

**Administrative Order  
No. 62  
June 27, 1990**

**SUBJECT: Imposition of Environmental Fee for  
the Utilization of Timber Resources**

Pursuant to Section 64 of Presidential Decree No. 705 and Presidential Memorandum Order No. 298 dated June 4, 1990 which directs the Department of Environment and Natural Resources to adopt reasonable and necessary measures to regulate the utilization and exploitation of forest resources and to increase the government share in timber production towards national sustainable development, the following guidelines are hereby issued:

**SECTION 1.** There shall be imposed an environmental fee for timber production in natural forests. This fee which shall be used to offset adverse environmental effects of logging shall apply over and above the regular forest charges, reforestation deposits, and other taxes and fees paid by Timber License Agreement holders and other licensees involved in logging in natural forests, except those found in duly approved Fishpond Lease Agreements and in private lands where a different environmental fee assessment scheme apply (Department Administrative Order No. 121, Series of 1989).

**SECTION 2.** The environmental fee on the first and second group of timber shall be based on log scaling undertaken at the log landing and/or log pond and shall be assessed based on twenty percent (20%) of the FOB market price which shall be set every six months. For the period July to December 1990, the environmental fee shall be P500.00 per cubic meter.

**SECTION 3.** A Price Monitoring Committee which shall be responsible for the monitoring of prevailing market prices of logs and which will advise the Secretary on such matters is hereby created to be composed of the following:

- 1) The two Assistant Secretaries for Field Operations;
- 2) One representative - National Economic & Development Authority;
- 3) One representative - Department of Trade and Industry; and
- 4) One representative - Philippine Wood Products Association

**SECTION 4.** The environmental fee shall be assessed and collected by the CENRO concerned. Payment of the duly assessed environmental fee shall henceforth be a prerequisite to the issuance of a Certificate of Timber Origin.

**SECTION 5.** Non-payment of the environmental fee shall be ground for the suspension of a TLA or equivalent timber licence/permit.

**SECTION 6.** The payment of the environmental fee notwithstanding, all the other terms and conditions of the TLA or equivalent timber license/permit remain valid and in effect.

**SECTION 7.** This Order takes effect 15 July 1990. All raw timber products assessed and manifested on or after said date shall be subject to the payment of the environmental fee as imposed by this Order, which shall remain in force until revoked or amended in writing.

**LITO MONICO C. LORENZANA**  
Acting Secretary