

DENR ADMINISTRATIVE ORDER  
NO. 04-1

**SUBJECT: Special Provisions for the Processing of  
Rattan Applications Within Area Reserved/  
Occupied by Cultural Communities.**

*Section 1. Declaration of Policy.* These SPECIAL PROVISIONS are promulgated in order to protect the rights of indigenous cultural communities to their ancestral lands to ensure their economic, social and cultural well-being, as mandated by the 1987 Constitution.

*Section 2. Definition of Cultural Communities.* For purposes of these SPECIAL PROVISIONS, a cultural community is deemed to be a group of people actually occupying a contiguous area in accordance with their indigenous customs and traditions. The area herein referred to and made available for the rattan cutting license should be part of the areas traditionally occupied by such cultural community.

*Section 3. Rattan Cutting License.* A rattan cutting license may be issued by the Secretary, or his duly authorized representative, for the cutting and gathering of rattan inside civil reservations, stewardship contract areas, and areas traditionally occupied by the indigenous cultural communities and for the subsequent utilization, disposition and transport of said forest products, in accordance with the following conditions:

- 3.1 Considering that the indigenous cultural communities have the right to the exclusive use of civil reservation areas, established by virtue of presidential proclamations, issued in favor of indigenous cultural communities, no rattan cutting license shall be issued over these areas without their consent.
- 3.2 No rattan cutting license over community forest stewardship areas granted to indigenous cultural communities, shall be issued without the consent of the indigenous cultural community concerned.
- 3.3 Rattan production blocks which encroach on the areas traditionally occupied by the indigenous cultural communities shall be modified pursuant to the constitutional mandate that these areas shall be protected by the State for these communities.

*Section 4. Clearance.* The clearance to certify that the consent of the indigenous community/ies concerned has been secured must be signed by their leader/chieftain and the members of their tribal council/board/elders and attested to by the Community Environment and Natural Resources Officer concerned.

*Section 5. Priority for Rattan Cutting License.* Should the indigenous cultural community/ies consent to the utilization and disposition of the rattan, a license shall be issued as follows:

- 5.1 The indigenous cultural community occupying the reservation shall be given priority over all other applicants; and other indigenous cultural communities over other entities; provided, that the offer of the indigenous cultural community shall not be lower than the floor price for the rattan.
- 5.2 The issuance of licenses to non-members of the indigenous cultural communities over these areas shall be governed by Chapter III of DAO No. 04.
- 5.3 In no case shall rattan cutting licenses be issued over these areas to non-members of the cultural community concerned without a compensation package for the benefit of the community/ies affected, duly approved by the Secretary or his duly authorized representative. The Undersecretary for Field Operations shall, upon recommendation by the Indigenous Community Affairs Division, Special Concerns Office, simultaneously designate a project manager for the implementation of the compensation package. The compensation package shall be based on the felt needs of the cultural community.

*Section 6. Rattan Plantation and Development.* Areas reserved/occupied by cultural communities may be made available for rattan plantation establishment and development, subject to the following conditions:

- 6.1 The indigenous cultural communities may avail of a rattan plantation lease over areas within and adjacent to their reservation/stewardship areas or areas traditionally occupied by them. No lease application by non-members of these communities shall be given due course without a clearance certifying that the consent of the affected indigenous cultural community/ies has been secured.
- 6.2 The provisions of Section 5 hereof shall govern whenever applicable, provided that the application requirements under Section 43 of DAO No. 04 are complied with.

*Section 7. Negotiated Contracts.* The Secretary may, if national interest so requires, grant rattan cutting licenses through negotiated contract to indigenous cultural communities over areas predominated by such communities provided that such area shall not exceed ten per cent (10%) of the total rattan production blocks per region.

*Section 8. Rattan Processing.* Nothing in this Order shall prevent the indigenous cultural communities from applying for and acquiring a rattan processing plant license in accordance with Section 31–38 of DAO No. 04.

*Section 9. Prohibition.* The licenses or leases issued in accordance with these SPECIAL PROVISIONS shall not be subcontracted for any reason or for any cause. The incapacity of the licensee or lessee shall effect the automatic revocation of such license or lease.

*Section 10. Applicability.* Except as provided under these SPECIAL PROVISIONS, all other provisions of DENR Administrative Order No. 04 shall be applied.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on January 12, 1989