government in general, and/or the WTO/AFTA Advisory Commission in particular. This industry paper was prepared to provide some basic or background information; hence, in no way it is exhaustive. The intent is to offer the initial set of information for discussion and in the process, elicit the ideas that could be helpful in formulating the appropriate strategies in the development of this industry sector.

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