



HOUSE OF REPRESENTATIVES

H. No. 9088

BY REPRESENTATIVES FORTUN, CASTRO (F.H.), BAGUILAT, CAYETANO, YU, DEFENSOR, VILLANUEVA, ESCUDERO, ARENAS, BRAVO (A.), BOLILIA, AQUINO-MAGSAYSAY, ZUBIRI, ABELLANOSA, SUANSING (E.), TAN (A.), SARMIENTO (C.), NIETO, PANGANIBAN, CAMPOS, DEL ROSARIO, BRAVO (M.V.), ESPINO, VIOLAGO, ARCILLAS, VILLARICA, CHIPECO, SY-ALVARADO, LOBREGAT, CATAMCO, DALIPE, SALON, LAZATIN, TAMBUNTING, YAP (M.), ACOSTA, NUÑEZ-MALANYAON, SAGARBARRIA, DUAVIT, AGGABAO, SIAO, GASATAYA, ALMARIO, VELOSO, MADRONA, GARCIA (J.E.), UNGAB, SILVERIO, BILLONES, MERCADO, PALMA, NAVA, VARGAS-ALFONSO AND VELASCO-CATERA, PER COMMITTEE REPORT NO. 1243

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

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

ARTICLE I

GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

1 biodiversity and future productivity and without undesirable effects
2 on the physical and social environment; and

- 3 u. *Watershed* refers to the land area drained by a stream or fixed body
4 of water and its tributaries having a common outlet for surface
5 runoff. A watershed can be part of a larger landscape that includes
6 connections from the head waters to the reef.

7 ARTICLE II

8 ADMINISTRATION, DEVELOPMENT, MANAGEMENT AND 9 UTILIZATION OF FOREST LANDS AND FOREST RESOURCES

10 SEC. 7. *Administration, Development, Management and*
11 *Utilization of Forestlands.* – Forestlands and forest resources shall be
12 under the full supervision and control by the State. The development and
13 utilization thereof shall be under the State’s full control and supervision.
14 The State may directly undertake such activities or it may enter into
15 agreements with qualified persons in order for these persons to receive
16 technical assistance and appropriate incentives.

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

25 SEC. 8. *Categories of Forestlands.* – For the purpose of
26 administration, development, management and utilization, forest lands in
27 the Philippines shall be categorized into ancestral forest lands, private
28 forest lands, and public forest lands.

- 29 a. Ancestral forestlands are ancestral lands and domains defined as
30 such under Republic Act No. 8371, otherwise known as the
31 “Indigenous Peoples Rights Act of 1997”.

1 b. Private forests are alienable and disposable lands registered under
2 the current land registration system of the country which are devoted
3 for forestry purposes.

4 c. Public forestlands shall include all lands of the public domain that
5 have not been declared as a National Park under Section 5 of
6 Republic Act No. 7586, otherwise known as the "National Integrated
7 Protected Areas System Act of 1992", as amended by Republic Act
8 No. 11038; mineral lands pursuant to Republic Act No. 7942
9 otherwise known as the "Philippine Mining Act of 1995", and those
10 lands not classified as agricultural based on the maps developed by
11 the National Mapping and Resource Information Authority
12 (NAMRIA).

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

21 Public forest lands shall not be reclassified, except through an act of
22 Congress.

23 **SEC. 10. Management of Forest Lands.** – For purposes of
24 management and planning, all forest lands shall be managed for protection
25 or production purposes only.

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

29 (1.) Virgin forest and old-growth, dipterocarp forest;

30 (2.) All areas one thousand (1,000) meters above sea level;

31 (3.) All areas with a slope of fifty percent (50%) or more;

32 (4.) All areas along the bank of rivers and streams, and the shores of
33 the seas and lakes throughout entire length and within a zone of

1 three (3) meters in urban areas, twenty (20) meters in agricultural
2 areas and forty (40) meters in forest areas, along their margins
3 which are subject to the easement of public use.

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

9 Only indigenous species shall be planted or introduced within
10 protection forest lands.

11 b. Production Forest Lands. All public forest lands not classified as
12 protection forest lands, pursuant to this Section, shall constitute the
13 production forest lands of the country. These lands shall be devoted
14 for the production of timber and non-timber forest products to supply
15 the domestic forest resource demand of the country and facilitate
16 international trade of forest resources.

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

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

30 **SEC. 12. *Qualified managers of FMUs.*** – To ensure effective
31 management of forest lands, managers of FMUs shall be confined to
32 qualified and capable persons, or entities which include indigenous and
33 local households, civil society organizations, business organizations, forest

1 land use tenure holders, and dedicated national and local government units
2 including government-owned and controlled corporations subject to the
3 requirements to be provided in the implementing rules and regulations of
4 this Act.

5 **SEC. 13. *FMU Development and Management Planning.*** –

6 Every FMU shall have a management plan formulated by the FMU
7 Manager that were reviewed and concurred by a Registered Professional
8 Forester which shall be approved by the DENR. The FMU management
9 plan shall contain the following:

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

19 **SEC. 14. *Sustainable Management of Mangrove Resources.*** –

20 Mangrove species planted within protection or production forest lands can
21 be harvested, gathered or collected, taking into consideration the basic
22 forestry policies and strategies provided for in this Act. The harvesting,
23 gathering, and collection of mangrove species shall be upon the authority
24 provided for by the Bureau.

25 **SEC. 15. *Mined-Out Areas and Abandoned Fishpond Areas.*** –

26 The management and administration of all forest lands that are considered
27 as either mined-out areas or abandoned fishpond lease areas shall be
28 reverted back to the FMB.

29 **SEC. 16. *Utilization of Forest Resources.*** – The harvesting,

30 gathering and collection of all planted forest resources within production
31 forest lands and private forests, including its by-products and derivatives,
32 shall not require any clearance from the DENR: *Provided*, That any request
33 for clearances for domestic transport of forest resources submitted to the

1 DENR shall be acted upon within seven (7) days from the date of its
2 submission with the proper office. After a lapse of seven (7) days and no
3 action has been taken by the DENR, the clearance for transport is deemed
4 approved.

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

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

12 **SEC. 17. *Regulation and Utilization of Forest Resources***
13 ***within Ancestral Forest Lands.*** – The rights of the indigenous cultural
14 communities or indigenous peoples over their ancestral forest lands shall
15 be respected: *Provided*, That management of forest resources within those
16 lands shall be regulated by the DENR as provided for by laws, rules, and
17 regulations.

18 ARTICLE III

19 FOREST-BASED INDUSTRIES

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

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

1 Management Agreement shall have a duration of twenty-five (25) years and
2 may be extended for another twenty-five (25) years.

3 **SEC. 25. *Scope of Forest Management Agreement.*** – The Forest
4 Management Agreement may be entered into for the following purposes:

- 5 a. Agroforestry plantations (in accordance to the standards of the
6 DENR) Forest plantation development;
- 7 b. Forest plantation development with processing plant;
- 8 c. Ecotourism development; and
- 9 d. Special uses for forest lands;

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

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

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

32 *Provided*, That for government facilities or infrastructures like farm-to-
33 market roads, public school sites, public hospitals or clinics, etc. shall be

1 free from any fee, charge, or other pecuniary obligations under the Forest
2 Management Agreement.

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

- 5 a. Filipino citizens;
- 6 b. Corporations or associations at least sixty (60%) percent of whose
7 capital is owned by Filipinos;
- 8 c. Local government units, when the purpose of the Forest Management
9 Agreement is for public use or the establishment of government
10 centers and facilities; or
- 11 d. Other National Government Agencies or Government-Owned or
12 Controlled Corporations, when the purpose of the Forest
13 Management Agreement is for national interest, like transmission
14 lines, water reservoirs, or distribution lines for electricity.

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

- 18 a. Forest Plantations, Forest Plantations with Processing Plants. The
19 sharing of outputs from Forest Management Agreements entered
20 into for the purpose of developing and managing forest plantations,
21 and forest plantations with processing plants shall be based on the
22 total gross output of the plantation harvests. Said sharing shall be
23 done in a manner advantageous to national interest without
24 prejudice for incentives that may be prescribed by the DENR.
- 25 b. For ecotourism purposes, the person who entered into a Forest
26 Management Agreement with the State for the purpose of ecotourism
27 or other special uses for forest lands shall have the obligation to pay
28 an annual user's fee equivalent to five percent (5%) of the nearest
29 commercial zonal value per square meter or a fraction thereof.
- 30 c. Government Facilities or Infrastructures. Non-income generating
31 government facilities such as public school sites, public hospitals or
32 clinics, government center or offices, roads, farm-to-market access
33 roads, and public buildings are exempt from paying any fee or other

1 pecuniary obligation with the State. Provided, that the use of these
2 establishments or infrastructures shall not be subject to
3 privatization.

4 **SEC. 29. *Forestry Research, Education, Training, and***
5 ***Extension.*** –Research and technology development of the Ecosystems
6 Research and Development Bureau, Forest Products Research and
7 Development Institute, Universities, and other research institutions shall
8 be strengthened to support sustainable management of forest resources. For
9 this reason, Forestry Development Center of the University of the
10 Philippines Los Baños shall lead in forest policy research in collaboration
11 with schools, universities, and colleges (SUCs) as well as other
12 stakeholders.

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

20 The Continuing Professional Development shall be promoted and
21 upheld through selected universities and training institutions on forestry
22 and natural resources management subject to the Professional Regulation
23 Commission's accreditation system. Forestry education in the Philippines
24 shall be rationalized to ensure the quality of formal forestry education and
25 establish, support and sustain the national and regional centers of
26 development and excellence in forestry and environmental education to
27 develop high quality human resources and promote global competitiveness.
28 The Commission on Higher Education shall include forest ecology and
29 environment courses in general education curricula. The DENR shall
30 formulate a nationwide program for sustained public information and
31 advocacy campaign for forests and natural resources conservation,
32 sustainable forest management, and climate change.

1 **SEC. 30. *The Sustainable Forest Development Fund.*** A
2 Sustainable Forest Development Fund (SFDF) is hereby established to
3 provide concessional financing particularly for forest development projects
4 proposed by qualified managers of FMUs. Said Fund shall be administered
5 by a government financial institution as a trust account managed under the
6 “capital preservation” principle.

7 The preferred government financing institution (GFI), together with
8 the DENR, shall invest at most seventy-five percent (75%) of the net
9 interest income from loans to forest development - support facilities
10 including road networks, seedling nurseries, water supply systems, and
11 research facilities subject to recommendation by the FMB.

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

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

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

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

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

33 ARTICLE VI

1 ORGANIZATIONS AND GOVERNANCE

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

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

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

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

- 27 a. Implementation of all policies, plans, programs, projects and
28 activities concerning forest lands with provision for effective feed-
29 backing and reporting mechanisms;
- 30 b. Ensure sufficient provision of technical, marketing, financial,
31 tenurial and infrastructure support to persons and entities engaged
32 in FMU management;

- 1 c. Enforce watershed-based planning approaches in all forest-land
2 development and management endeavors;
- 3 d. Encourage the participation of forestry stakeholders thru multi-
4 sectoral consultative bodies in all forestry-related consultative
5 processes;
- 6 e. Develop and implement an effective geographical information system
7 in aide of forestry planning, monitoring and policy formulation;
- 8 f. Monitor and evaluate the physical, environmental and socio-
9 economic outcomes in the management of all FMUs; and
- 10 g. Formulate and publish periodic reports informing stakeholders of the
11 status of the Philippine forest lands using both qualitative and
12 quantitative methods.

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

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

26 **SEC. 36. *Creation of Community-based Law Enforcement***
27 ***Team.*** – The Community-based Forest Law Enforcement Team (CFLET)
28 shall be organized with members composed of representatives from direct
29 stakeholders in a particular watershed. Said Team shall be deemed as
30 quick responders on complaints to be augmented or reinforced by the Forest
31 Ranger. Funding for CFLET's operational requirements shall be sourced
32 from agreed contributions from FMU Managers agreed with the DENR,

1 proceeds from sale of confiscated forest products, donations from various
2 sources.

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

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

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

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

31 **SEC. 40. *Function of Multi-sectoral Consultative Bodies.*** – The
32 body shall be responsible for the over-all policy direction in the management
33 of the forest lands and forest resources found within their respective

1 jurisdictions in accordance with the provision of this Act. Specifically, (a) it
2 shall review and recommend implementation of programs and projects, (b)
3 perform oversight functions on matter pertaining to environment and
4 natural resources, and (c) participate in the review and recommend relevant
5 policies for the protection, conservation and restoration efforts within the
6 watershed in ensuring significant contribution of the forestry sector to
7 national economy, ecological sustainability and sustainable development
8 closely adhering to the principles and priority programs of the Government.
9 Said body may also facilitate the initiation of the LGUs' participation in the
10 devolution program and monitoring the transfer and implementation of
11 devolved functions to the LGUs.

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

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

- 25 a. The principles and practices of transparency, accountability, and
26 participatory decision-making, in transactions, decision, and actions
27 affecting forestry, in all levels, and the policy of streamlining,
28 decentralization, devolution, and deregulation shall be adopted,
29 promoted, and institutionalized in the DENR.
- 30 b. Updating and preparation of forest land use plans shall be integrated
31 with the updating and preparation of comprehensive land use plans
32 of local government units.

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

1 h. It shall be the priority of the State to ensure that government
2 employees involved in the implementation of the sustainable forest
3 management law are properly trained, sufficiently equipped,
4 adequately compensated, and given ample opportunities to
5 participate in its implementation. The DENR and other agencies
6 involved shall appropriately provide funding for the same.

7 ARTICLE VII

8 OFFENSES AND PENALTIES

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

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

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

22 SEC. 44. *Illegal Harvesting, Gathering, Collection, or*
23 *Possession of Forest Resources as an Act of Economic Sabotage.* –
24 Any of the acts enumerated in the preceding section shall be considered as
25 an economic sabotage when committed by:

26 a. At least two or more persons through an organized and systematic
27 manner; and

28 b. Any person, when the amount of forest resources harvested,
29 gathered, collected, or possessed amounts to at least One million
30 pesos (P1,000,000.00).

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

1 **SEC. 45. *Grazing Livestock in Forest Lands without Authority.***

2 – Any person found to have caused the grazing of livestock in forest lands
3 without an authority from the DENR shall be punished with the
4 imprisonment of two (2) years, four (4) months, and one (1) day to four (4)
5 years and two (2) months. The livestock shall be confiscated in favor of the
6 Government.

7 **SEC. 46. *Unlawful Occupation of Forest Lands.*** – Any person

8 who, without the authority from the DENR, possesses or occupies any parcel
9 of forest land shall be punished with a penalty of imprisonment of six (6)
10 years and one (1) day to twelve (12) years and a fine of not less than One
11 hundred thousand pesos (P100,000.00) but not more than Five hundred
12 thousand pesos (P500,000.00).

13 **SEC. 47. *Destruction of Forest Lands.*** – Any person who shall

14 destroy or cause destruction within forest lands or assist, aids, or abets
15 another person to do so, shall be punished with a penalty of imprisonment
16 of six (6) years and one (1) day to twelve (12) years, and a fine of not less
17 than One hundred thousand pesos (P100,000.00) but not more than Five
18 hundred thousand pesos (P500,000.00).

19 **SEC. 48. *Unlawful Operations of Sawmills, Wood Processing***

20 ***Plants, and Forest-Based Industries.*** – Any person operating sawmills,
21 wood processing plants, and forest-based industries without any authority
22 from the DENR, shall be punished with a penalty of imprisonment for six
23 (6) years and one (1) day to twelve (12) years and a fine of not less than Five
24 hundred pesos (P500,000.00).

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

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

1 **SEC. 49. Prohibition on the Issuance of Land Titles or Tax**
2 **Declarations on Forest Lands.** – All land titles and tax declaration
3 issued over forest lands shall be deemed void *ab initio*. Any person who shall
4 issue land titles and tax declarations over any forest land or a parcel thereof
5 shall be punished with imprisonment of six (6) years and one (1) day to
6 twelve (12) years and a fine of not less than One hundred thousand pesos
7 (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00).
8 the accessory penalty of disqualification shall be imposed for a period of
9 twelve (12) years and one (1) day.

10 **SEC. 50. Non-Payment and Non-Remittance of Forestry Fees**
11 **and Charges.** – Any person who fails to pay the amount due and payable
12 as forestry fees or charges to the government or remit the same to the proper
13 authorities shall be punished with a penalty of imprisonment for a period
14 of six (6) years and one (1) day to twelve (12) years with a fine of not less
15 than One hundred thousand pesos (P100,000.00) nor more than Five
16 hundred thousand pesos (P500,000.00).

17 **SEC. 51. Non-Establishment of Tree Parks and Green Spaces.**
18 – Every local government unit shall establish and maintain tree parks and
19 green spaces pursuant to their comprehensive land use plans. Funds for the
20 establishment and maintenance of the same shall form part of the local
21 government unit's annual budget.

22 Every owner of land subdivided into residential, commercial, or
23 industrial lots shall reserve, establish and maintain at least thirty percent
24 (30%) of the total land area of the subdivision, exclusive of roads, service
25 streets and alleys as green space for tree parks.

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

31 Any local government unit or owner of a parcel of land subdivided
32 into residential, commercial, or industrial lots who fails to establish green
33 spaces or tree parks as provided in the preceding paragraphs shall be

1 penalized with a fine of not less than Five hundred thousand pesos
2 (P500,000.00) nor more than One million pesos (P1,000,000.00).

3 **SEC. 52. Illegal Conversion of Tree Parks and Green Spaces.**

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

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

14 **SEC. 53. Arrest and Detention.** – If the apprehension was
15 conducted in remote areas far from the place where persons authorized to
16 conduct inquest proceedings are located, the delivery to the proper judicial
17 authorities shall be done within a reasonable time period, taking into
18 consideration the ordinary travel time from the place of arrest to the place
19 of delivery.

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

24 **SEC. 54. Public Auction of Forest Resources.** – If the confiscated
25 forest resources are in danger of deteriorating, the DENR may order that
26 the same be sold at public auction even before the termination of the judicial
27 proceedings, with the proceeds kept in trust to await the outcome of the
28 judicial proceedings.

29 **SEC. 55. Authority of Forest Protection Officers.** – When in the
30 performance of their official duties, forest protection officers or other public
31 officials or employees authorized by the DENR, shall have free access into
32 forest lands or any parcel thereof.

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

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

8 ARTICLE VIII

9 ADMINISTRATIVE PROVISIONS

10 **SEC. 56. *Administrative Authority of the Secretary or his Duly***
11 ***Authorized Representative to Order Confiscation.*** – In all cases of
12 violations of this Act or other forest laws, rules and regulations, the
13 Secretary or the duly authorized representative may order the confiscation
14 of forest resources illegally harvested, collected, gathered, possessed and
15 those that are abandoned. This authority shall extend to all conveyances
16 used either on land, water or air as well as machinery, equipment,
17 implements, and tools used in the commission of the offense and to dispose
18 of the same in accordance with pertinent laws, rules and regulations.

19 **SEC. 57. *Administrative Authority of the Secretary to Impose***
20 ***Fines.*** – In all cases of violations of this Act and other forest laws, rules,
21 and regulations where fine is the principal penalty, the Secretary or the
22 duly authorized representative, after the consultation with the forest-based
23 industries affected, is hereby authorized to impose administratively the
24 penalty consisting of the amount and the schedules of the fine which shall
25 be officially published in a national newspaper of general circulation.

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

30 **SEC. 59. *Informant's Incentive.*** – Twenty percent (20%) of the
31 value of confiscated materials shall be used as incentives to informants
32 including forest management councils, forest management boards. They

1 shall also be entitled to free legal assistance should cases be filed against
2 them in the performance of official duties.

3 **SEC. 60. *Suits and Strategic Legal Action Against Public***
4 ***Participation and the Enforcement of this Act. –***

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

10 b. A suit and strategic legal action against public participation may be
11 interposed as a defense by a person involved in the enforcement of
12 environmental laws, protection of the environment, or assertion of
13 environmental rights, The suit or strategic legal action shall be
14 supported by documents, affidavits, papers, and other evidence; and,
15 by way of counterclaim, pray for damages, attorney's fees and costs
16 of suit.

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

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

24 c. The hearing on the suit or strategic legal action shall be summary in
25 nature. The parties must submit all available evidence in support of
26 their respective positions. The party seeking the dismissal of the case
27 must prove by substantial evidence that his act for the enforcement
28 of this Act is a legitimate action for the protection, preservation and
29 rehabilitation of the environment. The Party filing the action
30 assailed as a SLAPP shall prove by preponderance of evidence that
31 the action is not a SLAPP and is a valid claim.

32 d. The affirmative defense of a SLAPP shall be resolved within thirty
33 (30) days after the summary hearing. If the court dismisses the

1 action, the court may award damages, attorney's fees and costs of suit
2 under a counterclaim if such has been filed. The dismissal shall be
3 with prejudice.

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

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

- 10 a. Any person who violates or fails to comply with the provisions of this
11 Act or its implementing rules and regulations;
- 12 b. The DENR or other implementing agency with respect to orders,
13 rules, and regulations issued inconsistent with this Act;
- 14 c. Any public officer who willfully or grossly neglects the performance
15 of an act specifically enjoined as a duty by this Act or its
16 implementing rules and regulations; or abuses one's authority in the
17 performance of duty; or in any manner improperly performs the
18 duties under this law or its implementing rules and regulations.

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

22 **SEC. 62. *Implementing Rules and Regulations.*** – The DENR, in
23 consultation with other government agencies and relevant stakeholders
24 charged with the administration and enforcement of this Act shall
25 promulgate the necessary implementing rules and regulations within one
26 (1) year from the effectivity of this Act.

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

1 **SEC. 64. *Separability Clause.*** – Should any provision of this Act
2 be subsequently declared not constitutional, such declaration shall not
3 affect the validity or the legality of the other provisions.

4 **SEC. 65. *Repealing Clause.*** – All laws, decrees, executive orders,
5 rules and regulations, issuances or parts thereof inconsistent with the
6 provisions of this Act are hereby repealed or modified accordingly.

7 **SEC. 66. *Effectivity.*** – This Act shall take effect fifteen (15) days
8 after its publication in the Official Gazette or in a newspaper of general
9 circulation.

10 Approved,