


**SEVENTEENTH CONGRESS** )  
**REPUBLIC OF THE PHILIPPINES** )  
First Regular Session )



'16 JUL 18 P 6:21

**SENATE**  
**S.B. No. 402**

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**Introduced by SENATOR LOREN LEGARDA**

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**AN ACT PROVIDING FOR SUSTAINABLE FOREST MANAGEMENT, AND FOR OTHER PURPOSES**

Explanatory Note

This bill mandates the development and adoption of a sustainable forest management strategy based on rational allocation of forestland uses and promotion of land use practices that increase productivity and conserve soil, water, and other forestland resources, as well as the protection of existing forest resources and conservation of biodiversity, rehabilitation or development of denuded areas to expand the forest resource base and promote food production activities.

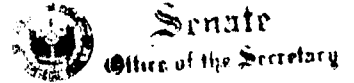
This bill seeks to establish a plan for sustainable forest management guided by the following principles:

1. Watershed as the basic forestland management unit. - Forestlands shall be conserved, developed, and managed, utilizing watershed as the basic management unit and under the concepts of sustainable and multiple-use management, including the conservation of biodiversity;
2. Multi-sectoral participation in sustainable forestland conservation, management, and development shall be promoted. Equitable sharing of the benefits derived from forestlands shall be ensured;
3. Community-based forest management (CBFM) as a principal strategy. - Vesting access rights and responsibilities to forest resident families, local communities, and indigenous peoples to undertake the management of appropriate forestland resources on a sustainable basis shall have precedence over other strategies;
4. Protection of forestlands and natural resources as priority concern in order to ensure environmental stability, enhance biological diversity, increase productivity, and provide economic benefits;
5. Economic and ecological reforestation shall be a priority to rehabilitate denuded and degraded forestlands;
6. Security of tenure of stakeholders and equitable access to forest resources; and
7. Professionalism in forest service. - A dynamic, professional and people-oriented forest service shall be established and fully supported by the government.

This proposed measure aims to ensure that our forests meet the needs of the present generation without compromising the ability of the future generations to meet their own needs. Thus, immediate passage of this bill is earnestly requested.

  
**LOREN LEGARDA**  
Senator

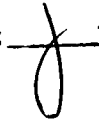
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**AN ACT PROVIDING FOR SUSTAINABLE FOREST MANAGEMENT, AND FOR OTHER PURPOSES**

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

**CHAPTER I  
BASIC FORESTRY POLICIES**

1 **SECTION 1. Short Title.** - This Act shall be known as the "Sustainable Forest  
2 Management Act."  
3

4 **SEC. 2. Basic Policies.** - In conformity with the provisions of the Constitution  
5 to promote the general welfare and social justice in all phases of national  
6 development, to protect and advance the right of the Filipino people to a  
7 balanced and healthful ecology in accord with the rhythm and harmony of  
8 nature, and to conserve and develop the patrimony of the nation, the State  
9 hereby adopts the following policies relative to the conservation and  
10 management of forestlands and their resources:  
11

12 (a) That specific limits of forestlands, after these have been fixed and  
13 demarcated, shall not be altered, except through an act of Congress;  
14

15 (b) The use of forest resources shall bear a social function, responsibility and  
16 accountability to promote the common good; and  
17

18 (c) The management, protection, conservation and development of forest  
19 resources shall be integrated and sustainable, focusing on the resource and  
20 the people who manage, conserve and benefit from it.  
21

22 In carrying out the above policies, the following strategies shall be pursued:  
23

24 (1) Watershed as the Basic Forestland Management Unit. - Forestlands shall  
25 be conserved, developed and managed utilizing watershed as the basic  
26 management unit and under the concepts of sustainable and multiple-use  
27 management, including the conservation of biodiversity;  
28

29 (2) Multi-sectoral Participation. - The participation of all sectors of society in  
30 sustainable forestland conservation, management and development shall be  
31 promoted. Equitable sharing of the benefits derived from forestlands shall be  
32 ensured at all times;  
33

1 (3) Community-based Forest Management (CBFM) as a Principal Strategy. -  
2 Vesting access rights and responsibilities to dependent families, local  
3 communities and indigenous peoples to undertake the management and  
4 development of appropriate forestland resources on a sustainable basis shall  
5 be the principal strategy;  
6

7 (4) Protection of Forestlands and Natural Resources as Priority Concern. -  
8 The protection of forestlands, especially protected areas and the natural  
9 resources in these areas, shall be given priority concern in order to ensure  
10 environmental stability, enhance biological diversity, increase productivity  
11 and provide economic benefits;  
12

13 (5) Reforestation as a Priority Measure. - Economic and ecological  
14 reforestation shall be given priority emphasis in order to rehabilitate and  
15 restore the usefulness or productivity of open and/or denuded and degraded  
16 forestlands as well as increase the income of communities concerned;  
17

18 (6) Security of Tenure of Stakeholders. - In pursuance of the principles of  
19 sustainable and multi-use forest management and equitable access to forest  
20 resources, a secured tenure shall be guaranteed to stakeholders concerned;  
21 and  
22

23 (7) Professionalism in the Forest Service. - A dynamic, professional and  
24 people-oriented forest service shall be established and fully supported by the  
25 government.  
26

27 **SEC. 3. Definition of Terms.** - As used in this Act, the term:  
28

- 29 (a) "Afforestation" shall refer to the planting of trees or the artificial  
30 establishment of a forest in areas that were not previously forested.  
31 (b) "Agro-forestry" shall refer to a strategy for the sustainable management  
32 of lands which increases their overall productivity by properly combining  
33 agricultural crops and/or livestock with forest crops simultaneously or  
34 sequentially through the application of management practices which are  
35 compatible with the local climate, topography, slope, soil, as well as the  
36 cultural patterns or customary laws of the local population.  
37 (c) "Agricultural lands" shall refer to lands of the public domain which have  
38 been delimited, classified and declared as such, and are available for  
39 disposition under the provisions of Commonwealth Act No. 141, as  
40 amended, otherwise known as the Public Land Act.  
41 (d) "Ancestral domains" shall refer to all areas generally belonging to  
42 indigenous cultural communities (ICCs) or indigenous peoples (IPs) as  
43 defined in Republic Act No. 8371 or the Indigenous Peoples Rights Act  
44 (IPRA) of 1997.  
45 (e) "Ancestral lands" shall refer to lands occupied, possessed and utilized by  
46 members of the ICCs/IPs as defined in the IPRA.  
47 (f) "Biological diversity or biodiversity" shall refer to the variability among  
48 living organisms including, *inter alia*, terrestrial, marine and other  
49 aquatic ecosystems and the ecological complexes of which they are part.  
50 This includes diversity within and between species and ecosystems.  
51 (g) "Buffer zones" shall refer to identified areas outside the boundaries of  
52 and immediately adjacent to protected areas pursuant to Section 8 of  
53 Republic Act No. 7586 or the National Integrated Protected Areas System  
54 Act of 1992 (NIPAS Act) that need special development control in order to  
55 avoid or minimize harm to the protected area.  
56 (h) "By-product" shall refer to any part taken from wildlife species such as

- 1 hides, antlers, feathers, fur, internal organs, roots, trunks, branches,  
2 leaves, stems, flowers and the like.
- 3 (i) "Commercial logging" shall refer to the cutting or felling of trees for the  
4 purpose of disposing of the cut or felled logs for economic gains beyond  
5 survival and livelihood means.
- 6 (j) "Communal forest" shall refer to a tract of forestland set aside and  
7 established for and under the protection, administration and  
8 management of a city, municipality or barangay as a source of wood  
9 material for fuel, shelter and manufactured products; as a source of  
10 water for the community; and area for ecotourism and/or environmental  
11 protection or socioeconomic projects of local government units consistent  
12 with sustainable development.
- 13 (k) "Community-based Forest Management Strategy" shall refer to all  
14 organized efforts of government to work with forest-dependent families  
15 and communities inside and adjacent to public forestlands with the  
16 intent to empower them and entrust to them the protection,  
17 rehabilitation, management, conservation and utilization of forestlands  
18 and their natural resources.
- 19 (l) "Conservation" shall refer to planned protection and management of  
20 forests and their resources so as to prevent waste and ensure future use.
- 21 (m) "Conveyance" shall refer to any vehicle, vessel, device or animal used in  
22 gathering or transporting forest products.
- 23 (n) "Co-production agreement" shall refer to an agreement entered into by  
24 and between a qualified person and the government for the former to  
25 develop, utilize and manage, consistent with the principles of sustainable  
26 development, a private land or portion of a forestland wherein both  
27 parties agree to provide inputs and share the products or their equivalent  
28 cash value.
- 29 (o) "Critical watershed" shall refer to a drainage area of a river system  
30 supporting existing and proposed hydroelectric power, irrigation works or  
31 existing water facilities needing immediate protection and rehabilitation  
32 to minimize erosion and improve water yield.
- 33 (p) "Department" shall refer to the Department of Environment and Natural  
34 Resources (DENR).
- 35 (q) "Denuded forestlands" shall refer to former forested lands but are now  
36 devoid of trees due to human activities.
- 37 (r) "Degraded forests" shall refer to all forestlands containing less than five  
38 (5) square meters in basal area per hectare of commercial tree species  
39 with diameters at breast height or diameter above buttress of less than  
40 sixty-five (65) centimeters.
- 41 (s) "Environmentally critical project" shall refer to a project or program that  
42 has high potential for significant negative environmental impact.
- 43 (t) "Environmental Compliance Certificate (ECC)" shall refer to the  
44 document issued by the Department certifying that a proposed project or  
45 undertaking will not cause a significant negative impact on the  
46 environment; that the proponent has complied with all the requirements  
47 of the Environmental Impact Assessment (EIA) System in accordance  
48 with Presidential Decree No. 1151 or the Philippine Environmental Policy  
49 and Presidential Decree No. 1586, establishing an Environmental Impact  
50 Statement System; and that the proponent is committed to implement its  
51 approved Environment Management Plan found in the Environmental  
52 Impact Statement (EIS) or mitigation measures identified in the Initial  
53 Environmental Examination (IEE).
- 54 (u) "Environmental Impact Assessment" shall refer to the process of  
55 predicting the likely environmental consequences of implementing a  
56 project or undertaking and designing the appropriate preventive,

- 1 mitigating or enhancement measures.
- 2 (v) "Environmental, Impact Statement System" shall refer to the  
3 organization, administration and procedures that have been  
4 institutionalized pursuant to Presidential Decree No. 1586 for purposes  
5 of assessing the significance of the effects of any project or undertaking  
6 on the quality of the physical, biological and socioeconomic environment  
7 and designing the appropriate mitigating and enhancement measures.
- 8 (w) "Forest" shall refer to land with tree crown cover or equivalent stocking  
9 level of more than ten percent (10%) and an area or more than half a  
10 hectare. The trees should be able to reach a minimum height of five (5)  
11 meters at maturity *in situ*. It may consist either of closed forest  
12 formations where trees of various storeys and undergrowth cover a high  
13 proportion of the ground or open forest formation with a continuous  
14 vegetation cover in which tree crown cover exceeds ten percent (10%).  
15 Young natural stands and all plantations established for forestry  
16 purposes which have yet to reach a crown density of ten percent (10%) or  
17 tree height of five (5) meters are included under forest, as are areas  
18 normally forming part of the forest area which are temporarily unstocked  
19 as a result of human intervention or natural causes but which are  
20 expected to revert to forest. Forests include such stand types as  
21 dipterocarp, pine, mossy, molave, beach and mangrove. For the purpose  
22 of this Act, natural forests may be classified according to: (1) primary-use  
23 and management, a forest shall be classified as either protection forest  
24 or production forest after its most suitable and dominant multi-use  
25 function has been determined pursuant to this Act; and (2) growth  
26 formation, a forest is classified as either closed forest or open forest.  
27 Closed forests have trees in various storeys and undergrowth that cover  
28 a high proportion, greater than forty-percent (40%) of the ground and do  
29 not have a continuous dense grass layer. Closed forests are either  
30 managed or unmanaged forests, primary or in advanced state of  
31 reconstitution, and may have been logged over one or more times but  
32 have kept their characteristics of forest stands, possibly with modified  
33 structure and composition. Open forests have trees that are of  
34 discontinuous layer, with a coverage of at least ten percent (10%) and  
35 less than forty percent (40%).
- 36 (x) "Forest charges" shall refer to the levy imposed and collected by the  
37 government on naturally growing timber and other forest products cut,  
38 harvested or gathered from the forestlands and from "alienable or  
39 disposable (A&D)" lands in accordance with Republic Act No. 7161.
- 40 (y) "Forest-based industries" shall refer to various industries that are  
41 dependent on raw materials or products derived from forests such as,  
42 but not limited to, wood, rattan, bamboo, vines, latex, resins, saps,  
43 essences, fruits, flowers or wild flora and fauna.
- 44 (z) "Forest-based community" shall refer to a group of people residing inside  
45 or immediately adjacent to a particular forestland who are largely or  
46 partly dependent on the forest resources found in the area for their  
47 livelihood.
- 48 (aa) "Forestlands" shall refer to lands of the public domain that have been  
49 classified as such and all unclassified lands of the public domain.
- 50 (bb) "Forest officer" shall refer to any public officer who, by the nature of his  
51 appointment or the functions of the position to which he is appointed, is  
52 delegated by law and regulations or commissioned by competent  
53 authorities to execute, implement or enforce the provisions of this Act  
54 and other related laws and regulations.
- 55 (cc) "Forest plantation" shall refer to a forest stand established by planting  
56 *and/or* seeding in the process of afforestation and reforestation. The

- 1 stand is either of introduced species or of any indigenous species, or  
2 both.
- 3 (dd) "Forest products" shall refer to goods and services derived from the  
4 forest such as, but not limited to, timber, lumber, veneer, plywood,  
5 fiberboard, pulpwood, firewood, bark, tree top, resin gum, wood oil,  
6 honey, beeswax, nipa, rattan or other forest growth such as grass, shrub  
7 and flowering plant, the associated water, fish, game, scenic, historical  
8 and educational.
- 9 (ee) "Forest resources" shall refer to all resources whether biomass such as  
10 plants and animals, including its by-products and derivatives, which can  
11 be raw materials to produce value-added products or non-biomass such  
12 as soil, water, scenery, as well as the intangible services and values  
13 present in forestlands or in other lands devoted for forest purposes.
- 14 (ff) "Forest-resource derivatives" shall refer to substances/materials  
15 extracted, or as exudates of the trees or part thereof such as, but not  
16 limited to, resins, gums tanning, beeswax, rosin and alike.
- 17 (gg) "Grazing land" shall refer to a portion of the public domain which has  
18 been set aside, in view of the suitability of its topography and vegetation,  
19 for the raising of livestock.
- 20 (hh) "Indigenous cultural community (ICC)" shall refer to a group of  
21 people or homogenous societies as defined in the IPRA Law. Indigenous  
22 cultural community is synonymous with indigenous people.
- 23 (ii) "Industrial Forest Management Agreement (IFMA)" shall refer to a  
24 production-sharing contract entered into by and between the  
25 Department and a qualified person, whether natural or juridical, wherein  
26 the former grants to the latter the exclusive right and responsibility to  
27 invest in, develop, manage and protect a defined area of the production  
28 forestland, including the establishment, management and utilization of  
29 industrial forest plantation, consistent with the principle of sustainable  
30 development, primarily to supply the raw material requirements of wood-  
31 based processing and energy-related industries and wherein both parties  
32 share in the benefits therefrom.
- 33 (jj) "Industrial forest plantation" or "IFP" shall refer to any tract of land,  
34 whether public or private, planted to timber-producing species, including  
35 rubber and durian trees and/or non-timber species such as rattan and  
36 bamboo, primarily to supply the raw material requirements of forest-  
37 based industries, energy-generating plants and related industries.
- 38 (kk) "Integrated forest-based industry" shall refer to a rationalized forest  
39 resource industry which is characterized by the presence of  
40 complementary timber processing plants such as sawmills, plywood and  
41 veneer mills, particleboard and fiberboard plants, pulp and paper mills  
42 as well as secondary and/or tertiary wood processing plants.
- 43 (ll) "Integrated wood processing plant" shall refer to a combination of two (2)  
44 or more wood-based processing facilities, whether mechanical or  
45 chemical or both, such as sawmill, veneer and plywood mills or pulp and  
46 paper mills, including other facilities in the manufacture of semi- or  
47 completely finished wood products.
- 48 (mm) "Joint venture agreement" shall refer to an agreement wherein the  
49 government and a qualified person organize a joint venture company,  
50 with both parties having equity shares, to develop and manage a portion  
51 of forestland. Aside from earnings on the equity, the government shall be  
52 entitled to a share in the output computed at a certain percentage  
53 mutually agreed upon by and beneficial to both parties.
- 54 (nn) "Kaingin" shall refer to a portion of the forestland, whether occupied or  
55 not, which is subjected to a farming system based on shifting or slash-  
56 and-burn clearing of forest for the planting of agricultural and agro-forest

- 1 crops.
- 2 (oo) "Managed forest" shall refer to a forestland under a deliberate system of  
3 protection, rehabilitation, development and utilization of resources to  
4 ensure sustainable production of desired forest products and/or services  
5 as well as the conservation of soil, water, wildlife and other natural  
6 resources.
- 7 (pp) "Multiple-use forestry" shall refer to the harmonized utilization,  
8 development and management of forestlands for the production of two (2)  
9 or more products, goods and/or services in conformity with the principle  
10 of sustainable development.
- 11 (qq) "National park" shall refer to an area of the public domain essentially  
12 natural wilderness, scenic or historic in character which has been  
13 withdrawn from settlement, occupancy or any form of exploitation except  
14 in conformity with an approved management plan and set aside  
15 exclusively to conserve the area or preserve the scenery, the natural and  
16 historic objects, wild animals and plants mainly for the purpose of  
17 biodiversity conservation and/or human enjoyment.
- 18 (rr) "Natural forest" shall refer to a forest composed of naturally growing  
19 indigenous trees, not planted by man, whose structure, composition and  
20 dynamics have been largely the result of natural succession processes.
- 21 (ss) "Nongovernment organization (NGO)" shall refer to a nonstock, nonprofit  
22 and voluntary organization established primarily to provide assistance or  
23 service.
- 24 (tt) "Non-timber forest products" shall refer to all biological materials and  
25 derivatives other than timber which are extracted from forests for human  
26 use.
- 27 (uu) "Permit" shall refer to a short-term privilege or authority granted by the  
28 State to a person to utilize any limited forest resources or undertake a  
29 limited activity within any forestland without any right of occupation and  
30 possession.
- 31 (vv) "Person" shall refer to a natural as well as juridical person, including  
32 local forest-based communities or IPs organized in accordance with law  
33 or custom.
- 34 (ww) "Processing plant or mill" shall refer to any mechanical setup, machine  
35 or combination of machines used for the conversion of logs and other  
36 forest raw materials into semi-finished or finished products.
- 37 (xx) "Production sharing agreement" shall refer to a contract between the  
38 government and a person, whether natural or juridical, wherein both  
39 parties exercise the right to manage, develop and utilize forest resources  
40 within a specific area of production forestlands and the period of time  
41 with the person providing the financing, technology, management,  
42 personnel, marketing and other inputs necessary to implement the  
43 agreement, and both parties sharing the benefits under the terms and  
44 conditions set forth in said agreement.
- 45 (yy) "Protected areas" shall refer to identified portions of land and water set  
46 aside pursuant to the NIP AS Act.
- 47 (zz) "Reforestation" shall refer to the planting of trees or artificial  
48 establishment of forest in areas that were previously forested.
- 49 (aaa) "Reservation" shall refer to a forestland that has been reserved by the  
50 President or by law for any specific purpose.
- 51 (bbb) "Rotation" shall refer to the number of years between the initial  
52 establishment of a plantation and the time when it is considered ready  
53 for harvesting.
- 54 (ccc) "Second-growth forest" shall refer to the status or condition of a forest  
55 subsequent to commercial logging of which there is more or less  
56 sufficient volume of residuals of the desired species of trees for future

- 1 harvest. A second-growth forest is synonymous to a residual forest.  
2 (ddd) "Secretary" shall refer to the Secretary of the Department of  
3 Environment and Natural Resources.  
4 (eee) "Semi-finished wood products" shall refer to wood products requiring  
5 final stages of manufacture and/or assembly such as, but not limited to,  
6 window components, tabletops, veneer and other similar wood products.  
7 (fff) "Silvicultural practices" shall refer to any scientific intervention to  
8 further improve or enhance the growth of trees or forest as a whole for  
9 future harvest.  
10 (ggg) "Sustainable development" means meeting the needs of the present  
11 generation without compromising the ability of the future generations to  
12 meet their own needs.  
13 (hhh) "Sustainable forest management" shall refer to the process of  
14 managing a forest to achieve one (I) or more clearly specified objectives of  
15 management with regard to the production of a continuous flow of  
16 desired forest products and services without undue reduction of its  
17 inherent values and future productivity, and without undesirable effects  
18 on the physical and social environment.  
19 (iii) "Tenure" shall refer to guaranteed peaceful access to and use of specific  
20 forestland area and the resources found in the area through an  
21 agreement, contract or grant, which cannot be altered or abrogated  
22 without due process.  
23 (jjj) "Timber License Agreement (TLA)" shall refer to a privilege granted by  
24 the State to a person to utilize forest resources within a forestland with  
25 the right of possession and occupation thereof to the exclusion of others  
26 except the government, but with the corresponding obligation to develop,  
27 protect and rehabilitate the same in accordance with the terms and  
28 conditions set forth in the said agreement.  
29 (kkk) "Trade" shall refer to the act of engaging in the exchange, purchase or  
30 sale of forest products locally or internationally.  
31 (lll) "Urban forestry" shall refer to the establishment and management of  
32 forest in urban environment for the physiological and psychological well  
33 being of the people.  
34 (mmm) "Watershed" shall refer to a land area drained by a stream or a  
35 fixed body of water and with tributaries having a common outlet for  
36 surface runoff.  
37 (nnn) "Watershed reservation" shall refer to a forestland that has been  
38 proclaimed by the President or by law as such, primarily for water  
39 production purposes although other compatible uses may be allowed  
40 under sustainable and multiple-use management concepts.  
41 (ooo) "Wildlife" shall refer to wild forms and varieties of flora and fauna in all  
42 developmental stages.  
43 (ppp) "Wood-based industries" shall refer to various industries that use wood  
44 as the principal raw material such as, but not limited to, sawmilling,  
45 pulp and papermaking, and plywood and veneer manufacturing, the  
46 upstream wood-based industries, as well as the secondary and tertiary  
47 wood processing such as, but not limited to, moldings and furniture  
48 manufacturing.

## 50 CHAPTER II

### 51 CLASSIFICATION OF THE PERMANENT FORESTLANDS

52  
53 **SEC. 4. The Permanent Forestlands.** - All lands of the public domain  
54 classified as forestlands under the Department's land classification program,  
55 including the remaining unclassified lands of the public domain, shall be  
56 maintained as permanent forestlands.



1  
2 **SEC. 5. Subclassification of the Permanent Forestlands.** - The permanent  
3 forestlands shall be subclassified into the following categories according to  
4 primary use:  
5

6 (a) Protection Forestlands. - All areas within the forestlands designated or  
7 set aside as such shall constitute the protection forestlands. All mossy  
8 and primary/old-growth forests and natural beach; all areas one  
9 thousand (1,000) meters above sea level, areas above fifty percent (50%)  
10 slope; areas regardless of slope which are highly erodible or too rocky for  
11 the establishment of either production forests or limited production  
12 forests, developed for the principal objectives or establishing vegetative  
13 cover to prevent erosion, conserve water and nurture wildlife, freshwater,  
14 swamps and marshes; all areas along the bank of rivers and streams;  
15 and the shores of the seas and lakes throughout their entire length and  
16 within a zone of three (3) meters in urban areas, twenty (20) meters in  
17 agricultural areas and forty (40) meters in forest areas, along their  
18 margins which are subject to the easement of public use in 16 the  
19 interest of recreation, settlements, navigation, floatage, fishing and  
20 salvage shall also be sub classified as protection forestlands: *Provided*,  
21 That reclassification shall be approved by an act of Congress; and  
22

23 (b) Production Forestlands. - All forestlands not sub classified as protection  
24 forestlands, defined in this section, shall constitute the production  
25 forestlands to be devoted to the production of timber and/or non-timber  
26 forest products or the establishment of industrial tree plantations, tree  
27 farms, communal forests, agro-forestry, grazing or as multiple-use  
28 forests, including water-based energy areas such as, but not limited to,  
29 hydrothermal and geothermal reservations: *Provided*, That they shall be  
30 managed, developed and utilized in accordance with a Department-  
31 approved management plan based on sustainable forest management  
32 principles.  
33

34 **CHAPTER III**  
35 **ADMINISTRATION AND MANAGEMENT OF FORESTLANDS AND THEIR**  
36 **RESOURCES**  
37

38 **SEC. 6. Jurisdiction and Control of Forestlands.** - The Department shall be  
39 the primary agency responsible for the conservation, management,  
40 development and utilization of all forestlands and the unclassified lands of the  
41 public domain, including all the resources found or growing in these lands. In  
42 coordination with the local government units (LGUs) and other government  
43 agencies, the Department shall ensure that forestlands and unclassified lands  
44 of the public domain are managed, conserved, developed, utilized and protected  
45 consistent with the policies and strategies promulgated in this Act. The  
46 utilization and development of forestlands and unclassified lands of the public  
47 domain, including their natural resources, shall be undertaken in accordance  
48 with Department-approved management plans: *Provided*, That the management  
49 plan for protected areas shall be prepared in accordance with the provisions of  
50 the NIPAS Act.  
51

52 Records pertaining to the specific limits of forestlands shall be made available  
53 to the public upon request. Moreover, the Department shall furnish all  
54 provincial, municipal and city governments copies of the maps of permanent  
55 forestlands located within their respective territorial jurisdictions.  
56

1 **SEC. 7. Forestlands Managed by Local Government Units (LGUs).** -  
2 Pursuant to the pertinent provisions of Republic Act. No. 7160 or the Local  
3 Government Code, LGUs shall share the responsibility in the sustainable  
4 management and utilization of forest resources within their territorial  
5 jurisdiction, including those assigned by law to other government agencies.  
6 Subject to vested rights, LGUs and the Department, in consultation with other  
7 government agencies, local communities, non-government organizations,  
8 academic and research institutions and other sectors, shall jointly undertake  
9 the preparation of forestland use and watershed management plans,  
10 particularly the identification of multiple-use areas and production forestlands  
11 within the territorial jurisdiction of each LGU which shall be made an integral  
12 component of the latter's Comprehensive Land Use Plan (CLUP). The LGUs  
13 shall be consulted on all forestry projects to be implemented in their territorial  
14 jurisdiction and shall have equitable share of incomes derived there from. For  
15 this purpose, the Department, the Department of the Interior and Local  
16 Government (DILG), the leagues of provinces, cities, municipalities and  
17 barangays shall formulate a joint strategy and program to implement this  
18 provision within one (1) year from the passage of this Act.  
19

20 **SEC. 8. Forestlands Under Other Government Agencies.** - Forestlands  
21 and/or portions thereof which have been assigned by law to the administration  
22 and management of other government agencies for a specific purpose,  
23 including those devolved to the LGUs prior to the passage of this Act, shall be  
24 subclassified as production forestlands and shall remain under the  
25 administration and management of these government agencies which shall be  
26 responsible for their conservation, protection, rehabilitation and  
27 subclassification into forestland, and the specific purpose for which the entire  
28 area has been assigned or reserved unless said assignment or reservation is  
29 consistent with the use of such area as protection forestland. The Secretary or  
30 a duly authorized representative shall exercise oversight functions over these  
31 forestlands. Moreover, these forestlands shall be administered in accordance  
32 with a forest management plan, which shall be prepared by the government  
33 agency or the concerned LGU in coordination with the Department and local  
34 communities and organizations within one (1) year from the effectivity of this  
35 Act: *Provided*, That the Department and the LGU or the government agency  
36 concerned shall periodically review, monitor and evaluate the implementation  
37 of the said management plan: *Provided, further*, That the harvesting of forest  
38 resources and the building of roads and other infrastructure shall be  
39 undertaken only with the prior approval of the Secretary and after compliance  
40 with EIS and ECC requirements: *Provided, finally*, That the Secretary shall  
41 recommend to Congress or the President of the Philippines the reversion to the  
42 Department of the jurisdiction and control over forestlands that are no longer  
43 needed nor used for the purpose by which they have been constituted or  
44 reserved or in case the agency or the LGU concerned fails to rehabilitate,  
45 protect and conserve the forestland and its resources in accordance with the  
46 approved management plan. The Department shall determine the use of the  
47 reverted forestlands.  
48

49 **SEC. 9. Forest Resources Within Alienable and Disposable Lands.** - All  
50 forest resources, including trees planted or raised within alienable and  
51 disposable lands, belong to the owner of the land who shall have the right to  
52 harvest, transport, sell, contract, convey, or dispose of the same without the  
53 necessity of any clearance from the Department. The Department shall  
54 encourage and provide incentives to landowners of alienable and disposable  
55 lands to develop, maintain and manage forests on their lands or to develop and  
56 maintain a tree plantation on such lands. Landowners who register their lands

1 for forestry purposes shall be assisted by the Department in the preparation of  
2 a management plan and shall be entitled to appropriate incentives provided  
3 under Section 24: *Provided*, That agricultural lands devoted to the planting and  
4 harvesting of forest resources shall remain subject to the provisions of Republic  
5 Act No. 6657 or the Comprehensive Agrarian Reform Law.  
6

7 **SEC. 10. Forest Resources Within Forestlands.** - All forest resources,  
8 including non-timber forest products, its by-products and its derivatives,  
9 whether naturally growing, planted or raised which have been taken of or have  
10 been applied with some silvicultural practices, within forestlands including  
11 those forest resources within the areas covered by a Certificate of Ancestral  
12 Domain Title (CADT) or a Certificate of Ancestral Land Claim (CALC), shall be  
13 issued with a permit, agreement or clearance that are deemed necessary and  
14 appropriate by the Department, as recommended by the Forest Management  
15 Bureau (FMB). The transport of these forest resources from forestlands,  
16 including those from the areas of the ICCs or IPs covered by a CADT or a CALC,  
17 shall be covered by. a separate permit, agreement or clearance duly issued by  
18 the Department.  
19

20 Any declaration of forest resources as endangered, threatened, vulnerable and  
21 other restriction shall be done in coordination, consultation and clearance from  
22 the FMB.  
23

24 **SEC. 11. Forest Resources Within Ancestral Domains.** - The recognition,  
25 ownership and management of ancestral lands and domains shall be governed  
26 by the provisions of the IPRA, but any project of a holder of a CADT or any  
27 such similar instrument to develop or use forestlands or forest resources that  
28 would result in severe soil erosion or environmental degradation shall be  
29 subject to the provisions of Presidential Decree No. 1151 or the Philippine  
30 Environmental Policy; Presidential Decree No. 1586, establishing an  
31 Environmental Impact Statement System; and this Act. The National  
32 Commission on Indigenous Peoples (NCIP) shall coordinate and consult the  
33 Department in providing assistance to the IPs in the sustainable management  
34 and development of forest resources within ancestral lands and domains. For  
35 this purpose, a multi-sectoral task force shall be created, to be composed of  
36 representatives from the Department, the NCIP, the Department of Agrarian  
37 Reform (DAR) and the concerned LGU to evaluate and validate the authenticity  
38 of all CALT/CALC claims and applications of the IPs prior to the conduct of all  
39 survey activities and the issuance of corresponding titles.  
40

#### 41 **CHAPTER IV**

#### 42 **FOREST MANAGEMENT PLANNING, MONITORING AND ASSESSMENT**

43  
44 **SEC. 12. Sustainable Forest Management Planning.** - Subject to vested or  
45 prior rights, the Department, in consultation and coordination with LGUs,  
46 other government agencies, local communities, nongovernment organizations,  
47 individual and corporate entities, private sectors, academic and research  
48 institutions and other concerned sectors shall, within one (1) year from the  
49 effectivity of this Act, develop and adopt a sustainable forest management  
50 strategy for each well-defined watershed or other appropriate forest  
51 management unit based on criteria, indicators and standards for sustainable  
52 forest management which, at their minimum, address the following  
53 requirements:

- 54 (a) Rational allocation of forestland uses and promotion of land-use  
55 practices that increase productivity and conserve soil, water and other  
56 forestland resources;

- 1 (b) Protection of existing forest resources and conservation of biodiversity;  
2 (c) Rehabilitation or development of denuded areas to expand the forest  
3 resource base and promote food production activities;  
4 (d) Enhancement of the socioeconomic well-being of local communities  
5 including IPs who are largely dependent on the forest for their livelihood;  
6 (e) Promotion of closer coordination between and among the Department,  
7 LGUs, other national agencies, nongovernment organizations, local  
8 communities, the private sector, academic and research institutions,  
9 and other entities in the sustainable management of forestlands;  
10 (f) Adoption of community-based forest management as a principal strategy  
11 in the management of forestlands and resources; and  
12 (g) Integration of forest management and land-use plans at the barangay or  
13 community level to the CLUPs of cities and municipalities, including the  
14 adoption of effective impact monitoring system of forest management  
15 programs.  
16

17 The Department shall adopt a comprehensive forestry master plan that shall  
18 define the development of the combination of outlooks for the different forestry  
19 land uses, its productivity, demand, supply, human resources policy and  
20 institutional changes.  
21

22 **SEC. 13. Watershed and Ecosystems Management Approach.** - The  
23 Watershed and ecosystems planning framework in environment and natural  
24 resources management shall be adopted. The strategy for improved watershed  
25 resources management shall be demand-driven, community-based and  
26 multiple- and sustainable-use, considering national priorities and concerns of  
27 local stakeholders. Watershed management programs shall be guided by  
28 ecological, sociocultural, economic and institutional sustainability principles. A  
29 national watershed information system shall be developed to guide policy  
30 formulation, program development and implementation of watershed  
31 management initiatives.  
32

33 A system of management prioritization of watersheds shall be pursued  
34 considering the following:

- 35 (a) Water supply for domestic, irrigation, power, industrial and commercial  
36 use;  
37 (b) Contribution to the economy;  
38 (c) Biodiversity and environmental enhancement;  
39 (d) Cultural and historical value; and  
40 (e) Effect on downstream areas.  
41

42 **SEC. 14. Forestry Information System.** - The Department shall establish a  
43 forestry information system, which shall consist of comprehensive up-to-date  
44 information on the physical, social, economic, biological and environmental  
45 components of the country's forestlands and forest resources. It shall include a  
46 resource monitoring system to enable the Department and its field offices to  
47 track the utilization, movement or transfer of forest-based goods and services  
48 from the source to their end-users. The Department shall conduct and/or  
49 update forest resource inventory at least once every five (5) years to ensure  
50 effective management.  
51

52 **SEC. 15. Environmental Impact Assessment. Accounting and Valuation.** -  
53 All new critical projects to be implemented in forestlands such as harvesting,  
54 grazing and other special uses, mineral prospecting and exploration, road,  
55 infrastructure and mill construction shall be subject to the country's EIA  
56 system. The Department shall design and implement a system of monitoring

1 and assessment, using the criteria and indicators as framework, and shall  
2 formulate appropriate standards as basis for assessing progress towards  
3 sustainable forest management.  
4

5 The Department shall formulate an appropriate natural resource accounting  
6 and valuation system for various forestry initiatives and shall provide these  
7 communities with appropriate long-term security of tenure, technical,  
8 managerial and financial assistance, training and other assistance, as the case  
9 may be, to empower them to manage and benefit from the forestland resources  
10 on a sustainable basis.  
11

12 **SEC. 16. Qualified Participants.** - Organized forest communities shall be  
13 given priority to participate in the CBFM program. Indigenous peoples shall  
14 also be encouraged to actively participate in the implementation of CBFM  
15 activities in recognition of their rights to their ancestral domains and lands.  
16

17 Organizations eligible to participate in CBFM shall have the following  
18 qualifications:

19 (a) Members shall be Filipino citizens; and

20 (b) Members shall be any of the following:

21 1) Traditionally utilizing the resource for their livelihood;

22 2) Actually residing within the area to be awarded; or

23 3) Residing adjacent and actually tilling and developing the area to be  
24 awarded.  
25

## 26 **CHAPTER VI** 27 **REFORESTATION AND AFFORESTATION PROGRAM** 28

29 **SEC. 17. Reforestation/Rehabilitation of Protection Forestlands.** - The  
30 reforestation and rehabilitation of all critical watershed, denuded forestlands  
31 and degraded forests within protection forestland not otherwise covered by the  
32 CBFM program shall be given top priority and shall be vigorously pursued by  
33 the Department, consistent with the NIPAS Act and the strategies and  
34 management plans therefore. The use of endemic species in the restoration  
35 program for protection forestlands shall be given primary consideration to  
36 enhance the biological diversity of the area.  
37

38 The Department, in coordination with LGUs, other government agencies,  
39 NGOs, local residents and communities, and other sectors concerned shall  
40 identify and prioritize forestlands to be reforested. An accelerated reforestation  
41 program in such identified priority protection forestlands shall be undertaken  
42 to raise the forest cover to at least fifty percent (50%) within five (5) years and  
43 to at least eighty percent (80%) within ten (10) years from the effectivity of this  
44 Act. The Department shall allot funds to effectively accomplish reforestation  
45 either by itself or through contract. The Department or other agencies  
46 responsible for reforestation shall give priority to local communities in the  
47 granting of technical and financial assistance for reforestation activities.  
48

49 **SEC. 18. Forest Plantation Development in Production Forestlands.** - In  
50 accordance with Section 40, the State, through the Department, may enter into  
51 joint venture, co-production or production sharing agreement with qualified  
52 forest community organizations, LGUs, government-owned or -controlled  
53 corporations, private companies, individuals and other interested parties  
54 concerned in the development of forest plantations in production forestlands:  
55 *Provided*, That any portion of the production forestland identified by the  
56 Department as needed for protection and rehabilitation purposes shall not be

1 converted into forest plantations.  
2

3 **SEC. 19. Reforestation in Forestlands under the Jurisdiction of Other**  
4 **Government Agencies.** - Government agencies and institutions having  
5 management control over forestlands pursuant to a law or grant shall be  
6 responsible for the reforestation of denuded and degraded portions of such  
7 forestlands. The reforestation program of these agencies shall aim to increase  
8 the vegetation of the degraded areas, to be identified jointly by the Department  
9 and the agency concerned, by fifty percent (50%) within the first five (5) years  
10 and at least eighty percent (80%) within ten (10) years from the effectivity of  
11 this Act. The concerned agency in coordination with the Department shall  
12 prepare the reforestation plan and determine the ratio of forested areas at any  
13 given time. Failure to reforest denuded and/or degraded forestland identified in  
14 the reforestation plan within the period prescribed shall be sufficient ground to  
15 request for reversion of the said forestlands to the jurisdiction and control of  
16 the Department: *Provided, however,* That in areas where CBFMS shall be  
17 implemented or where there are existing facilities for basic services such as  
18 water and power as allowed by the Department pursuant to Section 40, the  
19 completion of the reforestation program shall be subject to the conditions  
20 provided in the tenorial document to be awarded by the Department and the  
21 agency concerned to the participating local community or individual or in the  
22 Forest Management Agreement of contractors operating such facilities for basic  
23 services, as approved by the Department.  
24

25 **SEC. 20. Reforestation and Afforestation in Alienable and Disposable**  
26 **Lands or Private Lands.** - Reforestation and afforestation or the establishment  
27 of tree farms or forest plantations in alienable and disposable lands or private  
28 lands shall be encouraged. The private landowner(s) shall also be entitled to  
29 the incentives provided for under Section 24, particularly subsections (a), (b),  
30 (c), (d) and (e): *Provided,* That such private forest plantations are duly registered  
31 with the Department.  
32

33 **SEC. 21. Tax Incentives.** - The following tax incentives shall be granted to  
34 qualified persons engaged in forest plantation activities:

- 35 (a) Expenses incurred in complying with the requirements of this Act shall  
36 be allowed as deductible expenses for income tax purposes subject to the  
37 provisions of the National Internal Revenue Code (NIRC) of 1997, as  
38 amended: *Provided,* That the deduction shall only apply to the taxable  
39 period when the expenses were incurred;  
40 (b) Incentives granted to registered domestic enterprise under the  
41 Investments Priorities Plan (IPP); and  
42 (c) Exemption from the payment of forest charges imposed under the  
43 provisions of this Act.  
44

45 To encourage qualified persons to engage in forest plantation activities, the  
46 following incentives shall be granted in addition to those already provided by  
47 existing laws:  
48

- 49 (1) The agreement holder shall not be subject to any obligation, prescribed in  
50 or arising out of the provisions of the National Internal Revenue Code, on  
51 withholding tax at source upon interest paid on loans incurred for the  
52 development and operation of forest plantation;  
53 (2) Amounts expended by the agreement holder in the development and  
54 operation of a forest plantation prior to the commercial harvest shall be  
55 regarded as ordinary and necessary expenses or as capital expenditure;  
56 (3) The Board of Investments shall classify forest plantations as pioneer and

1 preferred areas of investment under its annual priority plan, subject to  
2 pertinent rules and regulations;

3 (4) The agreement holder shall be given priority to access credit assistance  
4 being granted by government-owned, -controlled and/or -supported financial  
5 institutions;

6 (5) Upon the premature termination of the agreement at no fault of the  
7 holder, all depreciable permanent and semi-permanent improvements, such  
8 as roads, buildings and nurseries, including the planted and standing trees  
9 and other forest crops introduced and to be retained in the area, shall be  
10 properly evaluated and the holder shall be entitled to a fair compensation  
11 thereof, the amount of which shall be mutually agreed upon by both the  
12 Department and the agreement holder and, in case of disagreement between  
13 them, by arbitration through a mutually acceptable and impartial third party  
14 adjudicator;

15 (6) Exemption from Forest Charges and Expanded Value-Added Tax;

16 (7) Exemption of forest plantation from payment of real property;

17 (8) No termination of contract or agreement except for cause or for reason of  
18 public interest and only after due process; and

19 (9) The agreement holder has the right to transfer, contract, sell or convey  
20 his rights to any qualified person following the guidelines to be issued by the  
21 Secretary.

22  
23 The Secretary may provide or recommend to the President or to Congress other  
24 incentives in addition to those granted in this Act and in existing laws in order  
25 to promote reforestation and the establishment of forest plantations.

26  
27 **SEC. 22. Voluntary Offer to Reforest.** - Private landowners, whether natural  
28 or juridical persons, may participate in reforestation and forest plantation  
29 development or similar programs of the Department, with the landowner  
30 contributing his land and the Department providing funds in accordance with  
31 Section 55 to reforest the area on a co-production agreement: *Provided*, That  
32 the property shall be exclusively devoted to the planting of forest species for at  
33 least one (1) rotation, which undertaking shall be annotated at the back of the  
34 title of the property.

35  
36 **CHAPTER VII**  
37 **URBAN FORESTRY/COMMUNAL FOREST**  
38

39 **SEC. 23. Establishment of City or Municipal Parks and/or Communal**  
40 **Forest.** - Every city or municipality shall establish a city or municipal park or  
41 communal forest and shall include in its annual budget the necessary funds  
42 for its establishment and maintenance. Upon request by a city or municipality  
43 concerned, the Department shall set aside an appropriate area of the public  
44 forestlands as city or municipal park and/or communal forest and shall  
45 provide technical assistance to the local government concerned in the  
46 development of the park or communal forest.

47  
48 **SEC. 24. Establishment of Tree Parks in Subdivision and Tree Planting on**  
49 **Roadsides.** - Every subdivision project to be developed after the passage of this  
50 Act shall include the establishment of a tree park of not less than fifty percent  
51 (50%) of the required total open spaces as provided in Section 2 of Presidential  
52 Decree No. 953, requiring the planting of trees in certain places. The guidelines  
53 for the establishment of tree parks within a subdivision shall be prepared  
54 jointly by the subdivision owner concerned, the Housing and Land Use  
55 Regulatory Board (HLURB) and the Department. The subdivision owner shall  
56 provide the funds for this purpose. For every major public road or irrigation

1 construction project, the Department of Public Works and Highways (DPWH)  
2 shall include the planting and maintenance of trees along the road/highway or  
3 irrigation canals as landscaped rest areas every twenty-five (25) kilometers  
4 thereof and shall provide adequate funds for this purpose.  
5 Each city or municipality shall also allocate adequate funds for the planting,  
6 care and maintenance of trees or perennial shrubs in "greenbelts" or "green  
7 spaces" such as road/street sides, center islands, etc.  
8

9  
10 **CHAPTER VIII**  
11 **FOREST PROTECTION**

12 **SEC. 25. Commercial Logging Ban.** - There shall be a permanent ban on  
13 commercial logging activities in all protection forestlands defined, categorized  
14 and subclassified in Section 5(a). No license, permit or agreement to cut any  
15 timber within a protection forestland shall be issued.  
16

17 Portions of the production forestlands identified by the Department for  
18 protection purposes shall be excluded from any form of logging operations and  
19 the holder of the agreement or license shall establish a buffer zone and  
20 delineate their boundaries with the production forestlands, marking the same  
21 with concrete monuments, road or infrastructure, or any other visible,  
22 permanent and practicable signs.  
23

24 To ensure the conservation and sustainable use of forest resources, holders of  
25 timber licenses, leases and permits shall submit to the Department an  
26 Integrated Operations Plan (IOP) containing strict environmental guidelines  
27 such as ECC compliance. All forest development activities such as logging,  
28 reforestation, timber stand improvement, forest protection and delivery of  
29 community service within an area covered by timber concessions shall be  
30 consolidated under the IOP, which shall be prepared by or under the  
31 supervision of an accredited private registered forester whose signature and dry  
32 seal shall appear in the plan and the supporting documents submitted for the  
33 purpose.  
34

35 Upon its expiration or termination for cause, no extension shall be made on  
36 any TLA and the area covered by the agreement shall be converted into any  
37 mode pursuant to Section 40, including degraded areas that may be subject of  
38 a reforestation or tree plantation project.  
39

40 **SEC. 26. Assistance of Law Enforcement Agencies.** - The Department may  
41 call upon law enforcement agencies and instrumentalities of the government  
42 such as the Philippine National Police (PNP), the Armed Forces of the  
43 Philippines (AFP) and the National Bureau of Investigation (NBI) for the  
44 enforcement of the logging ban in all protection forestlands and for the  
45 protection and conservation of forests.  
46

47 The Secretary of the Department of Justice shall designate in every city and  
48 province a special prosecutor who shall immediately file charges against forest  
49 violators to ensure their speedy prosecution.  
50

51 **SEC. 27. Multi-sectoral Forest Protection Council.** - There shall be created a  
52 multi-sectoral forest protection council in every province, city and municipality  
53 which shall be responsible for law enforcement, prevention of forest fires,  
54 integrated pest management and protection against forest invasive species. The  
55 council shall be composed of representatives from, but not limited to, the  
56 Department, concerned LGU, NGOs, people's organizations, church and local



1 academic institutions.

2 **SEC. 28. Role of LGUs and Local Residents.** - It shall be incumbent upon  
3 LGUs concerned to render assistance in protecting and conserving forestlands  
4 within their respective territorial jurisdiction. Qualified local residents may be  
5 deputized by the Department to assist in the drive against illegal logging,  
6 kaingin-making and forestland occupation. These deputized residents shall  
7 likewise be authorized to arrest forest violators within their communities,  
8 subject to existing laws and regulations on arrest and detention.  
9

10 **SEC. 29. Prevention of Forest Fires and Control of Forest Pests and**  
11 **Diseases.** - In collaboration with concerned LGUs, the Department shall  
12 formulate and implement a forest fire management and control program. The  
13 Department shall likewise formulate and implement a national integrated forest  
14 pest and disease management program including quarantine procedures for  
15 imported seeds, forest plants and plant products as well as wildlife to prevent  
16 or control forest or wildlife pests and diseases.  
17

18 **SEC. 30. Information and Rewards System.** - The Department shall establish  
19 an information and rewards system as part of the community's participation in  
20 the protection of forest resources.  
21

22 **CHAPTER IX**  
23 **FORESTRY RESEARCH, EDUCATION, TRAINING AND EXTENSION**  
24

25 **SEC. 31. Research and Technology Development Transfer.** - Research and  
26 technology development transfer shall be strengthened to support sustainable  
27 management of forest resources. The Department, the Department of Science  
28 and Technology (DOST), the Commission on Higher Education (CHED) and the  
29 colleges of forestry of state universities shall, within one (1) year from the  
30 passage of this Act, prepare a comprehensive national forestry and  
31 environmental research and technology development and transfer program in  
32 furtherance of sustainable forest management which shall be implemented,  
33 monitored and reviewed in accordance with existing research management  
34 systems. Adequate and sustainable funds to implement a research and  
35 technology development and transfer program shall be provided by each of the  
36 aforementioned agencies and institutions under the General Appropriations  
37 Act.  
38

39 **SEC. 32. Public Information, Education and Advocacy Campaign.** - With  
40 the support from LGUs, NGOs, media and other organizations, the  
41 Department, the Philippine Information Agency (PIA), the Department of  
42 Education (DepEd), the CHED, State-owned and private universities and  
43 colleges shall formulate and implement a nationwide program for sustained  
44 public information and advocacy campaign for forest and natural resources  
45 conservation and sustainable forest development and management. The DepEd  
46 shall include subjects on forest and natural resources in the curricula for  
47 elementary and high school education. The CHED shall likewise include  
48 ecology and environment courses in the general education curricula. The  
49 Department shall undertake a systematic campaign to promote community  
50 ecological awareness, including the preparation of informational and  
51 educational materials therefore.  
52

53 **SEC. 33. Formal Forestry Education.** - The CHED, in collaboration with the  
54 Department, the Board of Examiners for Foresters of the Professional  
55 Regulation Commission (PRC) and the duly accredited national professional  
56 foresters organization shall actively pursue the rationalization of formal forestry

1 education and the establishment of centers of excellence in forestry and  
2 environmental education to ensure high quality manpower output to meet the  
3 needs of the forestry sector.

4  
5 **SEC. 34. Continuing Education on Forestry.** - A non-formal program of  
6 continuing education shall be established to maintain the growth of the  
7 forestry profession. The PRC Board of Examiners for Foresters and the Civil  
8 Service Commission (CSC) shall provide the guidelines for a program in  
9 continuing education in forestry. In cooperation with academic institutions, the  
10 Department shall develop the infrastructures to institutionalize non-formal  
11 continuing education for the forestry sector.

12  
13 **SEC. 35. Training Centers.** - In coordination with the TESDA, the DepEd, the  
14 CHED and state universities and colleges (SUCs), the Department shall  
15 establish and institutionalize a network of training centers in strategic parts of  
16 the country to provide regular and up-to-date training on the various aspects of  
17 sustainable forest management, development and utilization to forest officers,  
18 LGUs, NGOs, local communities and IPs. Furthermore, the Department shall  
19 ensure that personnel appointed to critical and sensitive positions undergo  
20 training to prepare them to discharge their duties and responsibilities  
21 professionally, efficiently and effectively.

22  
23 **SEC. 36. Forestry Development Center.** - The Forestry Development Center  
24 (FDC) based in the College of Forestry and Natural Resources, University of the  
25 Philippines at Los Banos shall continue to serve as the primary policy research  
26 and development center for forestry and natural resources management. The  
27 FDC shall perform its functions in close coordination with the Department and  
28 other policy research institutions in the country. It shall assist the Department  
29 in the formulation, review and evaluation of proposed and existing policies on  
30 forestry and natural resources management. To enable the Center to carry out  
31 its mandated functions, the Center shall have a share of the Sustainable  
32 Forestry Development Fund pursuant to Section 55 in the conduct of its  
33 mandated functions of policy research.

34  
35 **CHAPTER X**  
36 **DISPOSITION AND UTILIZATION OF FOREST RESOURCES**

37  
38 **SEC. 37. Modes of Forest Management Agreement.** - The development,  
39 utilization and management of forestlands and/or forest resources shall be  
40 undertaken under the full control and supervision of the State through the  
41 Department. The State may directly undertake such activities or it may enter  
42 into co-production, joint venture or production sharing agreement with  
43 qualified Filipino citizens or corporations or associations, subject to relevant  
44 laws, rules and regulations: *Provided*, That interested local communities and  
45 IPs through their organized and duly recognized associations shall be given  
46 priority in the grant of appropriate tenurial instruments implementing the said  
47 agreements. Such tenurial instruments and/or agreements shall have a  
48 duration of twenty-five (25) years, renewable for another twenty-five (25) years,  
49 under such terms and conditions as may be provided by the Secretary:  
50 *Provided, further*, That such tenurial instruments and/or agreements may not  
51 be terminated except for cause or if public interest so requires.

52  
53 Current valid and subsisting licenses, contracts or agreements granted by the  
54 government for the development, management and utilization of forest  
55 resources shall be allowed to continue under the same terms and conditions  
56 until their expiry, or prior to their 20 expiry shall be allowed to be converted

1 into any mode authorized in this Act under the guidelines promulgated by the  
2 Secretary: *Provided*, That no such conversion shall be allowed in protection  
3 forestlands as defined in Section 5, and on subclassification of forestlands.  
4

5 The Department is hereby authorized to formulate rules and regulations  
6 covering the relevant terms and conditions thereof including the determination  
7 and collection of the government share, subject to the approval of Congress.  
8

9 For watersheds and other areas where existing facilities for basic services such  
10 as water and power are located, the Department may enter into a forest  
11 management agreement with the service contractor in the area. Such  
12 agreement shall have a duration of twenty-five (25) years, renewable for  
13 another twenty-five (25) years, under such terms and conditions agreed upon  
14 by both parties: *Provided*, That such agreement may not be terminated except  
15 for cause or if public interest so requires or upon mutual agreement by the  
16 parties.  
17

18 **SEC. 38. Transfer of Rights Arising Out of Agreements, Contracts or**  
19 **Similar Instruments.** - The transfer of rights arising out of any forest  
20 management agreement, contract or similar instrument with the government  
21 may be authorized by the Department: *Provided*, That the agreement, contract  
22 or similar instrument has been in existence and active for at least three (3)  
23 consecutive years from its issuance: *Provided, further*, That the transferor has  
24 faithfully complied with the terms and conditions of the said agreement,  
25 contract or similar instrument; the transferee has all the qualifications and  
26 none of the disqualifications to hold the same; and the transferee shall assume  
27 the obligations of the transferor.  
28

29 Failure to comply with these conditions shall be sufficient cause for the  
30 cancellation of the agreement, contract or similar instrument.  
31

32 **SEC. 39. Non-Timber Forest Products.** - Rattan, bamboos, vines, herbs,  
33 exudates and other non-wood forest products are integral parts of the forest  
34 ecosystem. The establishment of plantations of non-timber producing species  
35 shall be encouraged and supported. The development, management and  
36 utilization of non-timber forest products shall be allowed in accordance with  
37 the guidelines to be promulgated by the Department. However, in granting  
38 permits to harvest or utilize non-timber forest products in their natural or  
39 original state from production forestlands, priority shall be given to forest  
40 resident families, local communities and IPs living nearest the subject  
41 forestlands.  
42

43 **SEC. 40. Silvicultural and Harvesting System.** - The Department shall  
44 formulate the appropriate silvicultural and harvesting system and all measures  
45 shall be taken to achieve an approximate balance between growth and harvest  
46 or use of forest products in production forestland shall be promoted.  
47

48 **SEC. 41. Grazing.** - The Department shall identify and delimit areas in the  
49 production forestland suitable for grazing purposes: *Provided*, That no  
50 forestland fifty percent (50%) in slope or over may be utilized for grazing  
51 purposes: *Provided, further*, That existing pasture lease agreements or  
52 forestland grazing lease agreements shall be allowed to continue under the  
53 same terms and conditions until their expiry: *Provided, finally*, That abandoned  
54 or idle, expired or cancelled grazing or pasture lands shall be subject to a land-  
55 use capability assessment to determine their best use or combination of uses.  
56 No new grazing or pasture 10 permit, lease or contract shall be issued, nor

1 existing ones allowed to continue unless covered by existing rules and  
2 regulations governing the Philippine EIS System.

3  
4 **SEC. 42. Mining and Power Generation Operations in Forestlands.** - Forest  
5 resources inside mineral lands are under the Department's jurisdiction, and  
6 their management and utilization are subject to the provisions of this Act.  
7 Power generation and small-scale mining operations in forestlands may be  
8 allowed subject to existing rules and regulations governing the Philippine EIS  
9 System.

10  
11 **SEC. 43. Roads and Other Infrastructure.** - Roads and other infrastructure  
12 including the development of mineral reservations and energy resources inside  
13 forestlands shall be constructed with the least impairment to the resource  
14 values found in such forestlands. Government agencies and their contractors  
15 undertaking the construction of roads, bridges, communication and other  
16 infrastructure facilities and installations inside forestlands shall seek prior  
17 authority from the Department and shall comply with the provisions of this Act  
18 and existing rules and regulations governing the Philippine EIS System.

19  
20 **CHAPTER XI**  
21 **FOREST-BASED INDUSTRIES**  
22

23 **SEC. 44. Establishment and Operations of Forest-based Industries.** - To  
24 meet the demands for forest-based goods and services of a growing population,  
25 the State, through the Department, shall promote and rationalize the  
26 establishment, operations and development of forest-based industries.

27  
28 **SEC. 45. Incentives for Forest-based Industries.** - To enable forest-based  
29 industries to be more efficient, competitive and economically viable, the  
30 following incentives are hereby granted in addition to those already provided by  
31 existing laws:

- 32 (a) All processing plants or mills shall be assured of their supply of raw  
33 materials, preferably but not exclusively from local sources;  
34 (b) All processing plants or mills shall be granted operating permits for five  
35 (5) years, renewable every five (5) years for the same period: *Provided,*  
36 That permits for processing plants owned or operated by holders of forest  
37 management agreements or contracts shall be co-terminus with said  
38 agreements or contracts; and  
39 (c) The Department shall promote and strengthen the linkages among  
40 corporate, family-based and community-based industries.

41  
42 The Department may provide on its own, or propose to the President of the  
43 Philippines or to Congress, other incentives to encourage the establishment  
44 and development of corporate, family and community forest-based industries.  
45 Agreements or licenses over forest areas granted to wood-based plants shall be  
46 converted into any mode authorized in this Act.

47  
48 Expansion in capacity of wood-based plants shall be encouraged and the same  
49 shall be given priority access to production forestlands and other areas  
50 available for development as source of raw materials.

51  
52 **SEC. 46. Export and Sale of Locally Produced Wood Products.** - Logs  
53 derived from natural grown trees of whatever species cut, gathered or removed  
54 from the local natural forest and raw or rough lumber manufactured from such  
55 logs shall not be exported except finished and semi-finished lumber products,  
56 wood manufactures, wood panels and other finished wood products from such

1 logs, subject to such guidelines as the Secretary may promulgate.  
2 No person shall sell or offer for sale any log, lumber, veneer, plywood or other  
3 manufactured wood products in the international or domestic market without  
4 complying with the grading rules established or to be established by the  
5 government. Failure to adhere to the established grading rules and standards  
6 or any act of falsification on the volume of logs, lumber, veneer, plywood or  
7 other wood products sold in the international or domestic market shall be  
8 sufficient cause for the cancellation of export license, wood processing permit  
9 or other license or permit authorizing the manufacture or sale of such  
10 products.

11  
12 **SEC. 47. Importation and Sale of Logs and Other Forest and Wood**  
13 **Products.** - Logs, lumber and other forest and wood-based products may be  
14 imported to the country subject to the registration requirements of the  
15 Department, payment of tariff and duties imposed under the Tariff and  
16 Customs Code, and quarantine regulations. Any product manufactured or re-  
17 manufactured out of the imported forest and wood materials may be sold in the  
18 domestic or international market subject to compliance with the grading rules  
19 and standards.

20  
21 **CHAPTER XII**  
22 **FOREST CHARGES, FEES AND GOVERNMENT SHARES**  
23

24 **SEC. 48. Fees and Government Shares for the Utilization, Exploitation,**  
25 **Occupation, Possession and Activities Within Forestlands.** - The  
26 Department shall prescribe appropriate fees and government shares for the  
27 different kinds of utilization, exploitation, occupation, possession or activities  
28 within forestlands: *Provided*, That payment of or collection of such fees and  
29 government shares shall be waived for parties or industries mandated by law to  
30 manage, conserve, develop and protect forestlands and forest resources, except  
31 administrative fees for the filing and processing of applications for the issuance  
32 and renewal of licenses, permits and agreements: *Provided, further*, That  
33 watershed administrators and/or service contractors that have forest  
34 management agreements with the Department as provided for under Section  
35 40 of this Act shall also be entitled to the waiver of fees, except administrative  
36 fees.

37  
38 The Department shall recommend to Congress appropriate and equitable fees  
39 for the use of water and forest for power generation, irrigation, domestic and  
40 industrial, and for carbon sequestration and biodiversity benefits, respectively,  
41 by parties/industries concerned.

42  
43 **SEC. 49. Forest Charges.** - There shall be collected a forest charge per cubic  
44 meter based on the actual freight on board (FOB) market price based on  
45 species and diameter class by the Department on the following:

- 46 (a) Timber - twenty-five percent (25%);  
47 (b) Pulpwood and matchwood - ten percent (10%);  
48 (c) Firewood, branches and other recoverable wood wastes of timber such as  
49 timber ends, tops and stumps when used as raw materials for the  
50 manufacture of finished products - ten percent (10%); and  
51 (d) Non-timber forest products - ten percent (10%).  
52

53 These forest charges shall be applied to naturally growing timber and non-  
54 timber forest products gathered within forestlands, alienable and disposable  
55 lands, and private lands. For the above purpose, the measurement and the  
56 actual FOB market price of forest products shall be justly determined by the

1 Department, which shall likewise provide for the time, manner and place of  
2 payment of such charges.

3  
4 **SEC. 50. Fees for Administrative Services Rendered by the Department.** -  
5 Fees shall be collected for various services rendered by personnel of the  
6 Department in connection with their duties and responsibilities as may be  
7 requested by interested parties including, but not limited to, surveying,  
8 mapping and other similar service activities: *Provided*, That administrative fees  
9 shall be waived for services rendered to local communities or IPs in the  
10 preparation of their management plans.

11  
12 **CHAPTER XIII**  
13 **APPROPRIATIONS AND FINANCIAL SUPPORT**  
14

15 **SEC. 51. Appropriations.** - The Secretary of the Department of Environment  
16 and Natural Resources (DENR) shall include in the Department's program and  
17 issue such rules and regulations for the implementation of the provisions of  
18 this Act, the initial funding of which shall be charged against the current year's  
19 appropriations of the Department and thereafter included in the annual  
20 General Appropriations Act. For LGUs, the funding requirements shall be taken  
21 from their Internal Revenue Allotment and other LGU income.

22  
23 **SEC. 52. Sustainable Forestry Development Fund** - A Sustainable Forestry  
24 Development Fund (SFDF) to be administered by the Department as a special  
25 account in the National Treasury is hereby established to provide sustainable  
26 funds for forest protection, reforestation and forest development and  
27 management, including the rehabilitation and preservation of watershed areas,  
28 CBFM program, information and educational campaigns as well as scholarship  
29 programs and policy research. At least thirty percent (30%) of the forest  
30 charges and government share in all products removed from the forestlands,  
31 rentals, proceeds from sales of confiscated forest products including  
32 conveyances, fines and penalties, and administrative fees collected shall be set  
33 aside for the buildup of the SFDF. The fund may be augmented by grants,  
34 donations, endowment from various sources, domestic or foreign, for purposes  
35 related to their functions and other innovative funding mechanisms such as  
36 securitization of forest assets, among others.

37  
38 Disbursements from the fund shall be subject to the usual accounting and  
39 budgeting rules and regulations: *Provided*, That no amount shall be disbursed  
40 to cover the operating expenses of the Department and other concerned  
41 agencies.

42  
43 A trust fund committee composed of the Secretary as Chair and the Secretary  
44 of the Department of Budget and Management, the DILG Secretary and the  
45 National Treasurer or their representatives shall sit as members and manage  
46 the SFDF, with the FMB as secretariat.

47  
48 **CHAPTER XIV**  
49 **CRIMINAL OFFENSES AND PENALTIES**  
50

51 **SEC. 53. Harvesting, Gathering and/or Collecting Timber or Other Forest**  
52 **Products Without Authority.** - Any person who shall harvest, cut, gather,  
53 collect or remove timber or other forest products from any forestland, or  
54 naturally grown timber inside alienable and disposable public land except as  
55 provided in Section 9, without authority from the Secretary or found to possess  
56 the same without pertinent required legal documents shall be punished by

1 imprisonment ranging from *prision mayor* minimum period to *reclusion*  
2 *temporal* minimum period and/or a fine equivalent to ten (10) times the value  
3 of the said forest product. *Provided*, That in the case of partnerships,  
4 associations or corporations, the president, managing partner and general  
5 manager shall be held liable and, if such officer is an alien, he shall, in  
6 addition to the penalty, be deported without further proceedings on the part of  
7 the Bureau of Immigration. Offenders who are public officials shall be deemed  
8 automatically dismissed from office and permanently disqualified from holding  
9 any elective or appointive position.

10  
11 All timber or any forest products cut, gathered, collected, removed or possessed  
12 and all the conveyances, machinery, equipment, implements, work animals  
13 and tools used in connection with this violation shall be seized and confiscated  
14 in favor of the government.

15  
16 **SEC. 54. Illegal Cutting as an Act of Economic Sabotage.** - Any of the acts  
17 enumerated in the preceding section committed by an armed group or by any  
18 group, through organized and systematic manner, for commercial purposes,  
19 shall be considered an act of economic sabotage punishable by *reclusion*  
20 *perpetua*. The commission of any of the prohibited acts by two (2) or more  
21 individuals with or without the aid of any mechanical device shall constitute a  
22 *prima facie* evidence that the act is organized and systematic.

23  
24 Any licensed timber concessionaire who shall buy logs from unlicensed loggers  
25 or loggers operating without permits shall be considered in violation of this Act  
26 and, upon conviction, shall also be punished with *reclusion perpetua*.

27  
28 **SEC. 55. Use of Illegally Cut Timber in Government Infrastructure**  
29 **Projects.** - Contractors of government infrastructure projects are hereby  
30 required to obtain certification from the Department that the logs or lumber to  
31 be used were obtained from legitimate sources. The use of illegally cut  
32 naturally grown timber in government infrastructure projects shall be sufficient  
33 cause for the imposition of penalties provided in Section 56, on harvesting of  
34 forest products without authority, and Section 57, on illegal cutting as an act  
35 of economic sabotage, including the withholding of the payment to the  
36 contractor.

37  
38 **SEC. 56. Damage to Residual Trees.** - To ensure the sustainability of the  
39 natural forests, adequate number of residual trees shall be marked, to be  
40 retained as part of the managed forests and as the future timber crop, before  
41 any harvesting operation shall commence. Any marked residual tree that is  
42 damaged during such operation is subject to a fine equivalent to four (4) times  
43 the regular forest charges.

44  
45 **SEC. 57. Grazing Livestock on Forestlands Without a Permit.** - Any person  
46 found to have caused the grazing of livestock in forestlands and grazing lands  
47 without an authority under a lease or permit to graze, upon conviction, shall be  
48 penalized with imprisonment of not less than two (2) years nor more than four  
49 (4) years and a fine equivalent to ten (10) times the regular shares due in  
50 addition to confiscation of the livestock and all improvements introduced in the  
51 area in favor of the government: *Provided*, That in case the offender is a  
52 corporation, partnership or association, the officer or director thereof who  
53 directly caused or ordered such shall be liable. In case the offender is a public  
54 officer or employee, he shall, in addition to the above penalties, be deemed  
55 automatically dismissed from office and permanently disqualified from holding  
56 any elective or appointive position in the government service.

1  
2 **SEC. 58. Unlawful Occupation or Destruction of Forestlands.** - Any person  
3 who, without authority from the Secretary, enters and occupies or possesses,  
4 or engages in kaingin or slash-and-burn farming and related activities for his  
5 private use Or for others, any forestland or grazing land, or in any manner  
6 destroys such forestland or part thereof, or causes any damage to the timber  
7 stands and other forest products or assists, aids or abets another person to do  
8 so, or sets a fire or negligently permits a fire to be set, or refuses lawful orders  
9 to vacate the area when ordered to do so shall, upon conviction, be punished  
10 with penalties in the amount of not less than One hundred thousand pesos  
11 (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) and  
12 imprisonment of not less than six (6) years and one (1) day nor more than  
13 twelve (12) years for each offense: *Provided*, That in the case of an offender  
14 found guilty of making kaingin or slash-and-burn farming, the penalty shall be  
15 imprisonment of not less than ten (10) years nor more than twelve (12) years  
16 and a fine equivalent to ten (10) times the regular forest charges due on the  
17 forest products destroyed without prejudice to payment of the full cost of  
18 rehabilitation of the occupied areas as determined by the Department:  
19 *Provided, further*, That the maximum of the penalty prescribed shall be imposed  
20 upon the offender who repeats the same offense, and double the maximum  
21 penalty upon the offender who commits the same offense for the third (3rd)  
22 time or more.

23  
24 In all cases, the court shall further order the eviction of the offender from the  
25 area occupied and the forfeiture to the government of all improvements  
26 introduced, including all vehicles, domestic animals and equipment of any kind  
27 used in the commission of the offense.

28  
29 If not suitable for use by the Department, said improvements, vehicles,  
30 domestic animals and equipment shall be sold at public auction, the proceeds  
31 from which shall accrue to the SFDF. If the offender is an alien, he shall be  
32 deported after serving his sentence and payment of fines, without any further  
33 proceedings. An offender who is a government officer or employee shall, in  
34 addition to the above penalties, be deemed automatically dismissed from office  
35 and permanently disqualified from holding any elective or appointive position  
36 in the government service.

37  
38 **SEC. 59. Illegal Conversion of City or Municipal Parks, Communal Forests**  
39 **and Tree Parks in Subdivisions.** - Any person found to have converted or  
40 caused the conversion of a city or municipal park or communal forest, or tree  
41 parks within subdivisions established pursuant to Section 26 and Section 27 of  
42 this Act, and Section 2 of Presidential Decree No. 953, requiring the planting of  
43 trees in certain places, into other uses including the construction of permanent  
44 buildings, or in any manner destroys or causes any damage to the timber  
45 stands and other forest products or assists, aids or abets another person to do  
46 so, or sets a fire or negligently permits a fire to be set, upon conviction, shall be  
47 penalized by imprisonment of six (6) years and one (1) day to twelve (12) years  
48 or a fine of not less than One hundred thousand pesos (P100,000.00) nor more  
49 than Five hundred thousand pesos (P500,000.00), or both fine and  
50 imprisonment, at the discretion of the court. The offender shall likewise be  
51 imposed a fine equivalent to ten (10) times the commercial value of the forest  
52 products destroyed without prejudice to payment of the full cost of  
53 rehabilitation of the areas as determined by the Department: *Provided, further*,  
54 That the maximum of the penalty prescribed shall be imposed upon the  
55 offender who repeats the same offense, and double the maximum penalty upon  
56 the offender who commits the same offense for the third time or more. The



1 court shall further order the forfeiture to the government of all improvements,  
2 including all vehicles, domestic animals and equipment of any kind used in the  
3 commission of the offense. If not suitable for use by the Department, said  
4 improvements, vehicles, domestic animals and equipment shall be sold at a  
5 public auction, the proceeds from which shall accrue to the SFDF.  
6

7 An offender who is a government officer or employee, in addition to the above  
8 penalties, upon conviction, shall be deemed automatically dismissed from office  
9 and permanently disqualified from holding any elective or appointive position  
10 in the government service.  
11

12 **SEC. 60. Misdeclaration or Falsification of Reports on Forest Resource**  
13 **Inventory, Scaling and Survey by a Government Official or Employee. -**

14 Any public officer or employee who knowingly misdeclares or falsifies reports  
15 pertaining to forest resource inventory, scaling, survey and other similar  
16 activity which are contrary to the criteria and standards established in the  
17 rules and regulations promulgated by the Secretary therefore, after an  
18 appropriate administrative proceeding, shall be dismissed from the service with  
19 prejudice to reemployment. Upon conviction by a court of competent  
20 jurisdiction, the same public officer or employee shall further suffer an  
21 imprisonment of not less than eight (8) years nor more than twelve (12) years  
22 and a fine of not less than One hundred thousand pesos (P100,000.00) nor  
23 more than Five hundred thousand pesos (P500,000.00). The inventory, survey,  
24 scale, classification and similar reports referred in this section shall be  
25 rendered null and void.  
26

27 **SEC. 61. Unlawful Operation of Wood Processing Plants and Downstream**  
28 **Forest-based Industries. -**

29 Any person operating a wood processing plant or  
30 downstream forest-based industry without authority from the Secretary shall  
31 be punished by, upon conviction by a court of competent jurisdiction,  
32 imprisonment of not less than eight (8) years nor more than twelve (12) years  
33 and a fine of not less than Five hundred thousand pesos (P500,000.00) and  
34 confiscation of the wood processing plant and complementary equipment in  
35 favor of the government. The Department shall promulgate the necessary  
36 guidelines, subject to the provision of this Act, that will define the terms and  
37 conditions, including the responsibility for a person who will operate and  
38 operating a wood processing plant and/or other downstream forest-based  
39 industries.

40 **SEC. 62. Prohibition on the Issuance of Tax Declaration on Forestlands. -**  
41 Any tax declaration issued over forestlands shall be considered null and void.  
42

43 Any local government official or employee who issues a tax declaration for any  
44 purpose on any part of forestlands, upon conviction, shall be penalized with  
45 imprisonment for a period of not less than four (4) years nor more than eight  
46 (8) years and a fine of not less than One hundred thousand pesos  
47 (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) and  
48 the perpetual disqualification from holding an elective or appointive office.  
49

50 **SEC. 63. Unlawful Possession of Implements and Devices Used by Forest**  
51 **Officers. -**

52 Any person found possessing or using implements and devices used  
53 by forest officers shall be penalized with imprisonment of not less than eight (8)  
54 years nor more than twelve (12) years and a fine of not less than One hundred  
55 thousand pesos (P100,000.00) nor more than Five hundred thousand pesos  
56 (P500,000.00) in addition to the confiscation of such implements and devices  
and the automatic cancellation of any agreement, license, lease or permit.

1 Any forest officer who willingly allowed unauthorized person(s) to use these  
2 implements and devices under his/her care shall be penalized with  
3 imprisonment of not less than six (6) years and one (1) day to not more than  
4 twelve (12) years and a fine of not less than One hundred thousand pesos  
5 (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00). In  
6 addition, the convicted forest officer shall be dismissed from the service with  
7 prejudice to reinstatement and with perpetual disqualification from holding an  
8 elective or appointive position.  
9

10 **SEC. 64. Unauthorized Introduction of Logging Tools and Equipment**  
11 **Inside Forestlands.** -It shall be unlawful for any person or entity to possess,  
12 bring or introduce any logging tools or equipment inside forestlands without  
13 prior authority from the Secretary or his duly authorized representative. Any  
14 person found guilty of illegal possession of said logging tools or equipment  
15 shall be liable to imprisonment of six (6) years and one (1) day to twelve (12)  
16 years or a fine of not less than One hundred thousand pesos (P100,000.00) nor  
17 more than Five hundred thousand pesos (P500,000.00), or both imprisonment  
18 and fine, at the discretion of the court and the confiscation of said logging tools  
19 and equipment in favor of the government.  
20

21 **SEC. 65. Nonpayment and Non-remittance of Forest Charges.** - Any person  
22 who fails to pay the amount due and payable as forest charges to the  
23 government shall not be allowed to transport, convey, sell nor use the timber or  
24 forest product. Moreover, failure to pay within thirty (30) days upon  
25 assessment of forest charges shall be a ground for confiscation of the said  
26 timber or forest product in favor of the government. Any person who fails or  
27 refuses to remit to the proper authorities said forest charges collectible  
28 pursuant to the provisions of this Act or the National Internal Revenue Code,  
29 as amended, or who delays, obstructs or prevents the same or who orders,  
30 causes or effects the transfer or diversion of the funds for purposes other than  
31 those specified in said Acts shall, upon conviction, be imprisoned for not less  
32 than six (6) years nor more than twelve (12) years and fined from One hundred  
33 thousand pesos (P100,000.00) to Five hundred thousand pesos (P500,000.00)  
34 in addition to the payment of the assessed forest charges. If the offender is a  
35 corporation, partnership or association, the officers and directors thereof shall  
36 be liable.  
37

38 **SEC. 66. Institution of Criminal Action by Forest Officers.** - Any forest  
39 officer shall arrest even without warrant any person who has committed or is  
40 about to commit, or is committing in his presence any of the offenses defined in  
41 this chapter. The tools, animals, equipment and conveyances used in  
42 committing the offense and the forest products cut, gathered, taken or  
43 possessed by the offender in the process of committing the offense shall also be  
44 seized and confiscated in favor of the government. The arresting forest officer  
45 shall thereafter deliver within six (6) hours from the time of arrest or seizure  
46 both the offender and the confiscated forest products, conveyances, tools and  
47 equipment, or the documents pertaining to the same, and file the proper  
48 complaint with the appropriate official designated by law to conduct  
49 preliminary investigation and file information in court. If the arrest and seizure  
50 are made in the forest far from authorities designated by law to conduct  
51 preliminary investigations, the delivery to and filing of the complaint with the  
52 latter shall be done within a reasonable time sufficient for ordinary travel from  
53 the place of arrest to the place of delivery.  
54

55 The seized forest products, materials, conveyances, tools and equipment shall  
56 be immediately disposed of in accordance with the regulations promulgated by

1 the Secretary. The Secretary may deputize any agency, barangay or barrio  
2 official, or any qualified person to protect the forest and exercise the powers or  
3 authority provided for in the preceding paragraph. Reports and complaints  
4 regarding the commission of any of the offenses defined in this chapter not  
5 committed in the presence of any forest officer or any of the deputized officers  
6 shall immediately be reported to the forest officer assigned in the area where  
7 the offense was allegedly committed. Thereupon, the investigating officer shall  
8 receive the evidences supporting the report or complaint and submit the same  
9 with the appropriate official authorized by law to conduct a preliminary  
10 investigation of criminal cases and file the information in court.  
11

12 **SEC. 67. Liability of the Custodian of Confiscated Forest Products.** - Any  
13 public officer who fails to produce the timber or forest products, including  
14 tools, conveyances, equipment and devices in his custody pursuant to a seizure  
15 or confiscation made thereon, or who shall appropriate, take, misappropriate,  
16 or shall permit another person to take such timber or forest products wholly or  
17 partially, shall suffer the penalty provided for malversation of public funds or  
18 property under the Revised Penal Code. In addition, the said public officer shall  
19 be dismissed from the service with prejudice to reinstatement and with  
20 perpetual disqualification from holding any elective or appointive office.  
21

## 22 **CHAPTER XV** 23 **ADMINISTRATIVE PROVISIONS** 24

25 **SEC. 68. Strengthening of the Forest Management Sector.** - In order to  
26 effectively implement the provisions of this Act, the FMB shall be transformed  
27 into a line bureau with functions clearly defined and enumerated under the  
28 implementing rules and regulations of this Act. To ensure that the scientific  
29 practice of forestry in the country is properly implemented, only registered  
30 foresters shall be appointed to the positions of director and assistant director  
31 and regional directors of the FMB, as well as to all other positions where the  
32 services of professional foresters are required in accordance with existing laws  
33 and the relevant rules and regulations issued by the CSC and the PRC.  
34

35 **SEC. 69. Development of Mechanisms for Private Sector Participation in**  
36 **Forest Management.** - The Secretary is hereby authorized to adopt  
37 appropriate mechanisms to strengthen private sector participation in forest  
38 management, which shall include the accreditation of a national organization  
39 of private investors including for profit, NGOs and people's organizations. The  
40 accredited national organization shall assist the Department in the formulation  
41 and review of relevant policies to ensure the contribution of the forestry sector  
42 to national economy and sustainable development. It shall also assist the  
43 Department in evaluating applications for forest management agreements;  
44 monitoring the performance of holders of commercial tenurial instruments;  
45 ensuring the local supply of timber and wood products; providing producers  
46 with access to local and international markets; and ensuring the conservation  
47 and preservation of protection forestlands and protected areas under the NIPAS  
48 Act.  
49

50 **Sec. 70. Authority of the Secretary on the Use of Forest Resources.** - The  
51 utilization of forest resources from natural forests found in forestlands,  
52 government-established reservations and all other lands including ancestral  
53 domains or under the management of other government agencies shall be  
54 prohibited unless covered by permits issued by the Department, in  
55 consultation with other concerned government agencies: *Provided*, That in the  
56 case of ancestral lands and domains, the terms of the agreement with the

1 concerned ICC shall likewise govern.  
2

3 **SEC. 71. Administrative Authority of the Secretary or his/her Duly**  
4 **Authorized Representative to Order Confiscation.** - In all cases of violations  
5 of this Act or other forest laws, rules and regulations, the Secretary or his/her  
6 duly authorized representative may order the confiscation of forest products  
7 illegally harvested, cut, gathered, removed or possessed or abandoned, and all  
8 conveyances used either by land, water or air as well as all machinery,  
9 equipment, implements and tools used in the commission of the offense and to  
10 dispose of the same in accordance with pertinent laws, regulations or policies  
11 on the matter. If the confiscated forest products are in danger of deteriorating,  
12 the Secretary may order that the same be sold at public auction even before the  
13 termination of the judicial proceedings, with the proceeds kept in trust to await  
14 the outcome of the judicial proceedings. No court of the Philippines shall have  
15 jurisdiction to issue any *Writ of Replevin*, restraining order or preliminary  
16 mandatory injunction in any case involving or growing out of any action by the  
17 Secretary or his/her duly authorized representative in the exercise of the  
18 foregoing administrative authority.  
19

20 **SEC. 72. Administrative Authority of the Secretary to Impose Fines.** - In  
21 all cases of violations of this Act and other forest laws, rules and regulations  
22 where fine is the principal penalty, the Secretary, after consultation with the  
23 forest-based industries affected, is hereby authorized to impose  
24 administratively the penalty consisting of the amount and the schedules of the  
25 fine which shall be officially published in a national newspaper of general  
26 circulation.  
27

28 **SEC. 73. Authority of Forest Officers.** - When in the performance of their  
29 official duties, forest officers or other government officials or employees, duly  
30 authorized by the Secretary, shall have free entry into areas covered by a  
31 contract, agreement, license, lease or permit. Forest officers are authorized to  
32 inspect and to open closed vans suspected to contain illegally harvested,  
33 collected or transported forest products: *Provided*, That it is done in the  
34 presence of the shipper or consignee or two (2) responsible public officials in  
35 the locality. Forest officers are authorized to administer oath, take  
36 acknowledgment in official matters connected with the functions of their office  
37 or take testimony in official investigations conducted under the authority of  
38 this Act and the implementing rules and regulations issued by the Secretary  
39 pursuant thereto.  
40

41 **SEC. 74. Visitorial Functions.** - The Secretary or his/her duly authorized  
42 representative shall, from time to time, investigate, inspect and examine  
43 records and other documents except bank records related to the operation of  
44 any person granted the privilege, contract or agreement to utilize forest  
45 resources to determine compliance with the terms and conditions stipulated in  
46 the grant, contract or agreement, this Act and pertinent laws, rules and  
47 regulations.  
48

49 **SEC. 75. Other Incentives.** - Fifty percent (50%) of the value of confiscated  
50 materials shall be used as incentives to informants and members of multi-  
51 sectoral forest protection councils, including Department personnel. Additional  
52 incentives may be provided to personnel of the Department, in addition to  
53 those provided under the Government Service Insurance System (GSIS) or the  
54 Workmen's Compensation Law. They shall also be entitled to free legal  
55 assistance should legal cases be filed against them in the performance of  
56 official duties.

1 **SEC. 76. Protection to Witnesses in Cases Involving Violation of Forestry**  
2 **Laws.** - Witnesses to violations of this Act or other forestry laws and  
3 regulations, including the immediate members of the family of said witnesses,  
4 shall be given protection, security and benefit, subject to the provisions of  
5 Republic Act No. 6981, otherwise known as "The Witness Protection, Security  
6 and Benefit Act" and its implementing rules and regulations.  
7

8 **SEC. 77. Rule-making Authority.** - The Department shall promulgate the  
9 implementing rules and regulations within one (1) year from the effectivity of  
10 this Act, in consultation with the NCIP, the DILG, the Department of Finance,  
11 the leagues of provinces, cities and municipalities, and other government  
12 agencies.  
13

14 **SEC. 78. Congressional Oversight Committee on the Sustainable Forest**  
15 **Management Act.** - There is hereby created a Congressional Oversight  
16 Committee composed of seven (7) Members from the Senate Committee on  
17 Environment and Natural Resources and seven (7) Members from the House of  
18 Representatives Committee on Natural Resources. The secretariat of the  
19 Oversight Committee shall be drawn from the existing secretariat personnel of  
20 the committees comprising the oversight and the funding shall be taken from  
21 the appropriations of both the House of Representatives and the Senate.  
22

23 **SEC. 79. Transitory Provision.** - Upon the approval of this Act, the  
24 Department shall evaluate the conditions of all forestlands covered by existing  
25 tenurial instruments, memoranda of agreements (MOAs) and other agreements  
26 and contracts which shall be allowed to continue until their expiry unless  
27 terminated for cause.  
28

29  
30 **CHAPTER XVI**  
31 **FINAL PROVISIONS**

32 **SEC. 80. Separability Clause.** - Should any provision of this Act be declared  
33 unconstitutional or invalid, the same shall not affect the validity or legality of  
34 the other provisions.  
35

36 **SEC. 81. Repealing Clause.** - Subsections (b), (d), (e), (t), (g) and (i) of Section 4  
37 of Act No. 3915; Republic Act No. 460; Presidential Decrees Numbered  
38 705, 1153, ISIS, 1559 and 1775; Letter of Instruction No. 818; Executive Orders  
39 Numbered 277 and 278, series of 1987; and Executive Order No. 725, series of  
40 1981 are hereby repealed, and all laws, orders, rules and regulations or any  
41 part thereof which are inconsistent herewith are likewise hereby repealed or  
42 amended accordingly.  
43

44 **SEC. 82. Effectivity.** - This Act shall take effect thirty (30) days from the date  
45 of its publication in the *Official Gazette* or in at least two (2) national  
46 newspapers of general circulation.  
47  
48

49 Approved,