

**Administrative Order  
No. 16  
April 20, 1992**

**SUBJECT : Addendum to DAO 42 which provides the Regulations and Guidelines Governing the Establishment and Development of IFPs**

To encourage the participation of owners of private lands in the reforestation program of the government, the following rules and regulations governing the development of forest plantations in private lands are hereby promulgated as addenda to DENR Administrative Order No. 42, series of 1991:

**Sec. 1 Private Forest Development Agreement.** A Private Forest Development Agreement (PFDA) is an agreement entered into by and between the DENR and a private land owner or his duly authorized representative for the establishment and development of forest plantation within his private property.

**Sec. 2 Procedure in the Issuance or PFDA.** A land owner who wish to enter into PFDA with the DENR may file an application, together with an authenticated copy of his land title, with the Community Environment and Natural Resources Officer (CENRO) concerned; Provided, that if the land area is more than the retention limit under the Comprehensive Agrarian Reform Law, the owner thereof shall first secure an exemption from the Department of Agrarian Reform. In case the applicant is not the owner of the land, he shall present a waiver from the owner.

After verifying the veracity of the documents presented, the RED concerned upon the recommendation of the CENRO may enter into a Private Forest Development Agreement with the land owner or his authorized representative using the attached format (Annex B). The agreement shall have a duration of not more than 25 years renewable for a similar period.

**Sec. 3 Preparation and Submission of a Private Forest Development and Management Plan.** The PFDA holder shall prepare a Private Forest Development and Management Plan with the assistance of Foresters from the CENRO Office. In case there are naturally growing timber and other forest products in the area, the plan shall provide for the management of the same. However, the CENRO concerned shall first cause a forest inventory to ascertain the available stock of timber and other forest products in the area. The plan shall be submitted to the RED concerned for his consideration and approval.

**Sec. 4 Terms and conditions of the Agreement.** The PFDA shall be subject to the following terms and conditions.

- 4.1 The PFDA holder shall prepare and submit a Private Forest Development and Management Plan with the assistance of DENR Foresters.
- 4.2 The PFDA holder shall develop and manage his land in accordance with the approved plan. In case there are major changes in the approved plan, he shall notify the CENRO concerned in writing detailing such changes for his consideration and approval.
- 4.3 The PFDA holder shall submit an annual progress report to the CENRO concerned.
- 4.4 Old growth forest, if any, shall be managed in accordance with existing policy of the DENR.
- 4.5 The PFDA holder shall inform the CENRO concerned of his intention to harvest the timber or other forest products planted in his land; Provided, that the transport of the same shall be accompanied by a Certificate of Origin issued gratis by the CENRO concerned; Provided, further, that the cutting or harvesting of naturally growing timber and other forest products in the second growth forest in the area if any, shall be covered by a permit issued by the Regional Executive Director concerned; and Provided, finally, that the cutting or harvesting is in accordance with the approved development and management plan.
- 4.6 The PFDA holder shall plow back part of the proceeds resulting from the sale of timber and other forest products in further developing his property.

**Sec. 5 Incentives.** In addition to applicable incentives set forth in Section 14 of DENR Administrative Order No. 42, series of 1991, the PFDA holder shall be entitled to the following incentives:

- 5.1 The PFDA holder may process or sell or transport the forest products harvested from his land without restriction as to their local destination, thus exempting him from the coverage of memorandum dated 20 July 1991 of the DENR Secretary.
- 5.2 The DENR shall assist PFDA holders in securing long term, low interest loans from financial institutions.

- 5.3 The DENR shall provide free technical assistance to PFDA in the preparation of a development and management plan as well as in the development and management of the area.
- 5.4 Such other incentives that the government may grant.

**Sec. 6 Effectivity.** This order takes effect immediately and supersedes all orders, circulars or instructions which are inconsistent herewith.

**VICTOR O. RAMOS**  
**OIC, Secretary**