

HOUSE OF REPRESENTATIVES

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Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No.

50

Introduced by Rep. LAWRENCE LEMUEL H. FORTUN

#### EXPLANATORY NOTE

This bill seeks to set a policy direction in the formulation of programs for the protection and sustainable management of our forests.

Philippine Forests are among the most diverse in the world and considered as one of the world's richest source of plant and animal species but it is also considered as one of the most threatened. Our forest covers have been estimated to have been reduced to 18.3% in 1999 and is estimated to be shrinking by 2% every year. The major causes of loss to our forests are attributed to commercial and illegal logging, forest conversion, population growth, migration and fuel wood harvesting.

It is crucial that the country adopt a systematic, coherent and responsive forest management system to restore the integrity of our forest ecosystem. This bill recognizes the Sustainable Forest Ecosystems Management (SFEM) strategy as the principal policy framework for all programs in the forestry sector. The bill prioritizes the protection and rehabilitation of our forest systems through regeneration or restoration of natural forests. It likewise recognizes the role and respects the rights of the stakeholders such as the local government units, the local community and the indigenous peoples.

Several versions of this bill have been filed in the 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> Congress in cognizance of the importance and urgency in addressing the need for an effective, efficient and sustainable forest ecosystem. It is hoped that in the 17<sup>th</sup> Congress, this bill will finally become a law.

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

LAWRENCE LEMUEL H. FORTUN  
1<sup>ST</sup> District Agusan del Norte

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Quezon City

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House Bill No. 50

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AN ACT  
PROVIDING FOR THE PROTECTION, REHABILITATION, AND  
SUSTAINABLE  
MANAGEMENT OF FOREST ECOSYSTEM 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

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

4

5       *Section 2. Basic Policy.* - Pursuant to the provisions of the Constitution to  
6 promote the general welfare and social justice in all phases of national development,  
7 protect and advance the right of the Filipino people to a balance and healthful ecology  
8 in accord with the rhythm and harmony of nature, and to conserve and develop the  
9 patrimony of the nation, the State hereby adopts the following policies relative of the  
10 management, development, and conservation of forest ecosystem and resources  
11 therein:

12

13       (a) Permanency of Forest Land. - The specific limits of forest lands shall be  
14 fixed, delineated and demarcated on the ground and thereafter, shall not  
15 be altered except through an act of Congress.

16

17       (b) Forest Resources to Promote the Common Good. - The use and  
18 conservation of forest lands and the resources therein shall bear social,  
19 ecological, biological and economic functions, responsibility, and  
20 accountability to promote the common good of the present and future  
21 generations.

22

23       (c) Climate Change Mitigation or Adaptation - The mitigation of or  
adaptation to climate change shall be vital components in the  
conservation, management, protection and development of forest lands  
and natural resources.

24 (d) Good Governance. - Good governance shall be practiced in the  
25 management, conservation, protection, and development of forest lands  
26 and the resources therein.  
27

28 In carrying out the above policies, the following strategies shall be  
29 pursued:  
30

31 (1) Categorization of Forest Lands. – Forest lands shall be categorized as  
32 protection or production forest lands in order to guide managers on the  
33 intent of development and to obtain the most beneficial use for common  
34 good;  
35

36 (2) Watershed as the Basic Forest Land Management Unit. - Protection and  
37 production forest lands shall be partitioned and planned into forest  
38 management units based on natural topographic and hydrologic  
39 boundaries and shall consider the watershed continuum approach which  
40 adopts a holistic inter-relationship between the upstream and downstream  
41 areas in order to carry out efficiently the rational ecological treatment of  
42 the entire landscape from the mountain down to the coast.  
43

44 (3) Community- Based Forest Management (CBFM) Founded on  
45 Empowerment of Local Communities and Indigenous Peoples with  
46 Multi-Sectoral Participation and Support. – Vesting access rights and  
47 responsibilities to forest-dependent local communities and indigenous  
48 peoples to undertake sustainable conservation, protection, management  
49 and development of forest ecosystems shall have precedence over other  
50 strategies. The CBFM shall have the support of the Department of  
51 Environment and Natural Resources, the National Commission on  
52 Indigenous Peoples (NCIP) and the local government units (LGUs). The  
53 participation of the private and other sectors in the CBFM shall be  
54 encouraged and promoted in conformity with pertinent regulations;  
55

56 (4) Protection and Rehabilitation of Forest Ecosystem as Priority Concerns.  
57 – The protection of forest ecosystem, as well as rehabilitation through  
58 reforestation and afforestation of the degraded forest ecosystem, shall be  
59 given priority to mitigate climate change, improve and conserve  
60 biodiversity, enhance ecosystem functions and services, and provide  
61 long-term economic benefits;  
62

63 (5) Recognition of the Indigenous Peoples' Sustainable Forest Management  
64 Practices. - The management of forest lands in ancestral lands and  
65 domains shall recognize and promote the sustainable forest management  
66 practices of the indigenous peoples;  
67

68 (6) Security of Tenure of Stakeholders. - Pursuant to the principles of  
69 sustainable and multi-use forest management and equitable access to  
70 forest resources, a secured tenure shall be guaranteed to stakeholders  
71 concerned;  
72

73

- 74
- 75 (7) Investment and Public-Private Partnership. - Investments and public-  
76 private partnership shall be harness through favorable incentives that  
77 promote the acceleration of the conservation and development of the  
78 forest lands and resources therein; and  
79
- 80 (8) Professionalism in Forest Service. – A dynamic professional and people-  
81 oriented forest service shall be established and fully supported by the  
82 government.  
83

84       **Section 3. Scope and Coverage.** - The provision of this Act shall apply to all  
85 forest lands and forest resources therein: Provided, That all forests and forest  
86 resources found in protected areas established under the National Integrated Protected  
87 Areas System (NIPAS) shall be sustainably managed and developed following the  
88 provisions of Republic Act NO. 7586 or the NIPAS Act of 1992; Provided, further,  
89 That the rights of indigenous cultural communities or indigenous peoples to their  
90 ancestral lands and domains shall be respected, and all such lands within ancestral  
91 domains and ancestral land claims shall be managed and developed in accordance  
92 with this Act and the provisions of Republic Act No. 8371 or “The Indigenous People  
93 Rights Act of 1997”.

94

95       All forest lands and forest resources therein under the administrative  
96 jurisdiction of the Autonomous Region of Muslim Mindanao (ARMM) shall be  
97 managed, developed and conserved in accordance with this Act and the Regional  
98 Sustainable Forest Management Act of 2003 of the ARMM.  
99

100       **Section 4. Definition of Terms.** - As used in this Act, the term:

- 101 (a) *Adaptation* shall refer to the adjustment in natural or human systems in  
102 response to actual or expected climatic stimuli or their effects, which  
103 moderates harm or exploits beneficial opportunities.  
104 (b) *Afforestation* shall refer to the planting of trees or the artificial  
105 establishment of forest in areas that were not previously forested.  
106 (c) *Agro-forestry* shall refer to a strategy for the sustainable management of  
107 lands which increases their overall productivity of properly combining  
108 agricultural crops and/or livestock with forest crops and/or livestock with  
109 forest crops simultaneously or sequentially through the application of  
110 management practices which are compatible with the local climate,  
111 topography, slope, soil, as well as the cultural patterns or customary laws  
112 of local population.  
113 (d) *Ancestral domain* shall refer to all areas generally belonging to  
114 indigenous cultural communities or indigenous peoples (ICCs/IPs) as  
115 defined in Republic Act No. 8371.  
116 (e) *Ancestral lands* shall refer to lands occupied, possessed and utilized by  
117 members of the ICCs/IPs as defined in Republic Act No. 8371.  
118 (f) *Biological diversity or Biodiversity* shall refer to the variability among  
119 living organisms including, inter alia, terrestrial, marine and other aquatic  
120 ecosystems and the ecological complexes of which they are part. This  
121 includes diversity within and between species and ecosystems.

- 122 (g) *Chain-of-Custody* shall refer to the path that forest products take from the  
123 forest to the consumer, including all manufacturing, transformation and  
124 distribution links.
- 125 (h) *Climate change* shall refer to a change in climate that can be identified by  
126 changes in the mean and/or variability of its properties and that persists  
127 for an extended period, typically decades or longer whether due to natural  
128 variability or as a result of human activity.
- 129 (i) *Communal forest* shall refer to a tract of forest land set aside and  
130 established for and under the protection, administration and management  
131 of a city, municipality or barangay as a source of wood material for fuel,  
132 shelter, and manufactured products; as source of water for the  
133 community; and as an area for ecotourism and/or environmental  
134 protection or socioeconomic projects of LGUs consistent with sustainable  
135 development.
- 136 (j) *Co-management* shall refer to the process of management in which  
137 government shares power with resource users, with each given specific  
138 rights and responsibilities relating to information and decision-making.
- 139 (k) *Conservation* shall refer to planned protection and management of  
140 forests and their resources so as to prevent waste and ensure future use.
- 141 (l) *Conveyance* shall refer to any vehicle, vessel, device or animal used in  
142 gathering or transporting forest products.
- 143 (m) *Co-production agreement* shall refer to an agreement or contract, entered  
144 into by and between a qualified person and the government, for the  
145 former to develop, utilize and manage consistent with the principles of  
146 sustainable development, land or portion of forest land wherein both  
147 parties agree to provide inputs and share the products or equivalent cash  
148 value.
- 149 (n) *Criteria and indicators* shall refer to the set of management tools to  
150 describe and assess a forest state or situation that should be met to comply  
151 with sustainable forest management.
- 152 (o) *Degraded forests* shall refer to all forest lands containing less than five  
153 (5) square meters in basal area per hectare of all tree species with  
154 diameters at breast height or diameter above buttress of less than sixty-  
155 five (65) centimeters.
- 156 (p) *Delimitation* shall refer to the establishment of boundaries between forest  
157 lands, national parks/protected areas and agricultural lands as a result of a  
158 conduct of site investigation, reconnaissance and field verification in  
159 accordance with the criteria set by the Department of Environment and  
160 Natural Resources.
- 161 (q) *Delineation* shall refer to the establishment of boundaries using visible  
162 marker, monuments or known natural features/landmarks, among others,  
163 as a result of the actual ground delineation.
- 164 (r) *Demarcation* shall refer to the establishment of boundaries using visible  
165 markers, monuments or known natural features/landmarks, among others,  
166 as a result of the actual ground delineation.
- 167 (s) *Denuded forest lands* shall refer to forest lands that are devoid of forest  
168 tree cover.
- 169 (t) *Department* shall refer to the Department of Environment and Natural  
170 Resources.

- 171 (u) ***Downstream Forest-based Industry*** shall refer to any industry other than  
172 the primary processing plants that uses timber or other forest products as  
173 its raw materials or inputs to produce higher value-added forest projects  
174 like furniture, handicrafts and the like.
- 175 (v) **Ecosystem** shall refer to living communities, the environment they live  
176 in, and their interactions.
- 177 (w) ***Ecotourism*** shall refer to a nature-based activity managed by the local  
178 community with government support whose primary goals are  
179 conservation and enhancement of natural resources while providing  
180 economic benefits to the local community without endangering the  
181 sociocultural practice of its people.
- 182 (x) ***Environmental Impact Assessment (EIA)*** shall refer to the process of  
183 predicting the likely environmental consequences of implementing a  
184 project or undertaking and designing the appropriate preventive,  
185 mitigating or enhancement measures.
- 186 (y) ***Environmental Impact Assessment (EIA) System*** shall refer to the  
187 organization, administration, and procedures that have been  
188 institutionalized pursuant to Presidential Decree No. 1586 for purposes of  
189 assessing the significance of the effects of any project or undertaking on  
190 the quality of the physical, biological, and socioeconomic and designing  
191 the appropriate mitigating and enhancement measures.
- 192 (z) ***Expropriation*** shall refer to the act of buying back by the State when  
193 public interest so requires, of forest areas under private or non-state  
194 ownership, subject to just compensation.
- 195 (aa) **Forest** shall refer to an ecosystem or an assemblage of ecosystems  
196 dominated by trees and other woody vegetation; a community of plants  
197 and animals interacting with one another and its physical environment. A  
198 forest may be natural or established by man as in plantation.
- 199 (bb) ***Forest auditing*** shall refer to the systematic, documented verification  
200 process of objectively obtaining and evaluating audit evidence to  
201 determine whether specified activities, events, conditions, management  
202 systems, or information conform with Sustainable Forest Ecosystem  
203 Management (SFEM) principles, criteria and indicators.
- 204 (cc) ***Forest certification*** shall refer to the Department system of certifying  
205 forest management units (FMUs) as fully satisfying the forest certification  
206 standards consisting of the SFEM principles, criteria and indicators based  
207 on third-party initial forest auditing leading to the award of a forest  
208 certificate to the FMU and subsequent annual forest audit to assess the  
209 maintenance of the forest certificate.
- 210 (dd) ***Forest charges*** shall refer to the levy imposed and collected by the  
211 government on naturally growing timber and other forest projects cut,  
212 harvested or gathered from the forest land and from alienable and  
213 disposable (A&D) lands.
- 214 (ee) **Forest based industries** shall refer to various industries that are  
215 dependent on raw materials or products derived from forests such as, but  
216 not limited to, wood, rattan, bamboo, vines, latex, resins, saps, essences,  
217 fruits, flowers, or wild flora and fauna.
- 218 (ff) ***Forest ecosystem*** shall refer to a dynamic complex of plant, animal and  
219 microorganism communities and their abiotic environment interacting as

- 220 a functional unit where trees are a key component system. Humans, with  
221 their cultural, economic and environmental needs are integrated therein.  
222 (gg) ***Forest ecosystem goods and services*** shall refer to goods and services  
223 provided by a forest ecosystem including provisioning services (such as  
224 food, fresh water, bio-chemicals, wood, fiber, fodder, and energy),  
225 supporting natural processes (such as biodiversity maintenance,  
226 pollination, soil formation and nutrient cycling, water infiltration,  
227 production of atmospheric oxygen and enhancement of microclimate),  
228 regulating environmental processes (such as water flow regime and soil  
229 erosion regulation, carbon and climate regulation, natural hazards  
230 protection, air quality regulation, and pest and disease regulation), and  
231 sustaining cultures (such as cultural identity and integrity, spiritual values,  
232 aesthetic and recreational values, ecotourism and local knowledge  
233 systems).  
234 (hh) ***Forest lands*** shall refer to lands of the public domain that have been  
235 classified as such and all unclassified of the public domain. This excludes  
236 national parks, mineral lands and agricultural lands.  
237 (ii) ***Forest line*** shall refer to the boundary on the ground between the forest  
238 lands and other lands of the public domain.  
239 (jj) ***Forest Management Unit (FMU)*** shall refer to a clearly defined forest  
240 area, managed under a set of objectives and according to a long-term  
241 management plan.  
242 (kk) ***Forest Officer*** shall refer to any public officer who by nature of the  
243 appointment or the functions of the position to which one is appointed is  
244 vested by law and regulations or commissioned by competent authorities  
245 to execute, implement or enforce the provisions of this Act and other  
246 related laws and regulations.  
247 (ll) ***Forest plantation or plantation forest*** shall refer to a forest stand  
248 established by planting and/or seeding in the process of afforestation and  
249 reforestation. The stand is either of introduced species, or indigenous  
250 species, or their combination.  
251 (mm) ***Forest products*** shall refer to goods derived from forest such as, but  
252 not limited to, timber, lumber, veneer, plywood, fiberboard, pulpwood,  
253 bark, tree, top, resin gum, wood oil, honey, beeswax, nipa, rattan, or other  
254 forest growth such as grass, shrub and flowering plant, the associated  
255 water, fish and game, scenic, historical and education.  
256 (nn) ***Forest resources*** shall refer to all resources whether biomass, such as  
257 plants and animals including its byproducts and derivatives which can be  
258 raw material assets that can produce more value-added products, or non-  
259 biomass such as soil, water, scenery, as well as the intangible services and  
260 values present in forest lands or in other lands devoted for forest  
261 purposes.  
262 (oo) ***Grazing land*** shall refer to a portion of the public domain which has been  
263 set aside, in view of the suitability of its topography and vegetation, for  
264 the raising of livestock.  
265 (pp) ***Indicator*** shall refer to a quantitative, qualitative or descriptive attribute  
266 that, when periodically measured or monitored, indicates the direction of  
267 change of sustainable forest management.

- 268 (qq) ***Indigenous peoples (IPs)*** shall refer to a group of people or tribe of  
269 indigenous Filipinos as defined or described under Republic Act NO.  
270 8371 or "The Indigenous Peoples Rights Act of 1997".  
271 (rr) ***Industrial forest plantation*** shall refer to any tract of land planted mainly  
272 to timber-producing species including rubber and/or non-timber species  
273 such as rattan, bamboo and palm, primarily to supply the raw material  
274 requirements of wood or related processing plants.  
275 (ss) ***Joint venture agreement*** shall refer to an agreement or contract, as  
276 specified in the Constitution, where a company is established by the  
277 contractor and the government with both parties having equity shares and  
278 sharing in equity earnings.  
279 (tt) ***Kaingin*** shall refer to forest lands which have been subjected to  
280 unsustainable shifting and/or slash-and-burn cultivation.  
281 (uu) ***Managed forest*** shall refer to a forest land under a deliberate system of  
282 protection, rehabilitation and development, which include utilization of  
283 resources, to ensure the continuous production of desired forest products  
284 and /or services and the conservation of soil, water, wildlife and other  
285 natural resources therein.  
286 (vv) ***Mitigation*** in the context of climate change, shall refer to human  
287 intervention to address anthropogenic emissions by sources and removals  
288 by sinks of all green house gases (GHGs), including ozone depleting  
289 substances and their substitutes.  
290 (ww) ***Multiple-use*** shall refer to the harmonized utilization of land, soil,  
291 water, wildlife, recreation value, grass and timber of forest lands.  
292 (xx) ***National park*** shall refer to the land of public domain classified as such  
293 in the 1987 Philippine Constitution which includes all areas under the  
294 National Integrated Protected Areas System (NIPAS) pursuant to  
295 Republic Act No. 7586, primarily set aside and designated for the  
296 conservation of native plants and animals, their associated habitats and  
297 cultural diversity.  
298 (yy) ***Natural forest*** shall refer to forests composed of indigenous trees not  
299 planted by man, whose structure, functions and dynamics have been  
300 largely the result of natural succession processes.  
301 (zz) ***Non-timber forest products*** shall refer to all biological materials and  
302 derivatives other than timber, which are extracted from forests for human  
303 use.  
304 (aaa) ***Old growth forest*** shall refer to forest which have never been subject to  
305 human disturbance or has been so little affected by hunting, gathering and  
306 tree cutting that its natural structure, function and dynamics have not  
307 undergone any change that exceeds the elastic capacity of the ecosystem.  
308 (bbb) ***Permit*** shall refer to a short-term privilege or authority granted by the  
309 State to a person to utilize any limited forest resource or undertake a  
310 limited activity within any forest land without any right of occupation and  
311 possession therein.  
312 (ccc) ***Person*** shall refer to a natural or juridical person, including local  
313 forest-based communities or indigenous peoples organized in accordance  
314 with law or custom.  
315 (ddd) ***Production sharing agreement*** shall refer to an agreement in accord  
316 with the Constitution wherein the government grants the contractor the  
317 exclusive right to conduct development and utilization activities within a

specified area of the forest lands and it (the government) shares in the production whether in kind or in value as owner of forest lands and/or products therein. The contractor provides all the necessary financing, technology, management and personnel.

- (eee) ***Protected area*** shall refer to the identified portions of land and water set aside by reasons of their unique physical and biological significance, managed to enhance biological diversity and protected against destructive human exploitation.
  - (fff) ***Protection*** shall refer to the act or activities of shielding from injury or destruction as to maintain the state of health and integrity of the forest land and its resources.
  - (ggg) ***REDD Plus*** shall refer to a broad range of actions to reduce emissions from deforestation and forest degradation (REDD), including the conservation of carbon stocks, sustainable management of forests and enhancement of forest carbon stocks.
  - (hhh) ***Reforestation*** shall refer to the planting of trees or artificial establishment of forests in areas that were previously forested.
  - (iii) ***Rehabilitation*** shall refer to the reforestation and afforestation activities including mechanical measures such as contouring and terracing.
  - (jjj) ***Residual or second growth*** shall refer to a forest, subsequent to the cutting or harvesting the then old growth forest, and which there is more or less adequate volume of the desired species of trees for development, management and future harvest.
  - (kkk) ***Restoration*** shall refer to the bringing back of the forest land to its original state in terms of species composition, structure, function and productivity.
  - (lll) ***Restoration zones*** shall refer to the area where restoration activities are conducted and where the original vegetation shall be restored.
  - (mmm) ***River basin*** shall refer to the portion of land drained by a river and its tributaries, encompassing the entire land surface dissected and drained by many streams and creeks that flow downhill into one another, and eventually into one river, the final destination of which is an estuary or an ocean.
  - (nnn) ***Secretary*** shall refer to the Secretary of the Department of Environment and Natural Resources.
  - (ooo) ***Selection System*** refers to the systematic removal of mature, over-mature and defective trees in such a manner leave adequate number and volume of healthy residual trees of desired species necessary to assure future crop of timber and forest cover for the protection and conservation of soil, water and wildlife.
  - (ppp) ***Silvicultural practice*** shall refer to any action by man to further improve or enhance the stand growth as a whole or of the single tree for future use such as, but not limited to, assisted natural regeneration and tree surgery.
  - (qqq) ***Sustainable development*** shall refer to the meeting of the needs of the present generation without compromising the ability of the future generations to meet their own needs.
  - (rrr) ***Sustainable Forest Ecosystem Management (SFEM) or Sustainable Forest Management (SFM)*** shall refer to the process of ecosystem-based management of forest to achieve one or more clearly specified objectives

- 368 of management with regard to production of continuous flow of desired  
369 forest products and environmental services without undue reduction of its  
370 inherent values and future productivity and without undesirable effects on  
371 the physical and social environment.
- 372 (sss) **Tenure** shall refer to a privilege given by the Department to a qualified  
373 person or juridical entity to manage and utilize forest lands and the  
374 resources found therein, in accordance with the modalities prescribed in  
375 the Philippine Constitution.
- 376 (ttt) **Urban Forestry** shall refer to the establishment and management of forest  
377 in urban environment for the physiological and psychological well-being  
378 of the people.
- 379 (uuu) **Upper river basin (URB)** shall refer to the portion of a major river  
380 basin that extends from the ridge dividing it from other basins down to a  
381 point where the gradient of the river has decreased to less than about eight  
382 percent (8%), the gradient below the level at which erosion becomes  
383 deposition, which generally has several tributaries, and whose catchments  
384 are referred to as watersheds.
- 385 (vvv) **Uplands** shall refer to land areas located on slopes of more than  
386 eighteen percent (18%).
- 387 (www) **Vulnerability assessment** shall refer to an analysis of the relationship  
388 between natural and anthropogenic hazards and river basins and  
389 watershed. It identifies the strength and weaknesses of the recipient  
390 subject in relation the identified hazard.
- 391 (xxx) **Vulnerable areas** shall refer to areas in danger of being adversely  
392 affected by gradual or sudden changes in climate, including the physical  
393 and biological components as well as the socioeconomic status of  
394 communities therein.
- 395 (yyy) **Watershed** shall refer to a land area drained by a stream or fixed body  
396 of water and its tributaries having a common outlet for surface runoff.
- 397 (zzz) **Watershed continuum** shall refer to an area consisting of the  
398 watershed and its divide including its connection from the headwaters to  
399 the reef.
- 400 (aaaa) **Watershed Ecosystems Management (WEM) or Watershed  
401 Continuum Management (WCM)** shall refer to a management system  
402 that shall provide the optimum social, cultural, economic and  
403 environmental benefits to the greatest number of people particularly those  
404 living in, adjacent to, or downstream of, individual watershed areas, while  
405 maintain the biological and cultural heritage of the country. It is based on  
406 the following guiding principles: ecological sustainability, social and  
407 cultural sustainability, economic sustainability and institutional  
408 sustainability.
- 409 (bbbb) **Wildlife** shall refer to wild forms and varieties of flora and fauna in all  
410 developmental stages.
- 411 (cccc) **Wood-based industries** shall refer to various industries that use wood  
412 as the principal raw material including, but not limited to. Sawmilling,  
413 veneer and plywood and wood-bound manufacturing and pulp and paper  
414 making as well as furniture and secondary processed wood products  
415 manufacturing.

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417 **CHAPTER II**

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## FOREST LANDS

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*Section 5. Permanent Forest Lands.* - All lands of the public domain classified as forest lands by the Department including the remaining unclassified lands, shall comprise and be maintained as permanent forest lands of the country. The reclassification of forest lands and/or any changes in the forest lines shall require an act of Congress.

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*Section 6. Establishment of Forest Line.* - Within two (2) years upon the effectivity of this Act, the Department shall undertake the actual ground survey and verification of the limits of the permanent forest lands using a basis all existing Land Classification (LC) maps, the latest forest cover data of the National Mapping and Resource Information Authority (NAMRIA) from its satellite imagery interpretations, and other available and reliable sources of information.

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Within five (5) years upon the effectivity of this Act, forest boundaries of the forest lands shall be demarcated and clearly marked on the ground by concrete monuments at certain fixed distances, visible cut lines, sign boards, and uniformly-spaced distinctive trees maintained at all time between the concrete monuments.

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Upon approval of this Act, the Congress shall provide funds to the Department to carry out the establishment of the forest lines.

Records pertaining to the specific limits of forest lands shall be made available to the public upon request. Moreover, the Department shall furnish all provincial, municipal and city governments' copies of the maps of permanent forest lands located within their respective territorial jurisdictions

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*Section 7. Sub-classification of Forest Lands.* - The forest lands shall be sub-classified into the following categories to primary use:

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- (a) Protection forest lands shall consist of all mossy and old-growth forests; freshwater, swamps and marshes; all areas along the bank of rivers and streams, and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas, and forty (40) meters in forest areas, along their margins which are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage shall also be sub-classified as protection forest lands. All extractive activities such as, but not limited to, logging and mining are banned in protection forest lands: *Provided*, That the provisions of the IPRA shall be respected: *Provided, further*, That restoration zones shall be designated in areas surrounding or adjacent to protection forest lands and, thereafter, shall become part of protection forest lands; and
- (b) Production forest lands shall be all forest lands not sub-classified as protection forest lands as defined in this section, and shall be devoted to the production of timber and/or non-forest products or the establishment of industrial tree plantations, tree farms, communal forests, agro-forestry, grazing, or as multiple-use forests including water-based energy such as,

468 but not limited to, hydro and geothermal power generation areas:  
469 *Provided*, That, together with pockets of areas referred to in paragraph  
470 (a) of this section, if present, production forest lands shall be managed  
471 and developed as part of FMUs in accordance with the Department-  
472 approved management plans based on sustainable forest management:  
473 *Provided, further*, That ancestral domains located within production  
474 forest lands shall be governed by Republic Act No. 8371 or the IPRA  
475 law.

### CHAPTER III

## ADMINISTRATION AND PLANNING FOR SUSTAINABLE MANAGEMENT OF FOREST LANDS

### *Section 8. Jurisdiction and Control of Forest Lands and Forest Resources.*

482 – The Department shall be the primary agency responsible for the conservation,  
483 management, development and utilization of all forest lands and the unclassified lands  
484 of the public domain including all the resources found therein. In coordination with  
485 the LGUs and other government agencies, the Department shall ensure that forest  
486 lands and unclassified lands of the public domain are managed, conserved, developed,  
487 utilized and protected consistent with the policies and strategies promulgated in this  
488 Act. The utilization and development of forest lands and unclassified lands of the  
489 public domain including the natural resources therein shall be undertaken in  
490 accordance with the Department-approved management plans: *Provided*, That  
491 management plans for protected areas shall be prepared in accordance with the  
492 provisions of the NIPAS Act.

### *Section 9. Partitioning of Forest Lands into Forest Management Units (FMUs).*

495 – For the purpose of assigning respective areas of operations and  
496 management of forest lands, these shall be partitioned into FMUs based on the LGU  
497 jurisdiction and ancestral domain found therein: *Provided*, That in case of any  
498 unresolved boundary conflicts between or among adjoining LGUs, the Department  
499 shall define the FMU boundaries along the areas of conflict: *Provided, further*, That  
500 each existing area covered by an approved tenure instrument shall be considered as  
501 FMU.

### *Section 10. Tenure Instrument.* – The assignment of open-access /untenured

503 FMU-level management to LGUs and other stakeholders shall be determined by the  
504 Department in accordance with appropriate rules and regulations: *Provided*, That  
505 existing and valid tenure instruments shall continue under their terms and conditions.  
506

### *Section 11. Forest Lands Under Management of Other Agencies.* – Forest

508 lands or portions thereof which have been placed by law under the administration and  
509 management of other government agencies or private power/water utilities service  
510 providers, shall be included in the partitioning of forest lands into appropriate  
511 categories consistent with the purpose of the assigned forest lands into appropriate  
512 categories consistent with the purpose of the assigned forest lands as provided for in  
513 Section 7 of this act, and shall remain under the administration and management of  
514 the agency or utilities service provider concerned: *Provided*, That the Department  
515 shall exercise oversight power over FMU planning, management, utilization and  
516 assessment of all forest resources in these areas. All such agencies or service

518 providers shall be guided by the CBFM strategy as described in Section 2 of this Act,  
519 and shall be encouraged and supported by the Department.

520  
521       **Section 12. Private Sector Participation in Management of Forest Lands.** -  
522 Private sector participation in management of forest lands shall be encouraged. The  
523 Department shall identify and set aside suitable forest areas for private sector  
524 development and management and, together with the Board of Investments, shall  
525 formulate and provide a set of incentives of the private sector for this purpose.  
526 Private sector participation shall be undertaken through joint venture, production  
527 sharing agreement, or co-production with concerned FMU management. All forest  
528 lands, currently held by the private sector shall continue to be sustainably managed by  
529 such private sector under the terms and conditions of their existing tenure instruments,  
530 subject to the forest certification system described in Section 36 of this Act.

531  
532       **Section 13. Forestry Planning System.** – The Department shall institute and  
533 oversee the implementation of a forestry planning system consisting of the following  
534 hierarchy of plans, which shall be regularly updated:

535  
536       (a) **Forestry Master Plan** - The master plan shall include a multi-faceted  
537 analysis of the forestry sector, its strengths, weaknesses, opportunities and  
538 threats including vulnerabilities and threats resulting from climate change:  
539 set long-term goals and medium-term objectives, formulate programs to  
540 guide the long-term development of the forestry sector and attainment of  
541 medium-term targets, and specify the requirements for the implementation  
542 of the development programs. The master plan shall be prepared by the  
543 Department in collaboration with other stakeholders and submitted to the  
544 President of the Philippines through the National Economic and  
545 Development Authority (NEDA) for approval. The master plan shall be  
546 reviewed every five (5) years to be attuned with current and emerging  
547 issues and developments.

548  
549       (b) **River Basin Master Plans.** – River basin master shall be in accord with the  
550 master plan for the forestry sector and shall focus on enhancing the  
551 delivery of various forest ecosystems services in the river basin, with  
552 emphasis on: (1) enhancing forest ecosystems adaptation to and  
553 mitigation of climate change; (2) ecosystem-based adaptation that  
554 implements a range of strategies for the management, conservation and  
555 restoration of forest ecosystems to provide services that enable people to  
556 adapt to the impacts of climate change; and (3) provisions of multiple co-  
557 benefits such as conservation of biodiversity, enhancement of carbon  
558 stocks for mitigating climate change, supplying of water and various  
559 economic products, and generation of livelihood and income for local  
560 communities, by means of ecosystem-based adaptation measures. The  
561 river basin master plans shall be prepared every five (5) years by the  
562 concerned regional office(s) of the Department in collaboration with the  
563 Regional Development councils and other stakeholders and submitted to  
564 the Department Secretary for approval.

565  
566

- 567 (c) FMU Management Plans. – As co-managers of the FMU, LGUs or the  
568 private sector and other stakeholders concerned, following a Department  
569 prescribed template, shall be responsible in preparing a five (5) year FMU  
570 management plan under the supervision of accredited registered private  
571 forester(s) and in accord with the river basin master plan for approval of  
572 the concerned Department regional office.
- 573 (d) Annual Operations Plans. - To facilitate the implementation of the FMU  
574 management plan, a detailed annual operations plan in accord with the  
575 FMU management plan shall be prepared by the FMU concerned under  
576 the supervisions of accredited registered private forester(s). The FMU  
577 management and operations plans shall conform to the Department's  
578 criteria and indicators for sustainable forest ecosystem management.

579

## CHAPTER IV

### SUSTAINABLE FOREST ECOSYSTEM MANAGEMENT PROGRAMS AND 580 OPERATIONS

581

582 *Section 14. Assigning the Implementation of National or Local Forestry  
583 Programs to CBFM.* – All national and local programs, their component projects and  
584 operationalization of plans related to the management, development, protection and  
585 conservation of forest ecosystems shall be implemented according to the CBFM  
586 approach as described in this Act. A memorandum of agreement shall be entered into  
587 by all concerned FMUs which shall stipulate the resources allocated for such program  
588 or project and the benefit-sharing arrangements between FMU operators and project  
589 proponents. These programs or projects shall include forest restoration, reforestation  
590 and afforestation, industrial tree plantations, agro-forestry, biomass energy projection,  
591 non-timber forest products (NTFP) development, Payment for Ecosystem Services  
592 (PES), and REDD Plus.

593 *Section 15. Carbon Sequestration and Storage.* - As part of climate change  
594 mitigation and adaptation measures and to enhance ecosystems services, carbon  
595 sequestration and storage shall be included in the forestry master plan, river basin  
596 master plans, management framework plans, FMU management plans and annual  
597 operations plans. The Department shall provide support to FMU managers in  
598 implementing operations that increase carbon sequestration and storage such as PES,  
599 as well as the applicable financing made available for the purpose. The PES, REDD  
600 Plus, and other sources shall be accessed to provide financing for carbon sequestration  
601 and storage activities of FMU operators. The Department, in collaboration with the  
602 Climate Change Commission shall formulate the regulations governing carbon  
603 trading.

604 *Section 16. Ecotourism.* - The FMU management shall enhance and  
605 conserve the ecotourism values found in forest lands. Timber harvesting for whatever  
606 purposes, commercial-scale collection of NTFP, farming, grazing, aquaculture, and  
607 infrastructure development shall be prohibited in ecotourism zones of the FMU,  
608 except as part of the tourism development program of the FMU and as indicated in the  
609 approved FMU management plan. The design and construction of tourism  
610 infrastructures shall be in accord with enhancement of the natural characteristics  
611 and/or attraction of the site.

617           ***Section 17. Resources Management for Non-Timber Forest Products***  
618       (*NTFP*). – The FMU management for non-timber forest production shall be  
619       conducted in appropriate areas. Harvesting of *NTFP* shall be on sustainable basis,  
620       promote productivity of the *NTFP* resources, and minimize any disturbance of the  
621       soil, water, and biodiversity resources of the site. Domestication of resource base of  
622       *NTFP* shall be encouraged.  
623

624           ***Section 18. Silvicultural Systems.*** – Silvicultural systems that are appropriate  
625       to the type of forest and other considerations shall be elected and applied in the timber  
626       production zones. Regeneration of harvested natural forest stands shall be based on  
627       natural regeneration processes and assisted natural regeneration. The Department  
628       shall conduct a review of silvicultural systems including the forest management  
629       practices of indigenous peoples and institute improvements that ensure sustainability  
630       of timber management and increase in productivity. Clear-cutting shall be followed  
631       immediately by tree planting as well as maintenance of planted trees until they are  
632       fully established.  
633

634           ***Section 19. Agro-forestry.*** – Agro-forestry shall be one of the key upland  
635       development strategies to be used in developing forest areas occupied by upland  
636       farmers.  
637

638           ***Section 20. Mangrove Development and Management.*** – The rehabilitation  
639       of degraded mangrove forests through afforestation/reforestation/enrichment planting  
640       of appropriate mangrove species shall be intensified. Fishery production in duly  
641       designated mangrove production zones shall promote productivity of fisher resources  
642       and shall be accomplished without cutting the naturally growing mangroves.  
643       Establishment of new mangrove plantations in tandem with fishpond development  
644       (aqua-silviculture) may be allowed in mangrove production zones: *Provided*, That  
645       not more than twenty percent (20%) of areas to be developed shall be devoted to  
646       fishpond farming activities. The mangrove plantations established within the aqua-  
647       silviculture projects may be permitted to be selectively harvested for domestic  
648       purposes only on a sustainable basis as deemed appropriate and that the privilege to  
649       harvest shall be granted only to the private individual, group of individuals or entity  
650       which established within the aqua-silviculture projects may be permitted to be  
651       selectively harvested for domestic purposes only on a sustainable basis as deemed  
652       appropriate and that the privilege to harvest shall be granted only to the private  
653       individual, group of individuals or entity which established and developed the said  
654       plantations as previously authorized through an approved contract or agreement for  
655       the purposes: *Provided*, That harvesting shall be limited to mangroves that are part of  
656       the timber management zones and non-timber production zones of the FMU as  
657       indicated in the approved FMU management plan: *Provided, further*, That the cutting  
658       of mangrove trees and other associated plants within duly-designated mangrove  
659       protection zones whether naturally growing or planted is strictly prohibited.  
660

661           ***Section 21. Mining in Forest Lands.*** – Mining shall not be allowed in  
662       protection forest lands as an imperative measure in enhancing the protection and  
663       conservation of various forest ecosystems services. In production forest lands, the  
664       consent of the tenure holder and the Department approval shall be obtained:  
665       *Provided*, That mined-out areas shall be immediately rehabilitated.  
666

**Section 22. Built-up Areas in Forest Lands.** – Human settlements, roads and other infrastructures shall be designated built-up areas of the FMU.

**Section 23. Forest Protection.** – Protection of forest lands against land-use conversion, illegal extraction of forest products, fire, pests and diseases, invasive species, chemicals, climate-induced causes, and other agents of forest destruction shall be included in the forestry master plan, river basin master plans, FMU management plans and annual operations plans.

**Section 24. Urban Forestry.** - As part of climate change adaptation and mitigation measures and to enhance ecosystems services, communal forests, tree buffers along roads and waterways, and forest/tree parks in urban areas, school grounds, and open spaces of housing projects shall be established in cities and municipalities. The Department and forestry research and academic institutions shall provide technical assistance to ensure that appropriate species and technologies are employed in the establishment and maintenance of such parks, communal forests and tree buffers.

## CHAPTER V UTILIZATION OF FOREST RESOURCES

*Section 25. Use of Forest Lands Exclusively for Forestry and Subsidiary Purposes.* - The use of forest lands shall be limited to forestry and subsidiary purposes in appropriate areas. The use of forest lands for purposes not otherwise mentioned shall require the Department approval: *Provided*, That non-extractive utilization of forest resources, particularly special uses of forest lands such as bathing establishments, camp sites, telecommunication sites, log pond sites, salt works, and the like, shall be allowed consistent with pertinent policies and regulations that the Department may prescribe.

**Section 26. Harvesting of Forest Products.** - Harvesting of timber and NTFP shall be based on the principle of sustainability and in consideration of the conservation of soil, water, and biodiversity and enhancement of carbon stocks as mentioned in this Act. In addition, the Department approval for harvesting trees shall be subject to the conduct of a forest inventory and mapping of harvestable trees, including chain-of-custody (CoC) numbering of harvestable trees as mentioned in Section 35 of this Act, and reporting to the Department for the updating of the Department's database on harvested trees.

**Section 27. Management and Utilization of Forest Resources Within Forest Lands.** - The extraction of timber and NTFP, and agricultural crops, their byproducts and derivatives, whether from natural forest, planted, or raised through application of appropriate silvicultural and/or agroforestry practices, from forest lands, shall require a prior permit, agreement or clearance that are deemed necessary and appropriate by the Department as recommended by the Forest Management Bureau (FMB): *Provided*, That extraction of timber and NTFP, agricultural crops, their byproducts and derivatives from areas covered by Certificate of Ancestral Domain Titles (CADT) or Certificate of Ancestral Land Claims (CALC) shall be governed by Republic Act No. 8371. The transport of the se forest products from forest lands, including those from the area of the indigenous cultural communities and indigenous peoples covered

717 by CADT or CALC, shall be covered by a CoC certificate issued by the FMU  
718 management. Relevant information in the CoC shall be transmitted to the  
719 Department's online database at least one (1) week prior to the actual transporting as  
720 provided for in Section 35 of this Act.

721

722 **Section 28. Management and Utilization of Forest Resources Within**  
723 **Ancestral Domain.** – All forest resources planted or raised within titled lands belong  
724 to the owner of the land, shall have the right to sell, contract, convey or dispose of the  
725 same without the necessity of any clearance from the Department: *Provided*, That the  
726 government shall provide the appropriate incentives provided under Section 46 of this  
727 Act.

728

729 **Section 29. Administration and Utilization of Forest Resources Within**  
730 **Ancestral Domain.** - The utilization of forest resources within ancestral lands and  
731 domains shall be governed by the provisions of this Act and Republic Act No. 8371.  
732 The National Commission on Indigenous Peoples (NCIP) shall coordinate and consult  
733 with the Department in providing assistance to the indigenous peoples in the  
734 sustainable management and development of forest resources within ancestral lands  
735 and domains.

736

737 Any project to be implemented by a holder of a CADT or any such similar  
738 instrument to develop or use forest lands or forest lands or forest resources therein  
739 that would result in severe soil erosion or environmental degradation shall be subject  
740 to an EIA in accordance with Presidential Decree No. 1151 or the Philippine  
741 Environmental Policy, and Presidential Decree No. 1586 on Establishing an  
742 Environmental Impact Statement System in this Act.

743

744 **Section 30. Transport of Forest Products and Confiscated Forest Products.**  
745 – The transport of timber and NTFP that do not carry a CoC number and is not  
746 supported by CoC documentation, as provided for in Section 35 of this Act, shall be  
747 prohibited. Timber and NTFP that do no carry a CoC number shall be considered as  
748 coming from illegal sources and subject to confiscation.

749

750 **Section 31. Downstream Processing of Forest Products.** - To add value to  
751 harvested forest products, further processing into finished and semi-finished products  
752 shall be encouraged and supported. The CBFM and other FMU operations shall be  
753 allowed to process their forest products or make them available in the open market of  
754 raw forest products subject to restrictions on forest products transporting or to make  
755 them available in the open market of raw forest products subject to restrictions on  
756 forest products transporting as mentioned in Section 35 of this act and prior payment  
757 of appropriate forest charges as mentioned in Section 50 of this Act.

758

759 **Section 32. Forest- Based Industries.** - To meet the demands for forest-  
760 based goods and services of a growing population, the State through the Department  
761 shall promote the establishment, operations and development of forest-based  
762 industries.

763

764 **Section 33. Export and Sale of Locally Produced Wood Products.** – Logs  
765 and raw or rough lumber manufactured from such logs, derived from natural grown  
766 trees of whatever species cut, gathered or removed from the local natural forest shall

767 not be exported. Only finished and semi-finished lumber products, wood  
768 manufactures, wood panels, and other finished wood products from such logs may be  
769 exported by licensed exporters: *Provided*, That the license to export such finished  
770 wood products shall be granted only to certified operators upon approval of their  
771 application. The export of forest plantation shall be based on Department guidelines.  
772

773 No person shall sell or offer for sale any log, lumber, veneer, plywood or other  
774 manufactured wood products in the international or domestic market without  
775 complying with the certification and grading rules established or to be established by  
776 the government. Failure to adhere to the established grading rules and standards, or  
777 any act of falsification on the volume of logs, lumber, veneer, plywood or other wood  
778 products sold in the international or domestic market shall be sufficient cause for the  
779 cancellation of export license, wood processing market shall be sufficient cause for  
780 the cancellation of export license, wood processing permit, or other license or permit  
781 authorizing the manufacture or sale of such products.  
782

783 ***Section 34. Importation and Sale of Logs and Other Forest and Wood***  
784 ***Products.*** - Logs, lumber and other forest and wood based products may be imported  
785 to the country subject to the registration requirements of the Department and to the  
786 tariff and duties under the Tariff and Customs Code and quarantine regulations. Any  
787 product manufactured or remanufactured out of imported forest and wood materials  
788 shall be allowed to be sold in the domestic or international market subject to  
789 compliance with grading rules and standards by the licensed finished wood product  
790 exporter.  
791

## CHAPTER VI MONITORING AND CONTROL OF FOREST MANAGEMENT AND UTILIZATION

796 ***Section 35. Forest Products Chain-of-Custody (CoC)*** – The Department  
797 shall institute a forest product CoC system to enable the tracking of transported,  
798 processed or marketed forest products to their source. To be considered legally  
799 harvested, all forest products from forest lands shall bear an official CoC number.  
800

801 ***Section 36. External Monitoring and Certification Assessment of Forest***  
802 ***Management Operations.*** - The Department shall institute a national forest  
803 certification system to externally monitor and assess the performance standards of  
804 FMU operations and to ensure that forest products coming from FMUs are from  
805 certified sustainable sources when local consumers buy them from the market.  
806

807 ***Section 37. Forestry Information System (FIS)*** – The Department shall  
808 establish a FIS which shall consist of comprehensive up-to-date information on the  
809 physical, social, economic, biological and environmental components of the country's  
810 forest lands and forest resources. It shall include a resource monitoring system to  
811 enable the Department and its field offices to track the utilization, movement or  
812 transfer of forest-based goods and services from the source to their end users. The  
813 Department shall conduct forest resource inventory at least once every five (5) years  
814 to ensure effective management.  
815

*Section 38. Conflict Resolution.* – The parties from within an FMU and between or among FMUs shall be encouraged to resolve conflicts related to forest management, development, protection, conservation and utilization between or among themselves. Conflicts that cannot be resolved by the Department to the satisfaction of the parties to the satisfaction of the parties in conflict shall, after exhausting all administrative remedies, be submitted to the proper courts for resolution.

## CHAPTER VII SUPPORT SYSTEMS

**Section 39. Forestry Education.** - Formal forestry education in the Philippines shall be rationalized. A nationwide assessment of forestry schools shall be conducted by the Commission on Higher Education (CHED). Within one (1) year upon effectivity of this Act, the CHED shall evaluate forestry school and formulate guidelines to be observed in the phasing-out of substandard schools in coordination with the Department, the Board of Examiners of the Professional Regulation Commission (PRC), the Philippine Forestry Education Network (PFEN) and the Society of Filipino foresters, Incorporated (SFFI). The main purpose of this rationalization is to ensure the quality of formal forestry education and establish, support and sustain centers of excellence in forestry and environmental education to develop high quality manpower and promote global competitiveness. The CHED shall have the power to recommend the phasing out of substandard school in accordance with an agreed phase-out plan that considers the impact thereof on enrolled students.

840                   The Department of Education (DepEd) shall integrate tree-planting and tree  
841 maintenance activities as part of the school curriculum. The CHED shall include  
842 forestry in ecology and environment courses in the general education curricula.  
843

**Section 40. Capacity-Building.** – The Department shall develop and implement a program to develop the capacity of LGUs and other stakeholders in forestry resources management.

**Section 41. Research and Development.** Research and development, invention, innovation and their utilization in science and technology education, training and services shall be given priority. The government shall strengthen existing research institutions such as Ecosystems Research and Development Bureau (ERDB), the Forest Products Research and Development Institute (FPRDI) and state universities and colleges (SUCs), among others, and support scientific and technological capacity to climate change. Appropriate technology shall be used to protect the environment, reduce climate change effects, increase community adaptation to climate change and enhance their livelihood.

858           The Department shall coordinate with other research agencies to go into co-  
859 financing agreements with the private sector in the conduct of researches and  
860 developments of inventions: *Provided*, That the terms and conditions are beneficial to  
861 forest ecosystems services for the country.  
862

**Section 42. Policy Research and Development.** – The Forestry Development Center (FDC) based at the University of the Philippines Los Baños (UPLB)-College

866 of Forestry and Natural Resources shall continue to serve as the primary policy  
867 research and development center for forestry, environment and natural resources  
868 management. The FDC shall perform its functions in close coordination with the  
869 FMB of the Department and other policy institutions. It shall assist the Department in  
870 the formulation, review and evaluation of proposed and existing policies in forestry,  
871 environment and natural resources. To enable the FDC to carry out its mandated  
872 function of policy research, it shall have a share in the sustainable forest ecosystem  
873 development fund pursuant to section 55 of this Act.

874

875 **Section 43. Forestry Extension Services.** – With support from the LGUs, the  
876 nongovernment organizations (NGOs), media and other organizations, the Philippine  
877 Information Agency (PIA), the DepEd, state-owned and private universities and  
878 colleges, the Department shall formulate a nationwide program for sustained public  
879 information and advocacy campaign for forest and natural resources conservation,  
880 sustainable forest development and on climate change. Adequate and sustainable  
881 funds to implement research, technology development and transfer programs shall be  
882 provided by each of the aforementioned agencies and institutions under the General  
883 Appropriations Act.

884

885 **Section 44. Strengthening of the Forest Management Sector.** – In order to  
886 effectively implement the provisions of this Act, the FMB shall be transformed into a  
887 line bureau of the Department with functions clearly defined and enumerated under  
888 the implementing rules and regulations of this Act.

## CHAPTER VIII SYSTEM OF INCENTIVES

892 **Section 45. Incentives for Engaging in Forest Development.** – Incentives as  
893 provided for by existing laws such as the National Internal Revenue Code of 1997, as  
894 amended, and Executive Order No. 226 or the Omnibus Investment Code, among  
895 other laws, shall be extended to encourage qualified persons, natural or juridical, to  
896 engage in forest management activities.

897

898 **Section 46. Tax Incentives for Forest Plantation Activities.** - The following  
899 tax incentives shall be granted to qualified persons engaged in forest plantation  
900 activities within forest lands and alienable and disposable lands of the public domain:

- 901
- 902 (a) Expenses incurred in complying with the requirements of this Act shall be  
903 allowed as deductible expenses for income tax purposes subject to the  
904 provisions of the National Internal Revenue Code of 1997, as amended:  
905 *Provided*, That the deduction shall only apply to the taxable period when  
906 the expenses were incurred; incentives granted to registered domestic  
907 enterprises under the Investment Priorities Plan (IPP);  
908 (b) Exemption from the payment of forest charges imposed under the  
909 provisions of this Act;  
910 (c) Amounts expended by the agreement holder in the development and  
911 operation of a forest plantation prior to the commercial harvest shall be  
912 regarded as ordinary and necessary expenses or as capital expenditure;  
913 (d) The Board of Investments (BOI) shall classify forest plantations as pioneer  
914 and preferred areas of investment under its annual priority plan subject to  
915 the pertinent rules and regulations;

- (e) The tenure holder shall be given priority access credit assistance being granted by government-owned, -controlled and/or – supported financial institutions; and
  - (f) Upon the premature termination of the tenure instrument at no fault of the holder, all depreciable permanent and semi-permanent improvements such as roads, buildings, and nurseries including the planted and standing trees and other forest crops introduced and to be retained in the area shall be properly evaluated and the holder shall be entitled to a fair compensation thereof, the amount of which shall be mutually agreed upon by both the Department and the tenure holder, and in case of disagreement between them, by arbitration through a mutually acceptable and impartial third party adjudicator.

**Section 47. Incentives for Forest Based Industries.** – To enable forest-based industries to be more efficient, competitive and economically viable, the following incentives are hereby granted in addition to those already provided by existing laws:

- (a) All processing plants or mills shall be assisted by the Department in identifying sources of raw materials;
  - (b) All processing plants or mills shall be granted operating permits for five (5) years renewable for another five (5) years: *Provided*, That for processing plants owned or operated by holders of forest management agreements or contracts shall be coterminous with said agreements or contracts;
  - (c) The Department shall provide on its own or propose to the President or to Congress, other incentives to encourage the establishment and development of corporate, family and community forest-based industries. Agreements or licenses over forest areas granted to wood-based plants shall be converted into any mode authorized in this Act. Expansion in capacity of wood-based plants shall be encouraged and the same shall be given priority access to production forest lands and other areas available for development as source of raw materials; and
  - (d) The Department shall promote and strengthen the linkages among corporate, family-based and community-based industries.

*Section 48. Rewards for Informants.* - A percentage of the value of confiscated materials shall be used as rewards for informants, including Department personnel. Additional rewards may be provided to personnel of the Department, in addition to those provided under the Government Service Insurance System (GSIS) or Workmen's Compensation law. They shall also be entitled to free legal assistance should legal cases be filed against them in the performance of official duties.

## CHAPTER IX FOREST CHARGES, FEES AND SHARING

*Section 49. Fees, and Government Shares for the Utilization, Exploitation, Occupation, Possession of, and Activities Within Forest Lands.* - The Department shall prescribe appropriate fees and government shares for the different kinds of utilization, exploitation, occupation, possession or activities within forest lands:

966 *Provided*, That payment of or collection of such fees and government shares shall be  
967 waived for parties/industries mandated by law to manage, conserve, develop and  
968 protect forest lands and forest resources found therein, except administrative fees for  
969 the filing and processing of applications for the issuance and renewal of licenses,  
970 permits and agreements. *Provided, further*, That watershed administrators and or  
971 service contractors that have forest management agreement with the Department shall  
972 also be entitled to a waiver of fees, except administrative fees.

974 The Department shall recommend appropriate and equitable fees for the use of  
975 water and forest for power generation, irrigation, domestic and industrial, and for  
976 carbon sequestration and biodiversity benefits respectively, by parties/industries  
977 concerned.

**Section 50. Forest Charges.** – There shall be collected charges on each cubic meter of timber cut in forest lands, whether belonging to the first, second, third or fourth group, twenty-five percent (25%) of the actual Free on Board (FOB) market price based on species and grading: Provided, That in the case of pulpwood and matchwood cut in forest lands, forest charges on each cubic meter shall be ten percent (10%) of the actual FOB market price.

(a) Charges on Firewood, Branches, and Other Recoverable Wood Wastes of Timber. - There shall be collected forest charges of ten percent (10%) of the actual FOB market price on each cubic meter of firewood cut in natural forest, branches and other recoverable wood wastes of timber, such as timber ends, tops and stumps, when used as raw materials for the manufacture of finished products.

Only third or fourth group wood can be taken for firewood. However, if jointly authorized by the secretaries of both the Department Environment and Natural Resources (DENR) and the Department Agriculture (DA), first and second group may be removed for firewood purposes from land which is more valuable for agricultural than for forest purposes.

(b) Charges on Non-Timber Forest Products. - All other forest products of forest lands which are not covered by the preceding sections shall be exempt from any or all forest charges, except rattan, gums and resins, beeswax, gutta-percha, almaciga resin and bamboo which shall be charged at ten percent (10%) of the actual FOB market price.

These forest charges shall be applied to naturally growing timber and NTFP gathered within forest lands, alienable and disposable lands, and private lands. All planted trees and NTFP harvested from private lands shall be free from forest charges.

For the above purpose, the valuation and the actual FOB market price of forest products shall be justly determined by the Department based on prevailing market price, which shall likewise provide for the time, manner and place of payment of such charges. The Department shall allocate fifty percent (50%) of forest charges collections to reforestation and natural regeneration programs.

**Section 51. Fees for Administrative Services Rendered by the Department.** - Fees shall be collected for various services rendered by personnel of the Department in connection with their duties and responsibilities as may be requested by interested parties including, but not limited to, surveying, mapping and other similar service

1016 activities: Provided, That administrative fees shall be waived for services rendered to  
1017 local communities or indigenous peoples in the preparation of their management plans  
1018 including timber/other resources inventory on farmers' land: Provided, further, That  
1019 fees collected pursuant to this section shall be deposited in the local Department  
1020 offices as trust funds.

1021  
1022 ***Section 52. Proper Valuation and Compensation for Ecosystems Services.*** -  
1023 The Department shall formulate and institute appropriate mechanisms for proper  
1024 valuation and fair and comprehensive pricing of forest ecosystems services provided  
1025 by the forests, including water for domestic, industrial, irrigation and power  
1026 generation, biodiversity and ecotourism with watershed ecosystems as the minimum  
1027 spatial units.

1028  
1029 The use of various ecosystems services provided by the forests shall be  
1030 compensated. Subject to existing laws, and commercial and industrial users of water,  
1031 energy, recreation and other ecosystems services of the forests shall be charged a  
1032 watershed protection and conservation fee. These fees shall be used to fund research  
1033 and development activities, and for the conservation and management of the forests.

1034  
1035 Local, regional and national plow back mechanisms of utilizing proceeds from  
1036 the use of watersheds, forests and forest lands for ecosystems services such as, but not  
1037 limited to, power generation, supplying domestic and irrigation water, ecotourism and  
1038 carbon trading shall be developed and promoted to finance forest protection,  
1039 rehabilitation, reforestation, afforestation, agro-forestation and development.

1040  
1041 ***Section 53. Payment for REDD Plus.*** - Entities involved in preventing  
1042 deforestation and sequestering carbon in their FMUs shall have equitable share in the  
1043 proceeds of REDD Plus payments. The capacity of local FMU managers shall be  
1044 developed to monitor their forest resources as basis for equitable sharing in REDD  
1045 Plus payments.

1046  
1047 **CHAPTER X**  
1048 **APPROPRIATIONS AND FINANCIAL SUPPORT**

1049  
1050 ***Section 54. Appropriations.*** - The Secretary of the DENR shall include in  
1051 the Department's program and issue such rules and regulations for the implementation  
1052 of the provisions of this act, the initial funding of which shall be charged against the  
1053 current year's appropriations of the Department and thereafter included in the annual  
1054 General Appropriations Act. For LGUs, the funding requirements shall be taken from  
1055 their internal revenue allotment (IRA) and other LGU income.

1056  
1057 ***Section 55. Sustainable Forest Ecosystems Development Fund (SFEDF).*** -  
1058 A Sustainable Forest Ecosystems Development Fund (SFEDF) to be administered by  
1059 the Department as a special account in the National Treasury is hereby established to  
1060 provide sustainable funds for forest protection, reforestation and forest development  
1061 and management, including the rehabilitation and preservation of watershed areas,  
1062 CBFM programs, information and educational campaign as well as scholarship  
1063 programs and policy research. At least fifty percent (50%) of the forest charges and  
1064 government share in all products removed from the forest lands, rentals, proceeds  
1065 from sales of confiscated forest products including conveyances, fines and penalties,

1066 and administrative fees collected shall be set aside for the buildup of the SFEDF.  
1067 The fund may be augmented by grants, donations, endowment from various sources,  
1068 domestic or foreign, for purposes related to their functions and other innovative  
1069 funding mechanisms such as securitization of forest assets, among others.

Disbursement from the fund shall be subject to the usual accounting and budgeting rules and regulations: Provided, That no amount shall be disbursed to cover the operating expenses of the Department and other concerned agencies.

## CHAPTER XI OFFENSES AND PENALTIES

**Section 56. Harvesting, Gathering and/or Collecting Timber or Other Forest Products Without Authority.** - Harvesting, cutting, gathering, collecting, or removing timber or other forest products from any forest land, or naturally grown timber inside alienable and disposable land without authority from the Secretary or found to possess the same without pertinent required legal documents shall be punished by imprisonment ranging from *prision mayor* minimum period to *reclusion temporal* minimum period and/or a fine equivalent to ten (10) time the value of the said forest product taken: *Provided*, That in the case of partnership, associations or corporations, the president, managing partner and general manager shall be held liable; and if such officer is an alien, he/she shall, in addition to the penalty, be deported without further proceedings on the part of the Bureau of Immigration. Offenders who are public officials shall be deemed automatically dismissed from office and permanently disqualified from holding any elective or appointive position in the government.

If the market value of the timber or other forest products is more than Five hundred thousand pesos (P500,000.00), the offender shall be guilty of economic sabotage and the imposable penalty shall be *reclusion perpetua*, in addition to the payment of the fine equivalent to ten (10) times the value of said timber or forest product, and other subsidiary penalties as prescribed above.

Any person, whether natural or juridical, who shall acquire or possess logs, flitches, lumber from the economic saboteurs as defined in this section and/or use the same logs, flitches, lumber, in any manner, shall likewise be punished with *reclusion perpetua*, payment of fine equivalent to ten (10) times the market value of said logs, flitches, lumber and subsidiary penalties provided herein.

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

*Section 57. Illegal Cutting as an Act of Economic Sabotage.* — Any of the acts enumerated in the preceding section when committed by any group, through organized and systematic manner, for commercial purposes, shall constitute an act of economic sabotage punishable with *reclusion perpetua*.

1115        The commission of any of the above prohibited acts by two or more  
1116        individuals with the aid of any mechanical device shall constitute a *prima facie*  
1117        evidence that the act is organized and systematic.

1118  
1119        Any person, whether natural or juridical, who shall buy logs, flitches, lumber  
1120        from economic saboteurs as defined in this section, and/or use the same logs, flitches,  
1121        lumber in government infrastructure projects shall, upon conviction, be punished by  
1122        *reclusion perpetua*.

1123  
1124        ***Section 58. Use of Illegally Cut Timber in Government Infrastructure***  
1125        ***Projects.-*** The use of illegally cut naturally grown timber in government  
1126        infrastructure projects shall be sufficient cause for the imposition of penalties  
1127        provided in Section 56 on harvesting of forest products without authority, and Section  
1128        57, on illegal cutting as an economic sabotage, including the withholding of the  
1129        payment to harvesting contractor.

1130  
1131        ***Section 59. Damage to Residual Trees.*** – To ensure the sustainability of the  
1132        natural forests, adequate number of residual trees and phenotypically superior mother  
1133        trees shall be marked, to be retained as part of the managed forests and as the future  
1134        timber crop, before any harvesting operation shall commence. Any marked residual  
1135        tree that is thirty percent (30%) or more damaged during such operation is subject to a  
1136        fine equivalent to four (4) times the regular forest charges and reduction of future  
1137        allowable harvest to compensate for residual losses.

1138  
1139        ***Section 60. Grazing Livestock on Forest Lands Without a Permit.*** – Any  
1140        person found to have cause the grazing of livestock in forest land and grazing lands  
1141        without an authority under a lease or permit to graze, upon conviction, shall be  
1142        penalized with imprisonment of not less than two (2) years nor more than four (4)  
1143        years and a fine equivalent to ten (10) times the regular shares due in addition to  
1144        confiscation of the livestock and all improvements introduced in the area in favor of  
1145        the government: Provided, That in case the offender is a corporation, partnership or  
1146        association, the officer or director thereof who directly cause or ordered such shall be  
1147        liable. In case the offender is a public officer or employee, he/she shall in addition to  
1148        the above penalties, be deemed automatically dismissed from office and permanently  
1149        disqualified from holding any elective or appointive position in the government  
1150        service.

1151  
1152        ***Section 61. Unlawful Occupation or Destruction of Forest Lands.*** - Any  
1153        person who, without authority from the Secretary, enters and occupies or possesses, or  
1154        engages in kainin or slash-and-burn farming and related activities for own private use  
1155        or for others, any forest land or grazing land, or in any manner destroy such forest  
1156        land or part thereof, or causes any damage to the timber stands and other forest  
1157        product found therein, or assists, aids or abets another person to do so, or sets a fire,  
1158        or negligently permits a fire to be set therein, or refuses lawful orders to vacate the  
1159        area when ordered to do so shall, upon conviction, be punished with penalties in the  
1160        amount of not less than One hundred thousand pesos (P100,000.00) nor more than  
1161        Five hundred thousand pesos (P500,000.00) and imprisonment of not less than six (6)  
1162        years and one (1) day nor more than twelve (12) years and a fine equivalent to ten  
1163        (10) time the regular cost of rehabilitation of the occupied areas as determined by the  
1164        Department: *Provided*, That the maximum of the penalty prescribed herein shall be

1165 imposed upon the offender who repeats the same offense, and double the maximum  
1166 penalty upon the offender who commits the same offense for the third time or more.  
1167

1168 In all cases, the court shall further order the eviction of the offender from  
1169 the area occupied and the forfeiture to the government of all improvements made  
1170 therein, including all vehicles, domestic animals and equipment of any kind used in  
1171 the commission of the offense. If not suitable for use by the Department, said  
1172 improvements, vehicles, domestic animals and equipment shall be sold at public  
1173 auction, the proceeds from which shall accrue to the SFEDF.

1174  
1175 If the offender is an alien, he/she shall be deported after serving his/her  
1176 sentence and payment of fines, without any further proceedings. An offender who is a  
1177 government officer or employee, shall, in addition to the above penalties, upon  
1178 conviction, shall be deemed automatically dismissed from office and permanently  
1179 disqualified from holding any elective or appointive position in the government  
1180 service.

1181  
1182 *Section 62. Illegal Conversion of City or Municipal Parks, Communal*  
1183 *Forests and Tree Parks in Subdivision* - Any person found to have converted or  
1184 caused the conversion of a city or municipal parks or communal forest, or tree parks  
1185 within subdivisions established pursuant to Section 24 herein and Section 2 of  
1186 Presidential Decree No. 953, requiring the planting of trees in certain places, into  
1187 other uses including the construction of permanent buildings therein, or in any manner  
1188 destroys or causes any damage to the timber stands and other forest products found  
1189 therein, or assist, aids or abets another person to do so, or sets a fire, or negligently  
1190 permits a fire to be set therein, upon conviction, shall be penalized by imprisonment  
1191 of six (6) years and one (1) day to twelve (12) years or a fine of not less than One  
1192 hundred thousand pesos nor more than Five hundred thousand pesos (P500,000.00),  
1193 or both fine and imprisonment at the discretion of the court. The offender shall  
1194 likewise be imposed a fine equivalent to ten (10) times the commercial value of the  
1195 forest products destroyed without prejudice to payment of the full cost of  
1196 rehabilitation of the areas as determined by the Department: *Provided*, That the  
1197 maximum of the penalty prescribed herein shall be imposed upon the offender who  
1198 repeats the same offense, the double the maximum penalty upon the offender who  
1199 repeats the same offense, and double the maximum penalty upon the offender who  
1200 commits the same offense, and double the maximum penalty upon the offender who  
1201 commits the same offense for the third time or more. The court shall further order the  
1202 forfeiture to the government of all improvements made therein, including all vehicles,  
1203 domestic animals and equipment shall be sold at public auction, the proceeds from  
1204 which will accrue to the SFEDF.

1205  
1206 An offender who is a government officer or employee, in addition to the above  
1207 penalties, upon conviction, shall be deemed automatically dismissed from office and  
1208 permanently disqualified from holding any elective or appointive position in the  
1209 government service.

1210  
1211 *Section 63. Misdeclaration or Falsification of Reports on Forest Resource*  
1212 *Inventory, Scaling, and Survey by a Government Official or Employee* - Any public  
1213 officer or employee who knowingly misdeclares or falsifies reports pertaining to  
1214 forest resource inventory, scaling, survey and other similar activity which are contrary

1215 to the criteria and standards established in the rules and regulations promulgated by  
1216 the Secretary shall, after an appropriate administrative proceeding, be dismissed from  
1217 the service with prejudice to re-employment. Upon conviction by a court of  
1218 competent jurisdiction, the same public officer or employee shall further suffer an  
1219 imprisonment of not less than eight (8) years nor more than twelve (12) years and a  
1220 fine of not less than One hundred thousand pesos (P100,000.00) nor more than Five  
1221 hundred thousand pesos (P500,000.00). The inventory, survey, scale, classification,  
1222 and similar reports referred herein shall be rendered null and void.

1223

1224 ***Section 64. Unlawful Operation Processing Plants and Downstream Forest-Based Industries.*** – Any person operating a wood processing plant or downstream forest-based industry without authority from the Secretary shall, upon conviction by a court of competent jurisdiction, be punished by imprisonment of not less than eight (8) years nor more than twelve (12) years and fine of not less than Five hundred thousand pesos and confiscation of the wood processing plant and complementary equipment in favor of the government. The Department shall promulgate the necessary guidelines, subject to the provisions of this Act, that will define the terms and conditions including the responsibility for a person who will operate and its operating a wood processing plant and/or other downstream forest-based industries.

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1235 ***Section 65. Prohibition on the Issuance of Tax Declaration on Forest Lands.*** – Any local government official or employee who issues a tax declaration for any purpose on any part of forest lands shall, upon conviction, be penalized with imprisonment for a period of not less than four (4) years nor more than eight (8) years and a fine of not less than One hundred thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) and perpetual disqualification from holding an elective or appointive office.

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1243 ***Section 66. Unlawful Possession of Implements and Devices Used by Forest Officers.*** - Any person found possessing or using implements and devices used by forest officers shall be penalized with imprisonment of not less than eight (8) years nor more than twelve (12) years and a fine of not less than One hundred thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) in addition to the confiscation of such implements and devices and the automatic cancellation of any license agreement, license, lease or permit.

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1251 Any forest officer who willingly allows unauthorized person(s) to use these implements and devices under one's care shall be penalized with imprisonment for a period of not less than six (6) years and one day to no more than twelve (12) years and a fine of not less than One hundred thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) or both imprisonment and fine at the discretion of the court, and confiscation of said logging tools and equipment in favor of the government.

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1259 ***Section 68. Non-Payment and Non-Remittance of Forest Charges.*** - Any person who fails to pay the amount due and payable as forest charges to the government shall not be allowed to transport, convey, sell nor use the timber or forest product. Moreover, failure to pay within thirty (30) days upon assessment of forest charges shall be a ground for confiscation of the said timber or forest product in favor of the government. Any person who fails or refuses to remit to the proper authorities

1265 said forest charge collectible pursuant to the provisions of this Act or the National  
1266 Internal Revenue Code of 1997, as amended, or who delays, obstructs or prevents the  
1267 same, or who orders, causes or effects the transfer or diversion of the funds for  
1268 purposes other than those specified in said Acts shall, upon conviction be imprisoned  
1269 for not less than six (6) years nor more than twelve (12) years and fined from One  
1270 hundred thousand pesos (P100,000.00) to Five hundred thousand pesos (P500,000.00)  
1271 in addition to the payment of the assessed forest charges. If the offender is a  
1272 corporation, partnership or association, the officers and directors shall thereof shall be  
1273 liable.

1274

1275 *Section 69. Institution of Criminal Action by Forest Officers.*- Any forest  
1276 officer shall arrest even without a warrant any person who has committed or is about  
1277 to commit, or is committing in his presence any of the offenses defined in this  
1278 chapter. The tools, animals, equipment and conveyances used in committing the  
1279 offense, and the forest products cut, gathered take or possessed by the offender in the  
1280 process of committing the offense shall also be seized and confiscated in favor of the  
1281 government. The arresting forest officer shall thereafter deliver within twenty-four  
1282 (24) hours from the time arrest or seizure both the offender and the confiscated forest  
1283 products, conveyances, tools and equipment, or the documents pertaining to the same,  
1284 and file the proper complaint with the appropriate official designated by law to  
1285 conduct preliminary investigation and file information in court. If the arrest and  
1286 seizure are made in the forest far from authorities designated by law to conduct  
1287 preliminary investigations the delivery to and filing of the complaint with the latter  
1288 shall be done within a reasonable time sufficient for ordinary travel from the place of  
1289 arrest to the place of delivery. The seized forest products, materials, conveyances,  
1290 tools and equipment shall be immediately disposed of in accordance with the  
1291 regulations promulgated by the Secretary.

1292

1293 The Secretary may deputize any agency, barangay or barrio official, or any  
1294 qualified person to protect the forest and exercise the powers or authority provided for  
1295 in the preceding paragraph. Reports and complaints regarding the commission of any  
1296 of the offenses defined in this chapter not committed in the presence of any forest  
1297 officer or any deputized officers shall immediately be reported to the forest officer  
1298 assigned in the area were the offense was allegedly committed. Thereupon, the  
1299 investigating officer shall receive the evidences supporting the report or complaint  
1300 and submit the same to the appropriate official authorized by law to conduct a  
1301 preliminary investigation of criminal cases and file the information in court.

1302

1303 *Section 70. Liability of Confiscated Forest Products.* - Any public officer  
1304 who fails to produce the timber or forest products, including tools, conveyances,  
1305 equipment and devices in his custody pursuant to seizure or confiscation made  
1306 thereon, or who shall appropriate, take, misappropriate, or shall permit another person  
1307 to take such timber or forest products, wholly or partially, shall suffer the penalty  
1308 provided for in malversation of public funds or property, of the Revised Penal Code.  
1309 In addition, the said public officer, shall be dismissed from service with prejudice to  
1310 reinstatement and with perpetual disqualification from holding any elective or  
1311 appointive office.

1312

1313 *Section 71. Citizen's Suit.* - Any citizen may file an appropriate civil,  
1314 criminal or administrative action in the proper court against:

- (a) Any person who violates or fails to comply with the provisions of this Act or its implementing rules and regulations;
  - (b) The Department or other implementing agencies with respect to orders, rules and regulations issued inconsistent with this Act; and
  - (c) Any public officer who willfully or grossly neglects to perform an action specifically enjoined as a duty by this Act or its implementing rules and regulations; or abuses his authority in the performance of his duty; or in any manner improperly performs his duties under this Act or its implementing rules and regulations. However, no suit can be filed until after thirty (30) days notice has been given to the public officer or the alleged violator concerned and no appropriate action has been taken.

## CHAPTER XII

**SECTION 72. Development of Mechanisms for Private Sector Participation in Forest Management.** – The Secretary is hereby authorized to adopt appropriate mechanisms to strengthen private sector participation in forest management, which shall include the accreditation of a national organization of private investors including those for profit, NGOs and POs. The accredited national organization shall assist the Department in the formulation and review of relevant policies to ensure the contribution of the forestry sector to the national economy and sustainable development. It shall also assist the Department in evaluating applications for forest management agreements, monitoring the performance of holders of commercial tenure instruments, ensuring the local supply of timber and wood products, providing producers with access to local and international markets; enhancing various ecosystems services; and ensuring the maintenance of high conservation values.

*Section 73. Administrative Authority of the Secretary or His Duly Authorized Representative to Order Confiscation.* - In all cases of violations of this Act or other forest laws, rules and regulations, the Secretary or his duly authorized representative may order the confiscation of forest products illegally harvested, cut, gathered, removed or possessed or abandoned, and all conveyances used either by land, water or air as well as all machinery, equipment, implements and tools used in the commission of the offense and to dispose of the same in accordance with pertinent laws, regulations or policies on the matter.

If the confiscated forest products are in danger of deteriorating, the Secretary may order that the same be sold at public auction even before the termination of the judicial proceedings, with proceeds kept in trust to await the outcome of the judicial proceedings.

No court of the Philippines shall have jurisdiction to issue any *Writ of Replevin*, restraining order or preliminary mandatory injunction in any case involving or growing out of any action by the Secretary or his duly authorized representative in the exercise of the foregoing administrative authority.

1365                   ***Section 74. Administrative Authority of the Secretary to Impose Fines.*** - In  
1366 all cases of violations of this Act and other forest laws, rules and regulations where  
1367 fine is the principal penalty, the Secretary, after consultation with the forest-based  
1368 industries affected, is hereby authorized to impose administratively the penalty  
1369 consisting of the amount and the schedules of the fine which shall be officially  
1370 published in a newspaper of general circulation.  
1371

1372                   ***Section 75. Authority of Forest Officers.*** - When in the performance of their  
1373 official duties, forest officers or other government officials or employees duly  
1374 authorized by the Secretary shall have free entry into areas covered by a contract,  
1375 agreement, license, lease or permit. Forest officers are authorized to inspect and to  
1376 open closed vans suspected to contain illegally harvested, collected or transported  
1377 forest products: *Provided*, That it is done in the presence of the shipper or consignee  
1378 or two (2) responsible public officials in the locality. Forest officers are authorized to  
1379 administer oath, take acknowledgement in official matters connected with the  
1380 functions of their office, or take testimony in official investigations conducted under  
1381 the authority of this Act and implementing rules and regulations issued by the  
1382 Secretary pursuant thereto.  
1383

1384                   ***Section 76. Visitorial Functions.*** - The Secretary or his duly authorized  
1385 representative shall, from time to time, investigate, inspect, and examine records and  
1386 other documents except bank records related to the operation of any person granted  
1387 the privilege, contract or agreement to utilize forest resources to determine  
1388 compliance with the terms and conditions stipulated in the grant, contract or  
1389 agreement, this Act, and pertinent laws, rules and regulations.  
1390

1391                   ***Section 77. Authority of the Secretary to Revert Lands Needed for Forest***  
1392 ***Purposes.*** - When the national interest so demands, the Secretary is hereby  
1393 authorized, through any available legal remedies, to revert lands currently used for  
1394 agricultural production or other purposes into forest uses or for biodiversity  
1395 conservation.  
1396

1397                   ***Section 78. Protection to Witnesses in Cases Involving Violations of***  
1398 ***Forestry Laws.*** - Witnesses to violations of this Act or other forestry laws and  
1399 regulations, including the immediate members of the family of said witnesses shall be  
1400 given protection, security and benefit, subject to the provisions of Republic Act NO.  
1401 6981, otherwise known as "The Witness Protection, Security and Benefit Act" and its  
1402 implementing rules and regulations.  
1403

1404                   ***Section 79. Transitory Provisions.*** - Upon the approval of this Act, the  
1405 Department shall evaluate the conditions of all forest lands covered by existing tenure  
1406 instruments, memoranda of agreements (MOAs) and other agreement and contracts  
1407 which shall be allowed to continue until their expiration, unless otherwise earlier  
1408 terminated for cause.  
1409

1410                   ***Section 80. Implementing Rules and Regulations.*** - In consultation with the  
1411 Departments of the Interior and Local Government, Finance, Agriculture, Budget and  
1412 Management, and other relevant agencies and stakeholders, the Secretary of the  
1413 Department shall formulate the rules and regulations to implement the provision of  
1414 this Act.

The secretariat of the Oversight Committee shall be drawn from the existing secretariat personnel of the committees comprising the oversight and the funding shall be taken from the appropriations of both House of Representatives and the Senate.

*Section 82. Moratorium or Ban on Logging.* – Congress shall provide, for such period as it may determine, measures to prohibit logging in endangered forests and watershed areas.

## CHAPTER XIII FINAL PROVISIONS

*Section 83. Separability Clause.* - If any provisions of this Act is declared unconstitutional, the validity of the other provisions shall not be affected by such declaration.

**Section 84. Repealing Clause.** – Subsections (b), (d), (e), (f), (g) and (i) of Section 4 of Act No. 3915; Republic Act No. 460; Republic Act no. 7161; Presidential Decrees Numbered 953, 1153, 1515, 705 as amended by 1559, 1775 and 1998; Letter of Instruction No. 818; Executive Orders Numbered 277 and 278, series of 1987; and Executive Orders Numbered 263, 318 and 725, series of 1981 are hereby repealed. All other laws, orders, rules and regulations or parts thereof that are inconsistent herewith are likewise hereby repealed or amended accordingly.

**Section 85. Effectivity.** - This Act shall take effect thirty (30) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,  
1447