

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



'19 JUL -8 P3:16

SENATE

S. No. 284

RECEIVED BY: J

---

Introduced by Senator **PIA S. CAYETANO**

---

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

**EXPLANATORY NOTE**

Forests play an important role in providing the country with natural resources that contribute to economic growth and social development. These forests also provide livelihood through raw materials that will be converted into finished products.

Apart from the economic benefits, forests also serve as protection and buffer from natural disasters such as flood and erosions. However, due to the ecological disturbances brought about by the carelessness of many, lives have been lost in natural disasters that could have been averted if only our forests were preserved.

For this reason, the proposed Sustainable Forest Management Act aims to ensure that our forests are properly managed to meet the needs of the present and future generations.

The bill mandates the development of an effective and sustainable forest management strategy based on the allocation of forestland uses and by promoting land use practices that will not only be productive but will also conserve forest

resources such as soil, lumber, and water. This forest management strategy will also work to protect existing forest resources, conserve our fragile biodiversity and rehabilitate deforested or denuded areas. It is also envisioned to promote and stimulate food production activities without compromising forested areas.

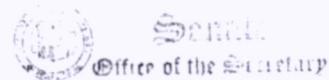
This bill likewise provides for a Community-Based Forest Management Program (CBFMP) to be undertaken by concerned national agencies and the local government units. With this, indigenous people and other forest-based communities will be empowered to manage, develop, utilize and protect forest resources in a sustainable way.

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



PIA S. CAYETANO

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



SENATE  
Office of the Secretary

SENATE

'19 JUL -8 P 3:16

S. No. 284

RECEIVED BY: J

---

Introduced by Senator **PIA S. CAYETANO**

---

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

- 12       a. The specific limits of forest lands, after these have been fixed and  
13       demarcated, shall not be altered, except through an act of Congress;  
14       b. The use and conservation of forest lands and forest resources found therein  
15       shall bear a social, cultural, ecological, biological, and economic functions,  
16       responsibility and accountability to promote the common good of present and  
17       future generations.

- 1       c. The protection of forest ecosystem, as well as rehabilitation through  
2       reforestation and afforestation of the degraded forest ecosystem, shall be  
3       given priority to mitigate climate change, improve and conserve biodiversity,  
4       enhance ecosystem functions and services and provide long-term economic  
5       benefits;
- 6       d. Forests lands shall be partitioned and planned into forest management units  
7       (FMUs) based on natural topographic and hydrologic boundaries and shall  
8       consider the watershed continuum approach which adopts a holistic inter-  
9       relationship between the upstream and downstream areas in order to carry  
10      out efficiently the rational ecological treatment of the entire landscape from  
11      the mountain down to the coast.
- 12      e. The management, protection, conservation and development of forest  
13      resources shall be done in an integrated, inclusive, developmental, and  
14      sustainable manner, focusing on the forest resource and the people who  
15      manage, conserve and benefit from it.

16           Sec. 3. *Objectives.* – The general objective of this bill is to optimize the  
17      utilization of forest resources to support sustainable development of the country by  
18      providing equitable access and benefit sharing to stakeholders. The specific  
19      objectives are:

- 20       a. To deregulate the management of forest lands and forest resources;
- 21       b. To provide sustainable livelihood and enterprises especially among those  
22       depending and temporarily residing in forest lands;
- 23       c. To strengthen institutional mechanisms to respond to forest management  
24       concerns namely, development of the forest industry; law enforcement; and  
25       management of watershed;
- 26       d. To create the Sustainable Forest Development Fund as a support mechanism  
27       for funding requirements of forest management units;
- 28       e. To reorient the role of the Forest Management Bureau to be more responsive  
29       and pro-active consistent with the objectives of this Act;
- 30       f. To ensure that required forest cover is achieved to maintain the provision of  
31       ecological services.

1           Sec. 4. *Scope and Coverage.* – The provisions of this Act shall apply to all  
2 forest lands and all forest resources in lands over which the Philippines has  
3 sovereignty and jurisdiction: *Provided*, That all forest lands and forest resources  
4 found in protected areas established under the National Integrated Protected Areas  
5 System (NIPAS) shall be sustainably managed and developed following the principles  
6 of this Act and consistent with the provisions of Republic Act No. 7586, or the  
7 “National Integrated Protected Areas System Act of 1992”, as amended by Republic  
8 Act No. 10629, and Republic Act No. 11038, or the “Expanded National Integrated  
9 System Act of 2018”; *Provided further*, That all wildlife resources and critical habitats  
10 found in forest lands, including alienable and disposable lands, shall be governed by  
11 Republic Act No. 9147, or the “Wildlife Resources Conservation and Protection Act”;  
12 *Provided furthermore*, that the rights of indigenous cultural communities and  
13 indigenous peoples to their ancestral forest lands shall be respected, as provided for  
14 in Republic Act No. 8371 or the “Indigenous Peoples’ Rights Act of 1997”; *Provided*  
15 *finally*, that all forest lands under the management or administration of local  
16 government units and other government agencies or instrumentalities shall be  
17 managed in accordance with their duly legislated charters and the principles and  
18 provisions of this Act.

19           Sec. 6. *Definition of Terms.* – As used in this Act:

- 20       a. *Biodiversity* refers to the variability among living organisms from all sources,  
21 including, *inter alia*, terrestrial, marine, and other aquatic ecosystems in the  
22 ecological complexes of which they are part of;
- 23       b. *Climate Change* refers to a change in climate that can be identified by  
24 changes in the mean and/or variability of its properties and that persists for  
25 an extended period, typically decades or longer whether due to natural  
26 variability or as a result of human activity;
- 27       c. *Climate Change Adaptation* refers to the adjustment in natural or human  
28 systems in response to actual or expected climatic stimuli or their effects,  
29 which moderates harm or exploits beneficial opportunities;
- 30       d. *Climate Change Mitigation* refers to human intervention to reduce  
31 anthropogenic emissions by sources and removals by sinks of all greenhouse  
32 gases including ozone depleting substances and their substitutes;

- 1       e. *Ecosystem* refers to a community of living organisms interacting with each  
2           other and with their physical environment;
- 3       f. *Ecotourism* refers to a form of sustainable tourism within a natural and/or  
4           cultural heritage area where community participation, protection and  
5           management of natural resources, culture, and indigenous knowledge and  
6           practices, environmental education and ethics, as well as economic benefits  
7           are fostered and pursued for the enrichment of host community and  
8           satisfaction of visitors;
- 9       g. *Forest* refers to an ecosystem or an assemblage of ecosystems dominated by  
10           trees and other natural vegetation; a community of plants and animals  
11           interacting with one another and its natural environment;
- 12      h. *Forestland* refers to land of the public domain classified as needed for forest  
13           purposes, including both production and protection. They shall include all  
14           forest reserves of the public domain;
- 15      i. *Forest Management Unit* (FMU) refers to a clearly defined forest area  
16           assigned for management based on a set of objectives and a long-term  
17           watershed-based management plan. All current forest tenurial instruments  
18           may be considered FMUs;
- 19      j. *Forest-Based Industries* refer to various industries that are dependent on raw  
20           materials or products derived from forests such as, but not limited to, wood,  
21           rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers, or wild  
22           flora and fauna;
- 23      k. *Forest Resources* refer to all products and resources whether biomass such as  
24           plants and animals including its by-products and derivatives, which can be a  
25           raw material, or non-biomass such as soil, water, scenery, as well as the  
26           intangible services and values present in forest lands or in other lands  
27           devoted for forest purposes;
- 28      l. *Forest Restoration* refers to a management strategy applied in degraded  
29           primary forest to enhance and accelerate natural processes of forest  
30           regeneration in order to regain the elastic capacity of forest ecosystem;

- 1       m. *Indigenous species* refer to species or genotypes that have evolved in the  
2              same area, region or biotope and are adapted to the specific predominant  
3              ecological conditions at the time of establishment;
- 4       n. *Multiple-Use* refers to the harmonized utilization of land, soil, water, wildlife,  
5              recreation value, grass and timber of forest lands;
- 6       o. *Natural Forest* refers to a forest composed of naturally growing indigenous  
7              trees, not planted by man, whose structure, composition, and dynamics have  
8              been largely the result of natural succession process;
- 9       p. *Non-Timber Forest Products* refer to all biological materials and derivatives  
10              other than timber;
- 11       q. *Plantation* refers to forest stand established by planting and/or seeding in the  
12              process of afforestation or reforestation. The stand is of either introduced  
13              species (all planted stands), or an intensively managed stand of any  
14              indigenous species, which meets all the following criteria: one or two species  
15              at plantation, even-aged class, and regular spacing;
- 16       r. *Processing Plant* refers to any establishment or infrastructure housing any  
17              mechanical set-up, device, machine, or combination of machines used for the  
18              conversion of logs and other forest raw materials into lumber, fiberboard,  
19              pulp, paper, or other finished wood products;
- 20       s. *Reforestation* refers to the establishment of forest plantations on temporarily  
21              un-stocked lands that are considered as forests;
- 22       t. *Sustainable Forest Management* refers to the process of watershed-based  
23              management of forest land and resources to achieve one or more clearly  
24              specified objectives of management with regard to the continuous production  
25              of desired forest products and the delivery of ecosystem services without  
26              undue reduction of its inherent values, biodiversity and future productivity  
27              and without undesirable effects on the physical and social environment; and
- 28       u. *Watershed* refers to the land area drained by a stream or fixed body of water  
29              and its tributaries having a common outlet for surface runoff. A watershed  
30              can be part of a larger landscape that includes connections from the head  
31              waters to the reef.

## **ARTICLE II**

# **ADMINISTRATION, DEVELOPMENT, MANAGEMENT AND UTILIZATION OF FOREST LANDS AND FOREST RESOURCES**

4 Sec. 7. *Administration, Development, Management and Utilization of*  
5 *Forestlands.* – Forestlands and forest resources shall be under the full supervision  
6 and control by the State. The development and utilization thereof shall be under the  
7 State's full control and supervision. The State may directly undertake such activities,  
8 or it may enter into agreements with qualified persons in order for these persons to  
9 receive technical assistance and appropriate incentives.

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

17 Sec. 8. *Categories of Forestlands.* – For the purpose of administration,  
18 development, management and utilization, forest lands in the Philippines shall be  
19 categorized into ancestral forest lands, private forest lands, and public forest lands.

- 20 a. Ancestral forestlands are ancestral lands and domains defined as such under  
21 Republic Act No. 8371, otherwise known as the "Indigenous Peoples Rights  
22 Act of 1997".

23 b. Private forest lands are alienable and disposable lands registered under the  
24 current land registration system of the country which are devoted for forestry  
25 purposes.

26 c. Public forest lands shall include all lands of the public domain that have not  
27 been declared as a National Parks under Section 5 of Republic Act No. 7586,  
28 otherwise known as the "National Integrated Protected Areas System Act of  
29 1992", as amended by Republic Act No. 11038; mineral lands pursuant to  
30 Republic Act No. 7942 otherwise known as the "Philippine Mining Act of  
31 1995", and those lands not classified as agricultural based on the maps

1           developed by the National Mapping and Resource Information Authority  
2           (NAMRIA).

3           Sec. 9. *Demarcation and Delimitation.* – Within five (5) years from the  
4       approval of this Act, the DENR shall demarcate on the ground the actual land  
5       classification lines, in coordination with LGUs and agencies assigned by law to  
6       administer and manage forestlands or parts thereof: *Provided*, That the DENR  
7       Secretary, upon completion of the actual assessment of the demarcated land  
8       classification lines, shall recommend to Congress the delimitation of the forestlands  
9       found to be still suitable and capable for its purpose.

10          Public forest lands shall not be reclassified, except through an act of  
11       Congress.

12          Sec. 10. *Management of Forest Lands.* – For purposes of management and  
13       planning, all forest lands shall be managed for protection or production purposes  
14       only.

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

- 18           (1.) Virgin forest and old-growth, dipterocarp forest;
- 19           (2.) All areas one thousand (1,000) meters above sea level;
- 20           (3.) All areas with a slope of fifty percent (50%) or more;
- 21           (4.) All areas along the bank of rivers and streams, and the shores of the  
22       seas and lakes throughout entire length and within a zone of three (3)  
23       meters in urban areas, twenty (20) meters in agricultural areas and forty  
24       (40) meters in forest areas, along their margins which are subject to the  
25       easement of public use.

26          All extractive activities, including harvesting, gathering, and collection of  
27       forest resources except planted mangrove species and non-timber forest products,  
28       are prohibited within forest lands for protection purposes. However, the sustainable  
29       traditional resource rights of indigenous peoples shall be respected.

30          Only indigenous species shall be planted or introduced within protection forest  
31       lands.

1       b. Production Forest Lands. All public forest lands not classified as protection  
2           forest lands, pursuant to this Section, shall constitute the production forest  
3           lands of the country. These lands shall be devoted for the production or  
4           timber and non-timber forest products to supply the domestic forest resource  
5           demand of the country and facilitate international trade of forest resources.

6           Sec. 11. *Forest Management Units.* – For the purposes of assigning respective  
7           areas of operations and management, all public forest or timber land shall be  
8           assigned and registered as “Forest Management Units” (FMUs) with the DENR:  
9           Provided, That all areas under an existing and valid tenure agreement or  
10          management arrangement with the DENR before the passage of this Act shall be  
11          considered as FMUs.

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

18           Sec. 12. *Qualified managers of FMUs.* – To ensure effective management of  
19          forest lands, managers of FMUs shall be confined to qualified and capable persons,  
20          or entities which include indigenous and local households, civil society organizations,  
21          business organizations, forest land use tenure holders, and dedicated national and  
22          local government units including government-owned and controlled corporations  
23          subject to the requirements to be provided in the implementing rules and regulations  
24          of this Act.

25           Sec. 13. *FMU Development and Management Planning.* – Every FMU shall  
26          have a management plan formulated by the FMU Manager that were reviewed and  
27          concurred by a Registered Professional Forester which shall be approved by the  
28          DENR. The FMU management plan shall contain the following:

- 29           a. FMU management objective;  
30           b. Description of the physical, environmental, socio-economic, and  
31           administrative profile of the FMU;

- c. Mapping and zoning of the FMU into production and high conservation value-forest zones;
- d. Management prescriptions to be applied in each zone to meet the FMU management objectives;
- e. Implementation plan; and
- f. Expected benefits and impacts of the plan.

Sec. 14. *Sustainable Management of Mangrove Resources.* – Mangrove species planted within protection or production forest lands can be harvested, gathered or collected, taking into consideration the basic forestry policies and strategies provided for in this Act. The harvesting, gathering, and collection of mangrove species shall be upon the authority provided for by the Bureau.

Sec. 15. *Mined-Out Areas and Abandoned Fishpond Areas.* – The management and administration of all forest lands that are considered as either mined-out areas or abandoned fishpond lease areas shall be reverted back to the FMB.

SEC. 16. *Utilization of Forest Resources.* – The harvesting, gathering and collection of all planted forest resources within production forest lands and private forests, including its by-products and derivatives, shall not require any clearance from the DENR: *Provided*, That any request for clearances for domestic transport of forest resources submitted to the DENR shall be acted upon within seven (7) days from the date of its submission with the proper office. After a lapse of seven (7) days and no action has been taken by the DENR, the clearance for transport is deemed approved.

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

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

Sec. 17. *Regulation and Utilization of Forest Resources within Ancestral Forest Lands.* – The rights of the indigenous cultural communities or indigenous peoples over their ancestral forest lands shall be respected: *Provided*, That management of

1 forest resources within those lands shall be regulated by the DENR as provided for  
2 by laws, rules, and regulations.

3 **ARTICLE III**

4 **FOREST-BASED INDUSTRIES**

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

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

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

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

31 *Sec. 22. Community-Based Forest Enterprises.* – Economic activities and  
32 practices of local communities, including indigenous cultural communities, and

1 indigenous peoples, on forest-based enterprises, including non-timber forest  
2 products, that promote the sustainable use of forest resources shall be supported  
3 and promoted to address food security and improve quality of life.

## **ARTICLE IV**

## **5 EMPOWERING AND ENABLING CONDITIONS FOR SUSTAINABLE FOREST**

### **6 MANAGEMENT**

7        Sec. 23. *Forest Land Use and Tenure Instruments.* – The State, represented  
8 by the DENR, may undertake the exploration, development, and utilization of forest  
9 lands and forest resources found therein with qualified persons, whether natural or  
10 juridical, through tenure instruments.

11        Sec. 24. *Forest Management Agreement.* – The State, through the DENR and  
12 a qualified person, whether natural or juridical, may enter into a Forest Management  
13 Agreement for the exploration, development, and utilization of forest lands and  
14 forest resources found therein. The Forest Management Agreement shall have a  
15 duration of twenty-five (25) years and may be extended for another twenty-five (25)  
16 years.

17 Sec. 25. *Scope of Forest Management Agreement.* – The Forest Management  
18 Agreement may be entered into for the following purposes:

- 19       a. Agroforestry plantations (in accordance to the standards of the DENR) Forest  
20           plantation development;  
21       b. Forest plantation development with processing plant;  
22       c. Ecotourism development; and  
23       d. Special uses for forest lands;

24 A Forest Management Agreement may be entered into for a single purpose or  
25 a combination of any of the abovementioned purposes.

26 Sec. 26. *Special Uses of Forest Lands.* A Forest Management Agreement may  
27 be entered into for a special use of forest land which shall include the following:

- 28 a. Dry Dock Site;
  - 29 b. Industrial Processing Site;
  - 30 c. Herbal or Medicinal Plantation;
  - 31 d. Fish Drying Site;
  - 32 e. Communication Station Site;

- f. Public Landing Site or Airstrip;
- g. Log Pond or Log Depot;
- h. Lumber Yard;
- i. Motor Pool Site;
- j. Power Station Site;
- k. Transmission Line Site;
- l. Right-of-Way;
- m. Farm-to-Market roads;
- n. Government Facility Site (e.g. schools, clinics, satellite offices among others);
- o. Water Reservoir;
- p. Renewable Energy Projects:

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

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

- a. Filipino citizens;
- b. Corporations or associations at least sixty percent of whose capital is owned by Filipinos;
- c. Local government units, when the purpose of the Forest Management Agreement is for public use or the establishment of government centers and facilities; or
- d. Other National Government Agencies or Government-Owned or Controlled Corporations, when the purpose of the Forest Management Agreement is for national interest, like transmission lines, water reservoirs, or distribution lines for electricity.

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

- a. Forest Plantations, Forest Plantations with Processing Plants. The sharing of outputs from Forest Management Agreements entered into for the purpose of developing and managing forest plantations, and forest plantations with

1 processing plants shall be based on the total gross output of the plantation  
2 harvests. Said sharing shall be done in a manner advantageous to national  
3 interest without prejudice for incentives that may be prescribed by the DENR.

- 4 b. For ecotourism purposes, the person who entered into a Forest Management  
5 Agreement with the State for the purpose of ecotourism or other special uses  
6 for forest lands shall have the obligation to pay an annual user's fee  
7 equivalent to five percent (5%) of the nearest commercial zonal value per  
8 square meter or a fraction thereof.
- 9 c. Government Facilities or Infrastructures. Non-income generating government  
10 facilities such as public school sites, public hospitals or clinics, government  
11 center or offices, roads, farm-to-market access roads, and public buildings are  
12 exempt from paying any fee or other pecuniary obligation with the State.  
13 Provided, that the use of these establishments or infrastructures shall not be  
14 subject to privatization.

15 Sec. 29. *Forestry Research, Education, Training, and Extension.* – The  
16 Research and Technology Department of the Ecosystems Research and  
17 Development Bureau, Forest Products Research and Development Institute,  
18 universities, and other research institutions shall be strengthened to support  
19 sustainable management of forest resources. For this reason, Forestry Development  
20 Center of the University of the Philippines Los Baños shall lead in forest policy  
21 research in collaboration with schools, universities, and colleges (SUCs) as well as  
22 other stakeholders.

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

29 The Continuing Professional Development shall be promoted and upheld  
30 through selected universities and training institutions on forestry and natural  
31 resources management subject to the Professional Regulation Commission's  
32 accreditation system. Forestry education in the Philippines shall be rationalized to

1 ensure the quality of formal forestry education and establish, support and sustain  
2 the national and regional centers of development and excellence in forestry and  
3 environmental education to develop high quality human resources and promote  
4 global competitiveness. The Commission on Higher Education shall include forest  
5 ecology and environment courses in general education curricula. The DENR shall  
6 formulate a nationwide program for sustained public information and advocacy  
7 campaign for forests and natural resources conservation, sustainable forest  
8 management, and climate change.

9           Sec. 30. *The Sustainable Forest Development Fund.* A Sustainable Forest  
10 Development Fund (SFDF) is hereby established to provide concessional financing  
11 particularly for forest development projects proposed by qualified managers of  
12 FMUs. Said Fund shall be administered by a Government Financial Institution as a  
13 trust account managed under the "capital preservation" principle.

14           The preferred government financing institution (GFI), together with the  
15 DENR, shall invest at most 75% of the net interest income from loans to forest  
16 development - support facilities including but not limited to road networks, seedling  
17 nurseries, water supply systems, and research facilities subject to recommendation  
18 by the FMB.

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

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

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

28           The DENR shall include in the implementing rules and regulations of this Act  
29 the guidelines for the management, development, and operationalization of the  
30 SFDF, in coordination with other concerned agencies civil service organizations.

31           Sec. 31. *Importation and Sale.* – Forest resources may be imported into the  
32 country, subject to existing laws, rules, and regulations. All imported forest

1 resources shall comply with the Philippine National Standards to be developed by the  
2 Department of Trade and Industry in coordination with the Forest Products Research  
3 and Development Institute and the DENR. Compliance with these standards shall be  
4 a precondition for the sale or disposition of these products in the Philippines.

5 **ARTICLE VI**

6 **ORGANIZATIONS AND GOVERNANCE**

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

- 10 a. Oversee the provision of technical, marketing, financial, tenurial and  
11 infrastructure support to persons and entities engaged in FMU management;
- 12 b. Ensure watershed-based planning and monitoring processes are observed in  
13 forestry-related developments;
- 14 c. Facilitate institutional linkages and convergence initiatives among forestry  
15 stakeholders in support of effective development and management of forest  
16 lands consistent with its protection and production uses;
- 17 d. Provide scientific information-based policy recommendations in aide  
18 sustainable forest management; and
- 19 e. Promote cost-effectiveness of forestry investments among local and  
20 international investors and donors in line with sustainable forest  
21 management.

22 The Undersecretary shall be appointed by the President of the Republic of the  
23 Philippines, whose office, structure, and staffing, shall be determined by the  
24 Secretary subject to existing laws, rules, and regulations.

25 *Sec. 33. Reconstitution of the Forest Management Bureau.* – The Forest  
26 Management Bureau is hereby reconstituted as a line bureau under the DENR, which  
27 shall be responsible for the administration, management, development, and  
28 protection of forest lands and forest resources of the country, with functions  
29 specifically as follows:

30

- a. Implementation of all policies, plans, programs, projects and activities concerning forest lands with provision for effective feed-backing and reporting mechanisms;
- b. Ensure sufficient provision of technical, marketing, financial, tenurial and infrastructure support to persons and entities engaged in FMU management;
- c. Enforce watershed-based planning approaches in all forest-land development and management endeavors;
- d. Encourage the participation of forestry stakeholders through multi-sectoral consultative bodies in all forestry-related consultative processes;
- e. Develop and implement an effective geographical information system in aide of forestry planning, monitoring and policy formulation;
- f. Monitor and evaluate the physical, environmental and socio-economic outcomes in the management of all FMUs; and
- g. Formulate and publish periodic reports informing stakeholders of the status of the Philippine forest lands using both qualitative and quantitative methods.

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

Sec. 35. *Assistance of Law Enforcement Agencies.* – Local Government Units, the Department of Interior and Local Government, and the DENR, may, when they deem necessary, call upon law enforcement agencies and instrumentalities of the Government such as the Philippine National Police (PNP), the Armed Forces of the Philippines (AFP), the Philippine Coast Guard (PCG) and the National Bureau of Investigation (NBI) for the enforcement of environmental laws, executive orders, and their implementing rules and regulations.

Sec. 36. *Creation of Community-based Law Enforcement Team.* – The Community-based Forest Law Enforcement Team (CFLET) shall be organized with members composed of representatives from direct stakeholders in a particular watershed. Said Team shall be deemed as quick responders on complaints to be augmented or reinforced by the Forest Ranger. Funding for CFLET's operational

1 requirements shall be sourced from agreed contributions from FMU Managers agreed  
2 with the DENR, proceeds from sale of confiscated forest products, donations from  
3 various sources.

4         *Sec. 37. Local Government Units.* – Enabling mechanisms shall be developed  
5 to enhance the participation of the local government units in the sustainable  
6 management and utilization of forest resources within their territorial jurisdiction,  
7 including those assigned by law to other government agencies.

8         LGUs with forest lands inside their jurisdiction shall align their CLUPs, local  
9 development plans, disaster risk reduction management plans and other required  
10 plans according to the objectives specified herein and in the protected area  
11 management plans.

12         *Sec. 38. Other Government Agencies.* – Forest lands or portions thereof,  
13 which have been placed under the administration and management of other  
14 government agencies, shall remain under the administration and management of the  
15 said government agencies; with the DENR exercising oversight power over these  
16 areas: *Provided*, That their administration and management shall be based on the  
17 policies, strategies, and programs that are consistent with the provision of this Act;  
18 *Provided, further*, That the concerned agencies shall submit an annual  
19 accomplishment report to the DENR.

20         *Sec. 39. Multi-Sectoral Consultative Bodies in Relation to Natural Resources  
Governance.* – A technical and multi-sectoral consultative body involving all  
21 stakeholders concerned within a watershed shall be convened by the DENR pursuant  
22 to this Act, specifically for each FMU and cluster of FMUs as appropriate and shall be  
23 consulted at least once a year to review and make recommendations on watershed-  
24 based management related policies at the local and regional level. Further, the DENR  
25 shall extend technical assistance to multi-sectoral bodies organized for the purpose  
26 of policy-making in relation to environment and natural resource governance  
27 specifically on forest governance issues.

28         *Sec. 40. Function of Multi-sectoral Consultative Bodies.* – The body shall be  
29 responsible for the over-all policy direction in the management of the forest lands  
30 and forest resources found within their respective jurisdictions in accordance with  
31 the provision of this Act. Specifically, it shall:

- a. Review and recommend implementation of programs and projects;
- b. Perform oversight functions on matter pertaining to the environment and natural resources; and
- c. Participate in the review and recommend relevant policies for the protection, conservation, and restoration efforts within the watershed in ensuring significant contribution of the forestry sector to national economy, ecological sustainability, and sustainable development closely adhering to the principles and priority programs of the Government.

Said body may also facilitate the initiation of the LGUs' participation in the devolution program and monitoring the transfer and implementation of devolved functions to the LGUs.

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

*Sec. 42. Governance Mechanism.* – The following mechanisms shall be developed, established, and used for the sustainable forest management:

- a. The principles and practices of transparency, accountability, and participatory decision-making, in transactions, decision, and actions affecting forestry, in all levels, and the policy of streamlining, decentralization, devolution, and deregulation shall be adopted, promoted, and institutionalized in the DENR.
- b. Updating and preparation of forest land use plans shall be integrated with the updating and preparation of comprehensive land use plans of local government units.
- c. Networks and linkages with local and international institutions, civil society organizations, local government units and industries involved in the promotion and practice of sustainable forest management shall be strengthened.

- 1           d. The DENR shall prescribe appropriate fees and government shares for  
2           different kinds of utilization, exploitation, occupation, possession, or activities  
3           within forest lands, as well as the corresponding administrative fees for  
4           permits, agreements, and other services.
- 5           e. The DENR shall have the authority to impose other fees for payment for  
6           ecosystem services and forest protection, management, reforestation, and  
7           development. In addition, the DENR may waive fees and charges on  
8           government activities within forest lands that supports public utility, social  
9           welfare, national security, or national interest.
- 10          f. The DENR shall undertake the monitoring and control of forest management  
11          and utilization through a third-party audit and certification. A National Forest  
12          Certification System shall be established which will outline the policy, rules,  
13          procedures, and management for implementing forest management  
14          certification and chain-of-custody certification in the country. The DENR shall  
15          develop pertinent guidelines, in coordination with all stakeholders, for the  
16          implementation of this provision subsequent to the effectivity of this Act.
- 17          g. The DENR shall establish a forest management information system which  
18          consists of comprehensive up-to-date information on the physical, social,  
19          financial, economic, biological, and environmental components of the  
20          country's forest lands and forest resources. It shall include a continuous  
21          monitoring system to track the utilization and movement or transfer of forest-  
22          based goods and services, the changes in the state of forest resources and  
23          ecosystem services, and its drivers. It shall include further a ground-based  
24          validation system as basis for assessing progress towards sustainable forest  
25          management.
- 26          h. It shall be the priority of the State to ensure that government employees  
27          involved in the implementation of the sustainable forest management law are  
28          properly trained, sufficiently equipped, adequately compensated, and given  
29          ample opportunities to participate in its implementation. The DENR and other  
30          agencies involved shall appropriately provide funding for the same.

31  
32

## **ARTICLE VII**

### **OFFENSES AND PENALTIES**

3           Sec. 43. *Harvesting, Gathering, Collection, or Possession of Forest Resources*  
4         *from Protection Forest Lands.* – Any person who shall harvest, gather, collect, or  
5         possess any forest resource from protection forest lands shall be punished with  
6         imprisonment ranging from six (6) years and one (1) day to twelve (12) years and  
7         one (1) day and/or a fine equivalent to ten (10) times the value of the said forest  
8         resource. The Forest Protection Officers shall have the authority to estimate the  
9         present market value of the forest resources subject of the illegal harvest, gathering,  
10       collection or possession based on the guidelines promulgated by the DENR.

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

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

15 Sec. 44. *Illegal Harvesting, Gathering, Collection, or Possession of Forest*  
16 *Resources as an Act of Economic Sabotage.* – Any of the acts enumerated in the  
17 preceding section shall be considered as an economic sabotage when committed by:

- 18 a. At least two or more persons through an organized and systematic manner;  
19 and  
20 b. Any person, when the amount of forest resources harvested, gathered,  
21 collected, or possessed amounts to at least One million pesos  
22 (P1,000,000.00).

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

25 Sec. 45. *Grazing Livestock in Forest Lands without Authority.* – Any person  
26 found to have caused the grazing of livestock in forest lands without an authority  
27 from the DENR shall be punished with the imprisonment of two (2) years, four (4)  
28 months, and one (1) day to four (4) years and two (2) months. The livestock shall  
29 be confiscated in favor of the Government.

30 Sec. 46. *Unlawful Occupation of Forest Lands.* – Any person who, without the  
31 authority from the DENR, possesses or occupies any parcel of forest land shall be  
32 punished with a penalty of imprisonment of six (6) years and one (1) day to twelve

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

3           Sec. 47. *Destruction of Forest Lands.* – Any person who shall destroy or cause  
4       destruction within forest lands or assist, aids, or abets another person to do so, shall  
5       be punished with a penalty of imprisonment of six (6) years and one (1) day to  
6       twelve (12) years, and a fine of not less than One hundred thousand pesos  
7       (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00).

8           Sec. 48. *Unlawful Operations of Sawmills, Wood Processing Plants, and  
9       Forest-Based Industries.* – Any person operating sawmills, wood processing plants,  
10      and forest-based industries without any authority from the DENR, shall be punished  
11      with a penalty of imprisonment for six (6) years and one (1) day to twelve (12)  
12      years and a fine of not less than Five hundred pesos (P500,000.00).

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

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

20           Sec. 49. *Prohibition on the Issuance of Land Titles or Tax Declarations on  
21       Forest Lands.* – All land titles and tax declaration issued over forest lands shall be  
22       deemed void *ab initio*. Any person who shall issue land titles and tax declarations  
23       over any forest land or a parcel thereof shall be punished with imprisonment of six  
24       (6) years and one (1) day to twelve (12) years and a fine of not less than One  
25       hundred thousand pesos (P100,000.00) nor more than five hundred thousand pesos  
26       (P500,000.00). the accessory penalty of disqualification shall be imposed for a period  
27       of twelve (12) years and one (1) day.

28           Sec. 50. *Non-Payment and Non-Remittance of Forestry Fees and Charges.* –  
29       Any person who fails to pay the amount due and payable as forestry fees or charges  
30       to the government or remit the same to the proper authorities shall be punished  
31       with a penalty of imprisonment for a period of six (6) years and one (1) day to

1 twelve (12) years with a fine of not less than one hundred thousand pesos  
2 (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00).

3        Sec. 51. *Non-Establishment of Tree Parks and Green Spaces.* – Every local  
4 government unit shall establish and maintain tree parks and green spaces pursuant  
5 to their comprehensive land use plans. Funds for the establishment and  
6 maintenance of the same shall form part of the local government unit's annual  
7 budget.

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

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

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

21        Sec. 52. *Illegal Conversion of Tree Parks and Green Spaces.* – Any person  
22 who shall convert or cause to convert any tree park or green space for a purpose  
23 inconsistent with that which is provided for by this Act shall be punished with a  
24 penalty of imprisonment for six (6) years and one (1) day to twelve (12) years  
25 and/or a fine not less than Five hundred thousand pesos (P500,000.00) nor more  
26 than One million pesos (P1,000,000.00).

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

31        Sec. 53. *Arrest and Detention.* – If the apprehension was conducted in  
32 remote areas far from the place where persons authorized to conduct inquest

1 proceedings are located, the delivery to the proper judicial authorities shall be done  
2 within a reasonable time period, taking into consideration the ordinary travel time  
3 from the place of arrest to the place of delivery.

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

8 Sec. 54. *Public Auction of Forest Resources.* – If the confiscated forest  
9 resources are in danger of deteriorating, the DENR may order that the same be sold  
10 at public auction even before the termination of the judicial proceedings, with the  
11 proceeds kept in trust to await the outcome of the judicial proceedings.

12 Sec. 55. *Authority of Forest Protection Officers.* – When in the performance of  
13 their officials duties, forest protection officers or other public officials or employees  
14 authorized by the DENR, shall have free access into forest lands or any parcel  
15 thereof.

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

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

## 23                           **ARTICLE VIII**

### 24                           **ADMINISTRATIVE REMEDIES**

25 Sec. 56. *Administrative Authority of the Secretary or his Duly Authorized  
26 Representative to Order Confiscation.* – In all cases of violations of this Act or other  
27 forest laws, rules, and regulations, the Secretary or his duly authorized  
28 representative may order the confiscation of forest resources illegally harvested,  
29 collected, gathered, possessed and those that are abandoned. This authority shall  
30 extend to all conveyances used either on land, water or air as well as machinery,  
31 equipment, implements, and tools used in the commission of the offense and to  
32 dispose of the same in accordance with pertinent laws, rules and regulations.

1           Sec. 57. *Administrative Authority of the Secretary to Impose Fines.* – In all  
2 cases of violations of this Act and other forest laws, rules, and regulations where fine  
3 is the principal penalty, the Secretary or his duly authorized representative, after the  
4 consultation with the forest-based industries affected, is hereby authorized to  
5 impose administratively the penalty consisting of the amount and the schedules of  
6 the fine which shall be officially published in a national newspaper of general  
7 circulation.

8           Sec. 58. *Fines Escalation Clause.* – The fines herein prescribed shall be  
9 increased by at least ten percent (10%) every three (3) years to compensate for  
10 inflation and to maintain the deterrent function of such fines.

11          Sec. 59. *Informant's Incentive.* – Twenty percent (20%) of the value of  
12 confiscated materials shall be used as incentives to informants including forest  
13 management councils, forest management boards. They shall also be entitled to free  
14 legal assistance should cases be filed against them in the performance of official  
15 duties.

16          Sec. 60. *Suits and Strategic Legal Action Against Public Participation and the  
17 Enforcement of this Act.* –

18          a. A legal action filed to harass, vex, exert undue pressure, or stifle any legal  
19            recourse that any person, institution, or the government has taken or may  
20            take in the enforcement of this Act, protection of the environment or  
21            assertion of environmental rights shall be governed by this Section.

22          b. A suit and strategic legal action against public participation may be interposed  
23            as a defense by a person involved in the enforcement of environmental laws,  
24            protection of the environment, or assertion of environmental rights, The suit  
25            or strategic legal action shall be supported by documents, affidavits, papers,  
26            and other evidence. The person involved in the enforcement of environmental  
27            laws may also by way of counterclaim, pray for damages, attorney's fees and  
28            costs of suit.

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

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

4       c. The hearing on the suit or strategic legal action shall be summary in nature.  
5           The parties must submit all available evidence in support of their respective  
6 positions. The party seeking the dismissal of the case must prove by  
7 substantial evidence that his act for the enforcement of this Act is a legitimate  
8 action for the protection, preservation and rehabilitation of the environment.  
9           The Party filing the action assailed as a SLAPP shall prove by preponderance  
10 of evidence that the action is not a SLAPP and is a valid claim.

11      d. The affirmative defense of a SLAPP shall be resolved within thirty (30) days  
12 after the summary hearing. If the court dismisses the action, the court may  
13 award damages, attorney's fees and costs of suit under a counterclaim if such  
14 has been filed. The dismissal shall be with prejudice.

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

18       Sec. 61. *Citizen's Suit.* – Any citizen may file an appropriate civil, criminal or  
19 administrative action with the proper court against:

- 20       a. Any person who violates or fails to comply with the provisions of this Act or its  
21 implementing rules and regulations;
- 22       b. The DENR or other implementing agency with respect to orders, rules, and  
23 regulations issued inconsistent with this Act;
- 24       c. Any public officer who willfully or grossly neglects the performance of an act  
25 specifically enjoined as a duty by this Act or its implementing rules and  
26 regulations; or abuses his authority in the performance of his duty; or in any  
27 manner improperly performs his duties under this law or its implementing  
28 rules and regulations.

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

1           Sec. 62. *Implementing Rules and Regulations.* – The DENR, in consultation  
2 with other government agencies and relevant stakeholders charged with the  
3 administration and enforcement of this Act shall promulgate the necessary  
4 implementing rules and regulations within one (1) year from the effectivity of this  
5 Act.

6           Sec. 63. *Transitory Provisions.* – Upon the approval of this Act, the DENR shall  
7 evaluate the conditions of all forest lands covered by existing tenure instruments,  
8 agreements or contracts, permits, and the like, which shall be allowed to continue  
9 until their expiry unless otherwise earlier terminated for cause.

10          Sec. 64. *Separability Clause.* – Should any provision of this Act be  
11 subsequently declared not constitutional, such declaration shall not affect the validity  
12 or the legality of the other provisions.

13          Sec. 65. *Repealing Clause.* – All laws, decrees, executive orders, rules and  
14 regulations, issuances or parts thereof inconsistent with the provisions of this Act are  
15 hereby repealed or modified accordingly.

16          Sec. 66. *Effectivity.* – This Act shall take effect thirty (30) days from the date  
17 of its publication in the Official Gazette and a newspaper of general circulation.

Approved,