

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



23 JUL 25 P 6 :29

SENATE

S. No. 2358

RECEIVED BY: _____

Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
INSTITUTIONALIZING BAMBOO INDUSTRY DEVELOPMENT IN THE
PHILIPPINES, CREATING THE BAMBOO INDUSTRY DEVELOPMENT CENTER
(BIDC), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Bamboo is one of the most economically important non-timber forest products globally. With sixty-two (62) endemic bamboo species in the Philippines, the country is 6th among the largest exporters of bamboo in the world. It is greatly valued for its various economic and ecological benefits. Pangasinan, Tarlac and Bukidnon are the leading bamboo producing provinces (DOST, 2022).

In a 2020 study by the Department of Environment and Natural Resources (DENR), the global market for non-timber forest products, including bamboo, is estimated at USD 17 billion. Relevant thereto, the Department of Agriculture has also classified bamboo as a high-value crop.

With the growing demand from local and international markets, there is a need to address the identified gaps in order to make the bamboo industry more responsive and resilient.

This measure mandates the formulation of a Philippine Bamboo Industry Development Roadmap, and the establishment of the Philippine Bamboo Industry Development Council (PBIDC). The Council is tasked to provide the overall policy and program direction for the accomplishment and periodic review of the Roadmap.

This measure aims to strengthen Executive Order no. 879, series of 2010 which created the Philippine Bamboo Industry Development Council.

No less than President Ferdinand "Bongbong" R. Marcos, Jr. has emphasized the importance of passing this legislation when he certified its passage as urgent. It was echoed by Rene "Butch" Madarang, the Executive Director of the PBIDC, especially as the demands in the growing international market for high-value products made from engineered bamboo likewise continue to expand.

In view of further developing the bamboo industry in the country, the passage of this measure is earnestly sought.



RAMON BONG REVILLA, JR.

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

1 Section 1. *Short Title.* - This Act shall be known as the "*Philippine Bamboo*
2 *Industry Development Act of 2023.*"

3 Sec. 2. *Declaration of Policy.* - The State shall provide for a self-reliant and
4 independent economy for its people. It shall support indigenous, scientific and
5 technological capabilities, and skills. It shall establish a program for sustainable
6 consumption, production, propagation and promotion of bamboo as furniture,
7 construction and design materials, food and other uses. It shall promote the bamboo
8 industry as an engine for poverty reduction, inclusive growth, environmental
9 conservation and protection, agricultural productivity enhancement and climate
10 change adaptation.

11 Sec. 3. *Definition of Terms.* - As used in this Act:

- 12 a. *Bamboo* - refers to a tropical or semi-tropical fast-growing grass usually having
13 hollow culms and lignocellulose matrix;
- 14 b. *Bamboo Backyard Farming* - refers to those whose plantation and operations
15 are basically in the house backyard, with the household members as workers.
16 The majority of bamboo processing enterprises in the Philippines belong to this
17 category;

1 c. *Bamboo Industry* - refers to the sector with very high potential contribution in
2 the socio-economic development and environmental protection of the country.
3 The sector may still be classified as essentially agricultural considering that
4 majority of its market and supply is essentially for agricultural requirements
5 such as fish pens, banana props and other low value applications like
6 scaffoldings, and fences;

7 d. *Bamboo Industry Development Roadmap* - refers to the plan which shall
8 provide specific programs and projects, including the timeline for the
9 propagation, development and management, processing, utilization, business
10 development, and commercialization of the Philippine bamboo and bamboo
11 products. It shall contain a comprehensive national industrial strategy for the
12 Philippine bamboo industry;

13 e. *Bamboo Processing* - refers to the conversion of bamboo for various products
14 and applications including walls, panels, trusses, handicraft, consumer products
15 (tooth brush, tissues, toothpicks, and chopsticks among others) and novelty
16 products (furniture, handicraft, and decors), focused on the possible use of
17 bamboo as substitutes for wood for various applications (plywood, composites,
18 pulp and paper, bamboo arts, and other architectural applications); and
19 Bamboo Stand - for plantation, an aggregate of clumps occupying a specific
20 area and sufficiently uniform in composition (species), age, spacing, and
21 condition as to be distinguished from the natural and/or existing bamboo stands
22 (with unknown clump age). The latter stands have irregular spacing and species
23 composition not necessarily uniform and the clumps are randomly and widely
24 distributed.

25 Sec. 4. *Objectives*. - This Act aims to make the Philippine bamboo industry competitive
26 in the local and international markets while providing opportunities for local
27 employment and establishing bamboo-based community enterprises by:

28 a. Promoting the integrated and holistic development of the bamboo industry in
29 various aspects of research, production, processing, marketing, consumption,
30 capacity building, and regulation;

- 1 b. Ensuring that the bamboo industry has sufficient supply of quality raw materials
2 through the establishment and management of bamboo nurseries and
3 plantations;
- 4 c. Ensuring that relevant and accurate data on the bamboo industry are collated
5 and published by the Center created under Section 7 of this Act, in cooperation
6 with various government agencies, private entities and other relevant sources,
7 to aid in business decisions related to the industry;
- 8 d. Promoting investments in the bamboo industry by providing substantial and
9 attractive incentives to investors;
- 10 e. Providing skilled labor and manpower through continuous relevant capacity
11 building;
- 12 f. Ensuring the provision of locally manufactured machines with improved
13 capacity, efficiency, and quality at competitive costs;
- 14 g. Improving bamboo industry research and development to discover new
15 products and technologies, and advance market access for Philippine bamboo
16 and bamboo products locally and internationally;
- 17 h. Providing access to markets of bamboo products locally and internationally
18 through aggressive trade promotions; and,
- 19 i. Ensuring sustainable resources in the implementation of the bamboo industry
20 development program.

21 *Sec. 5. Composition of the Philippine Bamboo Industry Development Council.-*

22 The composition of the Philippine Bamboo Industry Development Council (PBIDC), as
23 provided for under Executive Order No. 879, is hereby amended as follows:

- 24 a. The Chairperson shall be the Secretary of the Department of Trade and Industry
25 (DTI), or the Undersecretary for Regional Operations Group as alternate;
- 26 b. Its members shall be composed of the following:
 - 27 i. Secretary of the Department of Environment and Natural Resources
28 (DENR), or the Director of the Ecosystems Research and Development
29 Bureau as alternate;
 - 30 ii. Secretary of the Department of Agriculture (DA), or Director of the High
31 Value Crop Development Program as alternate;

- 1 iii. Secretary of the Department of Science and Technology (DOST), or the
2 Executive Director of DOST-Forest Products Research and Development
3 Institute (DOST-FPRDI) as alternate;
- 4 iv. A representative from the Department of Education (DepEd);
- 5 v. A representative from the Department of Interior and Local Government
6 (DILG);
- 7 vi. One (1) representative each from:
 - 8 1. bamboo farmers,
 - 9 2. bamboo manufacturers, and
 - 10 3. bamboo processors associations;
- 11 vii. Two (2) representatives from the private sector involved in the
12 agriculture sector, preferably in the bamboo industry.

13 The Executive Director of the Center sits as an *ex-officio* member without voting
14 power.

15 The representatives from the private sector, bamboo farmers, bamboo
16 manufacturers, bamboo processors associations, and the private sector shall be
17 appointed by the President of the Philippines from the list of nominees submitted by
18 the DTI Secretary. The DTI Secretary shall choose the nominees from the respective
19 lists submitted by the different organizations. They shall serve for a term of three (3)
20 years, without reappointment.

21 The Council shall meet quarterly and may hold special meetings whenever the
22 need arises to consider urgent matters upon the call of the Chair or any of the council
23 members.

24 The Council shall continue to provide the overall policy and program directions
25 of the bamboo industry, coordinate activities of the various government agencies and
26 instrumentalities, and ensure the implementation, accomplishment, and periodic
27 review of the Bamboo Industry Development Roadmap.

28 The Council shall be administratively attached to the Department of Trade and
29 Industry (DTI).

30 Sec. 6. *Powers and Functions of the Council.* - The Council shall have the
31 following powers and functions, among others:

- 32 a. Formulate the Philippine Bamboo Industry Development Roadmap;

- 1 b. Identify specific programs and projects in support of, and in line with the
- 2 Philippine Bamboo Industry Development Roadmap;
- 3 c. Identify sources of financing to expand bamboo industry development;
- 4 d. Submit annual reports to the Office of the President, the Senate Committee on
- 5 Trade, Commerce and Entrepreneurship, and the House of Representatives
- 6 Committee on Trade and Industry on the status of the implementation of the
- 7 Roadmap and the bamboo industry development in the country; and,
- 8 e. Promulgate such rules and regulations and exercise such other powers and
- 9 functions as may be necessary to carry out effectively the attainment of the
- 10 purposes and objectives of this Act.

11 *Sec. 7. Bamboo Industry Development Center (BIDC).* - The Bamboo Industry
12 Development Center, hereinafter referred to as the Center, shall be created to serve
13 as the secretariat of the Council to be headed by an Executive Director.

14 The Center shall consist of divisions for:

- 15 a. research and development;
- 16 b. trade promotion and education,
- 17 c. networking and linkages,
- 18 d. internal administration, and
- 19 e. such other purposes deemed necessary by the Council.

20 The composition and staffing of the divisions shall be prepared by the
21 Executive Director and approved by the Council.

22 The organizational structure, staffing pattern and compensation schedule of the
23 Center shall be drawn up in accordance with the Civil Service Commission (CSC) law,
24 rules and regulations. Government agencies represented in the Council shall provide
25 additional administrative and technical staff support upon request by the Council.

26 The Center shall have the following powers, functions and duties:

- 27 a. Promote and encourage the establishment and management of bamboo
- 28 nurseries and bamboo plantations for commercialization, in coordination with
- 29 DENR and DA;
- 30 b. Coordinate and partner with DOST-FPRDI for continuous research and
- 31 development to advance sustainable bamboo industry development practices;

- 1 Work with the Council and coordinate with the DENR and DOST-FPRDI in
2 formulating a holistic National Bamboo Industry Development Program;
- 3 c. Work to establish and create processing facilities that would accelerate the
4 production and commercialization of bamboo and various bamboo products;
- 5 d. Promote the establishment and creation of bamboo farm tourism camps in
6 coordination with the Department of Tourism;
- 7 e. Promote the commercialization and market access of appropriate, innovative
8 and viable bamboo industry development technologies and products;
- 9 f. Liaise and partner with other government agencies in the implementation of
10 bamboo industry development programs and projects;
- 11 g. Monitor and evaluate the performance of the bamboo industry, and the bamboo
12 development programs and projects;
- 13 h. Coordinate and partner with the private sector, people's organizations and non-
14 governmental organizations, and State Colleges and Universities in providing
15 assistance on matters pertaining to bamboo industry development;
- 16 i. Accept grants, donations and contributions from local and international donors
17 and such similar sources of funds for the implementation of this Act, subject to
18 the usual budget, accounting and auditing rules and regulations;
- 19 j. Assist the Council, in cooperation with other appropriate government agencies,
20 in conducting a periodic review of the Philippine Bamboo Industry Development
21 Roadmap;
- 22 k. Conduct capability-building initiatives for farmers, farm workers, processors,
23 designers, and other stakeholders in the bamboo industry;
- 24 l. Gather data and create an information system related to bamboo, including but
25 not limited to, plantations, population, species, workers and beneficiaries,
26 investors, product demands and supplies, and costs and benefits for market
27 research;
- 28 m. Manage and administer the projects approved by the Council under this Act;
- 29 n. Supervise the implementation of the plans and programs of the Council; and
- 30 o. Submit periodic reports to the Council on the progress and accomplishment of
31 bamboo industry programs and projects.

1 *Sec. 8. The Executive Director of the Center.* - The Executive Director shall be
2 appointed on a permanent capacity by the President of the Philippines from the list of
3 nominees submitted by the DTI Secretary. The Executive Director shall be a Filipino
4 citizen and must possess executive and management experience of at least three (3)
5 years and with proven track record in bamboo industry development.

6 The Executive Director, in addition to the duties in the Center, shall have the
7 following powers and functions:

- 8 a. Assist the Council in the performance of its tasks;
- 9 b. Provide technical and administrative support to the Council;
- 10 c. Oversee the day-to-day operations of the Center; and
- 11 d. Perform such other functions, duties and responsibilities as may be necessary
12 to implement this Act.

13 *Sec. 9. Department of Environment and Natural Resources (DENR) on Bamboo*
14 *for Commercialization.* - In addition to its mandate, under the Bamboo Plantation
15 Development Program (BPDP), the DENR shall ensure the development and expansion
16 of nurseries and plantations of bamboo for commercialization and industrial purposes,
17 while taking into consideration the ecological balance in areas identified for plantation
18 and propagation. It shall continue to conduct research and development activities for
19 production or propagation of bamboo.

20 *Sec. 10. Department of Science and Technology for Research and*
21 *Development.* - The DOST - Forest Products Research and Development Institute
22 (DOST-FPRDI) shall be the main research and development arm for bamboo utilization
23 of the Council. It shall work closely in coordination with the Center (BDIC) and other
24 government agencies such as the DA-BAR to advance sustainable bamboo industry
25 development practices.

26 *Sec. 11. Role of the Local Government Units.* - Local Government Units (LGUs)
27 in cooperation with the DENR, DTI and the DOST-FPRDI, and in consultation with DA
28 and the National Commission on Indigenous People (NCIP) when necessary, shall
29 regularly conduct surveys of existing bamboo stands, nurseries and plantations in their
30 respective localities, and shall strengthen the local bamboo industry by promoting
31 bamboo enterprises in their respective localities.

1 Sec. 12. *Provision of Incentives to Investors in Nursery and Plantation*
2 *Development and Bamboo Enterprises.* - The following incentives shall be provided to
3 investors in plantation development and bamboo processing factories:

- 4 a. The Board of Investments (BOI) shall classify bamboo nurseries and plantations
5 as a "pioneer" industry, and bamboo processing as preferred area of investment
6 under its Investment Priorities Plan (IPP) subject to pertinent rules and
7 regulations. *Provided*, that the mandatory classification as such shall only be
8 for a period of five (5) years, and thereafter its inclusion in the preferred area
9 of investment under the IPP shall be decided by the BOI;
- 10 b. Nursery and plantation owners shall be exempt from the payment of
11 government share for the use of public lands for commercial bamboo plantation
12 for the first ten (10) years or when the plantation owner starts to harvest the
13 nursery or plantation subject to existing tenurial agreement with concerned
14 government agencies;
- 15 c. Plantation owners in public lands shall be exempt from the payment of forest
16 charges that may be imposed by national government and other fees or taxes
17 imposed by local government units;
- 18 d. Plantation owners, including those with nursery facilities, bamboo processing
19 plants, and other related businesses shall be exempt from the payment of
20 import duties for imported machines and equipment to be used exclusively
21 therein, subject to all pertinent rules and regulations;
- 22 e. Ordinary and necessary expenses incurred for the business shall be allowed as
23 deductible expenses for income tax purposes, subject to the provisions of the
24 National Internal Revenue Code of 1997, as amended. *Provided*, that the
25 deduction shall only apply to the taxable period, when expenses were incurred;
- 26 f. Expenses incurred in the development and operation of a bamboo plantation
27 prior to the commercial harvest shall be regarded as ordinary and necessary
28 expenses or as capital expenditures for purposes of tax treatment;
- 29 g. Bamboo plantations shall be accepted as among the collaterals for loans in
30 government-owned or controlled banks, subject to its rules and regulations;
- 31 h. Bamboo plantation developers and bamboo processors shall be given priority
32 to access credit assistance and guarantee schemes being granted by

1 government-owned, controlled and/ or supported financial institutions; Bamboo
2 plantations shall not require a cutting permit for harvesting nor shall its produce
3 need a transport permit for transporting. Provided, that such plantation is
4 registered with the Community Environment and Natural Resources Office
5 (CENRO) of the DENR;

- 6 i. Bamboo plantations and plantation development equipment shall be covered
7 by the Philippine Crop Insurance Corporation (PCIC);
- 8 j. For tenured bamboo plantation owners, upon the premature termination of the
9 tenurial agreement with no fault of the holder, all capital improvements,
10 depreciable permanent and semi-permanent improvements such as roads,
11 buildings, nurseries including the planted and standing bamboo and other
12 intercrops, introduced and retained in the area, shall be evaluated and the
13 holder shall be entitled to a fair compensation thereof, the amount of which
14 shall be mutually agreed upon by both the DENR and the tenure-holder and in
15 case of disagreement between them, by arbitration through a mutually
16 acceptable and impartial third party adjudicator through the DENR; and
- 17 k. The export of bamboo poles shall be regulated by the Council while other
18 bamboo products may be exported without restrictions in volume.

19 Sec. 13. *Appropriations.* - The existing budget for bamboo industry
20 development under the DTI, DENR-FPRID's bamboo related research and
21 development DENR's BPDP, are hereby appropriated for the initial budgetary
22 requirements of the Center. Thereafter, such amount as may be necessary for the
23 continuous operation of the Center shall be included in the annual General
24 Appropriations Act (GAA). The budgetary requirements of cooperating agencies shall
25 be incorporated in their respective annual budgets.

26 Sec. 14. *Implementing Rules and Regulations (IRR).* - Within one hundred
27 twenty (120) days from the effectivity of this Act, the DTI, in consultation with
28 concerned government agencies, and other relevant stakeholders, shall promulgate
29 the necessary IRR for the effective implementation of this Act.

30 Sec. 15. *Separability Clause.* - All laws, orders, decrees, rules and regulations,
31 and other parts thereof inconsistent with the provisions of this Act are hereby
32 repealed, amended or modified accordingly.

1 Sec. 16. *Repealing Clause.* - All laws, orders, decrees, rules and regulations,
2 and other parts thereof inconsistent with the provisions of this Act are hereby
3 repealed, amended or modified accordingly.

4 Sec. 17. *Effectivity.* – This Act shall take effect fifteen (15) days after its
5 publication in the Official Gazette or in two (2) newspapers of general circulation in
6 the Philippines.

Approved,