

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 4444

Introduced by
REP. LEOVIGILDO B. BANAAG, 1st District, Agusan del Norte, *and*
REP. DANILO P. LAGBAS, 1st District, Misamis Oriental

EXPLANATORY NOTE

There is no Law providing recognition, protection, or incentives for Tree Farmers in Private Lands. They are left to fend for themselves in the establishment, development and protection of their tree farms. In contrast, the agriculture farmers; the holders of Integrated Forest Management Agreements, Community Based Forest Management Agreements, Certificates of Ancestral Domain Claims and other Administrative Licenses or permits in forestlands are recognized, and even granted various assistance and incentives by the Government.

The total certified Alienable and Disposable area of the Philippines (1994) is about 14,117,244 hectares or 47% of the total land area, mostly in private ownership and being cultivated to agriculture cropping and other uses.

This Bill will provide impetus to the private tree farming industry, to increase tree farms from 1.6% to 10%, or to about 1,411,725 hectares, which can yield 211,758,660 cubic meters of timber.

In the Caraga Region experience, tree farming in private lands began as early as 1970 upon the encouragement of big timber Companies, notably Nasipit Lumber Company, PICOP, Aras-asan Timber Corporation, Anakan Lumber Company, Surigao Development Corporation and other responsible timber enterprises. It is estimated that about 150,000 hectares or 28% of the Region's total A&D lands of 542,447 hectares were already established tree farms. In fact, a great number of these tree farms ranging from 1.0 hectares to 10.0 hectares had already been harvested and replanted.

In view of the total log ban in the virgin forests under the National Integrated Protected Areas System (NIPAS) Law, and limited logging in second growth (residual) forests, many wood processing plants have shifted to tree plantations as veritable sources of wood materials.

For so long a time, private tree farming, has been beset by numerous problems such as:

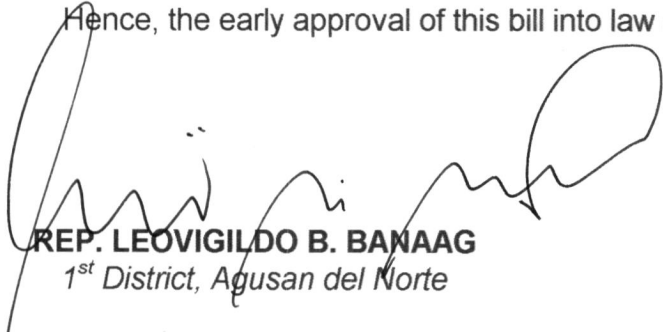
- a. Restrictive forest policies, laws and regulation;
- b. Lack of government assistance;
- c. Absence of windows for soft loans and insurance;
- d. Timber poaching;
- e. Cartels of big stakeholders;
- f. Lack of marketing mechanism; and
- g. Syndicated exploitation.

The confluence of these problems have slowed down the growth of tree farming, and unless these problems are remedied by Legislation, the sustainable development of timber supply from private lands cannot be attained.

For these reasons, it is paramount that tree farming in private lands should be given impetus.

This Act will insure a sustainable tree farming industry to provide a continuous supply of timber for our country, generate more jobs, improve the economic and social status of tree farmers, and enhance a balanced environment and ecology for the country.

Hence, the early approval of this bill into law is hereby earnestly sought.



REP. LEOVIGILDO B. BANAAG
1st District, Agusan del Norte



REP. DANILO P. LAGBAS
1st District, Misamis Oriental

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REP. LEOVIGILDO B. BANAAG, 1st District, Agusan del Norte, *and*
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**AN ACT RATIONALIZING TREE FARMING IN PRIVATE LANDS OF THE PHILIPPINES,
PROVIDING FOR PROTECTION, INCENTIVES, AND EFFECTIVE
IMPLEMENTATION, AND FOR OTHER PURPOSES**

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

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ARTICLE I

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TITLE, STATEMENT OF POLICY, AND OBJECTIVES

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SECTION 1. Title. This Act shall be known as “*THE TREE FARMING IN PRIVATE*

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LANDS ACT OF 2005”.

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SECTION 2. Policy Statement. It is policy of the State to vigorously pursue the

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sustainable development and optimum utilization of tree farms in private lands for national

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prosperity. This Act further declares and adopts a deregulation policy whereby private tree

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farm owners are given full right and freedom to develop their treefarms, utilize and market

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their timber products, free from bureaucratic “red tape,” and restrictive regulations.

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SECTION 3. Scope and Coverage. This Act shall cover tree farms in private lands

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within Alienable and Disposable Lands. All tree species whether exotic (introduced) or

endemic (native) that are actually planted in a private land, including natural trees growing therein, which are nurtured by the landowner, are covered by this Act.

SECTION 4. Objectives. The objectives of this Act are as follows:

1. To empower private tree farm owners to harvest and benefit from trees planted in his private land, as well as from naturally-grown endemic trees nurtured therein;
2. To liberate private treefarmers from restrictive policies, laws, ordinances, and regulations;
3. To provide windows for soft loans and insurance;
4. To protect private treefarmers from cartels and unfair market practices;
5. To protect the treefarms from trespass, timber poaching, graft and corruption, and extortions perpetrated by unscrupulous persons.

ARTICLE II

DEFINITION OF TERMS

SECTION 5. Definition of Terms.

- a) "Private Lands" refer to all lands within certified Alienable and Disposable (A&D) Lands, covered by Original Certificate of Title (OCT), Transfer Certificate of Title (TCT), including Certificate of Land Ownership Awards (CLOAs), and Tax Declared A&D lands with pending application for titling, whether through administrative or judicial process;
- b) "Private Tree Plantation/ Private Tree Farm" refers to a private land planted with trees, either exotic or endemic species, by a landowner, group, association, and cooperative, for gainful livelihood and economic purposes;

- 1 c) "Private Tree Farmer/ Plantation Owner" refers to the Owner of the tree
2 farm or plantation, with instruments of title, including his legal successors,
3 or transferees-in-interest;
- 4 d) "Planted Trees" refers to native and exotic tree species actually planted in
5 a privately-owned land, including coppices/sprouts and natural
6 regeneration within the tree plantation.
- 7 e) "Naturally-grown/ growing trees" refers to endemic trees which are naturally
8 growing within a private land, nurtured by the landowner;
- 9 f) "Harvesting" refers to the cutting and utilization of plantation trees by
10 manpower and equipment;
- 11 g) "Harvestable size" refers to the tree size at Diameter Breast Height (DBH)
12 wherein the tree is harvestable for utilization. Thirty (30) centimeters DBH
13 is commonly used as minimum diameter;
- 14 h) "DENR Administrative Order or DAO" is an Order issued by the DENR
15 Secretary, providing for policies, regulations, and guidelines to implement a
16 forest law or regulation.
- 17 i) "Local Government Unit or LGU" includes the Barangay, Municipal, City, or
18 Provincial Governments.
- 19 j) A "Private Registered Forester/ Private Professional Forester" is a person
20 schooled in Forestry and is registered/ licensed by the Professional
21 Regulation Commission to practice such profession.
- 22 k) "Private Tree Farmers Association/ Cooperative/ Federation" refers to a
23 group, association, or federation of treefarmers who are actually engaged
24 in tree farming activities in private lands.

- 1 l) "Utilization" refers to the form and use of the timber, such as log, pulpwood,
2 lumber, sawn wood, poles, piles, fuel wood, semi-finished products, wood
3 chips, and finished products (veneer, plywood, furniture, jointed boards,
4 and wood tiles).
- 5 m) "Alienable and Disposable (A&D) Lands" refers to lands of the public
6 domain that have been delimited, classified, and declared as available for
7 agricultural purposes under Commonwealth Act No. 141, as Amended,
8 otherwise known as the Public Land Act.
- 9 n) "Forestlands" refers to lands of the public domain that have been delimited,
10 classified, and declared as such for timber production, water conservation,
11 soil erosion control, bio-diversity, and other forestry land uses.
- 12 o) "Forest Product" refers to timber and other products, from trees planted or
13 naturally-growing in forestlands.
- 14 p) "Agricultural Products" refers to non-timber products such as rice, corn,
15 root crops, vegetables, livestock, poultry, and the like, produced in private
16 lands.
- 17 q) "Agricultural Timber" refers to planted trees, naturally-grown/growing trees,
18 rattan, palms, bamboo, produced in private lands.
- 19 r) "Rotation" refers to the cycle of years between the initial establishment of a
20 tree plantation and the time when it is ready for harvesting.
- 21 s) "DENR" is the Department of Environment and Natural Resources.
- 22 t) "RENRO" is the Regional Environment and Natural Resources Officer,
23 otherwise known as the Regional Executive Director.
- 24 u) "PENRO" is a Provincial Environment and Natural Resources Officer of the
25 DENR.

v) "CENRO" is a Community Environment and Natural Resources Officer of the DENR.

ARTICLE III

ADMINISTRATION AND SUPERVISION OF PRIVATE TREE FARMING

SECTION 6. Authority and Supervision. The Department of Environment and Natural Resources (DENR), thru its Forest Management Bureau (FMB), shall be the lead Agency of Government with jurisdiction and authority to implement this act. For the purposes of this Act, the DENR shall have the following powers, duties, and functions:

- a) Formulate and issue guidelines for private tree farmers in the sustainable development and utilization of treefarm products;
- b) Train, accredit, authorize, and supervise Private Registered Foresters (PRFs), either individually or collectively thru the Society of Filipino Foresters, Inc., to perform forestry functions such as reforestation, regeneration, timber inventory, log scaling and grading, preparation and issuance of log transport documents, as well as issue from time to time, implementing memoranda relative thereto;
- c) Issue Wood Processing Permits to applicant Tree Farmers Association. Cooperatives;
- d) Encourage treefarming among private landowners and establish partnerships for the sustainable development of forest plantations;
- e) Assist Local Government Units and private land owners in the conduct of timber inventory and mapping for resource data base, and in the preparation of Provincial/ Municipal Timber Management Plans, and related activities.

SECTION 7. Registration of Private Tree Farms/ Plantations. The DENR shall require the registration of all private tree farms/ plantations nationwide, and correspondingly issue Private Land Tree Plantation Ownership Certificates (PTPOC). The Department shall prescribe the appropriate forms, and procedures for this purpose.

SECTION 8. Registration of Tree Farmers Associations/ Cooperatives/ Federations. The DENR shall also register all Tree Farmers Cooperatives/ Associations/ Federations and to issue corresponding Certificates of Registration upon compliance with appropriate requirements. *Provided, however,* that no log transport documents shall be issued by DENR in favor of said Association/ Federation.

SECTION 9. Registration and Accreditation of Private Registered Foresters and their SEC-Registered Associations. The DENR shall accredit and authorize Private Registered Foresters and their SEC-registered Associations to perform timber inventory, log scaling and grading, preparation and issuance of log transport documents, and to issue annual accreditation certificates. The Department, in cooperation with the Society of Filipino Foresters, Inc. (SFFI), shall establish the norm of conduct of Private Registered Foresters, and standardize the appropriate Professional fees of Private Registered Foresters.

SECTION 10. Registration of Log and Lumber Dealers/ Traders.

- a) The DENR shall require registration of all log and lumber dealers/ traders engaged in buying and selling of timber products from private lands, as well as issue corresponding Certificates of Registration.

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1 is hereby repealed to exclude from its coverage private lands inside Alienable and
2 Disposable lands, including the utilization of timber found therein.

3 **ARTICLE VII**

4 **EFFECTIVITY**

5 **SECTION 16. Effectivity.** This act shall take effect fifteen (15) days following its official
6 publications in the official Gazette or in any two (2) major daily newspaper of general
7 circulation in the Philippines, whichever comes first.

Approved,