



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

SEVENTEENTH CONGRESS
Third Regular Session

House Bill No. **8796**



Introduced by **DIWA Party-list Representative Pepito M. Pico**

EXPLANATORY NOTE

Bamboo is gaining economic importance in the Philippines as it a viable substitute to wood for furniture, handicrafts, and construction materials and for the production of textiles, paper, other chemical products and biomass energy. Other than the economic benefits from bamboo, it can contribute significantly to environmental conservation and protection, as it can prevent soil erosion, landslides, flooding, as well as reduce the greenhouse effect because of its property that effectively lowers carbon emission.

Moreover, bamboo presents a solution to deforestation since it can be planted on different terrains including mountains. Bamboo production is also an effective sustainable community project for small farmers that can improve their lives since it can be an additional crop in multi-cropping farms to complement existing crops and in effect provide additional income for our local farmers.

According to DOST – Forest Products Research and Development Institute (FPRDI), global market for bamboo in 2006 stands at about 7 billion US dollars and was projected to increase to US\$17 B from 2015 to 2020. Currently, Philippines is the fifth largest bamboo exporter in the world. Among the top exporters of bamboo are China, EU, Indonesia and Vietnam, respectively.

The Philippine Bamboo Foundation recently reported that up to 52,000 hectares of land in the country is planted to bamboo but this is not sufficient to meet the market demand. The demands for bamboo continue to increase as the government promotes production and development of bamboo industry. In 2010, Executive Order 879 created the Philippine Bamboo Industry Development (PBID) Council to promote the bamboo industry development project, which was later intensified by Memorandum Circular No. 30 s. 2012 directing the full implementation of the Philippine Bamboo Industry Program.

However, aside from low production due to lesser land areas planted with bamboo, the development of bamboo industry is confronted with challenges, i.e.– quality of bamboo poles;

slow pace on bamboo plantation development; promotion and commercialization of the developed technologies for the manufacturing innovative and globally competitive engineered bamboo products.

While our government is backing the promotion and development of bamboo, there is still a need to institutionalize the bamboo development program to consolidate the efforts of our government institutions and partnerships with private sectors to foster a more vibrant bamboo industry in the Philippines.

This bill – a refiling of House Bill 4812 filed by former DIWA Party-list Representative Emmeline Villar and a counterpart bill of Senate Bill No. 716 with the support of its author, Senator Cynthia Villar – aims to institutionalize the bamboo industry development program to translate to a more concrete, efficient, and effective program thrusts not just to meet the local demands but also to deliver globally competitive bamboo products and expand our international market demands.



PEPITO M. PICO
Representative, DIWA Party-list



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8706
House Bill No. _____

Introduced by **DIWA Party-list Representative Pepito M. Pico**

AN ACT
INSTITUTIONALIZING THE BAMBOO DEVELOPMENT
PROGRAM AND PROVIDING FUNDS THEREFOR AND FOR
OTHER PURPOSES

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

SECTION 1. Title. - This bill shall be known as the "Bamboo Industry Act".

SEC. 2. Declaration of Policy. - The State shall provide for a self-reliant and independent economy to its people. It shall support indigenous, scientific and technological capabilities, and skills. It shall establish a program to conserve, propagate and promote bamboo as substitute for wood in making furniture, handicrafts, and construction materials; as well as to be used as food and as raw materials for the production of textiles, paper, and other chemical products. It shall promote the bamboo industry for poverty reduction, environmental conservation and protection, agricultural productivity enhancement, climate change mitigation and adaptation.

SEC. 3. Creation of the Philippine Bamboo Council. - There is hereby established, prioritized and institutionalized the Philippine Bamboo Industry Development Program (PBIDP) within the mandate of the Philippine Bamboo Industry Development Council as contained in Executive Order No.879.

SEC. 4. Objectives of the PBIDP. - The PBIDP aims to make the Philippine Bamboo Industry competitive in the local and international markets while providing opportunities for local employment and providing opportunities for rural-based, micro, small and medium community enterprises to flourish by—

- a) Expanding the number of bamboo nurseries with quality and disease free planting materials;
- b) Using bamboo in the manufacture of at least twenty five percent (25%) of furniture as an alternative to wood in public primary and secondary schools in the country;
- c) Requiring at least twenty (20%) percent of the annual planting materials needed in National Greening Program or Reforestation in open, denuded, and degraded forest be bamboo;
- d) Establishing a procedure for backyard bamboo farming;
- e) Ensuring the propagation, breeding, site species matching and plant nutrition;
- f) Ensuring soil and water conservation practices are observed. Ensuring that the bamboo industry is able to receive relevant and current research and technological information and new product lines;
- g) Promoting investments in the bamboo development programs;
- h) Providing skilled labor in bamboo processing by continuous training and capacity building;
- i) Ensuring that the machines to be used shall be by a local manufacturer that provide for safety, security and competitiveness;
- j) Ensuring that there are markets for bamboo locally and internationally; and
- k) Ensuring the sustainability of the bamboo industry.

SEC. 5. The Philippine Bamboo Industry Development Program (PBIDP). The PBIDP shall be formulated by the stakeholders including planters, processors, marketing and promotion service providers, relevant government agencies, and local government units. The program shall make sure that the objectives as enumerated in Sec. 5 of this Act are met.

SEC. 6. The Bamboo Development Framework. The Bamboo Industry Development Framework shall provide for a ten-year plan, projects, programs and policies for the scientific propagation, processing, utilization and business development of the Philippine Bamboo.

SEC. 7. Implementing Agency. There is hereby created a Philippine Bamboo Industry Development Coordinating Council (PBIDCC), herein referred to as the Council, administratively attached to the Department of Trade and Industry, charged with the main function of coordinating the activities of various agencies and instrumentalities to ensure the accomplishment of the Philippine Bamboo Framework for Development.

SEC. 8. Composition. The Philippine Bamboo Industry Development Coordinating Council shall be composed of the following:

- a) Secretary of the Department of Trade and Industry as Chairman (DTI);
- b) Undersecretary of the Department of Trade and Industry Regional Operations and Development Group (DTI-RODG) as Head of the Council Secretariat;

- c) Executive Director of the Cottage Industry Development Center (CICT) as the Head of the Bamboo Technical Working Group;
- d) Secretary of the Department of Environment and Natural Resources (DENR);
- e) Secretary of the Department of Agriculture (DA);
- f) Secretary of the Department of Education (DepEd);
- g) Secretary of the Department of Agrarian Reform (DAR);
- h) Secretary of the Department of Science and Technology (DOST);
- i) Secretary of the Labor and Employment (DOLE);
- j) Representative from the League of Municipalities of the Philippines;
- k) Representative from the League of Cities of the Philippines;
- l) Three (3) Representatives from State Universities and Colleges, one each from each of the island group of Luzon, Visayas and Mindanao;
- m) Representative from a reputable Private Industry Association;
- n) Two (2) Representatives from Bamboo Farmers'/Producers'/Processors' Associations;
- o) One (1) Representative from Non-Governmental Organization promoting bamboo.

The Council shall regularly meet every two (2) months and may hold special meetings, whenever the need arises, to consider urgent matters upon the call of the Chairman or any eight (8) Council members.

SEC. 9. Council Secretariat. The Council Secretariat shall be headed by the Undersecretary of the Department of Trade and Industry-Regional Operations and Development Group (DTI-RODG). Technical support shall be provided by the Bamboo Technical Working Group as headed by the Executive Director of the Cottage Industry Development Center (CICT).

The Secretariat and technical staff shall be detailed from the existing personnel of the DTI without prejudice to the designation of such additional staff members as it may deem necessary for the proper discharge of its functions and responsibilities.

SEC.10. Authority to generate resources. The PBIDC through its Secretariat is authorized to accept donations and contributions from local and international donors, sources for the attainment of its objectives;

SEC. 11. Participation of the League of Municipalities, Cities and Provinces. The League of Municipalities, Cities and Provinces are hereby directed to participate in the implementation of this Act by establishing their own Bamboo Industry Development Program and the creation of their Bamboo Industry Development Councils in their respective Local Government Units;

SEC. 12. Incentives to Investors in Plantation Development and Bamboo Processing Factories.

- a) Free from the payment of rent in government land used for commercial bamboo plantation for the first five years or until the planter is able to harvest his plantation;

- b) Forest plantation in private lands shall be free to cut and transport their products without the necessary cutting permit for harvesting as long as their plantation is registered with the Community Environment and Natural Resources Office (CENRO) of the DENR. Inventory of the plantation prior to harvest shall not be required. Only a notice to the CENRO of the date and volume of harvest should be made by the plantation owner. The CENRO's are required to have a book of registry containing the list of all the bamboo plantations in private lands and their application.
- c) Free of payment of forest charges and other fees or taxes that local government units may impose;
- d) Private owners of bamboo plantations shall not be subject to inspection during the transport of their bamboo products in check points;
- e) Private owners of bamboo plantations can access loans from public financial institutions;
- f) Plantations and equipment can be insured by the Philippine Crop Insurance Corporation;
- g) Tax free importation of plantation equipment and facilities;
- h) Provision of preferential rates and special window to bamboo farmers, producers, processors and exporters by the Land Bank of the Philippines;
- i) Bamboo business entity or enterprise to be registered under the Board of Investments (BOI) shall be entitled to the existing pertinent fiscal incentives as provided by the Board of Investments or those provided under Executive Order No. 226, as amended, otherwise known as the Omnibus Investment Code of 1987.

SEC. 13. Report. - The PBIDCC shall submit an annual report to the Office of the President, the Senate, and the House of Representatives of their accomplishment and status of the bamboo development in the country.

SEC. 14. Appropriation for the Philippine Bamboo Industry Development Fund. - Upon approval of this law, the Office of the President through PAGCOR shall so allocate a One hundred Million Pesos (Ph100, 000,000.00) initial fund as the Philippine Bamboo Industry Development Fund for the funding requirements for the propagation, production, processing, marketing and distribution of Philippine Bamboo Program. For the succeeding years, an annual allocation of not less than Two Hundred Million Pesos (P200, 000,000.00) shall be included in the General Appropriations Act for the Philippine Bamboo Industry Development Fund lodged in the Department of Trade and Industry's Regional Operations and Development Group (DTI-RODG), for the implementation of this Act. The budgetary requirements of cooperating agencies shall be incorporated in their respective annual budgets.

SEC. 15. Implementing Rules and Regulations. The Philippine Bamboo Industry Development Coordinating Council shall formulate and prescribe the necessary implementing rules and regulations to carry out the provisions of this Act.

SEC. 16. Repealing Clause. All laws or parts thereof, decrees, orders, rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 17. Separability Clause. - If any part, section, or provision of this Act shall be held invalid or unconstitutional, the rest of the provisions shall not be affected thereby.

SEC. 18. Effectivity. - This Act shall take effect fifteen (15) days from the date of publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,