

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

'13 JUL -9 A9:20

SENATE

S.B. No. 675

RECEIVED BY: *JL*

Introduced by Senator LOREN LEGARDA

EXPLANATORY NOTE

This bill mandates the planting of one billion trees all over the Philippines to address the depletion of the forests in our country.

The rate of deforestation in the Philippines has reached an alarming rate. Of the total land area of the Philippines of 30 million hectares, the forest area has decreased to 7.2 million hectares. Even Conservation International ranked the Philippines fourth in 2011, as one of the world's ten most threatened forest hotspots.

The proposed measure enlists the participation of different sectors of society in the task of restoring the grandeur of our forest lands. Various government agencies, local government units, non-government organizations, private landowners, corporations, indigenous peoples, individual families and government personnel who form themselves into cooperatives, the upland, lowland and coastal communities, and interested individuals are in partnership to plant forest and fruit tree species in private lands, in idle portions of alienable and disposable lands (A & D), and open and denuded public forest lands.

Groups and individuals who participate in this program are given benefits and incentives. For instance, those who planted and maintained the trees along highways, roadsides, and other vacant portions of public A & D land shall have exclusive right to harvest and utilize the trees when they mature. Moreover, community-based forest managers shall have the right to make the reforested and protected area an eco-tourism spot. They can collect entrance fees and put up income-generating auxiliary services for the maintenance and conservation of the area. They are also exempted from forest charges and real property tax. Finally, this bill makes it illegal for any person who is not a member of the community or cooperative that planted the trees to cut or gather trees from reforested areas. It will also prohibit the conversion of forestlands into agricultural, pasture and mining and other non-forest uses.

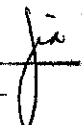
In view of the foregoing, the passage of this bill is earnestly sought.

LOREN LEGARDA
Senator

13 JUL -9 A9 20

SENATE

S.B. No. 675

RECEIVED BY: 

Introduced by Senator LOREN LEGARDA

AN ACT
TO SPUR THE PLANTING OF A BILLION TREES THROUGH
COMPLEMENTARY TREE PLANTING PROGRAMS OF THE DENR AND
VARIOUS GOVERNMENT AGENCIES, LOCAL GOVERNMENT UNITS AND
COMMUNITIES, SCHOOLS AND UNIVERSITIES, AND CIVIC AND NON-
GOVERNMENTAL ORGANIZATIONS, PROTECTING THE REMAINING
NATURAL FORESTS AND FOREST PLANTATIONS, AND CREATING A
FUND THEREFOR, AND FOR OTHER PURPOSES

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

CHAPTER 1

BASIC POLICIES, OBJECTIVES, COVERAGE
AND IMPLEMENTING AGENCIES INVOLVED

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4
5 SECTION 1. *Title.* - This Act shall be known as the "Billion Trees Act of
6 2013."
7

8 SECTION 2. *Declaration of Policy.* - The State shall protect and advance the
9 right of the people to a balanced and healthful ecology in accord with the rhythm
10 and harmony of nature. The protection and rehabilitation of forest lands shall be
11 given the highest priority to ensure environmental stability of the nation.
12

13 The State shall adopt and implement a sustainable forest development and
14 management program. It shall promote the participation of all sectors of society,
15 particularly national government agencies, the upland, lowland, and coastal
16 communities, local government units (LGUs), non-governmental organizations
17 (NGOs), schools, colleges and universities, private landowners and corporations and
18 indigenous people in replanting denuded forest land and idle and disposable land.

19 The State shall likewise promote community-based forest management.

1
2 SECTION 3. *Objectives.* - The Billion Trees Program aims to improve the
3 country's ecology and the forest regeneration capacity. More specifically, it intends:

- 4
5 (a) To significantly increase reforestation efforts in upland, lowland and coastal
6 communities in a more efficient manner;
7 (b) To reverse the deteriorating effects of soil erosion, flash flooding, siltation of
8 rivers and dams, drought and other negative consequences of denuded
9 upland;
10 (c) To make forest and fruit tree seedlings available and more accessible to all
11 cities and municipalities in the country;
12 (d) To promote forest diversity by planting dipterocarp, pine, mossy and
13 mangrove forest species in portions of the plantation whenever feasible;
14 (e) To help rehabilitate wildlife habitat through effective forest protection
15 strategy;
16 (f) To ensure adequate supply of forest and agricultural products in the future;
17 (g) To generate employment opportunities and provide additional income to the
18 countryside and rural communities.

19
20 SECTION 4. *Coverage.* - At least one million (1,000,000) hectares of open and
21 denuded public forest lands, private lands, and idle portions of alienable and
22 disposable (A & D) lands are targeted for the for the first five (5) years to be planted
23 to both forest and fruit tree species.

24
25 SECTION 5. *Definition of Terms.* - As used in this Act, the following terms
26 shall mean:

- 27
28 (a) "Critical watershed" refers to a drainage area of a river system, lake or water
29 reservoir supporting existing and proposed hydroelectric power plants,
30 domestic water supply, and irrigation works needing immediate
31 rehabilitation and protection to minimize soil erosion and improve water
32 yield.
33 (b) "Community" is a group people who may or may not share common
34 interests, needs, visions, goals, and beliefs, occupying a particular territory
35 inside or adjacent to forest land or national park.

1 (c) "Eco-tourism spot" is a plantation site developed for biodiversity
2 conservation, cultural, and human enjoyment such as a forest park, bird, and
3 some wildlife sanctuary, and where sound tourism activities are
4 sustainability implemented, yielding socio-economic benefits. The developer
5 can put up auxiliary services, collect appropriate fees, for his/her income and
6 for the maintenance of the area.

7 (d) "Forest diversity" is the variety and variability of forest species growing in
8 the forest land. In the plantation, at least three (3) different species, including
9 fuelwood species, and other species such as banana, bamboo, and the like,
10 should be planted every ten (10) hectares, with the least planted species
11 occupying at least one-fifth (1/5) of the ten-hectare area.

12 (e) "Forest charges" refer to the charges imposed and collected by the
13 government on forest products cut, harvested or gathered from forest lands
14 as specifically provided for under Republic Act No. 7161.

15 (f) "Forest lands" are those lands of the public domain, which have been
16 classified into production forest lands and protection forest. Forest
17 reservation refers to forest lands, which have been set aside by the law for a
18 specific purpose, such as watershed reservation, military or civil reservation.

19 (g) "Community-based Forest Management and Agreement (CBFMA)" refers to
20 an agreement between the Department of Environment and Natural
21 Resources (DENR) and an organized community acting through its duly
22 authorized forest manager, known as community-based forest manager
23 (CBFM), for the management by said community of a specified area in the
24 public domain according to a comprehensive management and development
25 plan and, in consideration therefore and certain other obligation, grants, said
26 community the right to harvest, process, sell or otherwise utilize the trees and
27 other products grown by them or from the residual forest within their
28 specified area. The agreement is granted for fifteen (15) year, renewable for
29 another fifteen (15) years.

30 All references to "Forest Land Management Agreement (FLMA)" and "Forest
31 Land Manager (FLM)" are likewise hereby amended as "Community-based
32 Forest Management Agreement (CBFMA), and Community-based Forest
33 Manager (CBFM)" and Community-based Forest Manager (CBFM)",
34 respectively.

- 1 (h) "Fuelwood species" are species of high caloric value and are suitable for
2 fuelwood or firework such as, but not limited to ipil-ipil, kakawate, agoho,
3 kamachile, gmelina, acacia, bakaua, and neem tree.
- 4 (i) "Industrial Forest Plantation Management Agreement (IFPMA)" is a contract
5 entered into by and between a qualified person and the government for the
6 former to occupy and possess for a definite period of time in consideration of
7 a specified rental a specific area of the production forest land, in order to
8 establish an industrial forest plantation.
- 9 (j) "Indigenous peoples" refer to a tribe or indigenous Filipinos who have
10 continuously lives as communities on communally bounded and defined
11 land since time immemorial and have succeeded in preserving, maintaining
12 and sharing common bonds or languages, customs, traditions, and other
13 distinctive cultural traits.
- 14 (k) "Military reservation" refers to forestland, which have been proclaimed by the
15 President of the Philippines for military purposes such as air bases,
16 campsites, docks and harbors, firing ranges, naval bases, target rangers, and
17 wharves.
- 18 (l) "National Park" refers to a land of the public domain essentially of natural,
19 wilderness, scenic or historic character which has been withdrawn from
20 settlement, occupancy, or any form of development, except in conformity
21 with an approved management plan, and set aside such to conserve the area
22 and to preserve the scenery, the natural and historic objects, wild animals and
23 plants therein mainly for biodiversity and/or human enjoyment.
- 24 (m) "People-oriented forestry" is a program democratizing access and
25 management of forest land to poor upland and coastal dwellers. Aside from
26 CBFMA, this may include Integrated Social Forestry Program (ISFP),
27 Community Forestry Program (CFP), and Ancestral Land Management.
- 28 (n) "Silviculture" refers to scientific method of growing forest trees, their
29 management and harvest. This includes such practices as assisted natural
30 regeneration (ANR), timber stand improvement (TSI), and selective cutting
31 method.
- 32 (o) "Private lands" refers to lands covered by either administrative or judicial
33 titles such as free patent, homestead, and sales patent, torrens title obtained
34 under the Land Registration Act (Act No. 49), as amended.
- 35

1 **SECTION 6. *Implementing Agencies Involved.*** - The following departments
2 shall perform major roles:

3 (a) The Department of Environmental and Natural Resources (DENR) and its
4 network of Provincial/Community Environment and Natural Resources
5 Offices (PENROs/CENROs) shall be the overall coordinating and monitoring
6 agency of the Program, particularly in the identification, selection and
7 allocation of sites, making available quality planting materials, using
8 recyclable potting materials whenever possible, the planting of the right
9 species in particular areas, prioritization of critical watersheds, application of
10 efficient reforestation technologies like cover cropping prior to plantation, the
11 planting of fuelwood species in specific areas, the necessary steps to protect
12 the remaining natural forests and national parks, and information and
13 campaign drive

14 It shall ensure that the permit to cut and transport trees from plantation shall
15 be issued within thirty (30) working days from the date the application is
16 filed.

17 (b) The Department of Interior and Local Government (DILG) and local
18 government units (LGUs) shall mobilize the police and help organize
19 communities and other sectors of society to participate in the Program.

20 (e) The Department of National Defense (DND) shall organize a special unit
21 whose main responsibility is reforesting denuded portions of military
22 reservations and other areas designated by the DENR, and protecting
23 forested areas, both natural and plantation. It shall also assign DND
24 personnel on a full-time basis in protecting forest areas, in accordance with
25 Section 24 hereof.

26 (d) The Department of Agriculture shall assist upland communities raise fruit
27 tree seedling, and provide them knowledge on proper and sustainable
28 agricultural technologies and practices.

29 (e) The Department of Education (DepEd) shall strengthen environmental
30 education and mobilize the students to plant trees and take care of them in
31 appropriate vacant areas in their localities.

32 (o) The Department of Public Works and Highways (DPWH) shall organize
33 special units to plant appropriate and available species on strips of land along
34 national and arterial roads and maintain and protect them.

35 (g) The Department of Tourism (DOT) shall identify and promote eco-tourism
36 plantation in coordination with the DENR.

1 (h) Other government agencies and state colleges and universities with
2 administrative jurisdiction over tracts of public lands shall, as necessary, also
3 rehabilitate and reforest said lands.

4 5 CHAPTER 2

6 REFORESTATION BY UPLAND COMMUNITIES

7
8 SECTION 7. *Community Reforestation with Community-Based Forest*
9 *Management Agreement (CBFMA)*. - New reforestation, assisted natural
10 regeneration (ANR), and related programs shall be awarded mainly to upland and
11 coastal communities. Individuals, families, police, military, and other government
12 personnel who wish to participate shall form themselves into cooperatives. The
13 agreement shall be granted for twenty-five (25) years, subject to the terms and
14 conditions in the CBFMA and subsequent rules and regulations promulgated.

15
16 SECTION 8. *Role of Non-governmental Organizations (NGOs) and*
17 *Academic Institutions*. - The NGOs and academic institutions shall be tapped to
18 handle relevant services, especially social and technical training and monitoring and
19 evaluation of the reforested area: *Provided*, That the NGOs and academic institutions
20 that handled the training will not be the same ones that will conduct the monitoring
21 and evaluation of the reforested area.

22
23 SECTION 9. *Rights and Obligations of the Community-Based Forest*
24 *Manager (CBFM)*. - The CBFM can harvest, process, sell or otherwise utilize the
25 products grown by him/her on land covered by the CBFMA, or make portions of
26 the contracted area into an eco-tourism spot. The CBFM shall have the following
27 obligations:

- 28
29 (a) Practice appropriate silvicultural system or cutting regimes for mature trees
30 in accordance with management plans; cleared areas shall be immediately
31 replanted within one (1) year after cutting;
- 32 (b) Promote forest biodiversity by planting indigenous forest species and
33 conserving natural forest species in contracted forest areas. Fuelwood trees
34 can be planted to add to species diversity and to eliminate the community's
35 need to cut prime wood species for fuel and charcoal purposes.

1 (c) Pay the government through the DENR, a production share out of income
2 from sales of products harvested from the CBFMA areas in an amount
3 equivalent to the real value of government investment in the area;

4 (d) The awarded groups shall ensure high survival rate of planted seedlings,
5 maintain and protect trees until maturity, in exchange for their right to
6 harvest and utilize and trees after sometime.

7
8 **SECTION 10. *Additional Area for Fruit Trees Plantation.*** - For every six (6)
9 hectares of area planted to forest species, the community is allowed to plant one (1)
10 hectare to fruit trees and other agricultural crops. The land tenure shall be co-
11 terminus with the terms of the CBFMA.

12
13 The DA and developed extension workers shall assist the community
14 contracts raise fruit tree seedlings. They shall also train the communities proper
15 agricultural technologies and practices.

16
17 **SECTION 11. *Other Incentives.***- CBFMs shall enjoy the following benefits:

18
19 (a) Reforested area as an eco-tourism spot. Community forest managers and
20 CBFMs shall have the right to make the reforested and protected area an eco-
21 tourism spot. They can collect gate/entrance fees and put up income-
22 generating auxiliary services for the maintenance and conservation of the
23 area. Operation of the area shall be coordinated with the Department of
24 Tourism (DOT) for tourism promotion, and the LGUs for infrastructure
25 support and collection of appropriate taxes.

26 (b) Market linkage for the agricultural output. The DA, in coordination with
27 agribusiness research organizations of the private sector shall update upland
28 farmers of market prices of fruits and other agricultural products, and assist
29 them in identifying buyers and marketing-outlets.

30 (c) Market linkage for their forest products. The DENR and other concerned
31 agencies and groups, shall update upland forest managers and CBFMs of
32 domestic buyers of particular forest products, including the specified product
33 quality.

34 (d) Option to turn over the management and right to harvest the reforested land
35 to the DENR after five (5) years of the CBFMA. This is particularly applicable
36 in plantations and ecotourism spots where the trees are better left to grow

1 and mature beyond the fifty (50) year constitutional limit. The government,
2 through the DENR, shall compensate the CBFM the amount equivalent to the
3 stumpage value of standing trees minus real investment of the government in
4 the area.

5 (e) Priority to be granted additional area for reforestation with CBFMA, or
6 through an Industrial Forest Plantation Management Agreement (IFPMA) of
7 purely plantation establishment type.

8 (f) Exemption from forest charges and real property tax. CBFMs and awardees
9 of other people-oriented forestry programs shall be exempted from paying
10 taxes on revenue from reforested and protected areas.

11 (g) Right to secure the growing trees. CBFMs may use the plantation of at least
12 five (5) years old with adequate forest stand, in the issuance of asset-backed
13 securities, such as bonds and stocks, to finance the reforestation of another
14 area. Said asset-backed securities shall enjoy tax breaks and other incentives
15 whenever possible, as already provided under existing laws.

17 CHAPTER 3

18 REFORESTATION BY AFP/PNP PERSONNEL

19 SECTION 12. *Reforestation of Denuded Military Reservation Areas.* -

20 Spearheaded by the organized special units, all units of the Armed Forces of the
21 Philippines (AFP) stationed in the military reservation area, whether temporarily or
22 permanently, shall be involved in reforesting denuded portions of the area not
23 utilized for military and training purposes. They and the succeeding units shall
24 maintain and protect the trees until maturity. Reforestation costs for three (3) years
25 shall be funded by the DND. Likewise, maintenance costs shall be shouldered by the
26 DND.
27

28
29 SECTION 13. *Incentives.* - The military and police personnel participating in
30 the reforestation shall be entitled to the following incentives.

31
32 (a) Additional allowance in compensation for the particular task or phase of the
33 contract they have completed;

34 (b) Rights and obligations of the Community-based Forest Manager under
35 Sections 9 and 11 above;

- 1 (c) Acquisition of the shares of stock of the cooperative/corporation to be formed
2 representing the economic value of trees planted;
3 (d) Earning from said stocks and revenue shares from the sale of forest products
4 yielded by the plantation as their retirement credits in the future.
5

6 **SECTION 14. *Report to the DENR.*** - The AFP and the PNP shall submit an
7 annual report to the DENR on the progress of their projects including the area they
8 have reforested, and the results of their operations in forest protection as mandated
9 in Chapter 6 of this Act.
10

11 **CHAPTER 4**

12 **PRIVATE INDIVIDUALS AND CORPORATIONS' INVOLVEMENT**

13

14 **SECTION 15. *Adoption of a Reforestation Project.*** - Private corporations,
15 foundations, foreign and local NGOs, and similar institutions shall be invited by the
16 DENR and local government officials to adopt and finance a denuded area for
17 reforestation and protect trees. The assistance can be channeled directly from the
18 donor to the upland implementers and beneficiaries and assisting local NGOs, The
19 DENR shall be informed of such arrangement for assistance in identifying priority
20 areas of reforestation. If funds are channeled through the DENR, the latter shall
21 enter into a Memorandum of Agreement (MOA) with the donor to account for wise
22 and proper spending of the donated funds.
23

24 **SECTION 16. *Adoption of a Forested Area for Protection.*** - The private
25 sector, in coordination with the DENR, may adopt a particular forested area, like
26 portions of a national park, for protection and biodiversity conservation through
27 MOA with the DENR. The mechanics for the channeling of funds as specified in
28 Section 15 above shall be adopted. The DENR shall be identify and publish area
29 available for adoption.
30

31 **SECTION 17. *Development of Private Forestry and Incentives.*** - Private
32 landowners who shall plant forest trees in their lands shall enjoy the following
33 incentives:

- 34 (a) Technical assistance from the DENR on proper silvicultural practices;
35 (b) Update of forest products market and prices by the DENR and wood
36 producers' groups or association;

- 1 (c) Exemption from forest charges under Republic Act No. 7161 and value-added
2 tax (VAT) for the sale, barter or exchange of timber and forest products, and
3 from real property tax under Republic Act No. 7160;
- 4 (d) Priority in credit assistance granted by the government-owned and controlled
5 corporations at reasonable interest rates; and
- 6 (e) No restriction in exporting timber and other forest products grown in the
7 land.

8

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

11

12 **SECTION 18. *Planting of Fuelwood Species.*** - The DENR shall disseminate
13 technology on the planting of fuelwood species for firewood purposes to lessen the
14 pressure on the cutting and harvesting of prime wood species for firewood
15 purposes.

16

17 **SECTION 19. *Ownership of Planted Trees Along Highways.*** - Those who
18 planted and maintained the trees along highways, roadsides, and other vacant
19 portions of public act A & D land shall have exclusive right to harvest and utilize the
20 trees when they mature. The local City Environment Natural Resources Office
21 (CENRO) shall allocate among interested individuals and/or groups the space
22 available for this arrangement, and issue the necessary papers granting such
23 exclusive rights and ownership to the awarded party.

24

25 Should the local DENR office and the local government unit decide to keep
26 the trees for ecological and beautification purposes, they shall compensate the
27 parties who planted and protected the trees the value equivalent to the market value
28 of the trees at the time the turn-over is made.

29

30 **SECTION 20. *Recognition Award.*** - In recognition, the DENR, the
31 Department of Trade and Industry (DTI) and the Philippine Information Agency
32 (PIA) shall advertise the names of participating corporations, agencies and NGOs
33 and their environmental projects. Awards and recognition shall be determined by
34 the DENR in collaboration with other government agencies in the implementing
35 rules and regulations (IRR) to be promulgated pursuant to this Act.

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CHAPTER 5

REFORESTATION BY LOCAL GOVERNMENT UNITS

SECTION 21. *Seedling Nursery in Every City/Municipality.* - Pursuant to Section 17b (1.i, 3iii) of the Local Government Code, seedling nurseries shall be established in every city or municipality, for this purpose, local governments shall be allowed to enter into contract with private enterprises. Nursery supervisors whose positions shall be created by LGUs shall be hired and designated by LGUs to establish and oversee such nurseries containing both forest and fruit tree species, though mainly the former, seeds shall be sourced from certified Seed Production Areas (SPAs) certified by the DENR.

SECTION 22. *Establishment of Mini-Forest Parks in Every City/Municipality.* - Every city or municipality shall establish a mini-forest park or multi-purpose park such as a botanical garden at a ration of not less than one (1) park per fifty thousand (50,000) population, each park to be at least half a hectare or five thousand square meters (5,000 sq.m.) in area whenever practicable or to the extent possible. Each city or municipality shall submit to the DENR the list of available lands for such purpose and include in its yearly budget the necessary funds for the establishment and maintenance of the urban forest parks. The Secretaries of the DENR and DILG shall coordinate closely to ensure compliance with this provision, and shall coordinate with various agencies of the national government and the private sector to enhance the implementation of urban forestry.

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

Every subdivision project to be developed after the promulgation of *this Act* shall be included the establishment of parks not less than twenty five percent (25%) of the required open space in accordance with Presidential Decree No. 953. Guidelines for the establishment and maintenance of these parks within subdivisions shall be prepared jointly by the Housing and Land Use Regulatory Board (HLURB) and the Department of Environment and Natural Resources.

1 repossesses said lands for reforestation purposes, and the farmers shall be organized
2 to regenerate the land through people-friendly forestry.

3
4 **SECTION 28. *Sloping Agricultural Land Technology (SALT).*** - In direct
5 support to this reforestation program, the DENR, the DA, and the DAR shall
6 implement the Sloping Agricultural Land Technology (SALT) and other applicable
7 technology in all upland areas cultivated by their respective program
8 clientele/beneficiaries for agricultural purposes.

9
10 **CHAPTER 7**
11 **FINANCING THE PROGRAM**
12

13 **SECTION 29. *Program Cost.*** - The cost of the Billion Trees Program shall not
14 exceed Seven Hundred Fifty Million Pesos (P750,000,000.00) per year for a period of
15 five (5) years Two Hundred Fifty Million Pesos (P250,000,000.00) of which shall be
16 appropriated. The sources of the other Five Hundred Million Pesos (P500,000,000.00)
17 are hereby identified.

18
19 **SECTION 30. *Forest Management Fund.*** - The Forest Management Fund
20 (FMF) is hereby created for the plantation, protection and management of the billion
21 trees. For this purpose, fifty percent (50%) of the forest charges collected under
22 Republic Act No. 7161 under the Timber License Agreement (TLA) , or in the case of
23 Timber Production Sharing Agreement (TPSA), fifteen percent (15%) of the
24 government share therefrom; forest users fees; silvicultural fees; rentals for special
25 use of forest lands; all proceeds from disposition of illegal cut forest products and
26 timber and penalties and fines, shall go to the Fund.

27
28 The Fund shall be administered by a body created by the DENR which shall
29 include but shall not be limited to representatives from the wood industry, a
30 nongovernmental organization, the duly accredited forestry professional
31 association, the Department of Budget and Management, the DILG and local
32 government units and the DENR itself. The body shall establish the necessary
33 operating guidelines of allocation, use and safeguarding of the Fund.

34
35 **SECTION 31. *Other Sources of Funds.*** -
36

1 (a) At least one percent (1%) of the Countrywide Development Fund of Senators
2 and Congressmen, which shall be managed by them in coordination with
3 local government units;

4 (b) Securitization of the grown trees which are at least five (5) years old which
5 may be used as asset-backed securities, such as bonds and stocks, to finance
6 the reforestation of other areas, whether by upland communities, AFP/PNP
7 personnel, or the private sector.
8

9 **SECTION 32. *Fund Management.*** - In the case of the contract reforestation,
10 the funds shall be channeled by the Department of Budget and Management (DBM)
11 through the Land Bank of the Philippines (LBP), the Development Bank of the
12 Philippines (DBP), or the LBP/DBP accredited rural banks. Funding shall be
13 discontinued if found misused and scheduled activities not followed. The DENR
14 shall be advise the banks the amount and the period of release of funds to the
15 community contractors.
16

17 CHAPTER 8

18 CRIMINAL OFFENSE AND PENALTIES

19
20 **SECTION 33. *Misuse of Funds.*** - Any contractor, officer of a cooperative,
21 government official including a local official, or an employee, who shall unlawfully
22 and maliciously divert funds under this Act for purposes other than intended, shall
23 be criminally prosecuted and, if found guilty, shall be punished with imprisonment
24 of not less than four (4) months but not more than four (4) years.
25

26 **SECTION 34. *Illegal Cutting of Planted Trees.*** Any person who is not a
27 member of the community or cooperative who planted the trees who shall cut or
28 gather trees from reforested areas, shall be fined with twice the current market value
29 of the trees removed, and/or imprisoned for not less than four (4) months but not
30 more than four (4) years. Illegally cut trees shall be subject to forfeiture by the
31 appropriate authorities.
32

33 **SECTION 35. *Premature Cutting of the Planted Trees and Noncompliance***
34 ***with Other terms of CBFMA.*** - CBFMs who shall prematurely cut the trees up to
35 one-fifth (1/5) of the area without any authority from the PENRO or CENRO, or
36 replant dipterocarp and other endemic species, not in accordance with sound

1 forestry management practice, shall be disqualified from their rights under the
2 CBFMA and shall not be compensated for the value of the remaining standing trees.
3 The jurisdiction of the reforested area shall revert to the DENR. In addition, if the
4 estimated value of the felled trees is larger than the real investment of the
5 government in the area, such guilty party shall pay the difference in value; shall not
6 be eligible for future government reforestation and other forestry-related activities;
7 and shall be criminally prosecuted and imprisoned for a period of not less than four
8 (4) months but not more than four (4) years.

10 CHAPTER 9

11 ADMINISTRATIVE PROCEDURES AND SPECIAL CLAUSES

12
13 SECTION 36. *Monitoring and Evaluation.* - Periodic monitoring and
14 evaluation of reforestation contract, other people-oriented forestry, urban
15 reforestation, and forest protection activities shall be conducted by the
16 CENRO/PENRO or an independent entity contracted for the purpose, whichever is
17 practical, to ensure that proper use of resources and desired targets are
18 accomplished on time.

19
20 SECTION 37. *Promulgation of Rules and Regulations.* - The Secretary of the
21 DENR, in coordination with the Secretaries of the DILG and the DND, shall prepare
22 and publish the rules and regulations implementing this Act within sixty (60) days
23 from the date of its effectivity.

24
25 SECTION 38. *Separability Clause.* - If any provisions of this Act shall be held
26 unconstitutional, the remaining portions not otherwise affected shall remain in full
27 force and effect.

28
29 SECTION 39. *Repealing Clause.* - All laws, executive orders, rules and
30 regulations, or parts thereof inconsistent with any of the provisions of this Act are
31 hereby amended, repealed or modified accordingly.

32
33 SECTION 40. *Effectivity.* - This Act shall take effect after its complete
34 publication in at least two (2) newspapers of general circulation.

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36 Approved,