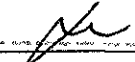


THIRTEENTH CONGRESS OF THE REPUBLIC}
OF THE PHILIPPINES }
Third Regular Session }

7 FEB -7 PM 03

SENATE

REC'D VBI - 03 

COMMITTEE REPORT NO. 298

Submitted jointly by the Committees on Environment and Natural Resources; Local Government; Ways and Means; Finance; Constitutional Amendments, Revision of Codes and Laws; Cultural Communities; Education, Arts and Culture; and Social Justice, Welfare and Rural Development on FEB 07 2007.

Re : **House Bill No. 4081**, taking into consideration Senate Bill Nos. 218, 254, 285, 289, 728, 729, 1150, 1468, 1734 and 1870; Proposed Senate Resolution Nos. 135 and 138; Privilege Speech of Senator M.A. Madrigal, delivered on December 7, 2004, entitled: *"A Juggernaut of Despoliation;"* Privilege Speech of Senator Ramon "Bong" Revilla, Jr., delivered on December 8, 2004, entitled: *"In the Eye of the Storm: A Salute to the Filipino Spirit;"* and the Privilege Speech of Senator Alfredo S. Lim, delivered on December 8, 2004, entitled: *"The Unabated Rape and Destruction of Our Forests Must Be Stopped Now, Lest Nature's Wrath will Continue to Hound and Punish Us for Our Transgressions."*

Recommending the approval of House Bill No. 4081 without amendment.

Sponsors : Senators Cayetano, Lim, Recto, Drilon, Gordon, Madrigal, Flavier and Magsaysay

MR. PRESIDENT:

The Committees on Environment and Natural Resources; Local Government; Ways and Means; Finance; Constitutional Amendments, Revision of Codes and Laws; Cultural Communities; Education, Arts and Culture; and Social Justice, Welfare and Rural Development to which was referred House Bill No. 4081, introduced by Representatives De Venecia, Jaworski, Banaag, Seachon-Lanete, Andaya, Macarambon, Barinaga, Barbers, Villarosa, Gullas, Espinosa (E.T.), Mercado, Macias, Lagbas, Solis, Vargas, Lacson, Amin, Codilla, Badelles, Miranda, Jaraula, Mangudadatu, Agbayani, Tulagan and Bersamin, entitled:

**“AN ACT
TO SPUR THE PLANTING OF A BILLION TREES AND FOR OTHER PURPOSES;”**

taking into consideration Senate Bill No. 218, introduced by Senator Osmeña, entitled:

**“AN ACT
INSTITUTIONALIZING PRIVATE LAND FORESTRY TO ENHANCE REFORESTRATION
AND ENVIRONMENT PROTECTION AND PROVIDING INCENTIVES THEREOF, AND
FOR OTHER PURPOSES”,**

Senate Bill No. 254, introduced by Senator Osmeña, entitled:

**“AN ACT
AUTHORIZING THE HIGHER EDUCATION INSTITUTIONS IN THE PHILIPPINES TO
UNDERTAKE A TEN-YEAR AGROFORESTATION PROGRAM, PROVIDING
MECHANISMS OF IMPLEMENTATION AND APPROPRIATING FUNDS THEREOF”,**

Senate Bill No. 285, introduced by Senator Osmeña, entitled:

**“AN ACT
TO SPUR THE PLANTING OF A BILLION TREES THROUGH THE COMPLEMENTARY
TREE PLANTING PROGRAMS OF THE DEPARTMENT OF ENVIRONMENT AND
NATURAL RESOURCES AND VARIOUS GOVERNMENT AGENCIES, LOCAL
GOVERNMENT UNITS, COMMUNITIES, SCHOOLS AND UNIVERSITIES, AND CIVIC
AND NONGOVERNMENTAL ORGANIZATIONS, ESTABLISHING MINI-FOREST
RESERVES IN CITIES, MUNICIPALITIES AND SUBDIVISION PROJECTS, PROMOTING
FOREST PLANTATIONS, AND PROTECTING THE REMAINING NATURAL FORESTS,
CREATING A FUND THEREFOR AND FOR OTHER PURPOSES”**

Senate Bill No. 289, introduced by Senator Osmeña, entitled:

**“AN ACT
DEFINING THE OFFENSE OF ILLEGAL LOGGING IN WATERSHEDS AND OTHER
PROTECTED AREAS, AND PROVIDING PENALTIES THEREFOR”,**

Senate Bill No. 728, introduced by Senator Villar, entitled:

**“AN ACT
TO CONSERVE AND PROTECT THE PUBLIC FORESTS, MANGROVES AND
WILDLIFE THEREIN THROUGH A PROGRAM OF RENEWAL, REFORESTATION AND
REPLANTING, AND FOR OTHER PURPOSES”,**

Senate Bill No. 729, introduced by Senator Villar, entitled:

**“AN ACT
ESTABLISHING FOREST MANAGEMENT, UTILIZATION, CONSERVATION AND
PRESERVATION CENTERS IN PROVINCES INHABITED PREDOMINANTLY BY
MEMBERS OF INDIGENOUS CULTURAL COMMUNITIES AND UPLAND FAMILIES”,**

Senate Bill No. 1150, introduced by Senator Pimentel, entitled:

**“AN ACT
TOTALLY BANNING LOGGING OPERATIONS FOR THE NEXT
TWENTY-FIVE YEARS”,**

Senate Bill No. 1468, introduced by Senator Lapid, entitled:

**“AN ACT
PROVIDING FOR THE PRESERVATION, REFORESTATION, AFFORESTATION AND
SUSTAINABLE DEVELOPMENT OF MANGROVE FORESTS IN THE PHILIPPINES,
PROVIDING PENALTIES THEREFOR AND FOR OTHER PURPOSES”,**

Senate Bill No. 1734, introduced by Senator Osmena, entitled:

**“AN ACT
PROVIDING FOR THE PRESERVATION, REFORESTATION, AFFORESTATION, AND
SUSTAINABLE DEVELOPMENT OF MANGROVE FORESTS IN THE PHILIPPINES AND
FOR OTHER PURPOSES”,**

Senate Bill No. 1870, introduced by Senators Madrigal and Lim, entitled:

**“AN ACT
TO ESTABLISH A BAN ON ALL LOGGING OPERATIONS IN THE COUNTRY TO
ENSURE THE PROTECTION, PRESERVATION AND REHABILITATION OF THE
PHILIPPINE’S ENVIRONMENT, PROVIDING FOR CITIZEN’S RIGHTS AND THE
APPROPRIATE PENALTIES FOR VIOLATIONS OF THIS ACT”,**

Proposed Senate Resolution No. 135, introduced by Senator Cayetano, entitled:

**“A RESOLUTION
DIRECTING THE COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES TO
INVESTIGATE, IN AID OF LEGISLATION, THE RAMPANT CUTTING OF FOREST
TREES WHICH RESULTED TO FLASH FLOODS IN THE PROVINCES OF NUEVA
ECIJA, AURORA AND QUEZON AS WELL AS SOME PARTS
OF THE BICOL REGION”,**

Proposed Senate Resolution No. 138, introduced by Senators Madrigal, Lim, J. Ejercito Estrada and L. Ejercito Estrada, entitled:

**“RESOLUTION
DIRECTING THE SENATE COMMITTEE ON CULTURAL COMMUNITIES TO CONDUCT
AN INQUIRY, IN AID OF LEGISLATION, INTO THE RECENT TRAGEDY THAT BEFELL
THE INDIGENOUS PEOPLE AND CULTURAL COMMUNITIES OF THE
MUNICIPALITIES OF DINGALAN, GABALDON AND INFANTA OF THE PROVINCES
OF AURORA, NUEVA ECIJA AND QUEZON, RESPECTIVELY”**,

Privilege Speech of Senator M.A. Madrigal, delivered on December 7, 2004, entitled:

“A JUGGERNAUT OF DESPOLIATION”

Privilege Speech of Senator Ramon “Bong” Revilla, Jr., delivered on December 8, 2004, entitled:

“IN THE EYE OF THE STORM: A SALUTE TO THE FILIPINO SPIRIT”

and Privilege Speech of Senator Alfredo S. Lim, delivered on December 8, 2004, entitled:


**“THE UNABATED RAPE AND DESTRUCTION OF OUR FORESTS MUST BE
STOPPED NOW, LEST NATURE’S WRATH WILL CONTINUE TO HOUND
AND PUNISH US FOR OUR TRANSGRESSIONS;”**

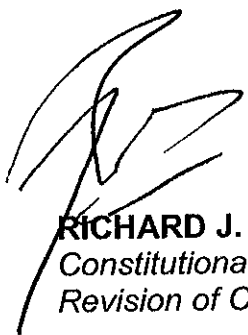
have considered the same and have the honor to report House Bill No. 4081 back to the Senate with the recommendation that it be approved without amendment.

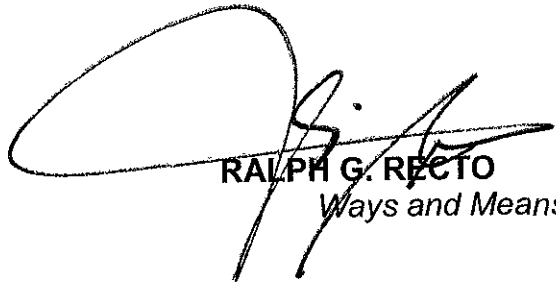
Respectfully submitted:

Committee Chairpersons:

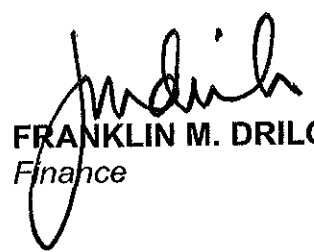

ALFREDO S. LIM
Local Government

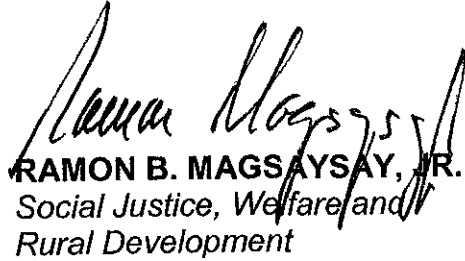

“COMPAÑERA” PIA S. CAYETANO
Environment and Natural Resources

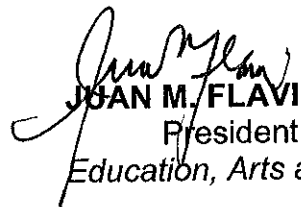
 *with amend*
RICHARD J. GORDON
Constitutional Amendments,
Revision of Codes and Laws


RALPH G. RECTO
Ways and Means


M.A. MADRIGAL
Cultural Communities

 *with interpellate + oray amend.*
FRANKLIN M. DRILON
Finance


RAMON B. MAGSAYSAY, JR.
Social Justice, Welfare and
Rural Development


JUAN M. FLAVIER
President Pro-tempore
Education, Arts and Culture

Committee Vice Chairperson:


 *with amend*
AQUILINO Q. PIMENTEL, JR.
Minority Leader
Local Government


Members:



RAMON "BONG" REVILLA, JR.


MANUEL "LITO" M. LAPID


MAR ROXAS

with amendments

RODOLFO G. BIAZON

 *with amendments*
JUAN PONCE ENRILE


JOKER P. ARROYO


MIRIAM DEFENSOR SANTIAGO


EDGARDO J. ANGARA

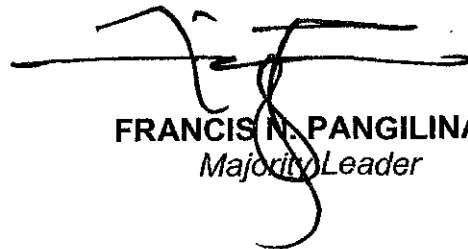

LUISA "LOI" P. EJERCITO-ESTRADA


PANFILO M. LACSON

*with reservation /
with interpellate /
way amend*
SERGIO OSMEÑA III


JINGGOY EJERCITO ESTRADA

Ex-Officio member:


FRANCIS N. PANGILINAN
Majority Leader

HON. MANNY VILLAR
Senate President
Pasay City

1 The State shall adopt and implement a sustainable forest development
2 and management program. It shall create opportunities for the participation of
3 all sectors of society, particularly the upland, lowland, and coastal families,
4 communities and organizations, national government agencies, local
5 government units (LGUs), nongovernment organizations (NGOs), schools,
6 colleges and universities, private landowners and juridical personalities, and
7 indigenous peoples in the national reforestation program of denuded
8 forestlands, idle alienable and disposable (A&D) land, private lands and other
9 government lands.

10 The State shall likewise adopt various approaches to community-based
11 forest management in consideration of differences in the sociocultural,
12 environmental and geophysical nature of the country's forestlands.

13 SEC. 3. *Objectives.* – The Billion Trees Program aims to improve the
14 country's ecology and forest regeneration capacity.

15 More specifically, it intends:

16 (a) To hasten reforestation efforts in upland, lowland and coastal
17 communities in a more efficient manner;

18 (b) To minimize soil erosion, flash flooding, siltation of rivers and
19 dams, drought and other negative consequences through rehabilitation of
20 degraded watershed areas;

21 (c) To make forest and fruit tree seedlings available and more
22 accessible to all cities and municipalities in the country;

23 (d) To promote forest diversity through the reintroduction of endemic
24 species such as dipterocarps, pine, mangroves, etc.;

25 (e) To help rehabilitate wildlife habitat through effective forest
26 protection strategy;

27 (f) To ensure adequate supply of forest and agricultural products in the
28 future; and

1 (g) To generate employment opportunities and provide additional
2 income to the countryside and rural communities.

3 SEC. 4. *Coverage.* – At least one million (1,000,000) hectares of open
4 and denuded public forestlands, production forestlands, protection forestlands,
5 critical watersheds, national parks and protected areas under the National
6 Integrated Protected Areas System (NIPAS), ancestral lands, private lands,
7 idle portions of alienable and disposable lands of the government, reservations
8 under the jurisdiction of other government agencies, and city and municipal
9 parks, including portions of the required open spaces in subdivision projects
10 are targeted for the first five years of implementation of this Act to be planted
11 to both forest and fruit tree species.

12 SEC. 5. *Definition of Terms.* – As used in this Act, the following terms
13 shall mean:

14 (a) “Alienable and Disposable (A&D) Lands” refer to lands of the
15 public domain which have been delimited, classified and declared as such, and
16 available for disposition under the provisions of Commonwealth Act No. 141,
17 as amended, otherwise known as the Public Land Act.

18 (b) “Billion Trees Program” refers to the national reforestation
19 program under this Act for the reforestation and rehabilitation of denuded
20 public forestlands, production forestlands, protection forestlands, critical
21 watersheds, national parks and protected areas under the NIPAS, ancestral
22 lands, private lands, idle portions of alienable and disposable lands of the
23 government, reservations under the jurisdiction of other government agencies,
24 and city and municipal parks, including portions of the required open spaces in
25 subdivision projects. The participants in the program are organized
26 communities, people’s organizations, cooperatives, NGOs, juridical
27 personalities, government agencies including LGUs, upland and coastal
28 families, and private individuals and government employees including

1 members of the military and the Philippine National Police (PNP). The
2 Billion Trees Program is geared towards both livelihood creation in the upland
3 and coastal areas and environmental protection and rehabilitation of degraded
4 and critical ecosystems. A “Billion Trees Program Contract” entered into by
5 and between the Department of Environment and Natural Resources (DENR)
6 and a participant shall serve as proof of participation for the enjoyment of
7 rights and technical services from participating agencies of the government
8 and the performance of obligations pursuant to this Act. The contract shall be
9 for twenty-five (25) years, renewable for another twenty-five (25) years.

10 (c) “Community” refers to a group of people occupying a particular
11 territory.

12 (d) “Critical watershed” refers to a drainage area of a river system,
13 lake or water reservoir supporting existing and proposed hydroelectric power
14 plants, domestic water supply, and irrigation works needing immediate
15 rehabilitation and protection to minimize soil erosion and improve water yield.

16 (e) “Eco-tourism spot” refers to a plantation site developed for
17 biodiversity conservation and cultural and human enjoyment such as a forest
18 park, bird and some wildlife sanctuary, and where sound tourism activities are
19 sustainably implemented, yielding socioeconomic benefits. The developer can
20 put up auxiliary services, collect appropriate fees, for his/her income and for
21 the maintenance of the area.

22 (f) “Forest charges” refer to the levy imposed and collected by the
23 government on timber and other forest products cut, harvested or gathered
24 from the forestlands and from “Alienable and Disposable” (A&D) lands in
25 accordance with Republic Act No.7161 (Increasing the Forest Charges on
26 Timber and Other Forest Products).

27 (g) “Forest diversity” is the variety and variability of forest species
28 growing in the forestland. In the plantation, at least three different species,

1 including fuelwood species, and other species such as banana, bamboo, etc.,
2 should be planted every ten (10) hectares, with the least planted species
3 occupying at least one-fifth (1/5) of the ten-hectare area.

4 (h) "Forestlands" refer to lands of the public domain that have been
5 classified as such and all unclassified lands of the public domain. For the
6 purpose of this Act, forestlands shall be subclassified into production
7 forestlands and protection forest.

8 (i) "Forest reservation" refers to a forestland which has been set aside
9 by law for a specific purpose or purposes, such as watershed reservation,
10 military or civil reservation.

11 (j) "Fuelwood species" are tree species of high calorific value and are
12 suitable for fuelwood or firewood such as, but not limited to ipil-ipil,
13 kakawate, agoho, kamachile, gmelina, acacia, bakauan and neem tree.

14 (k) "Green Park" refers to an area designated on the subdivision plan
15 of forested land reserved for public use as an ecological refuge. Such green
16 park shall be devoted exclusively to the planting and growing of trees of any
17 kind, flowering or ornamental plants and shrubs, or plants of scenic, aesthetic
18 and ecological values.

19 (l) "Hardwood" refers to heavy, compact and close-grained wood,
20 attributed to such trees as narra, mahogany, acacia, tanguile, guiyo and molave.

21 (m) "Indigenous peoples" refer to a tribe or indigenous Filipinos who
22 have continuously lived as communities on communally bounded and defined
23 land since time immemorial and have succeeded in preserving, maintaining
24 and sharing common bonds or languages, customs, traditions and other
25 distinctive cultural traits.

26 (n) "Industrial Forest Plantation Management Agreement (IFPMA)" is
27 a contract entered into by and between a qualified person and the government
28 for the former to occupy and possess for a definite period of time in

1 consideration of a specified rental a specific area of the production forestland
2 in order to establish an industrial forest plantation.

3 (o) "Military reservation" refers to a forestland proclaimed or reserved
4 by the President or by law for military purposes such as air base, campsite,
5 docks and harbors, training camp, firing range, naval base, target range and
6 wharves.

7 (p) "Mini forest reserve" refers to lands withdrawn from settlement or
8 occupancy upon which are found either natural vegetation or plantation of
9 forest flora, such as trees and most particularly hardwood trees, or both,
10 occupying a definable aggregate area exceeding but not less than one hectare
11 in size with the tree crowns covering at least ten percent (10%) of the area,
12 exclusive of seedlings, saplings, bushes and other undercover vegetation.

13 (q) "National park" refers to lands of the public domain classified as
14 such in the 1987 Philippine Constitution which include all areas under the
15 NIPAS pursuant to Republic Act No. 7586 primarily designated for the
16 conservation of the native plants and animals, their associated habitats and
17 cultural diversity.

18 (r) "Private lands" refer to lands covered by either administrative or
19 judicial titles such as free patent, homestead, and sales patent, and Torrens title
20 obtained under Act No. 496 or the Land Registration Act, as amended.

21 (s) "Silviculture" refers to the scientific method of growing forest
22 trees, their management and harvest. This includes such practices as assisted
23 natural regeneration (ANR), timber stand improvement (TSI), and selective
24 cutting method.

25 (t) "Subdivision Project" refers to a tract or parcel of land registered
26 under the Land Registration Act, as amended, partitioned primarily for
27 residential purposes into individual lots, with or without improvements
28 thereon, and offered to the public for sale, in cash or installment terms. It shall

1 include all residential, commercial, industrial and recreational areas, as well as
2 open spaces and other community and public areas in the project.

3 CHAPTER II

4 PROGRAM IMPLEMENTATION

5 SEC. 6. *Implementing Agencies and Institutions.* – The following
6 agencies shall perform major roles:

7 (a) The DENR and its network of Provincial/Community Environment
8 and Natural Resources Offices (PENROs/CENROs) shall be the overall
9 planning, implementing, coordinating and monitoring agency of the Billion
10 Trees Program, particularly in the identification, selection and allocation of
11 sites; establishment of modern greenhouses and nurseries for the distribution
12 of quality planting materials; planting of the right species in particular areas;
13 prioritization of critical watersheds; application of efficient reforestation
14 technologies; adoption of the necessary steps to protect and maintain newly
15 reforested areas, remaining natural forests, national parks and protected areas;
16 maintaining a data base on the number of areas under the program including
17 the identities and addresses of participants for monitoring and evaluation and
18 market linkaging especially with the international market; conduct of research,
19 information and education campaigns (IEC); and issuance of permit to cut and
20 transport trees from plantations: *Provided*, That within civil and military
21 reservations and private landholdings of other government agencies, the
22 DENR shall coordinate with the concerned government agencies and the latter
23 shall likewise be responsible in monitoring and protecting the plantations
24 established pursuant to this Act. The DENR shall provide data to the LGUs
25 pertaining to the priority reforestation areas under this Act for inclusion in the
26 development plans of concerned LGUs.

27 (b) The LGUs shall mobilize the police and help organize communities
28 and other sectors of society to participate in the Billion Trees Program.

1 Concerned LGUs shall coordinate with the DENR in the deputization of
2 members of the PNP who shall be responsible for joint forest protection
3 activities with the DENR. *The LGUs shall ensure close coordination with the*
4 DENR to initiate the necessary extension service, information and education
5 campaigns and organizing communities and concerned civil society in
6 undertaking relevant programs and activities.

7 As mandated under the Local Government Code, the LGUs shall be
8 responsible in the distribution of seedlings or planting materials and the
9 establishment and development of modern greenhouses and nurseries as part
10 of their extension services in their respective constituencies.

11 (c) The Department of National Defense (DND) shall organize a
12 special unit whose main responsibility shall be reforesting denuded portions of
13 military reservations and other areas designated jointly with the DENR and
14 maintaining and protecting forest areas, both natural and plantation. It shall
15 also assign full-time personnel to protect forest areas, in accordance with
16 Section 26 hereof.

17 (d) The Department of Agriculture (DA) shall provide technical
18 assistance to the participants of the Billion Trees Program. It shall provide
19 participants the know-how on proper and sustainable agricultural technologies
20 and practices, including post harvest techniques and marketing mechanisms,
21 strategies and techniques. *It shall utilize part of the Agricultural*
22 Competitiveness Enhancement Fund (ACEF) for the establishment of modern
23 greenhouses and seedling nurseries in strategic upland and lowland areas for
24 the production, promotion and distribution of quality planting materials
25 including fruit trees and forest species;

26 (e) The Department of Land Reform (DLR) shall provide technical
27 assistance to the beneficiaries of the Comprehensive Agrarian Reform
28 Program (CARP) who will utilize portions of their lands for the development

1 of fruit tree plantations or production of commercial tree species. Part of the
2 Agrarian Reform Fund for upland development and the proceeds from the
3 recovery of the Marcos wealth shall also be utilized for the establishment of
4 modern greenhouses and seedling nurseries for the distribution of planting
5 materials including healthy fruit tree seedlings and commercial tree species to
6 CARP beneficiaries and neighboring communities.

7 (f) The Department of Education (DepEd) and the Commission on
8 Higher Education (CHED) shall strengthen environmental education, establish
9 seedling production stations or nurseries in the campuses of elementary,
10 secondary, and state colleges and universities, mobilize the students to plant
11 trees in appropriate vacant areas in their localities and adopt post planting care
12 measures, and encourage the students and their families to participate in the
13 Billion Trees Program.

14 (g) The Department of Public Works and Highways (DPWH) shall be
15 responsible for the planting of appropriate and available species on strips of
16 land along national and arterial roads, including their maintenance and
17 protection.

18 (h) The Department of Tourism (DoT) shall identify and promote eco-
19 tourism in forest plantations in coordination with the DENR.

20 (i) Other government agencies such as the National Power
21 Corporation (NPC), the National Irrigation Administration (NIA), the
22 Philippine National Oil Company (PNOC), and state universities and colleges
23 (SUCs) with administrative jurisdiction over tracts of public land and critical
24 watersheds shall also rehabilitate and reforest lands under their respective
25 jurisdictions. The SUCs shall likewise develop programs/projects that would
26 promote appropriate silvicultural practices, production, utilization, processing
27 and marketing techniques through IEC, training, establishment of modern
28 greenhouses and nurseries, and establishment of model sites.

1 (j) The Department of Trade and Industry (DTI) shall promote
2 understanding and implementation of trade policies and incentives on
3 production, processing and marketing of timber related products and specific
4 crops and fruit trees.

5 (k) The Philippine Information Agency (PIA) shall create public
6 awareness on the Program and its components, and shall be responsible in
7 producing information materials and their dissemination through the use of the
8 mass media.

9 *SEC. 7. Role of Nongovernmental Organizations (NGOs) and*
10 *Academic Institutions.* – The NGOs and academic institutions shall be tapped
11 to handle relevant services, especially social and technical training and
12 monitoring and evaluation of the reforested area: *Provided, That* NGOs and
13 academic institutions which handled the training shall not conduct the
14 monitoring and evaluation of the reforested area.

15 CHAPTER III

16 REFORESTATION OF PUBLIC FORESTLANDS

17 *SEC. 8. Contracts and Agreements.* – Within public forestlands and
18 idle alienable and disposable lands of the public domain under the jurisdiction
19 of the DENR, the rights and obligations of the participants shall depend on
20 whether the purpose of reforesting or rehabilitating the area is for production
21 or protection. The contracts for public reservations and other public lands
22 under the jurisdiction of agencies of the national government or LGUs shall
23 likewise consider the primary purpose for which said reservations were
24 established or acquired and the actual use and condition of specific areas.

25 The contract or agreement shall be granted for twenty-five (25) years,
26 renewable for another twenty-five (25) years subject to the terms and
27 conditions in the contract and subsequent rules and regulations promulgated in
28 accordance with the pertinent provisions of this Act.

1 The DENR Secretary shall bestow autonomy to Community
2 Environment and Natural Resources Officers in adopting additional terms,
3 conditions, rights and other obligations in the contract consistent with the
4 intent and purpose of this Act.

5 SEC. 9. *Rights and Obligations of Participants in Production*
6 *Forestlands.* – The participants of the Billion Trees Program shall enjoy the
7 right to harvest, process, sell, or otherwise utilize the products grown within
8 production forestlands or use portions of the contracted area for eco-tourism
9 purpose.

10 The participants shall have the following obligations:

11 (a) Practice appropriate silvicultural system or cutting regimes for
12 mature trees in accordance with management plans and replant cleared areas
13 within one year after cutting;

14 (b) Promote forest biodiversity by planting indigenous forest species
15 and conserving natural forest species in contracted forest areas. Fuelwood
16 trees can be planted to add to species diversity and to eliminate the cutting of
17 prime wood species for fuel and charcoal purposes.

18 (c) Pay the government through the DENR or the government agency
19 that has administrative jurisdiction over the forestland, a production share
20 from the sales of forest products harvested equivalent to the real value of
21 government's investment in the area; and

22 (d) Ensure high survival rate of planted seedlings and maintain and
23 protect trees until maturity, in exchange for the right to harvest in accordance
24 with the DENR guidelines and to utilize the trees.

25 SEC. 10. *Other Incentives.* – The participants shall also enjoy the
26 following incentives:

27 (a) Use the reforested area as an eco-tourism spot. Holders shall have
28 the right to make use of the reforested and protected area as an eco-tourism

1 spot. They may collect gate/entrance fee and put up income-generating
2 auxiliary services for the maintenance and conservation of the area. Operation
3 of the area shall be coordinated with the DoT for tourist promotion and the
4 LGUs for infrastructure support and collection of appropriate taxes.

5 (b) Market linkages for agricultural output. The DA, in coordination
6 with the DTT's regional and provincial offices and agribusiness research
7 organizations of the private sector, shall update upland farmers on market
8 prices of fruits and other agricultural products, and assist them in identifying
9 buyers and marketing outlets.

10 (c) Market linkages for forest products. The DENR and other
11 concerned agencies and groups shall update the participants on the location
12 and availability of domestic and foreign buyers for particular forest products,
13 including the specified product quality.

14 (d) Option to turn over the management and right to harvest the
15 reforested land to the DENR at least after five years of the contract. This is
16 particularly applicable in plantations and eco-tourism spots where the trees are
17 better left to grow and mature beyond the fifty-year constitutional limit. The
18 government, through the DENR, shall compensate the participants the amount
19 equivalent to the stumpage value of standing trees minus real investment of the
20 government in the area. The amount for this purpose shall be taken from the
21 DENR's annual allocation for reforestation and forest protection activities.

22 (e) Priority to be granted additional areas for reforestation through
23 IFPMA of purely plantation establishment type.

24 (f) Exemption from forest charges and real property tax. Holders of
25 reforestation contracts under the program and awardees of other people-
26 oriented forestry programs shall be exempted from paying taxes on revenue
27 from reforested and protected areas.

1 (g) Right to securitize the growing trees. The participants may use the
2 plantation of at least five years old with adequate forest stand, in the issuance
3 of asset-backed securities, such as bonds and stocks, to finance the
4 reforestation of another area. Said asset-backed securities shall enjoy tax
5 breaks and other incentives, whenever possible, already provided under
6 existing laws.

7 SEC. 11. *Fruit Tree Plantation in Production Forestlands.* – Every
8 area planted with forest species shall entitle the participant to devote not more
9 than twenty percent (20%) of the area for the raising of fruit trees and other
10 agricultural crops. The land tenure over such plantation of fruit trees or
11 agricultural crops shall be co-terminous with the terms of the contract.

12 CHAPTER IV

13 REFORESTATION OF MILITARY RESERVATIONS

14 SEC. 12. *Reforestation of Denuded Military Reservation Areas.* – All
15 personnel of the Armed Forces of the Philippines (AFP) stationed temporarily
16 or permanently in military reservation areas shall be involved in reforesting
17 denuded portions of the area not directly utilized for military and training
18 purposes. Reforestation activities and maintenance costs shall be funded by
19 the DND.

20 SEC. 13. *Rights, Obligations and Incentives.* - The military and police
21 personnel participating in the reforestation program shall enjoy rights and
22 incentives and comply with certain obligations, as follows:

23 (a) Rights and obligations of participants within production forestlands
24 as enumerated under Section 9 hereof;

25 (b) Incentives enumerated under Section 10 hereof;

26 (c) Special allowance as compensation for particular tasks or phases of
27 the contract they have completed;

1 (d) Acquisition of shares of stocks of the cooperative/corporation to be
2 formed representing the economic value of trees planted; and

3 (e) Earning from said stocks and revenue shares from the sale of forest
4 products generated by the plantation as their retirement credits in the future.

5 SEC. 14. *Report to the DENR.* – The AFP and the PNP shall submit an
6 annual report to the DENR on the progress of their projects including the areas
7 they have reforested and the results of their operations in forest protection.

8 CHAPTER V

9 INVOLVEMENT OF PRIVATE INDIVIDUALS AND CORPORATIONS

10 SEC. 15. *Adoption of a Reforestation Project.* – Private individuals,
11 corporations, foundations, foreign and local NGOs, and similar institutions
12 interested to adopt a reforestation project shall be provided with the pertinent
13 assistance and technical support by the DENR, government agencies with
14 administrative jurisdiction over watersheds and forestland reservations, and
15 local government officials. The assistance funds coming from the
16 abovementioned donor individuals, organizations or institutions may be
17 channeled directly to the implementors and beneficiaries and assisting local
18 NGOs. The DENR shall be informed of such arrangement for assistance in
19 identifying priority areas for reforestation. If funds are channeled through the
20 DENR, the latter shall enter into a Memorandum of Agreement (MOA) with
21 the donor to account for wise and proper spending of the donated funds.

22 SEC. 16. *Adoption of a Forested Area for Protection.* – The private
23 sector, in coordination with the DENR and government agencies with
24 administrative jurisdiction over watersheds and forestland reservations, may
25 adopt a particular forested area, like portions of a national park or watershed
26 for maintenance, protection and biodiversity conservation through a MOA
27 with the DENR. The mechanics for the channeling of funds as specified in
28 Section 15 above shall be adopted. The DENR and government agencies with

1 administrative jurisdiction over watershed and reservations shall identify and
2 publish areas available for adoption in each region or province or specific
3 watersheds or reservations.

4 *SEC. 17. Development of Private Forestry and Incentives.* – Owners of
5 private lands who plant forest trees in their property shall enjoy the following
6 incentives:

7 (a) Technical assistance from the DENR on proper silvicultural
8 practices;

9 (b) Update on forest products markets and prices by the DENR and
10 wood producers' groups or associations;

11 (c) Exemption from forest charges under Republic Act No. 7161 and
12 value-added tax (VAT) for the sale, barter or exchange of timber and forest
13 products, and from real property tax under Republic Act No. 7160;

14 (d) Priority in credit assistance granted by government-owned and
15 -controlled corporations at reasonable interest rates; and

16 (e) Right to export timber and other forest products grown in the land,
17 subject however, to existing rules and regulations governing trade policies and
18 incentives as provided for by the DTI.

19 For certification purposes, tree plantations shall be registered with the
20 barangays and municipal offices, which shall maintain permanent registry
21 books.

22 *SEC. 18. Planting of Fuelwood Species.* – The DENR shall
23 disseminate technology on the planting of fuelwood species not only to lessen
24 the pressure on the cutting and harvesting of prime wood species for firewood
25 purposes but also to meet fuelwood requirements and create livelihood
26 opportunities and sources of income for the communities without impairing
27 the integrity of the environment.

1 such nurseries, which shall also contain both forest and fruit tree species.
2 Seeds shall be secured from Seed Production Areas (SPAs) certified by the
3 DENR.

4 SEC. 22. *Establishment of Mini-Forest Parks in Every City/
5 Municipality.* – Every city or municipality shall establish a mini-forest park or
6 multi-purpose park such as a botanical garden at a ratio of not less than one
7 park per fifty thousand (50,000) population, each park to be at least half a
8 hectare or five thousand square meters (5,000 sq.m.) in area whenever
9 practicable or to the extent possible and with particular emphasis on the
10 planting and preservation of indigenous hardwood species. Each city or
11 municipality shall submit to the DENR the list of available lands for such
12 purpose and include in its yearly budget the necessary funds for the
13 establishment and maintenance of urban green parks. The DENR shall work
14 closely with local executives to ensure compliance with this provision and
15 coordinate with various agencies of the national government and the private
16 sector to enhance the implementation of urban forestry.

17 Roadsides and islands, campuses, office compounds, cemeteries,
18 riverbanks, shorelines and other areas shall also be planted with trees.
19 Students, employees and members of civic and people's organizations shall be
20 invited to undertake the activity. The maintenance and protection of the trees
21 shall be closely coordinated by the LGUs, the DENR and all other concerned
22 agencies.

23 SEC. 23. *Establishment of Mini-Forest Parks in Subdivision Projects.*
24 – Every subdivision project to be developed after the promulgation of this Act
25 shall include the establishment of green parks, taking into account the required
26 six percent (6%) of the gross area for parks and open spaces, which shall be
27 planted to trees by the developers at their own expense.

1 (d) direct project investment by LGUs, private corporations,
2 cooperatives, and where allowed, individuals on reforestation proposals
3 approved by the DENR; and

4 (e) securitization of grown trees which are at least five years old to be
5 undertaken by the project investor, which may be treated as asset-backed
6 securities or bonds, to finance the reforestation of other denuded areas.

7 *Provided*, That any forest development project which shall have foreign
8 equity investment such as direct investment, joint and/or BOT reforestation
9 projects, shall conform with the 60/40 requirement provided under the
10 Constitution of the Philippines.

11 SEC. 30. *Fund Management.* – In the case of contract reforestation
12 managed by the DENR, the funds shall be channeled by the Department of
13 Budget and Management through the Land Bank of the Philippines (LBP), the
14 Development Bank of the Philippines (DBP), or the LBP/DBP accredited rural
15 banks. Funding shall be discontinued if the allocated funds are found misused
16 or scheduled activities not followed. The DENR shall advise the banks on the
17 amount and the period of release of funds to the community contractors.

18 CHAPTER IX

19 CRIMINAL OFFENSES AND PENALTIES

20 SEC. 31. *Misuse of Funds.* – Any contractor, officers of cooperatives,
21 government officials including local officials and employees, who shall
22 unlawfully and maliciously divert the funds under this Act for purposes other
23 than intended, shall be criminally prosecuted and, if found guilty, shall be
24 punished with imprisonment of not less than four months but not more than
25 four years.

26 SEC. 32. *Other Prohibited Acts and Penalties.* –

27 (a) Any person other than the participant who enjoys the right to
28 harvest the trees planted, who shall cut or gather trees from reforested areas

1 shall be fined with twice the current market value of the trees removed and its
2 environmental cost, and/or imprisoned for a period of not less than six months
3 and one day to six years.

4 (b) Any person who shall violate the provisions of Section 23 hereof,
5 or any rules and regulations promulgated thereon shall be punished with six
6 months and one day to six years imprisonment, or with a fine equivalent to the
7 value, at prevailing valuation, of the area representing ten percent (10%) of the
8 total area of the subdivision project developed for residential, industrial or
9 commercial purposes, or both imprisonment and fine at the discretion of the
10 court: *Provided*, That in the case of corporations, partnerships, cooperatives
11 or associations, the president, manager or administrator or the person in-
12 charge of the administration of the business shall be criminally responsible for
13 such violation.

14 (c) Any person, for personal gain or profit, who shall intentionally cut,
15 remove, or in any manner destroy, set destructive fire, or cause damage to the
16 trees and forest growth found therein, shall, upon conviction, be fined the
17 amount of not less than Ten thousand pesos (P10,000.00) nor more than One
18 hundred thousand pesos (P100,000.00) and punished with imprisonment for a
19 period of not less than two years and one day, nor more than four years for
20 each such offense: *Provided*, That the maximum penalty shall be imposed
21 upon the offender who repeats the same offense and double the maximum of
22 the penalty upon the offender who commits the same offense for the third time.

23 (d) Any person who shall, without permit, occupy for any length of
24 time any portion of the mini-forest reserve or who mutilates, defaces, destroys
25 objects of natural beauty or of scenic value within the reserve, or who assists,
26 aids or abets any other person to do so, or refuses to vacate the reserve when
27 ordered by the duly authorized representative of the DENR or concerned
28 LGU, shall, upon conviction, be fined not less than Five thousand pesos

1 (P5,000.00), nor more than Fifty thousand pesos (P50,000.00) and punished
2 with imprisonment for a period of not less than six months, nor more than two
3 years.

4 In all cases of illegal occupancy, the court of competent jurisdiction
5 shall further order the eviction of the offender from the land and the forfeiture
6 to the government of all improvements made and all vehicles, domestic
7 animals and equipment of any kind used in the commission of the offense. If
8 not suitable for use by the DENR, said vehicles, domestic animals, equipment
9 and improvements shall be sold at public auction, the proceeds of which shall
10 accrue to the DENR as additional funds for the implementation of this Act.

11 In case the offender is a government official or employee, he shall, in
12 addition to the above penalties be automatically dismissed from office and
13 permanently disqualified from holding any elective or appointive position.

14 *SEC. 33. Premature Cutting of Planted Trees and Noncompliance with*
15 *Other Conditions of the Billion Trees Program Contract.* – Holders of the
16 Billion Trees Program Contract who shall prematurely cut the trees up to one-
17 fifth (1/5) of the area without any authority from the PENRO or the CENRO,
18 or replant dipterocarp and other endemic species not in accordance with sound
19 forestry management practice, shall be disqualified from their rights under the
20 contract and shall not be compensated for the value of the remaining standing
21 trees. The jurisdiction of the reforested area shall revert to the DENR. In
22 addition, if the estimated value of the felled trees is larger than the real
23 investment of the government in the area, such guilty party shall pay the
24 difference in value; be ineligible to participate in future government
25 reforestation and other forestry-related activities; and shall be criminally
26 prosecuted and imprisoned for a period of not less than four months, but not
27 more than four years.

CHAPTER X

ADMINISTRATIVE PROCEDURES AND SPECIAL CLAUSES

1
2
3 SEC. 34. *Monitoring and Evaluation.* – Periodic monitoring and
4 evaluation of reforestation contracts, other people-oriented forestry, urban
5 reforestation and forest protection activities shall be conducted by the
6 CENRO/PENRO or an independent entity contracted for the purpose,
7 whichever is practical, to ensure that proper use of resources and desired
8 targets are accomplished on time.

9 SEC. 35. *Promulgation of Rules and Regulations.* – The Secretary of
10 the DENR, in coordination with the Secretaries and heads of identified
11 participating agencies, shall prepare and publish the rules and regulations
12 implementing this Act within sixty (60) days from the date of its effectivity.

13 SEC. 36. *Separability Clause.* – If any provision of this Act shall be
14 held unconstitutional, the remaining portions not otherwise affected shall
15 remain in full force and effect.

16 SEC. 37. *Repealing Clause.* – All laws, executive orders, rules and
17 regulations, or parts thereof inconsistent with any of the provisions of this Act
18 are hereby amended, repealed or modified accordingly.

19 SEC. 38. *Effectivity.* – This Act shall take effect after its complete
20 publication in at least two newspapers of general circulation.

Approved,