

**Memorandum Order
No. 11
December 22, 1987**

**SUBJECT: Processing of Applications to Establish
and/or Operate a Sawmill/Mini-Sawmill/
Re-Saw**

In addition to the requirements under MAO No. 50 dated 19 November, Series of 1986, the following are hereby promulgated:

1. Applications with accomplished requirements per Annex "A" herewith, for the establishment and/or operation of sawmills, mini-sawmills or re-saws shall be evaluated as follows:
 - a. Preference shall be given to the processing of more value-added timber products, e.g. veneer, plywood, parquet, furniture manufacturing, woodcraft, boxes, crates, etc.;
 - b. Preference shall be given to those located in non-residential areas;
 - c. Applicants shall use more efficient and high-recovery machineries;
 - d. Priority shall be given to renewals rather than new applications;
 - e. The size and location of the mills shall not encourage illegal logging of residual forests; and
 - f. Fair warning shall be given to the applicants on the possible implications of a limited, if not curtailment of log supply due to the intended implementation of a policy based on a macro-level decision.
2. This Order shall take effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary

SUMMARY PROCEDURES:

- I. File application with the Regional Executive Director
cc. Forest Management Bureau

File application with Regional Office with:

1. Annual Concession Report
 2. Operations Plan for the next six (6) months to be approved by RED
- II. Regional Office validation of the above especially with regard to selective logging, forest protection and reforestation.
 - III. Endorsement by the RED to Undersecretary for Field Operations (if no conflict) and to ASEC concerned (if there is conflict)
 - IV. USEC and FMB recommends to Technical Review Committee who then evaluates
 - V. Technical Review Committee recommends to the Secretary for approval/denial

NOTE: Steps I - IV (15 days for regions and ten (10) days for FMB)

SCHEDULE OF PERMIT FEES AND BONDS

Sawmill capacity Bd. Ft./day	Annual Permit Fee	Forestry Bond	
		CASH	or SURETY
10,000 & below	750.00	5,000.00	6,250.00
15,000	900.00	7,500.00	9,375.00
18,000	900.00	9,000.00	11,250.00
20,000	1,000.00	10,000.00	12,500.00
25,000	1,000.00	12,500.00	15,625.00
30,000	1,000.00	15,000.00	18,750.00
40,000	1,000.00	20,000.00	25,000.00
50,000	1,000.00	25,000.00	31,250.00

"ANNEX B"

REQUIREMENTS FOR SAWMILL/MINI-SAWMILL/RESAW PERMIT APPLICATIONS

COMMON

1. In case of private corporation, partnership or association, a copy of the latest Articles of Incorporation, Partnership or Association as the case may be, duly certified by the Securities and Exchange Commission;
2. In case of Single Proprietorship, a copy of the Certificate of Registration with the Bureau of Domestic Trade;
3. Appropriate authorization issued by the Corporation, Partnership, Association or Proprietor in favor of the person signing the application;
4. Locational/local clearance from the concerned municipal government;
5. If the applicant is not a timber licensee, the source to assure the sawmill log supply shall be indicated.

FOR AUTHORITY TO ESTABLISH AND OPERATE NEW MILLS

Requirement Nos. 1 to 5 and

6. Letter-request addressed to the Secretary of the Department of Environment and Natural Resources filed with the Regional Office.

FOR PERMIT TO OPERATE NEW MILLS

Requirement Nos. 1 to 6 and the following:

7. Duly accomplished Application Form;
8. Application Fee and Oath Fee - P255.00

FOR PERMIT RENEWAL

Requirement Nos. 1 to 8