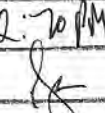


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Seventeenth Congress
First Regular Session

House Bill No. **1893**

HOUSE OF REPRESENTATIVES	
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Introduced by Representative Arthur R. Defensor, Jr.

EXPLANATORY NOTE

The Forest Resources Bill (FRB) seeks to establish a forest resource management system to ensure the continued and efficient use of forest resources by present and future generations. This work is the brainchild of Haribon Foundation in collaboration with its partner organizations in the forestry and biodiversity sectors, with the undersigned as one of the chosen principal sponsor in Congress. The FRB is a codification of ideals, principles, policy and programs resulting from years of work and advocacy of Haribon Foundation in the forestry and biodiversity sector. Haribon Foundation and its partners seek its realization as a piece of legislation that will protect and manage the most fundamental resource of all, our forest, through the representation of the undersigned principal author.

It is referred to as FRB to put in focus the forest as primary resource, the benefits derived from it, as well as the initiatives to ensure that future generations will continue to enjoy them.

Section 16, Article II, Section 2 of Article XII, and Sections 1 and 2, Article XIII of the 1987 Constitution provide:

“Sec. 10. The State shall promote social justice in all phases of national development.”

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“Sec. 16. The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.”

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“Sec. 2. All lands of public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy,

fisheries, forest or timber, wildlife, flora and fauna, and other natural resources are owned by the State. x x x The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. xx x”

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“Sec. 1. The Congress shall give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by diffusing wealth and political power for the common good.

To this end, the State shall regulate the acquisition, ownership, use, and disposition of property and its increments.

Sec. 2. The promotion of social justice shall include the commitment to create opportunities based on freedom of initiative and self-reliance.”

Indeed, the State as the principal steward of the natural environment has the supreme obligation to uphold the basic right of every citizen and future generations to a balanced and healthful ecology, and in pursuit of this, to manage our forest resource to meet the ends of social justice and national development. As aptly described by the Supreme Court in *Oposa vs. Factoran*:

“Such a right, as hereinafter expounded, considers the ‘rhythm and harmony of nature’. Nature means the created world in its entirety. Such rhythm and harmony indispensably include, *inter alia*, the judicious disposition, utilization, management, renewal and conservation of the country’s forest, mineral, land, waters, fisheries, wildlife, off-shore areas and other natural resources to the end that their exploration, development and utilization be equitably accessible to the present as well as future generations. Needless to say, every generation has a responsibility to the next to preserve that rhythm and harmony for the full enjoyment of a balanced and healthful ecology.”¹

Towards this end, it is imperative that legislation be passed on the management of our forest resources that truly puts flesh into the above-cited tenets of the 1987 Constitution. The FRB surely fills this need.

In its fundament, the FRB puts emphasis on the protection of our forests, especially the remaining forest cover, understood by its functional definition used in the bill. This is to ensure the basic objectives of environmental stability, conservation

¹ G.R. No. 101083, 30 July 1993; underscoring supplied.

of biological diversity, improvement of ecosystem functions and services, and long – term ecological and economic benefits.² The main features of the FRB are as follows:

1. The FRB adopts a functional definition of forest ;
2. The watershed continuum is recognized as the basic forest management unit. It is an area consisting of the watershed and its divide, including its connection from headwaters to the reef;³
3. Local Government Units (LGU/s), forest communities, including indigenous peoples, are given primordial roles in the management and utilization of forest resources; and
4. Forestry education is institutionalized in our educational system.

THE FRB ADOPTS A FUNCTIONAL DEFINITION OF FOREST.

The FRB adopts the definition of forest, *i.e.* an ecosystem, wherein trees are the dominant life form, as a community of plants and animals interacting with one another and its physical environment, and consisting of trees with overlapping crown of 60-100% forest cover.⁴ This definition is adopted from the United States National Vegetation Classification System.

The innovation under the FRB is that the forest is viewed as an ecosystem, sustaining varied plant and animal life, and maintaining varied biological functions. Truly what a forest should be. Verily, a forest cannot only be viewed as mere collection of trees.

The Department of Environment and Natural Resources (DENR) understands forest as an area having ten percent (10%) forest cover in half a hectare. This definition was adopted by the Philippines from the Food and Agriculture Organization (FAO) of the United Nations. This definition tends to give a false sense of our forest cover in that, it includes tree plantations and even highly degraded or completely barren lands which are expected to revert to forest over time. As a result, it can be said under such definition that forest area around the world increased by 300 million hectares, when in fact it did not.

THE WATERSHED CONTINUUM IS RECOGNIZED AS THE BASIC FORESTLAND MANAGEMENT UNIT.

² *Infra* at Sec. 3 (g) (iv).

³ *Infra* at Sec. 4 (aaaa).

⁴ *Infra* at Sec. 4 (aa).

The watershed continuum is an area consisting of the watershed and its divide, including its connection from headwaters to the reef.⁵ Forestlands shall be conserved, developed, and managed using the watershed continuum as the basic management unit, under the concepts of sustainable and multiple-use management, including the conservation of biodiversity. The FRB recognizes that watersheds are transitional and composed of various interconnected ecosystems. Everything is interconnected. It follows that whatever is done in one part of the watershed continuum affects the other parts.⁶

LOCAL GOVERNMENT UNITS, FOREST COMMUNITIES, INCLUDING INDIGENEOUS PEOPLES, ARE GIVEN PRIMORDIAL ROLES IN THE MANAGEMENT AND UTILIZATION OF FOREST RESOURCES.

The LGUs, forest communities and indigenous peoples are the ones directly affected by the state of their forests, making them immediate stakeholders in the management of the forestlands. For this, the FRB provides for a direct and strengthened role in forest management, for the LGUs and communities. More specifically, the FRB provides for the creation of Forest Management Board (FMB) at the municipal level. The FMB shall be composed of representatives from the DENR, concerned LGUs, and the different sectors.⁷ Likewise, there shall be a Forest Management Committee (FMC) at the municipal, provincial and regional development council level. Barangays embracing the same watershed continuum shall form an FMC under the Municipal Development Council. Cities and municipalities shall likewise form an FMC under the Provincial Development Council. While provinces within a continuum shall form an FMC under the Regional Development Council.⁸ A co-management agreement shall be executed by the DENR, the Department of Interior and Local Government, and the concerned LGUs to manage these forestlands.

In recognition of the State policy of encouraging non-governmental, community-based or sector organizations, and the promotion of the rights of indigenous cultural communities within the framework of national development⁹,

⁵ *Infra* at Sec. 4 (zzz).

⁶ *Infra* at Sec. 37.

⁷ *Infra* at Secs. 16 and 17.

⁸ *Infra* at Sec. 21.

⁹ CONSTITUTION (1987), Art. II, Secs. 22 and 23.

the communities dependent on the forests for survival, including, indigenous people, are given access even to timber products in protection forestlands, if such were harvested from designated woodlots for their daily needs. Otherwise, only non-timber forest products are allowed to be extracted from protection forestlands.¹⁰

FORESTRY EDUCATION IS
INSTITUTIONALIZED IN OUR
EDUCATIONAL SYSTEM.

The FRB advances the active pursuit of the institutionalization and rationalization of forestry education. Biodiversity conservation and sustainable forest management shall be included in school *curricula*. The Department of Education shall include subjects on environment, forest and natural resources in the *curricula* for elementary and high school education. The Commission on Higher Education shall include mandatory ecology and environment courses in the general education *curricula*, and shall actively pursue the rationalization of formal forestry education by assigning higher weights on such subjects.¹¹

The FRB provides for the formulation and implementation of a nationwide program for a sustained public information and advocacy campaign for forest and natural resource conservation and sustainable forest management.¹²

The licensure examination conducted by the government shall require minimum units on forest conservation and restoration related subjects. Centers for excellence in forestry and environmental education shall be established. This is to ensure high-quality manpower output which will meet the needs of the forestry sector.¹³

Continuing education in forestry shall also be institutionalized.¹⁴

Training centers in strategic parts of the country shall be established to provide regular and up-to-date training on the various aspects of sustainable forest management and restoration. Furthermore, it shall ensure that personnel placed in

¹⁰ *Infra* at Sec. 50.

¹¹ *Infra* at Sec. 86.

¹² *Ibid.*

¹³ *Infra* at Sec. 87.

¹⁴ *Infra* at Sec. 88.

sensitive positions undergo training to prepare them for the proper discharge of their duties and responsibilities.¹⁵

Forest resource management is institutionalized by the FRB to address the concern of a more professionalized management human resource, *i.e.* dynamic and people oriented forest service, strongly adhering to conservation principles.

In 1969, our forest cover forest was estimated to be at 69%. The DENR estimated it to be at 22% in 1988.¹⁶ As at 2005, the DENR estimates the country's forest cover to be at 7.2 million hectares or 24%. This figure derived using satellite images taken in 2002 and 2003 through a joint initiative of the Forest Management Bureau and the National Mapping and Resource Management Information Agency.¹⁷ A slight increase is recorded, but the figure 24% can give a false sense of our forest cover, because the definition of forest adopted by the DENR includes plantations and even highly degraded or completely barren lands which are expected to revert to forest over time.

Be that as it may, our forest cover is in a spiral going downwards. 24% forest cover is not enough, because our country needs more than that, in order that we can truly benefit from the environmental protection that our forests can give us. If the decline is not arrested we will lose our most important environmental heritage, which is the forest. Our survival will be threatened.

It is on the foregoing premises that the FRB should be realized as a piece of legislation of the country.

Respectfully submitted.



ARTHUR R. DEFENSOR, JR.

¹⁵ *Infra* at Sec at Sec. 89.

¹⁶ HARIBON FOUNDATION, A Primer on the Forest Resource Bill, pp. 1 and 2.

¹⁷ Michael T. Defensor, NATIONAL CONFERENCES PROCEEDINGS ON INTEGRATING CONSERVATION WITH LOCAL GOVERNANCE, State of the Philippine Forest (2005), p. 2.

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

Seventeenth Congress
First Regular Session

House Bill No. **1893**

Introduced by Representative Arthur R. Defensor, Jr.

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
2 of 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,
6 all forest resources found in untitled agricultural lands and in private lands:
7 *Provided,* That all forests and forest resources found in protected areas established
8 under the National Integrated Protected Areas System (NIPAS) shall be sustainably
9 managed and developed following the provisions of Republic Act No. 7586 or the
10 NIPAS Act of 1992: *Provided further,* That the rights of indigenous cultural
11 communities or indigenous peoples to their ancestral domains shall be respected.
12

13 All forestlands and forest resources therein under the administrative
14 jurisdiction of the Autonomous Region of Muslim Mindanao (ARMM) shall be
15 managed, developed and conserved in accordance with the Regional Sustainable
16 Forest Management Act of 2003 of the ARMM.
17

18 **Section 3.** *Basic Policies and Strategies.*
19

20 a. Pursuant to the provisions of the Constitution to promote the
21 general welfare and social justice in all phases of national development, to
22 protect and advance the right of the Filipino people to a balanced and
23 healthful ecology in accord with the rhythm and harmony of nature, and to
24 conserve and develop the patrimony of the nation, the State hereby adopts the
25 following policies relative to the management, development and conservation
26 of forests and the resources therein:

- 27 i. Within five (5) years from the passage of this Act, the
28 specific limits of forestlands shall be fixed and
29 demarcated and thereafter, shall not be altered except
30 through an Act of Congress; The Congress shall, as soon
31 as possible, also determine, by law, the specific limits of
32 forestlands and national parks, marking clearly their
33 boundaries on the ground. Thereafter, such forestlands
34 and national parks shall be conserved and may not be
35 increased nor diminished, except by law. The Congress
36 shall provide for such period as it may determine,
37 measures to prohibit logging in endangered forests and
38 watershed areas;
39
- 40 ii. The use and conservation of forest resources shall bear a
41 social, ecological, biological and economic functions,
42 responsibility, and accountability to promote the
43 common good of the present and future generations;
44
- 45 iii. The guiding principle in the sustainable and integrated
46 management, development, and conservation of forest
47 resources shall be focusing on these resources and on the
48 people who manage, conserve, and benefit from them;
49
- 50 iv. Biodiversity protection and conservation of wildlife
51 resources and their habitats, consistent with Republic Act
52 No. 9147 shall be a paramount consideration in forest
53 management.
54
- 55 v. Genetically Engineered (GE) and transgenic trees pose
56 the gravest of dangers to forest ecosystems and violate
57 the Convention on Biological Diversity.
58
- 59 b. The state shall protect the rights of indigenous cultural
60 communities/indigenous peoples to their ancestral domains to ensure
61 their economic and social and cultural well-being and shall recognize the
62 applicability of customary laws in governing property rights or relations
63 in determining the ownership and extent of ancestral domains;
64
- 65 c. The State shall promote social justice in all phases of national
66 development;
67
- 68 d. The State shall encourage non-governmental, community-
69 based, or sectoral organizations that promote the welfare of the nation;
70
- 71 e. The State shall ensure the autonomy of local governments;
72 and,

f. The State shall pursue an independent foreign policy. In its relations with other states, the paramount consideration shall be national sovereignty, territorial integrity, national interest, and the right to self-determination.

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

i. The watershed continuum as the basic forestland management unit- Forestlands shall be managed, developed and conserved utilizing watershed continuum as the basic management unit and under the principles of sustainable and multiple-use management, including conservation of biological diversity;

ii. Multi-sectoral participation- The participation of all direct and indirect, especially local, stakeholders in sustainable forestland conservation, management, and development shall be mandatory. Equitable sharing of the benefits derived from forestlands and the resources therein shall be ensured at all times;

iii. Community-based forest management (CBFM) as a principal strategy- Vesting access rights and responsibilities to forest resident or forest-dependent families, local communities, and indigenous peoples to undertake the management and development of appropriate forestland resources on a sustainable basis shall have precedence over other strategies;

iv. Protection of forests and natural resources as a priority concern- The protection of forests and the natural resources therein shall be given priority concern in order to ensure environmental stability, conserve biological diversity, improve ecosystem functions and services, and provide long-term ecological and economic benefits;

v. Reforestation as a priority measure- Reforestation shall be undertaken as a priority measure to restore the ecosystem functions and services of forests as well as improve the economic and ecological benefits of local communities concerned;

vi. Security of tenure of stakeholders- Pursuant to the principles of sustainable and multi-use forest management and equitable access to forest resources, a

secured tenure shall be guaranteed to stakeholders concerned; and

- vii. Professionalism in forest service - A dynamic, professional and people-oriented forest service strongly adhering to conservation principles shall be established and fully supported by the State.

Section 4. Definition of Terms. As used in this Act, the following terms shall be defined as follows:

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

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

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

d. "Ancestral Lands" refers to land occupied, possessed and utilized by individuals, families and clans who are members of the ICCs/IPs since time immemorial, by themselves or through their predecessors-in-interest, under claims of individual or traditional group ownership, continuously, to the present except when interrupted by war, force majeure or

displacement by force, deceit, stealth, or as a consequence of government projects and other voluntary dealings entered into by government and private individuals/corporations, including, but not limited to, residential lots, rice terraces or paddies, private forests, swidden farms and tree lots;

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

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

g. "Climate change" refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity;

h. "Commercial logging" refers to the cutting or felling of trees for the purpose of disposing the cut or felled logs for monetary profits beyond survival and subsistence;

i. "Communal forest" refers to a tract of forestland set aside and established for and under the protection, administration, and management of a city, municipality, or barangay as a source of wood material for fuel, shelter, and manufactured products; as source of water for the community; and as an area for ecotourism and/or environmental protection or socio-economic projects of local government units consistent with the policies and objectives of this Act and principles of sustainable development;

j. "Community-Based Forest Management Strategy" refers to the strategy to improve the well-being of forest dependent communities, and at the same time ensure sustainable management, rehabilitation and protection of forestlands and the resources therein, through the active participation of

211 various stakeholders;

212
213 k. "Conservation" refers to the planned protection and
214 management of forests, wildlife and other forest resources so as to prevent
215 waste and ensure future use;

216
217 l. "Conveyance" refers to any vehicle, vessel, device or animal
218 used in gathering and/or transporting forest products;

219
220 m. "Co-management agreement" refers to an agreement entered
221 into by the DENR and a local government unit/s to protect, restore, develop
222 or manage forestlands, including mangroves and its forest resources, within
223 the geographic jurisdiction of such local government unit/s consistent with
224 the provisions of this Act;

225
226 n. "Co-production agreement" refers to an agreement entered into
227 by and between a qualified person and the government, in accord with the
228 1987 Constitution, for the former to develop, utilize, and manage, consistent
229 with the principles of sustainable development, land or a portion of a
230 forestland wherein both parties agree to provide inputs and share the
231 products or their equivalent cash value;

232
233 o. "Critical habitat" refers to a place or environment where species
234 or subspecies naturally occur or has naturally established its population that
235 are crucial to the survival of a species and essential for its conservation;

236
237 p. "Critical watershed" refers to areas designated by the Secretary
238 pursuant to the Wildlife Resources Conservation and Protection Act and for
239 their ability to supply water for domestic, agriculture and/or industrial use;

240
241 q. "Degraded forests" refers to forests with varying degrees of
242 disturbance or loss of structure, function, species composition and
243 productivity of less than 60% forest cover;

244
245 r. "Delimitation" refers to the establishment of permanent
246 boundaries between forestlands, national parks/protected areas and
247 agricultural lands as a result of demarcation;

248
249 s. "Delineation" refers to the establishment of boundaries between
250 forestlands, national parks/protected areas and agricultural lands as a result
251 of a conduct of site investigation, reconnaissance and field verification in
252 accordance with the criteria set by the Department;

253
254 t. "Demarcation" refers to the establishment of boundaries using
255 visible markers, monuments or known natural features/landmarks, among
256 others, as result of the actual ground delineation;

257 u. "Denuded forestlands" refers to forestlands that are devoid of
258 forest tree cover;

259
260 v. "Department" refers to the Department of Environment and
261 Natural Resources (DENR);

262
263 w. "Environmental Impact Assessment" or "EIA" refers to the
264 process of predicting the likely environmental consequences of implementing
265 a project or undertaking and designing the appropriate preventive,
266 mitigating, or enhancement measures;

267
268 x. "Environmental Compliance Certificate" or "ECC" refers to the
269 document issued by the Department certifying that a proposed project or
270 undertaking will not cause a significant negative impact on the environment;
271 that the proponent has complied with all the requirements of the
272 Environmental Impact Assessment System; and that the proponent is
273 committed to implement its approved Environment Management Plan found
274 in the Environmental Impact Statement (EIS) or mitigation measures
275 identified in the Initial Environmental Examination (IEE);

276
277 y. "Environmental Impact Statement System" or "EIS System"
278 refers to the organization, administration, and procedures that have been
279 institutionalized pursuant to Presidential Decree No. 1586 for purposes of
280 assessing the significance of the effects of any project or undertaking on the
281 quality of the physical, biological, and social-economic environment and
282 designing the appropriate mitigating and enhancement measures;

283
284 z. "Environmentally Critical Project" refers to project or program
285 that has high potential for significant negative environmental impact;

286
287 aa. "Forest" refers to an ecosystem or an assemblage of ecosystems
288 dominated by trees and other woody vegetation; a community of plants and
289 animals interacting with one another and its physical environment. It shall
290 consist of trees with overlapping crown of 60-100% forest cover;

291
292 bb. "Forest guard" refers to any public officer who by the nature of
293 his appointment or the functions of the position to which he is appointed is
294 delegated by law and regulations or commissioned by competent authorities
295 to execute, implement or enforce the provisions of this Act and other related
296 laws and regulations;

297
298 cc. "Forest products" refers to goods and services derived from
299 forest such as, but not limited to, timber, lumber, veneer, plywood,
300 fiberboard, pulpwood, bark, tree top, resin, gums, wood oil, honey, bees wax,
301 nipa, rattan, or other forest growth such as grass, shrub and flowering plants,
302 the associated water, fish, game, as well as its scenic, historical, educational,

social and ecological value;

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

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

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

gg. "Genetic engineering" refers to genetic modification, or a special form of biotechnology in which a section of DNA from one organism is introduced into another, in which it does not naturally occur, in order to produce a genetically modified organism (GMO) with favorable properties based on the new combination of genes. The new genes in the transgenic organism may be from an entirely different type of organism, or from a closely related lineage.

hh. "Genetically modified organisms" or "GMOs" refers to organisms in which the genetic material has been altered in a way that does not occur naturally. GMOs can be bacteria, fungi, viruses, plants or animals, with the exception of human beings;

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

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

kk. "Indigenous Cultural Communities/Indigenous Peoples" or "ICCs/IPs" refers to a group of people or homogenous societies identified by self-ascription and ascription by others, who have continuously lived as organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language,

349 customs, traditions and other distinctive cultural traits, or who have, through
350 resistance to political, social and cultural inroads of colonization, non-
351 indigenous religions and cultures, became historically differentiated from the
352 majority of the Filipinos. ICCs/IPs shall likewise include people who are
353 regarded as indigenous on account of their descent from the populations
354 which inhabited the country, at the time of conquest or colonization, or at the
355 time of inroads of non-indigenous religions and cultures, or the establishment
356 of present state boundaries, who retain some or all of their own social,
357 economic, cultural and political institutions, but who may have been
358 displaced from their traditional domains or who may have resettled outside
359 their ancestral domains;

360
361 ll. "Industrial Forest Management Agreement" or "IFMA" refers to
362 a production-sharing contract entered into by and between the Department
363 and a qualified person, whether natural or juridical, wherein the former
364 grants to the latter the exclusive right and responsibility to invest in, develop,
365 manage, and protect a defined area of the production forestland, including
366 the establishment, management and utilization of industrial timber forest
367 plantation, consistent with the principle of sustainable development,
368 primarily to supply the raw material requirements of wood-based processing
369 and energy-related industries and wherein both parties share in the benefits
370 therefrom;

371
372 mm. "Industrial Tree Plantation" or "ITP" refers to any tract of land
373 planted mainly to timber producing species, including rubber and/or non-
374 timber species primarily to supply the raw material requirements of forest-
375 based industries, energy-generating plants, and related industries.;

376
377 nn. "Joint venture agreement" refers to an agreement where a joint-
378 venture company is organized by the State and another person for protection,
379 restoration and utilization, development and management of forestlands
380 consistent with the prescribed activities allowed under this Act, with both
381 parties having equity shares. Aside from earnings in equity, the State shall be
382 entitled to a share in the gross output;

383
384 oo. "*Kaingin*" refers to a portion of the forest land, whether
385 occupied or not, which is subjected to shifting and/or permanent slash-and-
386 burn cultivation having little or no provision to prevent soil erosion;

387
388 pp. "*Kaingin making*" refers to a process employed to establish a
389 *kaingin*;

390
391 qq. "Key Biodiversity Areas" refers to places of international
392 importance for the conservation of biodiversity;

393
394

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

ss. "National Park" refers to the land of public domain classified as such in the 1987 Philippine Constitution which includes all areas under the National Integrated Protected Areas System (NIPAS) pursuant to RA 7586, primarily set aside and designated for the conservation of native plants and animals, their associated habitats and cultural diversity;

tt. "Non-government organization" or "NGO" refers to a non-stock, non-profit, and voluntary organization;

uu. "Non-timber based industries" refers to various industries that are dependent on raw materials or products derived from forests such as, but not limited to, rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers or wild flora and fauna;

vv. "Non-timber charges" refers to the levy imposed and collected by government on various industries that are dependent on raw materials or products derived from forests such as, but are not limited to, rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers or wild flora and fauna, as well ecological and aesthetic services;

ww. "Non-timber forest products" refers to all products gathered from the forest that are not timber, which include, but are not limited to, rattan, bamboo, vine, herb, exudates, gum, resin, beeswax, gutapercha, and almaciga resin;

xx. "Permit" refers to a short-term privilege or authority granted by the State to a person to utilize any limited forest resource or undertake a limited activity within any forest land without any right of occupation, possession, and ownership therein;

yy. "Person" refers to a natural or juridical person, including local forest communities and/or indigenous peoples organized in accordance with law or custom;

zz. "Plantation forestry" refers to the planting of one or two species for the sole purpose of harvesting;

aaa. "Primary forest" refers to forest which have never been subject to human disturbance or has been so little affected by hunting, gathering and

tree cutting that its natural structure, function and dynamics have not undergone any changes that exceed the elastic capacity of the ecosystem;

bbb. "Processing plant" or "Processing mill" refers to any mechanical set-up, device, machine or combination of machines used for the conversion of logs and other forest raw materials into lumber, fiberboard, pulp, paper or other finished wood products;

ccc. "Production forestlands" refers to the forestlands defined under Sec. 8(b) of this Act;

ddd. "Production sharing agreement" refers to an agreement wherein the State grants a person/s, who provides all the necessary financing, technology, management and personnel, the exclusive right to conduct forestry development activities within but not title over, the contract area and shares in the production whether in kind or in value as owner of forest product therein;

eee. "Protected Areas" refers to identified portions of land and water set aside by reason of their unique physical and biological significance, managed to enhance biological diversity and protected against destructive human exploitation. They shall constitute the areas established under the National Integrated Protected Areas System (NIPAS) pursuant to RA 7586 and shall fall under the National Park classification of public domain;

fff. "Protection forestlands" refers to the forestlands defined under Sec. 8 (a) of this Act;

ggg. "Reforestation" refers to all land use activities directed towards restoration, establishment and sustained management using native species of diversified vegetation on denuded, degraded and/or marginal lands, including but not limited to the planting and tending of timber, orchard and multi-use trees;

hhh. "Reservation" refers to an area of the public domain reserved by law for a specific purpose;

iii. "Restoration" refers to the bringing back of the forestland to its original state in terms of species composition, structure, function and productivity;

jjj. "Restoration zones" refers to the area where restoration activities are conducted and where the original vegetation shall be restored;

kkk. "Road" refers to bulldozed land which is accessible by at least a two-wheel motorized vehicle;

487 III. "Rotation" refers to the number of years between the initial
488 establishment of a plantation and the time when it is considered ready for
489 harvesting;
490

491 mmm. "Secondary forest" refers to a former forest that was logged
492 over and is characterized by residuals;
493

494 nnn. "Secretary" refers to the Secretary of the DENR;
495

496 ooo. "Semi-finished wood products" refers to wood products
497 requiring final stages of manufacture and/or assembly such as, but not
498 limited to, window components, table tops, veneer, tongue and groove
499 planks, steps for stairs, and other similar products;
500

501 ppp. "Silvicultural practices" refers to any action by man to further
502 improve or enhance the stand growth as a whole or the single tree for future
503 harvest including assisted natural regeneration and tree surgery, among
504 others;
505

506 qqq. "Subdivision" refers to a tract or parcel of land partitioned into
507 individual lots, with or without improvements thereon, primarily for
508 residential purposes;
509

510 rrr. "Sustainable development" refers to development that meets the
511 needs of the present without compromising the ability of the future
512 generations to meet their own needs;
513

514 sss. "Sustainable forest management" or "SFM" refers to the
515 process of managing a forest to achieve one or more clearly specified
516 objectives of management with regard to production of continuous flow of
517 desired forest products and services without undue reduction of its inherent
518 values and future productivity and without undesirable effects on the
519 physical and social environment;
520

521 ttt. "Tenure" refers to the guaranteed peaceful possession and use
522 of specific forest land area and specific resources found therein, covered by an
523 agreement, contract, or grant which cannot be altered or abrogated without
524 due process;
525

526 uuu. "Timber-based industries" refers to industries that are
527 dependent on wood as the principal raw material including but not limited to
528 sawmilling, pulp and paper making, and plywood and veneer manufacturing
529 or the upstream wood-based industries, as well as the secondary and tertiary
530 wood processing or downstream industry such as moldings and furniture
531 manufacturing;
532

vvv. "Timber charges" refers to the levy imposed and collected by the government on timber products cut, harvested, or gathered from production forestlands and from alienable and disposable (A&D) lands in accordance with Republic Act No. 7161;

www. "Timber License Agreement" or "TLA" refers to a privilege granted by the State to a person to utilize forest resources within an area with the right of possession and occupation thereof to the exclusion of others except the government, but with the corresponding obligation to develop, protect, and rehabilitate the same in accordance with the terms and conditions set forth in the said agreement;

xxx. "Timber plantation" refers to a tree stand established by planting and/or seeding. The stand is either of introduced species (all planted stands), or an intensively managed stand of any indigenous species, which meets all the following criteria: one or two species at plantation, even-aged class, and regular spacing for the primary purpose of harvesting timber or any of its by-product;

yyy. "Transgenic" refers to a genetically modified organism (GMO) or genetically engineered organism (GEO) whose genetic material has been altered using genetic engineering techniques. It is the process of introducing an exogenous gene into a living organism so that the organism will exhibit a new property and transmit that property to its offspring;

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

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

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

cccc. "Wildlife" refers to wild forms and varieties of flora and fauna, in all developmental stages; and

vvv. "Timber charges" refers to the levy imposed and collected by the government on timber products cut, harvested, or gathered from production forestlands and from alienable and disposable (A&D) lands in accordance with Republic Act No. 7161;

www. "Timber License Agreement" or "TLA" refers to a privilege granted by the State to a person to utilize forest resources within an area with the right of possession and occupation thereof to the exclusion of others except the government, but with the corresponding obligation to develop, protect, and rehabilitate the same in accordance with the terms and conditions set forth in the said agreement;

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

cccc. "Wildlife" refers to wild forms and varieties of flora and fauna, in all developmental stages; and

579 dddd. "Woodlots" refers to a track or plot of land planted with fast
580 growing tree species basically for fuelwood purposes. Woodlot is the
581 major component in Rotational Woodlot Agroforestry Systems which aim
582 to satisfy house and regional fuelwood demand while reducing harvesting
583 pressure on local forests. Rotational Woodlot Agroforestry Systems
584 include the following components: (1) Establishment, which includes tree
585 and crop intercropping; (2) Fallow, which pertains to build up of wood
586 and soil fertility; and (3) Post-fallow, which pertains to wood harvesting
587 and sequential cropping.
588

589 CHAPTER II

590 CLASSIFICATION OF PERMANENT FORESTLANDS

591

592 Section 5. *Permanent Forestlands.* All forestlands currently classified as
593 such.
594

595 Section 6. *Instruments within Permanent Forestlands.* Titles, settlements,
596 permits, lease, and/or agreements within critical habitats, critical watershed areas,
597 protected areas, important biodiversity areas (IBAs), and key biodiversity areas
598 (KBAs), shall be reviewed, and its legality be determined. All erroneous titles,
599 settlements, permits, leases and/or agreements or non-compliance to and in
600 violation of provisions of agreements shall duly be cancelled or revoked; *Provided,*
601 That the applicable provisions of the Indigenous Peoples Rights Act of 1997 (IPRA)
602 shall be respected. The LGU, upon endorsement from the Forest Management Board
603 or *motu proprio*, shall recommend to the Secretary revocation of these instruments.
604 The Secretary, upon recommendation or *motu proprio* shall revoke such instrument.
605

606 Section 7. *Additional Areas to be Included as Permanent Forestlands.* The
607 following lands are needed for environmental protection and forestry purposes and
608 shall not therefore be classified as agricultural lands or for other land use:
609

610 a. Isolated patches of forest, regardless of size of area, with
611 rocky terrain or which protect a spring for communal use;
612

613 b. All mangroves and swamplands including twenty-meter
614 wide strips thereof facing oceans, lakes and other bodies of water not yet
615 classified as alienable and disposable lands;
616

617 c. Ridge tops and plateaus regardless of size found within or
618 surrounded wholly or partially by forestlands where headwaters emanate;
619

620 d. Twenty-meter wide strips of land from the edge of the
621 normal high waterline of rivers and streams with channels of at least five
622 (5) meters wide which are not yet classified as alienable and disposable;
623

e. Areas needed for other purposes of public interest such as research or experimental purposes and others; and

f. Areas considered environmentally critical because of their vulnerability to damage from landslides, volcanic eruptions, and other natural causes.

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

- a. Failure of the owner, after due notice, to implement appropriate soil and water conservation;
- b. Failure of the owner/s to comply with ECC requirements when required;
- c. The issuance of titles over such areas was accomplished through fraud, deceit, misrepresentations or other anomalies; or
- d. When public interest so requires.

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

Section 8. *Sub-Classification of the Permanent Forestlands.* The permanent forestlands shall be sub-classified into the following categories according to primary use;

- a. **Protection forestlands** shall consist of all natural and restored forests including areas identified as key biodiversity areas, critical habitats, freshwater, swamps, and marshes, all areas along the bank of rivers and streams, and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas, and forty (40) meters in forest areas, along their margins which are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage shall also be sub-classified as protection forestlands. All extractive industries such as,

669 but not limited to, logging and mining are banned in these protection
670 forestlands; *Provided*, That the provisions of the IPRA shall be respected;

671
672 b. **Production forestlands** shall be all forestlands not sub-
673 classified as protection forestlands defined in this Section, and shall be
674 devoted to the production of timber and/or non-forest products or the
675 establishment of industrial tree plantations, tree farms, communal forests,
676 agroforestry, grazing, or as multiple-use forests including water-based
677 energy areas such as but not limited to hydro and geothermal
678 reservations: *Provided*, That they shall be managed, developed, and
679 utilized in accordance with a LGU-approved management plan consistent
680 with the prescribed Forestry Master Plan and based on sustainable forest
681 management principles: *Provided, further*, That the department may change
682 the sub-classification of specific areas of production forestlands into
683 protection areas and recommend to Congress their establishment as part
684 of the integrated protected area systems in accordance with the NIPAS
685 Act, or as critical habitat under the Wildlife Resources Conservation and
686 Protection Act: *Provided finally*, That ancestral domains located within
687 protection and production forests shall be governed by customary laws;

688
689 c. **Restoration areas** are areas to be designated in the
690 management plan as such. Designation of a restoration area is
691 compulsory in all forest management plans.
692

693 **Section 9. Demarcation and delimitation.** Upon approval of this Act, the
694 Congress shall provide funds for the Department to demarcate on the ground the
695 actual land classification lines: *Provided*, That the Secretary, upon completion of the
696 actual assessment of the demarcated land classification lines, shall recommend to
697 Congress the delimitation of the forestlands found to be still suitable and capable for
698 its purpose, *Provided further*, That the Department shall submit an annual
699 accomplishment report and that within five (5) years, has caused the complete
700 demarcation and delimitation of land classification lines.

701
702 **Section 10. Availability of records.** Records pertaining to the specific limits of
703 forestlands shall be made available to the public upon request. Moreover, the
704 Department shall furnish all provincial, municipal and city government copies of the
705 maps of permanent forestlands located within their respective territorial
706 jurisdictions.
707

708 CHAPTER III 709 ADMINISTRATION AND MANAGEMENT OF 710 FORESTLANDS AND ITS RESOURCES 711

712 **Section 11. Jurisdiction and control of forestlands.** The Department shall be the
713 primary agency responsible for the conservation, restoration and the sustainable

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

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

Section 13. *Powers and Responsibilities of the LGUs.* Pursuant to the pertinent provisions of Republic Act. No. 7160 or the Local Government Code, LGUs shall share the responsibility in the sustainable management and utilization of forest resources within their territorial jurisdiction including those assigned by law to other government agencies. The LGU and the Department shall jointly undertake the preparation and implementation of forestland use and watershed continuum management plans, consistent with the Ancestral Domain Sustainable Development and Protection Plan (ADSDPP) and in consultation with other government agencies, local communities, non- government organizations and other sectors. Partnerships with LGUs and local communities are highly encouraged. Such plans shall be fully funded and made an integral component of the LGU's Comprehensive Land Use Plan (CLUP).

The devolved functions include, but are not limited to, the following:

- a. Implementation of community-based forestry projects, e.g. Community-based Forest Management Agreements;
- b. Establishment of reforestation projects except in protected areas and critical watersheds;
- c. Completed family and contract reforestation projects;
- d. Forest Land Management Agreements;
- e. Community Forestry Projects;
- f. Management and control of forests located in the LGU's jurisdiction;

- g. Management, protection, rehabilitation and maintenance of small watershed areas which are sources of local water supply as identified or to be identified by the DENR;
- h. Enforcement of forestry laws; and
- i. Prevention of forest fires, integrated pest management and protection against forest invasive species.

Section 14. *Multisectoral participation.* In formulating conservation and management plans and programs, multisectoral participation shall be required.

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

Section 16. *Forest Board.* A forest board (Board) shall be created at the Municipal level which shall be composed of a representative from the LGU and representatives of different sectors including but not limited to, women, farmers, fisherfolks, and indigenous peoples, and shall set the policy direction for the management, utilization and development of forestlands and resources found within their respective jurisdictions in accordance with the watershed continuum plan.

Section 17. *Functions of the Forest Board.* The Board shall be responsible for the over-all policy direction for the management of the forestlands and forest resources found within their respective jurisdictions in accordance with the provisions of this Act. It shall review and recommend implementation of programs and projects and perform oversight functions on matters pertaining to environment and natural resources. It shall also participate in the review and recommend relevant policies for the protection, conservation and restoration efforts within the continuum and ensure the contribution of the forestry sector to national economy, ecological sustainability and sustainable development closely adhering to the principles and action plans set under Philippine Agenda 21 and its revised versions. It shall moreover facilitate the initiation of the LGU's participation in the devolution program and shall monitor the transfer and implementation of devolved functions at the LGU.

Section 18. *Creation of a Municipal Environment and Natural Resources Office.* A Municipal Environment and Natural Resources Office (MENRO) is hereby created, including the position for the Municipal Environment and Natural Resources Officer. The LGU shall ensure that funds are available for the operations and salaries of personnel for this Office.

806 **Section 19.** *Qualifications of a Municipal Environment and Natural Resources*
807 *Officer.* The Municipal Environment and Natural Resources Officer should have a
808 background in planning, natural and environmental science, and should be civil
809 service eligible.

810 **Section 20.** *Functions of the MENRO.* The MENRO shall facilitate the
811 preparation of management plans. It shall recommend to the Board relevant policies
812 for the protection, conservation and restoration efforts within the continuum. It shall
813 evaluate applications for forest management agreements; monitor the performance
814 of holders of all tenurial instruments issued by the LGU and Department. The
815 MENRO may recommend to DENR appropriate action with regard to the
816 implementation of pertinent laws, rules and regulations. The MENRO shall exercise
817 visitorial powers over the forestlands.
818

819 **Section 21.** *Forest Management Committee within a watershed continuum.* A
820 forest management committee shall be created under the Municipal Development
821 Council. Municipalities/cities falling within the same watershed continuum shall
822 form a forest management committee within the Provincial Development Council.
823 *Provided further,* That provinces falling under the same watershed continuum will
824 create a committee within the Regional Development Council. These committees
825 shall be responsible for the preparation of the required overall management plans, in
826 relation to the direction set by their respective Forest Boards.
827

828 **Section 22.** *Forestlands under Other Government Agencies.* Forestlands and/or
829 portions thereof which have been assigned by law to the administration and
830 management of other government agencies for a specific purpose prior to the
831 passage of this Act shall remain under the administration and management of these
832 government agencies which shall be responsible for their conservation, protection,
833 and restoration. The Secretary and the concerned local chief executive or their
834 respective duly authorized representative shall exercise visitorial powers over these
835 forestlands. Moreover, these forestlands shall be administered in accordance with a
836 forest management plan embodied in the comprehensive forest management and
837 land use plan of the LGU, which shall be prepared by the concerned management
838 committee of the watershed continuum level within one (1) year from the effectivity
839 of this Act. Said multisectoral body shall periodically review, monitor, and evaluate
840 the implementation of the said management plan. *Provided,* That the harvesting of
841 forest resources and building of roads and other infrastructure therein shall be
842 undertaken only with the prior approval of the LGU upon the endorsement of the
843 local forestry boards, and after compliance with EIS and ECC requirements: *Provided*
844 *further,* That the LGU shall endorse to the Secretary who shall recommend to
845 Congress or the President of the Philippines the reversion to the LGU of the
846 jurisdiction and control over forestlands that are no longer needed nor used for the
847 purpose by which they have been constituted or in case the agency concerned fails to
848 rehabilitate, protect, and conserve the forestland resources in accordance with the
849 approved management plan. The LGU, in coordination with its forestry board and
850 consistent with the watershed continuum plan, shall determine the use of the
851

reverted forestlands.

Section 23. *Forest Resources within Alienable and Disposable Lands.* All forest resources planted or raised within alienable and disposable lands belong to the holder of the instrument giving rights to the claimant, who shall have the right to sell, contract, convey or dispose of the same subject to a certification process to be developed by the Department. The Department shall prepare the guidelines in coordination and cooperation with LGUs and multisectoral consultations. Holders of said instruments who register their forests lands for forestry purposes with the LGU shall be assisted in the preparation of a management plan consistent with the watershed continuum management plan, and shall be entitled to appropriate incentives provided under Section 44 herein, on reforestation in private lands; *Provided,* That alienable and disposable lands devoted to the planting and harvesting of forest resources shall remain subject to the provisions of Republic Act No. 6657 or the Comprehensive Agrarian Reform Law or any other similar law that may be enacted.

Section 24. *Forest Resources within Production Forestlands.* Resources, including non-timber forest products, its by-products and its derivatives, whether naturally growing, planted or raised, which have been taken or have been applied with some silvicultural practices, within production forestlands shall be issued the appropriate permit, agreement or clearance. Any declaration of forest resources as threatened shall be in accordance with the Wildlife Act and other relevant laws.

Section 25. *Lóggng in Production Forestlands.* To ensure the conservation and sustainable use of forest resources in production forestlands, holders of timber licenses, permits and/or agreements shall submit to the LGU an Integrated Operations Plan (IOP) containing strict environmental guidelines such as ECC compliance. All forest development activities such as logging, reforestation, timber stand improvement, forest protection, and delivery of community service within an area covered by timber concessions shall be consolidated under the IOP, which shall be prepared by or under the supervision of an accredited private registered forester whose signature and dry seal shall appear in the plan and the supporting documents submitted for this purpose.

Section 26. *Forest Resources within Protection Forestlands.* Only non-timber forest products shall be allowed to be extracted from protection forestlands and shall be issued the appropriate permit, agreement or license, *Provided,* that harvesting or gathering of timber for subsistence use of indigenous communities and forest communities shall be allowed but only in woodlots established by the communities. Any declaration of forest resources as threatened, and other restrictions shall be in accordance to the Wildlife Act.

Section 27. *Absolutely Prohibited Activities in Protection Forestlands.* Commercial logging, mining and other similar extractive activities such as but not limited to treasure hunting shall be absolutely prohibited in protection forestlands.

898 **Section 28.** *Review of Reservations within Protection Forestlands.* All
899 reservations made within protection forestlands shall be reviewed. Reservations
900 which are contrary to the provisions of this Act, including, among others, mineral or
901 settlement reservations, shall be withdrawn.

902
903 **Section 29.** *Commercial Logging Ban in Protection forestlands.* There shall be a
904 permanent ban on commercial logging activities in all protection forests defined,
905 categorized, and sub-classified in Section 8(a) herein. No licenses, permits, or
906 agreements to cut any timber therein shall be issued.

907
908 **Section 30.** *Protection Forestlands covered by Existing Permits, Licenses and/or*
909 *Agreements.* All existing permits, licenses and agreements shall be reviewed, and, if
910 protection forestlands are found within an agreement or licensed area, such
911 protection forestlands shall be immediately excised from said permit, license and/or
912 agreement, and the holder of the agreement or license shall establish a buffer zone
913 and delineate their boundaries with the production forestlands, marking the same
914 with concrete monuments, road, or infrastructure, or any other visible, permanent,
915 and practicable signs.

916
917 **Section 31.** *Duty of the License Permit-holder.* In coordination with the
918 concerned LGU, the agreement- or license-holders shall protect and conserve such
919 protection area following a plan consistent with the prescribed management plan for
920 key biodiversity areas or similar strategies by the Department. The agreement- or
921 license-holder concerned shall be accountable for the destruction of such protection
922 forestlands that did not result from *force majeure*, and such destruction shall serve as
923 basis, in addition to the other violations enumerated in this Act hereof, for the
924 termination or revocation of the agreement, license, or permit, and the filing of
925 proper charges under the NIPAS Act and pertinent forestry laws, rules and
926 regulations. In the absence of a contractor or agreement holder over such
927 production forestlands, the delineation of said boundary shall be undertaken and
928 prioritized by the Department.

929
930 **Section 32.** *Non-Extension of Timber License Agreements.* No extensions shall
931 be made on any existing TLA, and the area covered by the agreement shall
932 automatically be sub-classified as protection forestland after the representatives of
933 the Department, the LGUs concerned, the Department of Agrarian Reform, NGOs,
934 peoples' organizations, and other stakeholders had excluded degraded areas that
935 may be subject of a reforestation project.

936
937 **Section 33.** *Forest Resources within Ancestral Domains/Ancestral Lands.* When
938 forest resources are within ancestral domains/ancestral lands which are otherwise
939 production or protection forestlands, aside from the necessary permit, license or
940 agreement, the genuine free, prior and informed consent of the indigenous
941 communities shall also be secured, *Provided*, That if the indigenous communities will
942 themselves harvest these resources for their subsistence or survival use, the
943 provisions of IPRA shall apply and no permits shall be required as owners of such

resources, *Provided finally*, That, if the indigenous peoples will themselves harvest such resources for commercial purposes, they shall be subject to the same limitations and conditions as provided by this Act.

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

Section 34. *Mandatory EIA.* Any permit, license, agreement or any other instrument to develop or use forestlands or resources therein, including those found within ancestral domains/lands that would result in severe soil erosion or environmental degradation shall be subject to the provisions of Environmental Impact Assessment (EIA) in accordance with Presidential Decree No. 1151 or the Philippine Environmental Policy, Presidential Decree No. 1586, Establishing an Environmental Impact Statement System, and this Act.

CHAPTER IV FOREST MANAGEMENT PLANNING, MONITORING AND ASSESSMENT

Section 35. *Forestry Master Plan.* The Department shall periodically prepare the map, revisit or review the Forestry Master Plan in consultation with local stakeholders, and shall revise the said plan according to the provisions of this bill, taking also into consideration biodiversity conservation, carbon sequestration and other matters of the same import. The Forestry Master Plan shall be presented to all LGUs, and other stakeholders upon completion and shall be posted in conspicuous areas and made accessible to the public.

Section 36. *Sustainable Forest Management Planning.* Subject to vested or prior rights, the Department, in consultation and coordination with LGUs, other government agencies, local communities, non-government organizations, individual and corporate entities, private sectors, academic and research institutions, and other concerned sectors shall, within one (1) year from the effectivity of this Act, develop and adopt a sustainable forest management strategy for each well-defined watershed or other appropriate forest management unit based on criteria, indicators, and standards for sustainable forest management which, at their minimum, address the following requirements:

- a. Rational allocation of forestland uses and promotion of land use practices that increase productivity and conserve soil, water, and other forestland resources;
- b. Protection of existing forest resources and conservation of biodiversity;

- 989 c. Restoration of denuded areas, making use of indigenous tree
990 species for biodiversity conservation in protection forests and
991 buffer strips of water channels and bodies;
992
993 d. Establishment of tree plantations in production forest lands, private
994 lands, and alienable and disposable lands;
995
996 e. Enhancement of the socio-economic well-being of local
997 communities including indigenous peoples who are largely
998 dependent on the forest for their livelihood;
999
1000 f. Promotion of closer coordination between and among the
1001 Department, LGUs, other national agencies, non-government
1002 organizations, local communities, the private sector, academic and
1003 research institutions and other entities in the sustainable
1004 management of forestlands;
1005
1006 g. Adoption of community-based forest management as a principal
1007 strategy in the management of forestlands and resources; and,
1008
1009 h. Harmonization and integration of the forest management plan of
1010 forestlands and resources with other plans, such as the forest
1011 management plan and the land use plans of the LGUs, protected
1012 areas management plans in areas covered by the same, critical
1013 habitat management plan, barangay development plan, CLUP of
1014 cities and municipalities and physical framework plans of the
1015 provinces and the regional development plans, and be consistent
1016 with the ancestral domain management plans and protected area
1017 management plans areas covered.
1018

1019 The Department shall continue to adopt the Master Plan for Forestry
1020 Development subject to periodic review every five (5) years.
1021

1022 **Section 37. Watershed Continuum Management Strategy.** The Watershed
1023 Continuum Planning and Management Framework in Environment and Natural
1024 Resources shall be adopted. The strategy for improved watershed resources
1025 management shall be demand-driven, community-based, and multiple- and
1026 sustainable-use considering national priorities and concerns of local stakeholders.
1027 Watershed continuum management programs initiated by the government shall be
1028 guided by ecological, socio-cultural, economic, and institutional sustainability
1029 principles. A National Watershed Information System shall be developed to guide
1030 policy formulation, program development, and implementation of watershed
1031 continuum management initiatives. The Department in consultation with the LGUs
1032 shall identify the watershed continuum in the country and provide the maps for
1033 each.

1034 **Section 38. *Prioritization of watersheds.*** A system of prioritization of
1035 watersheds shall be pursued considering the following:

- 1036 a. Biodiversity and environmental enhancement;
- 1037 b. Cultural and historical value;
- 1038 c. Water supply for domestic, irrigation, power, industrial, and
1039 commercial use;
- 1040 d. Contribution to the economy; and
- 1041 e. Effect on downstream areas.

1042 **Section 39. *Forest Resource Database and Monitoring System.*** Areas identified
1043 by the Department as forests as defined under this Act shall be verified and
1044 validated by the Forest Development Center, including those within ancestral
1045 domains and lands. A centralized forestland resource database shall be made
1046 available to the public at all times, online if possible, which shall consist of
1047 comprehensive updated information on the physical, social, economic, biological,
1048 environmental and cultural components of the country's forestlands and shall
1049 include a log control monitoring or timber identification system to enable the
1050 Department and its field offices to track the movement or transfer of timber and
1051 other forest products from a forestland source to their end users. The Department
1052 shall conduct and/or update forest resource inventory at least once every five (5)
1053 years to ensure effective management.

1054 **Section 40. *Environmental Impact Assessment, Resource Accounting and***
1055 ***Valuation.*** All new environmentally critical projects to be implemented in
1056 forestlands, such as harvesting, grazing and other special uses, mineral prospecting
1057 and exploration, and road, infrastructure, and mill construction, shall be subject to
1058 Environmental Impact Assessment (EIA) in accordance with Presidential Decree No.
1059 1151 or the Philippine Environmental Policy, and Presidential Decree No. 1586,
1060 Establishing an Environmental Impact Statement System. A scientific resource
1061 valuation of impacts of affected biophysical and environmental elements, and an
1062 extended benefit cost analysis shall be used in the EISS. The Department shall design
1063 and implement a system of regular periodic monitoring and assessment using the
1064 Criteria and Indicators as framework and shall formulate appropriate standards as
1065 basis for assessing progress towards sustainable forest management. Furthermore,
1066 the Department shall design and implement an appropriate natural resources
1067 accounting and valuation system for various forestry initiatives. The Department
1068 shall establish the total value of forestlands based on multiple uses, including their
1069 environmental services.

CHAPTER V
REFORESTATION AND RESTORATION

Section 41. *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 42. *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 shall be a band of 200 meters from the boundary of protection areas and protected areas, abandoned mines and abandoned and idle fishponds for mangrove restoration. For mangrove forests, the LGU shall prepare a rehabilitation plan to restore mangroves in their area. *Provided further*, That an accelerated restoration program in such identified priority protection forestlands shall be undertaken to raise the forest cover therein at least fifty percent (50%) of the prioritized area within five (5) years and eighty percent (80%) of the area within ten (10) years from effectivity of this Act. The LGU shall allot funds to effectively accomplish restoration either by its own or through permit, license and/or agreement in protection forestlands. The Department or other agencies responsible for restoration shall give priority to local communities in the granting of technical and financial assistance for restoration activities, *Provided finally*, That assisted natural regeneration (ANR) shall be encouraged in protection forestlands.

Section 43. *Reforestation or Tree Plantation Development in Production Forestlands.* In accordance with Section 50 herein, the LGU may enter into joint venture, co-production, or production-sharing agreement with qualified persons to reforest or to develop tree plantations in production forestlands, *Provided*, that palm plantations and the like shall not be allowed in production forestlands.

Section 44. *Reforestation in Forestlands under the Jurisdiction of Other Government Agencies.* Government agencies and institutions having management control over forestlands pursuant to a law or grant shall be responsible for the reforestation of denuded and degraded portions of such forestlands. The reforestation program of these agencies shall aim to increase the vegetation of the degraded areas using native species, to be identified jointly by the Department and agency concerned and multisectoral stakeholders. The concerned agency in coordination with the LGU shall prepare the reforestation plan, consistent with the watershed continuum plan and determine the ratio of forested areas at any given

time. Failure to reforest denuded and/or degraded forestland identified in the reforestation plan within the period herein prescribed shall be sufficient ground to request for reversion of the said forestlands to the jurisdiction and control of the LGU: *Provided, however*, That in areas where Community-based Forest Management Strategy (CBFMS) shall be implemented or where there are existing facilities for basic services such as water and power as allowed by the Department pursuant to the provisions of this Act, the completion of the reforestation program shall be subject to the conditions provided in the instrument to be awarded by the Department and the agency concerned to the participating local community or individual or in the Forest Management Agreement of contractors operating such facilities for basic services, as approved by the Department. *Provided finally*, that whenever applicable, the use of ANR shall be preferred and community-based forest management encouraged.

Section 45. *Reforestation in Alienable and Disposable Lands and/or Private Lands.* Reforestation or the establishment of tree farms or tree plantations in private lands guided by the watershed continuum plan shall be encouraged: *Provided*, That such private lands and other alienable and disposable lands are not prime agricultural lands as determined or certified by the Department of Agriculture (DA). The private landowner(s) shall also be entitled to the incentives provided for under Section 46 herein: *Provided*, That such private tree plantations are duly registered with the Department. Whenever applicable, use of ANR shall be preferred and community-based forest management encouraged.

Section 46. *Incentives of Reforestation or Restoration within Production Forestlands.* To encourage qualified persons to engage in restoration or reforestation activities, the following incentives shall be granted:

- a. Upon the premature termination of the agreement at no fault of the holder, all depreciable permanent and semi-permanent improvements such as roads, buildings, and nurseries including the planted and standing trees and other forest crops introduced and to be retained in the area shall be properly evaluated and the holder shall be entitled to a fair compensation thereof, the amount of which shall be mutually agreed upon by both the LGU and the agreement holder, and in case of disagreement between them, by arbitration through a mutually acceptable and impartial third party adjudicator;
- b. The agreement holder has the right to transfer, contract, sell, or convey his rights to any qualified person following the guidelines to be issued by the Secretary, *Provided*, that if such restoration or reforestation were conducted within ancestral domains/ancestral lands, the transferee shall secure the free, prior and informed consent of the indigenous communities of such ancestral domains/ancestral lands prior to such transfer; and,

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

The Secretary may provide or recommend to the President or to Congress other incentives in addition to those granted herein and in existing laws in order to promote reforestation and the establishment of tree plantations, *Provided*, That in no case shall the Secretary provide incentives that shall put the State at a gross disadvantage, nor shall the Secretary provide incentives of non-payment of taxes or other rightful fees due to the State as provided by other laws.

Section 47. *Reforestation in Ancestral Domains/Ancestral Lands.* Reforestation in ancestral domains/ancestral lands, if not undertaken by the ICCs/IPs themselves, shall require the free, prior and informed consent of the ICCs/IPs.

Section 48. *Reforestation in Protection Forestlands.* The Department may contract out the reforestation and/or management of protection forestlands to any person, *Provided*, that such persons should meet the qualifications enumerated in Section 54. The Department shall reasonably compensate such persons for such reforestation and/or management activities and extend the necessary assistance in the reforestation and/or management of such protection forestlands.

Section 49. *Voluntary Offer to Reforest.* Private landowners, whether natural or juridical persons, may participate in reforestation and plantation development or similar programs of the LGU or the Department, with the landowner contributing his land and the LGU or Department furnishing funds to reforest the area on a co-production agreement: *Provided*, That the property shall be exclusively devoted to the planting of forest species for at least one (1) rotation, which undertaking shall be annotated at the back of the title of the property: *Provided*, further, That prime agricultural lands as determined or certified by the DA shall not be the subject of a voluntary offer to reforest.

CHAPTER VI COMMUNITY-BASED FOREST MANAGEMENT STRATEGY

Section 50. *Community-Based Forest Management Strategy (CBFMS).* Whenever they are present, forest resident families, communities, indigenous peoples and other communities whose lives, culture and general well-being are intimately linked with the forests, shall be entrusted with the responsibility to protect, manage, develop and utilize resources limited to woodlots and non-timber forest products (NTFP) under the principle of stewardship. Timber harvesting shall only be allowed in production forestlands designated in the Community Resource Management Plans (CRMP). The Department together with the LGUs, and in consultation with affected stakeholders and sectors, shall develop policies, criteria, guidelines and tenurial instruments that will simplify and allow access of forest resident families, and local communities to forestland resources. The LGUs will review all CBFMAs in their jurisdiction to assess performance and determine

membership status of the CBFMA-holder. The Department together with the LGUs, in consultation with affected stakeholders and sectors, shall furthermore develop policies, and guidelines that promote partnership between the private sector and forest-based communities in pursuit of sustainable community forest management activities.

Section 51. Areas Available for CBFMS. Subject to prior or vested rights, the CBFMS may be implemented on all appropriate forestlands excluding the ancestral domains/ancestral lands of ICCs/IPs. Priority will be given to degraded and denuded forestlands.

The LGU may only allow the implementation of CBFMS in watershed reservations if it shall promote their protection and rehabilitation; *Provided*, however, that land-use practices and activities therein are in accordance with a management plan duly approved by the Secretary and shall not induce severe soil erosion and surface run-off; *Provided, further*, That no timber harvesting shall be allowed in forests; *Provided also*, That no CBFM agreements shall be issued to non-ICCs/IPs within ancestral domains/ancestral lands, *Provided finally*, CBFMAs shall not cover Certificate of Land Ownership Awards (CLOAs) and other tenurial instruments.

Section 52. Community Resource Management in CBFM Areas. The management of forestland resources in CBFM areas shall be embodied in a community resource management plan, which shall contain the community's vision, aspirations, and strategies in the management of forestland resources, which shall be consistent with the forestland use plan (FLUP). Qualified communities shall be provided with appropriate long-term security of tenure, technical, managerial and financial assistance, training; and other assistance, as the case may be, to empower them to manage and benefit from the forestland resources on a sustainable basis.

Section 53. Qualified Participants. Organized forest communities shall be given priority to participate in the CBFM program. Organizations eligible to participate in CBFM shall have the following qualifications:

- a. Members shall be Filipino citizens; and
- b. Members shall be any of the following:
 - i. Traditionally utilizing the resource for their livelihood;
 - ii. Actually residing within the area for at least five (5) years; and
 - iii. Residing adjacent and actually tilling portions of the area to be awarded.

Section 54. Modes of Management Agreements. The conservation, protection, development, utilization, and management of forestlands and/or forest resources shall be undertaken under the supervision of the State through the LGUs. The State may directly undertake such activities or it may enter into co-production, joint venture or production sharing agreement with qualified Filipino citizens or corporations or associations over the management of production forestlands, subject to relevant laws, rules and regulations, *Provided*, That interested local communities through their organized and duly recognized associations shall be given priority in the grant of appropriate instruments implementing the said agreements. Such instruments and/or agreements shall have a duration of twenty-five (25) years, renewable for another twenty-five (25) years, under such terms and conditions as may be provided by the Secretary, after observing the qualification of the succeeding sections; *Provided further*, That management agreements shall not be issued in favor of any person covering ancestral domains/ancestral lands without the free, prior and informed consent of the concerned ICCs/IPs and the recognition and protection of ICCs/IPs rights under pertinent laws;

Current valid and subsisting licenses, contracts, or agreements granted by the government for the development, management, and utilization of forest resources within protection forestlands shall be allowed to continue under the same terms and conditions until their expiry; *Provided*, That no cutting or felling of trees shall be allowed within the said protection forestlands, *Provided further*, That such agreements issued within ancestral domains should have had the free, prior, and informed consent of the ICCs/IPs involved, otherwise, such license, contracts or agreements shall be cancelled and revoked for violating the rights of said ICCs/IPs.

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

Section 55. Terms and Conditions of Agreements. The Department, in coordination with the LGUs, and, having undergone multi-stakeholder consultations shall formulate rules and regulations covering the relevant terms and conditions thereof.

Section 56. Minimum Conditions for the Issuance of Co-Production, Joint Venture and Production Sharing Agreement. The following provisions shall be the minimum conditions for the issuance of co-production, joint venture and production sharing agreement:

- a. The holder is a Filipino citizen;
- b. The agreement holder shall furnish the necessary management, technology and financial services when required, as determined by the Secretary;

- 1309 c. Provision/s for government share of revenues and the manner of
1310 payment thereof;
1311
1312 d. Provision/s on consultation and arbitration with respect to the
1313 interpretation of the agreement;
1314
1315 e. Provision/s for anti-pollution and environmental protection
1316 measures;
1317
1318 f. Provision/s prescribing the preferential use of indigenous tree
1319 species for tree plantations: *Provided*, that in case of protections
1320 forestlands, only indigenous tree species shall be used;
1321
1322 g. Provision/s for an effective monitoring scheme to be implemented
1323 by the LGU, which shall include, but shall not be limited to periodic
1324 inspection of all records and books of account of the agreement
1325 holders;
1326
1327 h. Commitment to community development including capacity
1328 building of local stakeholders;
1329
1330 i. The submission of a management and development plan to be
1331 approved by the LGU; and
1332
1333 j. Other provisions that the LGU shall impose, upon the
1334 recommendation of the Director of the FMB, that will improve and
1335 sustain the development and management of the forestlands and its
1336 resources, which shall include, among others, a projection of annual
1337 income and revenues generated, to be used as basis in the
1338 determination of government shares.
1339

1340 **Section 57. Transfer.** No holder of a co-production, joint venture, or
1341 production sharing agreement or contract shall sub-contract, transfer, exchange, sell
1342 or convey the same or any of his right or interests therein without a written authority
1343 from the LGU. Moreover, no transfer shall be authorized unless the agreement or
1344 contract has been in existence and active for at least three consecutive years from
1345 issuance thereof: *Provided*, That the transferor has faithfully complied with the terms
1346 and conditions of the said agreement or contract; the transferee has all the
1347 qualifications and none of the disqualifications to hold the same; and the transferee
1348 shall assume the obligations of the transferor. Failure to comply with these
1349 conditions shall be sufficient cause for the cancellation of the agreement or contract;
1350 *Provided further*, That if such agreement cover ancestral domains/ancestral lands, the
1351 free, prior and informed consent of the ICCs/IPs involved with regard to such
1352 transfer shall be secured, otherwise, said agreement shall be cancelled.
1353
1354

1355 **Section 58. *Non-Timber Forest Products.*** Rattan, bamboos, vines, herbs,
1356 exudates and other non-timber forest products are integral parts of the forest
1357 ecosystem. The planting and sustainable management of non-timber producing
1358 species shall be encouraged and supported, *Provided*, That they are indigenous
1359 species. The development, management and utilization of non-timber forest
1360 products shall be allowed in accordance with the FLUP, and corresponding laws and
1361 regulations enforced by the LGU and consistent with guidelines to be promulgated
1362 by the Department in compliance with national and international policy or
1363 agreements.

1364
1365 **Section 59. *Priority to Harvest, Utilize, Gather or Collect NTFP.*** In granting
1366 permits to harvest, utilize, gather or collect non-timber forest products, in their
1367 natural or original state from forestlands, priority shall be given to forest resident
1368 families, local communities, and indigenous peoples living nearest the subject
1369 forestlands; *Provided*, That the wildlings collected from the forests shall be utilized
1370 for nursery establishments, research and development and shall be subject to
1371 guidelines formulated in the establishment of nurseries

1372
1373 **Section 60. *Silvicultural and Harvesting System.*** The Department shall
1374 formulate the appropriate silvicultural and harvesting system and all measures shall
1375 be taken to achieve an approximate balance between growth and harvest that is
1376 consistent with the NBSAP. The use of forest products from production forestlands
1377 shall be promoted and practiced.

1378
1379 **Section 61. *Mangrove forest.*** Cutting in mangrove forests shall be
1380 prohibited. The Department shall formulate a program for the restoration of
1381 mangrove forests and shall promote strategies that are consistent with biodiversity
1382 conservation or enhance biodiversity.

1383
1384 **Section 62. *Grazing.*** Land for grazing purposes shall only be limited to
1385 production forestlands. The Department shall identify and delimit areas suitable for
1386 grazing purposes: *Provided*, That no forestland fifty percent (50%) in slope or over
1387 may be utilized for grazing purposes: *Provided also*, That vegetation should be
1388 sufficient for livestock prior to the grant of such permits, *Provided, further*, That
1389 existing pasture lease agreements or forestland grazing lease agreements shall be
1390 allowed to continue under the same terms and conditions until their expiry: *Provided*
1391 *also*, That burning of grass for the purpose of grazing shall be prohibited; *Provided*,
1392 *finally*, That abandoned or idle, expired, or cancelled grazing or pasture lands shall
1393 be subject to land use capability assessment and or land use suitability assessment to
1394 determine their best use or combination of uses. No new grazing or pasture permit,
1395 lease, or contract shall be issued, nor existing ones allowed to continue unless
1396 covered by existing rules and regulations governing the Philippine EIS System and
1397 subject to provisions in this Act.

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

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

Section 63. Mining and Power Generation Operations in Forestlands. Forest resources inside mineral reservations and permitted areas and their management and utilization are subject to the provisions of this Act. Power generation and small-scale mining operations in forestlands, except in protection forestlands may be allowed only after the issuance of an ECC and in compliance with other relevant laws. Mining and power generation shall not be allowed in protection and restoration areas, *Provided*, That micro-hydro or other renewable energy device may be allowed subject to the provisions of this Act.

Section 64. Roads and Other Infrastructures. Roads and other infrastructure, including the development of mineral reservations and energy resources inside forestlands, shall be constructed with the least impairment to the resource values and with the least impact and disturbance to biodiversity of the area found in such forestlands. Government agencies and their contractors undertaking the construction of roads, bridges, communication and other infrastructure facilities and installations inside forestlands shall seek prior authority from the Department and shall comply with existing rules and regulations governing the Philippine EIS System, *Provided*, That no roads or other infrastructure shall be constructed in protection forestlands.

CHAPTER VIII WOOD-BASED INDUSTRIES

Section 65. Establishment and Operations of Timber-Based Industries. The State, through the Department, may promote the establishment, operation, and development of timber-based industries only in production forestlands.

Section 66. Incentives for Timber-Based Industries. All agreements pertaining to timber-based industries shall also be subject to review by the Department under procedures to be formulated by the Department with mandatory consultation with stakeholders. The following incentives are hereby granted in addition to those already provided by law:

- a. All processing plants or mills shall be assured of their supply of raw materials, preferably but not exclusively from local sources;
- b. All processing plants or mills shall be granted operating permits for

1444 five (5) years renewable for another five (5) years: *Provided*, That
1445 permits for processing plants owned or operated by holders of
1446 timber plantation agreements or contracts shall be co-terminus with
1447 said agreements or contracts.
1448

1449 Warranties to and agreements with existing integrated forest-based plants to
1450 ensure the availability of raw materials shall be subject to the process for as long as
1451 such integrated plants are operating. Agreements or licenses over production
1452 forestlands granted to timber-based plants shall not be automatically converted into
1453 any mode authorized in this Act. Holders of expired agreements may apply for a
1454 new permit, license or agreement subject to the provisions of this Act. Permit holders
1455 are allowed a period of twenty-five (25) years, renewable for another twenty-five
1456 (25) years, for a maximum of fifty (50) years. Expansion in capacity of timber-based
1457 plants shall be encouraged and the same shall be given priority access to production
1458 forestlands and other areas available for development as source of raw materials.
1459

1460 **Section 67.** *Export and Sale of Locally Produced Wood Products.* No natural
1461 grown trees shall be cut, gathered, harvested or removed from forests. Logs, lumber
1462 and other finished products from tree plantations shall be exported only under such
1463 guidelines as the Secretary may promulgate and certified as coming from the
1464 production forestlands by LGUs. A certification process shall be formulated by the
1465 Department in consultation with key stakeholders.
1466

1467 **Section 68.** *Compliance of Grading Rules.* No person shall sell or offer for sale
1468 any log, lumber, veneer, plywood or other manufactured wood products in the
1469 international or domestic market without complying with the grading rules
1470 established by the government. Failure to adhere to the established grading rules
1471 and standards, or any act of falsification on the volume of logs, lumber, veneer,
1472 plywood or other wood products sold in the international or domestic market shall
1473 be sufficient cause for the cancellation of export license, wood processing permit, or
1474 other license or permit authorizing the manufacture or sale of such products.
1475

1476 **Section 69.** *Importation and Sale of Logs and Other Forest and Wood Products.*
1477 Logs, lumber, and other forest- and wood-based products may be imported to the
1478 country subject to the authorization of the Secretary and to the tariff and duties
1479 under Presidential Decree No. 1464 as well as quarantine regulations. Any product
1480 manufactured or re-manufactured out of imported forest and wood materials shall
1481 be allowed to be sold in the domestic or international market: *Provided*, That the
1482 grading rules and standards therefore are complied with, otherwise the sanctions in
1483 Section 69 hereof shall be imposed.
1484

1485 CHAPTER IX 1486 CHARGES, FEES AND GOVERNMENT SHARE 1487

1488 **Section 70.** *Fees and Government Shares for the Utilization, Exploitation,*
1489 *Occupation, Possession of and Activities within Forestlands.* The Department shall

1490 prescribe appropriate government shares, including and rentals for the different
1491 kinds of utilization, exploitation, occupation, possession, or activities within
1492 forestlands: *Provided*, That payment of or collection of such fees and rentals shall be
1493 waived for parties/industries mandated by law to manage, conserve, develop and
1494 protect forestlands and forest resources found therein, except administrative fees for
1495 the filing and processing of applications for the issuance and renewal of licenses,
1496 permits, and agreements: *Provided, further*, That watershed administrators and/or
1497 service contractors that have forest management agreements with the Department as
1498 provided for under Section 84 of this Act shall also be entitled to the waiver of fees,
1499 except administrative fees.

1500
1501 The State shall collect government shares from income, rentals or other fees,
1502 as owner of the resource and for its regulatory function. The guidelines to be
1503 formulated should ensure equitable sharing between the national government and
1504 LGUs.

1505
1506 In order for the Department to prescribe appropriate and equitable fees for
1507 the use of water and other forest resources by parties/industries concerned for
1508 power generation, domestic and industrial irrigation, carbon sequestration and
1509 biodiversity benefits respectively, by parties/industries concerned taking into
1510 consideration natural resource valuation in the assignment of fees and ensuring
1511 equitable sharing of benefits between concerned national government agency and
1512 LGU, the Department shall initiate the creation of an inter-agency task force for this
1513 purpose.

1514
1515 **Section 71. *Timber Charges.*** There shall be collected charges on each cubic
1516 meter of timber cut in forestlands, using direct and indirect values, whether
1517 belonging to the first, second, third or fourth group, twenty-five percent (25%) of the
1518 actual freight of board (FOB) market price based on species and grading: *Provided*,
1519 *however*, That, in the case of pulpwood and matchwood cut in production forestland,
1520 forest charges on each cubic meter shall be ten percent (10%) of the actual FOB
1521 market price.

1522
1523 **Section 72. *Charges on Firewood, Branches and Other Recoverable Wood Wastes***
1524 ***of Timber.*** There shall be collected timber charges of one percent (1%) of the market
1525 price on each cubic meter of firewood cut in production forestlands, branches and
1526 other recoverable wood wastes of timber, such as timber ends, tops and stumps,
1527 when used as raw materials for the manufacture of finished products, *Provided*, That
1528 the cutting of all mangrove species shall be prohibited, *Provided further*, That only
1529 third of fourth group wood may be taken for firewood, *Provided finally*, That, if
1530 jointly authorized by the Secretaries of both the Department and the DA, first and
1531 second group woods may be removed from land which is more valuable for
1532 agriculture than for forest purposes, subject to the charges in the preceding section.

1533
1534 **Section 73. *Charges on Non-Timber Forest Products.*** All other forest products
1535 of forestlands which are not covered by the preceding section shall be exempted

from any or all forest charges, except rattans, gums resins, beeswax, guttapercha, almagia, resin, bamboo, vines, herbs, exudates and other species with commercial value, which shall be charged at ten percent (10%) of the actual FOB market price.

Section 74. Determination of Market Price of Timber and Non-timber Products.

The actual FOB market price of timber products shall be justly determined once a year by the Secretary: *Provided*, that the Secretary shall cause the creation of a committee to be composed of representatives of the Department, the National Economic and Development Authority, the Department of Trade and Industry, the Bureau of Internal Revenue and the wood and furniture industry and consumers, LGUs, academe, NGOs and other concerned sectoral representatives which shall formulate the criteria and/or guidelines in the determination of the actual FOB market price taking into consideration direct and indirect values to be used as the basis for the assessment of the *ad valorem* tax, taking into consideration production cost (developing cost, contingencies, and miscellaneous cost), species and grade of timber, government share, reforestation, tariff duties, taxes, risk involved, and a reasonable margin of profit for domestic and export market prices for timber and timber products.

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

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

Section 75. Fees for Administrative Services Rendered by the Department.

Reasonable fees shall be collected for various services rendered by personnel of the Department in connection with their duties and responsibilities as may be requested by interested parties, including but not limited, to surveying, mapping and other similar service activities: *Provided*, That administrative fees shall be waived for services rendered to local communities or indigenous peoples in the preparation of their management plans, *Provided further*, That a percentage of the fees collected shall support the furtherance of formal forestry education.

Section 76. Forest Conservation and Development Fund (FCDF). A Forest Conservation and Development Fund (FCDF) to be administered by the LGU is hereby established to provide sustainable funds for forest protection, restoration and management, including the operations of the municipal forest management boards, rehabilitation and preservation of watershed areas, CBFM program, information and

educational campaign as well as scholarship programs, policy research and development. At least seventy percent (70%) of the forest charges and government share in all products removed from the forestlands, rentals, proceeds from sales of confiscated forest products including conveyances, fines and penalties, and administrative fees collected shall be set aside for the buildup of the FCDF. The fund may be augmented by grants, donations, endowment from various sources, domestic or foreign for purposes related to their functions: *Provided*, That fees collected by the LGU consistent with the management plans formulated shall directly accrue to the said LGU's account: *Provided, further*, that a portion of the fees collected shall also go to the host communities, which protect and maintain these watersheds, from which the headwaters emanate.

Disbursements from the fund shall be subject to the usual accounting and budgeting rules and regulations: *Provided*, That no amount shall be disbursed to cover the operating expenses of the Department and other concerned agencies. The forest management board will recommend to the Municipal Council the thrusts for fund allocation.

Section 77. *Fees from Payment for Environmental Services (PES).* The ERDB shall formulate a certain value to environmental services, taking into account the positive and negative spillovers of the use of such resources or externalities, and establish appropriate pricing, institutional and redistribution systems that will lead to sustainable and socially optimal land use practices. PES is a form of payment for ecosystem services as a method of internalizing the positive and negative externalities associated with a given ecosystem or a specific resource use.

CHAPTER X TREE PARKS

Section 78. *Establishment of Tree Parks in Subdivision and Tree Planting on Roadsides.* Every subdivision project to be developed after the passage of this Act shall include the establishment of a tree park of not less than fifty percent (50%) of the required total open spaces as provided in Section 2 of Presidential Decree No. 953, requiring the planting of trees in certain places. Guidelines for the establishment of tree parks within a subdivision shall be prepared jointly by the subdivision owner concerned, the Housing and Land Use Regulatory Board (HLURB) and the Department. The subdivision owner shall provide the funds for this purpose. These guidelines and allocation of funds shall be a condition precedent in the approval of the subdivision plan.

For every major public road or irrigation construction project, the Department of Public Works and Highways (DPWH) shall include the planting and maintenance of appropriate trees along the road/highway or irrigation canals as landscaped areas every twenty-five (25) kilometers thereof, whenever appropriate, and shall provide adequate funds for this purpose. Each city and municipality shall also allocate adequate funds for the planting, care and maintenance of trees or perennial shrubs

in 'greenbelts' or 'green spaces' such as road/street sides, center islands, among others.

CHAPTER XI PROTECTION

Section 79. *Assistance of Law Enforcement Agencies.* The LGUs and the Department may call upon law enforcement agencies and instrumentalities of the Government such as the Philippine National Police (PNP), the Armed Forces of the Philippines (AFP), and the National Bureau of Investigation (NBI) for the enforcement of the forest-related laws, rules and regulations.

Section 80. *Role of Local Residents.* It shall be incumbent upon LGUs concerned to render assistance in protecting and conserving forestlands within their respective territorial jurisdiction. Qualified local residents may be deputized by the LGUs to assist in the drive against illegal logging, *kaingin*-making and forestland occupation. These deputized residents shall likewise be authorized to arrest forest violators within their communities subject to existing laws and regulations on arrest and detention. The LGUs shall provide assistance to these deputized residents in cases instances of citizens' arrests.

Section 81. *Prevention of Forest Fires.* The concerned LGUs, in cooperation with the Bureau of Fire Protection (BFP) and the Department, shall formulate and implement a fire prevention and control program.

Section 82. *Control of Forest Pests and Diseases.* The Department shall likewise formulate and implement a national integrated forest pest and disease management program including quarantine procedures for imported forest seeds and forest products to prevent, minimize or control forest pests and diseases in the reforestation strategies.

Section 83. *Prohibition on Genetically Engineered and Transgenic Trees.* Planting/ introduction and/or use of genetically engineered (GE) and transgenic trees are prohibited in all forestlands.

Section 84. *Information and Rewards System.* The LGU shall establish an information and rewards system as part of the community's participation in the protection of forest resources. The rewards shall be payable immediately upon the establishment of *prima facie* proof of violation. When an information given leads to the seizure of logs or timber and other forest product and results in a conviction, the informer shall also be entitled to twenty percent (20%) of the gross value of the recovered or seized forest resource. The implementation of the rewards system shall be in collaboration with the Department, the Forest Management Board and the Philippine National Police.

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1674
1675

CHAPTER XII
RESEARCH, EDUCATION, TRAINING AND EXTENSION

1676 **Section 85.** *Research and Technology Development Transfer.* Research and
1677 technology development transfer shall be strengthened to support sustainable
1678 management of forest resources. The Department, the Department of Science and
1679 Technology (DOST), the Commission on Higher Education (CHED), and the State
1680 Universities and colleges shall, within one (1) year from the passage of this Act,
1681 prepare a comprehensive sustainable national forestry and environmental research
1682 and technology development and transfer program in furtherance of sustainable
1683 forest management which shall be implemented, monitored, and reviewed in
1684 accordance with existing research management systems. Adequate and sustainable
1685 funds to implement research and technology development plans and transfer
1686 program shall be provided by each of the aforementioned agencies and institutions
1687 under the General Appropriations Act.

1688
1689 Appropriate funds shall be allotted for research and development.

1690
1691 **Section 86.** *Public Information, Education and Advocacy Campaign.* With the
1692 support from LGUs, NGOs, media and other organizations, the Department, the
1693 Philippine Information Agency (PIA), the Department of Education (DepEd), CHED,
1694 State-owned and private universities and colleges shall formulate and implement a
1695 nationwide program for sustained public information and advocacy campaign for
1696 forest and natural resources conservation and sustainable forest development and
1697 management. The DepEd shall include subjects on environment, forest and natural
1698 resources in the curricula for elementary and high school education. The CHED shall
1699 likewise include mandatory ecology and environment courses in the general
1700 education curricula. Congress shall allocate funds to the Department for the purpose
1701 of coordinating a systematic campaign to promote community ecological awareness,
1702 including the preparation of informational and educational materials therefore. A
1703 percentage of appropriations specified in Section 122 shall be set aside for this
1704 purpose.

1705
1706 **Section 87.** *Formal Forestry, Agroforestry and environmental Education.* The
1707 CHED, in collaboration with the Department, the Board of Examiners for Foresters
1708 of the Professional Regulations Commission (PRC), Philippines Forestry Education
1709 Network, Philippine Agroforestry /education and Research Network,
1710 Environmental Education Network of the Philippines and the duly accredited
1711 national professional foresters organization shall actively pursue the rationalization
1712 of formal forestry education by assigning higher weights on non-timber extraction
1713 subjects. The licensure exam shall require minimum units on forest restoration
1714 related subject and the establishment of centers of excellence in forestry and
1715 environmental education to ensure high quality manpower output to meet the needs
1716 of the forestry sector and the country as a whole. The following areas shall be
1717 strengthened:

- 1719 a. Sustainable forest management;
- 1720
- 1721 b. Natural resource management;
- 1722
- 1723 c. Biodiversity conservation;
- 1724
- 1725 d. Wildlife conservation;
- 1726
- 1727 e. Wildlife management;
- 1728
- 1729 f. Entrepreneurship on non-timber forest resources;
- 1730
- 1731 g. Environmental laws;
- 1732
- 1733 h. Forest restoration technology;
- 1734
- 1735 i. Environmental science; and
- 1736
- 1737 j. Community development.
- 1738

1739 **Section 88. *Continuing Education on Forestry.*** A non-formal program of
1740 continuing education shall be established to maintain the growth of the forestry
1741 profession. The PRC Board of Examiners for Foresters and the Civil Service
1742 Commission (CSC) shall provide the guidelines for a program in continuing
1743 education in forestry. In cooperation with academic institutions, the Department
1744 shall develop the infrastructures to institutionalize non-formal continuing education
1745 for the forestry sector.

1746
1747 **Section 89. *Training Centers.*** In coordination with TESDA, DepEd, CHED
1748 and State Universities and Colleges (SUCs) and other relevant institutions,
1749 stakeholders and local communities, the Department shall establish and
1750 institutionalize a network of training centers in strategic parts of the country to
1751 provide regular and up-to-date training on the various aspects of sustainable forest
1752 management and restoration to forest guards, LGUs, NGOs, local communities,
1753 and indigenous peoples. Furthermore, the Department shall ensure that personnel
1754 appointed to critical and sensitive positions undergo training to prepare them to
1755 discharge their duties and responsibilities professionally, efficiently and effectively.

1756
1757 **Section 90. *Policy Research and Development Network.*** The Department,
1758 through the Ecosystem Research and Development Bureau (ERDB), and in
1759 collaboration with the SUCs and private university and institutions, shall form part
1760 of a network to serve as the primary policy research and development center for
1761 forestry and natural resources management. The Network shall perform its functions
1762 in close coordination with the Department and other policy research institutions in
1763 the country. It shall assist the Department in the formulation, review, and evaluation
1764 of proposed and existing policies on forestry and natural resources management.

CHAPTER XIII
OFFENSES AND PENALTIES

Section 91. *Non-Establishment of Tree Parks/Communal Forests.* Any city, municipality or subdivision owner who fails to establish tree parks as provided in Sections 76 herein shall be punished by a fine of not less than One Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00). The subdivision plan will not be given approval until guidelines have been formulated and funds have been allocated for the purpose.

Section 92. *Harvesting, Gathering and/or Collecting Timber or Other Forest Products without Authority.* Any person who shall harvest, cut, gather, collect, or remove timber or other forest products from any forestland, or timber from all forestlands, whether protection or production forestlands, or inside alienable and disposable public land and private lands except as provided, or forest resources in alienable and disposable lands without authority from the Secretary or found to possess the same without pertinent required legal documents shall be punished by imprisonment ranging from *prision mayor* minimum period to *reclusion temporal* minimum period and/or a fine equivalent to ten (10) times the value of the said forest product but not less than Fifty Thousand Pesos (50,000.00): *Provided*, That in the case of partnerships, associations or corporations, the president, managing partner, and general manager shall be held liable, and if such officer is an alien, he shall, in addition to the penalty, be deported without further proceedings on the part of the Bureau of Immigration and Deportation. Offenders who are public officials shall be deemed automatically dismissed from office and permanently disqualified from holding any elective or appointive position.

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

Section 93. *Illegal Cutting as an Act of Economic Sabotage.* Any of the acts enumerated in the preceding section committed by an armed group or by any group through organized and systematic manner, for commercial purposes, shall be considered an act of economic sabotage punishable by *reclusion perpetua*.

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

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

1811 **Section 94. *Use of Illegally Cut Timber in Government Infrastructure Projects.***
1812 Contractors of government infrastructure projects shall obtain certification from the
1813 Department that the logs or lumber to be used therein were obtained from legitimate
1814 sources. The use of illegally cut naturally grown timber from protection forests or
1815 illegally cut timber from production forests in government infrastructure projects
1816 shall be sufficient cause for the imposition of penalties provided in Section 88, on
1817 harvesting of forest products without authority, and Section 89, on illegal cutting as
1818 an economic sabotage, including the withholding of the payment to the contractor.
1819

1820 **Section 95. *Grazing Livestock on Forestlands without a Permit.*** Any person
1821 found to have caused the grazing of livestock in forestlands and grazing lands
1822 without an authority under a lease or permit to graze, upon conviction, shall be
1823 penalized with imprisonment of not less than two (2) years nor more than four (4)
1824 years and a fine equivalent to ten times the regular rentals due in addition to
1825 confiscation of the livestock and all improvements introduced in the area in favor of
1826 the government, and shall restore the affected area into the original state of the
1827 natural resource; *Provided*, That in case the offender is a corporation, partnership, or
1828 association, the officer or director thereof who directly caused or ordered such shall
1829 be liable. In case the offender is a public officer or employee, he shall, in addition to
1830 the above penalties, be deemed automatically dismissed from office and
1831 permanently disqualified from holding any elective or appointive position in the
1832 government service.
1833

1834 **Section 96. *Unlawful Occupation or Destruction of Forestlands.*** Any person
1835 who, without authority from the Secretary, enters and occupies or possesses, or
1836 engages in kaingin-making for his own private use or for others, any forestland or
1837 grazing land, or in any manner destroys such forestland or part thereof, or causes
1838 any damage to the timber stands and other forest product found therein, or assists,
1839 aids or abets another person to do so, or sets a fire, or negligently permits a fire to be
1840 set therein, or refuses lawful orders to vacate the area when ordered to do so shall,
1841 upon conviction, be punished with penalties in the amount of not less than One
1842 Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand
1843 Pesos (P500,000.00) and imprisonment of not less than six (6) years nor more than
1844 twelve (12) years for each offense: *Provided*, That in the case of an offender found
1845 guilty of kaingin-making, the penalty shall be imprisonment of not less than ten (10)
1846 years nor more than twelve (12) years and a fine equivalent to eight times the regular
1847 forest charges due on the forest products destroyed without prejudice to payment of
1848 the full cost of rehabilitation of the occupied areas as determined by the Department;
1849 *Provided, further*, That the maximum of the penalty prescribed herein shall be
1850 imposed upon the offender who repeats the same offense, and double the maximum
1851 penalty upon the offender who commits the same offense for the third time or more.
1852 In all cases, the court shall further order the eviction of the offender from the area
1853 occupied and the forfeiture to the government of all improvements made therein,
1854 including all vehicles, domestic animals and equipment of any kind used in the
1855 commission of the offense. If not suitable for use by the Department, said
1856 improvements, vehicles, domestic animals and equipment shall be sold at public

1857 auction, the proceeds from which shall accrue to the FCDF. If the offender is an
1858 alien, he shall be deported after serving his sentence and payment of fines, without
1859 any further proceedings. An offender who is a government officer or employee,
1860 shall, in addition to the above penalties, be deemed automatically dismissed from
1861 office and permanently disqualified from holding any elective or appointive position
1862 in the government service.

1863
1864 **Section 97. *Illegal Conversion of City or Municipal Parks, Communal Forests, and***
1865 ***Tree Parks in Subdivisions.*** Any person found to have converted or caused the
1866 conversion of a city or municipal park or communal forest, or tree parks within
1867 subdivisions established pursuant to Sec. 75 herein and Section 2 of Presidential
1868 Decree No. 953, requiring the planting of trees in certain places, into other uses
1869 including the construction of permanent buildings therein, or in any manner
1870 destroys or causes any damage to the timber stands and other forest product found
1871 therein, or assists, aids or abets another person to do so, or sets a fire, or negligently
1872 permits a fire to be set therein, upon conviction, shall be penalized by imprisonment
1873 of six (6) years and one (1) day to twelve (12) years or a fine of not less than One
1874 Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand
1875 Pesos (P500,000.00), or both fine and imprisonment at the discretion of the Court.
1876 The offender shall likewise be imposed a fine equivalent to eight times the
1877 commercial value of the forest products destroyed without prejudice to payment of
1878 the full cost of rehabilitation of the areas as determined by the Department: *Provided,*
1879 *further,* That the maximum of the penalty prescribed herein shall be imposed upon
1880 the offender who repeats the same offense, and double the maximum penalty upon
1881 the offender who commits the same offense for the third time or more. The court
1882 shall further order the forfeiture to the government of all improvements made
1883 therein, including all vehicles, domestic animals, and equipment of any kind used in
1884 the commission of the offense. If not suitable for use by the Department, said
1885 improvements, vehicles, domestic animals and equipment shall be sold at public
1886 auction, the proceeds from which shall accrue to the FCDF. An offender who is a
1887 government officer or employee, in addition to the above penalties, shall be deemed
1888 automatically dismissed from office and permanently disqualified from holding any
1889 elective or appointive position in the government service.

1890
1891 **Section 98. *Misdeclaration or Falsification of Reports on Forest Resource***
1892 ***Inventory, Scaling, and Survey by a Government Official or Employee.*** Any public officer
1893 or employee who knowingly misdeclares or falsifies reports pertaining to forest
1894 resource inventory, scaling, survey, and other similar activities which are contrary to
1895 the criteria and standards established in the rules and regulations promulgated by
1896 the Secretary thereof, after an appropriate administrative proceeding, shall be
1897 dismissed from the service with prejudice to re-employment. Upon conviction by a
1898 court of competent jurisdiction, the same public officer or employee shall further
1899 suffer an imprisonment of not less than eight (8) years nor more than twelve (12)
1900 years and a fine of not less than One Hundred Thousand Pesos (P100,000.00) nor
1901 more than Five Hundred Thousand Pesos (P500,000.00) and the termination of
1902 license to practice forestry if the offender is a professional or registered forester:

1903 *Provided, That the inventory, survey, scale, classification, and similar reports referred*
1904 *herein shall be rendered null and void.*

1905
1906 **Section 99. *Unlawful Operation of Sawmills.*** Any person operating a sawmill
1907 or mini-sawmill without authority from the Secretary shall be punished by a fine of
1908 not less than Two Hundred Fifty Thousand Pesos (P250, 000.00) and confiscation of
1909 the sawmill or mini-sawmill and complementary equipment in favor of the
1910 government for appropriate disposition.

1911
1912 **Section 100. *Unlawful Operation of Wood Processing Plants and Downstream***
1913 *Industries.* Any person operating a wood processing plant or downstream forest-
1914 based industry without authority from the Secretary, shall be punished by, upon
1915 conviction by a court of competent jurisdiction, imprisonment of not less than eight
1916 (8) years nor more than twelve (12) years and a fine of not less than Five Hundred
1917 Thousand Pesos (P500,000.00) and confiscation of the wood processing plant and
1918 complementary equipment in favor of the government. The Department shall
1919 promulgate the necessary guidelines, subject to the provisions of this Act that will
1920 define the terms and conditions for the operation of a wood processing plant and/or
1921 other downstream forest-based industries.

1922
1923 **Section 101. *Prohibition on the Issuance of Tax Declaration on Forestlands.*** - Any
1924 public officer or employee who issues a tax declaration for any purpose on any part
1925 of forestlands, upon conviction, shall be penalized with imprisonment for a period of
1926 not less than four (4) years nor more than eight (8) years and perpetual
1927 disqualification from holding an elective or appointive office. The tax declaration
1928 shall be considered null and void. Tax declarations within protection forestlands
1929 shall be reviewed and be cancelled after due process.

1930
1931 **Section 102. *Unlawful Possession of Implements and Devices Used by Forest***
1932 *Officers.* Any person found possessing or using implements and devices used by
1933 forest officers shall be penalized with imprisonment of not less than eight (8) years
1934 nor more than twelve (12) years and a fine of not less than One Hundred Thousand
1935 Pesos (P100,000.00) nor more than Five Hundred Thousand Pesos (P500,000.00) in
1936 addition to the confiscation of such implements and devices and the automatic
1937 cancellation of any license agreement, license, lease or permit.

1938
1939 Any forest officer who willingly allowed unauthorized person(s) to use these
1940 implements and devices under his care shall be penalized with imprisonment of not
1941 less six (6) years and one (1) day to no more than twelve (12) years and a fine of not
1942 less than One Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred
1943 Thousand Pesos (P500,000.00).

1944
1945 In addition, the said forest officer shall be dismissed from the service with
1946 prejudice to reinstatement and with perpetual disqualification from holding an
1947 elective or appointive position.

1948

1949 **Section 103.** *Unauthorized Introduction of Logging Tools and Equipment Inside*
1950 *Forestlands.* It shall be unlawful for any person or entity to possess, bring, or
1951 introduce any logging tools or equipment inside forestlands without prior authority,
1952 from the Secretary or his duly authorized representative. Any person found guilty of
1953 illegal possession of said logging tools or equipment shall be liable to imprisonment
1954 of six (6) years and one (1) day to twelve (12) years or a fine of not less than One
1955 Hundred Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand
1956 Pesos (P500,000.00) or both imprisonment and fine, and confiscation of said logging
1957 tools and equipment in favor of the government.

1958
1959 **Section 104.** *Non-Payment and Non-Remittance of Forest Charges.* Any person
1960 who fails to pay the amount due and payable as forest charges to the government
1961 shall not be allowed to transport, convey, sell, nor use the timber or forest product.
1962 Moreover, failure to pay within thirty (30) days upon assessment of forest charges
1963 shall be a ground for confiscation of the said timber or forest product in favor of the
1964 government. Any person who fails or refuses to remit to the proper authorities said
1965 forest charges collectible pursuant to the provisions of this Act or the National
1966 Internal Revenue Code, as amended, or who delays, obstructs or prevents the same,
1967 or who orders, causes or effects the transfer or diversion of the funds for purposes
1968 other than those specified in said Acts shall, upon conviction, be imprisoned for not
1969 less than six (6) years nor more than ten (10) years and fined from One Hundred
1970 Thousand Pesos (P100,000.00) nor more than Five Hundred Thousand Pesos
1971 (P500,000.00). If the offender is a corporation, partnership, or association, the officers
1972 and directors thereof shall be liable.

1973
1974 **Section 105.** *Institution of Criminal Action by Forest Officers.* Any forest officer
1975 shall arrest any person who has committed or is about to commit, or is committing in
1976 his presence any of the offenses defined in this chapter. The tools, animals,
1977 equipment and conveyances used in committing the offense, and the forest products
1978 cut, gathered, taken or possessed by the offender in the process of committing the
1979 offense shall also be seized and confiscated in favor of the government. The arresting
1980 forest officer shall thereafter deliver within thirty-six (36) hours from the time of
1981 arrest or seizure both the offender and the confiscated forest products, conveyances,
1982 tools and equipment, or the documents pertaining to the same, and file the proper
1983 complaint with the appropriate official designated by law to conduct preliminary
1984 investigation and file information in court. If the arrest and seizure are made in the
1985 forest far from authorities designated by law to conduct preliminary investigations,
1986 the delivery to and filing of the complaint with the latter shall be done within a
1987 reasonable time sufficient for ordinary travel from the place of arrest to the place of
1988 delivery. The seized forest products, materials, conveyances, tools and equipment
1989 shall be immediately disposed of in accordance with the regulations promulgated by
1990 the Secretary.

1991
1992 The Secretary may deputize any agency, barangay official, or any qualified
1993 person to protect the forest and exercise the powers or authority provided for in the
1994 preceding paragraph. Reports and complaints regarding the commission of any of

the offenses defined in this chapter not committed in the presence of any forest officer or any of the deputized officers shall immediately be reported to the forest officer assigned in the area where the offense was allegedly committed. Thereupon, the investigating officer shall receive the evidence supporting the report or complaint and submit the same to the appropriate official authorized by law to conduct a preliminary investigation of criminal cases and file the information in court.

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

Section 106. *Liability of Custodian of Confiscated Forest Products.* Any public officer who fails to produce the timber or forest products, including tools, conveyances, equipment, and devices in his custody pursuant to a seizure or confiscation made thereon, or who shall appropriate, take, misappropriate, or shall permit another person to take such timber forest products wholly or partially, shall suffer the penalty provided for in Article 217, on Malversation of Public Funds or Property, of the Revised Penal Code. In addition, the said public officer shall be dismissed from service with prejudice to reinstatement and with perpetual disqualification from holding any elective or appointive office.

CHAPTER XIV ADMINISTRATIVE PROVISIONS

Section 107. *Strengthening of the Forest Management Sector.* Only qualified environmental management professionals and practitioners shall be appointed to the positions of Director and Assistant Director of the FMB as well as to all other positions where the services of professional foresters e.g. CENRO are required in accordance with existing laws and the relevant rules and regulations issued by the Civil Service Commission (CSC) and the Professional Regulations Commission (PRC).

Section 108. *Administrative Authority of the Secretary or his Duly Authorized Representative to Order Confiscation.* In all cases of violations of this Act or other forest laws, rules, and regulations, the Secretary or his duly authorized representative may order the confiscation of forest products illegally harvested, cut, gathered, removed or possessed or abandoned, and all conveyances used either by land, water, or air as well as all machinery, equipment, implements, and tools used in the commission of the offense and to dispose of the same in accordance with pertinent laws, regulations, or policies on the matter.

The Secretary may order that the sale of confiscated perishable forest resources at public auction even before the termination of the judicial proceedings,

2039 following the applicable Rules on Evidence, with the proceeds of such sale kept in
2040 trust to await the outcome of the judicial proceedings.

2041
2042 No court of the Philippines shall have jurisdiction to issue any Writ of
2043 Replevin, restraining order, or preliminary mandatory injunction in any case
2044 involving or growing out of any action by the Secretary or his duly authorized
2045 representative in the exercise of the foregoing administrative authority.

2046
2047 **Section 109.** *Cancellation of Permits, Licenses, Agreements.* The Secretary *motu*
2048 *proprio* or upon the filing of a petition, may cancel any permit, license or agreement.

2049
2050 **Section 110.** *Administrative Authority of the Secretary to Impose Fines.* In all
2051 cases of violations of this Act and other forest laws, rules and regulations where fine
2052 is the principal penalty, the Secretary is hereby authorized to impose
2053 administratively the penalty consisting of the amount and the schedules of the fine
2054 which shall be officially published in a national newspaper of general circulation.

2055
2056 **Section 111.** *Authority of Forest Officers.* When in the performance of their
2057 official duties, forest officers or other government officials or employees duly
2058 authorized by the Secretary or deputized as such shall have free entry into areas
2059 covered by a contract, agreement, license, lease or permit. Forest officers are
2060 authorized to inspect and to open closed vans suspected to contain illegally
2061 harvested, collected or transported forest product: *Provided*, That it is done in the
2062 presence of the shipper or consignee or two (2) responsible public officials in the
2063 locality, *Provided further*, That in cases where entry shall be in ancestral
2064 domains/ancestral lands, said persons shall secure the free, prior and informed
2065 consent of the ICCs/IPs therein. Forest officers are authorized to administer oath,
2066 take acknowledgment in official matters connected with the functions of their office,
2067 or take testimony in official investigations conducted under the authority of this Act
2068 and the implementing rules and regulations issued by the Secretary pursuant
2069 thereof.

2070
2071 **Section 112.** *Visitorial Powers.* The Secretary or his duly authorized
2072 representative shall, from time to time, investigate, inspect, and examine records and
2073 other documents except bank records related to the operation of any person granted
2074 the privilege, contract, or agreement to utilize forest resources to determine
2075 compliance with the terms and conditions stipulated in the grant, contract or
2076 agreement, this Act, and pertinent laws, rules, and regulations.

2077
2078 **Section 113.** *Transparency.* Records, agreements, applications and all other
2079 pertinent documents as well as conditions to the same shall be made available to the
2080 public at all times. Records pertaining to the specific limits of forestlands shall also
2081 be made available to the public. Moreover, the Department shall furnish all
2082 provincial, municipal and city government units copies of the maps of permanent
2083 forestlands located within their respective territorial jurisdictions.

2085 **Section 114. Other Incentives.** Twenty percent (20%) of the value of
2086 confiscated materials shall be used as incentives to informants, forest management
2087 council, forest management boards, including Department personnel. They shall also
2088 be entitled to free legal assistance should legal cases be filed against them in the
2089 performance of official duties.
2090

2091 **Section 115. Suits and Strategic Legal Actions against Public Participation and the**
2092 *Enforcement of This Act.* Where a suit is brought against a person who filed an action
2093 as provided in Section 113 of this Act, or against any person, institution or
2094 government agency that implements this Act, there being no grave abuse of
2095 authority, it shall be the duty of the investigating prosecutor or the court, as the case
2096 may be, to immediately make a determination not exceeding thirty (30) days
2097 whether said legal action has been filed to harass, vex, exert undue pressure or stifle
2098 such legal recourses of the person complaining of or enforcing the provisions of this
2099 Act. Upon determination thereof, evidence warranting the same, the court shall
2100 dismiss the case and award attorney's fees and double damages. This provision
2101 shall also apply and benefit public officers who are sued for acts committed in their
2102 official capacity, there being no grave abuse of authority, and done in the course of
2103 enforcing this Act.
2104

2105 **Section 116. Citizens' Suits.** For purposes of enforcing the provisions of this
2106 Act or its implementing rules and regulations, any citizen may file an appropriate
2107 civil, criminal or administrative action in the proper court against:
2108

- 2109 a. any person who violates or fails to comply with the provisions
2110 of this Act or its implementing rules and regulations; or
2111
- 2112 b. the Department or other implementing agencies with respect to
2113 orders, rules and regulations issued inconsistent with this Act; and
2114
- 2115 c. any public officer who willfully or grossly neglects the
2116 performance of an Act specifically enjoined as a duty by this Act or its
2117 implementing rules and regulations, or abuses his authority in the
2118 performance of his duty, or in any manner, improperly performs his duties
2119 under this Act or its implementing rules and regulations; *Provided, however,*
2120 That no suit can be filed until after a thirty-day notice has been given to the
2121 public officer and the alleged violator concerned and no appropriate action
2122 has been taken thereon.
2123

2124 The court shall exempt such action from the payment of filing fees, and shall,
2125 likewise, upon *prima facie* showing of the non-enforcement or violation complained
2126 of, exempt the plaintiff from the filing of an injunction bond for the issuance of a
2127 preliminary injunction.
2128

2129 **Section 117. Protection to Witnesses in Cases Involving Violation of Forestry**
2130 *Laws.* Witnesses to violations of this Act or other forestry laws and regulations,

including the immediate members of the family of said witnesses shall be given protection, security and benefit, subject to the provisions of Republic Act No. 6981, otherwise known as "The Witness Protection, Security and Benefit Act" and its implementing rules and regulations.

Section 118. Rule-Making Authority. In consultation with the NCIP, the DILG, the Department of Finance, the leagues of provinces, cities, and municipalities, other government agencies mentioned herein and other relevant stakeholders (i.e. academic institutions, NGOS), the Department shall promulgate the implementing rules and regulations within one (1) year from the effectivity of this Act.

Section 119. Congressional Oversight Committee. There is hereby created a Congressional Oversight Committee composed of seven (7) members from the Senate Committee on Environment and Natural Resources and seven (7) members from the House of Representatives Committee on Natural Resources. The Chairpersons of the corresponding committees shall also be the Co-chairpersons of the Oversight Committee.

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

CHAPTER XV FINAL PROVISIONS

Section 120. Transitory Provisions. Upon the approval of this Act, the Department shall evaluate the conditions of all forestlands covered by existing TLAs, licenses, or permits and the like, which shall be allowed to continue until their expiry; *Provided*, That cutting or felling of trees in forests shall be prohibited, *Provided further*, that such TLA, license, permits and other instruments shall be terminated for the following grounds:

- a. When the licensee has been found to be a dummy of an otherwise disqualified or unqualified person;
- b. When the licensee has been found to be farming out the license or receiving royalty of any kind;
- c. When the licensee has been found to be cutting or operating outside the limits of the license or within an area specifically designated or sub-classified by the Department as protection forestland;
- d. When the licensee has been found to be allowing illegally-cut timber to be invoiced under its license;

- 2176 e. When the licensee has been found to be inducing any other person
2177 to log in other areas in violation of the Department's regulations;
2178
2179 f. Failure to submit to the Department the required copies of auxiliary
2180 invoices covering timber manifested under the license;
2181
2182 g. Failure to leave undamaged an adequate stand of young trees for
2183 residual growing stock or for seeding purposes and to employ the
2184 necessary number of laborers needed for timber management
2185 work;
2186
2187 h. When the licensee has, for the third time after written warning,
2188 intentionally cut, injured or destroyed trees marked by forest
2189 officers and unmarked poles and saplings for future growing stock,
2190 seeding, or protection;
2191
2192 i. Failure to employ the required number of concession guards as
2193 determined by the Department;
2194
2195 j. Failure to protect the concession or license area or parts thereof
2196 from being converted into *kaingin*, or from illegal timber cutting,
2197 and other forms of trespass;
2198
2199 k. When the licensee has been found to have failed to put up the
2200 processing plant for the area within the required period, when
2201 made a condition in the award of the area and the grant of the
2202 license;
2203
2204 l. Failure to pay pending forest accounts;
2205
2206 m. Failure to maintain and make conspicuous the approved and
2207 established boundaries of his concession or license area;
2208
2209 n. Failure to suspend operations within a conflicted area when so
2210 required by the Department or its authorized representatives,
2211 pending final decision of the conflict;
2212
2213 o. Allowing a contractor to operate the license area or concession; and
2214 p. Violation of any of the terms and conditions of the license, the
2215 NIPAS Act and its implementing rules and regulations, the Wildlife
2216 Resources Conservation and Protection Act, or any of the
2217 provisions of law on internal revenue and labor, and Department
2218 regulations.
2219

2220 Any of the violations enumerated above will be cause for the immediate
2221 cancellation of the permit, timber license agreement or any other similar instrument.

2222 *Provided*, That the Department shall immediately take control of the land and
2223 consult with the concerned LGU and/or local communities for the proper
2224 management of the area covered by the said cancelled permit, TLA or instrument.
2225

2226 The relevant agencies shall formulate the appropriate rules and regulations
2227 for the implementation of this Act.
2228

2229 **Section 121. Appropriations.** The amount necessary to initially implement the
2230 provisions of this Act shall be charged against the appropriations of the Department
2231 of Environment and Natural Resources in the current General Appropriations Act.
2232 *Provided further* that a share from the VAT on oil and natural gas, emission testing
2233 tax, flood control tax, road users tax, and the Reforestation, Watershed Management,
2234 Health and/or Environment Enhancement Fund, pursuant to Section 4 of Republic
2235 Act No. 9136, otherwise known as the Electric Power Industry Reform Act of 2001
2236 (EPIRA), and its Implementing Rules and Regulations (IRR), shall be appropriated to
2237 fund provisions in this Act. Thereafter, such sums as may be necessary to fully
2238 implement the provisions of this Act shall be included in the annual General
2239 Appropriations Act. For local government units, the funding requirements shall be
2240 taken from their internal revenue allotment (IRA) and other sources of income
2241 including the income derived from the shares from the different modes of
2242 agreement.
2243

2244 **Section 122. Separability Clause.** Should any provision herein be declared
2245 unconstitutional or invalid, the same shall not affect the validity or legality of the
2246 other provisions.
2247

2248 **Section 123. Repealing Clause.** Subsections (b), (d), (e), (f), (g), and (i) of
2249 Section 4 of Act No. 3915; Republic Act Nos. 460 and 7161; Presidential Decree Nos.
2250 705, 1153, 1515, 1559, 1775 and 1998; Letter of Instruction No. 818; Executive Order
2251 Nos. 277, series of 1987, and Executive Order No. 725, series of 1981, are hereby
2252 repealed, and all laws, orders, rules and regulations, or any part thereof which are
2253 inconsistent herewith are likewise hereby repealed or amended accordingly:
2254 *Provided*, That this Act shall not in any manner amend the IPRA, NIPAS law and the
2255 Wildlife Resources Act.
2256

2257 **Section 124. Effectivity.** This Act shall take effect thirty (30) days from the
2258 date of its publication in the Official Gazette or in at least two (2) national
2259 newspapers of general circulation.