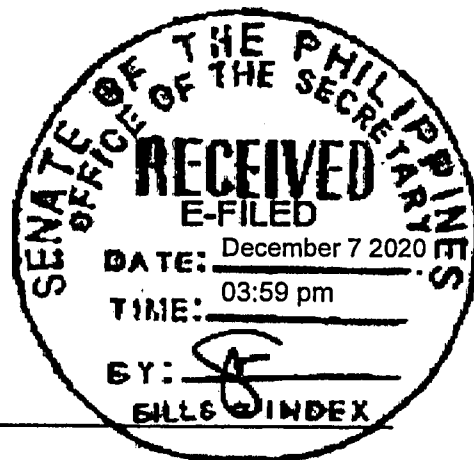


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

SENATE
S. No. 1938



Introduced by Senator Manuel "Lito" M. Lapid

**AN ACT
REQUIRING ALL DEALERS, RETAILERS AND SIMILAR ENTITIES ENGAGED
IN THE SALE OF MOTOR VEHICLES TO PLANT AT LEAST TEN (10) TREES FOR
EVERY SALES TRANSACTION**

EXPLANATORY NOTE

Section 16, Article II of the 1987 Constitution enshrines the duty of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

This constitutional precept of environmental protection is made more relevant today as the country was just devastated by a triad of consecutive strong typhoons (Quinta, Rolly and Ulysses) in a span of less than a month while in the middle of a global pandemic. Typhoons maybe regular occurrences in the country, but as years pass by, they became more destructive, both in terms of loss of human lives and economic damage. For typhoon Ulysses alone, at least 167,885 farmers were reported to be affected and 334,533 hectares of agricultural lands were damaged¹, for a total of Php 12.8 Billion financial loss in the agricultural sector alone². The images showing destruction and flooding in various provinces of Luzon paints a narrative of misery, poverty and a difficult road to recovery for the hardest-hit communities. While the

¹ <https://www.philstar.com/business/2020/11/29/2060111/ulysses-damage-agriculture-hits-p67-billion>

² <https://mb.com.ph/2020/11/26/typhoon-ulysses-damage-to-the-agriculture-sector-at-p12-8-b-da/>

resilience and tenacity of our citizens cannot be doubted, this is not enough. Concrete action and policies must be undertaken and implemented to address the yearly trend of stronger storms, higher floods and greater ruin.

One area where action must be made and it must be immediate is the deforestation situation in our country. Time and again, the nexus between flooding and denuded forests is sufficiently proven. During the last typhoons, deforestation along flood-prone areas was hugely blamed for intensifying the level of inundation³.

This bill seeks to contribute to the reforestation efforts of the government by requiring all dealers, retailers and similar entities which are engaged in the sale of motor vehicles to plant at least ten (10) trees for every sales transaction within a period of six (6) months from the date thereof. The Department of Trade and Industry is tasked to monitor and ensure compliance with this requirement, by mandating the submission of a report on tree-planting activities, accompanied with a certification from the City or Municipal Environment and Natural Resources Office of the locality where the tree planting was conducted. The DTI, through its duly authorized officers, will also have the power to inspect and copy, within reasonable business hours and days, the records of covered entities. Locations and tree species for the tree planting activities shall be determined by the Department of Environment and Natural Resources (DENR). To deter non-compliance, penal provisions are likewise provided in this proposed measure in the form of fines and eventual closure of businesses for repeated violations.

In view of this, early passage of this bill is sought.



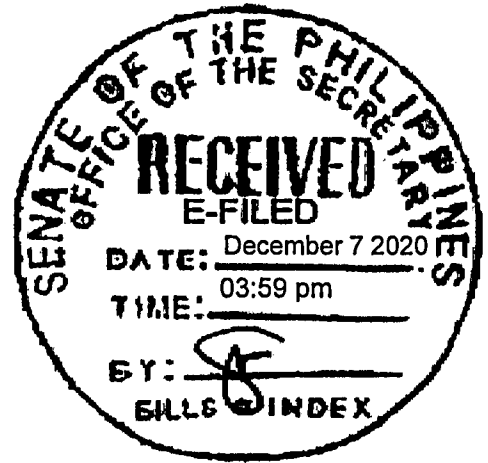
MANUEL "LITO" M. LAPID
Senator

³ <https://www.nytimes.com/2020/11/18/world/asia/philippines-floods-photos.html>

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AN ACT
REQUIRING ALL DEALERS, RETAILERS AND SIMILAR ENTITIES ENGAGED
IN THE SALE OF MOTOR VEHICLES TO PLANT AT LEAST TEN (10) TREES FOR
EVERY SALES TRANSACTION

*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 "Mandatory Tree Planting
2 for Every Motor Vehicle Sales Act."

3
4 **Section 2. *Declaration of Policy.*** – The State shall protect and advance the
5 right of the people to a balanced and healthful ecology in accord with the rhythm and
6 harmony of nature. Towards this end, the State shall promote the planting of trees to
7 ensure environmental protection, biodiversity and climate change mitigation for the
8 welfare of present and future generations

9
10 **Section 3. *Definition of Terms.*** – As used in this Act, the following terms
11 shall be defined as follows:

- 12 a) *Motor vehicle* refers to any self-propelled, four (4) wheeled road vehicle
13 designed to carry passengers including, but not limited to, sedans, coupes,
14 station wagons, convertibles, pick-ups, vans, sports utility vehicles (SUVs) and

1 Asian Utility Vehicles (AUVs) but excluding motorcycles, delivery trucks, dump
2 trucks, buses, road rollers, trolley cars, street sweepers, sprinklers, lawn
3 mowers and heavy equipment such as, but not limited to, bulldozers,
4 payloaders, graders, forklifts, amphibian trucks, cranes, and vehicles which run
5 only on rails or tracks, and tractors, trailers and traction engines of all kinds
6 used exclusively for agricultural purposes. Trailers having any number of
7 wheels, when propelled or intended by attachment to a motor vehicle, shall be
8 classified as separate motor vehicle with no power rating; and

9 b) *Dealer or retailer* refers to any person, natural or juridical, that sell new motor
10 vehicles directly to the retail buyers and the public;

11
12 **Section 4. *Mandatory Tree Planting for Every Motor Vehicle Sales.* –**

13 All dealers, retailers and similar entities which are engaged in the sale of motor
14 vehicles shall be required to plant at least ten (10) trees for every sales transaction.
15 This requirement of tree planting shall be accomplished within six (6) months from
16 the date of the sales transaction as reflected in the official receipt issued to the buyer.
17

18 **Section 5. *Enforcement and Monitoring.* –**The Department of Trade and
19 Industry (DTI) shall be the agency tasked with the enforcement and monitoring of
20 obligations imposed under this Act. All dealers, retailers and similar entities shall
21 submit to the DTI Regional Office exercising jurisdiction over their respective principal
22 place of business an annual report of their tree-planting activities in compliance with
23 this Act. The said report shall be accompanied with a certification from the City or
24 Municipal Environment and Natural Resources Office of the locality where the tree
25 planting was conducted. The DTI, through its duly authorized officers, shall have the
26 power to inspect and copy, within reasonable business hours and days, the records of
27 the covered entities to ensure the proper implementation of this Act.
28

29 **Section 6. *Location and Tree Species.* –**The trees to be planted under this
30 Act shall be planted in locations identified by the Department of Environment and
31 Natural Resources (DENR) with due consideration of the principal place of business of
32 the covered dealer, retailer or similar entity. The tree species to be planted shall

1 likewise be in accordance with a list of suitable tree species to be prepared by the
2 DENR.

3
4 **Section 7. Penal Provisions.** – Any dealer, retailer or similar entity who fails
5 to satisfy the tree planting requirement within the period set in this Act shall be liable
6 for a fine not exceeding Php 10,000 for every tree not planted. Repeated non-
7 compliance for two (2) years within a five (5)-year period shall result to a fine not
8 exceeding Php 20,000 for the outstanding number of trees not planted within the said
9 period. Repeated non-compliance for three or more years within a five (5)-year period
10 shall result in the closure of the non-compliant business entity and a fine not exceeding
11 Php 30,000 for the outstanding number of trees not planted within the said period. If
12 the dealer or retailer is a juridical entity, the same shall be solidarily liable for the acts
13 or omissions of its officers, agents and employees that resulted in the non-compliance
14 of this Act.

15
16 **Section 8. Implementing Rules and Regulations.** – Within sixty (60) days
17 from the effectivity of this Act, the DENR, DTI, and other relevant government
18 agencies and stakeholders, shall issue the necessary rules and regulations to
19 implement the provisions of this Act.

20
21 **Section 9. Repealing Clause.** — All laws, presidential decrees, executive
22 orders, proclamations, rules and regulations, or any part thereof, which are
23 inconsistent with the provisions of this Act are hereby repealed or modified
24 accordingly.

25
26 **Section 10. Separability Clause.** – If any provision or part of this Act, or the
27 application thereof to any person or circumstance, is held unconstitutional or invalid,
28 the remainder of this Act shall not be affected thereby.

29
30 **Section 11. Effectivity Clause.** — This Act shall take effect fifteen (15) days
31 from its publication in the Official Gazette or in at least two (2) newspapers of general

1 circulation.

2

3 *Approved,*