

# The Republic of The Philippines

No. 26



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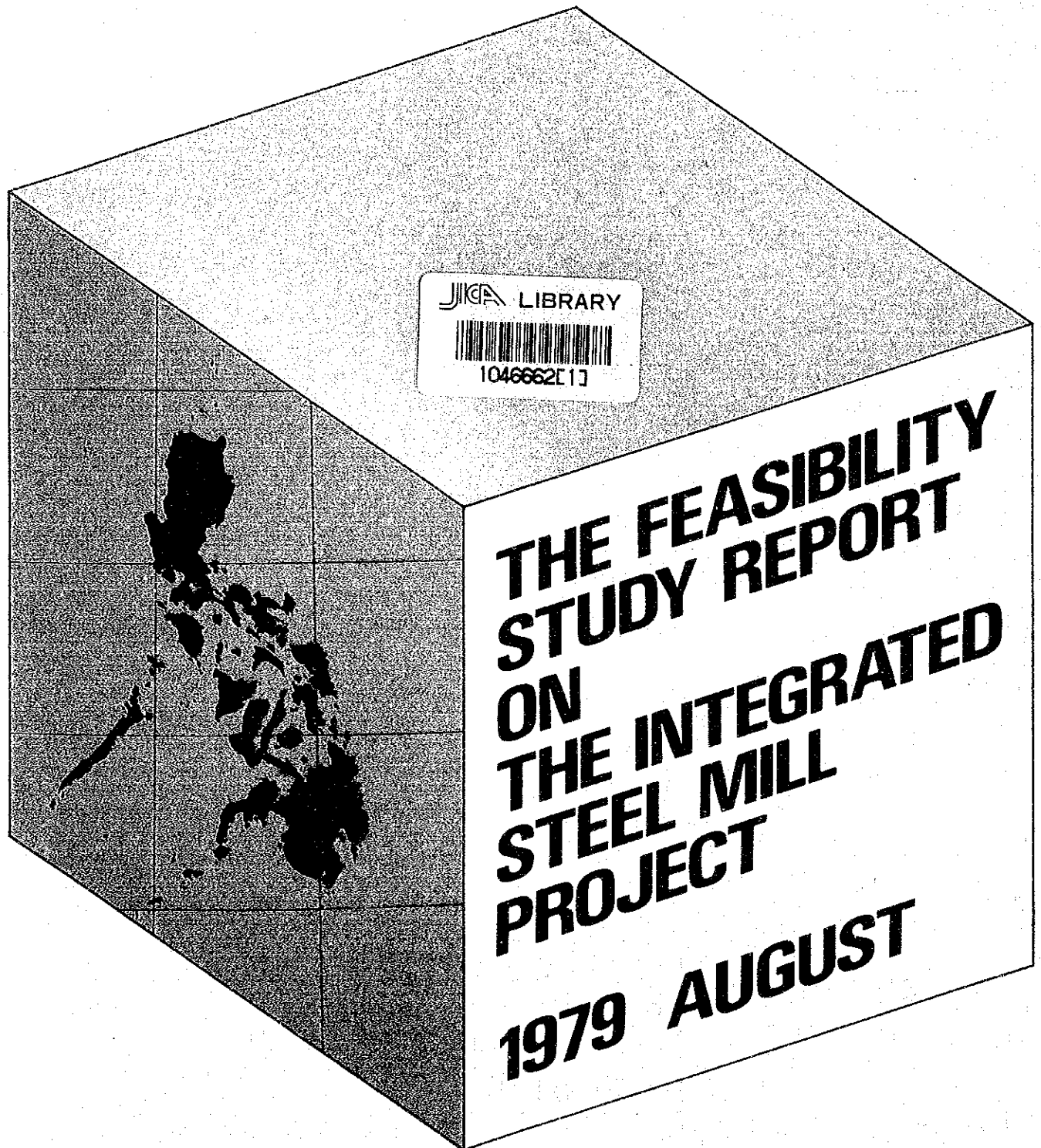
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**JAPAN INTERNATIONAL COOPERATION AGENCY**



# The Republic of The Philippines

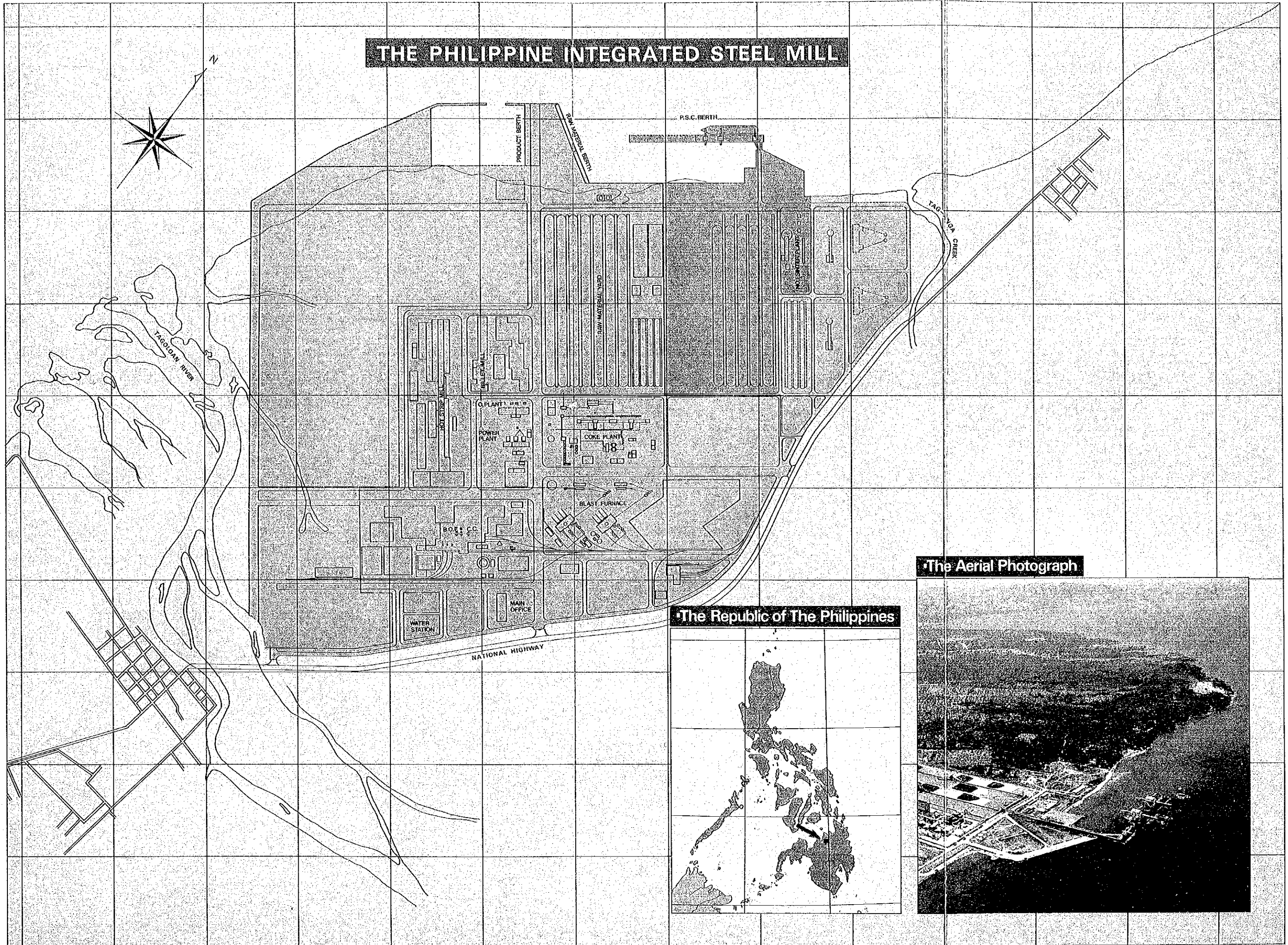


**JAPAN INTERNATIONAL COOPERATION AGENCY**

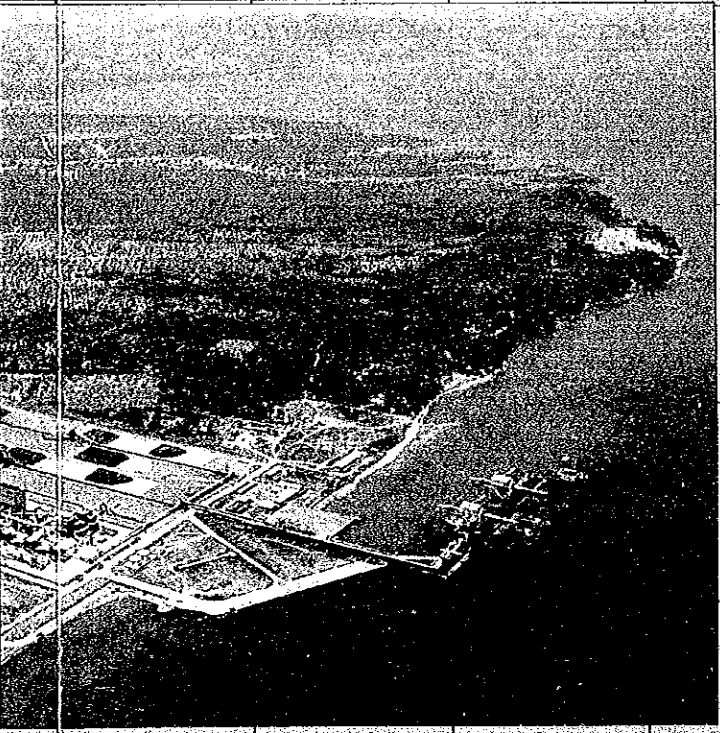
国際協力事業団	
受入 月日 84.5.15	2118
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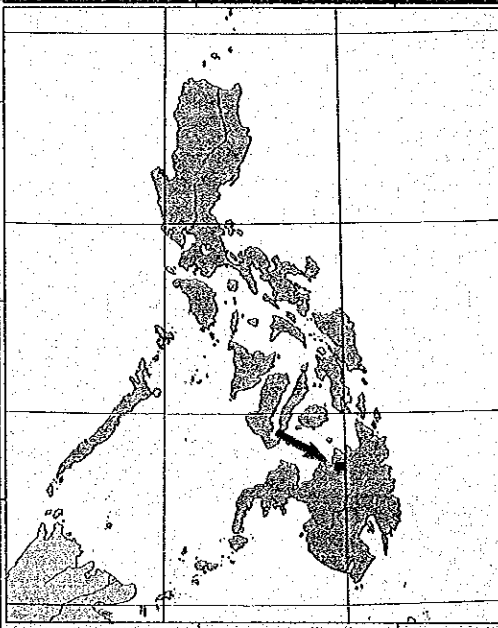
# THE PHILIPPINE INTEGRATED STEEL MILL

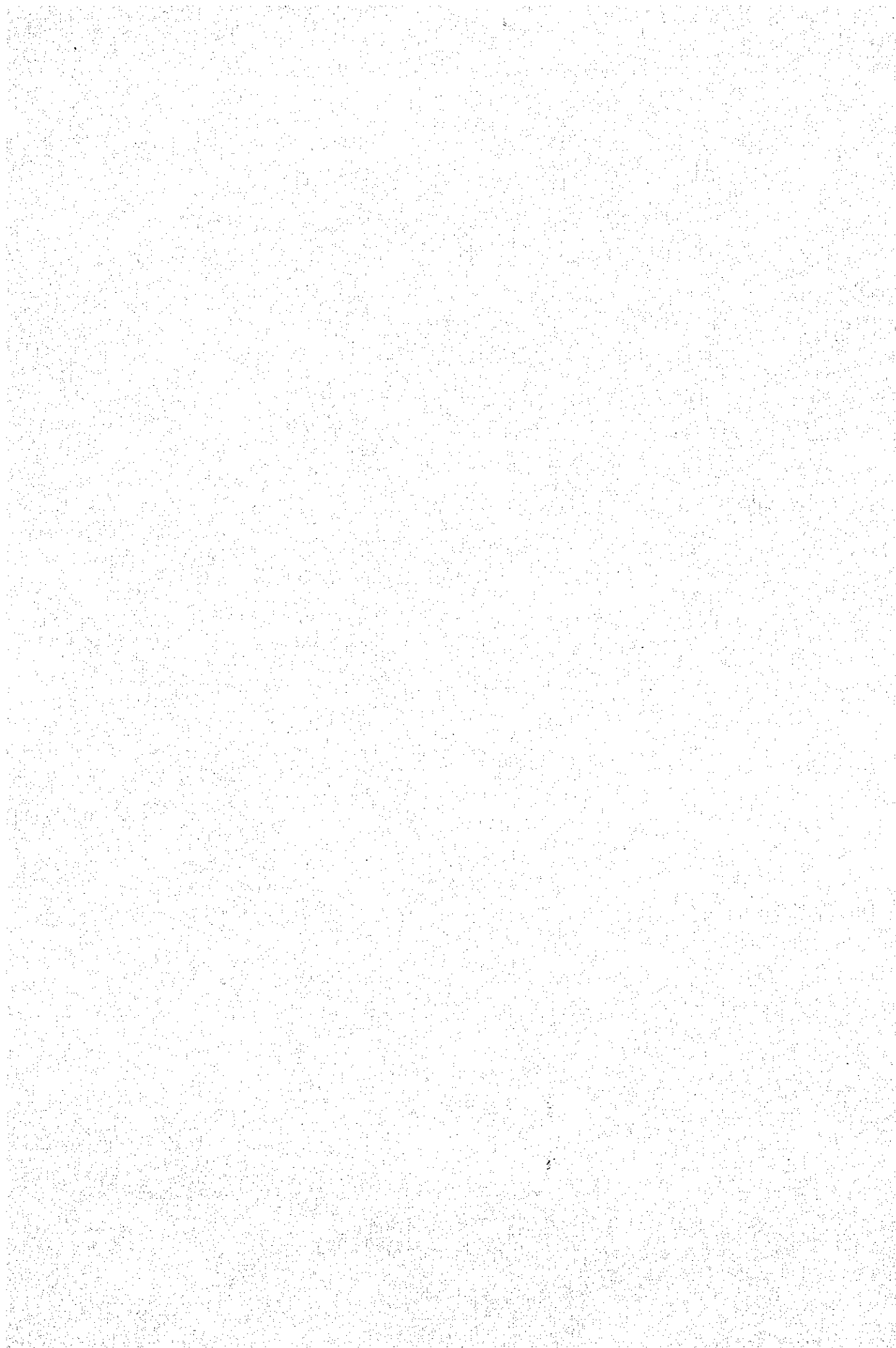


The Aerial Photograph



The Republic of The Philippines





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1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This includes recording the date, amount, and purpose of each transaction. It also emphasizes the need to reconcile the records with the bank statements on a regular basis to ensure that they match.

2. The second part of the document provides a detailed breakdown of the company's income and expenses for the year. It includes a list of all revenue sources and a corresponding list of all expenses, categorized by department or project. This breakdown is essential for understanding the company's financial performance and identifying areas for improvement.

3. The third part of the document discusses the company's financial goals for the next year. It outlines the target revenue, profit, and cash flow, and provides a strategy for achieving these goals. This includes identifying new revenue opportunities, reducing expenses, and improving operational efficiency.

4. The fourth part of the document provides a summary of the company's financial position at the end of the year. It includes the total revenue, total expenses, and net profit, and compares these figures to the previous year. This summary is useful for assessing the company's overall financial health and performance.

5. The fifth part of the document discusses the company's financial risks and provides strategies for managing them. It identifies the major risks, such as changes in market conditions or customer behavior, and provides a plan for mitigating these risks. This is essential for ensuring the company's long-term financial stability.

6. The sixth part of the document provides a final summary of the company's financial performance and a list of key takeaways. It emphasizes the importance of maintaining accurate records, understanding the company's financial performance, and managing financial risks. This summary is intended to provide a clear and concise overview of the company's financial situation.

# CHAPTER 1

## INTRODUCTION



## **CHAPTER I INTRODUCTION**

In September, 1978, Japan International Cooperation Agency carried out the final feasibility study in compliance with the memorandum between the Japanese Government and the Philippine Government.

The purpose of the study was to research the demand for iron and steel in the Philippines and, based on these demand forecasts, to determine the size of a new steel works and the types of products to be manufactured.

In fact, the study aimed at determining the feasibility of the steel works development, comprehensively.

The Japanese Government had already carried out two research works in connection with the feasibility of construction of new steel works in the Philippines: the Fact-Finding Study made in 1975 and the Pre-Feasibility Study in 1977. The latter made use of the data reported in the Fact-Finding Study in forecasting the demand for iron and steel in the Philippines.

Since the economic situation had been changing, especially with respect to related industries to iron and steel manufacturing, the Philippine Government decided to forecast again the demand for iron and steel. It asked the Japanese Government in writing to carry out a final feasibility study of steelworks construction in the Philippines.

J.I.C.A. entrusted the Japan Iron and Steel Federation with the study.

In consideration of the above written request, the Japan Iron and Steel Federation commissioned Nippon Steel Corporation and Kawasaki Steel Corporation to make the study.

Nippon Steel Corporation and Kawasaki Steel Corporation organized an investigation mission, which carried out the research in the Philippines in February, started to examine various relevant data in March, accepted the Philippine counterparts in April, and discussed with them the major terms for the steel works construction. The discussion clarified the prerequisites for the steel works construction and helped to smooth the feasibility study, and the report was finished in August.

The whole process was effective and swift for completing a feasibility study. The members of the mission studied in detail the demand forecast of iron and steel, the size of the new steel works, its facilities, and the analysis of the construction and production cost.

They concluded that the construction of a new integrated steelworks, to start operation in 1985 and produce 1.5<sup>mt/y</sup> for the stage I, is definitely feasible.

We hope the report will be of great help to the Philippine Government in studying concrete measures of the construction plan of the steel works and implementing them.

< Mission member >

Mission Leader	TOSHIHIKO ARIGA	DIRECTOR	OVERSEAS TECHNICAL COOPERATION DIV. ENGINEERING DIVISION GROUP NIPPON STEEL CORP.
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Rolling (Non-flat)	YUTAKA NAKAMURA	DEPUTY GENERAL MANAGER	ROLLING PLANT ENGINEERING DEPT. NO. 1 PLANT ENGINEERING AND TECHNOLOGY CENTER NIPPON STEEL CORP.
Hot Strip Mill	TOSHIAKI SAKAGUCHI	ASSISTANT MANAGER	STRIP ROLLING AND FINISHING DEPT. PLANT ENGINEERING AND TECHNOLOGY CENTER NIPPON STEEL CORP.
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< Mission schedule >

Date	Content
2/4 Sun	Movement < TOKYO → MANILA >
5 Mon	A.M. Courtesy call on the Japanese Ambassador and consultation with Embassy officials P.M. Courtesy call on Honorable Vicent T. Paterno and Dr. Arizabal. Meeting with the Philippine counterparts (all members)
6 Tue	A.M. Meeting with the Philippine counterparts (all members) P.M. Group Meeting ★ Steel demand forecast group      ☆ Equipment & Infrastructure group      ☆ Raw materials group
7 Wed	Discussion Visit to pipe industries (Eastern Pacific, International Pipe Industry) Cold rolling mill (Pasig Steel) Bar & wire rod mill (P.B.M., Marbero Steel) Refractory (Fire stone ceramic)
8 Thu	A.M. Visit to Construction & Fabrication Company (C.D.C.P., A.G.P.) P.M. Confirmation of the frame work for the study
9 Fri	ditto
10 Sat	Discussion and paper works (only mission)
11 Sun	Movement < MANILA → Cagayan → Iligan >
12 Mon	Visit to NASCO, Mindanao Steel, MCC, Electro alloys cor. Refractory
13 Tue	< Iligan → Cagayan > Visit to site, P.S.C.
14 Wed	Visit to related industries around site < Cagayan → MANILA >
15 Thu	A.M. Meeting with the Philippine counterparts P.M. Gathering supplement data in groups, Drafting of the interim report
16 Fri	A.M. Consultation with the Japanese Embassy and finalizing the interim report P.M. Explanation of the interim report to the Philippine counterparts
17	Departure

# CHAPTER 1

## < Feasibility study mission members >

Minister, Vicente T. Paterno (Minister Department of Industry)  
Dr. Antonio V. Arizabal (Leader of the Philippine counterpart)

### MINISTRY OF INDUSTRY-BOARD OF INVESTMENTS

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Mr. Von Ricardo Cruz  
Ms. Lilia Bautista  
Mr. Jolyon Tiglao  
Mr. Rodolfo Fajardo  
Mr. Willy Ortaliz  
Agapito L. Kalingking  
Magdalena Madrasto  
Miss Marissa Concepcion  
Miss Ma. Cristina Padilla  
Ramon Rosales

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Mr. Benjamin Damian  
Mr. Florentino M. Cuasay  
Miss Sonia Salazar  
Miss Perpetua Gonzalez  
Mr. Rodrigo Almarino  
Miss Ellen Aguilar  
Mrs. Pacita Cariaso  
Miss Celine Ledesma  
Mr. Julio Villamor  
Mr. Toribio Jamolin

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### MARINE INDUSTRY AUTHORITY (MARINA)

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Miss Jane Quimpo

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Mr. Ruben Gomez  
Mr. Licirio Gedalanga  
Mr. Feliciano Maximo  
Dr. Felipe Calderon  
Mr. Emilio Buenaventura  
Mr. Alfonso Cejudo

### PISI

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Mr. Amndo Dumlao - SUPER INDUSTRIAL  
Mr. Daniel Mijares - PBM

Mr. Moti Sakaki - PHIL. SINTER CORP.  
Mr. Cesar Santos - MCCI  
Mr. Bonifacio Cutilllar - JISSCOR  
Mr. Crisanto Laset - IPIC  
Mr. Francisco Tong - PAG-ASA STEEL  
Mr. Jose T. Marcelo - MARCELO STEEL  
Mr. Robert Cushman - ARMCO-MARSTEEL  
Mr. Cheng Han Sui - APOLLO STEEL  
Mr. Vicente Munoz - EEI  
Mr. Albino Maglalang - WIMPEY INT'L.  
Mr. Jose Martel - ARMCO-MARSTEEL

### BUREAU OF MINES

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### NATIONAL POWER CORPORATION

Mr. Gabriel Itchon  
Mr. Salvador Cabalquinto  
Mr. Demetrio Paz  
Mr. Gary Makasiar

### BIR

Mr. Ricardo Anarna

### DBP

Mrs. Alicia Llamado Reyes

### CENTRAL BANK OF THE PHILIPPINES

Mr. Zialcita

### PASIG STEEL

Mr. Melchor Q. Villamor, Plant Manager

### EASTERN PACIFIC

Mr. C. Y. Shao, Vice President

### AG & P

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Mr. Mabanta

### CDCP

Mr. A. Asuncion  
Mr. P. Esguerra  
Mr. C. Racelis

## CHAPTER 1

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### FIRESTONE CERAMICS

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### MINDANAO STEEL

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### E A C

Mr. Tsukamoto

### ALENCO STEEL

Mr. Alfredo Dy



