



HOUSE OF REPRESENTATIVES

H. No. 8179

BY REPRESENTATIVES FORTUN, BABASA, YU, DELOSO-MONTALLA, ARENAS, HERNANDEZ, GARCIA (P.J.), ROMUALDO, BELMONTE, ERMITA-BUHAIN, SALCEDA, CUA, TEJADA, VIOLAGO, GASATAYA, JALOSJOS, SUANSING (H.), MATUGAS, GARCIA (J.E.), GONZAGA, HARESCO, CUARESMA, UY (J.), DAZA, LIMKAICHONG, ZUBIRI, SAGARBARRIA, BAUTISTA-BANDIGAN, CALDERON, CAMPOS, SUAREZ (D.), GONZALEZ, MOMO, FRASCO, ZAMORA (W.K.), TAMBUNTING, BALINDONG, BARBA, BERNOS, BRAVO, BASCUG, CAMINERO, CARI, DALOG, DELOS SANTOS, DIMAPORO (A.), ESPINO, FARIÑAS (R.C.), FORTUNO, HOFER, JIMENEZ, LABADLABAD, MARIÑO, NATIVIDAD-NAGAÑO, NAVA, ORTEGA, OUANO-DIZON, PLAZA, REVILLA, ROMAN, SANCHEZ, SILVERIO, SINGSON-MEEHAN, TIANGCO, TUTOR, TY (D.), VERGARA, CO (E.), CABATBAT, DAGOOC, GUYA, QUMBO, CABOCHAN, ENVERGA, GATCHALIAN, MENDOZA, NOGRALES (J.J.), RAMIREZ-SATO, RODRIGUEZ, ROMULO, SANGCOPAN, SARMIENTO, SUNTAY, VILLAFUERTE, BARZAGA, YAP (E.), SUANSING (E.), SY-ALVARADO, SAVELLANO, NIETO AND MACEDA, PER COMMITTEE REPORT NO. 641

**“AN ACT
PROVIDING FOR THE SUSTAINABLE MANAGEMENT OF FORESTS
AND FOREST LANDS”**

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

ARTICLE I

GENERAL PROVISIONS

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

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

a. The specific limits of forest lands, after these have been fixed and demarcated, shall not be altered, except through an Act of Congress;

b. The sustainable use and conservation of forest lands and forest resources found therein shall bear social, cultural, ecological, biological, and economic functions to promote the common good of present and future generations;

c. The State shall prioritize the protection of the ecosystem, as well as the rehabilitation of degraded forest ecosystems through reforestation and afforestation to mitigate climate change, improve and conserve biodiversity, enhance ecosystem functions and services, and provide long-term economic benefits;

d. Forest lands shall be partitioned and planned into forest management units (FMUs) based on natural topographic and hydrologic boundaries and shall consider the watershed continuum approach which adopts the holistic inter-relationship between the upstream and downstream areas;

e. The State recognizes the inherent roles and responsibilities of local communities and indigenous peoples in the protection and ecological treatment of the environment;

1 f. The allocation, management, protection, conservation, and
2 development of forest lands and forest resources shall be done in an integrated,
3 inclusive, developmental, viable, and sustainable manner.

4 **SEC. 3. Objectives.** – The State shall pursue a policy of balancing the
5 sustainable use of forest lands and forest resources and sustainable
6 development. It shall be the objective of the State to:

7 a. Provide equitable access to forest lands and forest resources;

8 b. Streamline the use of forest lands and forest resources by promoting
9 the use of sustainable forest management strategies among concerned FMUs and
10 stakeholders;

11 c. Deregulate the harvesting, sale, marketing, and processing of
12 products from forest plantations and forest farms in forest lands;

13 d. Promote sustainable livelihood and enterprises among marginalized
14 community tenure holders including indigenous cultural communities and
15 indigenous peoples (ICC/IPs) who depend on and reside in forest lands;

16 e. Strengthen institutional mechanisms to respond to forest
17 management concerns namely: the development of the forest industry, constant
18 law enforcement, and management of watersheds;

19 f. Create the Sustainable Forest Development Fund (SFDF) as a
20 support mechanism for funding requirements of forest management initiatives;

21 g. Strengthen the role of the Forest Management Bureau (FMB) to be
22 more responsive and pro-active consistent with the objectives of this Act;

23 h. Undertake a multi-stakeholder study, to be led by the FMB, as a
24 prerequisite to the partitioning of forest lands into FMUs. The study shall
25 determine the actual forest cover of the country, and shall ensure that the
26 required forest cover is achieved, sustained, and protected.

27 **SEC. 4. Scope and Coverage.** – The provisions of this Act shall apply to
28 all forest lands and all forest resources in lands over which the Philippines has
29 sovereignty and jurisdiction: *Provided*, That all forest lands and forest resources
30 found in protected areas established under the National Integrated Protected
31 Areas System (NIPAS) shall be sustainably managed and developed consistent
32 with the provisions of Republic Act No. 7586, or the “National Integrated

1 Protected Areas System Act of 1992”, as amended by Republic Act No. 11038 or
2 the “Expanded National Integrated Protected Areas Systems Act of 2018”:
3 *Provided, further,* That all wildlife resources and critical habitats found in forest
4 lands, including alienable and disposable lands, shall be governed by Republic
5 Act No. 9147 or the “Wildlife Resources Conservation and Protection Act”:
6 *Provided, furthermore,* That the rights of ICC/IPs to their ancestral forest lands,
7 as provided in Republic Act No. 8371 or the “Indigenous Peoples’ Rights Act of
8 1997” shall be respected: *Provided finally,* That all forest lands under the
9 management or administration of local government units (LGUs) and other
10 government agencies or instrumentalities shall be managed in accordance with
11 their duly legislated charters and the principles and provisions of this Act.

12 **SEC. 5. Sustainable Forest Management Strategies.** Consistent with
13 the objectives of this Act, the following strategies shall be employed:

14 a. Inclusive and responsive governance of forests and forest lands
15 through integrated landscape planning and development in watersheds, and the
16 adoption of community-based approaches by local stakeholders;

17 b. Promotion and direction for complementary and combined
18 investments of the public and private sectors for the protection of natural forests,
19 holistic restoration in watershed landscapes, reforestation and regeneration in
20 degraded protection forest lands, forest plantations and smallholder forest farms
21 using combinations of high value indigenous and suitable species;

22 c. Development of localized and watershed specific framework for the
23 sustainable use and regulation of ecosystem goods and services that will enhance
24 biodiversity conservation, establish systems for payment of environmental
25 services, improve resilience to the impact of climate change, and increase the
26 supply of timber, non-timber, biomass, wildlife, food, medicines among others;

27 d. Promotion of landscape-linked and holistic forestry research,
28 education, and extension on forest ecosystem assets, services accounting and
29 valuation;

30 e. Strengthening the professionalization of the forestry service
31 consistent with Republic Act No. 10690 or “The Forestry Profession Act”.

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

- 1 a. *Ancestral forest lands* refer to lands and domains defined as such
2 under Republic Act No. 8371, or "The Indigenous Peoples Rights Act of 1997";
- 3 b. *Biodiversity* refers to the variability among living organisms from
4 all sources, including terrestrial, marine, and other aquatic ecosystems in the
5 ecological complexes of which they are part of;
- 6 c. *Certification* refers to a verification process conducted by a third
7 party to determine whether or not a forest land is managed based on a defined
8 set of standards;
- 9 d. *Climate change* refers to a change in climate that can be identified
10 by changes in the mean or variability of its properties and that persists for an
11 extended period whether due to natural variability or as a result of human
12 activity;
- 13 e. *Climate change mitigation* refers to human intervention to reduce
14 anthropogenic emissions of greenhouse gases including ozone depleting
15 substances and their substitutes such as increasing the capacity of carbon sinks;
- 16 f. *Ecosystem* refers to a community of living organisms interacting
17 with each other and with their environment;
- 18 g. *Ecosystem goods and services* refer to the multitude of material and
19 nonmaterial provisions and benefits from healthy ecosystems necessary for
20 human sustenance, well-being, and survival including support processes,
21 provisioning and environment regulating services, and cultural resource
22 preservation services;
- 23 h. *Ecotourism* refers to a form of sustainable tourism within a natural
24 or cultural heritage area where community participation, protection and
25 management of natural resources, culture, and indigenous knowledge and
26 practices, environmental education and ethics, as well as economic benefits are
27 pursued for the enrichment of host community and satisfaction of visitors;
- 28 i. *Forest* refers to an ecosystem or an assemblage of ecosystems
29 dominated by trees and other natural vegetation, populated by plants and
30 animals interacting with one another and their natural environment. It refers to
31 a land with an area of more than half (0.5) hectare and with tree crown cover or
32 equivalent stocking level of more than ten percent (10%);

- 1 j. *Forest land* refers to land of the public domain classified as needed
2 for forest purposes, including both production and protection. It includes all
3 forest reserves of the public domain;
- 4 k. *Forest management unit (FMU)* refers to a clearly defined forest
5 area assigned for management based on a set of objectives and a long-term
6 watershed-based management plan;
- 7 l. *Forest-based industries* refer to industries that are dependent on
8 raw materials or products derived from forests such as wood, rattan, bamboo,
9 vines, latex, resins, saps, essences, fruits, flowers, or wild flora and fauna;
- 10 m. *Forest Protection Officers* refer to officials or employees of the
11 Department of Environment and Natural Resources, hereinafter referred to as
12 DENR, who are granted the authority to enforce all forestry and environmental
13 laws and conduct arrests, seizures, and apprehensions in relation to
14 environmental law enforcement;
- 15 n. *Forest resources* refer to all products and resources in forest lands or
16 in other lands devoted for forest purposes including biomass such as plants and
17 animals, their by-products and derivatives, and non-biomass such as soil, water,
18 scenery;
- 19 o. *Forest restoration* refers to a management strategy applied in
20 degraded primary forests to enhance and accelerate natural processes of a forest
21 ecosystem;
- 22 p. *Forest stand* refers to a contiguous community of trees sufficiently
23 uniform in composition, structure, age, size, class, distribution, spatial
24 arrangement, site quality, condition or location to distinguish it from adjacent
25 communities;
- 26 q. *Indigenous cultural communities/Indigenous peoples* refer to a
27 group of people sharing common bonds of language, customs, traditions, and
28 other distinctive cultural traits, and who have, since time immemorial occupied,
29 possessed and utilized a territory;
- 30 r. *Indigenous species* refer to species or genotypes that have evolved in
31 the same area, region or biotope and are adapted to the specific predominant
32 ecological conditions at the time of establishment;

- 1 s. *Multiple-use of land* refers to the harmonized sustainable use of
2 land, soil, water, wildlife, recreation value, grass and timber of forest lands;
- 3 t. *Natural forest* refers to a forest composed of naturally growing
4 indigenous trees, not planted by humans, whose structure, composition, and
5 dynamics have been largely the result of natural succession process;
- 6 u. *Non-timber forest products* refer to all biological materials and
7 derivatives other than timber including fruits, nuts and vegetables, fish and
8 game, medicinal plants, resins, essences, rays and fibers of tree barks, and other
9 palms and grasses;
- 10 v. *Plantation* refers to forest stands established by planting or seeding
11 in the process of afforestation or reforestation. A stand is composed of either
12 introduced species, or of any indigenous species, which are of even age and
13 regular spacing;
- 14 w. *Primary forests or old-growth forests* refer to forests which have
15 never been subjected to human disturbance or have been very minimally affected
16 by hunting, gathering, and tree cutting that their natural structure, function,
17 and dynamics have not gone any change that exceed the elastic capacity of the
18 ecosystem;
- 19 x. *Processing plant* refers to any establishment or infrastructure that
20 houses any mechanical set-up, device, machine, or combination of machines used
21 for the conversion of logs and other forest raw materials into lumber, fiberboard,
22 pulp, paper, or other finished wood products;
- 23 y. *Public forest lands* refer to all lands of the public domain that have
24 not been declared National Parks under Section 5 of Republic Act No. 7586, or
25 the "National Integrated Protected Areas System Act of 1992", as amended by
26 Republic Act No. 11038 or the "Expanded National Integrated Protected Areas
27 System Act of 2018"; mineral lands pursuant to Republic Act No. 7942 otherwise
28 known as the "Philippine Mining Act of 1995"; and those lands not classified as
29 agricultural lands based on the maps developed by the National Mapping and
30 Resource Information Authority;

1 **SEC. 7. Administration, Development, Management and**
2 **Sustainable use of Forest Lands.** – The development and sustainable use of
3 forest lands and forest resources shall be under the full supervision and control
4 of the State. Towards this end, the State may directly undertake such activities
5 or enter into technical and financial agreements with qualified persons.

6 The DENR, through the Forest Management Bureau, hereinafter referred
7 to as FMB, shall be responsible for the administration, development,
8 management, and sustainable use of forest lands as defined in this Act. It shall
9 have the authority to enter into management agreements or issue tenure
10 instruments on behalf of the Government.

11 **SEC. 8. Forest Land Delineation.** – The delineation of forest lands as
12 completed by the DENR shall be adopted. All forest lands categorized as public
13 forest lands shall not be reclassified, except through an Act of Congress.

14 **SEC. 9. Management of Forest Lands.** – All forest lands shall be
15 managed for protection or production purposes.

16 a. All areas within the forest lands designated or set aside as such
17 shall constitute protection forest lands. These shall consist of the following:

- 18 1. Primary and secondary forests;
- 19 2. All areas that are one thousand (1,000) meters above sea level;
- 20 3. Limestone forests, forests over ultramafic rocks, peat swamps,
21 beaches, and freshwater swamps;
- 22 4. All existing natural mangroves;
- 23 5. All areas with a slope of fifty percent (50%) or more;
- 24 6. All areas along the bank of rivers and streams, and the shores of
25 the seas and lakes throughout the entire length and within a
26 zone of three (3) meters in urban areas, twenty (20) meters in
27 agricultural areas and forty (40) meters in forest areas, along
28 their margins which are subject to the easement of public use;
29 and
- 30 7. All watersheds that have been proclaimed by the President or by
31 law as such, primarily for water production purposes or for

1 other compatible uses under sustainable and multiple-use
2 management concepts.

3 All extractive activities, such as harvesting, gathering, and collection of
4 forest resources except non-timber forest products and scientific and educational
5 use as permitted by the FMB, are prohibited within forest lands for protection
6 purposes: *Provided*, That the sustainable traditional resource rights of ICCs/IPs
7 as defined under the Republic Act No. 8371, or "The Indigenous Peoples' Rights
8 Act of 1997", shall be respected: *Provided, further*: That such traditional
9 activities are not destructive of the forest, and that these activities shall promote
10 the protection of the forest.

11 Establishment of built-up facilities are also prohibited within protection
12 forest lands, except for special use consistent with sustainable forest
13 management strategies.

14 Only indigenous species shall be planted or introduced within protection
15 forest lands.

16 b. All public forest lands not classified as protection forest lands
17 pursuant to this Section shall constitute the production forest lands. These lands
18 shall be devoted for the production of timber and non-timber forest products to
19 supply the domestic forest resource demand of the country and facilitate
20 international trade of forest resources.

21 **SEC. 10. *Forest Management Units.*** – For the purpose of operations
22 and management, all public forests or timber lands shall be assigned and
23 registered as Forest Management Units (FMUs) with the DENR: *Provided*, That
24 all areas under an existing and valid tenure agreement or management with the
25 DENR before the passage of this Act shall be considered as FMUs.

26 Each FMU shall be managed for protection or production purposes.
27 Protection FMUs shall have the primary function of protecting life support
28 systems to regulate water resources, prevent flooding, control erosion, prevent
29 seawater intrusion, maintain soil fertility, and conserve plant and wildlife
30 biodiversity and their ecosystem. Production FMUs shall have the primary
31 function of producing forest products, food, energy, or fresh water.

1 **SEC. 11. *Managers of FMUs.*** – To ensure effective management of forest
2 lands, only qualified persons shall be designated managers of FMUs. An FMU
3 manager may be a natural or juridical person and includes local and ICC/IPs'
4 households, civil society organizations, business organizations, forest land use
5 tenure holders, and national and local government units subject to the
6 requirements to be provided in the implementing rules and regulations of this
7 Act.

8 **SEC. 12. *FMU Development and Management Planning.*** – Every
9 FMU shall have a management plan formulated by the FMU Manager, reviewed
10 and concurred by a Registered Professional Forester, and approved by the FMB.

11 In case the FMU holder is an individual, a member of an ICC/IP, or a
12 member of civil society, the FMB shall provide assistance in the preparation and
13 formulation of a management plan. In designating FMUs within a watershed,
14 and in awarding the appropriate tenurial instruments, priority shall be given to
15 indigenous peoples.

16 **SEC. 13. *Sustainable Management of Mangrove Resources.*** –
17 Mangrove species planted within production forest lands can be harvested,
18 gathered or collected, taking into consideration the basic forestry policies and
19 strategies provided for in this Act. The harvesting, gathering, collection of
20 mangrove species shall be upon the authority of FMB.

21 **SEC. 14. *Mined-Out Areas and Abandoned Fishpond Areas.*** – Forest
22 lands that are considered as either mined-out areas or abandoned fishpond lease
23 areas shall be under the management and administration of the FMB.

24 **SEC. 15. *Sustainable Use of Forest Resources.*** – The harvesting,
25 gathering, and collection of all planted forest resources within production forest
26 lands, including its by-products and derivatives, shall not require any clearance
27 from the DENR: *Provided*, That the volume of harvested products is consistent
28 with the approved management plan: *Provided, further*, That the DENR shall
29 establish a National Forest Stock Monitoring System (NFSMS) to ensure the
30 sustainable use of the forest resources and strengthen the timber legality
31 assurance system for forest products: *Provided, furthermore*, That the FMB shall
32 set up a monitoring mechanism that will include members of the local

1 consultative bodies: *Provided, finally,* That any request for clearance for
2 domestic transport of forest resources submitted to the DENR shall be acted
3 upon within seven (7) days from the date of its submission with the proper office.
4 If no action has been taken by the DENR after the lapse of seven (7) days, the
5 clearance for transport shall be deemed approved.

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

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

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

18 ARTICLE III

19 FOREST-BASED INDUSTRIES

20 **SEC. 17. *Development of an Open and Competitive Market for***
21 ***Forest Resources.*** – To meet the demands for forest goods and services, the
22 DENR shall promote and rationalize the establishment, operations, and
23 development of forest-based industries. The DENR shall institute measures to
24 develop an open and competitive market for forest products including the
25 liberalization of forest products harvesting, transport, and marketing.

26 **SEC. 18. *Export of Certified Forest Products.*** – No person shall sell or
27 offer for sale any forest resources in the international market without complying
28 with the certification system established by the Government. Failure to adhere
29 to the established standards, or any act of falsification shall be sufficient cause
30 for the cancellation of export licenses and other permits authorizing the
31 manufacture or sale of such resources.

1 Any person who is party to any of the agreements mentioned in this
2 section shall not be allowed to transfer or convey rights vested by the agreements
3 within five (5) years from the issuance of the agreement. Thereafter, the person
4 shall be able to transfer, or convey the rights of interests therein subject to a
5 written authority from the Secretary or duly authorized representative:
6 *Provided*, That the transferor has complied with the terms and conditions of the
7 agreement: *Provided, further*, That the transferee shall assume the obligations of
8 the transferor.

9 All parcels of public forest lands that are not covered by any management
10 agreement or tenure instrument shall be converted to FMUs.

11 **SEC. 23. *Forest Management Agreement.*** – The DENR and a qualified
12 person, whether natural or juridical, may enter into a forest management
13 agreement for the development, sustainable use, and management of forest lands
14 and forest resources found therein. The forest management agreement shall be
15 for twenty-five (25) years and may be extended for another twenty-five (25)
16 years.

17 **SEC. 24. *Scope of Forest Management Agreement.*** – A forest
18 management agreement may be entered into for the following purposes:

- 19 a. Agroforestry plantations, in accordance with the standards of the
20 DENR for forest plantations development;
- 21 b. Forest plantation development;
- 22 c. Ecotourism development;
- 23 d. Forest restoration; and
- 24 e. Special uses for forest lands.

25 A forest management agreement may be entered into for a single purpose
26 or a combination of any of the abovementioned purposes.

27 **SEC. 25. *Special Uses of Forest Lands.*** – Special uses of forest lands
28 shall include the following:

- 29 a. Establishment of forest park
- 30 b. Dry dock site;
- 31 c. Industrial processing site;
- 32 d. Herbal or medicinal plantation;

- 1 e. Fish drying site;
- 2 f. Communication station site;
- 3 g. Public landing site or airstrip;
- 4 h. Log pond or log depot;
- 5 i. Lumber yard;
- 6 j. Motor pool site;
- 7 k. Power station site;
- 8 l. Transmission line site;
- 9 m. Right-of-Way;
- 10 n. Farm-to-market roads;
- 11 o. Government facility site;
- 12 p. Water reservoir; and
- 13 q. Renewable energy projects.

14 **SEC. 26. *Qualified Persons.*** – The following persons are qualified to
15 enter into a Forest Management Agreement with the State:

- 16 a. Filipino citizens;
- 17 b. Local and ICC/IP's households, civil society organizations, small
18 and medium enterprises, and people's organizations;
- 19 c. Corporations or associations at least sixty percent (60%) of whose
20 capital is owned by Filipinos;
- 21 d. Local government units, when the purpose of the Agreement is for
22 public use or the establishment of government centers and facilities; or
- 23 e. Other national government agencies or government-owned or
24 controlled corporations, when the purpose of the Forest Management Agreement
25 is of national interest, such as the construction of electric transmission or
26 distribution lines, or water reservoirs.

27 **SEC. 27. *Benefit Sharing.*** – The following schemes shall be observed by
28 the parties to a Forest Management Agreement in relation to the sharing of
29 benefits derived from the agreement:

- 30 a. For forest plantations and forest plantations with processing plants,
31 the sharing of outputs shall be based on the total gross output of the plantation

1 harvests. Said sharing shall be done in a manner advantageous to the national
2 interest without prejudice for incentives that may be prescribed by the DENR.

3 b. For ecotourism purposes, the person who enters into a forest
4 management agreement with the State shall pay an annual user's fee equivalent
5 to five percent (5%) zonal value per square meter or a fraction thereof of the
6 nearest commercial area.

7 c. Non-income generating government facilities such as public school
8 sites, public hospitals or clinics, government center or offices, roads, farm-to-
9 market access roads, and public buildings are exempt from paying any fee or
10 other pecuniary obligation with the State: *Provided*, That the use of these
11 establishments or infrastructures shall not be subject to privatization.

12 **SEC. 28. Forestry Research, Education, Training, and Extension.** –
13 The Forestry Development Center (FDC) of the University of the Philippines Los
14 Baños Research, in collaboration with schools, universities, and colleges (SUCs)
15 as well as other stakeholders, shall undertake forest policy research and
16 technology development in support of sustainable forest management.

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

24 Continuing professional development shall be promoted in universities
25 and training institutions on forestry and natural resources management subject
26 to the Professional Regulation Commission's (PRC) accreditation system.
27 Forestry education in the Philippines shall be rationalized to ensure the quality
28 of formal forestry education and national and regional centers of development
29 and excellence in forestry and environmental education shall be established,
30 supported and sustained to develop high quality human resources and promote
31 global competitiveness. The Commission on Higher Education shall include
32 forest ecology and environment courses in general education curricula. The

1 DENR shall formulate a sustained nationwide public information and advocacy
2 campaign for forests and natural resources conservation, sustainable forest
3 management, and climate change.

4 **SEC. 29. *The Sustainable Forest Development Fund.*** – There is
5 hereby established a trust fund to be known as the Sustainable Forest
6 Development Fund (SFDF) to be utilized as concessional financing for forest
7 development projects proposed by the managers of FMUs. The Fund shall be
8 administered by a government financial institution as a trust account.

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

14 The SFDF may be augmented by grants, donations, payment for
15 ecosystem services, and endowment from various sources local and international
16 sources.

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

21 Disbursements from the fund shall be made solely for the protection,
22 maintenance, development of the forest area, and duly approved projects
23 endorsed by the forest management units, in the amounts authorized by the
24 DENR subject to existing accounting, budgeting and auditing rules and
25 regulations: *Provided*, That the fund shall not be used to cover personal services
26 expenditures.

27 **SEC. 30. *Importation and Sale.*** – Forest resources may be imported
28 into the country, subject to existing laws, rules, and regulations. All imported
29 forest resources shall comply with the Philippine National Standards to be
30 developed by the Department of Trade and Industry in coordination with the
31 Forest Products Research and Development Institute and the DENR.

1 Compliance with these standards shall be a precondition for the sale or
2 disposition of these products in the Philippines.

3 ARTICLE V

4 ORGANIZATIONS AND GOVERNANCE

5 SEC. 31. *Creation of the Position of Undersecretary for Forestry.* –

6 There is hereby created in the DENR the position of the Undersecretary for
7 Forestry who shall perform the following functions:

8 a. Oversee the provision of technical, marketing, financial, tenurial
9 and infrastructure support to persons and entities engaged in FMU
10 management;

11 b. Ensure watershed-based planning and monitoring processes are
12 observed in forestry-related developments;

13 c. Facilitate institutional linkages and convergence initiatives among
14 forestry stakeholders in support of effective development and management of
15 forest lands consistent with its protection and production uses;

16 d. Provide scientific information-based policy recommendations in aide
17 of sustainable forest management; and

18 e. Promote cost-effectiveness of forestry investments among local and
19 international investors and donors in line with sustainable forest management.

20 The President of the Republic of the Philippines shall appoint the
21 Undersecretary whose office's structure and staffing shall be recommended by
22 the DENR Secretary subject to existing laws, rules, and regulations.

23 SEC. 32. *Reconstitution of the Forest Management Bureau.* – The
24 Forest Management Bureau is hereby reconstituted as a line bureau under the
25 DENR. It shall be responsible for the administration, sustainable management,
26 development, and conservation of forest lands and forest resources of the
27 country, with functions specifically as follows:

28 a. Implement all policies, plans, programs, projects and activities
29 concerning forest lands with provision for effective feedback and reporting
30 mechanisms;

31 b. Ensure the provision of technical, marketing, financial, tenurial and
32 infrastructure support to persons and entities engaged in FMU management;

1 c. Enforce watershed-based planning approaches in all forestland
2 development and management endeavors;

3 d. Encourage the participation of forestry stakeholders in all forestry-
4 related consultative processes;

5 e. Develop and implement an effective geographical information
6 system in aid of forestry planning, monitoring and policy formulation;

7 f. Monitor and evaluate the physical, environmental, and socio-
8 economic outcomes in the management of all FMUs; and

9 g. Formulate and publish periodic reports informing stakeholders of
10 the status of the Philippine forest lands using both qualitative and quantitative
11 methods.

12 **SEC. 33. *Composition of the Forest Management Bureau.*** – As a line
13 bureau, the Forest Management Bureau shall be headed by a Director and
14 assisted by two (2) Assistant Directors who shall supervise the administrative
15 and technical services of the Bureau respectively. There shall be an FMB
16 Regional Director in each administrative region with corresponding offices and
17 positions. Consistent with Republic Act No. 10690, or “The Forestry Profession
18 Act”, only registered professional foresters (RPF) shall be appointed to the
19 aforementioned positions.

20 **SEC. 34. *Assistance of Law Enforcement Agencies.*** – Concerned
21 LGUs, the Department of Interior and Local Government, and the DENR may
22 call upon law enforcement agencies and instrumentalities of the Government
23 such as the Philippine National Police (PNP), the Armed Forces of the
24 Philippines (AFP), the Philippine Coast Guard (PCG), and the National Bureau
25 of Investigation (NBI) for the enforcement of environmental laws, executive
26 orders, and their implementing rules and regulations.

27 **SEC. 35. *Local Government Participation.*** – Enabling mechanisms
28 shall be developed to enhance the participation of the LGUs in watershed
29 management planning, sustainable use, conservation, and protection of forest
30 resources within their territorial jurisdiction, including forest resources which
31 have been placed by law under the administration and management of other
32 government agencies.

1 LGUs with forest lands within their jurisdiction shall align their CLUPs,
2 local development plans, disaster risk reduction management plans and other
3 required plans according to the objectives specified herein and in the protected
4 area management plans.

5 **SEC. 36. *Other Government Agencies.*** – Forest lands or portions
6 thereof, which have been placed under the administration and management of
7 other government agencies, shall remain as such: *Provided*, That the DENR
8 shall oversee the administration and management of these areas based on the
9 policies, strategies, and programs mandated under this Act: *Provided, further*,
10 That the concerned agencies shall submit an annual accomplishment report to
11 the DENR.

12 **SEC. 37. *Multi-Sectoral Consultative Bodies in Relation to Natural***
13 ***Resources Governance.*** – Pursuant to this Act, a technical and multi-sectoral
14 consultative body involving all direct stakeholders concerned within a watershed
15 shall be convened by the DENR specifically for each FMU and cluster of FMUs
16 as appropriate, and shall be consulted at least once a year to review and make
17 recommendations pertaining to watershed-based management related policies at
18 the local and regional level.

19 **SEC. 38. *Function of Multi-Sectoral Consultative Bodies.*** – The body
20 shall be responsible for the over-all policy direction in the management of the
21 forest lands and forest resources found within their respective jurisdictions in
22 accordance with the provision of this Act. Specifically, it shall (a) review and
23 recommend implementation of programs and projects, (b) perform oversight
24 functions on matters pertaining to environment and natural resources, and (c)
25 participate in the review and recommend relevant policies for the protection,
26 conservation and restoration efforts within the watershed in ensuring significant
27 contribution of the forestry sector to national economy, ecological sustainability,
28 and sustainable development closely adhering to the principles and priority
29 programs of the Government. Said body may also facilitate the initiation of the
30 LGUs' participation in monitoring the transfer and implementation of devolved
31 functions to the LGUs.

1 **SEC. 39. Power and Water Utility Service Providers.** – Forest lands or
2 portions thereof, which have been placed by law or agreement under the
3 administration and management of government and private power and water
4 utility service providers, shall be included in the partitioning of forest lands into
5 appropriate categories consistent with the purpose of the assigned forest land,
6 and shall remain under the administration and management of the said utility
7 service providers concerned: *Provided*, That the DENR shall exercise oversight
8 power on the planning, management, sustainable use, and assessment of all
9 forest resources in these areas.

10 **SEC. 40. Governance Support Mechanism.** – The following
11 mechanisms shall be developed, established, and used for the effective
12 implementation of the sustainable forest management program:

13 a. The principles and practices of transparency, accountability, and
14 participatory decision-making, in transactions, decision, and actions affecting
15 forestry, in all levels, and the policy of streamlining, decentralization, devolution,
16 and deregulation shall be adopted, promoted, and institutionalized in the DENR;

17 b. Forest land use plans shall be integrated with the comprehensive
18 land use plans of local government units;

19 c. Networks and linkages with local and international institutions,
20 civil society organizations, local government units and industries involved in the
21 promotion and practice of sustainable forest management shall be strengthened;

22 d. The DENR shall prescribe appropriate fees and government shares
23 for different kinds of sustainable use, exploitation, occupation, possession, or
24 activities within forest lands, as well as the corresponding administrative fees for
25 permits, agreements, and other services;

26 e. The DENR shall have the authority to impose other fees for
27 payment for ecosystem services and forest protection, management,
28 reforestation, and development. In addition, the DENR may waive fees and
29 charges on government activities within forest lands that support public utility,
30 social welfare, national security, or national interest;

31 f. The DENR shall undertake the monitoring and control of forest
32 management and sustainable use through third-party audit and certification. A

1 National Forest Certification System shall be established which will outline the
2 policy, rules, procedures, and management for implementing forest management
3 certification and chain-of-custody certification in promoting timber legality
4 assurance system in the country. The DENR shall develop pertinent guidelines,
5 in coordination with all stakeholders, for the implementation of this provision
6 subsequent to the effectivity of this Act;

7 g. The DENR shall establish a forest management information system
8 which shall consist of comprehensive up-to-date information on the physical,
9 social, financial, economic, biological, and environmental components of the
10 country's forest lands and forest resources. It shall include a continuous
11 monitoring system to track the sustainable use and movement or transfer of
12 forest-based goods and services, the changes in the state of forest resources and
13 ecosystem services, and its drivers. The system shall likewise include a ground-
14 based validation system for assessing progress towards sustainable forest
15 management;

16 h. It shall be the priority of the State to ensure that government
17 employees involved in the implementation of the sustainable forest management
18 law are properly trained, sufficiently equipped, adequately compensated, and
19 given ample opportunities to participate in its implementation.

20 ARTICLE VI

21 OFFENSES AND PENALTIES

22 **SEC. 41. *Harvesting, Gathering, Collection, or Possession of Forest***
23 ***Resources from Protection Forest Lands.*** – Any person who shall harvest,
24 gather, collect, or possess any forest resource from protection forest lands shall
25 be punished with imprisonment ranging from six (6) years and one (1) day to
26 twelve (12) years and one (1) day or a fine equivalent to ten (10) times the value
27 of the said forest resource. The Forest Protection Officers shall have the
28 authority to estimate the present market value of the forest resources subject of
29 the illegal harvest, gathering, collection or possession based on the guidelines
30 promulgated by the DENR.

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

1 An alien who commits these prohibited acts shall be deported after
2 payment of the fine imposed by the Bureau of Immigration without deportation
3 proceedings.

4 **SEC. 42. *Illegal Harvesting, Gathering, Collection, or Possession of***
5 ***Forest Resources as an Act of Economic Sabotage.*** – Any of the acts
6 enumerated in the preceding section shall be considered as an economic sabotage
7 when committed by:

8 a. At least two (2) or more persons through an organized and
9 systematic manner; and

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

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

15 **SEC. 43. *Grazing Livestock in Forest Lands Without Authority.*** –
16 Any person found to have caused the grazing of livestock in forest lands without
17 authority from the DENR shall be punished with imprisonment of two (2) years,
18 four (4) months, and one (1) day up to four (4) years and two (2) months. The
19 livestock shall be confiscated in favor of the local government unit (LGU)
20 concerned.

21 **SEC. 44. *Unlawful Occupation of Forest Lands.*** – Except for ICC/IPs
22 occupying ancestral forest lands consistent with their CADC or CADT and the
23 provisions of Republic Act No. 8371 or “The Indigenous Peoples Rights Act”, any
24 person who, without authority from the DENR, takes possession of or occupies
25 any parcel of forest land shall be punished with a penalty of imprisonment of six
26 (6) years and one (1) day up to twelve (12) years and a fine of not less than One
27 hundred thousand pesos (P100,000.00), but not more than Five hundred
28 thousand pesos (P500,000.00) and forced eviction from the area.

29 **SEC. 45. *Destruction of Forest Lands.*** – Any person who shall destroy
30 or cause destruction within protection, ancestral, or public forest lands or assist,
31 aids, or abets another person to do so, shall be punished with a penalty of
32 imprisonment of six (6) years and one (1) day up to twelve (12) years, and a fine

1 of not less than One hundred thousand pesos (P100,000.00,) but not more than
2 Five million pesos (P5,000,000.00).

3 **SEC. 46. *Unlawful Operations of Sawmills, Wood Processing***
4 ***Plants, and Forest-Based Industries.*** – Any person operating a sawmill, wood
5 processing plant, and forest-based industry without any authority from the
6 DENR shall be punished with a penalty of imprisonment for six (6) years and
7 one (1) day up to twelve (12) years, and a fine of not less than Five million pesos
8 (P5,000,000.00).

9 If the offender is a public official or employee, the accessory penalty of
10 permanent disqualification shall be imposed, including forfeiture of all
11 government benefits.

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

15 **SEC. 47. *Prohibition on the Issuance of Land Titles or Tax***
16 ***Declarations on Forest Lands.*** – All land titles and tax declaration issued over
17 forest lands shall be deemed *void ab initio*. Any person who shall issue land
18 titles and tax declarations over any forest land or a parcel thereof shall be
19 punished with imprisonment of six (6) years and one (1) day up to twelve (12)
20 years, with a fine of not less than One hundred thousand pesos (P100,000.00),
21 but not more than Five hundred thousand pesos (P500,000.00). The accessory
22 penalty of disqualification shall be imposed for a period of twelve (12) years and
23 one (1) day.

24 **SEC. 48. *Non-Payment and Non-Remittance of Forestry Fees and***
25 ***Charges.*** – Any person who fails to pay the amount due and payable as forestry
26 fees or charges to the government or remit the same to the proper authorities
27 within the prescribed period shall be punished with a penalty of imprisonment
28 for a period of six (6) years and one (1) day up to twelve (12) years, with a fine of
29 not less than One hundred thousand pesos (P100,000.00), but not more than Five
30 hundred thousand pesos (P500,000.00).

31 **SEC. 49. *Non-Establishment of Tree Parks and Green Spaces.*** –
32 Every LGU shall establish and maintain tree parks and green spaces pursuant

1 to their comprehensive land use plans. Allocations for the establishment and
2 maintenance of the same shall form part of the local government unit's annual
3 budget.

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

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

12 Any LGU or owner of a parcel of land subdivided into residential,
13 commercial, or industrial lots who fails to establish green spaces or tree parks as
14 provided in the preceding paragraphs shall be penalized with a fine of not less
15 than Five hundred thousand pesos (P500,000.00), but not more than One million
16 pesos (P1,000,000.00).

17 **SEC. 50. *Illegal Conversion of Tree Parks and Green Spaces.*** – Any
18 person who shall convert or cause to convert any tree park or green space for a
19 purpose inconsistent with that which is provided for by this Act shall be
20 punished with a penalty of imprisonment for six (6) years and one (1) day up to
21 twelve (12) years, or a fine not less than Five hundred thousand pesos
22 (P500,000.00), but not more than One million pesos (P1,000,000.00).

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

27 **SEC. 51. *Arrest and Detention.*** – If the apprehension of an offender was
28 conducted in areas far from the place where persons authorized to conduct
29 inquest proceedings are located, the delivery of the said person to the proper
30 judicial authorities shall be done within a reasonable time period, taking into
31 consideration the ordinary travel time from the place of arrest to the place of
32 delivery.

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

5 **SEC. 52. *Public Auction of Forest Resources.*** – If the confiscated forest
6 resources are in danger of deteriorating, the DENR may order that the same be
7 sold at public auction even before the termination of the judicial proceedings, and
8 the proceeds thereof shall be kept in trust until such time that the judicial
9 proceedings are completed and judgment is made as to the disposition of such
10 forest resources.

11 **SEC. 53. *Authority of Forest Protection Officers.*** – In the performance
12 of their official duties, forest protection officers or other public officials or
13 employees authorized by the DENR shall have free access into forest lands or
14 any parcel thereof.

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

19 Finally, forest protection officers are authorized to administer oaths, and
20 take acknowledgments on official matters connected to the implementation of
21 this Act and its rules and regulations.

22 ARTICLE VII

23 ADMINISTRATIVE PROVISIONS

24 **SEC. 54. *Administrative Authority of the DENR Secretary or the***
25 ***Duly Authorized Representative to Order Confiscation.*** – In all cases of
26 violations of this Act or other forest laws, rules and regulations, the DENR
27 Secretary or a duly authorized representative may order the confiscation of
28 forest resources illegally harvested, collected, gathered, possessed and those that
29 are abandoned. This authority shall extend to all conveyances used either on
30 land, water or air as well as machinery, equipment, implements, and tools used
31 in the commission of the offense, and to dispose of the same in accordance with
32 pertinent laws, rules, and regulations.

1 **SEC. 55. *Administrative Authority of the DENR Secretary to Impose***
2 ***Fines.*** – The DENR Secretary or a duly authorized representative, after the
3 consultation with the forest-based industries affected, is hereby authorized to set
4 the amount of fines for the offenses described in this Act and shall publish the
5 schedule of fines in a national newspaper of general circulation.

6 **SEC. 56. *Fines Escalation Clause.*** – The fines herein prescribed shall
7 be increased by at least ten percent (10%) every three (3) years to compensate for
8 inflation and to enhance the deterrent purpose of such fines.

9 **SEC. 57. *Informant's Incentive.*** – Twenty percent (20%) of the value of
10 confiscated materials shall be used as incentives to informants, including forest
11 management councils and forest management boards to be placed in the SFDF.
12 They shall also be entitled to free legal assistance should cases be filed against
13 them in the performance of official duties.

14 **SEC. 58. *Suits and Strategic Legal Action Against Public***
15 ***Participation and the Enforcement of this Act.*** –

16 a. A legal action filed to harass, vex, exert undue pressure, or stifle
17 any legal recourse that any person, institution, or the government has taken or
18 may take in the enforcement of this Act, or to protect the environment, or uphold
19 the environmental rights of persons, shall be treated as a strategic legal action
20 against public participation and shall be governed by this Section.

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

28 The court shall direct the plaintiff or adverse party to file an opposition to
29 the suit or strategic legal action asserting why the suit is not a not a valid
30 defense within a non-extensible period of five (5) days from receipt of notice that
31 an answer has been filed.

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

4 c. The hearing on the suit or strategic legal action shall be summary
5 in nature. The parties must submit all available evidence in support of their
6 respective positions. The party seeking the dismissal of the case must prove by
7 substantial evidence that the enforcement of this Act is a legitimate action for
8 the protection, preservation and rehabilitation of the environment. The Party
9 filing the action assailed as a strategic legal action against public participation
10 and enforcement of this Act shall prove by preponderance of evidence that the
11 action is a valid claim.

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

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

20 **SEC. 59. *Citizen's Suit.*** – Any citizen may file an appropriate civil,
21 criminal or administrative action with the proper court against:

22 a. Any person who violates or fails to comply with the provisions of
23 this Act or its implementing rules and regulations;

24 b. The DENR or other implementing agencies with respect to orders,
25 rules, and regulations that are in contravention to this Act; and

26 c. Any public officer who willfully or grossly neglects the performance
27 of an act specifically enjoined as a duty by this Act or rules and regulations
28 issued to implement it, or abuses the authority vested upon such public officer,
29 or in any manner improperly performs the duties under this law or its
30 implementing rules and regulations.

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

4 **SEC. 60. *Implementing Rules and Regulations.*** – Within six (6)
5 months from the effectivity of this Act, the DENR, in consultation with other
6 government agencies and relevant stakeholders shall prepare the necessary
7 rules and regulations to implement this Act.

8 **SEC. 61. *Appropriations.*** – The DENR shall immediately include in the
9 Department's program the implementation of this Act, the funding of which shall
10 be included in the annual General Appropriations Act.

11 For LGUs, the funding requirements shall be taken from their internal
12 revenue allotment (IRA) and other sources of income derived from the shares
13 from the different modes of agreement.

14 **SEC. 62. *Transitory Provision.*** – Upon the approval of this Act, all
15 existing tenure instruments, agreements or contracts, permits, and the like,
16 shall be reviewed by the DENR and shall not be renewed upon their expiration
17 unless their terms are consistent with the provisions of this Act.

18 **SEC. 63. *Separability Clause.*** – If any section or provision of this Act is
19 held unconstitutional or invalid, the remaining sections or provisions with the
20 provisions not affected thereby shall continue to be in full force and effect.

21 **SEC. 64. *Repealing Clause.*** – All laws, decrees, executive orders, rules
22 and regulations, issuance or parts thereof inconsistent with the provisions of this
23 Act are hereby repealed or modified accordingly.

24 **SEC. 65. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
25 publication in the *Official Gazette* or in a newspaper of general circulation.

26 Approved,