

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
1st Regular Session

HOUSE BILL NO. 6197



Introduced by Representative ALEXANDER T. PIMENTEL

EXPLANATORY NOTE

Bamboo offers significant economic opportunities for the country, serving as a versatile wood substitute for various uses including furniture, construction materials, industrial products, paper, and food. Furthermore, bamboo, both raw and processed, taps into a vast market and supports the agro-forest sector. Bamboo is also crucial for environmental protection, as it contributes to a cleaner environment, prevents soil degradation, mitigates deforestation, and acts as a carbon sink.

Despite these advantages, the industry is underdeveloped, necessitating concrete policy actions and fiscal incentives to support bamboo farmers, producers, processors, and exporters. This bill seeks to promote the sustainable and integrated growth of the Philippine Bamboo Industry by recognizing bamboo as a strategic, indigenous, and renewable resource for enhancing livelihood, agricultural productivity, and environmental management.

The measure institutionalizes the Philippine Bamboo Industry Development Council (PBIDC)—an existing creation of an executive order—to ensure that the **Philippine Bamboo Industry Development Program (PBIDP)** prioritizes scientific propagation, processing, utilization, and business development of bamboo. Local government units (LGUs) are called upon to fully support this initiative through a whole-of-government approach.

Considering the essential role of bamboo in assisting the country's recovery from the economic effects of the pandemic, the passage of this bill is earnestly sought.

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AN ACT
PROMOTING THE SUSTAINABLE AND INTEGRATED DEVELOPMENT
OF THE PHILIPPINE BAMBOO INDUSTRY, INSTITUTIONALIZING THE
PHILIPPINE BAMBOO INDUSTRY DEVELOPMENT COUNCIL, AND
PROVIDING INCENTIVES THEREFOR

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

SECTION 1. The Philippine Bamboo Industry Development Program (PBIDP). The PBIDC shall formulate the Philippine Bamboo Industry Development Program (PBIDP). This Program must include projects and programs for the scientific propagation, utilization, processing, business development, and commercialization of bamboo and bamboo products. The PBIDP implementation shall rely on the cooperation of all stakeholders, including producers of raw materials, processors, service providers, marketers, and concerned national agencies and local government units (LGUs).

SECTION 2. Objectives of the Philippine Bamboo Industry Development Program. The PBIDP shall aim to enhance the Philippine bamboo industry's competitiveness both domestically and globally. It shall also provide opportunities for local employment and promote the establishment of bamboo-based community enterprises. Specifically, the PBIDP shall: a) Ensure the quality of bamboo raw materials through sound management of bamboo plantations and nurseries. b) Ensure the bamboo industry continuously benefits from new technologies and research relevant to the sector. c) Ensure the industry receives pertinent and accurate data for sound decision-making by the PBIDC. d) Promote investment in the industry, offering substantial incentives to investors and establishing bamboo processing operations and plantations. e) Provide skilled manpower and labor through relevant capacity building. f) Provide continuous capacity building and training in bamboo industry development. g) Ensure supply of locally manufactured machinery for improved capacity and quality at competitive costs. h) Ensure access to markets for bamboo products globally and locally. i) Ensure sustainable resources for implementing the bamboo industry development program.

SECTION 3. Role and Composition of the Philippine Bamboo Industry Development Council (PBIDC). The PBIDC, which was created under Executive Order No. 879, Series of 2010, shall oversee the overall policy and program directions of all instrumentalities and agencies to ensure the implementation of

the PBIDP. The Council shall be administratively attached to the Department of Trade and Industry (DTI) and shall be composed of the following members: a) The Secretary of the DTI as Chairperson. b) The Secretary of the Department of Environment and Natural Resources (DENR). c) The Secretaries of the Department of Agriculture (DA), Department of Education (DepEd), Department of Science and Technology (DOST), and Department of Labor and Employment (DOLE). d) The Executive Director of the Bamboo Industry Research and Development Center. e) The Chairperson of the National Commission of Indigenous Peoples. f) The National President of the Union of Local Authorities of the Philippines. g) Two representatives from Non-Government Organizations (NGOs). h) One representative from a reputable private industry association. i) One representative each from the Bamboo Farmers, the Bamboo Manufacturers, and the Bamboo Processors' Associations. The PBIDC shall also formulate rules and regulations necessary to attain the objectives of this Act.

SECTION 4. Bamboo Industry Research and Development Center (BIRDC). The BIRDC, created as a center under the Executive Director, shall serve as the secretariat of the PBIDC. The Center shall perform functions including: trade promotion and education; research and development; linkages and networking; internal administration and finance; and other necessary divisions. The organizational structure, staffing, and compensation schedule of the Center shall be prepared in line with existing rules and laws. The Center shall perform powers and functions such as: a) Promoting and encouraging the establishment and management of bamboo nurseries, processing facilities, and plantations that accelerate the production and commercialization of bamboo products. b) Promoting the commercialization and market access of appropriate, innovative, and viable bamboo industry development products and technologies. c) Monitoring and evaluating the performance of development programs and projects for the bamboo industry. d) Coordinating and partnering with other government agencies in implementing bamboo industry development programs and projects. e) Coordinating and partnering with the private sector, non-governmental organizations, people's organizations, and the academe in providing assistance on matters related to bamboo industry development. f) Accepting grants, contributions, and donations from local and international sources for the implementation of the Act, subject to applicable rules on accounting and auditing. g) Conducting capability-building initiatives for designers, farmers, processors, and other stakeholders in the bamboo industry. h) Conducting research and development in partnership with appropriate government agencies to advance sustainable bamboo industry development practices.

SECTION 5. The Executive Director of the Center. The PBIDC, with the Council's approval, shall appoint the Executive Director of the Center. The Executive Director must be a Philippine citizen and resident, possess adequate executive and management experience of at least three (3) years, and have considerable knowledge of the bamboo industry. The Executive Director shall perform functions including: a) Overseeing the day-to-day operations of the Center. b) Providing technical and administrative support to the Council. c) Assisting the Council in performing its tasks. d) Performing other duties necessary to implement this Act.

SECTION 6. Support to the Program by Local Government Units. Local government units (LGUs) shall participate in implementing the PBIDP. Each LGU must establish a Bamboo Industry Development Council and strive to capacitate agricultural workers and encourage entrepreneurs to acquire necessary

competencies in harvesting and post-harvesting operations. Provincial governments must formulate and implement their respective bamboo industry development programs within two (2) years of the Act's enactment.

SECTION 7. Incentives for Bamboo in Plantation Development. The following incentives shall be provided to investors in bamboo plantation development: a) Exemption from payment of rent for the use of government lands for commercial bamboo plantation for the first five (5) years of operation. b) Exemption from the payment of private plantations' requirements for securing a cutting permit for the first harvest of the plantation. c) Exemption from the requirements to secure a transport permit and cutting permit for the harvesting of bamboo, provided the plantation is registered with the DENR's Community Environment and Natural Resources Office (CENRO). d) Exemption from payment of forest charges and other local government fees or taxes. e) No inspection or harvested bamboo at checkpoints. f) Access to development loans from public financial institutions for plantation development. g) Insurance coverage of plantations and plantation development equipment through the Philippine Crop Insurance Corporation (PCIC). h) Tax free importation of plantation development equipment, including tree nursery facilities, pursuant to relevant Republic Acts. i) Expenses incurred for plantation operations shall be deductible expenses for income tax purposes, subject to applicable National Internal Revenue Code provisions. j) Expenses incurred in the operation and development of a bamboo plantation prior to commercial harvest shall be regarded as ordinary and necessary expenses or capital expenditure. k) Prioritized access for plantation developers to credit assistance from government-owned, controlled, and/or supported financial institutions. l) Acceptance of plantation as collateral for loans in government-owned or controlled banks. m) Entitlement for fair compensation upon the premature termination of the agreement at no fault of the tenant, for permanent improvements such as seedlings, trees, roads, buildings, and nurseries. n) Exportation of bamboo culms from plantations without restrictions in volume. o) Tax free importation of processing equipment by processors engaged in the bamboo industry, pursuant to relevant Republic Acts.

SECTION 8. Appropriations. The funds necessary to carry out the initial implementation of this Act shall be charged against the current year's budget of the DTI. Thereafter, necessary sums for continued implementation shall be included in the annual General Appropriations Act.

SECTION 9. Implementing Rules and Regulations (IRR). Within sixty (60) days after the effectivity of this Act, the DTI-PBIDC shall, in coordination with the DENR and DOST, promulgate the rules and regulations needed to implement this Act.

SECTION 10. Separability Clause. If any provision or part of this Act is declared unconstitutional or invalid, the remaining provisions not affected by the declaration shall remain in full force and effect.

SECTION 11. Repealing Clause. All laws, executive and administrative orders, rules, and regulations inconsistent with this Act are hereby repealed or amended accordingly.

SECTION 12. Effectivity. This Act shall take effect fifteen (15) days after its publication in a newspaper of general circulation or in the Official Gazette.

Approved.