

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS

First Regular Session

HOUSE BILL NO. 1437



Introduced by the Honorable ANIELA BIANCA D. TOLENTINO

EXPLANATORY NOTE

The global bamboo industry was valued at USD 53.28 Billion in 2020. News reports showed that the global bamboo industry will grow to USD 82.90 by 2028. Bamboo is abundant in the Philippines and the government should take steps so that the country can be a major player in the bamboo industry.

This representation seeks to ensure that there will be a thriving bamboo industry in the Philippines, thru the creation of the Philippine Bamboo Authority, which shall be called "Bamboo Philippines." Though there is an existing council for bamboo which is composed of different government agencies, this representation believes that the creation of a body that will focus on the promotion of bamboo will further push the bamboo industry to greater heights.

Bamboo Philippines will also be the government office which will conduct research and development activities relating to bamboo. In this way, the Philippines will have a more scientific approach in making sure that the country will have a booming bamboo industry. The proposed law herein will also identify provinces as bamboo centers and will provide incentives for the promotion and development of the bamboo industry. In this way, the country's approach for the development of the bamboo industry will be laser-focused. The creation of Bamboo Philippines will surely generate income and opportunities for Filipinos.

For the Filipino people, the passage of the measure herein is earnestly being prayed.

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal stroke and a small flourish.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS

First Regular Session

HOUSE BILL NO. 1437

Introduced by the Honorable ANIELA BIANCA D. TOLENTINO

**AN ACT PROMOTING THE BAMBOO INDUSTRY IN THE PHILIPPINES
BY CREATING THE PHILIPPINE BAMBOO AUTHORITY, TO BE KNOWN AS
"BAMBOO PHILIPPINES," IDENTIFYING PROVINCES AS BAMBOO CENTERS,
AND PROVIDING INCENTIVES FOR BAMBOO PLANTATION,
AND APPROPRIATING FUNDS THEREFOR**

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

SECTION 1. *Short Title.* – This Act shall be known as the "Bamboo Philippines Act."

SECTION 2. *Declaration of Policy.* – It is the policy of the State to promote and support industries that generate employment especially in the rural areas, reduce poverty, foster a sustainable environment, and mitigate the impacts of climate change. It shall also be the policy of the State to foster a self-reliant and independent economy that supports indigenous, scientific and technological capabilities, and skills. To this end, the State shall recognize the strategic importance of the bamboo as a sturdy, versatile, and replenishable material that can be a sustainable source of livelihood and catalyst for agricultural productivity. The State shall likewise ensure the integrated and continuous development of the Philippine bamboo industry through policies and programs that encourage the planting of bamboo, accelerate the development of bamboo-based products and designs, and promote Philippine bamboo products in international markets. It shall establish a program for a sustainable utilization, propagation and promotion of bamboo as furniture, food, construction and design material, and other uses.

SECTION 3. *Bamboo Philippines Program (BP Program).* – There shall be a Bamboo Philippines Program (BP Program) which shall include programs and projects for the scientific propagation, development and management, processing, utilization, business development, and commercialization of Philippine bamboo and bamboo products, through the cooperation of all stakeholders of the industry that include

producers of raw materials, processors, marketing and promotion service providers, and concerned national agencies and local government units (LGUs).

SECTION 4. *Objectives of the Bamboo Philippines Program.* – The BP Program shall aim to make the Philippine bamboo industry competitive in the local and global markets and provide opportunities for local employment and the establishment of bamboo-based community enterprises. The BP Program shall:

- (a) Ensure that the bamboo industry has sufficient quality raw materials through the establishment and management of bamboo nurseries and plantations.
- (b) Ensure that the bamboo industry continuously receives from the research and development sector relevant technologies and new products.
- (c) Ensure that the industry receives pertinent and accurate data from the BPP upon which the industry can make business decisions.
- (d) Promote investment in the bamboo industry by establishing bamboo plantations and bamboo processing operations, and providing substantial incentives to investors.
- (e) Provide skilled labor and manpower through continuous relevant capacity building.
- (f) Provide continuous training and capacity building in the bamboo industry 43 development.
- (g) Ensure provision of locally manufactured machines of improved capacity and quality at competitive costs.
- (h) Ensure markets of bamboo products locally and globally.
- (i) Ensure sustainable resources for implementing the bamboo industry development program.

SECTION 5. *Creation of the Bamboo Philippines.* – To implement the policies and attain the objectives, the Philippine Bamboo Authority, to be known and hereinafter referred to as “Bamboo Philippines,” is hereby created. Bamboo Philippines shall have a Board which will provide the overall program directions to ensure the implementation of the BPP. Bamboo Philippines shall be administratively attached to the Office of the President and shall hold its principal office in the Province of Cavite. Bamboo Philippines shall promulgate such rules and regulations as may be necessary for the attainment of the objectives of this Act.

SECTION 6. *Goals of Bamboo Philippines.* – Bamboo Philippines shall act to attain the following goals:

- (a) Promote and encourage the establishment and management of bamboo nurseries, plantations, and processing facilities that would accelerate the production and commercialization of bamboo and various bamboo products.
- (b) Promote the commercialization and market access of appropriate, innovative and viable bamboo industry development technologies and products.
- (c) Monitor and evaluate the performance of bamboo industry development programs and projects.

- (d) Coordinate and partner with local government units in the implementation of bamboo industry development programs and projects
- (e) Coordinate and partner with the private sector, people's organizations and non- governmental organizations, and the academe in providing assistance on matters pertaining to bamboo industry development.
- (f) Accept grants, donations and contributions from local and international donors and such similar sources of funds for the implementation of the provisions of this Act, subject to the usual budget, accounting and auditing rules and regulations.
- (g) Conduct capability-building initiatives for farmers, processors, designers, and other stakeholders in the bamboo industry.
- (h) Conduct research and development on its own or in partnership with appropriate government agencies to advance sustainable bamboo industry development practices.
- (i) Supervise the implementation of the plans and programs of the Board.
- (j) Manage and administer the projects as may be identified by the Board.
- (k) Conduct, in cooperation or partnership with appropriate government agencies, a periodic review of the bamboo industry.
- (l) Submit periodic reports to the Board and the Office of the President on the progress and accomplishment of programs and projects.

SECTION 7. *Composition of Bamboo Philippines.* – The Board of Bamboo Philippines shall be composed of the following:

- (a) Chairperson and Chief Executive Officer – who shall be appointed by the President.
- (b) Secretary of the Department of Trade and Industry (DTI) as Member.
- (c) Secretary of the Department of Environment and Natural Resources as Member.
- (d) Secretary of the Department of Science and Technology (DOST) as Member
- (e) Two (2) Representatives from Bamboo Farmers, Bamboo Manufacturers, or Bamboo Processors' Associations.
- (f) Science Research Specialist, whose expertise maybe in botany, wood biology, or other related fields.

SECTION 8. *Chairperson and Chief Executive Officer of Bamboo Philippines.*

– The Chairperson and Chief Executive Officer of Bamboo Philippines, as head of BP Program shall ensure the effective implementation the objectives and goals of this Act. The Chairperson and Chief Executive Officer of Bamboo Philippines shall also formulate and implement such policies and programs as are necessary for the attainment of the goals and objectives of this Act. The Chairperson and Chief Executive Officer of Bamboo Philippines must be a citizen and resident of the Philippines and shall serve for a term of three (3) years.

Section 9. *Executive Director of Bamboo Philippines.* – The Chairperson and Chief Executive Officer of Bamboo Philippines shall appoint an Executive Director, who shall be responsible for day-to-day operations of Bamboo Philippines. The appointment

of the Executive Director shall be subject to the approval of the Board of Bamboo Philippines. The Executive Director must be Filipino and shall be co-terminus with the Chairperson and Chief Executive Officer of Bamboo Philippines.

Section 10. *Organizational Structure of Bamboo Philippines.* – Bamboo Philippines shall have the following divisions in its organizational structure:

- (a) Bamboo Research and Development Division
- (b) Trade and Promotion Division
- (c) Finance Division
- (d) Administration Division
- (e) Internal Audit Division

Such other divisions as may be necessary can be created upon approval of the Board of Bamboo Philippines. The organizational structure, staffing pattern and compensation schedule of Bamboo Philippines shall be prepared in accordance with existing laws, rules and regulations.

SECTION 11. *Provinces as Bamboo Centers.* – Bamboo centers will be provinces, which shall be the areas where the implementation of the programs and policies pursuant to this Act shall be focused. The following provinces shall be considered as bamboo centers.

- (a) Abra
- (b) Ilocos Norte
- (c) Ilocos Sur
- (d) Cavite
- (e) Quezon
- (f) Albay
- (g) Camarines Sur
- (h) Sorsogon
- (i) Leyte
- (j) Samar
- (k) Bukidnon

After the development and improvement of the bamboo industry in the bamboo centers identified in this Act has been attained, the President of the Philippines may identify such other provinces, which will also be considered as bamboo centers.

SECTION 12. *Support to the Program by Local Government Units.* – The Local government (LGUs) of the bamboo centers identified in this Act shall participate in the implementation of the BP Program. Each LGU shall establish a Bamboo Industry Development Council and shall endeavor to capacitate agricultural workers and encourage entrepreneurs to acquire the needed competencies in harvesting and post-harvesting operations. The said LGUs shall formulate and implement their respective

bamboo industry development programs within three (3) years from the enactment of this Act.

SECTION 13. *Incentives for Bamboo Plantation Development.* – The following incentives shall be provided to investors in bamboo plantation development:

- (a) Exemption from the payment of rent for the use of government lands for commercial bamboo plantation for the first five (5) years of operation reckoned from the date of the first harvest of the plantation.
- (b) Exemption of private plantations from the requirements to secure a cutting permit for the harvesting of bamboo and a transport permit for as long as the plantation is registered with the Community Environment and Natural Resources Office (CENRO) of the DENR. Provided, that the plantation owner shall inform the CENRO about the date of harvest, and the estimated volume that of the harvest. Inventory of the plantation prior to harvest shall not be required. All CENROs shall approve and enter into a registry, the names of private bamboo plantation investors.
- (c) Exemption from the payment of forest charges and other fees for taxes that local government units may impose.
- (d) No inspection of harvested bamboo at check points.
- (e) Access to development loans from public financial institutions for plantation developers.
- (f) Insurance coverage of plantations and plantation development equipment by the Philippine Crop Insurance Corporation (PCIC).
- (g) Tax free importation of plantation development equipment, including tree nursery facilities, pursuant to Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA).
- (h) Expenses incurred for plantation operations shall be allowed as deductible expenses for income tax purposes, subject to the provisions of the National Internal Revenue Code of 1997, as amended: Provided, that the deduction shall only apply to the taxable period when the expenses were incurred.
- (i) Expenses incurred in the development and operation of a bamboo plantation prior to the commercial harvest shall be regarded as ordinary and necessary expenses or as capital expenditure.
- (j) Prioritized access for plantation developers to credit assistance from government owned, controlled and/or supported financial institutions.
- (k) Acceptance of plantation as collateral for loans in government owned or controlled banks.
- (l) For tenured developer, entitlement to fair compensation upon the premature termination of the agreement at no fault of the holder. Provided, that 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 retained in the area, shall be properly evaluated. Provided further, that the amount of compensation shall be mutually agreed upon by the appropriate government office and the tenure holder. Provided finally, that in case of disagreement between them, the matter shall be submitted to arbitration by a mutually acceptable and impartial third-party adjudicator.

- (m) Exportation of bamboo culms from plantation without restrictions in volume.
- (n) Tax free importation of processing equipment by processors engaged in bamboo industry, pursuant to Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA).
- (o) Inclusion in the annual investment program of the National Economic Development Authority of industrial bamboo plantations in forest lands and priority access to funds from external and internal sources.

SECTION 14. *Appropriations.* – The amount of One Billion Pesos (P1,000,000,000.00) shall be appropriated for the attainment of the objectives and goals under this Act, including the creation of Bamboo Philippines. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SECTION 15. *Implementing Rules and Regulations.* – Within sixty (60) days after the effectivity of this Act, the Office of the President, DTI, DENR, and DOST shall promulgate the rules and regulations to implement this Act.

SECTION 16. *Separability Clause.* – If any provision of this Act or part hereof is declared invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

SECTION 17. *Repealing Clause.* – All laws, executive and administrative orders, rules and regulations inconsistent with this Act are hereby repealed or amended accordingly.

SECTION 18. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.