

INVESTMENTS AND FINANCING MECHANISMS IN FURNITURE AND NON- TIMBER FOREST PRODUCTS

- **Forest investment ~ financial resources made available**
- **Plantation establishment, production forests projects, wood processing, furniture and handicraft making and environmental services**
- **Investment areas in forestry can be enhanced with appropriate financing mechanisms**

- **Furniture and handicrafts continue to be export winners**
- **Decline in exports due to several factors, one of which is the high cost of appropriate materials and machineries**
- **Most furniture and handicraft manufacturers are MSMEs**

- **99.6% of total number of registered enterprises are MSMEs**
- **53% of total work force are employed by MSMEs**
- **60% of the total number of exporting firms are MSMEs**

DOST SUPPORT FOR MSMEs

- ☐ Small Enterprise Technology Upgrading Program (SET UP)
- ☐ Venture Financing for Environmentally-Sound Technologies (VFEST) Program
- ☐ Purchase Order Financing Program
- ☐ Technology Resource Center (TRC) funding programs

Small Enterprise Technology Upgrading Program (SET UP)

- Adoption of technology innovations to improve operations and boost productivity and competitiveness
- 6 priority areas, two of which are Furniture and Gifts, Decors and Handicrafts



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- **Assistance in acquisition of equipment**
- **Technical training courses for workers**
- **Technical advice**
- **Standardization and improvement of product quality**

Venture Financing for Environmentally Sound Technologies (VFEST) Program

- Strengthen competitiveness and productivity by adapting cleaner production technologies and equipment
- 4 priority industry sectors, one of which is the wood furniture industry

Assistance Coverage

- **Financial assistance covering the cost of acquisition of pollution control or abatement equipment and technologies**

Purchase Order Financing Program

- Geared towards MSMEs that need financing to fulfill their purchase orders
- Provide financial support for purchase of materials and/or services

Assistance Coverage

- **Costs of goods and services required to produce specific requirement**
- **Financial assistance to be returned without interest over the period of 90 days after PO have been served**



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Technology Resource Center

Isang Bayan Isang Produkto Isang Milyong Piso (1M1)

- **Must be in the following investment areas:
manufacturing, processing, services, agribusiness and not into extractive industries and housing projects**

- Eligible projects include export financing and temporary working capital for medium-term loans and purchase of equipment for long-term loans
- Loan not to exceed PhP 1 million
- 10% interest rate maximum
- Maximum 1 year for medium term, 5 years for long term

Credit Line for Micro Small and Medium Enterprises (CLMSME)

- Must be in the following investment areas: manufacturing, support industries, service, communications, computer software, transportation and transport services, storage and warehousing facilities and education linked to manufacturing

For more information

www.dost.gov.ph



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THANK YOU



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