



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

3 (c) Integrated and sustainable, focusing on the resource and the people  
4 who manage, conserve and benefit from it, shall be the guiding principle in the  
5 management, protection, conservation and development of forest resources.

6 In carrying out the above policies, the following strategies shall be  
7 pursued:

8 (1) Watershed as the Basic Forestland Management Unit. – Forestlands  
9 shall be conserved, developed and managed utilizing watershed as the basic  
10 management unit and under the concepts of sustainable and multiple-use  
11 management, including the conservation of biodiversity;

12 (2) Multi-sectoral Participation. – The participation of all sectors of  
13 society in sustainable forestland conservation, management and development  
14 shall be promoted. Equitable sharing of the benefits derived from forestlands  
15 shall be ensured at all times;

16 (3) Community-based Forest Management (CBFM) as a Principal  
17 Strategy. – Vesting access rights and responsibilities to dependent families,  
18 local communities and indigenous peoples to undertake the management and  
19 development of appropriate forestland resources on a sustainable basis shall be  
20 the principal strategy;

21 (4) Protection of Forestlands and Natural Resources as Priority  
22 Concern. – The protection of forestlands, especially protected areas and the  
23 natural resources in these areas, shall be given priority concern in order to  
24 ensure environmental stability, enhance biological diversity, increase  
25 productivity and provide economic benefits;

26 (5) Reforestation as a Priority Measure. – Economic and ecological  
27 reforestation shall be given priority emphasis in order to rehabilitate and

1 restore the usefulness or productivity of open and/or denuded and degraded  
2 forestlands as well as increase the income of communities concerned;

3 (6) Security of Tenure of Stakeholders. – In pursuance of the principles  
4 of sustainable and multi-use forest management and equitable access to forest  
5 resources, a secured tenure shall be guaranteed to stakeholders concerned; and

6 (7) Professionalism in the Forest Service. – A dynamic, professional  
7 and people-oriented forest service shall be established and fully supported by  
8 the government.

9 SEC. 3. *Definition of Terms.* – As used in this Act, the term:

10 (a) “Afforestation” shall refer to the planting of trees or the artificial  
11 establishment of a forest in areas that were not previously forested.

12 (b) “Agro-forestry” shall refer to a strategy for the sustainable  
13 management of lands which increases their overall productivity by properly  
14 combining agricultural crops and/or livestock with forest crops simultaneously  
15 or sequentially through the application of management practices which are  
16 compatible with the local climate, topography, slope, soil, as well as the  
17 cultural patterns or customary laws of the local population.

18 (c) “Agricultural lands” shall refer to lands of the public domain which  
19 have been delimited, classified and declared as such, and are available for  
20 disposition under the provisions of Commonwealth Act No. 141, as amended,  
21 otherwise known as the Public Land Act.

22 (d) “Ancestral domains” shall refer to all areas generally belonging to  
23 indigenous cultural communities (ICCs) or indigenous peoples (IPs) as defined  
24 in Republic Act No. 8371 or the Indigenous Peoples Rights Act (IPRA) of  
25 1997.

26 (e) “Ancestral lands” shall refer to lands occupied, possessed and  
27 utilized by members of the ICCs/IPs as defined in the IPRA.

1 (f) "Biological diversity or biodiversity" shall refer to the variability  
2 among living organisms including, *inter alia*, terrestrial, marine and other  
3 aquatic ecosystems and the ecological complexes of which they are part. This  
4 includes diversity within and between species and ecosystems.

5 (g) "Buffer zones" shall refer to identified areas outside the boundaries  
6 of and immediately adjacent to protected areas pursuant to Section 8 of  
7 Republic Act No. 7586 or the National Integrated Protected Areas System Act  
8 of 1992 (NIPAS Act) that need special development control in order to avoid  
9 or minimize harm to the protected area.

10 (h) "By-product" shall refer to any part taken from wildlife species  
11 such as hides, antlers, feathers, fur, internal organs, roots, trunks, branches,  
12 leaves, stems, flowers and the like.

13 (i) "Commercial logging" shall refer to the cutting or felling of trees  
14 for the purpose of disposing of the cut or felled logs for economic gains  
15 beyond survival and livelihood means.

16 (j) "Communal forest" shall refer to a tract of forestland set aside and  
17 established for and under the protection, administration and management of a  
18 city, municipality or barangay as a source of wood material for fuel, shelter and  
19 manufactured products; as a source of water for the community; and area for  
20 ecotourism and/or environmental protection or socioeconomic projects of local  
21 government units consistent with sustainable development.

22 (k) "Community-based Forest Management Strategy" shall refer to all  
23 organized efforts of government to work with forest-dependent families and  
24 communities inside and adjacent to public forestlands with the intent to  
25 empower them and entrust to them the protection, rehabilitation, management,  
26 conservation and utilization of forestlands and their natural resources.

27 (l) "Conservation" shall refer to planned protection and management  
28 of forests and their resources so as to prevent waste and ensure future use.

1 (m) "Conveyance" shall refer to any vehicle, vessel, device or animal  
2 used in gathering or transporting forest products.

3 (n) "Co-production agreement" shall refer to an agreement entered into  
4 by and between a qualified person and the government for the former to  
5 develop, utilize and manage, consistent with the principles of sustainable  
6 development, a private land or portion of a forestland wherein both parties  
7 agree to provide inputs and share the products or their equivalent cash value.

8 (o) "Critical watershed" shall refer to a drainage area of a river system  
9 supporting existing and proposed hydroelectric power, irrigation works or  
10 existing water facilities needing immediate protection and rehabilitation to  
11 minimize erosion and improve water yield.

12 (p) "Department" shall refer to the Department of Environment and  
13 Natural Resources (DENR).

14 (q) "Denuded forestlands" shall refer to former forested lands but are  
15 now devoid of trees due to human activities.

16 (r) "Degraded forests" shall refer to all forestlands containing less than  
17 five (5) square meters in basal area per hectare of commercial tree species with  
18 diameters at breast height or diameter above buttress of less than sixty-five  
19 (65) centimeters.

20 (s) "Environmentally critical project" shall refer to a project or  
21 program that has high potential for significant negative environmental impact.

22 (t) "Environmental Compliance Certificate (ECC)" shall refer to the  
23 document issued by the Department certifying that a proposed project or  
24 undertaking will not cause a significant negative impact on the environment;  
25 that the proponent has complied with all the requirements of the Environmental  
26 Impact Assessment (EIA) System in accordance with Presidential Decree No.  
27 1151 or the Philippine Environmental Policy and Presidential Decree No.  
28 1586, establishing an Environmental Impact Statement System; and that the

1 proponent is committed to implement its approved Environment Management  
2 Plan found in the Environmental Impact Statement (EIS) or mitigation  
3 measures identified in the Initial Environmental Examination (IEE).

4 (u) "Environmental Impact Assessment" shall refer to the process of  
5 predicting the likely environmental consequences of implementing a project or  
6 undertaking and designing the appropriate preventive, mitigating or  
7 enhancement measures.

8 (v) "Environmental Impact Statement System" shall refer to the  
9 organization, administration and procedures that have been institutionalized  
10 pursuant to Presidential Decree No. 1586 for purposes of assessing the  
11 significance of the effects of any project or undertaking on the quality of the  
12 physical, biological and socioeconomic environment and designing the  
13 appropriate mitigating and enhancement measures.

14 (w) "Forest" shall refer to land with tree crown cover or equivalent  
15 stocking level of more than ten percent (10%) and an area of more than half a  
16 hectare. The trees should be able to reach a minimum height of five (5) meters  
17 at maturity *in situ*. It may consist either of closed forest formations where trees  
18 of various storeys and undergrowth cover a high proportion of the ground or  
19 open forest formation with a continuous vegetation cover in which tree crown  
20 cover exceeds ten percent (10%). Young natural stands and all plantations  
21 established for forestry purposes which have yet to reach a crown density of  
22 ten percent (10%) or tree height of five (5) meters are included under forest, as  
23 are areas normally forming part of the forest area which are temporarily  
24 unstocked as a result of human intervention or natural causes but which are  
25 expected to revert to forest. Forests include such stand types as dipterocarp,  
26 pine, mossy, molave, beach and mangrove. For the purpose of this Act, natural  
27 forests may be classified according to: (1) primary-use and management, a  
28 forest shall be classified as either protection forest or production forest after its

1 most suitable and dominant multi-use function has been determined pursuant to  
2 this Act; and (2) growth formation, a forest is classified as either closed forest  
3 or open forest. Closed forests have trees in various storeys and undergrowth  
4 that cover a high proportion, greater than forty percent (40%) of the ground  
5 and do not have a continuous dense grass layer. Closed forests are either  
6 managed or unmanaged forests, primary or in advanced state of reconstitution,  
7 and may have been logged over one or more times but have kept their  
8 characteristics of forest stands, possibly with modified structure and  
9 composition. Open forests have trees that are of discontinuous layer, with a  
10 coverage of at least ten percent (10%) and less than forty percent (40%).

11 (x) "Forest charges" shall refer to the levy imposed and collected by  
12 the government on naturally growing timber and other forest products cut,  
13 harvested or gathered from the forestlands and from "alienable or disposable  
14 (A&D)" lands in accordance with Republic Act No. 7161.

15 (y) "Forest-based industries" shall refer to various industries that are  
16 dependent on raw materials or products derived from forests such as, but not  
17 limited to, wood, rattan, bamboo, vines, latex, resins, saps, essences, fruits,  
18 flowers or wild flora and fauna.

19 (z) "Forest-based community" shall refer to a group of people residing  
20 inside or immediately adjacent to a particular forestland who are largely or  
21 partly dependent on the forest resources found in the area for their livelihood.

22 (aa) "Forestlands" shall refer to lands of the public domain that have  
23 been classified as such and all unclassified lands of the public domain.

24 (bb) "Forest officer" shall refer to any public officer who, by the nature  
25 of his appointment or the functions of the position to which he is appointed, is  
26 delegated by law and regulations or commissioned by competent authorities to  
27 execute, implement or enforce the provisions of this Act and other related laws  
28 and regulations.

1 (cc) "Forest plantation" shall refer to a forest stand established by  
2 planting and/or seeding in the process of afforestation and reforestation. The  
3 stand is either of introduced species or of any indigenous species, or both.

4 (dd) "Forest products" shall refer to goods and services derived from  
5 the forest such as, but not limited to, timber, lumber, veneer, plywood,  
6 fiberboard, pulpwood, firewood, bark, tree top, resin gum, wood oil, honey,  
7 beeswax, nipa, rattan or other forest growth such as grass, shrub and flowering  
8 plant, the associated water, fish, game, scenic, historical and educational.

9 (ee) "Forest resources" shall refer to all resources whether biomass  
10 such as plants and animals, including its by-products and derivatives, which  
11 can be raw materials to produce value-added products or non-biomass such as  
12 soil, water, scenery, as well as the intangible services and values present in  
13 forestlands or in other lands devoted for forest purposes.

14 (ff) "Forest-resource derivatives" shall refer to substances/materials  
15 extracted, or as exudates of the trees or part thereof such as, but not limited to,  
16 resins, gums tanning, beeswax, rosin and alike.

17 (gg) "Grazing land" shall refer to a portion of the public domain which  
18 has been set aside, in view of the suitability of its topography and vegetation,  
19 for the raising of livestock.

20 (hh) "Indigenous cultural community (ICC)" shall refer to a group of  
21 people or homogenous societies as defined in the IPRA Law. Indigenous  
22 cultural community is synonymous with indigenous people.

23 (ii) "Industrial Forest Management Agreement (IFMA)" shall refer to a  
24 production-sharing contract entered into by and between the Department and a  
25 qualified person, whether natural or juridical, wherein the former grants to the  
26 latter the exclusive right and responsibility to invest in, develop, manage and  
27 protect a defined area of the production forestland, including the  
28 establishment, management and utilization of industrial forest plantation,



1 consistent with the principle of sustainable development, primarily to supply  
2 the raw material requirements of wood-based processing and energy-related  
3 industries and wherein both parties share in the benefits therefrom.

4 (jj) "Industrial forest plantation" or "IFP" shall refer to any tract of  
5 land, whether public or private, planted to timber-producing species, including  
6 rubber and durian trees and/or non-timber species such as rattan and bamboo,  
7 primarily to supply the raw material requirements of forest-based industries,  
8 energy-generating plants and related industries.

9 (kk) "Integrated forest-based industry" shall refer to a rationalized  
10 forest resource industry which is characterized by the presence of  
11 complementary timber processing plants such as sawmills, plywood and veneer  
12 mills, particleboard and fiberboard plants, pulp and paper mills as well as  
13 secondary and/or tertiary wood processing plants.

14 (ll) "Integrated wood processing plant" shall refer to a combination of  
15 two (2) or more wood-based processing facilities, whether mechanical or  
16 chemical or both, such as sawmill, veneer and plywood mills or pulp and paper  
17 mills, including other facilities in the manufacture of semi- or completely  
18 finished wood products.

19 (mm) "Joint venture agreement" shall refer to an agreement wherein the  
20 government and a qualified person organize a joint venture company, with both  
21 parties having equity shares, to develop and manage a portion of forestland.  
22 Aside from earnings on the equity, the government shall be entitled to a share  
23 in the output computed at a certain percentage mutually agreed upon by and  
24 beneficial to both parties.

25 (nn) "Kaingin" shall refer to a portion of the forestland, whether  
26 occupied or not, which is subjected to a farming system based on shifting or  
27 slash-and-burn clearing of forest for the planting of agricultural and agro-forest  
28 crops.

1           (oo) “Managed forest” shall refer to a forestland under a deliberate  
2 system of protection, rehabilitation, development and utilization of resources to  
3 ensure sustainable production of desired forest products and/or services as well  
4 as the conservation of soil, water, wildlife and other natural resources.

5           (pp) “Multiple-use forestry” shall refer to the harmonized utilization,  
6 development and management of forestlands for the production of two (2) or  
7 more products, goods and/or services in conformity with the principle of  
8 sustainable development.

9           (qq) “National park” shall refer to an area of the public domain  
10 essentially natural wilderness, scenic or historic in character which has been  
11 withdrawn from settlement, occupancy or any form of exploitation except in  
12 conformity with an approved management plan and set aside exclusively to  
13 conserve the area or preserve the scenery, the natural and historic objects, wild  
14 animals and plants mainly for the purpose of biodiversity conservation and/or  
15 human enjoyment.

16           (rr) “Natural forest” shall refer to a forest composed of naturally  
17 growing indigenous trees, not planted by man, whose structure, composition  
18 and dynamics have been largely the result of natural succession processes.

19           (ss) “Nongovernment organization (NGO)” shall refer to a nonstock,  
20 nonprofit and voluntary organization established primarily to provide  
21 assistance or service.

22           (tt) “Non-timber forest products” shall refer to all biological materials  
23 and derivatives other than timber which are extracted from forests for human  
24 use.

25           (uu) “Permit” shall refer to a short-term privilege or authority granted  
26 by the State to a person to utilize any limited forest resources or undertake a  
27 limited activity within any forestland without any right of occupation and  
28 possession.

1 (vv) "Person" shall refer to a natural as well as juridical person,  
2 including local forest-based communities or IPs organized in accordance with  
3 law or custom.

4 (ww) "Processing plant or mill" shall refer to any mechanical setup,  
5 machine or combination of machines used for the conversion of logs and other  
6 forest raw materials into semi-finished or finished products.

7 (xx) "Production sharing agreement" shall refer to a contract between  
8 the government and a person, whether natural or juridical, wherein both parties  
9 exercise the right to manage, develop and utilize forest resources within a  
10 specific area of production forestlands and the period of time with the person  
11 providing the financing, technology, management, personnel, marketing and  
12 other inputs necessary to implement the agreement, and both parties sharing  
13 the benefits under the terms and conditions set forth in said agreement.

14 (yy) "Protected areas" shall refer to identified portions of land and  
15 water set aside pursuant to the NIPAS Act.

16 (zz) "Reforestation" shall refer to the planting of trees or artificial  
17 establishment of forest in areas that were previously forested.

18 (aaa) "Reservation" shall refer to a forestland that has been reserved by  
19 the President or by law for any specific purpose.

20 (bbb) "Rotation" shall refer to the number of years between the initial  
21 establishment of a plantation and the time when it is considered ready for  
22 harvesting.

23 (ccc) "Second-growth forest" shall refer to the status or condition of a  
24 forest subsequent to commercial logging of which there is more or less  
25 sufficient volume of residuals of the desired species of trees for future harvest.  
26 A second-growth forest is synonymous to a residual forest.

27 (ddd) "Secretary" shall refer to the Secretary of the Department of  
28 Environment and Natural Resources.

1 (eee) "Semi-finished wood products" shall refer to wood products  
2 requiring final stages of manufacture and/or assembly such as, but not limited  
3 to, window components, tabletops, veneer and other similar wood products.

4 (fff) "Silvicultural practices" shall refer to any scientific intervention to  
5 further improve or enhance the growth of trees or forest as a whole for future  
6 harvest.

7 (ggg) "Sustainable development" means meeting the needs of the  
8 present generation without compromising the ability of the future generations  
9 to meet their own needs.

10 (hhh) "Sustainable forest management" shall refer to the process of  
11 managing a forest to achieve one (1) or more clearly specified objectives of  
12 management with regard to the production of a continuous flow of desired  
13 forest products and services without undue reduction of its inherent values and  
14 future productivity, and without undesirable effects on the physical and social  
15 environment.

16 (iii) "Tenure" shall refer to guaranteed peaceful access to and use of  
17 specific forestland area and the resources found in the area through an  
18 agreement, contract or grant, which cannot be altered or abrogated without due  
19 process.

20 (jjj) "Timber License Agreement (TLA)" shall refer to a privilege  
21 granted by the State to a person to utilize forest resources within a forestland  
22 with the right of possession and occupation thereof to the exclusion of others  
23 except the government, but with the corresponding obligation to develop,  
24 protect and rehabilitate the same in accordance with the terms and conditions  
25 set forth in the said agreement.

26 (kkk) "Trade" shall refer to the act of engaging in the exchange,  
27 purchase or sale of forest products locally or internationally.

1 (lll) "Urban forestry" shall refer to the establishment and management  
 2 of forest in urban environment for the physiological and psychological  
 3 well-being of the people.

4 (mmm) "Watershed" shall refer to a land area drained by a stream or a  
 5 fixed body of water and with tributaries having a common outlet for surface  
 6 runoff.

7 (nnn) "Watershed reservation" shall refer to a forestland that has been  
 8 proclaimed by the President or by law as such, primarily for water production  
 9 purposes although other compatible uses may be allowed under sustainable and  
 10 multiple-use management concepts.

11 (ooo) "Wildlife" shall refer to wild forms and varieties of flora and  
 12 fauna in all developmental stages.

13 (ppp) "Wood-based industries" shall refer to various industries that use  
 14 wood as the principal raw material such as, but not limited to, sawmilling, pulp  
 15 and papermaking, and plywood and veneer manufacturing, the upstream wood-  
 16 based industries, as well as the secondary and tertiary wood processing such as,  
 17 but not limited to, moldings and furniture manufacturing.

## 18 CHAPTER II

### 19 CLASSIFICATION OF THE PERMANENT FORESTLANDS

20 SEC. 4. *The Permanent Forestlands.* – All lands of the public domain  
 21 classified as forestlands under the Department's land classification program,  
 22 including the remaining unclassified lands of the public domain, shall be  
 23 maintained as permanent forestlands.

24 SEC. 5. *Subclassification of the Permanent Forestlands.* – The  
 25 permanent forestlands shall be subclassified into the following categories  
 26 according to primary use:

27 (a) Protection Forestlands. – All areas within the forestlands designated  
 28 or set aside as such shall constitute the protection forestlands. All mossy and

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

14 (b) Production Forestlands. – All forestlands not subclassified as  
15 protection forestlands, defined in this section, shall constitute the production  
16 forestlands to be devoted to the production of timber and/or non-timber forest  
17 products or the establishment of industrial tree plantations, tree farms,  
18 communal forests, agro-forestry, grazing or as multiple-use forests, including  
19 water-based energy areas such as, but not limited to, hydrothermal and  
20 geothermal reservations: *Provided*, That they shall be managed, developed and  
21 utilized in accordance with a Department-approved management plan based on  
22 sustainable forest management principles.

### 23 CHAPTER III

#### 24 ADMINISTRATION AND MANAGEMENT OF FORESTLANDS 25 AND THEIR RESOURCES

26 SEC. 6. *Jurisdiction and Control of Forestlands.* – The Department  
27 shall be the primary agency responsible for the conservation, management,  
28 development and utilization of all forestlands and the unclassified lands of the

1 public domain, including all the resources found or growing in these lands.  
2 In coordination with the local government units (LGUs) and other government  
3 agencies, the Department shall ensure that forestlands and unclassified lands of  
4 the public domain are managed, conserved, developed, utilized and protected  
5 consistent with the policies and strategies promulgated in this Act. The  
6 utilization and development of forestlands and unclassified lands of the public  
7 domain, including their natural resources, shall be undertaken in accordance  
8 with Department-approved management plans: *Provided*, That the management  
9 plan for protected areas shall be prepared in accordance with the provisions of  
10 the NIPAS Act.

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

15 *SEC. 7. Forestlands Managed by Local Government Units (LGUs). –*  
16 Pursuant to the pertinent provisions of Republic Act. No. 7160 or the Local  
17 Government Code, LGUs shall share the responsibility in the sustainable  
18 management and utilization of forest resources within their territorial  
19 jurisdiction, including those assigned by law to other government agencies.  
20 Subject to vested rights, LGUs and the Department, in consultation with other  
21 government agencies, local communities, nongovernment organizations,  
22 academic and research institutions and other sectors, shall jointly undertake the  
23 preparation of forestland use and watershed management plans, particularly the  
24 identification of multiple-use areas and production forestlands within the  
25 territorial jurisdiction of each LGU which shall be made an integral component  
26 of the latter's Comprehensive Land Use Plan (CLUP). The LGUs shall be  
27 consulted on all forestry projects to be implemented in their territorial  
28 jurisdiction and shall have equitable share of incomes derived therefrom.

1 For this purpose, the Department, the Department of the Interior and Local  
2 Government (DILG), the leagues of provinces, cities, municipalities and  
3 barangays shall formulate a joint strategy and program to implement this  
4 provision within one (1) year from the passage of this Act.

5         SEC. 8. *Forestlands Under Other Government Agencies.* – Forestlands  
6 and/or portions thereof which have been assigned by law to the administration  
7 and management of other government agencies for a specific purpose,  
8 including those devolved to the LGUs prior to the passage of this Act, shall be  
9 subclassified as production forestlands and shall remain under the  
10 administration and management of these government agencies which shall be  
11 responsible for their conservation, protection, rehabilitation and  
12 subclassification into forestland, and the specific purpose for which the entire  
13 area has been assigned or reserved unless said assignment or reservation is  
14 consistent with the use of such area as protection forestland. The Secretary or  
15 a duly authorized representative shall exercise oversight functions over these  
16 forestlands. Moreover, these forestlands shall be administered in accordance  
17 with a forest management plan, which shall be prepared by the government  
18 agency or the concerned LGU in coordination with the Department and local  
19 communities and organizations within one (1) year from the effectivity of this  
20 Act: *Provided*, That the Department and the LGU or the government agency  
21 concerned shall periodically review, monitor and evaluate the implementation  
22 of the said management plan: *Provided, further*, That the harvesting of forest  
23 resources and the building of roads and other infrastructure shall be undertaken  
24 only with the prior approval of the Secretary and after compliance with EIS  
25 and ECC requirements: *Provided, finally*, That the Secretary shall recommend  
26 to Congress or the President of the Philippines the reversion to the Department  
27 of the jurisdiction and control over forestlands that are no longer needed nor  
28 used for the purpose by which they have been constituted or reserved or in case



1 the agency or the LGU concerned fails to rehabilitate, protect and conserve the  
2 forestland and its resources in accordance with the approved management plan.  
3 The Department shall determine the use of the reverted forestlands.

4 *SEC. 9. Forest Resources Within Alienable and Disposable Lands.—*

5 All forest resources, including trees planted or raised within alienable and  
6 disposable lands, belong to the owner of the land who shall have the right to  
7 harvest, transport, sell, contract, convey or dispose of the same without the  
8 necessity of any clearance from the Department. The Department shall  
9 encourage and provide incentives to landowners of alienable and disposable  
10 lands to develop, maintain and manage forests on their lands or to develop and  
11 maintain a tree plantation on such lands. Landowners who register their lands  
12 for forestry purposes shall be assisted by the Department in the preparation of  
13 a management plan and shall be entitled to appropriate incentives provided  
14 under Section 24: *Provided*, That agricultural lands devoted to the planting  
15 and harvesting of forest resources shall remain subject to the provisions of  
16 Republic Act No. 6657 or the Comprehensive Agrarian Reform Law.

17 *SEC. 10. Forest Resources Within Forestlands. –* All forest resources,

18 including non-timber forest products, its by-products and its derivatives,  
19 whether naturally growing, planted or raised which have been taken of or have  
20 been applied with some silvicultural practices, within forestlands including  
21 those forest resources within the areas covered by a Certificate of Ancestral  
22 Domain Title (CADT) or a Certificate of Ancestral Land Claim (CALC), shall  
23 be issued with a permit, agreement or clearance that are deemed necessary and  
24 appropriate by the Department, as recommended by the Forest Management  
25 Bureau (FMB). The transport of these forest resources from forestlands,  
26 including those from the areas of the ICCs or IPs covered by a CADT or a  
27 CALC, shall be covered by a separate permit, agreement or clearance duly  
28 issued by the Department.

1 Any declaration of forest resources as endangered, threatened,  
2 vulnerable and other restriction shall be done in coordination, consultation and  
3 clearance from the FMB.

4 SEC. 11. *Forest Resources Within Ancestral Domains.* – The  
5 recognition, ownership and management of ancestral lands and domains shall  
6 be governed by the provisions of the IPRA, but any project of a holder of a  
7 CADT or any such similar instrument to develop or use forestlands or forest  
8 resources that would result in severe soil erosion or environmental degradation  
9 shall be subject to the provisions of Presidential Decree No. 1151 or the  
10 Philippine Environmental Policy; Presidential Decree No. 1586, establishing  
11 an Environmental Impact Statement System; and this Act. The National  
12 Commission on Indigenous Peoples (NCIP) shall coordinate and consult the  
13 Department in providing assistance to the IPs in the sustainable management  
14 and development of forest resources within ancestral lands and domains. For  
15 this purpose, a multi-sectoral task force shall be created, to be composed of  
16 representatives from the Department, the NCIP, the Department of Agrarian  
17 Reform (DAR) and the concerned LGU to evaluate and validate the  
18 authenticity of all CALT/CALC claims and applications of the IPs prior to the  
19 conduct of all survey activities and the issuance of corresponding titles.

#### 20 CHAPTER IV

#### 21 FOREST MANAGEMENT PLANNING, 22 MONITORING AND ASSESSMENT

23 SEC. 12. *Sustainable Forest Management Planning.* – Subject to  
24 vested or prior rights, the Department, in consultation and coordination with  
25 LGUs, other government agencies, local communities, nongovernment  
26 organizations, individual and corporate entities, private sectors, academic and  
27 research institutions and other concerned sectors shall, within one (1) year  
28 from the effectivity of this Act, develop and adopt a sustainable forest

1 management strategy for each well-defined watershed or other appropriate  
2 forest management unit based on criteria, indicators and standards for  
3 sustainable forest management which, at their minimum, address the following  
4 requirements:

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

8 (b) Protection of existing forest resources and conservation of  
9 biodiversity;

10 (c) Rehabilitation or development of denuded areas to expand the  
11 forest resource base and promote food production activities;

12 (d) Enhancement of the socioeconomic well-being of local  
13 communities including IPs who are largely dependent on the forest for their  
14 livelihood;

15 (e) Promotion of closer coordination between and among the  
16 Department, LGUs, other national agencies, nongovernment organizations,  
17 local communities, the private sector, academic and research institutions, and  
18 other entities in the sustainable management of forestlands;

19 (f) Adoption of community-based forest management as a principal  
20 strategy in the management of forestlands and resources; and

21 (g) Integration of forest management and land-use plans at the  
22 barangay or community level to the CLUPs of cities and municipalities,  
23 including the adoption of effective impact monitoring system of forest  
24 management programs.

25 The Department shall adopt a comprehensive forestry master plan that  
26 shall define the development of the combination of outlooks for the different  
27 forestry land uses, its productivity, demand, supply, human resources policy  
28 and institutional changes.

1           SEC. 13. *Watershed and Ecosystems Management Approach.* – The  
2   Watershed and ecosystems planning framework in environment and natural  
3   resources management shall be adopted. The strategy for improved watershed  
4   resources management shall be demand-driven, community-based and  
5   multiple- and sustainable-use, considering national priorities and concerns of  
6   local stakeholders. Watershed management programs shall be guided by  
7   ecological, sociocultural, economic and institutional sustainability principles.  
8   A national watershed information system shall be developed to guide policy  
9   formulation, program development and implementation of watershed  
10   management initiatives.

11           A system of management prioritization of watersheds shall be pursued  
12   considering the following:

- 13           (a) Water supply for domestic, irrigation, power, industrial and  
14   commercial use;
- 15           (b) Contribution to the economy;
- 16           (c) Biodiversity and environmental enhancement;
- 17           (d) Cultural and historical value; and
- 18           (e) Effect on downstream areas.

19           SEC. 14. *Forestry Information System.* – The Department shall  
20   establish a forestry information system, which shall consist of a comprehensive  
21   up-to-date information on the physical, social, economic, biological and  
22   environmental components of the country's forestlands and forest resources.  
23   It shall include a resource monitoring system to enable the Department and its  
24   field offices to track the utilization, movement or transfer of forest-based  
25   goods and services from the source to their end-users. The Department shall  
26   conduct and/or update forest resource inventory at least once every five (5)  
27   years to ensure effective management.



1 Secretary may also allow CBFM in watershed reservations to promote their  
2 protection and rehabilitation: *Provided, however,* That the land-use practices  
3 and activities are in accordance with a management plan duly approved by the  
4 Secretary and would not induce severe soil erosion and surface run-off:  
5 *Provided, further,* That no CBFM agreement shall be issued over areas or  
6 portions thereof covered by ancestral domain titles without the prior informed  
7 consent of the concerned ICC.

8 SEC. 18. *Community Resource Management in CBFM Areas.* – The  
9 management of forestland resources in CBFM areas shall be embodied in a  
10 community resource management plan, which shall contain the community's  
11 vision, aspirations and strategies in the management of forestland resources.  
12 The Department, LGUs, other government agencies, nongovernment  
13 organizations, private companies, individuals and other sectors concerned shall  
14 provide these communities with appropriate long-term security of tenure,  
15 technical, managerial and financial assistance, training and other assistance, as  
16 the case may be, to empower them to manage and benefit from the forestland  
17 resources on a sustainable basis.

18 SEC. 19. *Qualified Participants.* – Organized forest communities shall  
19 be given priority to participate in the CBFM program. Indigenous peoples  
20 shall also be encouraged to actively participate in the implementation of  
21 CBFM activities in recognition of their rights to their ancestral domains and  
22 lands.

23 Organizations eligible to participate in CBFM shall have the following  
24 qualifications:

- 25 (a) Members shall be Filipino citizens; and  
26 (b) Members shall be any of the following:  
27 (1) Traditionally utilizing the resource for their livelihood;  
28 (2) Actually residing within the area to be awarded; or



1 parties concerned in the development of forest plantations in production  
2 forestlands: *Provided*, That any portion of the production forestland identified  
3 by the Department as needed for protection and rehabilitation purposes shall  
4 not be converted into forest plantations.

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

26       SEC. 23. *Reforestation and Afforestation in Alienable and Disposable*  
27 *Lands or Private Lands.* – Reforestation and afforestation or the establishment  
28 of tree farms or forest plantations in alienable and disposable lands or private



1 lands shall be encouraged. The private landowner(s) shall also be entitled to  
2 the incentives provided for under Section 24, particularly subsections (a), (b),  
3 (c), (d) and (e): *Provided*, That such private forest plantations are duly  
4 registered with the Department.

5 SEC. 24. *Tax Incentives.* – The following tax incentives shall be  
6 granted to qualified persons engaged in forest plantation activities:

7 (a) Expenses incurred in complying with the requirements of this Act  
8 shall be allowed as deductible expenses for income tax purposes subject to the  
9 provisions of the National Internal Revenue Code (NIRC) of 1997, as  
10 amended: *Provided*, That the deduction shall only apply to the taxable period  
11 when the expenses were incurred;

12 (b) Incentives granted to registered domestic enterprise under the  
13 Investments Priorities Plan (IPP); and

14 (c) Exemption from the payment of forest charges imposed under the  
15 provisions of this Act.

16 To encourage qualified persons to engage in forest plantation activities,  
17 the following incentives shall be granted in addition to those already provided  
18 by existing laws:

19 (1) The agreement holder shall not be subject to any obligation,  
20 prescribed in or arising out of the provisions of the National Internal Revenue  
21 Code, on withholding tax at source upon interest paid on loans incurred for the  
22 development and operation of forest plantation;

23 (2) Amounts expended by the agreement holder in the development and  
24 operation of a forest plantation prior to the commercial harvest shall be  
25 regarded as ordinary and necessary expenses or as capital expenditure;

26 (3) The Board of Investments shall classify forest plantations as  
27 pioneer and preferred areas of investment under its annual priority plan,  
28 subject to pertinent rules and regulations;

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

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

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

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

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

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

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

23 SEC. 25. *Voluntary Offer to Reforest.* – Private landowners, whether  
24 natural or juridical persons, may participate in reforestation and forest  
25 plantation development or similar programs of the Department, with the  
26 landowner contributing his land and the Department providing funds in  
27 accordance with Section 55 to reforest the area on a co-production agreement:  
28 *Provided,* That the property shall be exclusively devoted to the planting of

1 forest species for at least one (1) rotation, which undertaking shall be  
2 annotated at the back of the title of the property.

### 3 CHAPTER VII

#### 4 URBAN FORESTRY/COMMUNAL FOREST

5 SEC. 26. *Establishment of City or Municipal Parks and/or Communal*  
6 *Forest.* – Every city or municipality shall establish a city or municipal park or  
7 communal forest and shall include in its annual budget the necessary funds for  
8 its establishment and maintenance. Upon request by a city or municipality  
9 concerned, the Department shall set aside an appropriate area of the public  
10 forestlands as city or municipal park and/or communal forest and shall provide  
11 technical assistance to the local government concerned in the development of  
12 the park or communal forest.

13 SEC. 27. *Establishment of Tree Parks in Subdivision and Tree Planting*  
14 *on Roadsides.* – Every subdivision project to be developed after the passage of  
15 this Act shall include the establishment of a tree park of not less than fifty  
16 percent (50%) of the required total open spaces as provided in Section 2 of  
17 Presidential Decree No. 953, requiring the planting of trees in certain places.  
18 The guidelines for the establishment of tree parks within a subdivision shall be  
19 prepared jointly by the subdivision owner concerned, the Housing and Land  
20 Use Regulatory Board (HLURB) and the Department. The subdivision owner  
21 shall provide the funds for this purpose. For every major public road or  
22 irrigation construction project, the Department of Public Works and Highways  
23 (DPWH) shall include the planting and maintenance of trees along the  
24 road/highway or irrigation canals as landscaped rest areas every twenty-five  
25 (25) kilometers thereof and shall provide adequate funds for this purpose.  
26 Each city or municipality shall also allocate adequate funds for the planting,  
27 care and maintenance of trees or perennial shrubs in "greenbelts" or "green  
28 spaces" such as road/street sides, center islands, etc.

## CHAPTER VIII

## FOREST PROTECTION

1  
2  
3       SEC. 28. *Commercial Logging Ban.* – There shall be a permanent ban  
4 on commercial logging activities in all protection forestlands defined,  
5 categorized and subclassified in Section 5(a). No license, permit or agreement  
6 to cut any timber within a protection forestland shall be issued.

7       Portions of the production forestlands identified by the Department for  
8 protection purposes shall be excluded from any form of logging operations and  
9 the holder of the agreement or license shall establish a buffer zone and  
10 delineate their boundaries with the production forestlands, marking the same  
11 with concrete monuments, road or infrastructure, or any other visible,  
12 permanent and practicable signs.

13       To ensure the conservation and sustainable use of forest resources,  
14 holders of timber licenses, leases and permits shall submit to the Department  
15 an Integrated Operations Plan (IOP) containing strict environmental guidelines  
16 such as ECC compliance. All forest development activities such as logging,  
17 reforestation, timber stand improvement, forest protection and delivery of  
18 community service within an area covered by timber concessions shall be  
19 consolidated under the IOP, which shall be prepared by or under the  
20 supervision of an accredited private registered forester whose signature and dry  
21 seal shall appear in the plan and the supporting documents submitted for the  
22 purpose.

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

1           SEC. 29. *Assistance of Law Enforcement Agencies.* – The Department  
2 may call upon law enforcement agencies and instrumentalities of the  
3 government such as the Philippine National Police (PNP), the Armed Forces of  
4 the Philippines (AFP) and the National Bureau of Investigation (NBI) for the  
5 enforcement of the logging ban in all protection forestlands and for the  
6 protection and conservation of forests.

7           The Secretary of Justice shall designate in every city and province a  
8 special prosecutor who shall immediately file charges against forest violators  
9 to ensure their speedy prosecution.

10          SEC. 30. *Multi-sectoral Forest Protection Council.* – There shall be  
11 created a multi-sectoral forest protection council in every province, city and  
12 municipality which shall be responsible for law enforcement, prevention of  
13 forest fires, integrated pest management and protection against forest invasive  
14 species. The council shall be composed of representatives from, but not  
15 limited to, the Department, concerned LGU, NGOs, people's organizations,  
16 church and local academic institutions.

17          SEC. 31. *Role of LGUs and Local Residents.* – It shall be incumbent  
18 upon LGUs concerned to render assistance in protecting and conserving  
19 forestlands within their respective territorial jurisdiction. Qualified local  
20 residents may be deputized by the Department to assist in the drive against  
21 illegal logging, kaingin-making and forestland occupation. These deputized  
22 residents shall likewise be authorized to arrest forest violators within their  
23 communities, subject to existing laws and regulations on arrest and detention.

24          SEC. 32. *Prevention of Forest Fires and Control of Forest Pests and*  
25 *Diseases.* – In collaboration with concerned LGUs, the Department shall  
26 formulate and implement a forest fire management and control program. The  
27 Department shall likewise formulate and implement a national integrated forest  
28 pest and disease management program including quarantine procedures for

1 imported seeds, forest plants and plant products as well as wildlife to prevent  
2 or control forest or wildlife pests and diseases.

3 SEC. 33. *Information and Rewards System.* – The Department shall  
4 establish an information and rewards system as part of the community’s  
5 participation in the protection of forest resources.

## 6 CHAPTER IX

### 7 FORESTRY RESEARCH, EDUCATION, TRAINING AND EXTENSION

8 SEC. 34. *Research and Technology Development Transfer.* – Research  
9 and technology development transfer shall be strengthened to support  
10 sustainable management of forest resources. The Department, the Department  
11 of Science and Technology (DOST), the Commission on Higher Education  
12 (CHED) and the colleges of forestry of state universities shall, within one (1)  
13 year from the passage of this Act, prepare a comprehensive national forestry  
14 and environmental research and technology development and transfer program  
15 in furtherance of sustainable forest management which shall be implemented,  
16 monitored and reviewed in accordance with existing research management  
17 systems. Adequate and sustainable funds to implement a research and  
18 technology development and transfer program shall be provided by each of the  
19 aforementioned agencies and institutions under the General Appropriations  
20 Act.

21 SEC. 35. *Public Information, Education and Advocacy Campaign.* –  
22 With the support from LGUs, NGOs, media and other organizations, the  
23 Department, the Philippine Information Agency (PIA), the Department of  
24 Education (DepEd), the CHED, State-owned and private universities and  
25 colleges shall formulate and implement a nationwide program for sustained  
26 public information and advocacy campaign for forest and natural resources  
27 conservation and sustainable forest development and management. The  
28 DepEd shall include subjects on forest and natural resources in the curricula

1 for elementary and high school education. The CHED shall likewise include  
2 ecology and environment courses in the general education curricula. The  
3 Department shall undertake a systematic campaign to promote community  
4 ecological awareness, including the preparation of informational and  
5 educational materials therefore.

6 SEC. 36. *Formal Forestry Education.* – The CHED, in collaboration  
7 with the Department, the Board of Examiners for Foresters of the Professional  
8 Regulation Commission (PRC) and the duly accredited national professional  
9 foresters organization shall actively pursue the rationalization of formal  
10 forestry education and the establishment of centers of excellence in forestry  
11 and environmental education to ensure high quality manpower output to meet  
12 the needs of the forestry sector.

13 SEC. 37. *Continuing Education on Forestry.* – A non-formal program  
14 of continuing education shall be established to maintain the growth of the  
15 forestry profession. The PRC Board of Examiners for Foresters and the Civil  
16 Service Commission (CSC) shall provide the guidelines for a program in  
17 continuing education in forestry. In cooperation with academic institutions, the  
18 Department shall develop the infrastructures to institutionalize non-formal  
19 continuing education for the forestry sector.

20 SEC. 38. *Training Centers.* – In coordination with the TESDA, the  
21 DepEd, the CHED and state universities and colleges (SUCs), the Department  
22 shall establish and institutionalize a network of training centers in strategic  
23 parts of the country to provide regular and up-to-date training on the various  
24 aspects of sustainable forest management, development and utilization to forest  
25 officers, LGUs, NGOs, local communities and IPs. Furthermore, the  
26 Department shall ensure that personnel appointed to critical and sensitive  
27 positions undergo training to prepare them to discharge their duties and  
28 responsibilities professionally, efficiently and effectively.





1 and/or agreements may not be terminated except for cause or if public interest  
2 so requires.

3 Current valid and subsisting licenses, contracts or agreements granted  
4 by the government for the development, management and utilization of forest  
5 resources shall be allowed to continue under the same terms and conditions  
6 until their expiry, or prior to their expiry shall be allowed to be converted into  
7 any mode authorized in this Act under the guidelines promulgated by the  
8 Secretary: *Provided*, That no such conversion shall be allowed in protection  
9 forestlands as defined in Section 5, on subclassification of forestlands.

10 The Department is hereby authorized to formulate rules and regulations  
11 covering the relevant terms and conditions thereof including the determination  
12 and collection of the government share, subject to the approval of Congress.

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

21 SEC. 41. *Transfer of Rights Arising Out of Agreements, Contracts or*  
22 *Similar Instruments.* – The transfer of rights arising out of any forest  
23 management agreement, contract or similar instrument with the government  
24 may be authorized by the Department: *Provided*, That the agreement, contract  
25 or similar instrument has been in existence and active for at least three (3)  
26 consecutive years from its issuance: *Provided, further*, That the transferor has  
27 faithfully complied with the terms and conditions of the said agreement,  
28 contract or similar instrument; the transferee has all the qualifications and none

1 of the disqualifications to hold the same; and the transferee shall assume the  
2 obligations of the transferor. Failure to comply with these conditions shall be  
3 sufficient cause for the cancellation of the agreement, contract or similar  
4 instrument.

5 SEC. 42. *Non-Timber Forest Products.* – Rattan, bamboos, vines,  
6 herbs, exudates and other non-wood forest products are integral parts of the  
7 forest ecosystem. The establishment of plantations of non-timber producing  
8 species shall be encouraged and supported. The development, management and  
9 utilization of non-timber forest products shall be allowed in accordance with  
10 the guidelines to be promulgated by the Department. However, in granting  
11 permits to harvest or utilize non-timber forest products in their natural or  
12 original state from production forestlands, priority shall be given to forest  
13 resident families, local communities and IPs living nearest the subject  
14 forestlands.

15 SEC. 43. *Silvicultural and Harvesting System.* – The Department shall  
16 formulate the appropriate silvicultural and harvesting system and all measures  
17 shall be taken to achieve an approximate balance between growth and harvest  
18 or use of forest products in production forestland shall be promoted and  
19 practiced.

20 SEC. 44. *Grazing.* – The Department shall identify and delimit areas in  
21 the production forestland suitable for grazing purposes: *Provided,* That no  
22 forestland fifty percent (50%) in slope or over may be utilized for grazing  
23 purposes: *Provided, further,* That existing pasture lease agreements or  
24 forestland grazing lease agreements shall be allowed to continue under the  
25 same terms and conditions until their expiry: *Provided, finally,* That  
26 abandoned or idle, expired or cancelled grazing or pasture lands shall be  
27 subject to land-use capability assessment to determine their best use or  
28 combination of uses. No new grazing or pasture permit, lease or contract shall

1 be issued, nor existing ones allowed to continue unless covered by existing  
2 rules and regulations governing the Philippine EIS System.

3 SEC. 45. *Mining and Power Generation Operations in Forestlands.* –  
4 Forest resources inside mineral lands are under the Department's jurisdiction,  
5 and their management and utilization are subject to the provisions of this Act.  
6 Power generation and small-scale mining operations in forestlands may be  
7 allowed subject to existing rules and regulations governing the Philippine EIS  
8 System.

9 SEC. 46. *Roads and Other Infrastructure.* – Roads and other  
10 infrastructure including the development of mineral reservations and energy  
11 resources inside forestlands shall be constructed with the least impairment to  
12 the resource values found in such forestlands. Government agencies and their  
13 contractors undertaking the construction of roads, bridges, communication and  
14 other infrastructure facilities and installations inside forestlands shall seek prior  
15 authority from the Department and shall comply with the provisions of this Act  
16 and existing rules and regulations governing the Philippine EIS System.

## 17 CHAPTER XI

### 18 FOREST-BASED INDUSTRIES

19 SEC. 47. *Establishment and Operations of Forest-based Industries.* –  
20 To meet the demands for forest-based goods and services of a growing  
21 population, the State, through the Department, shall promote and rationalize  
22 the establishment, operations and development of forest-based industries.

23 SEC. 48. *Incentives for Forest-based Industries.* – To enable  
24 forest-based industries to be more efficient, competitive and economically  
25 viable, the following incentives are hereby granted in addition to those already  
26 provided by existing laws:

27 (a) All processing plants or mills shall be assured of their supply of raw  
28 materials, preferably but not exclusively from local sources;

1           (b) All processing plants or mills shall be granted operating permits for  
2 five (5) years, renewable every five (5) years for the same period: *Provided,*  
3 That permits for processing plants owned or operated by holders of forest  
4 management agreements or contracts shall be coterminus with said agreements  
5 or contracts; and

6           (c) The Department shall promote and strengthen the linkages among  
7 corporate, family-based and community-based industries.

8           The Department may provide on its own, or propose to the President of  
9 the Philippines or to Congress, other incentives to encourage the establishment  
10 and development of corporate, family and community forest-based industries.  
11 Agreements or licenses over forest areas granted to wood-based plants shall be  
12 converted into any mode authorized in this Act. Expansion in capacity of  
13 wood-based plants shall be encouraged and the same shall be given priority  
14 access to production forestlands and other areas available for development as  
15 source of raw materials.

16           SEC. 49. *Export and Sale of Locally Produced Wood Products.* – Logs  
17 derived from natural grown trees of whatever species cut, gathered or removed  
18 from the local natural forest and raw or rough lumber manufactured from such  
19 logs shall not be exported except finished and semi-finished lumber products,  
20 wood manufactures, wood panels and other finished wood products from such  
21 logs, subject to such guidelines as the Secretary may promulgate.

22           No person shall sell or offer for sale any log, lumber, veneer, plywood  
23 or other manufactured wood products in the international or domestic market  
24 without complying with the grading rules established or to be established by  
25 the government. Failure to adhere to the established grading rules and  
26 standards or any act of falsification on the volume of logs, lumber, veneer,  
27 plywood or other wood products sold in the international or domestic market  
28 shall be sufficient cause for the cancellation of export license, wood processing



1 domestic and industrial, and for carbon sequestration and biodiversity benefits,  
2 respectively, by parties/industries concerned.

3 SEC. 52. *Forest Charges.* – There shall be collected a forest charge per  
4 cubic meter based on the actual freight on board (FOB) market price based on  
5 species and diameter class by the Department on the following:

- 6 (a) Timber – twenty-five percent (25%);  
7 (b) Pulpwood and matchwood – ten percent (10%);  
8 (c) Firewood, branches and other recoverable wood wastes of timber  
9 such as timber ends, tops and stumps when used as raw materials for the  
10 manufacture of finished products – ten percent (10%); and  
11 (d) Non-timber forest products – ten percent (10%).

12 These forest charges shall be applied to naturally growing timber and  
13 non-timber forest products gathered within forestlands, alienable and  
14 disposable lands, and private lands.

15 For the above purpose, the measurement and the actual FOB market  
16 price of forest products shall be justly determined by the Department, which  
17 shall likewise provide for the time, manner and place of payment of such  
18 charges.

19 SEC. 53. *Fees for Administrative Services Rendered by the*  
20 *Department.* – Fees shall be collected for various services rendered by  
21 personnel of the Department in connection with their duties and responsibilities  
22 as may be requested by interested parties including, but not limited to,  
23 surveying, mapping and other similar service activities: *Provided,* That  
24 administrative fees shall be waived for services rendered to local communities  
25 or IPs in the preparation of their management plans.

## CHAPTER XIII

## APPROPRIATIONS AND FINANCIAL SUPPORT

1  
2  
3       SEC. 54. *Appropriations.* – The Secretary of the Department of  
4 Environment and Natural Resources shall include in the Department’s program  
5 and issue such rules and regulations for the implementation of the provisions of  
6 this Act, the initial funding of which shall be charged against the current year’s  
7 appropriations of the Department and thereafter included in the annual General  
8 Appropriations Act. For LGUs, the funding requirements shall be taken from  
9 their Internal Revenue Allotment and other LGU income.

10       SEC. 55. *Sustainable Forestry Development Fund.* – A Sustainable  
11 Forestry Development Fund (SFDF) to be administered by the Department as a  
12 special account in the National Treasury is hereby established to provide  
13 sustainable funds for forest protection, reforestation and forest development  
14 and management, including the rehabilitation and preservation of watershed  
15 areas, CBFM program, information and educational campaigns as well as  
16 scholarship programs and policy research. At least thirty percent (30%) of the  
17 forest charges and government share in all products removed from the  
18 forestlands, rentals, proceeds from sales of confiscated forest products  
19 including conveyances, fines and penalties, and administrative fees collected  
20 shall be set aside for the buildup of the SFDF. The fund may be augmented by  
21 grants, donations, endowment from various sources, domestic or foreign, for  
22 purposes related to their functions and other innovative funding mechanisms  
23 such as securitization of forest assets, among others.

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

1 A trust fund committee, composed of the Secretary as Chair and the  
2 Secretary of the Department of Budget and Management, the DILG Secretary  
3 and the National Treasurer or their representatives shall sit as members and  
4 manage the SFDF, with the FMB as secretariat.

#### 5 CHAPTER XIV

#### 6 CRIMINAL OFFENSES AND PENALTIES

7 SEC. 56. *Harvesting, Gathering and/or Collecting Timber or Other*  
8 *Forest Products Without Authority* – Any person who shall harvest, cut,  
9 gather, collect or remove timber or other forest products from any forestland,  
10 or naturally grown timber inside alienable and disposable public land except as  
11 provided in Section 9, without authority from the Secretary or found to possess  
12 the same without pertinent required legal documents shall be punished by  
13 imprisonment ranging from *prision mayor* minimum period to *reclusion*  
14 *temporal* minimum period and/or a fine equivalent to ten (10) times the value  
15 of the said forest product: *Provided*, That in the case of partnerships,  
16 associations or corporations, the president, managing partner and general  
17 manager shall be held liable and, if such officer is an alien, he shall, in addition  
18 to the penalty, be deported without further proceedings on the part of the  
19 Bureau of Immigration. Offenders who are public officials shall be deemed  
20 automatically dismissed from office and permanently disqualified from holding  
21 any elective or appointive position.

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

26 SEC. 57. *Illegal Cutting as an Act of Economic Sabotage*. – Any of the  
27 acts enumerated in the preceding section committed by an armed group or by  
28 any group, through organized and systematic manner, for commercial



1 purposes, shall be considered an act of economic sabotage punishable by  
2 *reclusion perpetua*.

3 The commission of any of the prohibited acts by two (2) or more  
4 individuals with or without the aid of any mechanical device shall constitute a  
5 *prima facie* evidence that the act is organized and systematic.

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

9 SEC. 58. *Use of Illegally Cut Timber in Government Infrastructure*  
10 *Projects.* – Contractors of government infrastructure projects are hereby  
11 required to obtain certification from the Department that the logs or lumber to  
12 be used were obtained from legitimate sources. The use of illegally cut  
13 naturally grown timber in government infrastructure projects shall be sufficient  
14 cause for the imposition of penalties provided in Section 56, on harvesting of  
15 forest products without authority, and Section 57, on illegal cutting as an act of  
16 economic sabotage, including the withholding of the payment to the contractor.

17 SEC. 59. *Damage to Residual Trees.* – To ensure the sustainability of  
18 the natural forests, adequate number of residual trees shall be marked, to be  
19 retained as part of the managed forests and as the future timber crop, before  
20 any harvesting operation shall commence. Any marked residual tree that is  
21 damaged during such operation is subject to a fine equivalent to four (4) times  
22 the regular forest charges.

23 SEC. 60. *Grazing Livestock on Forestlands Without a Permit.* – Any  
24 person found to have caused the grazing of livestock in forestlands and grazing  
25 lands without an authority under a lease or permit to graze, upon conviction,  
26 shall be penalized with imprisonment of not less than two (2) years nor more  
27 than four (4) years and a fine equivalent to ten (10) times the regular shares  
28 due in addition to confiscation of the livestock and all improvements

1 introduced in the area in favor of the government: *Provided*, That in case the  
2 offender is a corporation, partnership or association, the officer or director  
3 thereof who directly caused or ordered such shall be liable. In case the  
4 offender is a public officer or employee, he shall, in addition to the above  
5 penalties, be deemed automatically dismissed from office and permanently  
6 disqualified from holding any elective or appointive position in the government  
7 service.

8       SEC. 61. *Unlawful Occupation or Destruction of Forestlands.* – Any  
9 person who, without authority from the Secretary, enters and occupies or  
10 possesses, or engages in kaingin or slash-and-burn farming and related  
11 activities for his private use or for others, any forestland or grazing land, or in  
12 any manner destroys such forestland or part thereof, or causes any damage to  
13 the timber stands and other forest products or assists, aids or abets another  
14 person to do so, or sets a fire or negligently permits a fire to be set, or refuses  
15 lawful orders to vacate the area when ordered to do so shall, upon conviction,  
16 be punished with penalties in the amount of not less than One hundred  
17 thousand pesos (P100,000.00) nor more than Five hundred thousand pesos  
18 (P500,000.00) and imprisonment of not less than six (6) years and one (1) day  
19 nor more than twelve (12) years for each offense: *Provided*, That in the case of  
20 an offender found guilty of making kaingin or slash-and-burn farming, the  
21 penalty shall be imprisonment of not less than ten (10) years nor more than  
22 twelve (12) years and a fine equivalent to ten (10) times the regular forest  
23 charges due on the forest products destroyed without prejudice to payment of  
24 the full cost of rehabilitation of the occupied areas as determined by the  
25 Department: *Provided, further*, That the maximum of the penalty prescribed  
26 shall be imposed upon the offender who repeats the same offense, and double  
27 the maximum penalty upon the offender who commits the same offense for the  
28 third (3<sup>rd</sup>) time or more.

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

8           If the offender is an alien, he shall be deported after serving his sentence  
9 and payment of fines, without any further proceedings. An offender who is a  
10 government officer or employee shall, in addition to the above penalties, be  
11 deemed automatically dismissed from office and permanently disqualified from  
12 holding any elective or appointive position in the government service.

13           SEC. 62. *Illegal Conversion of City or Municipal Parks, Communal*  
14 *Forests and Tree Parks in Subdivisions.* – Any person found to have converted  
15 or caused the conversion of a city or municipal park or communal forest, or  
16 tree parks within subdivisions established pursuant to Section 26 and Section  
17 27 of this Act, and Section 2 of Presidential Decree No. 953, requiring the  
18 planting of trees in certain places, into other uses including the construction of  
19 permanent buildings, or in any manner destroys or causes any damage to the  
20 timber stands and other forest products or assists, aids or abets another person  
21 to do so, or sets a fire or negligently permits a fire to be set, upon conviction,  
22 shall be penalized by imprisonment of six (6) years and one (1) day to twelve  
23 (12) years or a fine of not less than One hundred thousand pesos (P100,000.00)  
24 nor more than Five hundred thousand pesos (P500,000.00), or both fine and  
25 imprisonment, at the discretion of the court. The offender shall likewise be  
26 imposed a fine equivalent to ten (10) times the commercial value of the forest  
27 products destroyed without prejudice to payment of the full cost of  
28 rehabilitation of the areas as determined by the Department: *Provided, further,*

1 That the maximum of the penalty prescribed shall be imposed upon the  
2 offender who repeats the same offense, and double the maximum penalty upon  
3 the offender who commits the same offense for the third (3<sup>rd</sup>) time or more.  
4 The court shall further order the forfeiture to the government of all  
5 improvements, including all vehicles, domestic animals and equipment of any  
6 kind used in the commission of the offense. If not suitable for use by the  
7 Department, said improvements, vehicles, domestic animals and equipment  
8 shall be sold at a public auction, the proceeds from which shall accrue to the  
9 SFDF.

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

14 SEC. 63. *Misdeclaration or Falsification of Reports on Forest*  
15 *Resource Inventory, Scaling and Survey by a Government Official or*  
16 *Employee.* – Any public officer or employee who knowingly misdeclares or  
17 falsifies reports pertaining to forest resource inventory, scaling, survey and  
18 other similar activity which are contrary to the criteria and standards  
19 established in the rules and regulations promulgated by the Secretary therefore,  
20 after an appropriate administrative proceeding, shall be dismissed from the  
21 service with prejudice to reemployment. Upon conviction by a court of  
22 competent jurisdiction, the same public officer or employee shall further suffer  
23 an imprisonment of not less than eight (8) years nor more than twelve (12)  
24 years and a fine of not less than One hundred thousand pesos (P100,000.00)  
25 nor more than Five hundred thousand pesos (P500,000.00). The inventory,  
26 survey, scale, classification and similar reports referred in this section shall be  
27 rendered null and void.

1           SEC. 64. *Unlawful Operation of Wood Processing Plants and*  
2 *Downstream Forest-based Industries.* – Any person operating a wood  
3 processing plant or downstream forest-based industry without authority from  
4 the Secretary shall be punished by, upon conviction by a court of competent  
5 jurisdiction, imprisonment of not less than eight (8) years nor more than twelve  
6 (12) years and a fine of not less than Five hundred thousand pesos  
7 (P500,000.00) and confiscation of the wood processing plant and  
8 complementary equipment in favor of the government. The Department shall  
9 promulgate the necessary guidelines, subject to the provision of this Act, that  
10 will define the terms and conditions, including the responsibility for a person  
11 who will operate and operating a wood processing plant and/or other  
12 downstream forest-based industries.

13           SEC. 65. *Prohibition on the Issuance of Tax Declaration on*  
14 *Forestlands.* – Any tax declaration issued over forestlands shall be considered  
15 null and void.

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

22           SEC. 66. *Unlawful Possession of Implements and Devices Used by*  
23 *Forest Officers.* – Any person found possessing or using implements and  
24 devices used by forest officers shall be penalized with imprisonment of not less  
25 than eight (8) years nor more than twelve (12) years and a fine of not less than  
26 One hundred thousand pesos (P100,000.00) nor more than Five hundred  
27 thousand pesos (P500,000.00) in addition to the confiscation of such

1 implements and devices and the automatic cancellation of any agreement,  
2 license, lease or permit.

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

11 *SEC. 67. Unauthorized Introduction of Logging Tools and Equipment*  
12 *Inside Forestlands.* – It shall be unlawful for any person or entity to possess,  
13 bring or introduce any logging tools or equipment inside forestlands without  
14 prior authority from the Secretary or his duly authorized representative. Any  
15 person found guilty of illegal possession of said logging tools or equipment  
16 shall be liable to imprisonment of six (6) years and one (1) day to twelve (12)  
17 years or a fine of not less than One hundred thousand pesos (P100,000.00) nor  
18 more than Five hundred thousand pesos (P500,000.00), or both imprisonment  
19 and fine, at the discretion of the court and the confiscation of said logging tools  
20 and equipment in favor of the government

21 *SEC. 68. Nonpayment and Non-remittance of Forest Charges.* – Any  
22 person who fails to pay the amount due and payable as forest charges to the  
23 government shall not be allowed to transport, convey, sell nor use the timber or  
24 forest product. Moreover, failure to pay within thirty (30) days upon  
25 assessment of forest charges shall be a ground for confiscation of the said  
26 timber or forest product in favor of the government. Any person who fails or  
27 refuses to remit to the proper authorities said forest charges collectible  
28 pursuant to the provisions of this Act or the National Internal Revenue Code,

1 as amended, or who delays, obstructs or prevents the same or who orders,  
2 causes or effects the transfer or diversion of the funds for purposes other than  
3 those specified in said Acts shall, upon conviction, be imprisoned for not less  
4 than six (6) years nor more than twelve (12) years and fined from One hundred  
5 thousand pesos (P100,000.00) to Five hundred thousand pesos (P500,000.00)  
6 in addition to the payment of the assessed forest charges. If the offender is a  
7 corporation, partnership or association, the officers and directors thereof shall  
8 be liable.

9         SEC. 69. *Institution of Criminal Action by Forest Officers.* – Any forest  
10 officer shall arrest even without warrant any person who has committed or is  
11 about to commit, or is committing in his presence any of the offenses defined  
12 in this chapter. The tools, animals, equipment and conveyances used in  
13 committing the offense and the forest products cut, gathered, taken or  
14 possessed by the offender in the process of committing the offense shall also  
15 be seized and confiscated in favor of the government. The arresting forest  
16 officer shall thereafter deliver within six (6) hours from the time of arrest or  
17 seizure both the offender and the confiscated forest products, conveyances,  
18 tools and equipment, or the documents pertaining to the same, and file the  
19 proper complaint with the appropriate official designated by law to conduct  
20 preliminary investigation and file information in court. If the arrest and seizure  
21 are made in the forest far from authorities designated by law to conduct  
22 preliminary investigations, the delivery to and filing of the complaint with the  
23 latter shall be done within a reasonable time sufficient for ordinary travel from  
24 the place of arrest to the place of delivery. The seized forest products,  
25 materials, conveyances, tools and equipment shall be immediately disposed of  
26 in accordance with the regulations promulgated by the Secretary.

27         The Secretary may deputize any agency, barangay or barrio official, or  
28 any qualified person to protect the forest and exercise the powers or authority

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

9 *SEC. 70. Liability of the Custodian of Confiscated Forest Products. –*

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

18 CHAPTER XV

19 ADMINISTRATIVE PROVISIONS

20 *SEC. 71. Strengthening of the Forest Management Sector. –* In order to  
21 effectively implement the provisions of this Act, the FMB shall be transformed  
22 into a line bureau with functions clearly defined and enumerated under the  
23 implementing rules and regulations of this Act. To ensure that the scientific  
24 practice of forestry in the country is properly implemented, only registered  
25 foresters shall be appointed to the positions of director and assistant director  
26 and regional directors of the FMB, as well as to all other positions where the  
27 services of professional foresters are required in accordance with existing laws  
28 and the relevant rules and regulations issued by the CSC and the PRC.



1           SEC. 72. *Development of Mechanisms for Private Sector Participation*  
2 *in Forest Management.* – The Secretary is hereby authorized to adopt  
3 appropriate mechanisms to strengthen private sector participation in forest  
4 management, which shall include the accreditation of a national organization of  
5 private investors including for profit, NGOs and people’s organizations. The  
6 accredited national organization shall assist the Department in the formulation  
7 and review of relevant policies to ensure the contribution of the forestry sector  
8 to national economy and sustainable development. It shall also assist the  
9 Department in evaluating applications for forest management agreements;  
10 monitoring the performance of holders of commercial tenurial instruments;  
11 ensuring the local supply of timber and wood products; providing producers  
12 with access to local and international markets; and ensuring the conservation  
13 and preservation of protection forestlands and protected areas under the  
14 NIPAS Act.

15           SEC. 73. *Authority of the Secretary on the Use of Forest Resources.* –  
16 The utilization of forest resources from natural forests found in forestlands,  
17 government-established reservations and all other lands including ancestral  
18 domains or under the management of other government agencies shall be  
19 prohibited unless covered by permits issued by the Department, in consultation  
20 with other concerned government agencies: *Provided*, That in the case of  
21 ancestral lands and domains, the terms of the agreement with the concerned  
22 ICC shall likewise govern.

23           SEC. 74. *Administrative Authority of the Secretary or his/her Duly*  
24 *Authorized Representative to Order Confiscation.* – In all cases of violations  
25 of this Act or other forest laws, rules and regulations, the Secretary or his/her  
26 duly authorized representative may order the confiscation of forest products  
27 illegally harvested, cut, gathered, removed or possessed or abandoned, and all  
28 conveyances used either by land, water or air as well as all machinery,

1 equipment, implements and tools used in the commission of the offense and to  
2 dispose of the same in accordance with pertinent laws, regulations or policies  
3 on the matter.

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

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

13 *SEC. 75. Administrative Authority of the Secretary to Impose Fines. –*  
14 In all cases of violations of this Act and other forest laws, rules and regulations  
15 where fine is the principal penalty, the Secretary, after consultation with the  
16 forest-based industries affected, is hereby authorized to impose  
17 administratively the penalty consisting of the amount and the schedules of the  
18 fine which shall be officially published in a national newspaper of general  
19 circulation.

20 *SEC. 76. Authority of Forest Officers. –* When in the performance of  
21 their official duties, forest officers or other government officials or employees,  
22 duly authorized by the Secretary, shall have free entry into areas covered by a  
23 contract, agreement, license, lease or permit. Forest officers are authorized to  
24 inspect and to open closed vans suspected to contain illegally harvested,  
25 collected or transported forest products: *Provided*, That it is done in the  
26 presence of the shipper or consignee or two (2) responsible public officials in  
27 the locality. Forest officers are authorized to administer oath, take  
28 acknowledgment in official matters connected with the functions of their office

1 or take testimony in official investigations conducted under the authority of  
2 this Act and the implementing rules and regulations issued by the Secretary  
3 pursuant thereto.

4       SEC. 77. *Visitorial Functions.* – The Secretary or his/her duly  
5 authorized representative shall, from time to time, investigate, inspect and  
6 examine records and other documents except bank records related to the  
7 operation of any person granted the privilege, contract or agreement to utilize  
8 forest resources to determine compliance with the terms and conditions  
9 stipulated in the grant, contract or agreement, this Act and pertinent laws, rules  
10 and regulations.

11       SEC. 78. *Other Incentives.* – Fifty percent (50%) of the value of  
12 confiscated materials shall be used as incentives to informants and members of  
13 multi-sectoral forest protection councils, including Department personnel.  
14 Additional incentives may be provided to personnel of the Department, in  
15 addition to those provided under the Government Service Insurance System  
16 (GSIS) or the Workmen's Compensation Law. They shall also be entitled to  
17 free legal assistance should legal cases be filed against them in the  
18 performance of official duties.

19       SEC. 79. *Protection to Witnesses in Cases Involving Violation of*  
20 *Forestry Laws.* – Witnesses to violations of this Act or other forestry laws and  
21 regulations, including the immediate members of the family of said witnesses,  
22 shall be given protection, security and benefit, subject to the provisions of  
23 Republic Act No. 6981, otherwise known as “The Witness Protection, Security  
24 and Benefit Act” and its implementing rules and regulations.

25       SEC. 80. *Rule-making Authority.* – The Department shall promulgate  
26 the implementing rules and regulations within one (1) year from the effectivity  
27 of this Act, in consultation with the NCIP, the DILG, the Department of

1 Finance, the leagues of provinces, cities and municipalities, and other  
2 government agencies.

3 SEC. 81. *Congressional Oversight Committee on the Sustainable*  
4 *Forest Management Act* – There is hereby created a Congressional Oversight  
5 Committee composed of seven (7) Members from the Senate Committee on  
6 Environment and Natural Resources and seven (7) Members from the House  
7 of Representatives' Committee on Natural Resources.

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

12 SEC. 82. *Transitory Provision.* – Upon the approval of this Act, the  
13 Department shall evaluate the conditions of all forestlands covered by existing  
14 tenurial instruments, memoranda of agreements (MOAs) and other agreements  
15 and contracts which shall be allowed to continue until their expiry unless  
16 terminated for cause.

## 17 CHAPTER XVI

### 18 FINAL PROVISIONS

19 SEC 83. *Separability Clause.* – Should any provision of this Act be  
20 declared unconstitutional or invalid, the same shall not affect the validity or  
21 legality of the other provisions.

22 SEC. 84. *Repealing Clause.* – Subsections (b), (d), (e), (f), (g) and (i)  
23 of Section 4 of Act No. 3915; Republic Act No. 460; Presidential Decrees  
24 Numbered 705, 1153, 1515, 1559 and 1775; Letter of Instruction No. 818;  
25 Executive Orders Numbered 277 and 278, series of 1987; and Executive Order  
26 No. 725, series of 1981 are hereby repealed, and all laws, orders, rules and  
27 regulations or any part thereof which are inconsistent herewith are likewise  
28 hereby repealed or amended accordingly.

1            SEC. 85. *Effectivity.* – This Act shall take effect thirty (30) days from  
2     the date of its publication in the *Official Gazette* or in at least two (2) national  
3     newspapers of general circulation.

Approved,

**O**