

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3596

Introduced by: REP. MEL SENEN S. SARMIENTO

EXPLANATORY NOTE

Though the 1975 Revised Forestry Code still remains as the legislative basis for forest management and utilization, it only addresses problems of extraction rather than of conservation and sustainable development. The maze of laws and orders actually do more to hamper than help effective implementation.

The DENR's latest estimate of forest cover is at around 24% (2003). It does signal a slight increase, but this can be attributed more to the adoption of new definitions of forests, which includes orchards and plantations, and not to the restoration of forests. This figure is also insufficient, as we need at least half of our total land area to be covered in forests for them to adequately perform their ecological functions.

We need to accept that deforestation has primarily been anthropogenic, or caused by human activity. It was carried out by Filipinos who followed resource-extractive development framework to support economic growth. Demand-driven and top-level decision-making in the logging and mining sectors have subverted the sustainability of forest resources and remaining forestlands.

Deforestation has also been exacerbated by weak governance and unsustainable policy. Policies on forest land use and management conflict with each other, while forest governance has remained highly centralized in practice, and characterized by ineffective and corrupt management.

The author believes that the protection of natural forests is important because of their ecological, social, and economic importance. This is why remaining natural forests should be protected and degraded forests should be restored. We all depend on forests and biodiversity for our basic needs.

Our next priority is to ensure that forests are responsibly and properly managed using ecologically-sound science and supported by a strong and sustained framework organization. We need to rationalize a forest land use policy and plan out a

comprehensive and definitive forest management program to ensure that the next generations will be able to benefit from forest resources and services.

We also need to ensure that forest management would be truly participatory and equitable. Local government units should be empowered to take the lead in forest management, communities should participate and benefit from it, and the rights of indigenous peoples should be upheld.

Last, we need to ensure that forest management efforts will be sustainable themselves through education. We should not only improve formal forestry education but also include environmental education in all levels of education. Every Filipino child should learn to value and care for our forests, making sure that the lessons they have learned from us will never be repeated.

In light of the foregoing, the immediate passage of this bill is earnestly sought.



MEL SENEN S. SARMIENTO

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AN ACT TO PROTECT, CONSERVE, UTILIZE, DEVELOP AND
SUSTAINABLY MANAGE FOREST RESOURCES AND FOR OTHER
PURPOSES

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

1 **SECTION 1. *Short Title.*** — This Act shall be known as the “Forest Resources Act of
2 2010”.

3

4 **SECTION 2. *Scope and Coverage.*** — The provisions of this Act shall apply to all
5 lands of the public domain classified as needed for forestry purposes, all forestlands, all
6 forest resources found in untitled agricultural lands and in private lands: Provided, That
7 all forests and forest resources found in protected areas established under the National
8 Integrated Protected Areas System (NIPAS) shall be sustainably managed and
9 developed following the provisions of Republic Act No. 7586 or the NIPAS Act of
10 1992; Provided further, That the rights of indigenous cultural communities or
11 indigenous peoples to their ancestral domains shall be respected.

12

13 All forestlands and forest resources therein under the administrative jurisdiction of the

1 Autonomous Region of Muslim Mindanao (ARMM) shall be managed, developed and
2 conserved in accordance with the Regional Sustainable Forest Management Act of
3 2003 of the ARMM.

4
5 **SECTION 3. *Basic Policies.* —**

6 a. Pursuant to the provisions of the Constitution to promote the general
7 welfare and social justice in all phases of national development, to protect
8 and advance the right of the Filipino people to a balanced and healthful
9 ecology in accord with the rhythm and harmony of nature, and to conserve
10 and develop the patrimony of the nation, the State hereby adopts the
11 following policies relative to the management, development and
12 conservation of forests and the resources therein:

13 i. Within five (5) years from the passage of this Act, the specific limits
14 of forestlands shall be fixed and demarcated and thereafter, shall not
15 be altered except through an Act of Congress;

16 ii. The Congress shall, as soon as possible, determine, by law, the
17 specific limits of forestlands and national parks, marking clearly
18 their boundaries on the ground. Thereafter, such forestlands and
19 national parks shall be conserved and may not be increased nor
20 diminished, except by law. The Congress shall provide for such
21 period as it may determine, measures to prohibit logging in
22 endangered forests and watershed areas;

- 1 iii. The use and conservation of forest resources shall bear a social,
2 ecological, biological and economic functions, responsibility, and
3 accountability to promote the common good of the present and
4 future generations;
- 5 iv. The guiding principle in the sustainable and integrated management,
6 development, and conservation of forest resources shall be focusing
7 on these resources and on the people who manage, conserve, and
8 benefit from them;
- 9 v. Biodiversity protection and conservation of wildlife resources and
10 their habitats, consistent with Republic Act No. 9147 shall be a
11 paramount consideration in forest management.

12

13 In carrying out the above policies, the following strategies shall be pursued:

- 14 1. The watershed continuum as the basic forestland management unit-
15 Forestlands shall be managed, developed and conserved utilizing
16 watershed continuum as the basic management unit and under the
17 principles of sustainable and multiple-use management, including
18 conservation of biological diversity;
- 19 2. Multi-sectoral participation- The participation of all direct and
20 indirect, especially local, stakeholders in sustainable forestland
21 conservation, management, and development shall be mandatory.
22 Equitable sharing of the benefits derived from forestlands and the
23 resources therein shall be ensured at all times;

- 1 3. Community-based forest management (CBFM) as a principal
2 strategy- Vesting access rights and responsibilities to forest resident
3 or forest-dependent families, local communities, and indigenous
4 peoples to undertake the management and development of
5 appropriate forestland resources on a sustainable basis shall have
6 precedence over other strategies;
- 7 4. Protection of forests and natural resources as priority concern-The
8 protection of forests and the natural resources therein shall be given
9 priority concern in order to ensure environmental stability, conserve
10 biological diversity, improve ecosystem functions and services, and
11 provide long-term ecological and economic benefits;
- 12 5. Reforestation as a priority measure- Reforestation shall be
13 undertaken as a priority measure to restore the ecosystem functions
14 and services of forests as well as improve the economic and
15 ecological benefits of local communities concerned;
- 16 6. Security of tenure of stakeholders- Pursuant to the principles of
17 sustainable and multi-use forest management and equitable access to
18 forest resources, a secured tenure shall be guaranteed to stakeholders
19 concerned; and
- 20 7. Professionalism in forest service — A dynamic, professional and
21 people-oriented forest service strongly adhering to conservation
22 principles shall be established and fully supported by the State.
- 23

- 1 b. The state shall protect the rights of indigenous cultural
2 communities/indigenous peoples to their ancestral domains to ensure their
3 economic and social and cultural well-being and shall recognize the
4 applicability of customary laws in governing property rights or relations in
5 determining the ownership and extent of ancestral domains;
- 6 c. The State shall promote social justice in all phases of national development;
- 7 d. The State shall encourage non-governmental, community-based, or sectoral
8 organizations that promote the welfare of the nation;
- 9 e. The State shall ensure the autonomy of local governments; and,
- 10 f. The State shall pursue an independent foreign policy. In its relations with
11 other states, the paramount consideration shall be national sovereignty,
12 territorial integrity, national interest, and the right to self-determination.

13

14 **SECTION 4. *Definition of Terms.*** — As used in this Act, the following terms shall be
15 defined as follows:

- 16
- 17 a. “Agroforestry” refers to a strategy for the sustainable management of land
18 which increases their overall productivity by properly combining
19 agricultural crops and/or livestock with forest crops simultaneously or
20 sequentially through the application of management practices which are
21 compatible with the local climate, topography, slope, soil, as well as the
22 cultural patterns or customary laws of the local communities;

1 b. "Agricultural Lands" refers to Alienable and Disposable (A&D) lands of the
2 public domain which have been delimited, classified and declared as such,
3 pursuant to the provisions of Commonwealth Act No. 141, as amended,
4 otherwise known as the Public Land Act

5 c. "Ancestral domains" refers to all areas generally belonging to indigenous
6 cultural communities/indigenous peoples (ICCs/IPs) comprising lands,
7 inland waters, coastal areas, and natural resources therein, held under a
8 claim of ownership, occupied or possessed by ICCs/IPs, by themselves or
9 through their ancestors, communally or individually since time immemorial,
10 continuously to the present except when interrupted by war, force majeure
11 or displacement by force, deceit, stealth or as a consequence of government
12 projects or any other voluntary dealings entered into by government and
13 private individuals/corporations, and which are necessary to ensure their
14 economic, social and cultural welfare. It shall include ancestral lands,
15 forests, pasture, residential, agricultural, and other lands individually owned
16 whether alienable and disposable or otherwise, hunting grounds, burial
17 grounds, worship areas, bodies of water, mineral and other natural
18 resources, and lands which may no longer be exclusively occupied by
19 ICCs/IPs but from which they traditionally had access to for their
20 subsistence and traditional activities, particularly the home ranges of
21 ICCs/IPs who are still nomadic and/or shifting cultivators;

22 d. "Ancestral Lands" refers to land occupied, possessed and utilized by
23 individuals, families and clans who are members of the ICCs/IPs since time
24 immemorial, by themselves or through their predecessors-in-interest, under

1 claims of individual or traditional group ownership, continuously, to the
2 present except when interrupted by war, force majeure or displacement by
3 force, deceit, stealth, or as a consequence of government projects and other
4 voluntary dealings entered into by government and private
5 individuals/corporations, including, but not limited to, residential lots, rice
6 terraces or paddies, private forests, swidden farms and tree lots;

7 e. "Assisted Natural Regeneration" or "ANR" - covers any set of activities that
8 enhance the natural processes of forest regeneration. These include
9 promoting the natural establishment and subsequent growth of indigenous
10 forest trees, whilst preventing any factors that might harm them e.g.
11 competition from weeds, browsing by cattle, fire etc. ANR relies on existing
12 natural processes; it requires less labor input than tree planting and is
13 therefore a very cheap way to restore forest ecosystems. ANR is appropriate
14 wherever the natural processes of forest regeneration are, to some extent,
15 already happening. At least few seed trees/ mature seed- bearing rainforest
16 trees should exist nearby to provide seed rain in the area. Seed dispersing
17 animals should remain common in the vicinity. Sites which already support
18 a high density of tree saplings and sprouting tree stumps are particularly
19 suited to ANR.

20 f. "Biological Diversity or Biodiversity" refers to the variability and variety
21 among living organisms including, *inter alia*, terrestrial, marine and other
22 aquatic ecosystems and the ecological complexes of which they are part.
23 This includes diversity within the species (genetic diversity), between
24 species (species diversity), and among ecosystems (ecosystem diversity);

- 1 g. "Climate Change" refers to a change in climate that can be identified by
2 changes in the mean and/or variability of its properties and that persists for
3 an extended period typically decades or longer, whether due to natural
4 variability or as a result of human activity;
- 5 h. "Commercial Logging" refers to the cutting or felling of trees for the purpose
6 of disposing the cut or felled logs for monetary profits beyond survival and
7 subsistence;
- 8 i. "Communal Forest" refers to a tract of forestland set aside and established for
9 and under the protection, administration, and management of a city,
10 municipality, or barangay as a source of wood material for fuel, shelter, and
11 manufactured products; as source of water for the community; and as an
12 area for ecotourism and/or environmental protection or socio-economic
13 projects of local government units consistent with the policies and
14 objectives of this Act and principles of sustainable development;
- 15 j. "Community-Based Forest Management Strategy" refers to strategy to
16 improve the well-being of forest dependent communities and, at the same
17 time ensure sustainable management, rehab and protection of forestlands
18 and the resources therein through the active participation of various
19 stakeholders;
- 20 k. "Conservation" refers to planned protection and management of forests,
21 wildlife and other forest resources so as to prevent waste and ensure future
22 use;

- 1 l. "Conveyance" refers to any vehicle, vessel, device or animal used in
2 gathering and/or transporting forest products;
- 3 m. "Co-management agreement" refers to an agreement entered into by the
4 DENR and a local government unit/s to protect, restore, develop or manage
5 forestlands, including mangroves and its forest resources, within the
6 geographic jurisdiction of such local government units consistent with the
7 provisions of this Act;
- 8 n. "Co-production Agreement" refers to an agreement entered into by and
9 between a qualified person and the government, in accord with the 1987
10 Constitution, for the former to develop, utilize, and manage, consistent with
11 the principles of sustainable development, land or a portion of a forestland
12 wherein both parties agree to provide inputs and share the products or their
13 equivalent cash value;
- 14 o. "Critical Habitats" refers to a place or environment where species or
15 subspecies naturally occur or has naturally established its population that are
16 crucial to the survival of a species and essential for its conservation;
- 17 p. "Critical Watershed" refers to areas designated by the Secretary pursuant to
18 the Wildlife Resources Conservation and Protection Act and for their ability
19 to supply water for domestic, agriculture and/or industrial use;
- 20 q. "Degraded Forests" refers to forests with varying degrees of disturbance or
21 loss of structure, function, species composition and productivity of less than
22 60% forest cover;

- 1 r. "Delimitation" refers to the establishment of permanent boundaries between
2 forestlands, national parks/protected areas and agricultural lands as a result
3 of demarcation;
- 4 s. "Delineation" refers to the establishment of boundaries between forestlands,
5 national parks/protected areas and agricultural lands as a result of a conduct
6 of site investigation, reconnaissance and field verification in accordance
7 with the criteria set by the Department;
- 8 t. "Demarcation" refers to the establishment of boundaries using visible
9 markers, monuments or known natural features/landmarks, among others, as
10 result of the actual ground delineation;
- 11 u. "Denuded Forestlands" refers to forestlands that are devoid of forest tree
12 cover;
- 13 v. "Department" refers to the Department of Environment and Natural
14 Resources (DENR);
- 15 w. "Environmental Impact Assessment" or "ETA" refers to the process of
16 predicting the likely environmental consequences of implementing a project
17 or undertaking and designing the appropriate preventive, mitigating, or
18 enhancement measures;
- 19 x. "Environmental Compliance Certificate" or "ECC" refers to the document
20 issued by the Department certifying that a proposed project or undertaking
21 will not cause a significant negative impact on the environment; that the
22 proponent has complied with all the requirements of the Environmental
23 Impact Assessment System; and that the proponent is committed to

- 1 implement its approved Environment Management Plan found in the
2 Environmental Impact Statement (EIS) or mitigation measures identified in
3 the Initial Environmental Examination (TEE);
- 4 y. "Environmental Impact Statement System" or "ETS System" refers to the
5 organization, administration, and procedures that have been institutionalized
6 pursuant to Presidential Decree No. 1586 for purposes of assessing the
7 significance of the effects of any project or undertaking on the quality of the
8 physical, biological, and social-economic environment and designing the
9 appropriate mitigating and enhancement measures;
- 10 z. "Environmentally Critical Project" refers to project or program that has high
11 potential for significant negative environmental impact;
- 12
- 13 aa. "Forest" refers to an ecosystem or an assemblage of ecosystems dominated
14 by trees and other woody vegetation; a community of plants and animals
15 interacting with one another and its physical environment. It shall consist of
16 trees with overlapping crown of 60-100% forest cover;
- 17 bb. "Forest guard" refers to any public officer who by the nature of his
18 appointment or the functions of the position to which he is appointed is
19 delegated by law and regulations or commissioned by competent authorities
20 to execute, implement or enforce the provisions of this Act and other related
21 laws and regulations;
- 22 cc. "Forest Products" refers to goods and services derived from forest such as,
23 but not limited to, timber, lumber, veneer, plywood, fiberboard, pulpwood,

1 bark, tree top, resin, gums, wood oil, honey, bees wax, nipa, rattan, or other
2 forest growth such as grass, flowering plants, the associated water, fish,
3 game, as well as its scenic, historical, educational, social and ecological
4 value;

5 dd. "Forest Resources" refers to all resources whether biomass such as plants
6 and animals including its by-products and derivatives, which can be a raw
7 material, or non-biomass such as soil, water, scenery, as well as the
8 intangible services and values present in forestlands or in other lands
9 devoted for forest purposes;

10 ee. "Forest-dependent Community" refers to a group of people residing inside
11 or immediately adjacent to a particular forestland that are largely or partly
12 dependent on the forest resources found therein for their livelihood;

13 ff. "Forestlands" refers to lands of the public domain classified as needed
14 for forest purposes. They shall include all forest reserves, forest reservations
15 and all remaining unclassified lands of the public domain;

16 gg. "Grazing Land" refers to a portion of the public domain which has been set
17 aside, in view of its topography and vegetation, for the raising of livestock;

18 hh. "Greenhouse Gas" refers to any gas that absorbs infrared radiation in the
19 atmosphere. Greenhouse gases include water vapor, carbon dioxide (CO₂),
20 Methane (CH₄), nitrous oxide (N₂O), halogenated fluorocarbons (HCFCs),
21 ozone (O₃), perfluorinated carbons (PFCs) and hydrofluorocarbons (HFCs);

22 ii. "Indigenous Cultural Communities/indigenous Peoples" or "ICCs/IPs" refers
23 to a group of people or homogenous societies identified by self- ascription

1 and ascription by others, who have continuously lived as organized
2 community on communally bounded and defined territory, and who have,
3 under claims of ownership since time immemorial, occupied, possessed and
4 utilized such territories, sharing common bonds of language, customs,
5 traditions and other distinctive cultural traits, or who have, through
6 resistance to political, social and cultural inroads of colonization, non-
7 indigenous religions and cultures, became historically differentiated from
8 the majority of the Filipinos. ICCs/IPs shall likewise include people who are
9 regarded as indigenous on account of their descent from the populations
10 which inhabited the country, at the time of conquest or colonization, or at
11 the time of inroads of non-indigenous religions and cultures, or the
12 establishment of present state boundaries, who retain some or all of their
13 own social, economic, cultural and political institutions, but who may have
14 been displaced from their traditional domains or who may have resettled
15 outside their ancestral domains;

16 jj. "Industrial Forest Management Agreement" or "IFMA" refers to a
17 production-sharing contract entered into by and between the Department
18 and a qualified person, whether natural or juridical, wherein the former
19 grants to the latter the exclusive right and responsibility to invest in,
20 develop, manage, and protect a defined area of the production forestland,
21 including the establishment, management and utilization of industrial
22 TIMBER forest plantation, consistent with the principle of sustainable
23 development, primarily to supply the raw material requirements of wood-
24 based processing and energy-related industries and wherein both parties
25 share in the benefits therefrom;

1 kk. "Industrial Tree Plantation" or "TTP" refers to any tract of land planted
2 mainly to timber producing species, including rubber and/or non-timber
3 species primarily to supply the raw material requirements of forest-based
4 industries, energy-generating plants, and related industries.;

5 11. "Joint Venture Agreement" refers to an agreement where a joint-venture
6 company is organized by the State and another person for protection,
7 restoration and utilization, development and management of forestlands
8 consistent with the prescribed activities allowed under this Act, with both
9 parties having equity shares. Aside from earnings in equity, the State shall
10 be entitled to a share in the gross output;

11 mm. "Kaingin" refers to a portion of the forest land, whether occupied or not,
12 which is subjected to shifting and/or permanent slash-and-burn cultivation
13 having little or no provision to prevent soil erosion;

14 nn. "Kaingin Making" refers to a process employed to establish a kaingin;

15 oo. "Key biodiversity areas" refers to places of international importance for the
16 conservation of biodiversity;

17 pp. "Master Plan for Forestry Development" refers to the twenty (25) years
18 strategic program of the Forestry Sector envisioned to guide its long term
19 development. This program includes the following: (a) policy and
20 institutional development; (b) restoration and rehabilitation c) watershed and
21 forestry development; (d) livelihood and poverty reduction; and (e)
22 timber/non-timber industry development;

- 1 qq. "National Park" refers to the land of public domain classified as such in the
2 1987 Philippine Constitution which includes all areas under the National
3 Integrated Protected Areas System (NIPAS) pursuant to RA 7586, primarily
4 set aside and designated for the conservation of native plants and animals,
5 their associated habitats and cultural diversity;
- 6 rr. "Non-Government Organization" or "NGO" refers to a non-stock, nonprofit,
7 and voluntary organization;
- 8 ss. "Non-timber based Industries" refers to various industries that are dependent
9 on raw materials or products derived from forests such as but not limited to
10 rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers or wild
11 flora and fauna;
- 12 tt. "Non-timber charges" refers to the levy imposed and collected by
13 government on various industries that are dependent on raw materials or
14 products derived from forests such as but not limited to rattan,
15 bamboo, vines, latex, resins, saps, essences, fruits, flowers or wild flora and
16 fauna, as well ecological, and aesthetic services;
- 17 uu. "Non-timber forest products" refers to all products gathered from the forest
18 that are not timber, which include, but not limited to, rattan, bamboo, vine,
19 herb, exudates, gum, resin, beeswax, gutapercha, and almaciga resin;
- 20 vv. "Permit" refers to a short-term privilege or authority granted by the State to
21 a person to utilize any limited forest resources or undertake a limited
22 activity within any forest land without any right of occupation, possession,
23 and ownership therein;

- 1 ww. "Person" refers to a natural or juridical person, including local forest
2 communities and/or indigenous peoples organized in accordance with law or
3 custom;
- 4 xx. "Plantation forestry" refers to the planting of one or two species for the sole
5 purpose of harvesting;
- 6 yy. "Primary Forest" refers to forest which have never been subject to human
7 disturbance or has been so little affected by hunting, gathering and tree
8 cutting that its natural structure, function and dynamics have not undergone
9 any changes that exceed the elastic capacity of the ecosystem;
- 10 zz. "Processing Plant" or "Processing Mill" refers to any mechanical set-up,
11 device, machine or combination of machines used for the conversion of logs
12 and other forest raw materials into lumber, fiberboard, pulp, paper or other
13 finished wood products;
- 14
- 15 aaa. "Production forestlands" refers to the forestlands defined under Sec. 8(b)
16 of this Act;
- 17 bbb. "Production Sharing Agreement" refers to an agreement wherein the State
18 grants a person/s, who provides all the necessary financing, technology,
19 management and personnel, the exclusive right to conduct forestry
20 development activities within but not title over, the contract area and shares
21 in the production whether in kind or in value as owner of forest product
22 therein;

- 1 ccc. "Protected Areas" refers to identified portions of land and water set aside
2 by reason of their unique physical and biological significance, managed to
3 enhance biological diversity and protected against destructive human
4 exploitation. They shall constitute the areas established under the National
5 Integrated Protected Areas System (NIPAS) pursuant to RA 7586 and shall
6 fall under the National Park classification of public domain;
- 7 ddd. "Protection Forestlands" refers to the forestlands defined under Sec. 8 (a)
8 of this Act;
- 9 eee. "Reforestation" refers to all land use activities directed towards restoration,
10 establishment and sustained management using native species of diversified
11 vegetation on denuded, degraded and/or marginal lands, including but not
12 limited to the planting and tending of timber, orchard and multi-use trees;
- 13 fff. "Reservation refers to an area of the public domain reserved by law for a
14 specific purpose;
- 15 ggg."Restoration" refers to the bringing back of the forestland to its original
16 state in terms of species composition, structure, function and productivity;
- 17 hhh."Restoration zones" refers to the area where restoration activities are
18 conducted and where the original vegetation shall be restored;
- 19 iii. "Road" refers to bulldozed land which is accessible by at least a two- wheel
20 motorized vehicle;
- 21 jjj. "Rotation" refers to the number of years between the initial establishment of
22 a plantation and the time when it is considered ready for harvesting;

1 kkk. "Secondary Forest" refers to a former forest that was logged over and is
2 characterized by residuals;

3 lll. "Secretary" refers to the Secretary of the DENR;

4 mmm. "Semi-Finished Wood Products" refers to wood products requiring final
5 stages of manufacture and/or assembly such as, but not limited to, window
6 components, table tops, veneer, tongue and groove planks, steps for stairs,
7 and other similar products;

8 nnn. "Silvicultural Practices" refers to any action by man to further improve or
9 enhance the stand growth as a whole or the single tree for future harvest
10 including assisted natural regeneration and tree surgery, among others;

11 ooo. Subdivision- refers to a tract or parcel of land partitioned into individual
12 lots, with or without improvements thereon, primarily for residential
13 purposes;

14 ppp. "Sustainable Development" refers to development that meets the needs of
15 the present without compromising the ability of the future generations to
16 meet their own needs;

17 qqq. "Sustainable Forest Management" or "SFM" refers to the process of
18 managing a forest to achieve one or more clearly specified objectives of
19 management with regard to production of continuous flow of desired forest
20 products and services without undue reduction of its inherent values and
21 future productivity and without undesirable effects on the physical and
22 social environment;

- 1 rrr. "Tenure" refers to guaranteed peaceful possession and use of specific forest
2 land area and specific resources found therein, covered by an agreement,
3 contract, or grant which cannot be altered or abrogated without due process;
- 4 sss. "Timber-based Industries" refers to industries that are dependent on wood
5 as the principal raw material including but not limited to sawmilling, pulp
6 and paper making, and plywood and veneer manufacturing or the upstream
7 wood-based industries, as well as the secondary and tertiary wood
8 processing or downstream industry such as moldings and furniture
9 manufacturing;
- 10 tt. "Timber Charges" refers to the levy imposed and collected by the
11 government on timber products cut, harvested, or gathered from
12 production forestlands and from alienable and disposable (A&D) lands in
13 accordance with Republic Act No. 7161;
- 14 uuu. "Timber License Agreement" or "TLA" refers to a privilege granted by the
15 State to a person to utilize forest resources within an area with the right of
16 possession and occupation thereof to the exclusion of others except the
17 government, but with the corresponding obligation to develop, protect, and
18 rehabilitate the same in accordance with the terms and conditions set forth in
19 the said agreement;
- 20 vvv. "Timber Plantation" refers to a tree stand established by planting and/or
21 seeding. The stand is either of introduced species (all planted stands), or an
22 intensively managed stand of any indigenous species, which meets all the
23 following criteria: one or two species at plantation, even-aged class, and

1 regular spacing for the primary purpose of harvesting timber or any of its
2 by-products;

3 www."Watershed Continuum" refers to an area consisting of the watershed and
4 its divide including its connection from the headwaters to the reef;

5 xxx."Watershed Continuum Management" or "WCM" refers to a management
6 system that will provide the optimum social, cultural, economic and
7 environmental benefits to the greatest number of people, particularly those
8 living in, adjacent to, or downstream of, individual watershed areas, while
9 maintaining the biological and cultural heritage of the country. It is the
10 holistic multiple use and sustainable management of all the resources within
11 a spatial unit known as the watershed. The Watershed Continuum
12 Management is based on the following guiding principles: (1) Ecological
13 sustainability; (2) Social and Cultural sustainability; (3) Economic
14 sustainability and (4) Institutional Sustainability;

15 yyy. "Watershed Reservation" refers to a forestland reservation established to
16 protect or improve the conditions of water yield thereof or reduce
17 sedimentation;

18 zzz. "Wildlife" refers to wild forms and varieties of flora and fauna, in all
19 developmental stages.
20
21

1 CHAPTER II

2 CLASSIFICATION OF PERMANENT FORESTLANDS

3
4 SECTION 5. *Permanent Forestlands*. — All forestlands currently classified as such.

5
6 SECTION 6. *Instruments within Permanent Forest Lands*. — Titles, settlements,
7 permits, lease, and/or agreements within critical habitats, critical watershed areas,
8 protected areas, important biodiversity areas (IBAs), and key biodiversity areas
9 (KBAs), shall be reviewed, and its legality be determined. All erroneous titles,
10 settlements, permits, leases and/or agreements shall duly be cancelled or revoked;

11
12 *Provided*, that the applicable provisions of the Indigenous Peoples Rights Act of 1997
13 (IPRA) shall be respected.

14
15 SECTION 7. *Additional Areas to be included as Permanent Forestlands*. The
16 following lands are needed for environmental protection and forestry purposes and
17 shall not therefore be classified as agricultural lands or for other land use:

- 18
19 a. Areas less than two hundred fifty hectares (250 ha) which are far from, or not
20 contiguous with any certified agricultural lands;
21 b. Isolated patches of forest, regardless of size of area, with rocky terrain or
22 which protect a spring for communal use;

- 1 c. All mangroves and swamplands including twenty-meter wide strips thereof
2 facing oceans, lakes and other bodies of water not yet classified as alienable
3 and disposable lands;
- 4 d. Ridge tops and plateaus regardless of size found within or surrounded wholly
5 or partially by forestlands where headwaters emanate;
- 6 e. Twenty-meter wide strips of land from the edge of the normal high waterline
7 of rivers and streams with channels of at least five (5) meters wide which
8 are not yet classified as alienable and disposable;
- 9 f. Areas needed for other purposes of public interest such as research or
10 experimental purposes and others; and
- 11 g. Areas considered environmentally critical because of their vulnerability to
12 damage from landslides, volcanic eruptions, and other natural causes.

13

14 Owners who have acquired vested rights over lands enumerated above are
15 required to implement soil and water conservation measures, in coordination with the
16 Department and the appropriate local government unit. An Environmental Compliance
17 Certificate (ECC) shall be required in these environmentally critical areas in
18 accordance with existing law: *Provided*, that the Department, in coordination with the
19 concerned local government unit, shall immediately take the necessary steps to
20 expropriate the property concerned, impose the necessary fines, penalties and costs of
21 rehabilitation and implementation of the required soil and water conservation measures,
22 and to cancel and/or amend any title used thereon or impose fines or will be subject to
23 cancellation or revocation under any of the following conditions:

1

2 a. Failure of the owner, after due notice, to implement appropriate soil and
3 water conservation;

4 b. Failure of the owner/s to comply with ECC requirements when required;

5 c. The issuance of titles over such areas was accomplished through fraud,
6 deceit, misrepresentations or other anomalies; or

7 d. When public interest so requires.

8

9 *Provided further,* That the concerned LOUs may recommend to the DENR to file
10 expropriation proceedings given the conditions enumerated in this provision.

11

12 **SECTION 8. *Sub-Classification of the Permanent Forestlands.*** — The permanent
13 forestlands shall be sub-classified into the following categories according to primary
14 use:

15

16 a. **Protection forestlands** shall consist of all natural and restored forests
17 including areas identified as key biodiversity areas, critical habitats, freshwater,
18 swamps, and marshes, all areas along the bank of rivers and streams, and the
19 shores of the seas and lakes throughout their entire length and within a zone of
20 three (3) meters in urban areas, twenty (20) meters in agricultural areas, and
21 forty (40) meters in forest areas, along their margins which are subject to the

1 easement of public use in the interest of recreation, navigation, floatage, fishing
2 and salvage shall also be sub- classified as protection forestlands. All extractive
3 industries such as, but not limited to, logging and mining are banned in these
4 protection forestlands; *Provided*, That the provisions of the IPRA shall be
5 respected;

6 **b. Production forestlands** shall be all forestlands not sub-classified as
7 protection forestlands defined in this Section shall be sub-classified as
8 production forestlands to be devoted to the production of timber and/or non-
9 forest products or the establishment of industrial tree plantations, tree farms,
10 communal forests, agroforestry, grazing, or as multiple-use forests including
11 water-based energy areas such as but not limited to hydro and geothermal
12 reservations: *Provided*, That they shall be managed, developed, and utilized in
13 accordance with a LGU-approved management plan consistent with the
14 prescribed Forestry Masterplan and based on sustainable forest management
15 principles *Provided, further*, That the department may change the sub-
16 classification of specific areas of production forestlands into protection areas
17 and recommend to Congress their establishment as part of the integrated
18 protected area systems in accordance with the NIPAS Act, or as critical habitat
19 under the Wildlife Resources Conservation and Protection Act, *Provided*
20 *finally*, That ancestral domains located within protection and production forests
21 shall be governed by customary laws;

22 **c. Restoration areas** are areas to be designated in the management plan as
23 such. Designation of a restoration area is compulsory in all forest management
24 plans. There shall be a required 54% forest cover in each watershed continuum

1 in determining restoration areas.

2

3 **SECTION 9. *Demarcation and delimitation.*** — Upon approval of this Act, the
4 Congress shall provide funds for the Department to demarcate on the ground the actual
5 land classification lines: *Provided*, That the Secretary, upon completion of the actual
6 assessment of the demarcated land classification lines, shall recommend to Congress
7 the delimitation of the forestlands found to be still suitable and capable for its purpose,
8 *Provided further*, That the Department shall submit an annual accomplishment report
9 and that within five (5) years, has caused the complete demarcation and delimitation of
10 land classification lines.

11

12 **SECTION 10. *Availability of records.*** — Records pertaining to the specific limits of
13 forestlands shall be made available to the public upon request. Moreover, the
14 Department shall furnish all provincial, municipal and city government copies of the
15 maps of permanent forestlands located within their respective territorial jurisdictions.

16

17

18

CHAPTER III

19

ADMINISTRATION AND MANAGEMENT OF FORESTLANDS AND ITS

20

RESOURCES

21

22 **SECTION 11. *Jurisdiction and control of forestlands.*** —. The Department shall be
23 the primary agency responsible for the conservation, restoration and the sustainable

1 utilization of forestlands and the unclassified lands of the public domain. It shall
2 formulate a national forestry masterplan and the policies promulgated in this Act. In
3 coordination with LGUs and other government agencies, it shall ensure that forestlands
4 and unclassified lands of the public domain are managed, conserved, developed,
5 utilized and protected consistent with the policies promulgated in this Act; *Provided*,
6 that the management plan for protected areas shall be prepared in accordance with the
7 provisions of the NIPAS Act, the Wildlife Resources Act, the Local Government Code,
8 and the IPRA, and other relevant laws and international covenants, as well as other
9 pertinent laws; *Provided further*, That certain functions and powers of the Department
10 may be devolved to the local government units.

11

12 **SECTION 12. *Co-management Agreement for the Devolution of Functions.*** —The
13 Department, the Department of Interior and Local Government, and the concerned
14 LGUs shall execute a co-management agreement, which shall contain the program and
15 schedule by which functions shall be strategically devolved, providing for capacity-
16 building and empowerment mechanisms.

17

18 **SECTION 13. *Responsibilities of the LGUs.*** — Pursuant to the pertinent provisions of
19 Republic Act. No. 7160 or the Local Government Code, LGUs shall share the
20 responsibility in the sustainable management and utilization of forest resources within
21 their territorial jurisdiction including those assigned by law to other government
22 agencies. The LGU and the Department shall jointly undertake the preparation and
23 implementation of forestland use and watershed continuum management plans in
24 consultation with other government agencies, local communities, non- government

1 organizations and other sectors. Such plans shall be fully funded and made an integral
2 component of the LGU's Comprehensive Land Use Plan (CLUP).

3

4 **SECTION 14. *Multisectoral participation.*** — In formulating conservation and
5 management plans and programs, multisectoral participation shall be required.

6

7 **SECTION 15. *Local Government Unit Consent and Consultation.*** — Proponents of
8 all forestry projects to be implemented in the LGUs' territorial jurisdiction shall strictly
9 comply with Sections 26 and 27 of the Local Government Code.

10

11 **SECTION 16. *Forest Management Board.*** — A forest management board (Board)
12 shall be created at the Municipal level which shall be composed of a representative of
13 the Department, representative from the LGU and representatives of different sectors
14 including but not limited to, women, farmers, fisher folks, and indigenous peoples,
15 shall set the direction for the management, utilization and development of forestlands
16 and resources found within their respective jurisdictions in accordance with the
17 watershed continuum plan. In cases that more than one LGU is affected by the
18 watershed continuum, the Board shall be composed of the different LGUs; *Provided*
19 That, the Board shall be convened by the Department, after which the Board shall elect
20 its chair.

21

22 **SECTION 17. *Functions of the Forest Management Board.*** — The Board shall be
23 responsible for the over-all protection of the forestlands and forest resources found
24 within their respective jurisdictions in accordance with the provisions of this Act.

1 Among their powers and functions found in other provisions under this Act, they shall
2 be primarily responsible for law enforcement, prevention of forest fires, integrated pest
3 management and protection against forest invasive species.

4

5 **SECTION 18. *Creation of a Municipal Environment and Natural Resources Office.***

6 — The office of a Municipal Environment and Natural Resources Office (MENRO) is
7 hereby created. The MENRO shall assist the Forest Management Board in its role and
8 facilitate the preparation of management plans together with the Forest Management
9 Committees. The MENRO shall exercise visitorial powers over the forestlands.

10

11 **SECTION 19. *Forest Management Committee.*** — Barangays falling under the same
12 watershed continuum shall form a forest management committee under the Municipal
13 Development Council, *Provided*, That municipalities/cities falling within the same
14 watershed continuum shall form a forest management committee within the Provincial
15 Development Council. *Provided further*, That provinces falling under the same of
16 several watershed continuums will create a committee within the Regional
17 Development Council. These committees shall be responsible for the preparation of the
18 required overall management plans, in relation to the direction set by the Forest
19 Management Board.

20

21 **SECTION 20. *Forestlands under Other Government Agencies.*** — Forestlands and/or
22 portions thereof which have been assigned by law to the administration and
23 management of other government agencies for a specific purpose prior to the passage
24 of this Act shall remain under the administration and management of these government

1 agencies which shall be responsible for their conservation, protection, restoration. The
2 Secretary and the concerned local chief executive or their respective duly authorized
3 representative shall exercise visitorial powers over these forestlands. Moreover, these
4 forestlands shall be administered in accordance with a forest management plan
5 embodied in the comprehensive forest management and land use plan of the LGU,
6 which shall be prepared by the concerned management committee of the watershed
7 continuum level within one (1) year from the effectivity of this Act. Said multi-sectoral
8 body shall periodically review, monitor, and evaluate the implementation of the said
9 management plan. *Provided*, That the harvesting of forest resources and building of
10 roads and other infrastructure therein shall be undertaken only with the prior approval
11 of the LGU upon the endorsement of the local forestry boards, and after compliance
12 with EIS and ECC requirements: *Provided further*, That the LGU shall endorse to the
13 Secretary who shall recommend to Congress or the President of the Philippines the
14 reversion to the LGU of the jurisdiction and control over forestlands that are no longer
15 needed nor used for the purpose by which they have been constituted or in case the
16 agency concerned fails to rehabilitate, protect, and conserve the forestland resources in
17 accordance with the approved management plan. The LGU, in coordination with its
18 forestry board and consistent with the watershed continuum plan, shall determine the
19 use of the reverted forestlands.

20
21 **SECTION 21. *Forest Resources Within Alienable and Disposable Lands.*** — All
22 forest resources planted or raised within alienable and disposable lands belong to the
23 holder of the instrument giving rights to the claimant, who shall have the right to sell,
24 contract, convey or dispose of the same subject to a certification process to be
25 developed by the Department. The Department shall prepare the guidelines in

1 coordination and cooperation with LGUs and multi-sectoral consultations. Holders of
2 said instruments who register their forests lands for forestry purposes with the LGU
3 shall be assisted in the preparation of a management plan consistent with the watershed
4 continuum management plan, and shall be entitled to appropriate incentives provided
5 under Section 44 herein, on reforestation in private lands:

6 *Provided, That* alienable and disposable lands devoted to the planting and harvesting of
7 forest resources shall remain subject to the provisions of Republic Act No. 6657 or the
8 Comprehensive Agrarian Reform Law or any other similar law that may be enacted.

9
10 **SECTION 22. *Forest Resources within Production Forestlands.*** — Resources,
11 including non-timber forest products, its by-products and its derivatives, whether
12 naturally growing, planted or raised, which have been taken or have been applied with
13 some silvicultural practices, within production forestlands shall be issued the
14 appropriate permit, agreement or clearance. Any declaration of forest resources as
15 endangered, threatened, vulnerable and other restrictions shall be done in coordination,
16 consultation and clearance from the Forest Management Bureau.

17
18 **SECTION 23. *Logging in Production Forestlands.*** — To ensure the conservation and
19 sustainable use of forest resources in production forestlands, holders of timber licenses,
20 permits and/or agreements shall submit to the LGU an Integrated Operations Plan (IOP)
21 containing strict environmental guidelines such as ECC compliance. All forest
22 development activities such as logging, reforestation, timber stand improvement, forest
23 protection, and delivery of community service within an area covered by timber
24 concessions shall be consolidated under the TOP, which shall be prepared by or under

1 the supervision of an accredited private registered forester whose signature and dry seal
2 shall appear in the plan and the supporting documents submitted for this purpose.

3

4 **SECTION 24. *Forest Resources within Protection Forestlands.*** — Only non-timber
5 forest products shall be allowed to be extracted from protection forestlands and shall be
6 issued the appropriate permit, agreement or license, *Provided*, that harvesting or
7 gathering of timber for subsistence use of indigenous communities and forest
8 communities shall be allowed but only in woodlots established by the communities.
9 Any declaration of forest resources as endangered, threatened, vulnerable and other
10 restrictions shall be done in coordination, consultation and clearance from the Forest
11 Management Bureau.

12

13 **SECTION 25. *Absolutely Prohibited Activities in Protection Forestlands.*** —
14 Commercial logging, mining and other similar extractive activities such as but not
15 limited to treasure hunting shall be absolutely prohibited in protection forestlands.

16

17 **SECTION 26. *Review of Reservations within Protection Forestlands.*** — All
18 reservations made within protection forestlands shall be reviewed. Reservations that
19 which are contrary to the provisions of this Act, including, among others, mineral or
20 settlement reservations, shall be withdrawn.

21

22 **SECTION 27. *Commercial Logging Ban in Protection forestlands.*** — There shall be
23 a permanent ban on commercial logging activities in all protection forests defined,
24 categorized, and sub-classified in Section 8(a) herein. No licenses, permits, or

1 agreements to cut any timber therein shall be issued.

2

3 **SECTION 28. *Protection Forestlands covered by Existing Permits, Licenses and/or***

4 ***Agreements.*** — All existing permits, licenses and agreements shall be reviewed, and, if

5 protection forestlands are found within an agreement or licensed area, such protection

6 forestlands shall be immediately excised from said permit, license and/or agreement,

7 and the holder of the agreement or license shall establish a buffer zone and delineate

8 their boundaries with the production forestlands, marking the same with concrete

9 monuments, road, or infrastructure, or any other visible, permanent, and practicable

10 signs.

11

12 **SECTION 29. *Duty of the License- Permit-holder.*** — In coordination with the

13 concerned LGU, the agreement- or license-holders shall protect and conserve such

14 protection area following a plan consistent with the prescribed management plan for

15 key biodiversity areas or similar strategies by the Department. The agreement- or

16 license-holder concerned shall be accountable for the destruction of such protection

17 forestlands that did not result from *force majeure*, and such destruction shall serve as

18 basis, in addition to the other violations enumerated in this Act hereof, for the

19 termination or revocation of the agreement, license, or permit, and the filing of proper

20 charges under the NIPAS Act and pertinent forestry laws, rules and regulations. In the

21 absence of a contractor or agreement holder over such production forestlands, the

22 delineation of said boundary shall be undertaken and prioritized by the Department.

23

24 **SECTION 30. *Non-extension of Timber License Agreements.*** — No extensions shall

1 be made on any existing TLA, and the area covered by the agreement shall
2 automatically be sub-classified as protection forestland after the representatives of the
3 Department, the LGUs concerned, the Department of Agrarian Reform, NGOs,
4 peoples' organizations, and other stakeholders had excluded degraded areas that may be
5 subject of a reforestation project.

6
7 **SECTION 31. *Forest Resources within Ancestral Domains/Ancestral Lands.* —**

8 When forest resources are within ancestral domains/ancestral lands which are otherwise
9 production or protection forestlands, aside from the necessary permit, license or
10 agreement, the free, prior and informed consent of the indigenous communities shall
11 also be secured, *Provided*, That if the indigenous communities will themselves harvest
12 these resources for their subsistence or survival use, the provisions of IPRA shall apply
13 and no permits shall be required as owners of such resources, *Provided finally*, That if
14 the indigenous peoples will themselves harvest such resources for commercial
15 purposes, they shall be subject to the same limitations and conditions as provided by
16 this Act.

17 The National Commission on Indigenous Peoples (NCIP) shall coordinate and consult
18 the Department in providing assistance to the indigenous peoples in the sustainable
19 management and development of forest resources within ancestral lands and domains.

20

21 **SECTION 32. *Mandatory Elk.* —** Any permit, license, agreement or any other
22 instrument to develop or use forestlands or resources therein, including those found
23 within ancestral domains/lands that would result in severe soil erosion or environmental
24 degradation shall be subject to the provisions of Environmental Impact Assessment

1 (ETA) in accordance with Presidential Decree No.1151 or the Philippine
2 Environmental Policy, Presidential Decree No. 1586, Establishing an Environmental
3 Impact Statement System, and this Act.

4

5

6

CHAPTER IV

7

FOREST MANAGEMENT PLANNING, MONITORING AND ASSESSMENT

8

9 **SECTION 33. *Forestry Master Plan.*** — The Department shall periodically prepare
10 the map, revisit or review the forestry master plan in consultation with local
11 stakeholders, and shall revise the said plan according to the provisions of this bill,
12 taking also into consideration biodiversity conservation, carbon sequestration and other
13 matters of the same import.

14

15 **SECTION 34. *Sustainable Forest Management Planning.*** — Subject to vested or
16 prior rights, the Department, in consultation and coordination with LGUs, other
17 government agencies, local communities, non-government organizations, individual
18 and corporate entities, private sectors, academic and research institutions, and other
19 concerned sectors shall, within one (1) year from the effectivity of this Act, develop
20 and adopt a sustainable forest management strategy for each well-defined watershed or
21 other appropriate forest management unit based on criteria, indicators, and standards
22 for sustainable forest management which, at their minimum, address the following
23 requirements:

- 1
- 2 a. Rational allocation of forestland uses and promotion of land use practices that
- 3 increase productivity and conserve soil, water, and other forestland resources;
- 4 b. Protection of existing forest resources and conservation of biodiversity;
- 5 c. Restoration of denuded areas making use of indigenous tree species for
- 6 biodiversity conservation in protection forests and buffer strips of water
- 7 channels and bodies;
- 8 d. Establishment of tree plantations in production forest lands, private lands, and
- 9 alienable and disposable lands;
- 10 e. Enhancement of the socio-economic well-being of local communities
- 11 including indigenous peoples who are largely dependent on the forest for their
- 12 livelihood;
- 13 f. Promotion of closer coordination between and among the Department, LGUs,
- 14 other national agencies, non-government organizations, local communities, the
- 15 private sector, academic and research institutions and other entities in the
- 16 sustainable management of forestlands;
- 17 g. Adoption of community-based forest management as a principal strategy in
- 18 the management of forestlands and resources; and,
- 19 h. Harmonization and integration of the forest management plan of forestlands
- 20 and resources with other plans such as forest management plan and the land use
- 21 plans of the LGUs, protected areas management plans in areas covered by the
- 22 same, critical habitat management plan, barangay development plan, CLUP of
- 23 cities and municipalities and physical framework plans of the provinces and the
- 24 regional development
- 25 plans and be consistent with the ancestral domain management plans and

1 protected area management plans areas covered.

2

3 The Department shall continue to adopt the Master Plan for Forestry Development
4 subject to periodic review every five (5) years.

5

6 **SECTION 35. *Watershed Continuum Management Strategy.*** — The Watershed
7 Continuum Management Framework in Environment and Natural Resources
8 Management shall be adopted. The strategy for improved watershed resources
9 management shall be demand-driven, community-based, and multiple and sustainable-
10 use considering national priorities and concerns of local stakeholders. Watershed
11 continuum management programs initiated by the government shall be guided by
12 ecological, socio-cultural, economic, and institutional sustainability principles. A
13 National Watershed Information System shall be developed to guide policy
14 formulation, program development, and implementation of watershed *continuum*
15 management initiatives.

16

17 **SECTION 36. *Prioritization of watersheds.*** — A system of prioritization of
18 watersheds shall be pursued considering the following:

19

- 20 a. Biodiversity and environmental enhancement;
- 21 b. Cultural and historical value; and
- 22 c. Water supply for domestic, irrigation, power, industrial, and commercial use;
- 23 d. Contribution to the economy;

1 e. Effect on downstream areas.

2

3 **SECTION 37. *Forest Resource Database and Monitoring System.*** — Areas identified
4 by the Department as forests as defined under this Act shall be verified and validated
5 by the Forest Resource Development Center, including those within ancestral domains
6 and lands. A centralized forestland resource database shall be made available to the
7 public at all times, online if possible, which shall consist of comprehensive updated
8 information on the physical, social, economic, biological, environmental and cultural
9 components of the country's forestlands and shall include a log control monitoring or
10 timber identification system to enable the Department and its field offices to track the
11 movement or transfer of timber and other forest products from a forestland source to
12 their end users. The Department shall conduct and/or update forest resource inventory
13 at least once every five (5) years to ensure effective management.

14

15 **SECTION 38. *Environmental Impact Assessment Resource Accounting and***
16 ***Valuation.*** — All new environmentally critical projects to be implemented in
17 forestlands such as harvesting, grazing and other special uses, mineral prospecting and
18 exploration, road, infrastructure, and mill construction shall be subject to
19 Environmental Impact Assessment (EIA) in accordance with Presidential Decree No.
20 1151 or the Philippine Environmental Policy, and Presidential Decree No. 1586,
21 Establishing an Environmental Impact Statement System. A scientific resource
22 valuation of impacts of affected biophysical and environmental elements, and an
23 extended benefit cost analysis shall be used in the EIS. The Department shall design
24 and implement a system of regular periodic monitoring and assessment using the

Criteria and Indicators as framework and shall formulate appropriate standards as basis for assessing progress towards sustainable forest management. Furthermore, the Department shall design and implement an appropriate natural resources accounting and valuation system for various forestry initiatives. The Department shall establish the total value of forestlands based on multiple uses including their environmental services.

CHAPTER V

REFORESTATION AND RESTORATION

SECTION 39. *Restoration in Protection Forestlands.* — The restoration of all critical watersheds and critical, denuded, and degraded forests within protection areas shall be prioritized. Only the use of indigenous or native species in the restoration and rehabilitation of protection areas shall be adopted to enhance biological diversity therein. The LGUs in coordination with the Department, other government agencies, NGOs, local residents and communities, and other sectors concerned, shall identify and prioritize forestlands to be reforested. The LGU, consistent with the watershed continuum plan and the corresponding municipal forest land use plan may enter into agreements with qualified persons, including forest community organizations, in the restoration of protection forestlands.

SECTION 40. *Identification of Restoration Forestlands.* LGUs, in cooperation with the DENR and other government agencies, NGOs, local residents and communities shall identify and prioritize forestlands to be restored, *Provided*, priority restoration

1 shall be a band of 200 meters from the boundary of protection areas and protected
2 areas, *Provided further*, That an accelerated restoration program in such identified
3 priority protection forestlands shall be undertaken to raise the forest cover therein at
4 least fifty percent (50%) of the prioritized area within five (5) years and eighty percent
5 (80%) of the area within ten (10) years from effectivity of this Act. The LGU shall allot
6 funds to effectively accomplish restoration either by its own or through permit, license
7 and/or agreement in protection forestlands. The Department or other agencies
8 responsible for restoration shall give priority to local communities in the granting of
9 technical and financial assistance for restoration activities, *Provided finally*, That
10 assisted natural regeneration (ANR) shall be encouraged in protection forestlands.

11

12 **SECTION 41. *Reforestation or Tree Plantation Development in Production***

13 ***Forestlands.*** — In accordance with Section 50 herein, the LGU may enter into joint
14 venture, co-production, or production-sharing agreement with qualified persons to
15 reforest or to develop tree plantations in production forestlands, *Provided*, that palm
16 plantations and the like shall not be allowed in production forestlands.

17

18 **SECTION 42. *Reforestation in Forest lands under the Jurisdiction of Other***

19 ***Government Agencies.*** — Government agencies and institutions having management
20 control over forestlands pursuant to a law or grant shall be responsible for the
21 reforestation of denuded and degraded portions of such forestlands. The reforestation
22 program of these agencies shall aim to increase the vegetation of the degraded areas
23 using native species, to be identified jointly by the Department and agency concerned
24 and multi-sectoral stakeholders. The concerned agency in coordination with the LGU

1 shall prepare the reforestation plan, consistent with the watershed continuum plan and
2 determine the ratio of forested areas at any given time. Failure to reforest denuded
3 and/or degraded forestland identified in the reforestation plan within the period herein
4 prescribed shall be sufficient ground to request for reversion of the said forestlands to
5 the jurisdiction and control of the LGU: *Provided, however,* That in areas where
6 Community-based Forest Management Strategy (CBFMS) shall be implemented or
7 where there are existing facilities for basic services such as water and power as allowed
8 by the Department pursuant to the provisions of this Act, the completion of the
9 reforestation program shall be subject to the conditions provided in the instrument to be
10 awarded by the Department and the agency concerned to the participating local
11 community or individual or in the Forest Management Agreement of contractors
12 operating such facilities for basic services, as approved by the Department. *Provided*
13 *finally,* whenever applicable, use of ANR shall be preferred ad community-based forest
14 management encouraged.

15
16 **SECTION 43. *Reforestation in Alienable and Disposable Lands and/or Private***
17 ***Lands.*** — Reforestation or the establishment of tree farms or tree plantations in private
18 lands guided by the watershed continuum Plan shall be encouraged: *Provided,* That
19 such private lands and other alienable and disposable lands are not prime agricultural
20 lands as determined or certified by the Department of Agriculture (DA). The private
21 landowner(s) shall also be entitled to the incentives provided for under Section 44
22 herein: *Provided,* That such private tree plantations are duly registered with the
23 Department. Whenever applicable, use of ANR shall be preferred and community-
24 based forest management encouraged.

25

1

2 **SECTION 44. *Incentives of Reforestation or Restoration within Production***

3 ***Forestlands.*** — To encourage qualified persons to engage in restoration or
4 reforestation activities, the following incentives shall be granted:

5

6 a. Upon the premature termination of the agreement at no fault of the holder, all
7 depreciable permanent and semi-permanent improvements such as roads,
8 buildings, and nurseries including the planted and standing trees and other forest
9 crops introduced and to be retained in the area shall be properly evaluated and
10 the holder shall be entitled to a fair compensation thereof, the amount of which
11 shall be mutually agreed upon by both the LGU and the agreement holder, and
12 in case of disagreement between them, by arbitration through a mutually
13 acceptable and impartial third party adjudicator;

14 b. The agreement holder has the right to transfer, contract, sell, or convey his
15 rights to any qualified person following the guidelines to be issued by the
16 Secretary, *Provided*, that if such restoration or reforestation was conducted
17 within ancestral domains/ancestral lands, the transferee shall secure the free,
18 prior and informed consent of the indigenous communities of such ancestral
19 domains/ancestral lands prior to such transfer; and,

20 c. In the event that the area restored has provided ecological services to the
21 community, user fees shall be allowed as incentives.

22 The Secretary may provide or recommend to the President or to Congress other
23 incentives in addition to those granted herein and in existing laws in order to
24 promote reforestation and the establishment of tree plantations, *Provided*, That

1 in no case shall the Secretary provide incentives that shall put the State at a
2 gross disadvantage, nor shall the Secretary provide incentives of non-payment
3 of taxes or other rightful fees due to the State as provided by other laws.
4

5 **SECTION 45. *Reforestation in Ancestral Domains/Ancestral Lands.* —**

6 Reforestation in ancestral domains/ancestral lands, if not undertaken by the ICCs/IPs
7 themselves, shall require the free, prior and informed consent of the ICCs/IPs.
8

9 **SECTION 46. *Reforestation in Protection Forestlands.* —** The Department may

10 contract out the reforestation and/or management of protection forestlands to any
11 person, *Provided*, that such persons should meet the qualifications enumerated in
12 Section 54. The Department shall reasonably compensate such persons for such
13 reforestation and/or management activities and extend the necessary assistance in the
14 reforestation and/or management of such protection forestlands.
15

16 **SECTION 47. *Voluntary Offer to Reforest.* —** Private landowners, whether natural or
17 juridical persons, may participate in reforestation and plantation development or similar
18 programs of the LGU or the Department, with the landowner contributing his land and
19 the LGU or Department furnishing funds to reforest the area on a co-production
20 agreement: *Provided*, That the property shall be exclusively devoted to the planting of
21 forest species for at least one (1) rotation, which undertaking shall be annotated at the
22 back of the title of the property: *Provided, further*, That prime agricultural lands as
23 determined or certified by the DA shall not be the subject of a voluntary offer to
24 reforest.

1 CHAPTER VI

2 COMMUNITY-BASED FOREST MANAGEMENT STRATEGY

3
4 SECTION 48. *Community-Based Forest Management Strategy (CBFMS).* —

5 Whenever they are present, forest resident families, communities, indigenous peoples
6 and other communities whose lives, culture and general well-being are intimately
7 linked with the forests, shall be entrusted with the responsibility to protect, manage,
8 develop and utilize resources limited to woodlots and non-timber forest products
9 (NTFP) under the principle of stewardship. Timber harvesting shall only be allowed in
10 production forestlands designated in the Community Resource Management Plans
11 (CRMP). The Department, in consultation with affected stakeholders and sectors, shall
12 develop policies, criteria, guidelines and instruments that will simplify and allow access
13 of forest resident families, and local communities to forestland resources. The
14 Department shall furthermore develop policies, and guidelines that promote partnership
15 between the private sector and forest-based communities in pursuit of sustainable
16 community forest management activities.

17
18 SECTION 49. *Areas Available for CBFMS.* — Subject to prior or vested rights, the
19 CBFMS may be implemented on all appropriate forestlands excluding the ancestral
20 domains/ancestral lands of ICCs/IPs. Priority will be given to degraded and denuded
21 forestlands.

22
23 The LGU may only allow the implementation of CBFJVIS in watershed reservations if
24 it shall promote their protection and rehabilitation; *Provided*, however that land-use

1 practices and activities therein are in accordance with a management plan duly
2 approved by the Secretary and shall not induce severe soil erosion and surface run-off:
3 *Provided, further,* That no timber harvesting shall be allowed in forests; *Provided also,*
4 That no CBFM agreements shall be issued to non-ICCs[IPs within ancestral
5 domains/ancestral lands, *Provided finally,* CBFMAs shall not cover Certificate of Land
6 Ownership Awards (CLOAs) and other instruments.

7
8 **SECTION 50. *Community Resource Management in CBFM Areas.*** — The
9 management of forestland resources in CBFM areas shall be embodied in a community
10 resource management plan, which shall contain the community's vision, aspirations,
11 and strategies in the management of forestland resources, which shall be consistent
12 with the forestland use plan (FLUP). Qualified communities shall be provided with
13 appropriate long-term security of tenure, technical, managerial and financial assistance,
14 training; and other assistance, as the case may be, to empower them to manage and
15 benefit from the forestland resources on a sustainable basis.

16
17 **SECTION 51. *Qualified Participants.*** — Organized forest communities shall be given
18 priority to participate in the CBFM program. Organizations eligible to participate in
19 CBFM shall have the following qualifications:

- 20
21 a. Members shall be Filipino citizens; and
22 b. Members shall be any of the following:
23 i. Traditionally utilizing the resource for their livelihood;
24 ii. Actually residing within the area for at least five (5) years;

1 iii. Residing adjacent and actually tilling portions of the area to be awarded.

2

3 **SECTION 52. *Modes of Management Agreements.*** — The conservation, protection,
4 development, utilization, and management of forestlands and/or forest resources shall
5 be undertaken under the supervision of the State through the LGUs. The State may
6 directly undertake such activities or it may enter into co-production, joint venture or
7 production sharing agreement with qualified Filipino citizens or corporations or
8 associations over the management of production forestlands, subject to relevant laws,
9 rules and regulations, *Provided*, That interested local communities through their
10 organized and duly recognized associations shall be given priority in the grant of
11 appropriate instruments implementing the said agreements. Such instruments and/or
12 agreements shall have a duration of twenty-five (25) years, renewable for another
13 twenty-five (25) years, under such terms and conditions as may be provided by the
14 Secretary, after observing the qualification of the succeeding sections; *Provided further*,
15 That management agreements shall not be issued in favor of any person covering
16 ancestral domains/ancestral lands without the free, prior and informed consent of the
17 concerned ICCs/IPs and the recognition and protection of ICCs/IPs rights under
18 pertinent laws;

19

20 Current valid and subsisting licenses, contracts, or agreements granted by the
21 government for the development, management, and utilization of forest resources
22 within protection forestlands shall be allowed to continue under the same terms and
23 conditions until their expiry; *Provided*, That no cutting or felling of trees shall be
24 allowed within the said protection forestlands, *Provided further*, That such agreements

1 issued within ancestral domains should have had the free, prior, and informed consent
2 of the ICCs/IPs involved, otherwise, such license, contracts or agreements shall be
3 cancelled and revoked for violating the rights of said ICCs/IPs.
4

5 All agreements entered into pursuant to this section shall be subject to the approval of
6 and monitoring by the LGU, *Provided further*, That all applications and approved
7 agreements shall be posted in public places.
8

9 **SECTION 53. *Terms and Conditions of Agreements.*** — The Department, in
10 coordination with the LGUs, and, having undergone multi-stakeholder consultations
11 shall formulate rules and regulations covering the relevant terms and conditions thereof.
12

13 **SECTION 54. *Minimum Conditions for the Issuance of Co-production, Joint***
14 ***Venture and Production Sharing Agreement.*** — The following provisions shall be the
15 minimum conditions for the issuance of co-production, joint venture and production
16 sharing agreement:
17

- 18 a. The holder is a Filipino citizen;
- 19 b. The agreement holder shall furnish the necessary management, technology
20 and financial services when required, as determined by the Secretary;
- 21 c. Provision/s for government share of revenues and the manner of payment
22 thereof;
- 23 d. Provision/s on consultation and arbitration with respect to the interpretation
24 of the agreement;

- 1 e. Provision/s for anti-pollution and environmental protection measures;
- 2 f. Provision/s prescribing the preferential use of indigenous tree species for tree
- 3 plantations *Provided*, that in case of protections forestlands, only indigenous
- 4 tree species shall be used;
- 5 g. Provision/s for an effective monitoring scheme to be implemented by the
- 6 LGU, which shall include, but shall not be limited to periodic inspection of all
- 7 records and books of account of the agreement holders;
- 8 h. Commitment to community development including capacity building of local
- 9 stake holders;
- 10 i. The submission of a management and development plan to be approved by the
- 11 LGU; and,
- 12 j. Other provisions that the LGU shall impose, upon the recommendation of the
- 13 Director of the FMB, that will improve and sustain the development and
- 14 management of the forestlands and its resources, which shall include, among
- 15 others, a projection of annual income and revenues generated, to be used as
- 16 basis in the determination of government shares.

17

18 **SECTION 55. *Transfer.*** — No holder of a co-production, joint venture, or production

19 sharing agreement or contract shall sub-contract, transfer, exchange, sell or convey the

20 same or any of his right or interests therein without a written authority from the LGU.

21 Moreover, no transfer shall be authorized unless the agreement or contract has been in

22 existence and active for at least three consecutive years from issuance thereof:

23 *Provided*, That the transferor has faithfully complied with the terms and conditions of

24 the said agreement or contract; the transferee has all the qualifications and none of the

25 disqualifications to hold the same; and the transferee shall assume the obligations of the

1 transferor. Failure to comply with these conditions shall be sufficient cause for the
2 cancellation of the agreement or contract; *provided further*, that if such agreement
3 covers ancestral domains/ancestral lands, the free, prior and informed consent of the
4 ICCs/IPs involved with regard to such transfer shall be secured, otherwise, said
5 agreement shall be cancelled.

6

7 **SECTION 56. *Non-Timber Forest Products.*** — Rattan, bamboos, vines, herbs,
8 exudates and other non-timber forest products are integral parts of the forest ecosystem.
9 The planting and sustainable management of non-timber producing species shall be
10 encouraged and supported, *Provided*, That they are indigenous species. The
11 development, management and utilization of non-timber forest products shall be
12 allowed in accordance with the FLUP, and corresponding laws and regulations
13 enforced by the LGU and consistent with guidelines to be promulgated by the
14 Department in compliance with national and international policy or agreements.

15

16 **SECTION 57. *Priority to Harvest, Utilize, Gather or Collect NTFP.*** — In granting
17 permits to harvest, utilize, gather or collect non-timber forest products, in their natural
18 or original state from forestlands, priority shall be given to forest resident families,
19 local communities, and indigenous peoples living nearest the subject forestlands;
20 *Provided*, That the wildlings collected from the forests shall be utilized for nursery
21 establishments, research and development and shall be subject to guidelines formulated
22 in the establishment of nurseries

23

1 **SECTION 58. *Silvicultural and Harvesting System.*** — The Department shall
2 formulate the appropriate silvicultural and harvesting system and all measures shall be
3 taken to achieve an approximate balance between growth and harvest that is consistent
4 with the NBSAP. The use of forest products from production forestlands shall be
5 promoted and practiced.

6
7 **SECTION 59. *Mangrove forest.*** — Cutting in mangrove forests shall be prohibited.
8 The Department shall formulate a program for the restoration of mangrove forests and
9 shall promote strategies that are consistent with biodiversity conservation or enhance
10 biodiversity.

11
12 **SECTION 60. *Grazing.*** — Land for grazing purposes shall only be limited to
13 production forestlands. The Department shall identify and delimit areas suitable for
14 grazing purposes: *Provided*, That no forestland fifty percent (50%) in slope or over may
15 be utilized for grazing purposes: *Provided also*, That vegetation should be sufficient for
16 livestock prior to the grant of such permits, *Provided, further*, That existing pasture
17 lease agreements or forestland grazing lease agreements shall be allowed to continue
18 under the same terms and conditions until their expiry: *Provided also*, That burning of
19 grass for the purpose of grazing shall be prohibited; *Provided, finally*, That abandoned
20 or idle, expired, or cancelled grazing or pasture lands shall be subject to land use
21 capability assessment and or land use suitability assessment to determine their best use
22 or combination of uses. No new grazing or pasture permit, lease, or contract shall be
23 issued, nor existing ones allowed to continue unless covered by existing rules and

1 regulations governing the Philippine EIS System and subject to provisions in this Act.
2

3 Existing pasture lease agreements or forestland grazing lease agreements shall be
4 subject to review and monitoring by the LGU. Recommendations resulting from the
5 review shall be given primary basis for actions.
6

7 Applications for new pasture lease agreements or forestland grazing lease agreements
8 shall be reviewed and approved by the LGU and be covered by existing rules and
9 regulations governing the Philippine EIS System and subject to provisions of this Act.
10

11 **SECTION 61. *Mining and Power Generation Operations in Forestlands.*** — Forest
12 resources inside mineral reservations and permitted areas and their management and
13 utilization are subject to the provisions of this Act. Power generation and small-scale
14 mining operations in forestlands, except in protection forestlands may be allowed only
15 after the issuance of an ECC and in compliance with other relevant laws. Mining and
16 power generation shall not be allowed in protection and restoration areas, *Provided,*
17 That micro-hydro or other renewable energy device may be allowed subject to the
18 provisions of this Act.
19

20 **SECTION 62. *Roads and Other Infrastructures.*** — Roads and other infrastructure,
21 including the development of mineral reservations and energy resources inside
22 forestlands, shall be constructed with the least impairment to the resource values and
23 with the least impact and disturbance to biodiversity of the area found in such
24 forestlands. Government agencies and their contractors undertaking the construction of

1 roads, bridges, communication and other infrastructure facilities and installations inside
2 forestlands shall seek prior authority from the Department and shall comply with
3 existing rules and regulations governing the Philippine EIS System, *Provided*, That no
4 roads or other infrastructure shall be constructed in protection forestlands.

5
6
7 **CHAPTER VIII**
8 **WOOD-BASED INDUSTRIES**

9
10 **SECTION 63. *Establishment and Operations of Timber-Based Industries.*** —The
11 State, through the Department, may promote the establishment, operation, and
12 development of timber-based industries only in production forestlands.

13
14 **SECTION 64. *Incentives for Timber-Based Industries.*** — All agreements pertaining
15 to timber-based industries shall also be subject to review by the Department under
16 procedures to be formulated by the Department with mandatory consultation with
17 stakeholders. The following incentives are hereby granted in addition to those already
18 provided by law:

- 19
20 a. All processing plants or mills shall be assured of their supply of raw
21 materials, preferably but not exclusively from local sources;
22 b. All processing plants or mills shall be granted operating permits for five (5)
23 years renewable for another five (5) years: *Provided*, That permits for

1 processing plants owned or operated by holders of timber plantation agreements
2 or contracts shall be co-terminus with said agreements or contracts.
3

4 Warranties to and agreements with existing integrated forest-based plants to ensure the
5 availability of raw materials shall be subject to the process for as long as such
6 integrated plants are operating. Agreements or licenses over production forestlands
7 granted to timber-based plants shall not be automatically converted into any mode
8 authorized in this Act. Holders of expired agreements may apply for a new permit,
9 license or agreement subject to the provisions of this Act. Permit holders are allowed a
10 period of twenty-five (25) years, renewable for another twenty-five (25) years, for a
11 maximum of fifty (50) years. Expansion in capacity of timber-based plants shall be
12 encouraged and the same shall be given priority access to production forestlands and
13 other areas available for development as source of raw materials.
14

15 **SECTION 65. *Export and Sale of Locally Produced Wood Products.*** — No natural
16 grown trees shall be cut, gathered, harvested or removed from forests. Logs, lumber
17 and other finished products from forest plantations shall be exported only under such
18 guidelines as the Secretary may promulgate and certified as coming from the
19 production forestlands by LGUs. A certification process shall be formulated by the
20 Department in consultation with key stakeholders.
21

22 **SECTION 66. *Compliance of Grading Rules.*** — No person shall sell or offer for sale
23 any log, lumber, veneer, plywood or other manufactured wood products in the
24 international or domestic market without complying with the grading rules established

1 by the government. Failure to adhere to the established grading rules and standards, or
2 any act of falsification on the volume of logs, lumber, veneer, plywood or other wood
3 products sold in the international or domestic market shall be sufficient cause for the
4 cancellation of export license, wood processing permit, or other license or permit
5 authorizing the manufacture or sale of such products.

6
7 **SECTION 67. *Importation and Sale of Logs and Other Forest and Wood Products.***

8 — Logs, lumber, and other forest- and wood-based products may be imported to the
9 country subject to the authorization of the Secretary and to the tariff and duties under
10 Presidential Decree No. 1464 as well as quarantine regulations. Any product
11 manufactured or re-manufactured out of imported forest and wood materials shall be
12 allowed to be sold in the domestic or international market: *Provided*, That the grading
13 rules and standards therefore are complied with, otherwise the sanctions in Section 69
14 hereof shall be imposed.

15

16

17

CHAPTER IX

18

CHARGES, FEES AND GOVERNMENT SHARE

19

20 **SECTION 68. *Fees and Government Shares for the Utilization, Exploitation,***
21 ***Occupation, Possession of and Activities within Forestlands.*** — The Department shall
22 prescribe appropriate government shares, including and rentals for the different kinds of
23 utilization, exploitation, occupation, possession, or activities within forestlands:
24 *Provided*, That payment of or collection of such fees and rentals shall be waived for

1 parties/industries mandated by law to manage, conserve, develop and protect
2 forestlands and forest resources found therein, except administrative fees for the filing
3 and processing of applications for the issuance and renewal of licenses, permits, and
4 agreements: *Provided, further,* That watershed administrators and/or service contractors
5 that have forest management agreements with the Department as provided for under
6 Section 84 of this Act shall also be entitled to the waiver of fees, except administrative
7 fees.

8
9 The state shall collect government shares from income, rentals or other fees, as owner
10 of the resource and for its regulatory function. The guidelines to be formulated should
11 ensure equitable sharing between the national government and LGUs.

12
13 The Department may prescribe appropriate and equitable fees for the use of water and
14 other forest resources by parties/industries concerned for power generation, domestic
15 and industrial irrigation, carbon sequestration and biodiversity benefits respectively, by
16 parties/industries concerned taking into consideration natural resource valuation in the
17 assignment of fees and ensuring equitable sharing of benefits between concerned
18 national government agency and LGU.

19
20 **SECTION 69. *Timber Charges.*** There shall be collected charges on each cubic meter
21 of timber cut in forestlands, using direct and indirect values, whether belonging to the
22 first, second, third or fourth group, twenty-five percent (25%) of the actual freight of
23 board (FOB) market price based on species and grading: *Provided, however,* That, in
24 the case of pulpwood and matchwood cut in production forestland, forest charges on

1 each cubic meter shall be ten percent (10%) of the actual FOB market price.

2

3 **SECTION 70. *Charges on Firewood, Branches and Other Recoverable Wood Wastes***

4 ***of Timber.*** — There shall be collected timber charges of one percent (1%) of the

5 market price on each cubic meter of firewood cut in production forestlands, branches

6 and other recoverable wood wastes of timber, such as timber ends, tops and stumps,

7 when used as raw materials for the manufacture of finished products, *Provided*, That

8 the cuffing of all mangrove species shall be prohibited, *Provided further*, That only

9 third of fourth group wood may be taken for firewood, *Provided finally*, That, if jointly

10 authorized by the Secretaries of both the Department and the DA, first and second

11 group woods may be removed from land which is more valuable for agriculture than for

12 forest purposes, subject to the charges in the preceding section.

13

14 **SECTION 71. *Charges on Non-Timber Forest Products.*** — All other forest products

15 of forestlands which are not covered by the preceding section shall be exempted from

16 any or all forest charges, except rattans, gums resins, beeswax, gutta-percha, almaciga,

17 resin, bamboo, vines, herbs, exudates and other species with commercial value, which

18 shall be charged at ten percent (10%) of the actual FOB market price.

19

20 **SECTION 72. *Determination of Market Price of Timber and Non-limber Products.***

21 — The actual FOB market price of timber products shall be justly determined once a

22 year by the Secretary: *Provided*, that the Secretary shall cause the creation of a

23 committee to be composed of representatives of the Department, the National

24 Economic and Development Authority, the Department of Trade and Industry, the

1 Bureau of Internal Revenue and the wood and furniture industry and consumers, LGUs,
2 academe, NGOs and other concerned sectoral representatives which shall formulate the
3 criteria and/or guidelines in the determination of the actual FOB market price taking
4 into consideration direct and indirect values to be used as the basis for the assessment
5 of the *ad valorem* tax, taking into consideration production cost (developing cost,
6 contingencies, and miscellaneous cost), species and grade of timber, government share,
7 reforestation, tariff duties, taxes, risk involved, and a reasonable margin of profit for
8 domestic and export market prices for timber and timber products.

10 Timber charges shall also be applied to naturally growing timber and timber products
11 gathered from alienable and disposable lands and private lands. Timber charges
12 collected shall be in lieu of the administrative charge on environment and other fees
13 and charges imposed thereon: *Provided*, That planted trees and other timber products
14 harvested from industrial timber plantations and private lands covered by existing tiller
15 or by approved land application are exempted from payment of timber charges.

17 The duties incident to the measuring of timber products and the invoicing and
18 collection of the charges thereon shall be discharged by the LGU who shall likewise
19 provide for the time, manner, and place of payment of such charges under regulations
20 of the Department.

22 **SECTION 73. Fees for Administrative Services Rendered by the Department.** —
23 Reasonable fees shall be collected for various services rendered by personnel of the
24 Department in connection with their duties and responsibilities as may be requested by

1 interested parties, including but not limited, to surveying, mapping and other similar
2 service activities: *Provided*, That administrative fees shall be waived for services
3 rendered to local communities or indigenous peoples in the preparation of their
4 management plans, *Provided further*, That a percentage of the fees collected shall
5 support the furtherance of formal forestry education.

6
7 **SECTION 74. *Forest Conservation and Development Fund (FCDF).*** — A Forest
8 Conservation and Development Fund (FCDF) to be administered by the LGU is hereby
9 established to provide sustainable funds for forest protection, restoration and
10 appropriate trees along the road/highway or irrigation canals as landscaped areas every
11 twenty-five (25) kilometers thereof, whenever appropriate, and shall provide adequate
12 funds for this purpose. Each city and municipality shall also allocate adequate funds for
13 the planting, care and maintenance of trees or perennial shrubs in ‘greenbelts’ or ‘green
14 spaces’ such as road/street sides, center islands, among others.

17 **CHAPTER XI**

18 **PROTECTION**

19
20 **SECTION 77. *Assistance of Law Enforcement Agencies.*** — The LGUs and the
21 Department may call upon law enforcement agencies and instrumentalities of the
22 Government such as the Philippine National Police (PNP), the Armed Forces of the
23 Philippines (AFP), and the National Bureau of Investigation (NBI) for the

1 enforcement of the forest-related laws, rules and regulations.

2

3 **SECTION 78. *Role of Local Residents.*** — It shall be incumbent upon LGUs
4 concerned to render assistance in protecting and conserving forestlands within their
5 respective territorial jurisdiction. Qualified local residents may be deputized by the
6 LGUs to assist in the drive against illegal logging, *kaingin-making* and forestland
7 occupation. These deputized residents shall likewise be authorized to arrest forest
8 violators within their communities subject to existing laws and regulations on arrest and
9 detention. The LGUs shall provide assistance to these deputized residents in cases
10 instances of citizens' arrests.

11

12 **SECTION 79. *Prevention of Forest Fires.*** — The concerned LGUs, in cooperation
13 with the Bureau of Fire Protection (BFP) and the Department, shall formulate and
14 implement a fire prevention and control program.

15

16 **SECTION 80. *Control of Forest Pests and Diseases.*** — The Department shall
17 likewise formulate and implement a national integrated forest pest and disease
18 management program including quarantine procedures for imported forest seeds and
19 forest products to prevent, minimize or control forest pests and diseases or the
20 introduction of genetically modified organisms in the reforestation strategies.

21

22 **SECTION 81. *Information and Rewards System.*** — The LGU shall establish an
23 information and rewards system as part of the community's participation in the
24 protection of forest resources. The rewards shall be payable immediately upon the

1 establishment of *prima facie* proof of violation. When an information given leads to the
2 seizure of logs or timber and other forest product and results in a conviction, the
3 informer shall also be entitled to twenty percent (20%) of the gross value of the
4 recovered or seized forest resource. The implementation of the rewards system shall be
5 in collaboration with the Department, the Forest Management Board and the Philippine
6 National Police.

7

8

9

CHAPTER XII

10

RESEARCH, EDUCATION, TRAINING AND EXTENSION

11

12

SECTION 82. *Research and Technology Development Transfer.* — Research and

13

technology development transfer shall be strengthened to support sustainable

14

management of forest resources. The Department, the Department of Science and

15

Technology (DOST), the Commission on Higher Education (CHED), and the State

16

Universities and colleges shall, within one (1) year from the passage of this Act,

17

prepare a comprehensive sustainable national forestry and environmental research and

18

technology development and transfer program in furtherance of sustainable forest

19

management which shall be implemented, monitored, and reviewed in accordance with

20

existing research management systems. Adequate and sustainable funds to implement

21

research and technology development plans and transfer program shall be provided by

22

each of the aforementioned agencies and institutions under the General Appropriations

23

Act.

24

1 Appropriate funds shall be allotted for research and development.

2

3 **SECTION 83. *Public Information, Education and Advocacy Campaign.*** — With the
4 support from LGUs, NGOs, media and other organizations, the Department, the
5 Philippine Information Agency (PTA), the Department of Education (DepEd), CHED,
6 State-owned and private universities and colleges shall formulate and implement a
7 nationwide program for sustained public information and advocacy campaign for forest
8 and natural resources conservation and sustainable forest development and
9 management. The DepEd shall include subjects on environment, forest and natural
10 resources in the curricula for elementary and high school education. The CITED shall
11 likewise include mandatory ecology and environment courses in the general education
12 curricula. Congress shall allocate funds to the Department for the purpose of
13 coordinating a systematic campaign to promote community ecological awareness,
14 including the preparation of informational and educational materials therefore.

15

16 Ten percent (10%) of the funds from revenues generated from the Forest Conservation
17 and Development Fund shall be allocated to the development of ecology and
18 environment course in the general education curricula.

19

20 **SECTION 84. *Formal Forest fry, Agroforestry and environmental Education.*** —

21 The CITED, in collaboration with the Department, the Board of Examiners for
22 Foresters of the Professional Regulations Commission (PRC), Philippines Forestry
23 Education Network, Philippine Agroforestry /education and Research Network,
24 Environmental Education Network of the Philippines and the duly accredited national

professional foresters organization shall actively pursue the rationalization of formal forestry education by assigning higher weights on non-timber extraction subjects. The licensure exam shall require minimum units on forest restoration related subject and the establishment of centers of excellence in forestry and environmental education to ensure high quality manpower output to meet the needs of the forestry sector and the country as a whole. The following areas shall be strengthened:

- a. Sustainable forest management
- b. Natural resource management
- c. Biodiversity conservation
- d. Wildlife conservation
- e. Wildlife management
- f. Entrepreneurship on non-timber forest resources
- g. Environmental laws
- h. Forest restoration technology
- i. Environmental science
- j. Community development

SECTION 85. *Continuing Education on Forestry.* — A non-formal program of continuing education shall be established to maintain the growth of the forestry profession. The PRC Board of Examiners for Foresters and the Civil Service Commission (CSC) shall provide the guidelines for a program in continuing education in forestry. In cooperation with academic institutions, the Department shall develop the infrastructures to institutionalize non-formal continuing education for the forestry

1 sector.

2

3 **SECTION 86. *Training Centers.*** — In coordination with TESDA, DepEd, CUED and
4 State Universities and Colleges (SUC5) and other relevant institutions, stakeholders
5 and local communities, the Department shall establish and institutionalize a network of
6 training centers in strategic parts of the country to provide regular and up-to-date
7 training on the various aspects of sustainable forest management and restoration to
8 forest guards, LGUs, NGOs, local communities, and indigenous peoples. Furthermore,
9 the Department shall ensure that personnel appointed to critical and sensitive positions
10 undergo training to prepare them to discharge their duties and responsibilities
11 professionally, efficiently and effectively.

12

13 **SECTION 87. *Policy Research and Development Network.*** — The Department
14 through the Ecosystem Research and Development Bureau (ERDB) and in
15 collaboration with the SUCs and private university and institutions shall form part of a
16 network to serve as the primary policy research and development center for forestry
17 and natural resources management. The Network shall perform its functions in close
18 coordination with the Department and other policy research institutions in the country.
19 It shall assist the Department in the formulation, review, and evaluation of proposed
20 and existing policies on forestry and natural resources management.

1 CHAPTER XIII

2 OFFENSES AND PENALTIES

3
4 **SECTION 88. *Non-Establishment of Tree Parks/Communal Forests.*** — Any city,
5 municipality or subdivision owner who fails to establish tree parks as provided in
6 Sections 76 herein shall be punished by a fine of not less than One Hundred Thousand
7 Pesos (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00). The
8 subdivision plan will not be given approval until guidelines have been formulated and
9 funds have been allocated for the purpose.
10

11 **SECTION 89. *Harvesting, Gathering and/or Collecting Timber or Other Forest***
12 ***Products Without Authority.*** — Any person who shall harvest, cut, gather, collect, or
13 remove timber or other forest products from any forestland, or timber from all
14 forestlands, whether protection or production forestlands, or inside alienable and
15 disposable public land and private lands except as provided, or forest resources in
16 alienable and disposable lands without authority from the Secretary or found to possess
17 the same without pertinent required legal documents shall be punished by
18 imprisonment ranging from *prison mayor* minimum period to *reclusion temporal*
19 minimum period and/or a fine equivalent to ten (10) times the value of the said forest
20 product but not less than Fifty Thousand Pesos (50,000.00): *Provided*, That in the case
21 of partnerships, associations or corporations, the president, managing partner, and
22 general manager shall be held liable, and if such officer is an alien, he shall, in addition
23 to the penalty, be deported without further proceedings on the part of the Bureau of
24 Immigration and Deportation. Offenders who are public officials shall be deemed

1 automatically dismissed from office and permanently disqualified from holding any
2 elective or appointive position.

3
4 All timber or any forest products cut, gathered, collected, removed, or possessed and all
5 the conveyances, machinery, equipment, implements, work animals, and tools used in
6 connection with this violation shall be seized and confiscated in favor of the State.

7
8 **SECTION 90. *Illegal Culling as an Act of Economic Sabotage.*** — Any of the acts
9 enumerated in the preceding section committed by an armed group or by any group
10 through organized and systematic manner, for commercial purposes, shall be
11 considered an act of economic sabotage punishable by *reclusion perpetua*.

12
13 The commission of any of the prohibited acts by two or more individuals with or
14 without the aid of any mechanical device shall constitute a prima facie evidence that the
15 act is organized and systematic.

16
17 Any permittee/agreement holder who shall buy logs from unlicensed loggers or
18 loggers operating without permits shall be considered in violation of this Act and, upon
19 conviction, shall also be punished with *reclusion perpetua*.

20
21 **SECTION 91. *Use of Illegally Cut Timber in Government Infrastructure Projects.*** —
22 Contractors of government infrastructure projects shall obtain certification from the
23 Department that the logs or lumber to be used therein were obtained from legitimate

1 sources. The use of illegally cut naturally grown timber from protection forests or
2 illegally cut timber from production forests in government infrastructure projects shall
3 be sufficient cause for the imposition of penalties provided in Section 88, on harvesting
4 of forest products without authority, and Section 89, on illegal cutting as an economic
5 sabotage, including the withholding of the payment to the contractor.

6
7 **SECTION 92. *Grazing Livestock on Forestlands Without a Permit.*** — Any person
8 found to have caused the grazing of livestock in forestlands and grazing lands without
9 an authority under a lease or permit to graze, upon conviction, shall be penalized with
10 imprisonment of not less than two (2) years nor more than four (4) years and a fine
11 equivalent to ten times the regular rentals due in addition to confiscation of the
12 livestock and all improvements introduced in the area in favor of the government, and
13 shall restore the affected area into the original state of the natural resource; *Provided,*
14 That in case the offender is a corporation, partnership, or association, the officer or
15 director thereof who directly caused or ordered such shall be liable. In case the offender
16 is a public officer or employee, he shall, in addition to the above penalties, be deemed
17 automatically dismissed from office and permanently disqualified from holding any
18 elective or appointive position in the government service.

19
20 **SECTION 93. *Unlawful Occupation or Destruction of Forestlands.*** — Any person
21 who, without authority from the Secretary, enters and occupies or possesses, or engages
22 in kaingin-making for his own private use or for others, any forestland or grazing land,
23 or in any manner destroys such forestland or part thereof, or causes any damage to the
24 timber stands and other forest product found therein, or assists, aids or abets another

1 person to do so, or sets a fire, or negligently permits a fire to be set therein, or refuses
2 lawful orders to vacate the area when ordered to do so shall, upon conviction, be
3 punished with penalties in the amount of not less than One Hundred Thousand Pesos
4 (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00) and
5 imprisonment of not less than six (6) years nor more than twelve (12) years for each
6 offense: *Provided*, That in the case of an offender found guilty of kaingin-making, the
7 penalty shall be imprisonment of not less than ten (10) years nor more than twelve (12)
8 years and a fine equivalent to eight times the regular forest charges due on the forest
9 products destroyed without prejudice to payment of the full cost of rehabilitation of the
10 occupied areas as determined by the Department: *Provided, further*, That the maximum
11 of the penalty prescribed herein shall be imposed upon the offender who repeats the
12 same offense, and double the maximum penalty upon the offender who commits the
13 same offense for the third time or more. In all cases, the court shall further order the
14 eviction of the offender from the area occupied and the forfeiture to the government of
15 all improvements made therein, including all vehicles, domestic animals and equipment
16 of any kind used in the commission of the offense. If not suitable for use by the
17 Department, said improvements, vehicles, domestic animals and equipment shall be
18 sold at public auction, the proceeds from which shall accrue to the FCDF. If the
19 offender is an alien, he shall be deported after serving his sentence and payment of
20 fines, without any further proceedings. An offender who is a government officer or
21 employee, shall, in addition to the above penalties, be deemed automatically dismissed
22 from office and permanently disqualified from holding any elective or appointive
23 position in the government service.

24

1 **SECTION 94. *Illegal Conversion of City or Municipal Parks, Communal Forests,***
2 ***and Tree Parks in Subdivisions.*** — Any person found to have converted or caused the
3 conversion of a city or municipal park or communal forest, or tree parks within
4 subdivisions established pursuant to Sec. 75 herein and Section 2 of Presidential Decree
5 No. 953, requiring the planting of trees in certain places, into other uses including the
6 construction of permanent buildings therein, or in any manner destroys or causes any
7 damage to the timber stands and other forest product found therein, or assists, aids or
8 abets another person to do so, or sets a fire, or negligently permits a fire to be set
9 therein, upon conviction, shall be penalized by imprisonment of six (6) years and one
10 (1) day to twelve (12) years or a fine of not less than One Hundred Thousand Pesos
11 (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00), or both fine
12 and imprisonment at the discretion of the Court. The offender shall likewise be imposed
13 a fine equivalent to eight times the commercial value of the forest products destroyed
14 without prejudice to payment of the full cost of rehabilitation of the areas as determined
15 by the Department: *Provided, further,* That the maximum of the penalty prescribed
16 herein shall be imposed upon the offender who repeats the same offense, and double
17 the maximum penalty upon the offender who commits the same offense for the third
18 time or more. The court shall further order the forfeiture to the government of all
19 improvements made therein, including all vehicles, domestic animals, and equipment of
20 any kind used in the commission of the offense. If not suitable for use by the
21 Department, said improvements, vehicles, domestic animals and equipment shall be
22 sold at public auction, the proceeds from which shall accrue to the FCDF. An offender
23 who is a government officer or employee, in addition to the above penalties, shall be
24 deemed automatically dismissed from office and permanently disqualified from holding

1 any elective or appointive position in the government service.

2

3 **SECTION 95. *Misdeclaration or Falsification of Reports on Forest Resource***

4 ***Inventory, Scaling, and Survey by a Government Official or Employee.*** — Any public
5 officer or employee who knowingly misdeclares or falsifies reports pertaining to forest
6 resource inventory, scaling, survey, and other similar activity which are contrary to the
7 criteria and standards established in the rules and regulations promulgated by the
8 Secretary therefor, after an appropriate administrative proceeding, shall be dismissed
9 from the service with prejudice to re-employment. Upon conviction by a court of
10 competent jurisdiction, the same public officer or employee shall further suffer an
11 imprisonment of not less than eight (8) years nor more than twelve (12) years and a fine
12 of not less than One Hundred Thousand Pesos (P100,000.00) nor more than Five
13 Hundred Thousand Pesos (P500,000.00) and the termination of license to practice
14 forestry if the offender is a professional or registered forester: ***Provided,*** That the
15 inventory, survey, scale, classification, and similar reports referred herein shall be
16 rendered null and void.

17

18 **SECTION 96. *Unlawful Operation of Sawmills.*** - Any person operating a sawmill or
19 mini-sawmill without authority from the Secretary shall be punished by a fine of not
20 less than Two Hundred Fifty Thousand Pesos (P250, 000.00) and confiscation of the
21 sawmill or mini-sawmill and complementary equipment in favor of the government for
22 appropriate disposition.

23

1 **SECTION 97. *Unlawful Operation of Wood Processing Plants and Downstream***
2 ***Industries.*** — Any person operating a wood processing plant or downstream forest-
3 based industry without authority from the Secretary, shall be punished by, upon
4 conviction by a court of competent jurisdiction, imprisonment of not less than eight (8)
5 years nor more than twelve (12) years and a fine of not less than Five Hundred
6 Thousand Pesos (P500,000.00) and confiscation of the wood processing plant and
7 complementary equipment in favor of the government. The Department shall
8 promulgate the necessary guidelines, subject to the provisions of this Act that will
9 define the terms and conditions for the operation of a wood processing plant and/or
10 other downstream forest-based industries.

11
12 **SECTION 98. *Prohibition on the Issuance of Tax Declaration on Forestlands.*** —
13 Any public officer or employee who issues a tax declaration for any purpose on any
14 part of forestlands, upon conviction, shall be penalized with imprisonment for a period
15 of not less than four (4) years nor more than eight (8) years and perpetual
16 disqualification from holding an elective or appointive office. The tax declaration shall
17 be considered null and void. Tax declarations within protection forestlands shall be
18 reviewed and be cancelled after due process.

19
20 **SECTION 99. *Unlawful Possession of Implements and Devices Used by Forest***
21 ***Officers.*** — Any person found possessing or using implements and devices used by
22 forest officers shall be penalized with imprisonment of not less than eight (8) years nor
23 more than twelve (12) years and a fine of not less than One Hundred Thousand Pesos
24 (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00) in addition

1 to the confiscation of such implements and devices and the automatic cancellation of
2 any license agreement, license, lease or permit.

3

4 Any forest officer who willingly allowed unauthorized person(s) to use these
5 implements and devices under his care shall be penalized with imprisonment of not less
6 than six (6) years and one (1) day to no more than twelve (12) years and a fine of not
7 less than One Hundred Thousand Pesos (P100,000.00) nor more than Five hundred
8 Thousand Pesos (P500,000.00).

9 In addition, the said forest officer shall be dismissed from the service with prejudice to
10 reinstatement and with perpetual disqualification from holding an elective or appointive
11 position.

12

13 **Section 100. *Unauthorized Introduction of Logging Tools and Equipment Inside***

14 ***Forestlands.*** — It shall be unlawful for any person or entity to possess, bring, or
15 introduce any logging tools or equipment inside forestlands without prior authority
16 from the Secretary or his duly authorized representative. Any person found guilty of
17 illegal possession of said logging tools or equipment shall be liable to imprisonment of
18 six (6) years and one (1) day to twelve (12) years or a fine of not less than One
19 Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand Pesos
20 (P500,000.00) or both imprisonment and fine, and confiscation of said logging tools and
21 equipment in favor of the government.

22

1 **Section 101. *Non-payment and non-remittance of Forest Charges.*** — Any person
2 who fails to pay the amount due and payable as forest charges to the government shall
3 not be allowed to transport, convey, sell, nor use timber or forest product. Moreover,
4 failure to pay within thirty (30) days upon assessment of forest charges shall be a
5 ground for confiscation of the said timber or forest product in favor of the government.
6 Any person who fails or refuses to remit to the proper authorities said forest charges
7 collectible pursuant to the provisions of this Act or the National Internal Revenue
8 Code, as amended, or who delays, obstructs or prevents the same, or who orders, causes
9 or effects the transfer or diversion of the funds for purposes other than those specified
10 in said Act shall, upon conviction, be imprisoned for not less than six (6) years nor
11 more than ten (10) years and fined from One Hundred Thousand Pesos (P100,000.00)
12 nor more than Five Hundred Thousand Pesos (P500,000.00). If the offender is a
13 corporation, partnership, or association, the officers and directors thereof shall be
14 liable.

15
16 **Section 102. *Institution of Criminal Action by Forest Officers.*** — Any forest officer
17 shall arrest any person who has committed to commit, or is committing in his presence
18 any of the offenses defined in this chapter. The tools, animals, equipment and
19 conveyances used in committing the offense, and the forest products cut, gathered,
20 taken or possessed by the offender in the process of committing the offense shall also
21 be seized and confiscated in favor of the government. The arresting forest officer shall
22 thereafter deliver within thirty-six (36) hours from the time of arrest or seizure both the
23 offender and the confiscated forest products, conveyances, tools, and equipment, or the
24 documents pertaining to the same, and file the proper complaint with the appropriate

1 official designated by law to conduct preliminary investigation and file information in
2 court. If the arrest and seizure are made in the forest far from the authorities designated
3 by law to conduct preliminary investigations, the delivery to and filing of the complaint
4 with the latter shall be done within a reasonable time sufficient for ordinary travel from
5 the places of arrest to the place of delivery. The seized forest products, materials,
6 conveyances, tools and equipment shall be immediately disposed of in accordance with
7 the regulations promulgated by the Secretary.

8

9 The Secretary may deputize any agency, barangay official, or any qualified person to
10 protect the forest and exercise the powers or authority provided for in the preceding
11 paragraph. Reports and complaints regarding the commission of any of the offenses
12 defined in this chapter not committed in the presence of any forest officer or any of the
13 deputized officers shall immediately be reported to the forest officer assigned in the
14 area where the offense was allegedly committed. Thereupon, the investigating officer
15 shall receive the evidence supporting the report or complaint and submit the same to the
16 appropriate official authorized by law to conduct a preliminary investigation of
17 criminal cases and file the information in court.

18

19 The Secretary of Justice shall designate in every city and province a special prosecutor
20 who shall file charges against forest violators to ensure their speedy prosecution.

21

22 **SECTION 103. *Liability of Custodian of Confiscated Forest Products.*** — Any public
23 officer who fails to produce the timber or forest products, including tools, conveyances,
24 equipment, and devices in his custody pursuant to a seizure *or* confiscation made

1 thereon, or who shall appropriate, take, misappropriate, or shall permit another person
2 to take such timber forest products wholly or partially, shall suffer the penalty provided
3 for in Article 217, on Malversation of Public Funds or Property, of the Revised Penal
4 Code. In addition, the said public officer shall be dismissed from service with prejudice
5 to reinstatement and with perpetual disqualification from holding any elective or
6 appointive office.

7

8

9

CHAPTER XIV

10

ADMINISTRATIVE PROVISIONS

11

12 **SECTION 104. *Strengthening of the Forest Management Sector.*** — In order to
13 effectively implement the provisions of this Act, the FMB shall be transformed into a
14 line bureau with functions clearly defined and enumerated under the implementing
15 rules and regulations of this Act. Only qualified environmental management
16 professionals and practitioners shall be appointed to the positions of Director and
17 Assistant Director and Regional Directors of the FMB as well as to all other positions
18 where the services of professional foresters are required in accordance with existing
19 laws and the relevant rules and regulations issued by the Civil Service Commission
20 (CSC) and the Professional Regulations Commission (PRC).

21

22 **SECTION 105. *Administrative Authority of the Secretary or his Duly Authorized***
23 ***Representative to Order Confiscation.*** — In all cases of violations of this Act or other

1 forest laws, rules, and regulations, the Secretary or his duly authorized representative
2 may order the confiscation of forest products illegally harvested, cut, gathered,
3 removed or possessed or abandoned, and all conveyances used either by land, water, or
4 air as well as all machinery, equipment, implements, and tools used in the commission
5 of the offense and to dispose of the same in accordance with pertinent laws, regulations,
6 or policies on the matter.

7

8 The Secretary may order that the sale of confiscated perishable forest resources at
9 public auction even before the termination of the judicial proceedings, following the
10 applicable Rules on Evidence, with the proceeds of such sale kept in trust to await the
11 outcome of the judicial proceedings.

12

13 No court of the Philippines shall have jurisdiction to issue any Writ of Replevin,
14 restraining order, or preliminary mandatory injunction in any case involving or growing
15 out of any action by the Secretary or his duly authorized representative in the exercise
16 of the foregoing administrative authority.

17

18 **SECTION 106. *Cancellation of Permits, Licenses, Agreements.*** — The Secretary
19 *moto proprio* or upon the filing of a petition, may cancel any permit, license or
20 agreement.

21

22 **SECTION 107. *Administrative Authority of the Secretary to Impose Fines.*** — In all
23 cases of violations of this Act and other forest laws, rules and regulations where fine is
24 the principal penalty, the Secretary is hereby authorized to impose administratively the

1 penalty consisting of the amount and the schedules of the fine which shall be officially
2 published in a national newspaper of general circulation.

3

4 **SECTION 108. *Authority of Forest Officers.*** — When in the performance of their
5 official duties, forest officers or other government officials or employees duly
6 authorized by the Secretary or deputized as such shall have free entry into areas
7 covered by a contract, agreement, license, lease or permit. Forest officers are authorized
8 to inspect and to open closed vans suspected to contain illegally harvested, collected or
9 transported forest product: *Provided*, That it is done in the presence of the shipper or
10 consignee or two (2) responsible public officials in the locality, *Provided further*, That
11 in cases where entry shall be in ancestral domains/ancestral lands, said persons shall
12 secure the free, prior and informed consent of the ICCs/IPs therein. Forest officers are
13 authorized to administer oath, take acknowledgment in official matters connected with
14 the functions of their office, or take testimony in official investigations conducted
15 under the authority of this Act and the implementing rules and regulations issued by the
16 Secretary pursuant thereof.

17

18 **SECTION 109. *Visitorial Powers.*** — The Secretary or his duly authorized
19 representative shall, from time to time, investigate, inspect, and examine records and
20 other documents except bank records related to the operation of any person granted the
21 privilege, contract, or agreement to utilize forest resources to determine compliance
22 with the terms and conditions stipulated in the grant, contract or agreement, this Act,
23 and pertinent laws, rules, and regulations.

24

1 **SECTION 110. *Transparency.*** — Records, agreements, applications and all other
2 pertinent documents as well as conditions to the same shall be made available to the
3 public at all times. Records pertaining to the specific limits of forestlands shall also be
4 made available to the public. Moreover, the Department shall furnish all provincial,
5 municipal and city government units copies of the maps of permanent forestlands
6 located within their respective territorial jurisdictions.

7
8 **SECTION 111. *Other Incentives.*** — Twenty percent (20%) of the value of confiscated
9 materials shall be used as incentives to informants, forest management council, forest
10 management boards, including Department personnel. They shall also be entitled to
11 free legal assistance should legal cases be filed against them in the performance of
12 official duties.

13
14 **SECTION 112. *Suits and Strategic Legal Actions Against Public Participation and***
15 ***the Enforcement of This Act.*** — Where a suit is brought against a person who filed an
16 action as provided in Section 113 of this Act, or against any person, institution or
17 government agency that implements this Act, there being no grave abuse of authority, it
18 shall be the duty of the investigating prosecutor or the court, as the case may be, to
19 immediately make a determination not exceeding thirty (30) days whether said legal
20 action has been filed to harass, vex, exert undue pressure or stifle such legal recourses
21 of the person complaining of or enforcing the provisions of this Act. Upon
22 determination thereof, evidence warranting the same, the court shall dismiss the case
23 and award attorney's fees and double damages. This provision shall also apply and
24 benefit public officers who are sued for acts committed in their official capacity, their

1 being no grave abuse of authority, and done in the course of enforcing this Act.

2

3 **SECTION 113. *Citizens' Suits.*** — For purposes of enforcing the provisions of this Act
4 or its implementing rules and regulations, any citizen may file an appropriate civil,
5 criminal or administrative action in the proper court against:

6

7 a. any person who violates or fails to comply with the provisions of this Act or
8 its implementing rules and regulations; or

9 b. the Department or other implementing agencies with respect to orders, rules
10 and regulations issued inconsistent with this Act; and

11 c. any public officer who willfully or grossly neglects the performance of an Act
12 specifically enjoined as a duty by this Act or its implementing rules and
13 regulations, or abuses his authority in the performance of his duty, or in any
14 manner, improperly performs his duties under this Act or its implementing rules
15 and regulations: *Provided, however,* That no suit can be filed until after a thirty-
16 day notice has been given to the public officer and the alleged violator
17 concerned and no appropriate action has been taken thereon.

18

19 The court shall exempt such action from the payment of filing fees, and shall, likewise,
20 upon *prima facie* showing of the non-enforcement or violation complained of, exempt
21 the plaintiff from the filing of an injunction bond for the issuance of a preliminary
22 injunction.

23

1 **SECTION 114. *Protection to Witnesses in Cases Involving Violation of Forestry***

2 ***Laws.*** — Witnesses to violations of this Act or other forestry laws and regulations,
3 including the immediate members of the family of said witnesses shall be given
4 protection, security and benefit, subject to the provisions of Republic Act No. 6981,
5 otherwise known as “The Witness Protection, Security and Benefit Act” and its
6 implementing rules and regulations.

7

8 **SECTION 115. *Rule-Making Authority.*** — In consultation with the NCIP, the DILG,
9 the Department of Finance, the leagues of provinces, cities, and municipalities, other
10 government agencies mentioned herein and other relevant stakeholders (i.e. academic
11 institutions, NOOS), the Department shall promulgate the implementing rules and
12 regulations within one (1) year from the effectivity of this Act.

13

14 **SECTION 116. *Congressional Oversight Committee.*** — There is hereby created a
15 Congressional Oversight Committee composed of seven (7) members from the Senate
16 Committee on Environment and Natural Resources and seven (7) members from the
17 House of Representatives Committee on Natural Resources. The Chairpersons of the
18 corresponding committees shall also be the Co-chairpersons of the Oversight
19 Committee.

20

21 The secretariat of the Oversight Committee shall be drawn from the existing secretariat
22 personnel of the committees comprising the oversight and the funding shall be taken
23 from the appropriations of both the House of Representatives and the Senate.

24

1 CHAPTER XV

2 FINAL PROVISIONS

3
4 SECTION 117. *Transitory Provisions.* — Upon the approval of this Act, the
5 Department shall evaluate the conditions of all forestlands covered by existing TLAs,
6 licenses, or permits and the like, which shall be allowed to continue until their expiry;
7 *Provided*, That cutting or felling of trees in forests shall be prohibited, *Provided*
8 *further*, that such TLA, license, permits and other instruments shall be terminated for
9 the following grounds:

- 10
11 a. When the licensee has been found to be a dummy of an otherwise disqualified
12 or unqualified person;
13 b. When the licensee has been found to be farming out the license or receiving
14 royalty of any kind;
15 c. When the licensee has been found to be cutting or operating outside the limits
16 of the license or within an area specifically designated or sub- classified by the
17 Department as protection forestland;
18 d. When the licensee has been found to be allowing illegally-cut Umber to be
19 invoiced under its license;
20 e. When the licensee has been found to be inducing any other person to log in
21 other areas in violation of the Department's regulations;
22 f. Failure to submit to the Department the required copies of auxiliary invoices
23 covering timber manifested under the license;
24 g. Failure to leave undamaged an adequate stand of young trees for residual

- 1 growing stock or for seeding purposes and to employ the necessary number of
2 laborers needed for timber management work;
- 3 h. When the licensee has, for the third time after written warning, intentionally
4 cut, injured or destroyed trees marked by forest officers and unmarked poles
5 and saplings for future growing stock, seeding, or protection;
- 6 i. Failure to employ the required number of concession guards as determined by
7 the Department;
- 8 j. Failure to protect the concession or license area or parts thereof from being
9 converted into *kain gin*, or from illegal timber cutting, and other forms of
10 trespass;
- 11 k. When the licensee has been found to have failed to put up the processing
12 plant for the area within the required period, when made a condition in the
13 award of the area and the grant of the license;
- 14 l. Failure to pay pending forest accounts;
- 15 m. Failure to maintain and make conspicuous the approved and established
16 boundaries of his concession or license area;
- 17 n. Failure to suspend operations within a conflicted area when so required by
18 the Department or its authorized representatives, pending final decision of the
19 conflict;
- 20 o. Allowing a contractor to operate the license area or concession; and
- 21 p. Violation of any of the terms and conditions of the license, the NIPAS Act
22 and its implementing rules and regulations, the Wildlife Resources
23 Conservation and Protection Act, or any of the provisions of law on internal
24 revenue and labor, and Department regulations.
- 25

1 Any of the violations enumerated above will be cause for the immediate cancellation of
2 the permit, timber license agreement or any other similar instrument.

3

4 *Provided*, That the Department shall immediately take control of the land and consult
5 with the concerned LGU and/or local communities for the proper management of the
6 area covered by the said cancelled permit, TLA or instrument.

7

8 **SECTION 118. Appropriations.** — The amount necessary to initially implement the
9 provisions of this Act shall be charged against the appropriations of the Department of
10 Environment and Natural Resources in the current General Appropriations Act.
11 Thereafter, such sums as may be necessary to fully implement the provisions of this
12 Act shall be included in the annual General Appropriations Act. For local government
13 units, the funding requirements shall be taken from their internal revenue allotment
14 (IRA) and other sources of income including the income derived from the shares from
15 the different modes of agreement.

16

17 **SECTION 119. Separability Clause.** — Should any provision herein be declared
18 unconstitutional or invalid, the same shall not affect the validity or legality of the other
19 provisions.

20

21 **SECTION 120. Repealing Clause.** — Subsections (b), (d), (e), (f), (g), and (i) of
22 Section 4 of Act No. 3915; Republic Act Nos. 460 and 7161; Presidential Decree Nos.
23 705, 1153, 1515, 1559, 1775 and 1998; Letter of instruction No. 818; Executive Order
24 Nos. 277, series of 1987, and Executive Order No. 725, series of 1981, are hereby

1 repealed, and all laws, orders, rules and regulations, or any part thereof which are
2 inconsistent herewith are likewise hereby repealed or amended accordingly: *Provided,*
3 That this Act shall not in any manner amend the IPRA, NIPAS law and the Wildlife
4 Resources Act.

5

6 **SECTION 121. *Effectivity.*** — This Act shall take effect thirty (30) days from the date
7 of its publication in the Official Gazette or in at least two (2) national newspapers of
8 general circulation.

9

10 Approved,