

**MEMORANDUM CIRCULAR**

No. 18

**TO : ALL REGIONAL EXECUTIVE DIRECTORS/  
PENROs/CENROs**

**SUBJECT : Prioritizing the Establishment and Development of Rattan  
Plantation by Contract and Administration and Exploring  
the Possibility of Availing Management and Technical  
Services Agreements with Plantation Developers and Other  
Schemes.**

**SECTION 1. BASIC POLICY**

Pursuant to Section 39, Chapter VI of the DENR Administrative Order No.4 dated January 21, 1989 and in line with the policy of the government of ensuring the sustainable productivity of the rattan resources as a tool to economic recovery and social equity, the Department of Environment and Natural Resources (DENR) shall (a) encourage and accelerate the establishment and development of rattan plantations with the participation of the public and private sectors, (b) to ensure the availability of rattan resources; and (c) to generate employment in the countryside.

To further enhance the objective of rattan plantation development, DENR encourages the possibility of assessing offers pertaining to Management and Technical Services Agreement (MTSA) from Filipino corporations, cooperative, associations, non-government organizations (NGO) which have good track record or their key personnel have extensive experience in rattan plantation establishment and development.

The Management and Technical Services Agreement (MTSA) is an arrangement wherein the DENR engages the management and technical services of a plantation developer for a specified fee with DENR providing the funds for implementing the Agreement.

## **SECTION 2. IMPLEMENTING GUIDELINES**

- a) Effective immediately, all DENR offices involved in the development and development of rattan plantation by regular reforestation contracts and assess offer made, if any on Management and Technical Agreements (MTSA) with the DENR;
- b) Establishment and development of rattan plantation shall be applied in the following areas based on Section 40 of the DENR Administrative Order No.4:
  1. Brushlands and openlands;
  2. Recently logged-over forests;
  3. Second-growth forests not scheduled for relogging within the next twenty (20) years;
  4. Established plantation inside forest tree plantation development projects or existing government reforestation projects.

However, the rattan plantations may be raised together with fast growing forest tree species under a forest multi-cropping system.

## **SECTION 3. WORK AND FINANCIAL PLANS**

In the formulation of work and financial plans and/or assessment and modification of plan submitted by contractors and contract proponents, all DENR offices engage herein shall refer to the attached annexes "A", "B", "C", and "D".

## **SECTION 4. ORGANIZATION OF RATTAN REGIONAL DESK OFFICER**

To immediately and effectively implement the project, REDs are hereby instructed to designate a desk officer in every region whose sole function is to speed up the implementation and coordinate with the contractors, CENROs and PENROs in the establishment and development of Rattan Plantation.

## **SECTION 5. PREPARATION AND SUBMISSION OF RATTAN PLANTATION DEVELOPMENT/WORK PLAN**

The CENRO in whose jurisdiction the project be implemented either by contract or administration shall be responsible for the preparation of the development plan using Annexes "A", "B", "C" and "D" as guide while observing the suitable areas embodied under Section 2 hereof. The plan shall be approved by the REDs concerned copy furnished Assistant Director,

Special Concerns Office. The document called for shall reach the SCO fifteen (15) days after the receipt of this Circular. Subsequent 3-year development plan shall also be submitted on or before the end of October, 1989.

The Regional Executive Director shall have the discretion herein to allocate and select areas for the purpose either by administration or contract both of which are ADB-OECF funded.

In cases where proposals are submitted under the MTSA scheme, Regional Executive Directors With their comments/stand on them may forward same to Special Concerns Office for appropriate action/study of the NFP Secretariat.

#### **SECTION 6. TARGET AREAS FOR RATTAN PLANTATION**

Six months after the receipt of this Circular, each region shall have Rattan Plantation by Contract, by Administration or a combination hereof. The area initially should not be more than 500 hectares following the aforesaid guidelines and features herein.

#### **SECTION 7. REPEALING CLAUSE**

Any provision of the Department Administrative Orders, Memorandum Circulars or other DENR documents inconsistent with this Circular are hereby amended and repealed accordingly.

#### **SECTION 8. EFFECTIVITY**

This Circular shall take effect immediately.

**FULGENCIO S. FACTORAN; JR**  
Secretary

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**RECOMMENDING APPROVAL:**

LOPE D. REYES  
Assistant Director  
Officer-in-Charge  
Forest Management Bureau

Signed on September 14, 1989  
\* (Annexes A, B, C and D Omitted)