



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

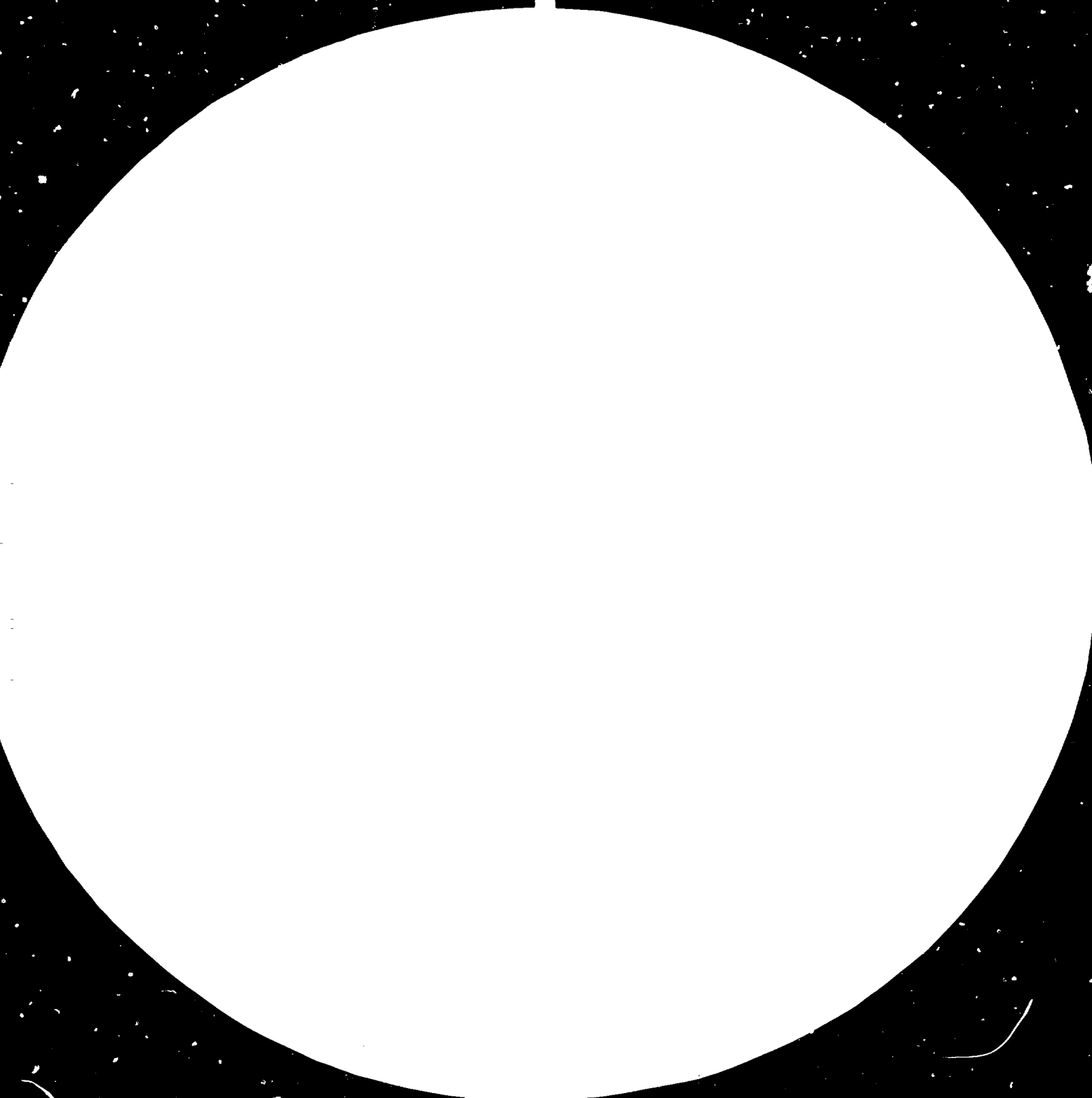
FAIR USE POLICY

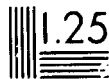
Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org





3.2



4



Resolution Test Chart

Resolution Test Chart



11144



Distr.
LIMITED
ID/WG.350/6
10 February 1982
ENGLISH

United Nations Industrial Development Organization

Expert Group Meeting for Exchange of
Experiences on Technology Services
Delivery System (TSDS)

Manila, Philippines, 2 - 6 November 1981

TECHNOLOGY SERVICES DELIVERY SYSTEM (TSDS) EXPERIENCES
IN THE PHILIPPINES,
SMALL BUSINESS ADVISORY CENTER (SBAC) EXPERIENCES
(the Bicol Pilinut Confectionery Industry
Technical Assistance Project)

by

M. Imperial **

002002

* The views expressed in this paper are those of the author and do not necessarily reflect the views of the secretariat of UNIDO. This document has been produced without formal editing.

** Small Business Advisory Center, Legaspi City, Philippines.

V.82-21826

Introduction

The Philippines is probably the only country producing pilinut in semi-commercial scale. This fruit abounds in Bicol Region that it has become synonymous with the place - going to Bicol means buying pili..

About 85% of the total production in the entire country is shared by the region. In 1965, there were about 2,790 hectares planted to pilinut with a total of 832,300 kilos equivalent to ₱141,500. Assuming that the yield has not increased substantially but the price per kilo (raw) has changed, approximately it is valued now at ₱25M. If given the proper climate for investment to grow, it could be a potential industry of the region.

The main bulk of pilinut production in the region comes from the towns of Bulusan, Irosin, Gubat, Casiguran, Juban, and Bacon in the provinces of Sorsogon; the Partido area in the province of Camarines Sur; and the towns of Camalig, Guinobatan in the province of Albay. Hundreds of families as farm producers are dependent on the industry. Likewise, pilinut confectionery processors mostly in the capital towns and cities are plentiful. In the region, there are about twenty (20) small scale processors who have been engaged in the business for generations. Of this number, fourteen (14) with established reputation formed themselves into an association called the Bicol Pilinut Producers Association (BPPA). Aside from these processors, a substantial number of processors-peddlers are selling their products at the bus stations, markets, airport terminals, and streets as their main source of income.

The market for pilinut candies is unlimited. In fact, because of this small processors scrupulously add extenders or completely use substitutes like camote (sweet potato), peanuts and cassava which cost much less than pilinuts. The export market remains untapped inspite of the volume of orders received

from abroad. The reason behind this is the relatively short shelf-life of the products that does not meet export requirements. Other problems have also been identified which retards the growth and development of the industry. They are as follows:

- 1) undeveloped technology on propagation, processing, packaging, and storage for both raw material and finished products;
- 2) low capital-based producers; and
- 3) seasonality of raw pilinut.

The QCPI - ISDS Product Research Assistance Project

Cognizant of the industry problem on technology, the Product Research Assistance Project under the Quality Control and Productivity Improvement (QCPI) and the Technology Services Delivery System (TSDS) of the Council on Small and Medium Industries, Ministry of Industry was launched in 1980 per request of the Bicol Pilinut Candy Makers.

Plant visits and dialogue with the candy manufacturers were conducted to determine the areas where technical assistance is needed. After the survey, a series of seminars and demonstrations were conducted for the period June 12 to November 23, 1980. The seminar proved to be an effective medium in the dissemination of information to make the manufacturers aware of the functions of the different government agencies as well as advances in technology. Through these activities, the manufacturers formed themselves into an industry association named Bicol Pilinut Producers Association (BPPA).

The most critical problem cited by the group was on product stability or shelf life. Research and development studies on the area were done by the Department of Food Science and Technology, UP at Los Baños. Storage stability of the confectionery products was improved with the use of chemical preservatives and better packaging materials. The result of this study were relayed to the manufacturers via a

seminar/workshop where they were also shown how to use the preservatives. However, a local market for these preservatives is needed where they will be readily available. The association also pointed out that they need markets to absorb more of their products.

With regard to the perennial problem of financing, the Development Bank of the Philippines (DBP) was in attendance in one of the seminars to enlighten the group regarding financial assistance. The Private Development Corporation of the Philippines (PDCP) and the National Cottage Industries Development Authority (NACIDA) likewise discussed the functions of the agencies in assisting SMI's.

The Design Center Philippines (DCP) was also on hand to help the association come up with a common packaging design that will identify the group and ensure pilinut candies of the highest quality.

General feedback from this undertaking was very encouraging. The group proved to be very receptive and aware of their needs and limitations. We have yet to overcome the problems earlier mentioned for the industry to achieve its goals.

Recommendations

The conduct of Product Research Assistance Project for the pilinut candy makers gave much boost to the Industry. The technical information and actual demonstration on pilinut preservation, improvement, packaging, and promotion were acknowledged positively. The project was an effective forum to transfer appropriate technology.

The assistance of the Ministry of Trade and Industry (MTI) however, should not begin and end with technology transfer only. There are several aspects of the industry that equally needs attention because they may spell the difference between survival or death of the industry.

The most critical of which is the perennial problem on raw material sourcing. There has been indiscriminate cutting of pilinut trees. Commercial propagation has not been effected, because of some technical problems. Procurement of pili fruits is dominated by Chinese traders who give cash advances and hoard the pilinuts to be sold during lean months. This practice leaves the small producers of pilinut candies at the mercy of these merchants.

Inasmuch as the procurement entails a big capital outlay, bulk buying through government agencies could be a possible solution, e.g., MACIDA-NDC raw material sourcing project. Also, a special financing scheme for pilinut propagation or pilinut tree planting will augment the supply of pili fruits for the small scale processors. Hence, full development of the fruit aside from the nut meat can be done, thereby, developing the pilinut industry.



