

**Administrative Order
No. 43
September 6, 1991**

**SUBJECT: Guidelines on the Participation of DENR
in the Implementation of Republic Act
6810 or the "Kalakalan 20"**

In support of RA 6810 entitled, "**Magnacarta for Countryside and Barangay Business Enterprises (CBBEs)**" and to encourage the participation of the broadest spectrum of the society in the utilization, development, protection and management of the country's natural resources, the following guidelines are hereby issued:

Section 1. Who are Qualified. The following shall be qualified under this Order:

- 1.1 Holders of valid and existing natural resources agreements, permits, and licenses issued by the DENR;
- 1.2 Applicants for natural resource agreements, permits, and licenses which have been evaluated by the appropriate DENR Office as qualified to be granted such agreements, permits, or licenses.

Provided that, the above shall have been duly registered with and issued by the Department of Trade and Industry (DTI) with the corresponding CBBE Certificate of Authority pursuant to RA 6810 and its implementing guidelines.

Section 2. Incentives and Benefits. Should specific guidelines governing the particular agreement, permit, or license applied for, or under which a holder thereof is categorized permit, CBBE Certificate of Authority holders shall be exempted from the submission of similar documentary requirements previously presented in their registration as a CBBE, such as Articles of Incorporation and By-laws, registration papers with the Securities and Exchange Commission (SEC), DTI-related documents, etc.

In addition, the DENR waives, whenever applicable, the following administrative fees imposed in the processing of applications and renewal of agreements, permits, and licenses, in favor of the CBBEs:

- 2.1 Filing Fee;
- 2.2 Application Fee;
- 2.3 Certification Fee;
- 2.4 Inspection Fee;

- 2.5 Processing Fee;
- 2.6 Renewal Fee; and
- 2.7 Other administrative fees that may later on be authorized by the DENR Secretary.

Furthermore, when all things are equal in the evaluation of similar application or renewal of agreements, permits, or licenses, and subject to property rights, a CBBE Certificate of Authority holder shall be given preference over the other applicants who are not CBBE Certificate of Authority holders for new or renewal of agreements, permits or licenses.

Between and among CBBE Certificate of Authority holders, the bias shall be in favor of the entity or party which has satisfactorily complied with the provisions of RA 6810 and contributed more to countryside development. This shall be decided upon by the DENR Regional Executive Director in consultation with his DTI counterpart.

Section 3. Exemptions from the Benefits and Incentives. It is emphasized that the following are not waived:

- 3.1 Regulatory fees, charges and/or economic rents due on the development and utilization of natural resources which have been prescribed by existing specific laws, rules and regulations;
- 3.2 Documentary evidences needed in the cutting, gathering, extracting, transport, processing and disposition of natural resources products such as Certificate of Timber or Lumber Origin (CTO/CLO), Certificate of Origin of Mineral Ores (COMO), cutting permit, etc.; and
- 3.3 Compliance with the Environmental Impact Statement (EIS)/Environmental Impact Assessment (EIA) requirements prescribed for environmental protection purposes.
- 3.4 Others which may later on be imposed by the DENR Secretary.

Section 4. Coordination with the Department of Trade and Industry (DTI). The DENR Regional Executive Director is hereby directed to coordinate with his DTI counterpart to secure a list of CBBE Certificate of Authority holders. He shall likewise discuss common areas of concern such as, but not limited to, the provisions of paragraph 4 of Section 2 hereof, for the smooth implementation of the Kalakalan 20 Program.

Section 5. Repealing Clause. This Order repeals and/or amends all other orders, circulars, memoranda and other rules and regulations inconsistent herewith.

Section 6. Effectivity Clause. This Order takes effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary