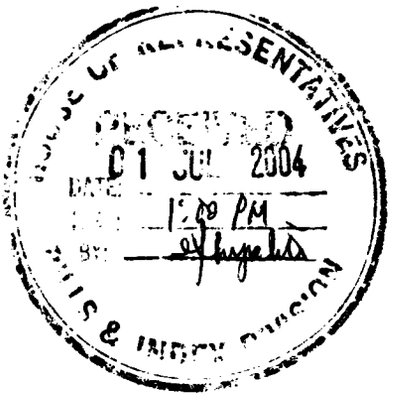


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 280

Introduced by **HONORABLE JOSE C. DE VENECIA, JR.**

EXPLANATORY NOTE

Of the country's forestland of 15.9 million hectares in the 1950s, only about 6.6 million hectares have been left today. Thus, there is an urgent need to rehabilitate and reforest our long-denuded mountains, especially critical watershed areas. This is to reverse the adverse effects of prolonged drought and lack of water during summer, flash floods during rainy season, and extinction of various species of plants and animals.

The bill aims to target the planting of a billion trees, covering about 1,000,000 hectares over a period of five years. This is over and above the existing reforestation projects implemented and/or coordinated by the Department of Environment and Natural Resources, particularly the ADB-funded Forestry Sector Loan II.

Many agencies and sectors shall be tapped in this proposal—the police, local government units, military, upland communities, the private sector, NGOs, and civic organizations. Forest protection teams shall also be created—personnel shall be drawn from existing workforce of the DENR, PNP and AFP. Staff from other concerned agencies, NGOs and civilian volunteers shall assist them. Modern facilities and equipment shall be provided for these teams.

Planting of fruit trees and other agricultural crops to intercrop with forest species is encouraged in this bill. But conversion of forest land into agricultural and pastureland is prohibited for it is this conversion mainly causes forest destruction.

Urban forestry shall also be promoted, i.e., the establishment of mini-forest parks in every city and municipality. Planting of fuelwood species shall likewise be endorsed to deflect pressure on the cutting of forest species for fuelwood and charcoal purposes.

In view of the foregoing, early passage of this Bill is earnestly sought.

JOSE C. DE VENECIA JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 230

Introduced by **HONORABLE JOSE C. DE VENECIA, JR.**

AN ACT
TO SPUR THE PLANTING OF A BILLION TREES THROUGH COMPLEMENTARY TREE PLANTING PROGRAMS OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES AND VARIOUS GOVERNMENT AGENCIES, LOCAL GOVERNMENT UNITS, COMMUNITIES, SCHOOLS AND UNIVERSITIES, AND CIVIC AND NONGOVERNMENTAL ORGANIZATIONS, ESTABLISHING MINI-FOREST RESERVES IN CITIES, MUNICIPALITIES AND SUBDIVISION PROJECTS, PROMOTING FOREST PLANTATIONS, AND PROTECTING THE REMAINING NATURAL FORESTS, CREATING A FUND THEREFOR AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

CHAPTER 1

BASIC POLICIES, OBJECTIVES, COVERAGE, AND IMPLEMENTING AGENCIES

SECTION 1. ***Short Title.*** - *This* Act shall be known as the "Billion Trees Act of 2004."

SEC. ***2. Declaration of Policy.*** - *The* State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. The protection and rehabilitation of forestlands shall be given the highest priority to ensure environmental stability of the nation.

The State shall adopt and implement a sustainable forest development and management program. It shall promote the participation of all sectors of society, particularly national government agencies. the upland, lowland, and coastal communities, local government units (LGUs), non-government organizations (NGOs), schools, colleges and universities, private landowners and corporations, and indigenous peoples in replanting denuded forest land and idle alienable and disposable (A&D) land.

The State shall likewise promote community-based forest management.

SEC. *3. Objectives.* - The Billion Trees Program, hereinafter referred to as the Program, aims to improve the country's ecology and forest regeneration capacity. More specifically, it intends:

a) To make forest and fruit tree seedlings available and more accessible to all cities and municipalities in the country;
b) To significantly increase reforestation efforts in upland, lowland and coastal communities in a more efficient manner;
c) To reverse the deteriorating effects of soil erosion, flash flooding, siltation of rivers and dams, drought and other negative consequences through rehabilitation of degraded watershed areas;
d) To help rehabilitate wildlife habitat through effective forest protection strategy;
e) To promote forest diversity by planting endemic species such as dipterocarps, pine, mangroves, etc. in portions of the plantation whenever feasible;
f) To ensure adequate supply of forest with agricultural products in the future; and
g) To generate employment opportunities and provide additional income to the countryside and rural communities.

SEC. 4. *Coverage* - At least one million (1,000,000) hectares of open and denuded public forest lands, private lands, and idle portions of alienable and disposable (A&D) lands are targeted for the first five (5) years to be planted to both forest and fruit tree species after which the remaining areas shall be planted in the succeeding years.

SEC. 5. *Definition of Terms.* - As used. in this Act, the following terms shall mean:

a) **Alienable and Disposable (A&D) Lands** - refer to lands of the public domain which have been delimited, classified arid declared as such, and available for disposition under the provisions of Commonwealth Act No. 141, as amended, otherwise known as the Public Land Act.
b) **Community** - refers to a group of people who may or may not share common interests, needs, visions, goals and beliefs, occupying a particular territory inside or adjacent to a forestland or national park.
c) **Community-based Forest Management Agreement (CBFMA)** - refers to an agreement between the Department of Environment and Natural Resources (DENR) and an organized community for the management by said community of a specified area in the public domain according to a comprehensive management and development plan and, in consideration therefore and certain other obligations, grants said community the right to harvest, process, sell or otherwise utilize the trees and other products grown by them or from the residual forest within their specified area. The term of the agreement shall be for twenty-five (25) years, renewable for another twenty-five (25) years. All references to "Forest Land Management Agreement (FLMA)" are hereby amended to mean "Community-Based Forest Management Agreement (CBFMA)."
d) **Critical watershed** - refers to that portion of a watershed preservation which has been classified as a strict protection zone pursuant to Republic Act No. 7586 or the National Integrated Protected Areas System (NIPAS) Act and its implementing rules and regulations.
e) **Eco-tourism spot** - refers to a plantation site developed for bio-diversity conservation, cultural and human enjoyment such as a forest park, bird, and some wildlife sanctuary, and where sound tourism activities are sustainably implemented, yielding socioeconomic

benefits. The developer can put up auxiliary services, collect his/her income and for the maintenance of the area.

f) **Forest charges** - refer to the levy imposed and collected by the government on timber and other forest products cut harvested or gathered from the forest lands and from "Alienable and Disposable" (A&D) lands in accordance with Republic Act No. 7161 (Increasing the Forest Charges on Timber and Other Forest Products).

g) **Forest diversity** - refers to the variety and variability of forest species growing in the forestland. In the plantation, at least three (33) different species, including fuel wood species, and other species such as banana, bamboo etc., should be planted every ten (10) hectares, with the least planted species occupying at least one-fifth (1/5) of the ten (10) hectare area.

h) **Forest lands** - refer to those lands of the public domain which have been classified into production forest lands and protection forest. Forest reservation refers to forest lands which have been set aside by the law for a specific purpose or purposes, such as watershed reservation, military or civil reservation.

i) **Fuelwood species** - refer to tree species of high calorific value and are suitable for fuelwood or firewood such as, but not limited to ipil ipil, kakawate, agoho, kamachile, gmelina, acacia, bakauan, and neem tree.

j) **Green park** - refers to an area, designated on the subdivision plan, of forested land reserved for public use as an ecological refuge. Such green park shall be devoted exclusively to the planting and growing of trees of any kind, flowering or ornamental plants and shrubs, or plants of scenic, aesthetic and ecological values.

k) **Hardwood** - refers to heavy, compact and close grained wood.,attributed to such trees as narra, mahogany, acacia, tanguile, guijo and molave.

l) **Indigenous peoples** - refer to a tribe or indigenous Filipinos who have continuously lived as communities on communally bounded and defined land since time immemorial and have succeeded in preserving, maintaining and sharing common bonds or languages, customs, traditions, and other distinctive cultural traits.

m) **Industrial Forest Plantation Management Agreement (IFPMA)** - refers to a contract entered into by and between a qualified person and the government for the former to occupy and possess for a definite period of time in consideration of a specified rental of a specific area of the production forest land in order to establish an industrial forest plantation.

n) **Military reservation** - refers to a forestland proclaimed or reserved by the President or by law for military purposes such as air base, campsite, docks and harbors, training camp, firing range, naval base target range and wharves.

o) **Mini-forest reserve** - refers to lands withdrawn from settlement or occupancy upon which are found either natural vegetation or plantation of forest flora, such as trees and most particularly hardwood trees, or both, occupying a definable aggregate area exceeding but not less than one (1) hectare in size with the tree crowns covering at least ten percent of the area, exclusive of seedlings, saplings, bushes and other undercover vegetation.

p) **National park** - refers to an area of the public domain essentially natural, wilderness, scenic or historic in character which has been withdrawn from settlement, occupancy, or any form of exploitation except in conformity with an approved management plan and set aside exclusively to conserve the area and preserve the scenery, the natural and historic objects, wild animals, and plants therein mainly for the purpose of biodiversity conservation and/or human enjoyment.

q) **People-oriented forestry** - refers to a program that democratizes access and management of forest land to poor upland and coastal dwellers. Aside from CBFMA, this may include

Integrated Social Forestry Program (ISFP), Community Forestry Program (CFP), and Ancestral Land Management.

r) **Private lands** - refer to lands covered by either administrative or judicial titles such as free patent, homestead and sales patent, and Torrens title obtained under Act No. 496 or the Land Registration Act, as amended.

s) **Silviculture** - refers to the scientific method of growing forest trees, their management and harvest. This includes such practices as Assisted natural regeneration (ANR), timber stand improvement (TSI) and selective cutting method.

t) **Subdivision Project** - refers to a tract or parcel of land registered under the Land Registration Act, as amended, partitioned primarily for residential purposes into individual lots, with or without improvements thereon, and offered to the public for sale, in cash or in installment terms. It shall include a residential, commercial, industrial and recreational areas, as -well as open spaces and other community and public areas in the project.

SEC. 6. ***Implementing Agencies.*** - The following departments shall perform major roles:

(a) The DENR and its network of provincial/community environment and natural resources offices (PENROs/CENROs) shall be the overall coordinating and monitoring agency of the program, particularly in the following: identification, selection and allocation of sites; accessing quality planting materials; planting of the right species in 15 particular areas; prioritization of critical watersheds; application of efficient reforestation technologies; adoption of the necessary steps to protect and maintain newly reforested areas and remaining natural forests and national parks; conduct of information and education campaigns (IECs); and, issuance of the permit to cut and transport trees from plantations within thirty (30) working days from the date the application is filed. The DENR shall provide data to the LGUs pertaining to the priority reforestation areas under this Act for inclusion in the development plans of concerned LGUs.

(b) The Department of the Interior and Local Government (DILG and LGUs shall mobilize the police and help organize communities and other sectors of society to participate in the Program. It shall create special police units which shall be responsible for forest protection activities in coordination with the DEW The LGUs shall ensure close coordination with the DENR to initiate the necessary extension, IEC services, organizing communities, and concerned civil society in the undertaking of various programs and activities.

As mandated under the Local Government Code, the LGUs shall be responsible in the distribution of seedlings or planting materials and the establishment and development of nurseries as part of their extension services in their respective constituencies.

(c) The Department of National Defense (DND) shall organize a special unit whose main responsibility shall be reforesting denuded portions of military reservations and other areas designated by the DENR and maintaining and protecting forest areas, both natural and plantation. It shall also assign full-time personnel to protect forest areas, in accordance with Section 25 hereof

(d) The Department of Agriculture (DA) shall assist lowland and upland communities raise fruit tree seedlings and adopt programs for the transfer of proper and sustainable agricultural technologies/practices to community members, including post harvest techniques and assistance.

(e) The Department of Education (DepEd) shall strengthen environmental education and mobilize the students to plant trees and take care of them in appropriate vacant areas in their localities.

(f) The Department of Public Works and Highways (DPWH) shall organize special units to plant appropriate and available species on strips of land along national and arterial roads and maintain and protect them.

(g) The Department of Tourism (DOT), in coordination with the DENR, shall identify and promote forest plantations as eco-tourism spots.

(h) Other government agencies such as the National Power Corporation (NPC), National Irrigation Administration (NIA), Philippine National Oil Company (PNOC), and state universities and colleges (SUCs) with administrative jurisdiction over tracts of public land and critical watersheds shall also rehabilitate and reforest lands under their respective jurisdictions.

The SUCs shall likewise develop programs/projects that would promote appropriate silvicultural practices, production, utilization, processing and marketing techniques through IEC, training, and establishment of model sites.

(i) The Department of Trade and Industry (DTI) shall promote understanding and implementation of trade policies and incentives on production, processing, and exporting of timber related products and specific crops and fruit trees,

0) The Philippine Information Agency (PIA) shall create public awareness on the Program and its components, and shall be responsible in producing information materials and their dissemination through the use of the mass media.

CHAPTER II

REFORESTATION BY THE COMMUNITIES

SEC. 7. ***Community Reforestation through CBFMA.*** – New reforestation, assisted natural regeneration, and related programs shall be awarded mainly to upland and coastal communities. Individual families, police, military, and other government personnel who wish to participate in the Program shall form themselves into cooperatives. The agreement shall be granted for twenty-five (25) years, renewable for another twenty five (25) years subject to the terms and conditions in the CBFMA and subsequent rules and regulations promulgated in accordance with Section 36 hereof.

SEC. 8. ***Role of NGOs and Academic Institutions*** - NGOs and academic institutions shall be tapped to handle relevant services, especially social and technical training and monitoring and evaluation of the reforested area: ***Provided,*** That NGOs and academic institutions which handled the training shall not conduct the monitoring and evaluation of the reforested area.

SEC. 9. ***Rights and Obligations of the CBFMA Holder.*** – *The* CBFMA holder can harvest, process, sell or otherwise utilize the products grown on land covered by the CBFMA, or make

a) Practice appropriate silvicultural system or cutting regimes for mature trees in accordance with management plans; replant cleared areas within one (1) year after cutting;
b) Promote forest biodiversity by planting indigenous forestspecies and conserving natural forest species in contracted forest areas. Fuel wood trees can be planted to add to species diversity and to eliminate the cutting of prime wood species for fuel and charcoal purposes;
c) Pay the government through the DENR or the government agency that has administrative jurisdiction over the forestland, a production share from the sales of forest products harvested equivalent to the real value of government's investment in the area, and,
d) Ensure high survival rate of planted seedlings and maintain and protect trees until maturity, in exchange for the right to harvest in accordance with DENR guidelines, and utilize the trees.

SEC. 10. ***Additional Area for Fruit Tree Plantation.*** - Every six (6) hectares planted with forest species shall entitle the community to devote a hectare for the raising of fruit trees and other agricultural crops. The land tenure over such plantation of fruit trees or agricultural crops shall be coterminous with the terms of the CBFMA.

The DA and devolved agricultural extension workers shall assist the community raise fruit tree seedlings. They shall also train the communities on proper agricultural technologies and post-harvest and marketing practices.

SEC. 11. ***Other Incentives.*** - CBFMA holders shall enjoy the following benefits:

a) Use the reforested area as eco-tourism spot. Holders of CBFMA shall have the right to make use of the reforested and protected area as an eco-tourism spot. They may collect gate/entrance fee and put up income-generating auxiliary services for the maintenance and conservation of the area. Operation of the area shall be coordinated with the Department of Tourism (DOT) for tourist promotion, and the LGUs for infrastructure support and collection of appropriate taxes.
b) Market linkages for agricultural output. The DA, in coordination with DTI's regional and provincial offices and agribusiness research organizations of the private sector shall update upland farmers on market prices of fruits and other agricultural products, and assist them in identifying buyers and marketing outlets.
c) Market linkage for forest products. The DENR and other concerned agencies and groups shall update CBFMA holders about domestic buyers for particular forest products, including the specified product quality.
d) Option to turn over the management and right to harvest the reforested land to the DENR at least after five (5) years of the CBFMA. This is particularly applicable in plantations and eco-tourism spots where the trees are better left to grow and mature beyond the fifty (50)-year constitutional limit. The government, through the DENP, shall compensate the CBFMA holders the amount equivalent to the stumpage value of standing trees minus real investment of the government in the area.
e) Priority to be granted additional areas for reforestation through CBFMA or IFPMA of purely plantation establishment type.
f) Exemption from forest charges and real property tax. Holders of CBFMA and awardees of other people-oriented forestry programs shall be exempted from paying taxes on revenue from reforested and protected areas.

g) Right to securitize the growing trees. Holders of CBFMA may use the plantation of at least five (5) years old with adequate forest stand, in the issuance of asset-backed securities, such as bonds and stocks, to finance the reforestation of another area. Said asset-backed securities shall enjoy tax breaks and other incentives, whenever possible, already provided under existing laws.

CHAPTER III

REFORESTATION BY AFP/PNP PERSONNEL

Sec 12. ***Reforestation of Denuded Military Reservation Areas*** - Spearheaded by organized special units, all personnel of the Armed Forces of the Philippines (AFP) stationed temporarily or permanently in military reservation areas shall be involved in reforesting denuded portions of the area not directly utilized for military and training purposes. They and the succeeding units shall maintain and protect the trees until maturity. Reforestation for three (3) years and maintenance costs shall be funded by the DND.

SEC. 13. ***Rights, Obligations and Incentives.*** - The military and police personnel participating in the reforestation program shall have the following rights and obligations, and entitled to the following incentives:

(a) Rights and obligations of the CBFMA holder as enumerated under Section 9 hereof;
(b) Incentives enumerated under Section I hereof;
(c) Additional allowance as compensation for particular tasks or phases of the contract they have completed;
(d) Acquisition of shares of stocks of the cooperative/corporation to be formed representing the economic value of trees planted; and,
(e) Earning from said stocks and revenue shares from the sale of forest products yielded by the plantation as their retirement credits in the future.

SEC. 14. ***Report to the DENR.*** - *The* AFP and the PNP shall submit an annual report to the DENR on the progress of their projects including the areas they have reforested and the results of their operations in forest protection as mandated in Chapter VI of this Act.

CHAPTER IV

INVOLVEMENT OF PRIVATE INDIVIDUALS AND CORPORATIONS

SEC. *15. Adoption* of *a Reforestation Project.* – Private corporations, foundations, foreign and local NGOs, and similar institutions shall be invited by the DENR, government agencies with administrative jurisdiction over watersheds and forestland reservations, and local government officials to adopt and finance a denuded area for reforestation, maintenance and protection. The assistance can be channeled directly from the donor to the implementors and beneficiaries and assisting local NGOs. The DENR shall be informed of such arrangement for assistance in identifying priority areas for reforestation.

If funds are channeled through the DENP, the latter shall enter into a Memorandum of Agreement (MOA) with the donor to account for wise and proper spending of the donated funds.

SEC. 16. *Adoption* of *a Forested Area for Protection.* – The private sector, in coordination with the DENR and government agencies with administrative jurisdictions over watersheds and forestland reservations, may adopt a particular forested area, like portions of a national park or watershed for maintenance, protection and bio-diversity conservation through a memorandum of agreement with the DENR. The mechanics for the channeling of funds as specified in Section 15 above shall be adopted. The DENR and government agencies with administrative jurisdiction over watershed and reservations shall identify and publish areas available for adoption in each region or province or specific watersheds or reservations.

SEC. 17. *Development of Private Forestry and Incentives.* - Owners of private lands who plant forest trees in their property shall enjoy the following incentives:

(a) Technical assistance from the DENR on proper silvicultural practices;
(b) Update on forest products markets and prices by the DENR and wood producers' groups or associations;
(c) Exemption from forest charges under Republic Act No. 7161 and value-added tax (VAT) for the sale, barter or exchange of timber and forest products, and from real property tax under Republic Act No. 7160;
(d) Priority in credit assistance granted by government-owned and -controlled corporations at reasonable interest rates; and,
(e) Right to export timber and other forest products grown in the land subject, however, to existing rules and regulations governing trade policies and incentives as provided for by the DTI.

For certification purposes, tree plantations shall be registered with the barangays and municipal offices, which shall maintain permanent registry books.

SEC. 18. *Planting of Fuelwood Species.* - The DENR shall disseminate technology on the planting of fuelwood species not only to lessen the pressure on the cutting and harvesting of prime wood species for firewood purposes but also to meet fuelwood requirements and create livelihood opportunities and sources of income for the communities without impairing the integrity of the environment.

SEC. 19. ***Ownership of Planted Trees along Highways.*** – Those who planted and maintained the trees along highways, roadsides, and other vacant portions of public A&D land shall have the exclusive right to harvest and utilize the trees when these mature. The local CENRO shall allocate among interested individuals and/or groups the areas available for this arrangement and issue the necessary papers granting such exclusive rights and ownership to the awarded party following the guidelines oil Tree Certification Ownership (TCO) to be issued by, the Secretary of the DENR Should the local office of the DENR and the LGU decide to keep the trees for ecological and beautification purposes. The parties who planted and protected the trees shall be paid a sum equivalent to the market value of the trees at the time jurisdiction is transferred tc the DENR or LGU.

SEC. 20. ***Recognition and Awards.*** - The DENR, DTI and the PTA shall advertise the names of participating corporations, agencies and NGOs and their environmental projects. Awards and recognition activities shall be determined by, the DENR in collaboration with other government agencies in the implementing rules and regulations (IRR) to be promulgated pursuant to Section 36 of this Act.

CHAPTER V

REFORESTATION BY LOCAL GOVERNMENT UNITS

SEC. 21. ***Seedling Nursery in Every City/Municipality.*** – Pursuant to Section 17(b) of the Local Government Code, seedling nurseries shall be established in every city or municipality. For this purpose, LGUs shall be allowed to enter into contract with private enterprises. Nursery supervisors whose positions shall be created by LGUs shall be hired and designated to establish and oversee such nurseries, which shall contain both forest and fruit tree species, though mainly the former. Seeds shall be secured from Seed Production Areas (SPAs) certified by the DENR.

SEC. ***22. Establishment of Mini forest Parks in Every*** **City/Municipality.** - Every city or municipality shall establish a mini forest park or multipurpose park such as a botanical garden at a ratio of not less than one (1) park per fifty thousand (50,000) population, each park to be at least half a hectare or five thousand square meters (5,000 sq.m.) in area whenever practicable or to the extent possible and with particular emphasis on the planting and preservation of indigenous hardwood species. Each city or municipality shall submit to the DENR the list of available lands for such purpose and include in its yearly budget the necessary funds for the establishment and maintenance of urban green parks. The Secretaries of the DENR and DILG shall work closely to ensure compliance with this provision and coordinate agencies of the national government and the private sector to enhance the implementation of urban forestry.

Roadsides and islands. campuses, office compounds, cemeteries, riverbanks, shorelines and other areas shall also be planted with trees. Students, employees and members of civic and people's organizations shall be invited to undertake the activity. The maintenance and protection of the trees shall be closely coordinated by the LGUs, the DENR and all other concerned agencies.

SEC. 23. ***Establishment*** **of** ***Mini forest Parks in Subdivision Projects.***- Every subdivision project to be developed after the promulgation of this Act shall include the establishment of green parks whose areas shall not be less than twenty-five percent (25%) of the

required open space in accordance with Presidential Decree No. 953. For subdivision projects covering one (1) hectare or more in total area, the open space allocated exclusively for parks, playgrounds and recreational uses shall have the following standards:

(a) Nine percent (9%) of gross area for high-density or social housing (21 to 65 family lots per gross hectare);
(b) Seven percent (7%) of gross area for medium-density or economic housing (21 to 65 family lots per gross hectare); and,
(c) Three and one-half percent (3.5%) of the gross area for low density or open market housing (21 to 65 family lots and below per gross hectare).

Areas reserved for parks, playgrounds and recreational uses shall be non-alienable and non-buildable public lands. The plans of the subdivision project for residential, industrial or commercial purposes shall include tree planting on such open spaces and other parts of such project as may be practicable and as may be designated by the approving LGU.

No portion of the parks or playgrounds may thereafter be converted to any other purpose or purposes nor shall any artificial structures or improvements constructed thereon unless such are certified by the DENR to be absolutely necessary for development and maintenance of the park as well as the preservation of its ecological system.

No plan for a subdivision project shall be approved by the local government in the city or municipality where such project is located without the inclusion of a tree-planting program in such plan and unless the owner thereof undertakes to develop such open space within three (3) years from the approval of the plan. In cases of subdivisions developed or development plans approved before the effectivity of this Act, it shall beincumbent upon the owner or developer of the project to plant trees in the open spaces reserved for the common use and enjoyment of the owners of the lots therein as well as along all roads and service streets.

Guidelines for the establishment and maintenance of parks within subdivisions shall be prepared jointly by the Housing and Land Use Regulatory Board (BLURB) and the DENR.

SEC. 24. ***Recognition of Outstanding and "Greenest" City of Municipality.*** - Three (3) years after the effectivity of this Act, a city or municipality in each province having the best mini-forest parks and reforested idle portions of A&D land shall be given recognition and an award by the DENR and shall be promoted by the DOT as among the priority eco-tourism spots in the country: ***Provided,*** that the necessary tourism infrastructure and services are already in place before the area is promoted for eco-tourism.

CHAPTER VI

FOREST PROTECTION

SEC. 25. ***Forest Protection Teams.*** - The Secretary of the DENR shall enforce forestry laws to protect the remaining natural forests and plantation forests from illegal loggers, poachers, *kaingin* farmers, pests and diseases, fires and other factors that destroy the forest. Forest protection teams under the DENR shall be organized consisting of personnel drawn from the DENR, the AFP and the PNP including LGU deputized local leaders on a full-time basis. They shall be assisted by

personnel from other government agencies and SUCs with administrative jurisdiction over watersheds and forestland reservations, civilian volunteers, and concerned NGOs. Equipment shall be acquired by the DENR aside from equipment support provided by other units.

These forest protection teams shall conduct intensive intelligence operations, regular aerial photography and surveillance to detect, identify, apprehend forest criminals for prosecution, and confiscate illegally cut timber and forest products, conveyance-tools and equipment.

SEC. *26. Incentives.* - Members of forest protection teams shall be granted incentives., to include but not limited to higher base pay, free legal assistance, hazard pay, uniform allowance, group insurance, and a reward system of twenty percent (20%) of the value of confiscated materials.

SEC. 27. *Forest Protection Equipment.* - The DENR, DILG and DND shall allocate in their respective annual budgets sufficient funds to provide the forest protection teams access to modern technology and equipment such as aircraft, global positioning systems, land transportation vehicles, communication facilities, ground fire fighting equipment, and basic pesticides against common forest pests and insects.

SEC. 28. *Control of Forest Conversion to Agricultural Use.* – *The* DENR. DA and Department of Agrarian Reform (DAR) shall adopt measures to stop the illegal conversion of forestlands into agricultural, mining, pasture, and other non-forest uses. The DENR shall cause the cancellation of instruments issued over such lands and repossess said lands for reforestation purposes: ***Provided,*** that the farmers therein shall be organized to regenerate the land through people-oriented forestry.

SEC. *29. Appropriate Agroforestry Technology.* - In direct support to the Program, the DENR, DA and DAR shall implement appropriate agro-forestry, techniques such as the Sloping Agricultural Land Technology (SALT) and other applicable technology in all upland areas cultivated by their respective program clientele/beneficiaries.

CHAPTER VII

FINANCING THE PROGRAM

SEC. *30. Program Funding.* - In addition to finds allocated to reforestation and forest protection activities of the national government under the General Appropriations Act, the Billion Trees Program shall be financed primarily from any available official development assistance (ODA) including but not limited to, the following:

(a) private sector investment in reforestation and tree plantation projects;
(b) joint venture operations between counterpart forest resource agencies of the Philippines and an assisting country;
(c) funding schemes under Republic Act No. 6957 or the Build Operate and Transfer (BOT) Law, as amended by Republic Act No. 7718;
(d) direct project investment by LGUs, private corporations cooperatives and where allowed, individuals on reforestation proposals approved by the DENR; and,

(e) securitization of grown trees which are at least five (5) years old to be undertaken by the project investor, which may be treated as asset-backed securities or bonds, to finance the reforestation of other denuded areas.

Provided, that any forest development project which shallhave foreign equity investment such as direct investment, joint and/or BOT reforestation projects, shall conform with the 60/40 requirement provided under the Constitution of the Philippines

SEC. 31. ***Fund Management.*** - In the case of contract reforestation, the funds shall be channeled by the Department of Budget and Management (DBM) through the Land Bank of the Philippines (LBP), the Development Bank of the Philippines (DBP), or LBP/DBP accredited rural banks, Funding shall be discontinued if the allocated funds are found misused or scheduled activities not followed. The DENR shall advise the banks on the amount and the period of release of funds to the community contractors.

CHAPTER VIII

CRIMINAL OFFENSES AND PENALTIES

SEC. 32. ***Misuse of Funds.*** - Any contractor, officers of cooperatives, government officials including local officials and employees who shall unlawfully and maliciously divert the funds under this Act for purposes other than intended, shall be criminally prosecuted and, if found guilty, shall be punished with imprisonment of not less than four (4) months but not more than four (4) years.

SEC. 33. ***Other Prohibited Acts and Penalties.*** –

(a) Any person who is not a member of the community or cooperative who planted the trees, who shall cut or gather trees from reforested areas shall be fined with twice the current market value of the trees removed and its environmental cost, and/or imprisoned for a period of not less than six (6) months and one (1) day to six (6) years.

(b) Any person who shall violate the provisions of Section 23 hereof, or any rules or regulations promulgated thereon shall be punished with six (6) months and one (1) day to six (6) years imprisonment, or with a fine equivalent to the value, at prevailing valuation, of the area representing ten percent (10%) of the total area of the subdivision project developed for residential, industrial or commercial purposes, or both imprisonment and fine at the discretion of the court: ***Provided,*** that in the case of corporations, partnerships, cooperatives or associations, the president, manager or administrator or the person in charge of the administration of the business shall be criminally responsible for such violation.

(c) Any person, for personal gain or profit, who shall intentionally cut, remove, or in any manner destroy, set destructive fire or cause damage to the trees and forest growth found therein, shall, upon conviction, be fined the amount of not less than Ten thousand pesos (P10, 000.00) nor more than One hundred thousand pesos (P100, 000.00) and punished with imprisonment for a period of not less than two (2) years and one day nor more than four (4) years for each such offense: ***Provided,*** that the maximum penalty shall be imposed

upon the offender who repeats the same offense and double the maximum of the penalty upon the offender who commits the same offense for the third time.

(d) Any person who shall, without permit, occupy for any length of time any portion of the mini-forest reserve or who mutilates, defaces, destroys objects of natural beauty or of scenic value within the reserve, or who assists, aids or abets any other person to do so, or refuses to vacate the reserve when ordered by the duly authorized representative of the DENR or concerned LGU, shall, upon conviction, be fined not less than Five thousand pesos (P5,000.00) nor more than Fifty thousand pesos (P50,000.00) and punished with imprisonment for a period of not less than six (6) months nor more than two (2) years.

In all cases of illegal occupancy, the Court of competent jurisdiction shall further order the eviction of the offender from the land and the forfeiture to the government of all improvements made and all vehicles, domestic animals and equipment of any kind used in the commission of the offense. If not suitable for use by the DENR, said vehicles, domestic animals, equipment and improvements shall be sold at public auction, the proceeds of which shall accrue to the DENR as additional funds for the implementation of this Act.

In case the offender is a government official or employee, he shall, in addition to the above penalties be automatically dismissed from office and permanently disqualified from holding any elective or appointive position.

SEC. 34. ***Premature Cutting of Planted Trees and Noncompliance with Other Terms of the CBFMA.*** - Holders of CBFMA who shall prematurely cut the trees up to one-fifth (115) of the area without any authority from the PENRO or CENRO, or replant dipterocarp and other endemic species not in accordance with sound forestry management practice, shall be disqualified from their rights under the CBFMA and shall not be compensated for the value of the remaining standing trees.

The jurisdiction of the reforested area shall revert back to the DENR. In addition, if the estimated value of the felled trees is larger than the real investment of the government in the area, such guilty party shall pay the difference in value: be ineligible to participate in future government reforestation and other forestry-related activities; and shall be criminally prosecuted and imprisoned for a period of not less than four (4) months but not more than four (4) years.

CHAPTER IX

ADMINISTRATIVE PROCEDURES AND SPECIAL CLAUSES

SEC. 35. ***Monitoring and Evaluation.*** - Periodic monitoring and evaluation of reforestation contract, other people-oriented forestry, urbanreforestation, and forest protection activities shall be conducted by the CENRO/PENRO or an independent entity contracted for the purpose, whichever is practical, to ensure that proper use of resources and desired targets are accomplished on time.

SEC. 36. ***Promulgation of Rules and Regulations.*** - The Secretary of the DENR in coordination with the secretaries and heads of identified participating agencies, shall prepare and

publish the rules and regulations implementing this Act within sixty (60) days from the date of its effectivity.

SEC. 37. ***Separability Clause.*** - If any provision of this Act shall be held unconstitutional, the remaining portions not otherwise affectedshall remain in full force and effect.

SEC. 38. ***Repealing Clause.*** - All laws, executive orders, rules and regulations, or parts thereof inconsistent with any of the provisions of this Act are hereby amended, repealed or modified accordingly.

SEC. 39. ***Effectively.*** - This Act shall take effect after its complete publication in at least two (2) newspapers of general circulation.

Approved,