

MEMORANDUM CIRCULAR
No. 25

SUBJECT: Guidelines on the Approval of 1990 Integrated Annual Operations Plans (IAPO's)

In line with the DENR's mandate for the sustainable development of the country's natural resources and the basic premise that Integrated Annual Operations Plans (IAOP's) for a given timber license or permit should reflect long term planning, the following conditions/guidelines must henceforth be incorporated in IAOP's beginning 1990.

- 1) The annual allowable cut shall be determined using the formula prescribed under FAO 74 for particular forest stands. While the implementation of a more intensive forest stand assessment is pending, the data to be used shall be the RP-German National Forest Resources Inventory results, including the volume per hectare figures per region. For this purpose, the projected volume after the cutting cycle shall be assumed to approximate the original stand. The attached tables shall be used as reference.
2. There shall be no logging in virgin forest area 50% or steeper in slope.
3. There shall absolutely be no logging in mossy forest or dipterocarp forests 1000 meters in elevation or over.
- 4) Enrichment planting of newly logged-over areas shall utilize long term forest crops or high value species, preferably dipterocarps.
- 5) Timber stand improvement in logged-over forests shall be strengthened in accordance with Memorandum Circular No. 19 Series of 1989 dated 26 September 1989.
- 6) Reforestation targets shall not be lower than 100% of the area to be logged for the particular year, which pertains to open and denuded lands and excludes timber stand improvement and enrichment planting in logged-over areas. In cases where there are no open and denuded portions within the license area, the regional office concerned shall identify equivalent areas outside the license area for purposes of reforestation.

For strict implementation.

FULGENCIO S. FACTORAN, JR.
Secretary

Signed on December 27, 1989

EXISTING TIMBER LICENSE AGREEMENTS (TLAs) USING FAO 74

REGION	NAME OF LICENSEE	LIC. NO.	Date of Issuance	Expiry Date	Cutting Cycle (Yrs.)	OLD GROWTH FOREST (Has.)	RESIDUAL FOREST (Hectares)	TOTAL AREA OF CONCESSION (Hectares)	AAC FAO 74
2	1 ACME Consolidated and Veneer Company	TLA 75	7-20-65	6-30-90	30	28,116	20,989	84,525	97,392
	2 Amuntan Bay Timber Licensees	TLA 148-1	7-22-85	6-30-2000	30	1,984	4,504	24,710	12,868
	3 BRQ Timber & Dev't. Corp.	TLA227-A	10-29-84	8-30-94	40	2,200	1,312	6,000	5,224
	4 Consolidated Log & Lbr Mills, Inc. (CLLM)	TLA 105	7-10-72	6-30-97	30	9,666	14,813	26,920	48,550
	5 Pacific Timber Export Corp.	TLA131-A	5-4-82	12-31-06	30	18,788	6,220	34,450	49,599
	6 Green Valley Timber Corp.	TLA 247-1	3-07-82	1-31-93	30	1,675	4,797	13,720	12,836
	7 Isabela Sierra Lumber Corp. (ISLC)	TLA 312-1	9-9-85	7-31-95	30	3,708	13,780	21,390	31,686
	8 Jones Logging Corporation	38-1	6-30-82	12-31-07	30	1,832	14,144	20,911	34,685
	9 Kasibu Logging Corp.	TLA 126-1	8-6-82	7-31-92	40	1,459	5,414	10,500	10,224
	10 Liberty Logging Corporation	TLA 250-1	5-26-81	6-30-7	30	5,672	10,020	27,260	31,122
	11 Luzon Loggers, Inc.	TLA 029	3-22-73	6-30-97	30	3,240	14,815	23,620	35,809
	12 Luzon Mahogany Timber Industry Inc.	243-1	7-1-82	12-31-07	30	8,604	622	26,125	18,298
	13 Monte Alto Timber Resources Corp. (F. Siquian)	TLA 280-1	1-15-85	12-31-99	30	4,970	6,670	14,490	23,086
	14 Nor Luz Timber, Inc.	TLA 141	2-21-73	6-30-97	40	7,969	13,283	27,160	31,612
	15 North Luzon Mahogany Exporters, Inc.	TLA 025	12-21-72	6-30-87	40	8,656	24,232	54,760	48,921
	16 Northern Isabela Lumber Producers Corp.	TLA 147	10-07-85	12-31-96	30	4,655	3,640	12,250	16,452
	17 Sierra Madre Wood Industries Inc.	345	7-8-80	12-31-04	40	7,417	4,336	19,050	17,483
	18 Sta. Teresita Wood Industries, Inc.	TLA 214-1	2-4-83	1-31-95	40	2,012	19,170	36,100	31,508
	19 Twin Peaks Realty Development Corp.	356	8-20-84	7-31-09	30	10,540	8,264	26,000	37,295
	20 United Timber License Inc.	134-1	1-03-82	6-30-07	40	26,952	17,783	74,500	66,543
	21 Veterans Woodworks, Inc.	TLA 274	6-20-74	6-30-99	40	21,577	24,931	63,170	69,181
	22 Northeast Timber Company Inc.	TLA 351	7-15-82	12-31-92	30	4,350	15,550	20,000	39,468
	23 Southern Plywood	TLA 321	10-07-76	6-30-01	30	0	0	71,300	0
	24 Western Cagayan Lumber Inc.	TLA 73	7-23-65	6-30-90	30	0	0	69,675	0
	25 La Villa Resources Corp.	TLA 139	2-05-73	6-30-97	40	0	0	57,620	0
4	26 Inter Pacific (formerly B&S)	TLA 365	3-15-85	2-28-10	30	7,125	19,840	50,000	56,627
	27 Verdant Agroforest Development Corp.	356	4-15-85	3-31-10	30	10,467	11,583	30,320	46,315
	28 R C C Timber Company, Inc. (formerly Ong Bro. L.)	212	4-23-83	4-13-93	30	4,379	7,075	8,000	24,053
	29 Nationwide Princess Timber Corp.	107-1	3-15-82	12-31-07	45	18,380	10,630	46,860	17,599
	30 Pagdanan Timber Products	281	10-29-74	6-30-99	45	36,624	28,100	98,950	39,266
	31 Palawan Lumber Manufacturing Corp.	220-1	3-25-82	6-30-07	40	7,720	8,930	34,888	11,364
	32 International Hardwood and Veneer Corp.	TLA 373	1-11-61	12-31-01	30	2,400	20,500	20,500	48,090
	33 Industries Development Corp.	TLA 002	8-14-69	6-30-94	30	17,020	25,055	60,005	88,358
	34 Woodworks Inc.	TLA 023-3	5-11-78	12-31-91	30	0	0	34,480	0
8	35 Great Pacific Timber and Dev't Corp. (G'BARIN)	TLA 007	7-15-70	6-30-92	35	9,200	32,000	84,540	61,800
	36 PAVA Logging Company	120-1	7-7-82	12-31-07	35	4,500	23,667	31,075	42,251
	37 Base Wood Industry Inc.	14	1-21-71	6-30-95	35	18,600	12,108	57,525	46,062
	38 San Jose Timber Corporation	118-1	9-24-82	6-30-07	35	37,800	43,100	95,770	121,350
	39 Timber Producers and Marketing Corp.	375	11-26-86	11-26-11	35	9,728	8,140	26,500	26,802
9	40 First Plywood Corp.	138	2-2-73	6-30-97	30	5,020	4,740	27,810	29,378
	41 West Basilan Timber Co.	164-A	8-26-81	12-31-90	40	3,908	3,168	22,988	15,974
	42 Mindanao Estates Timber Corp.	184-1	9-30-82	6-30-02	30	6,152	10,380	47,380	49,761
	43 Great Pacific and Development Corp. (NEPATCO)	008	6-27-72	6-30-97	40	5,748	7,760	19,350	30,494
	44 Sirawai Plywood and Lumber Co.	54-1	8-20-85	6-30-00	30	4,488	2,856	16,830	22,105
	45 Westmin Forest Products Inc.	144	8-6-80	12-31-04	30	2,792	9,460	22,680	36,879
	46 El Salvador Timber Co.	108	4-14-82	12-31-07	40	3,772	6,010	20,325	22,083
	47 Zamboanga Wood Products (ZAMBOWOOD)	TLA 067	-	-	35	-	0	79,760	0
48 Basilan Kakayaan Development Corp.	TLA 361	-	-	35	-	0	26,730	0	
10	49 CVC Lumber Ind. Inc. (DEL ROSARIO MERBUD)	TLA 218-1	7-05-83	6-30-92	35	4,391	13,841	30,295	31,724
	50 Agusan Wood Industries Inc.	197-1	7-16-74	6-31-98	35	11,250	18,644	60,390	52,016
	51 Woodland Domain Inc. (form. Kallid)	232-1	11-15-82	6-30-07	35	11,693	36,109	72,680	83,175
	52 Bualan Logs Inc.	83	10-29-65	6-30-90	35	4,186	13,988	25,550	31,640
	53 Davao Mahogany Producers Co.	17	11-16-84	6-31-94	35	804	11,639	22,500	21,651
	54 Nasipit Lumber Co., Inc.	39-1	8-19-80	6-30-07	35	11,391	39,552	98,312	88,641
	55 Liberty Forest Company Inc.	34-1	8-02-72	6-30-97	36	1,790	21,308	30,380	40,191
	56 Mainit Lumber and Dev't Company Inc.	TLA 174-1	3-21-80	6-30-97	35	5,842	13,123	30,045	32,999
	57 MAC Int'l Dev't Corp. (S. AQUATIC MERGED)	349	7-24-81	6-30-06	40	1,000	2,800	17,575	5,786
	58 Talakag Timber Co. Inc.	906	7-03-70	6-30-92	30	5,240	6,664	44,839	24,165
	59 El Labrador Lumber Co. Inc.	369	10-02-85	9-10-95	30	6,000	14,244	49,115	41,095
	60 Timber Ind. Dev't of the Phil.	116	6-06-80	12-31-04	30	2,956	4,194	22,650	14,494
	61 Anakan Lumber Co. Inc.	128-B	06-06-79	6-30-04	40	10,140	16,260	78,480	40,194

REGION	NAME OF LICENSEE	LIC. NO.	Date of Issuance	Expiry Date	Cutting Cycle (Yrs.)	OLD GROWTH FOREST (Has.)	RESIDUAL FOREST (Hectares)	TOTAL AREA OF CONCESSION (Hectares)	AAC FAO 74	
11	62 Mindanao Lumber Dev't Co. Inc.	36	3-17-76	6-30-97	30	6,996	8,148	32,575	40,990	
	64 C. Alcantara & Sons Inc.	91	5-10-67	6-30-91	35	6,950	21,200	43,840	65,308	
	65 L. S. Sarmiento Co. Inc.	79	10-21-65	6-30-90	35	0	8,225	51,775	19,082	
	66 Manuel Nieto Corp. (Landasan Timber)	4	3-23-70	6-30-94	35	3,564	11,968	25,500	36,034	
	67 Timber Producers and Marketing Corp.	111	10-02-73	6-30-98	35	4,135	3,302	12,430	17,252	
	68 Valderrama Lumber Manufacturing Co., Inc.	96	8-18-69	6-30-94	35	1,976	21,488	20,985	54,436	
	69 Anzala Enterprises	TLA 3	11-04-69	6-30-90	35	890	7,250	38,100	18,885	
	70 Davao Enterprises Corp.	160-1	11-12-92	6-31-97	35	3,180	6,300	40,000	21,994	
	71 North Camarines Lumber Co.	076	8-25-65	6-30-90	35	3,776	21,397	39,500	58,401	
	72 Anchorage Wood Industry Inc.	24	9-14-72	6-30-97	35	1,100	4,229	10,050	12,363	
	73 Kalinan Timber Corp.	18	6-01-72	6-30-97	30	2,675	5,875	36,530	23,142	
	74 Malalag Lumber Co.	216	3-14-73	6-30-97	30	3,010	4,605	28,480	20,611	
	75 Aras-Asan Timber Co. Inc.	48-1	7-01-82	6-30-07	35	2,730	13,790	24,236	38,326	
	76 Lianga Bay Logging Co.	49-1	6-11-84	10-15-93	35	6,472	40,063	59,000	107,961	
	77 PICOP 1	PTLA 047	10-07-77	4-25-02	35	1,200	3,400	131,022	10,672	
	78 PICOP 2	TLA 43	7-03-81	2-07-06	35	8,300	112,950	49,657	281,300	
	79 Surigao Development Corp.	56-1	1-17-86	6-30-11	35	14,300	46,171	69,270	140,293	
	80 Ventura Timber Corp.	355	5-11-83	3-31-08	35	5,754	20,164	33,360	60,130	
	81 NAREFICO Inc.	146-2	7-24-81	12-31-07	35	1,096	25,148	96,210	60,886	
	82 Davao Stevedore Terminal Co. Inc.	TLA 098	10-08-69	6-30-94	35	925	6,400	37,550	16,994	
	12	83 Findlay Millar Timber Co.	347	11-10-81	11-12-06	40	3,360	22,967	60,420	60,355
		84 Vicmar Development Corp.	171	11-24-75	11-27-00	30	2,137	14,260	23,680	50,120
		85 Sarmiento Industries Inc.	80	9-17-65	6-30-90	30	3,019	19,017	133,500	67,357
		86 Cotabato Timberland Co. Inc.	88-1	12-10-80	12-31-05	30	0	2,175	20,265	6,648
		87 M & S Company Inc.	81	10-18-65	6-30-40	30	18,001	21,200	100,000	119,824
		88 Sarmiento Industries Inc.	77	10-21-15	6-30-90	30	7,035	14,986	153,050	67,311
		89 Timber Ind. Dev't of Mindanao	357	10-10-85	12-31-95	30	2,704	7,688	11,850	31,765
		90 MF Timber Industries Inc.	TLA 319	6-17-81	12-31-00	30	0	0	14,080	
91 Jamil P. Lucman		TLA 353	-	-	-	0	0	32,125		
92 Minico Timber Enterprises		TLA 180-1	-	-	-	0	0	21,500		
TOTAL						593,842	1,251,113	3,808,998	3,622,652	

FORMULATIONS

(1) FAO 74, S. OF 1974

$$AAC = \frac{(A_0 + A_1)}{cc} \times .70$$

WHERE:

- A₀ - area of old growth forest (NFRI) or closed canopy forest (SPOT)
- V₀ - volume per hectare per Region of old growth forest using 1987 RP-German Report.
- A₁ - total area of residual forest (NFRI and SPOT)
- cc - cutting cycle

Source of Data: 1987 RP-GERMAN Forest Resource Inventory Report or NFRI

Prepared by: Policy Studies Office