

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



EIGHTEENTH CONGRESS
First Regular Session
4891
HOUSE BILL NO. _____

INTRODUCED BY HONORABLE CHERYL P. DELOSO-MONTALLA

AN ACT
PROVIDING FOR THE SUSTAINABLE MANAGEMENT OF FORESTS AND FOREST LANDS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

1 Forests used to be one of the richest natural resources in the Philippines. In fact, in 1900,
2 more than 70%, on average, of the island's total land area of 30 million hectares (ha) was covered
3 with forests (ESSC, 1999a).¹ Based on a study, titled "Decline of the Philippine Forest," by the
4 Institute of Environmental Science for Social Change, the country has about 21 million hectares
5 of forest cover, covering 70 percent of the total land area, in 1900s. Four decades later, the
6 deforestation caught on that, by 1999, the Philippines only has 5.5 million hectares, with only
7 800,000 hectares of this was primary forest.
8

9 In the report by the Forest Management Bureau of the Department of Environment and
10 Natural Resources, Palawan remains the top Philippine province with the biggest forested area,
11 with 699,931 hectares of forest area out of its 1,489,626 has total land area. It is followed by Isabela
12 (378,637 has), Cagayan (342,944 has), Agusan del Sur (342,736 has), Surigao del Sur (226,805
13 has), Quezon (226,193 has), Apayao (223,121 has), Aurora (218,588 has), Bukidnon (202,322
14 has), and Nueva Vizcaya (193,708 has).
15

16 Provinces with low forest areas include: Guimaras (with 776 has only), Siquijor (903 has),
17 Batanes (1,819 has), Metro Manila (2,120 has), Cavite (2,540 has), Batangas (4,526 has),
18 Camiguin (5,718 has), La Union (5,880 has), Masbate (6,778 has), and Pampanga (7,465 has).²
19

20 Deforestation comes with a high price. The country will be facing food insecurity. Due to
21 soil erosion, there will be low yield of agricultural produce.
22

23 The intermittent water interruptions we are experiencing, especially during dry months, are
24 the result of deforestation. Since most of the watersheds are denuded, the Philippines has an
25 unstable water supply. The water quality has also deteriorated, since they is a loss of water
26 infiltration and slow recharging of water tables.
27

28 Based on the data by the Forest Management Bureau of the Department of Environment
29 and Natural Resources, the Philippines needs an estimated 54 percent of forest cover to protect the
30 areas against landslides and ensure water supply. The target is to rehabilitate around 1.2 million
31 has of denuded and deforested forest lands by 2022.
32

¹ Albert P. Aquino and Carl Rookie O. Daquio. CBFM: A National Strategy for Sustainable Forest Management

² <https://www.manilatimes.net/2018/11/25/business/business-top/sustainable-forest-management-the-way-of-the-future/472970/>

1 Sustainable forest management is one of the solutions that the Philippine forest industry is
2 looking at. According to the United Nations' Food and Agriculture Organization (FAO),
3 sustainable forest management addresses the significance of forest degradation and deforestation
4 while increasing direct benefits to people and the environment. In fact, it is the only way
5 forward.³

6
7 The concept recognizes the need for balance between the inherent need of the people for
8 livelihood (products directly derived from trees such as timber and paper) while ensuring that the
9 forests are protected and will continue to be ecologically viable for generations to come. This is in
10 line with the National Greening Program of the country, which aims to expand forest cover,
11 mitigate and adapt to climate change, conserve biodiversity, poverty alleviation and inclusive
12 growth while adhering to the principles of good governance.

13
14 The decline in forest cover goes along with a significant loss of biodiversity, raw materials
15 and storage capacity for water and an alarming release of greenhouse gases through the slash and
16 burning cultivation/farming.⁴. In economic terms, the challenge of the government to determine
17 who should be held accountable for the open access nature of many forest lands leading to resource
18 degradation is difficult.⁵ The continuous influx of migrant communities has further aggravated
19 the diminishing forest resources. Given the dependence of human and social life of products from
20 the forest-from wood to water and to the oxygen they produce-these consequences impinge on all
21 sectors of the society.⁶

22
23 This bill is realistic approach to a very real problem. It approaches deforestation from all
24 fronts by ensuring that we promote the protection and well-being of our forests while pushing for
25 social development.

26
27 It is in this light that immediate passage of this bill is sought.

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35
CHERYL P. DE LOSO-MONTALLA
Representative
2nd District, Zambales

³ Ibid.

⁴ Salzer, W. (2012). Factsheet: Environment and Rural Development (EnRD) Program Philippines. Component 4: Community-based Forest Management (CBFM)

⁵ Carig, E. (2012). Impact Assessment of Community-Based Forest Management in the Philippines: A Case study of CBFM Sites in Nueva Vizcaya. Paper presented during the International Conference on Management and Social Sciences, Penang Malaysia, 19 - 20 June.

⁶ Ibid.

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AN ACT
PROVIDING FOR THE SUSTAINABLE MANAGEMENT OF FORESTS AND FOREST LANDS AND FOR OTHER PURPOSES

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

1 **ARTICLE I**
2 **GENERAL PROVISIONS**

3 **SECTION 1. Short Title.** – This Act shall be known as the “Sustainable Forest
4 Management Act”.

5
6 **SEC. 2. Declaration of Policy.** – It is the policy of the State to promote social justice and
7 the general welfare in all phases of national development; protect and advance the right of the
8 Filipino people to a balanced and healthful ecology in accord with the rhythm and harmony of
9 nature; and to conserve and develop the patrimony of the nation. Therefore, the State hereby adopts
10 the following policies for the sustainable management and conservation of forest lands and forest
11 resources found therein:

- 12
13 a. The specific limits of forest lands, after these have been fixed and demarcated, shall not be
14 altered, except through an act of Congress;
15
16 b. The sustainable use and conservation of forest lands and forest resources found therein
17 shall bear a social, cultural, ecological, biological, and economic functions, responsibility
18 and accountability to promote the common good of present and future generations;
19
20 c. The protection of forest ecosystem, as well as rehabilitation through reforestation and
21 afforestation of the degraded forest ecosystem, shall be given priority to mitigate climate
22 change, improve and conserve biodiversity, enhance ecosystem functions and services and
23 provide long-term economic benefits;
24
25 d. Forest lands shall be partitioned and planned into forest management units (FMUs) based
26 on natural topographic and hydrologic boundaries as well as watershed continuum
27 approach and community-based management approach which adopts a holistic inter-
28 relationship between the upstream and downstream areas with vesting access rights and
29 responsibilities to local communities, indigenous peoples, women and youth in order to
30 carry out efficiently the rational ecological treatment of the entire landscape from the
31 mountain down to the coast;

1 e. The management, protection, conservation and development of forest resources shall be
2 done in an integrated, inclusive, developmental, and sustainable manner, focusing on the
3 forest resource and the people who manage, conserve and benefit from it.

4

5 **SEC. 3. Objectives.** The general objective of this bill is to ensure the sustainable use and
6 effective management of forest resources and services by providing equitable access,
7 accountability, and benefit sharing to all stakeholders and the Filipinos at large. The specific
8 objectives are:

- 9
- 10 a. To streamline management of forest lands and forest resources by undertaking Sustainable
11 Forest Management Strategies by all concerned stakeholders, including the government,
12 private sector, communities, and civil society groups;
- 13
- 14 b. To promote sustainable livelihood and enterprises and an incentive mechanism for forest
15 management activities, especially among those depending in forest lands;
- 16
- 17 c. To strengthen institutional mechanism to respond to forest management concerns namely,
18 development of the forest industry; law enforcement; management of watershed, and
19 empowering local and indigenous communities to take responsibility in managing
20 forestlands and forest resources;
- 21
- 22 d. To create the Sustainable Forest Development Fund as a support mechanism for funding
23 requirements of forest management initiatives;
- 24
- 25 e. To strengthen the role of Forest Management Bureau to be more responsive and pro-active
26 to all stakeholders and consistent with the objectives and strategies of this Act;
- 27
- 28 f. To ensure that the national standard of 40% forest cover is achieved, sustained and
29 protected by the country to maintain the provision of ecological services.

30

31 **SEC. 4. Scope and Coverage.** – The provisions of this Act shall apply to all forest lands and
32 all forest resources in lands over which the Philippines has sovereignty and jurisdiction: *Provided*,
33 That all forest lands and forest resources found in protected areas established under the National
34 Integrated Protected Areas System (NIPAS) shall be sustainably managed and developed
35 following the principles of this Act and consistent with the provisions of Republic Act No. 7586,
36 or the “National Integrated Protected Areas System Act of 1992”, as amended by Republic Act
37 No. 10629, and Republic Act No. 11038, or the “Expanded National Integrated System Act of
38 2018”; *Provided further*, That all wildlife resources and critical habitats found in forest lands,
39 including alienable and disposable lands, shall be governed by Republic Act No. 9147, or the
40 “Wildlife Resources Conservation and Protection Act”; *Provided furthermore*, that the rights of
41 indigenous cultural communities and indigenous peoples to their ancestral forest lands shall be
42 respected and prioritized, as provided for in Republic Act No. 8371 or the “Indigenous Peoples’
43 Rights Act of 1997”; *Provided finally*, that all forest lands under the management or administration
44 of local government units and other government agencies or instrumentalities shall be managed in
45 accordance with their duly legislated charters and the principles and provisions of this Act.

46

47 **SEC. 5. Sustainable Forest Management Strategies.** – Inclusive forest governance shall be
48 undertaken through watershed and community-based management approach. It shall promote
49 sustainable use through reforestation, small-scale plantation development, and use of indigenous
50 and native species, thus enhancing ecosystem services, ensuring biodiversity conservation, and

1 increasing resilience to climate change impacts. Encouraging private investments and sustainable
2 biomass production as renewable energy will enhance economic contribution and global
3 competitiveness of forest-based industries.

4
5 The promotion of forestry research, extension and education on forest ecosystem assets,
6 services accounting and valuation, and strengthening professionalism in the forest service is
7 deemed necessary to carry out the provisions of this Act.
8

9 **SEC. 6. Definition of Terms.** – As used in this Act:

- 10 a. *Ancestral forestlands* are ancestral lands and domains defined as such under Republic Act
11 No. 8371, otherwise known as the “Indigenous Peoples Rights Act of 1997”;
- 12 b. *Biodiversity* refers to the variability among living organisms from all sources, including,
13 *inter alia*, terrestrial, marine, and other aquatic ecosystems in the ecological complexes of
14 which they are part of;
- 15 c. *Certification* is the process of verifying that a forest land is managed based on a defined
16 set of standards as is conducted by an accredited third party;
- 17 d. *Climate Change* refers to a change in climate that can be identified by changes in the mean
18 and/or variability of its properties and that persists for an extended period, typically
19 decades or longer whether due to natural variability or as a result of human activity;
- 20 e. *Climate Change Adaptation* refers to the adjustment in natural or human systems in
21 response to actual or expected climatic stimuli or their effects, which moderates harm or
22 exploits beneficial opportunities;
- 23 f. *Climate Change Mitigation* refers to human intervention to reduce anthropogenic
24 emissions by sources and removals by sinks of all greenhouse gases including ozone
25 depleting substances and their substitutes;
- 26 g. *Ecosystem* refers to a community of living organisms interacting with each other and with
27 their physical environment;
- 28 h. *Ecotourism* refers to a form of sustainable tourism within a natural and/or cultural heritage
29 area where community participation, protection and management of natural resources,
30 culture, and indigenous knowledge and practices, environmental education and ethics, as
31 well as economic benefits are fostered and pursued for the enrichment of host community
32 and satisfaction of visitors;
- 33 i. *Forest* refers to an ecosystem or an assemblage of ecosystems dominated by trees and other
34 natural vegetation; a community of plants and animals interacting with one another and its
35 natural environment;
- 36 j. *Forest land* refers to land of the public domain classified as needed for forest purposes,
37 including both production and protection. They shall include all forest reserves of the
38 public domain;

- 1 k. *Forest Management Unit* (FMU) refers to a clearly defined forest area assigned for
2 management based on a set of objectives and a long-term watershed-based management
3 plan to be integrated in the Comprehensive Land Use Plans and Comprehensive
4 Development Plans of cities and municipalities. All current forest tenurial instruments may
5 be considered FMUs;
- 6
- 7 l. *Forest-Based Industries* refer to various industries that are dependent on raw materials or
8 products derived from forests such as, but not limited to, wood, rattan, bamboo, vines, latex,
9 resins, saps, essences, fruits, flowers, or wild flora and fauna;
- 10
- 11 m. *Forest Protection Officers* mean the official(s) and/or employee(s) of the Department who
12 are granted the authority to enforce all environmental laws and conduct arrests, seizures
13 and apprehensions in relation to environmental law enforcement.
- 14
- 15 n. *Forest-Based Industries* refer to various industries that are dependent on raw materials or
16 products derived from forests such as, but not limited to, wood, rattan, bamboo, vines, latex,
17 resins, saps, essences, fruits, flowers, or wild flora and fauna;
- 18
- 19 o. *Forest Resources* refer to all products and resources whether biomass such as plants and
20 animals including its by-products and derivatives, which can be a raw material, or non-
21 biomass such as soil, water, scenery, as well as the intangible services and values present
22 in forest lands or in other lands devoted for forest purposes;
- 23
- 24 p. *Forest Restoration* refers to a management strategy to enhance and accelerate natural
25 processes of forest regeneration in order to regain the elastic capacity of forest ecosystem;
- 26
- 27 q. *Grazing land* means a portion of the forest land which has been set aside, in view of the
28 sustainability of its topography and vegetation, for raising livestock;
- 29
- 30 r. *Indigenous peoples/Indigenous Cultural Communities* refer to a group of people or
31 homogenous societies as defined in Section 3h. in the Indigenous Peoples Rights Act or
32 Republic Act 8371;
- 33
- 34 s. *Indigenous species* refer to species or genotypes that have evolved in the same area, region
35 or biotope and are adapted to the specific predominant ecological conditions at the time of
36 establishment;
- 37
- 38 t. *Natural Forest* refers to a forest composed of naturally growing indigenous trees, not
39 planted by man, whose structure, composition, and dynamics have been largely the result
40 of natural succession process;
- 41
- 42 u. *Non-Timber Forest Products* refer to all biological materials and derivatives other than
43 timber produced in forests. The term includes fruits and nuts and vegetables, fish and game,
44 medicinal plants, resins, essences and rays of barks and fibers such as bamboo, rattan, and
45 a host of other palms and grasses;
- 46
- 47 v. *Plantation* refers to timber and non-timber stand established by planting and/or seeding in
48 the process of afforestation or reforestation. The stand is of either introduced species (all
49 planted stands), or an intensively managed stand of any indigenous species, which meets

- 1 all the following criteria: one or two species at plantation, even-aged class, and regular
2 spacing;
- 3
- 4 w. *Primary Forest* also known as *old-growth forest*, shall refer to forest which have never
5 been subject to human disturbance or has been so little affected by hunting, gathering and
6 tree cutting that its natural structure, function and dynamics have not undergone any change
7 that exceed the elastic capacity of the ecosystem;
- 8
- 9 x. *Processing Plant* refers to any establishment or infrastructure housing any mechanical set-
10 up, device, machine, or combination of machines used for the conversion of logs and other
11 forest raw materials into lumber, fiberboard, pulp, paper, or other finished wood products;
- 12
- 13 y. *Reforestation* refers all land use activities directed towards restoration, establishment, and
14 sustained management using preferably native species of diversified vegetation on denuded,
15 degraded, and/or marginal lands, abandoned fishponds and mines including but not limited
16 to the planting and tending of timber to enhance and accelerate natural processes of forest
17 regeneration and regain the capacity of forest ecosystem;
- 18
- 19 z. *Rehabilitation* means reforestation or afforestation activities including mechanical
20 measures such as contouring and terracing;
- 21
- 22 aa. *Secondary Forest* shall refer to a former forest that was logged over and is characterized
23 by residuals;
- 24
- 25 bb. *Secretary* shall refer to the Secretary of the Department of Environment and Natural
26 Resources;
- 27
- 28 cc. *Sustainable Forest Management* refers to the process of watershed-based management of
29 forest land and resources to achieve one or more clearly specified objectives of
30 management with regard to the continuous production of desired forest products and the
31 delivery of ecosystem services without undue reduction of its inherent values, biodiversity
32 and future productivity and without undesirable effects on the physical and social
33 environment;
- 34
- 35 dd. *Sustainable use* means the use of forest resources in a way and a rate that does not lead to
36 its long-term decline, thereby maintaining its potential to meet the needs and aspirations of
37 present and future generations;
- 38
- 39 ee. *Tenure* shall refer to guaranteed and peaceful access to and use of specific forest land and
40 the resources found therein through an agreement, contact or grant which cannot be altered
41 or abrogated without due process; and
- 42
- 43 ff. *Watershed* refers to the land area drained by a stream or fixed body of water and its
44 tributaries having a common outlet for surface runoff. A watershed can be part of a larger
45 landscape that includes connections from the head waters to the reef.
- 46
- 47 gg. *Watershed Reservation* refers to a forest land that has been proclaimed by the Presidents
48 or by law as such, primarily for water production purposes although other compatible uses
49 may be allowed under sustainable and multi-use management concepts.
- 50

ARTICLE II

ADMINISTRATION, DEVELOPMENT, MANAGEMENT AND SUSTAINABLE USE OF FOREST LANDS AND FOREST RESOURCES

SEC. 7. Administration, Development, Management and Sustainable Use of Forestlands.

– Forestlands and forest resources shall be under the full supervision and control by the State. The development and sustainable use thereof shall be under the State's full control and supervision. The State may directly undertake such activities or it may enter into agreements with qualified persons in order for these persons to receive technical assistance and appropriate incentives.

The Forest Management Bureau, hereinafter referred to as the FMB, shall be the primary government agency responsible for the administration, development, management and sustainable use of forest lands as defined in this Act. It shall have the authority to enter into management agreements or issue tenure instruments on behalf of the Government, promulgate rules and regulations for the effective enforcement of this Act, and administratively adjudicate offenses provided for in this Act in order to facilitate the speedy resolution of forestry-related cases.

SEC. 8. Categories of Forestlands. – For the purpose of administration, development,

management and sustainable use, forest lands in the Philippines shall be categorized into ancestral forest lands, private forest lands, and public forest lands.

- a. Ancestral forestlands are ancestral lands and domains defined as such under Republic Act No. 8371, otherwise known as the "Indigenous Peoples Rights Act of 1997";
 - b. Private forests are alienable and disposable lands registered under the current land registration system of the country which are devoted for forestry purposes; and
 - c. Public forestlands shall include all lands of the public domain that have not been declared as a National Parks under Section 5 of Republic Act No. 7586, otherwise known as the "National Integrated Protected Areas System Act of 1992", as amended by Republic Act No. 11038; mineral lands pursuant to Republic Act No. 7942 otherwise known as the "Philippine Mining Act of 1995", and those lands not classified as agricultural based on the maps developed by the National Mapping and Resource Information Authority (NAMRIA).

SEC. 9. Forest land Delineation. – The delineation of forest lands as completed by the DENR

shall be adopted.

SEC. 10. Management of Forest lands. – For purposes of sustainable use, management and planning, all forest lands shall be managed for protection or production purposes only.

- a. *Protection Forest lands.* All areas within the forest lands designated or set aside as such shall constitute the protection forest lands. They shall consist of the following:

 - (1.) Primary and secondary forests;
 - (2.) All areas one thousand (1,000) meters above sea level;
 - (3.) Limestone, forest over ultramafic, peat swamp, beach, freshwater swamp;

1 (4.) All areas with a slope of fifty percent (50%) or more;
2
3 (5.) All areas along the bank of rivers and streams, and the shores of the seas and lakes
4 throughout entire length and within a zone of three (3) meters in urban areas, twenty
5 (20) meters in agricultural areas and forty (40) meters in forest areas, along their
6 margins which are subject to the easement of public use.

7
8 (6.) All watershed reservations that have been proclaimed by the President or by law as
9 such, primarily for water production purposes or for other compatible uses under
10 sustainable or multi-use management concepts.

11
12 All extractive activities, including harvesting, gathering, and collection of forest resources,
13 except non-timber forest products and scientific and educational use as permitted by the FMB, are
14 prohibited within forest lands for protection purposes.

15
16 Establishment of built-up facilities are also prohibited within protection forest lands, except
17 for special uses consistent with sustainable forest management strategies.

18
19 Only indigenous species shall be planted or introduced within protection forest lands.

20
21 b. *Production Forest Lands*. All public forest lands not classified as protection forest lands,
22 pursuant to this Section, shall constitute the production forest lands of the country. These
23 lands shall be devoted for the production of timber and non-timber forest products to supply
24 the domestic forest resource demand of the country and facilitate international trade of
25 forest resources.

26
27 **SEC. 11. *Forest Management Units*.** – For the purposes of assigning respective areas of
28 operations and management, all public forest or timber land shall be assigned and registered as
29 “Forest Management Units” (FMUs) with the DENR: *Provided*, That all areas under an existing
30 and valid tenure agreement or management arrangement with the DENR before the passage of this
31 Act shall be considered as FMUs.

32
33 The FMU shall be managed for protection and/or production purposes. Protection FMUs
34 shall have the primary function of protecting life support systems to regulate water, prevent
35 flooding, control erosion, prevent seawater intrusion, maintain soil fertility, and of conserving
36 plant and wildlife biodiversity and their ecosystem. Production FMU shall have the primary
37 function of producing forest products, food, energy and/or fresh water among others.

38
39 **SEC. 12. *Qualified managers of FMUs*.** – To ensure effective management of forest lands,
40 managers of FMUs shall be confined to qualified and capable persons, or entities which include
41 indigenous and local households, civil society organizations, business organizations, forest land
42 use tenure holders, and dedicated national and local government units including government-
43 owned and controlled corporations subject to the requirements to be provided in the implementing
44 rules and regulations of this Act.

45
46 **SEC. 13. *FMU Development and Management Planning*.** – Every FMU shall have a
47 management plan formulated by the FMU Manager with technical assistance from the Registered
48 Professional Forester that follows a watershed continuum approach and sustainable forest
49 management strategies as stated in this Act approved by the FMB. If the FMU holder is an
50 individual, indigenous people or a member of civil society, assistance in the preparation or

1 formulation of a management plan will be provided by DENR. In designating FMUs within a
2 watershed, priority shall be given to indigenous peoples, civil society and local communities in
3 awarding appropriate tenurial instruments.

4

5 The FMU management plan shall contain the following:

6

- 7 a. FMU management objective;
- 8
- 9 b. Description of the physical, environmental, socio-economic, and administrative profile of
10 the FMU;
- 11
- 12 c. Mapping and zoning of the FMU into production and high conservation value-forest zones;
- 13
- 14 d. Management prescriptions to be applied in each zone to meet the FMU management
15 objectives;
- 16
- 17 e. Implementation plan; and
- 18
- 19 f. Expected benefits and impacts of the plan.
- 20

21 **SEC. 14. Sustainable Management of Mangrove Resources.** – Mangrove species planted
22 within production forestlands can be harvested, gathered or collected, taking into consideration the
23 basic forestry policies and strategies provided for in this Act. The harvesting, gathering, collection
24 of mangrove species, and provision of clean technologies to address energy needs shall be upon
25 the authority provided for by the FMB.

26

27 **SEC. 15. Mined-Out Areas and Abandoned Fishpond Areas.** – The management and
28 administration of rehabilitated mined-out areas shall immediately be transferred to the FMB. The
29 management and administration of abandoned and idle fishpond lease areas shall immediately be
30 reverted to the DENR.

31

32 **SEC. 16. Sustainable Use of Forest Resources.** – The harvesting, gathering and collection
33 of all planted forest resources within production forestlands and private forestlands, including its
34 by-products and derivatives, shall not require any clearance from the DENR: *Provided*, that the
35 amount of harvested products is consistent with the approved management plan; *Provided further*,
36 that DENR shall set a monitoring mechanism that will include members of the local consultative
37 bodies; *Provided finally*, that any request for clearances for domestic transport of forest resources
38 submitted to the DENR shall be acted upon within seven (7) working days from the date of its
39 submission with the proper office. After a lapse of seven (7) working days and no action has been
40 taken by the DENR, the clearance for transport is deemed approved.

41

42 The harvesting, gathering, collection and transport of non-timber forest products within
43 production forest lands shall be exempt from any clearance from any government institution.

44

45 All timber and non-timber forest products planted within private lands shall belong to the
46 owner of the land who shall have the right to harvest, gather, and collect the same without any
47 clearance from any government institution.

48

49 **SEC. 17. Regulation and Sustainable Use of Forest Resources within Ancestral Forest
50 Lands.** – The rights of the indigenous peoples over their ancestral forestlands shall be respected:

Provided, That management of forest resources within those lands shall be in accordance with the existing laws, rules and regulations, the Ancestral Domain Sustainable Development and Protection Plan (ADSDPP), and Forest Land Use Plan (FLUP). Provided, that DENR shall formulate appropriate sustainable management and monitoring guidelines.

ARTICLE III

FOREST-BASED INDUSTRIES

SEC. 18. Development of an Open and Competitive Market for Forest Resources. – To meet the demands for forest good and services of the country, the State, through the DENR, shall promote and rationalize the establishment, operations, and development of forest-based industries. DENR shall institute measures to develop an open and competitive market for forest products including among others the liberalization of forest products harvesting, transport, and marketing.

SEC. 19. Export of Certified Forest Products. – No person shall sell or offer for sale any forest resources in the international market without complying with the certification system established by the Government. Failure to adhere to the established standards, or any act of falsification shall be sufficient cause for the cancellation of export licenses and other permits authorizing the manufacture or sale of such resources.

SEC. 20. Regulation of Forest-Based Industries. – All processing plants using forest resources as raw materials shall be subject to existing regulations prescribed by law, including the required Environmental Impact Assessment (EIA) System: *Provided*, That these processing plants are registered with the Department of Trade and Industry as well as clearance from the Local Government Unit to operate.

SEC. 21. *Enhance Private Investments and Economic Contribution.* – Forest-based industries shall be supported to promote global competitiveness, support domestic demands for wood and other products, and enhance economic contribution to the country. Appropriate incentives shall be provided such as but not limited to establishment of agroforestry economic zones in order to ease the conduct of business and attract local and foreign investments that are mutually beneficial to the government, concerned communities, partner organizations and the investors concerned.

SEC. 22. Community-Based Forest Enterprises. – Economic activities and practices of local communities, including indigenous cultural communities on forest-based enterprises, including non-timber forest products, that promote the sustainable use of forest resources shall be promoted and supported to address food security and improve quality of life.

ARTICLE IV

EMPOWERING AND ENABLING CONDITIONS FOR SUSTAINABLE FOREST MANAGEMENT

SEC. 23. Forest Land Use and Tenure Instruments. – The State, represented by the DENR may undertake the development, sustainable use, and management of forest lands and forest resources found therein with qualified persons, whether natural or juridical, through tenure instruments. The order of priority in the provision of forest land use rights shall be as follows:

49 a.) Duly recognized indigenous peoples, organizations and households in the case of FMUs
50 in ancestral lands:

1 b.) Holders of valid and existing agreements with the DENR and FMB;

2

3 c.) Residents occupying forest lands without tenure;

4

5 d.) Investors on ancestral forestlands with a free and prior informed consent (FPIC) with

6 indigenous peoples; and

7

8 e.) Investors on public forest lands that are not under any agreement with the Department

9 and other persons.

10

11 Any person who is a party to any of the agreements mentioned in this Section shall not be

12 allowed to transfer or convey the rights vested by the agreements within five (5) years from the

13 issuance of the agreement. Thereafter, the person shall be able to transfer, or convey the rights of

14 interests therein subject to a written authority from the Secretary of duly authorized representative.

15 Provided, that the transferor has complied with the terms and conditions of the agreement;

16 Provided further, that the transferee shall assume the obligations of the transferor.

17

18 All parcels of public forestlands that are not covered with any management arrangement or

19 tenure instrument shall be converted to forest management units.

20

21 **SEC. 24. Forest Management Agreement.** – The DENR and a qualified person, whether

22 natural or juridical, may enter into a Forest Management Agreement for the development,

23 sustainable use and management of forest lands and forest resources found therein. The Forest

24 Management Agreement shall have a duration of twenty-five (25) years and may be extended for

25 another twenty-five (25) years.

26

27 **SEC. 25. Scope of Forest Management Agreement.** – In the case of public forestlands,

28 ancestral forestlands and production forestlands, the Forest Management Agreement may be

29 entered into for the following purposes:

- 30
- 31 a. Agroforestry plantations in accordance to the standards of the DENR on forest plantation
- 32 development;
- 33
- 34 b. Forest plantation development with processing plant;
- 35
- 36 c. Ecotourism development;
- 37
- 38 d. Mangrove restoration; and
- 39
- 40 e. Special uses for forest lands.

41

42 A Forest Management Agreement may be entered for a single purpose or a combination of

43 any of the abovementioned purposes.

44

45 **SEC. 26. Special Uses of Forest Lands.** – In the case of production forestlands, a Forest

46 Management Agreement may also be entered into for a special use of forestland which shall

47 include the following:

- 48
- 49 a. Establishment of forest park;

50

- 1 b. Dry Dock Site;
- 2
- 3 c. Industrial Processing Site;
- 4
- 5 d. Herbal or Medicinal Plantation;
- 6
- 7 e. Fish Drying Site;
- 8
- 9 f. Communication Station Site;
- 10 g. Public Landing Site or Airstrip;
- 11
- 12 h. Log Pond or Log Depot;
- 13
- 14 i. Lumber Yard;
- 15
- 16 j. Motor Pool Site;
- 17
- 18 k. Power Station Site;
- 19
- 20 l. Transmission Line Site;
- 21
- 22 m. Right-of-Way;
- 23
- 24 n. Farm-to-market roads;
- 25
- 26 o. Government Facility Site (e.g. schools, clinics, satellite offices among others);
- 27
- 28 p. Water Reservoir;
- 29
- 30 q. Renewable energy projects.
- 31

32 *Provided*, that for government facilities or infrastructures like farm-to-market roads, public school
33 sites, public hospitals or clinics, etc. shall be free from any fees, charges, or other pecuniary
34 obligations under the Forest Management Agreement.

35

36 **SEC. 27. Qualified Persons.** – The following persons are qualified to enter into a Forest
37 Management Agreement with the State:

38

- 39 a. Filipino persons or entities which include indigenous and local households, civil society
40 organizations, business organizations, and forest and land use tenure holders;
- 41
- 42 b. Corporations or associations at least sixty percent of whose capital is owned by Filipinos;
- 43
- 44 c. Local government units, when the purpose of the Forest Management Agreement is for
45 public use or the establishment of government centers and facilities; or
- 46
- 47 d. Other National Government Agencies or Government-Owned or Controlled Corporations,
48 when the purpose of the Forest Management Agreement is for national interest, like
49 transmission lines, water reservoirs, or distribution lines for electricity.
- 50

1 **SEC. 28. Production Sharing.** – The following schemes shall be observed by the Parties
2 to a Forest Management Agreement in relation to the sharing of benefits derived from the
3 agreement:

- 5 a. Forest Plantations, Forest Plantations with Processing Plants. The sharing of outputs from
6 Forest Management Agreements entered into for the purpose of developing and managing
7 forest plantations, and forest plantations with processing plants shall be based on the total
8 gross output of the plantation harvests. Said sharing shall be done in a manner
9 advantageous to national interest without prejudice for incentives that may be prescribed
10 by DENR.
- 11 b. For ecotourism purposes, the person who entered into a Forest Management Agreement
12 with the Government for the purpose of ecotourism or other special uses for forest lands
13 shall have the obligation to pay an annual user's fee equivalent to five percent (5%) of the
14 nearest commercial zonal value per square meter or a fraction thereof.
- 15 c. Government Facilities or Infrastructures. Non-income generating government facilities
16 such as public school sites, public hospitals or clinics, government center or offices, roads,
17 farm-to-market access roads, and public buildings are exempt from paying any fee or other
18 pecuniary obligation with the State. Provided, that the use of these establishments or
19 infrastructures shall not be subject to privatization.
- 20 d. For local communities and registered civil society organizations, support through incentive
21 schemes or the like shall be provided as social fencing against drivers of deforestation.

22 **SEC. 29. Forestry Research, Education, Training, and Extension.** – Research and
23 technology development of the Ecosystems Research and Development Bureau, Forest Products
24 Research and Development Institute, Universities, and other research institutions shall be
25 strengthened to support sustainable management of forest resources. For this reason, Forestry
26 Development Center of the University of the Philippines Los Baños shall lead in forest policy
27 research in collaboration with the Commission on Higher Education or CHED, Higher Educational
28 Institutions (HEIs), schools, universities, and colleges (SUCs), Department of Science and
29 Technology (DOST)-accredited NGOs as well as other concerned stakeholders.

30 The DENR, the Department of Science and Technology, the Commission on Higher
31 Education, and Universities, within one (1) year from the passage of this Act, shall prepare a
32 comprehensive sustainable national forestry and environmental research and technology
33 development and transfer program in furtherance of sustainable forest management, which shall
34 be implemented, monitored, and reviewed in accordance with existing research management
systems.

35 The Continuing Professional Development shall be promoted and upheld through selected
36 universities and training institutions on forestry and natural resources management subject to the
37 Professional Regulation Commission's accreditation system. Forestry education in the Philippines
38 shall be rationalized to ensure the quality of formal forestry education and establish, support and
39 sustain the national and regional centers of development and excellence in forestry and
40 environmental education to develop high quality human resources and promote global
41 competitiveness. The Commission on Higher Education shall include forest ecology and
42 environment courses in general education curricula. DENR shall formulate a nationwide program

1 for sustained public information and advocacy campaign for forests and natural resources
2 conservation, sustainable forest management, and climate change.

SEC. 30. The Sustainable Forest Development Fund. – A Sustainable Forest Development Fund (SFDF) is hereby established to provide concessional financing particularly for forest development projects proposed by qualified managers of FMUs. The said Fund shall be administered by a Government-Owned and Controlled Banking Institution as a trust account.

9 The SFDF may be augmented by grants, donations, and endowment from various sources
10 local and international sources.

In addition, at least seventy percent (70%) of forest charges and government share collected, including proceeds from the sale of confiscated forest resources, machinery, equipment, and tools, fines, and penalties shall be set aside for the SFDF.

Moreover, securitization, payment for ecosystem services and collaborative investments shall be encouraged to support sustainable forest management and enterprises and the conservation of forest-based biodiversity in the Philippines.

The DENR shall include the guidelines for the management, development, and operationalization of the SFDF, in coordination with other concerned agencies and civil society organizations in the implementing rules and regulations of this Act. No amount from the SFDF shall be disbursed to cover ordinary and necessary expenses of the DENR and other concerned agencies.

SEC. 31. Importation and Sale. – Forest resources may be imported into the country, subject to existing laws, rules, and regulations. All imported forest resources shall comply with the Philippine National Standards to be developed by the Department of Trade and Industry in coordination with the Forest Products Research and Development Institute and the DENR. Compliance with these standards shall be a precondition for the sale or disposition of these products in the Philippines.

ARTICLE VI ORGANIZATIONS AND GOVERNANCE

SEC. 32. *Creation of the Position of Undersecretary for Forestry.* – There is hereby created in the DENR the position of Undersecretary for Forestry who shall perform the following functions:

- a. Oversee the provision of technical, marketing, financial, tenurial and infrastructure support to persons and entities engaged in FMU management;
 - b. Ensure watershed-based planning and monitoring processes are observed in forestry-related developments;
 - c. Facilitate institutional linkages and convergence initiatives among forestry stakeholders in support of effective development and management of forest lands consistent with its protection and production uses;

- 1 d. Provide scientific information-based policy recommendations in aide sustainable forest
2 management; and
3
4 e. Promote cost-effectiveness of forestry investments among local and international investors
5 and donors in line with sustainable forest management.

6
7 The Undersecretary shall be appointed by the President of the Republic of the Philippines,
8 whose office, structure and staffing, shall be determined by the Secretary subject to existing laws,
9 rules, and regulations.

10
11 **SEC. 33. Reconstitution of the Forest Management Bureau.** – The Forest Management
12 Bureau is hereby reconstituted as a line bureau under the DENR, which shall be responsible for
13 the administration, sustainable management, development, conservation, and protection of all
14 forestlands and forest resources of the country, with functions specifically as follows:

- 15
16 a. Implementation of all policies, plans, programs, projects and activities concerning
17 forestlands with provision for effective feed-backing and reporting mechanisms;
18
19 b. Ensure sufficient provision of technical, marketing, financial, tenurial and infrastructure
20 support to persons and entities engaged in FMU management;
21
22 c. Enforce watershed-based planning approaches in all forest-land development and
23 management endeavors;
24
25 d. Encourage the participation of forestry stakeholders thru multi-sectoral consultative bodies
26 in all forestry-related consultative processes;
27
28 e. Develop and implement an effective geographical information system in aide of forestry
29 planning, monitoring and policy formulation;
30
31 f. Monitor and evaluate the physical, environmental and socio-economic outcomes in the
32 management of all FMUs; and
33
34 g. Formulate and publish periodic reports informing stakeholders of the status of the
35 Philippine forest lands using both qualitative and quantitative methods.

36
37 **SEC. 34. Composition of the Forest Management Bureau.** – As a line bureau, the FMB shall
38 be headed by a Director and assisted by two (2) Assistant Directors who shall supervise the
39 administrative and technical services of the Bureau respectively. There shall be a FMB Regional
40 Director in each administrative region with corresponding offices and positions.

41
42 **SEC. 35. Assistance of Law Enforcement Agencies.** – Local Government Units, the
43 Department of Interior and Local Government, and the DENR, shall call upon law enforcement
44 agencies and instrumentalities of the Government such as the Philippine National Police (PNP),
45 the Armed Forces of the Philippines (AFP), the Philippine Coast Guard (PCG) and the National
46 Bureau of Investigation (NBI) for the enforcement of environmental laws, executive orders, and
47 their implementing rules and regulations.

48
49 **SEC. 36. Local Government Units.** – Enabling mechanisms shall be developed to enhance the
50 participation of the local government units in watershed management planning, sustainable use,

1 conservation and protection of forest resources within their territorial jurisdiction, including those
2 assigned by law to other government agencies.

3

4 LGUs with forest lands inside their jurisdiction shall harmonize their CLUPs, local
5 development plans, disaster risk reduction management plans and other required plans according
6 to the objectives specified herein and in the protected area management plans.

7

8 **SEC. 37. Other Government Agencies.** – Forest lands or portions thereof, which have been
9 placed under the administration and management of other government agencies, shall remain under
10 the administration and management of the said government agencies following a watershed
11 management approach with the DENR exercising oversight power these areas: *Provided*, that their
12 administration and management shall be based on the policies, strategies, and programs that are
13 consistent with the provision of this Act; *Provided further*, That the concerned agencies shall
14 submit an annual accomplishment report to the DENR.

15

16 **SEC. 38. Multi-Sectoral Consultative Bodies in Relation to Natural Resources Governance.**
17 – A technical and multi-sectoral consultative body involving all stakeholders concerned within a
18 watershed shall be convened by the FMB pursuant to this Act, specifically for each FMU and
19 cluster of FMUs as appropriate and shall be consulted at least once a year to review and make
20 recommendations on watershed-based management related policies at the local and regional level.
21 Further, the FMB shall extend technical assistance to multi-sectoral bodies organized for the
22 purpose of policy making in relation to environment and natural resource governance specifically
23 on forest governance issues.

24

25 **SEC. 39. Function of Multi-sectoral Consultative Bodies.** – The body shall be responsible
26 for the over-all policy direction and monitoring in the management of the forest lands and forest
27 resources found within their respective jurisdictions in accordance with the provision of this Act.
28 Specifically, (a) it shall review and recommend implementation of programs and projects, (b)
29 perform oversight and monitoring functions on matter pertaining to management performance and
30 status of environment and natural resources, and (c) participate in the review and recommend
31 relevant policies for the protection, conservation and restoration efforts within the watershed in
32 ensuring significant contribution of the forestry sector to national economy, ecological
33 sustainability and sustainable development closely adhering to the principles and priority programs
34 of the Government. Said body may also facilitate the initiation of the LGUs' participation in the
35 devolution program and monitoring the transfer and implementation of devolved functions to the
36 LGUs.

37

38 **SEC. 40. Power and Water Utility Service Providers.** – Forest lands or portions thereof,
39 which have been placed by law or agreement under the administration and management of
40 government and private power and water utilities service providers, shall be included in the
41 partitioning of forest lands into appropriate categories consistent with the purpose of the assigned
42 forest land, and shall remain under the administration and management of the said utilities service
43 providers concerned; *Provided*, That the DENR shall exercise oversight power on the planning,
44 management, utilization, and assessment of all forest resources in these areas.

45

46 **SEC. 41. Governance Mechanism.** – The following mechanisms shall be developed,
47 established and used for the sustainable forest management:

48

49 a. Institutional Support for Sustainable Forest Management. The principles and practices of
50 transparency, accountability, and participatory decision-making, in transactions, decision,

1 and actions affecting forestry, in all levels, and the policy of streamlining, decentralization,
2 devolution, and deregulation shall be adopted, promoted, and institutionalized in the
3 DENR.

- 4
- 5 b. Forest Land Use Planning. Updating and preparation of forest land use plans shall be
6 integrated with the updating and preparation of comprehensive land use plans of local
7 government units.
- 8
- 9 c. Linkage. Networks and linkages with local and international institutions, civil society
10 organizations, local government units and industries involved in the promotion and
11 practice of sustainable forest management shall be strengthened.
- 12
- 13 d. Revenues and Benefit-sharing. FMB shall prescribe appropriate fees and government
14 shares for different kinds of utilization, exploitation, occupation, possession, or activities
15 within forest lands, as well as the corresponding administrative fees for permits,
16 agreements, and other services.
- 17
- 18 e. Authority to Impose or Waive Fees. The DENR shall have the authority to impose other
19 fees for payment for ecosystem services and forest protection, management, reforestation,
20 and development. In addition, the Department may waive fees and charges on government
21 activities within forest lands that supports public utility, social welfare, national security,
22 or national interest.
- 23
- 24 f. Third-Party Monitoring. FMB shall undertake the monitoring and control of forest
25 management and utilization through a third-party audit and certification. A National Forest
26 Certification System shall be established by the FMB which will outline the policy, rules,
27 procedures, and management for implementing forest management certification and chain-
28 of-custody certification in the country. The FMB shall develop pertinent guidelines, in
29 coordination with all stakeholders, for the implementation of this provision subsequent to,
30 and after one (1) year upon the effectivity of this Act.
- 31
- 32 g. Forest Management Information System. FMB shall establish a forest management
33 information system which consists of comprehensive up-to-date information on the
34 physical, social, financial, economic, biological, and environmental components of the
35 country's forest lands and forest resources. It shall include a continuous monitoring system
36 to track the utilization and movement or transfer of forest-based goods and services, the
37 changes in the state of forest resources and ecosystem services, and its drivers. It shall
38 include further a ground-based validation system as basis for assessing progress towards
39 sustainable forest management.
- 40
- 41 h. Empowering Concerned Government Officials on Implementing Sustainable Forest
42 Management. It shall be the priority of the State to ensure that government employees
43 involved in the implementation of the sustainable forest management law are properly
44 trained, sufficiently equipped, adequately compensated, and given ample opportunities to
45 participate in its implementation. The DENR and other agencies involved shall
46 appropriately provide funding for the same.
- 47
- 48
- 49
- 50

ARTICLE VII

OFFENSES AND PENALTIES

SEC. 42. Harvesting, Gathering, Collection, Mining without Permit, or Possession of Forest Resources from Protection Forest Lands. – Any person who shall harvest, gather, collect, or possess any forest resource from protection forestlands without authority, except non-timber forest products, shall be punished with imprisonment ranging from six (6) years and one (1) day to twelve (12) years and one (1) day and/or a fine equivalent to ten (10) times the value of the said forest resource. The Forest Protection Officers shall have the authority to estimate the present market value of the forest resources subject of the illegal harvest, gathering, collection or possession based on the guidelines promulgated by the DENR.

13 In case of partnerships, associations, or corporations, the president, managing partner or
14 general manager shall be held liable.

16 In case of aliens, the Bureau of Immigration shall deport them without further proceedings
17 after paying the fine imposed.

SEC. 43. *Illegal Harvesting, Gathering, Collection, or Possession of Forest Resources as an Act of Economic Sabotage.* – Illegal forest activities such as timber poaching, conversion of forest lands to agriculture, residential and other land uses, charcoal making, wildlife trading, use of exotic species in natural forests, and any of the acts enumerated in the preceding section shall be considered as an economic sabotage when committed by:

- 25 a. At least two or more persons through an organized and systematic manner; and
26
27 b. Any person, when the amount of forest resources harvested, gathered, collected, or
28 possessed amounts to at least five million pesos (P5,000,000.00).

30 The penalty of imprisonment for twenty (20) years and one (1) day to forty (40) years shall
31 be imposed.

SEC. 44. Grazing Livestock in Forest Lands without Authority. – Any person found to have caused the grazing of livestock in forest lands without an authority and permit from the DENR shall be punished with the imprisonment of two (2) years, four (4) months, and one (1) day to four (4) years and two (2) months. The livestock shall be confiscated in favor of the local government unit concerned.

SEC. 45. *Unlawful Occupation of Forest Lands.* – Except for indigenous peoples occupying ancestral lands consistent with their CADC and/or CADT and the provisions of Republic Act No. 8371 or the Indigenous Peoples Rights Act, any person who possess or occupy any parcel of public and/or protection forestland without any permit, tenurial instrument or authority from the DENR shall be punished with a penalty of imprisonment of six (6) years and one (1) day to twelve (12) years and a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00) and forced eviction from the area.

SEC. 46. *Destruction of Forest Lands.* – Any person who shall destroy or cause destruction within protection, ancestral, and public forest lands or assist, aids, or abets another person to do so, shall be punished with a penalty of imprisonment of six (6) years and one (1) day

1 to twelve (12) years, and a fine of not less than One hundred thousand pesos (P100,000.00) but
2 not more than Five hundred thousand pesos (P500,000.00).

3

4 **SEC. 47. Unlawful Operations of Sawmills, Wood Processing Plants, and Forest-Based**
5 **Industries.** – Any person operating sawmills, wood processing plants, and forest-based industries
6 without any permit or authority from the DENR, shall be punished with a penalty of imprisonment
7 for six (6) years and one (1) day to twelve (12) years and a fine of not less than five million pesos
8 (P5,000,000.00).

9

10 If the offender is a public official or employee, the accessory penalty of disqualification
11 for holding any public imposed for a period of twelve (12) years and one (1) day. If the offender
12 is an official or an employee of the Department, the accessory penalty of permanent
13 disqualification shall be imposed.

14

15 All forest resources, machinery, equipment, and tools pertinent to the operations of the
16 abovementioned establishments shall be confiscated in favor of the Government.

17

18 **SEC. 48. Prohibition on the Issuance of Land Titles or Tax Declarations on Forest**
Lands. – All land titles and tax declaration issued over forest lands shall be deemed void *ab initio*.
20 Any person who shall issue land titles and tax declarations over any forest land or a parcel thereof
21 shall be punished with imprisonment of six (6) years and one (1) day to twelve (12) years and a
22 fine of not less than One hundred thousand pesos (P100,000.00) nor more than five hundred
23 thousand pesos (P500,000.00). The accessory penalty of disqualification shall be imposed for a
24 period of twelve (12) years and one (1) day.

25

26 **SEC. 49. Non-Payment and Non-Remittance of Forestry Fees and Charges.** – Any
27 person who fails to pay the amount due and payable as forestry fees or charges to the government
28 or remit the same to the proper authorities shall be punished with a penalty of imprisonment for a
29 period of six (6) years and one (1) day to twelve (12) years with a fine of not less than one hundred
30 thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00).

31

32 **SEC. 50. Non-Establishment of Tree Parks and Green Spaces.** – Every local government
33 unit shall establish and maintain tree parks and green spaces pursuant to their comprehensive land
34 use plans. Funds for the establishment and maintenance of the same shall form part of the local
35 government unit's annual budget.

36

37 Every owner of land subdivided into residential, commercial, or industrial lots shall reserve,
38 establish and maintain at least thirty percent (30%) of the total land area of the subdivision,
39 exclusive of roads, service streets and alleys as green space for tree parks.

40

41 No subdivision plan shall be approved by the Housing and Land Use Regulatory Board
42 unless at least thirty percent (30%) of the total area of the subdivision has been reserved as green
43 space. The owner must develop the green space within three (3) years from the approval of the
44 subdivision plan.

45

46 Any local government unit or owner of a parcel of land subdivided into residential,
47 commercial, or industrial lots who fails to establish green spaces or tree parks as provided in the
48 preceding paragraphs shall be penalized with a fine of not less than Five hundred thousand pesos
49 (P500,000.00) nor more than One million pesos (P1,000,000.00).

SEC. 51. *Illegal Conversion of Tree Parks and Green Spaces.* – Any person who shall convert or cause to convert any tree park or green space for a purpose inconsistent with that which is provided for by this Act shall be punished with a penalty of imprisonment for six (6) years and one (1) day to twelve (12) years and/or a fine not less than Five hundred thousand pesos (P500,000.00) nor more than One million pesos (P1,000,000.00).

If the offender is a public official or employee, the accessory penalty of disqualification is imposed for a period of twelve (12) years and one (1) day. If the offender is an official or an employee of the Department, the accessory penalty of permanent disqualification shall be imposed.

SEC. 52. Arrest and Detention. – If the apprehension was conducted in remote areas far from the place where persons authorized to conduct inquest proceedings are located, the delivery to the proper judicial authorities shall be done within a reasonable time period, taking into consideration the ordinary travel time from the place of arrest to the place of delivery.

In order to facilitate the delivery of arrested persons for violations of this Act, the Department of Justice shall designate in every city and province a special prosecutor who shall be responsible for filing appropriate charges against arrested offenders.

SEC. 53. Public Auction of Forest Resources. – If the confiscated forest resources are in danger of deteriorating, the DENR may order that the same be sold at public auction even before the termination of the judicial proceedings, with the proceeds kept in trust to await the outcome of the judicial proceedings.

SEC. 54. Authority of Forest Protection Officers. – When in the performance of their officials duties, forest protection officers or other public officials or employees authorized by the DENR, shall have free access into forest lands or any parcel thereof.

29 They are also authorized to search the exterior and interior of all vehicles suspected to
30 contain illegally harvested, collected, or gathered forest resources: *Provided*, That the search is
31 done in the presence of the apprehended persons and two (2) public local officials.

Finally, forest protection officers are authorized to administer oaths, take acknowledgements in official matters connected under the authority of this Act and its implementing rules and regulations.

ARTICLE VIII

ADMINISTRATIVE PROVISIONS

SEC. 55. 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, his duly authorized representative may order the confiscation of forest resources illegally harvested, collected, gathered, possessed and those that are abandoned. This authority shall extend to all conveyances used either on land, water or air as well as machinery, equipment, implements, and tools used in the commission of the offense and to dispose of the same in accordance with pertinent laws, rules and regulations.

SEC. 56. Administrative Authority of the Secretary to Impose Fines. – In all cases of violations of this Act and other forest laws, rules, and regulations where fine is the principal penalty, the Secretary or his duly authorized representative, after the consultation with the forest-based

1 industries affected, is hereby authorized to impose administratively the penalty consisting of the
2 amount and the schedules of the fine which shall be officially published in a national newspaper
3 of general circulation.

4

5 **SEC. 57. Fines Escalation Clause.** – The fines herein prescribed shall be increased by at
6 least ten percent (10%) every three (3) years to compensate for inflation and to maintain the
7 deterrent function of such fines.

8

9 **SEC. 58. Informant's Incentive.** – Twenty percent (20%) of the value of confiscated
10 materials shall be used as incentives to informants including forest management councils, forest
11 management boards to be placed in the Sustainable Forest Development Fund. They shall also be
12 entitled to free legal assistance should cases be filed against them in the performance of official
13 duties.

14

15 **SEC. 59. Suits and Strategic Legal Action Against Public Participation and the
16 Enforcement of this Act.** –

- 17
- 18 a. A legal action filed to harass, vex, exert undue pressure, or stifle any legal recourse that
19 any person, institution, or the government has taken or may take in the enforcement of this
20 Act, protection of the environment or assertion of environmental rights shall be governed
21 by this Section.
- 22
- 23 b. A suit and strategic legal action against public participation may be interposed as a defense
24 by a person involved in the enforcement of environmental laws, protection of the
25 environment, or assertion of environmental rights. The suit or strategic legal action shall
26 be supported by documents, affidavits, papers, and other evidence; and, by way of
27 counterclaim, pray for damages, attorney's fees and costs of suit.

28

29 The court shall direct the plaintiff or adverse party to file an opposition showing the suit is
30 not valid as a defense, attaching evidence in support thereof, within a non-extensible period of five
31 (5) days from receipt of notice that an answer has been filed.

32

33 The suit or strategic legal action shall be set for hearing by the court after issuance of the
34 order to file an opposition within fifteen (15) days from filing of the comment or the lapse of the
35 period.

- 36
- 37 c. The hearing on the suit or strategic legal action shall be summary in nature. The parties
38 must submit all available evidence in support of their respective positions. The party
39 seeking the dismissal of the case must prove by substantial evidence that his act for the
40 enforcement of this Act is a legitimate action for the protection, preservation and
41 rehabilitation of the environment. The Party filing the action assailed as a SLAPP shall
42 prove by preponderance of evidence that the action is not a SLAPP and is a valid claim.
- 43
- 44 d. The affirmative defense of a SLAPP shall be resolved within thirty (30) days after the
45 summary hearing. If the court dismisses the action, the court may award damages,
46 attorney's fees and costs of suit under a counterclaim if such has been filed. The dismissal
47 shall be with prejudice.
- 48

If the court rejects the suit or strategic legal action, the evidence adduced during the summary hearing shall be treated as evidence of the parties on the merits of the case. The action shall proceed in accordance with the Rules of Court.

SEC. 60. *Citizen's Suit.* – Any citizen may file an appropriate civil, criminal or administrative action with 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 agency with respect to orders, rules, and regulations issued inconsistent with this Act;
- c. Any public officer who willfully or grossly neglects the performance of an act 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 law or its implementing rules and regulations.

However, no suit can be filed until after a notice of violation is sent to the alleged offender within thirty (30) days starting from the date of the occurrence of the violation.

SEC. 61. *Implementing Rules and Regulations.* – The DENR, in consultation with other government agencies and relevant stakeholders charged with the administration and enforcement of this Act shall promulgate the necessary implementing rules and regulations within one (1) year from the effectivity of this Act.

SEC. 63. *Appropriations.* - The amount necessary to initially implement the provisions of this Act shall be charged against the appropriations of the DENR in the current General Appropriations Act. *Provided*, that a share from the VAT on oil and natural gas, emission testing tax, flood control tax, road users tax, and the Reforestation, Watershed Management Health and/or Environment Enhancement Fund Power Industry Reform Act of 2001 (EPIRA), and its Implementing Rules and Regulations (IRR), shall be appropriated to fund provisions in this Act. Thereafter, such sums as may be necessary to fully implement the provisions in this Act shall be included in the annual General Appropriations Act. For local government units, the funding requirements shall be taken from their internal revenue allotment (IRA) and other sources of income including the income derived from the shares from the different modes of agreement.

SEC. 64. *Transitory Provisions.* – Upon the approval of this Act, the DENR shall evaluate the conditions of all forest lands covered by existing tenure instruments, agreements or contracts, permits, and the like, which shall be allowed to continue until their expiry unless otherwise earlier terminated for cause.

SEC. 65. *Separability Clause.* – Should any provision of this Act be subsequently declared not constitutional, such declaration shall not affect the validity or the legality of the other provisions.

SEC. 66. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations, issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

1 **SEC. 67. *Effectivity.*** – This Act shall take effect thirty (30) days from the date of its
2 publication in the Official Gazette and a newspaper of general circulation.
3

4 *Approved,*