

**Administrative Order
No. 58
September 30, 1993**

**SUBJECT : Rules and Regulations Governing The
Extraction, Assessment, Processing and
Transport of Narra Resources**

Pursuant to Executive Order No. 192 and in line with the government's policy of ensuring the sustainable productivity and socio-economic stability and providing equity in access to natural resources, the following regulations governing the extraction, processing, transport and assessment of Narra resources in the country are hereby promulgated for the guidance and compliance of all concerned:

**CHAPTER I
BASIC POLICY, OBJECTIVES AND DEFINITION OF TERMS**

Section 1. Basic Policy. It shall be the basic policy of the State to conserve Narra resources through rationalized extraction and optimized utilization, and to sustain the economic efficiency of narra-based industries. To attain this basic policy, the following objectives shall be pursued:

- 1.1 To regulate the utilization of Narra by the dependent industries on a sustainable basis;
- 1.2 To provide steady and adequate supply of Narra raw materials to dependent industries;
- 1.3 To optimize utilization of Narra timber and its derivatives;
- 1.4 To provide other stable livelihood opportunities to communities dependent on Narra trade;
- 1.5 To ensure the sustainable development of Narra stands; and,
- 1.6 To generate additional government revenues from the extraction of Narra resources.

Section 2. Definition of Terms. The following terms as used in the Order shall be construed to mean as follows:

- 2.1 **Allowable Clearing** - designated area(s) within forest lands usually covered by permits, lease or lease agreements, e.g. log landings, skidways, road networks, etc. where cutting of all existing vegetation is allowed.
- 2.2 **Clearcutting** - the removal of all timber species within a designated forest stand during one (1) cutting season usually prescribed for the harvesting of plantations.
- 2.3 **Finished Product** - whole end-product ready for use without need of further manufacture.
- 2.4 **Furniture Manufacturer** - person engaged in the production of wooden furniture from wood whether from raw log, flitch or lumber form.
- 2.5 **Knocked-down wood product** - finished or semi-finished end-product whose components or parts are taken apart for ease in packing, handling and transporting to the market or end-user.
- 2.6 **Labor-intensive logging** - the process of cutting or extracting timber from public forest areas through the use of non-mechanized logging and transport equipment.
- 2.7 **Primary processing** - the conversion of logs and other wood raw materials into lumber and veneer.
- 2.8 **Semi-finished product** - whole end-product requiring final stages of manufacture and/or assembly.
- 2.9 **Truck logging** - the process of cutting or extracting timber from the public forest areas with the use of mechanized logging and transport equipment not limited to self-loading trucks but includes tractors and bulldozers as well.

CHAPTER II EXTRACTION OF NARRA RESOURCES, COLLECTION OF FOREST CHARGES AND PROCESSING

The sourcing of Narra raw materials for utilization by the Narra-based and related industries shall be governed by the following procedures, to wit:

Section 3. Identification of Available Areas. The following are the areas available for narra extraction :

- 3.1 Private lands which include titled lands and alienable and disposable lands with approved public land applications under the Public Land Act and emancipation patents subject to the conditions mentioned in Section 4 hereof;
- 3.2 Allowable clearings within civil or military reservations, resettlement or settlement areas subject to DENR-approved operations plans;
- 3.3 Areas within existing Timber License Agreements (TLAs)/ Timber Production Sharing Agreements (TPSAs) contingent on the terms and conditions of the agreement;
- 3.4 Community Forestry Program (CFP) areas, whether the required development activities have been completed or not, based on approved management and development plans;
- 3.5 Areas covered by cancelled and expired TLAs which may be later on covered by TPSA, IFMA or CFP where the development of open areas has already been completed;
- 3.6 Buffer zones within Integrated Protected Areas System (IPAS) where limited extraction by communities within or adjacent to the area is permitted;
- 3.7 Areas covered by Phase II of the Forest Land Management Program (FLMP);
- 3.8 Areas reforested within Forestland Grazing Agreement by the Lessee; and
- 3.9 Other areas that may later on be made available by the DENR Secretary.

Section 4. Issuance of SPLTPs. No Narra tree shall be felled within private lands without a Special Private Land Timber Permit (SPLTP) for the extraction of the species. The SPLTP shall be issued only to owners of private lands covered by either administrative or judicial titles such as Free Patent and Torrens Title obtained under Republic Act No. 496, as amended (Land Registration Act) by the following DENR officials based on the volume to be extracted, as follows:

- PENRO - not to exceed 5 cubic meters;
- RED - not to exceed 10 cubic meters;

Secretary or his designated Undersecretary -- in excess of 10 cubic meters.

Moreover, an SPLTP shall only be issued upon compliance of the following conditions:

1. The tree(s) to be cut shall be inventoried by the concerned CENRO indicating in the report and corresponding map(s) the number and relative locations of Narra trees to be cut and to be left for future harvests.
2. There shall be an assessment based on gross volume with no deductions and corresponding payment of the forest charges for the volume of trees to be cut.
3. The permittee shall plant and maintain for three (3) years at least five (5) Narra seedlings for every tree authorized to be cut. If additional area is needed for such, the CENRO concerned shall look for an area where tree planting activities can be conducted.

Section 5. Inventory of Expired and/or Cancelled TLA Areas. Inventory of remaining Narra stocks within the identified areas for extraction shall be undertaken by duly accredited and authorized persons/organizations, particularly the expired and/or cancelled TLAs which have not been covered by any recent inventory. All reports resulting therefrom shall be under oath.

Section 6. Tree Marking Within Public Forestlands. All Narra trees found within the identified cutting area inside public forestlands shall be numbered consecutively and properly marked as to whether these are to be cut or left. No cutting shall be allowed before tree marking and validation by the CENRO concerned.

All Narra trees belonging to the 20 to 40 cm. diameter at breast height (DBH) classes shall be marked to be left while those belonging to the 60 cm. and above DBH classes shall be marked for cutting. For the Narra trees belonging to the 50 cm. diameter class, 50 percent shall be marked to be left with the other 50 percent marked for cutting.

Section 7. Harvesting Schemes. Narra raw materials sourced from the available areas provided in the foregoing section shall be extracted following the harvesting methods prescribed in this Order, to wit:

7.1 Labor-intensive Logging

Communities organized under the Community Forestry Program (CFP) shall employ the traditional method of harvesting trees through the aid of carabaos. Carabao loggers living within or adjacent to forested areas shall be encouraged to organize themselves into cooperatives in order to participate in the CFP.

Narra harvested shall be bucked into log lengths to facilitate transport by carabaos and other work animals from the cutting area to the designated log yard. In order to maximize utilization/recovery of felled narra trees, flitching or log-splitting by chainsaw shall be discouraged. However, for Narra logs having diameters of 60 cm. and larger with lengths which are too heavy to be drawn by carabao, splitting into halves or quarters may be allowed to facilitate transport.

Extraction activities shall be subject to strict supervision by the CENRO concerned to ensure that only Narra species is extracted especially for CFPs where community organizing and development activities is not yet completed.

7.2 Truck Logging

Narra timber to be sourced from areas of existing TLAs/TPSAs/IFMAs shall be harvested in compliance with the selective logging principles. The prohibition on the use of highlead yarding shall likewise be complied with.

7.3 Clearcutting

For private lands and plantations, Narra trees may be harvested through clearcutting with due considerations to soil erosion control measures.

For labor-intensive logging or truck-logging, only Narra trees reaching the diameter breast height (DBH) of 50 cm. and above shall be harvested in consonance with the provisions of Section 6. Maximum utilization of the felled Narra tree, including the tops and branches and stumps, shall be required.

Section 8. Establishment of Log Yards and Assessment of Forest Charges. All Narra raw materials harvested from public lands shall be bucked into log lengths and deposited to a designated log yard of the associations or corporations to be identified by the CENRO concerned, subject to the concurrence of the Regional Office. Narra logs not delivered to this area shall be presumed to have come from illegal sources and subject to outright confiscation.

Scaling of logs shall be done in the cutting area by DENR scalers duly designated by the CENRO concerned to ensure that all Narra logs are properly scaled and the right amount of forest charges is assessed and collected. Assessment shall include tops and branches and stumps. Only logs bearing the proper marks of DENR marking hatchet and whose corresponding forest charges have been assessed, and duly paid for shall be allowed for transport from the designated log yards to authorized wood processing plants.

A post-harvest assessment shall be undertaken immediately by the CENRO or his duly authorized representative/s in the cutting areas to determine the extent of logging damages to the trees marked to be left. The report thereon shall be made as basis for the determination of silvicultural fees and/or penalties to be paid by the permit holder.

Section 9. Marketing and Primary Processing of Harvested Logs. The wood requirements of all registered Narra-based manufacturers, associations or cooperatives sourcing their Narra raw materials from CFP areas and other lands shall be purchased from the designated log yards. Provided, however, that only manufacturers based in the locality where Narra is extracted shall be allowed to buy Narra logs.

Moreover, in order to maximize the percentage recovery from raw narra logs, primary processing shall be undertaken only within processing plants duly authorized by the DENR for the purpose, except when the wood user(s) indicate his/their desire to use labor-intensive processing methods, e.g., the use of handsaws. Milling operations as well as labor-intensive processing of Narra logs shall be subject to strict monitoring and supervision of authorized CENRO personnel. The cooperative/associations shall be responsible for the allocation of the output to their respective members.

For Narra wood harvested within the TLA/TPSA/IFMA areas, 50% of the output shall be allocated for disposition to Narra-based manufacturer's associations or cooperatives within the province where narra is extracted. The TLA-holder shall have the option of allocating the remaining 50% for their own use or disposition to other processors or users which may or may not be within the province where Narra is extracted.

Section 10. Transport of Narra Logs. The local transport of Narra logs duly paid for by the manufacturer, association or cooperative coming from designated log yards or other storage areas must be accompanied by the following shipment documents:

- 10.1 Certificate of Origin (CO) issued by the DENR personnel concerned together with the auxillary invoice; and
- 10.2 Information sheet detailing the source of logs (i.e., area and log pond), volume, processing plant destination and the conveyance used in the transport.

Consistent with existing policies, no Narra log or lumber shall be exported. However, Narra finished products such as furniture, novelty items and the like may be exported.

CHAPTER III
TRANSPORT OF SEMI-FINISHED, FINISHED AND
KNOCKED-DOWN NARRA WOOD PRODUCTS

The transport and delivery of Narra-based furniture and other Narra wood products from the manufacturing plant to the buying stations including the end-users shall be governed by the following provisions:

Section 11. Transport Requirements.

Each shipment of finished, semi-finished and knocked-down Narra-based wood products being transported must be accompanied by a certification issued by the CENRO concerned, certifying the legitimacy of its origin.

In the case of raw Narra lumber subject for allocation to the member manufacturers of an association or cooperative, a Certificate of Origin (CO) issued by the CENRO concerned must be presented. Information sheet bearing the volume of Narra lumber allocated per manufacturer must likewise be presented.

For TLAs/TPSAs/IFMAs, a separate CO for the Narra lumber which represents the allowable volume for disposition to other processors or users outside the province shall be issued by the CENRO to accompany the shipment.

Section 12. Transport of Semi-finished Wood Products.

Semi-finished wood products may be transported outside the province where the raw materials have been sourced, for further/final processing.

Section 13. Narra from Other Sources.

Narra trees uprooted/toppled by typhoons, earthquakes, landslides and other calamities and drifted from their areas of origin and where ownership cannot be established shall be reported immediately to the nearest DENR office. The concerned CENR office shall then order the determination of the validity of the claim and the assessment of forest charges based on actual dimensions of the Narra logs, fitches, etc. when originally found without allowance for natural defects. Upon payment of forest charges, the Narra may be disposed to the legitimate claimant(s), the transport of which shall be accompanied by documents prescribed in Section 10. If the claimant does not want to exercise his privilege over the drifted Narra forest products, same shall be turned over to the CENRO concerned for disposition through bidding pursuant to pertinent existing laws, rules and regulations.

CHAPTER IV
SUSTAINABLE DEVELOPMENT OF NARRA TIMBER STOCKS

Section 14. Establishment of Narra Plantations in Suitable Forest Areas.

Open areas as well as inadequately-stocked or marginalized forest areas suitable for plantation establishment shall be made available for the development of Narra plantations to supply future Narra wood requirements. Associations/cooperatives of furniture manufacturers and other Narra-based industries shall be allotted specific areas to establish such plantations under the Industrial Forest Plantation Management Agreement.

Forest Land Managers under the FLMA shall be encouraged to interplant Narra and other premium hardwood species in open areas of established plantations. TLA/TPSA/IFMA holders shall likewise be required to plant Narra and other premium species in their enrichment planting, assisted natural regeneration and timber stand improvement activities, particularly in areas where the same has been extracted.

Section 15. Cutting Ban During the Flowering and Fruiting Seasons.

To ensure the natural regeneration of Narra, no tree shall be cut/felled when the same is in its flowering and/or fruiting stage.

Section 16. Reforestation Species.

Narra shall be used as a major reforestation species in all regions where feasible.

CHAPTER V
OTHER PROVISIONS

Section 17. Transitory Provisions.

Narra furniture manufacturers and other wood users shall be required to declare existing Narra stocks within their premises within three (3) months from the effectivity of this Order. The stocks declaration shall be validated by the DENR Regional Office and shall be used as the basis for the issuance of Certificate of Origin during transport of Narra finished products until after the validated stock is exhausted.

No Certificate of Origin shall be issued by the CENRO concerned unless: (1) the forest charges based on the volume of wood utilized in the processing of the finished product have been paid; and (2) the wood utilized is part of the Narra stocks previously declared.

The amount of forest charges to be assessed per cubic meter shall be governed by Department Administrative Order No. 39, Series of 1993.

Section 18. Penal Provisions.

The cutting, harvesting, gathering, transport and processing of Narra without a permit shall be illegal and any person or persons committing such act or acts shall be punished in accordance with Section 68 of P.D. 705, as amended, and appropriate laws.

Section 19. Additional Guidelines.

The Office of the Undersecretary for Field Operations may issue additional instructions or circulars as may be necessary to clarify/interpret the issues presented herein and to ensure the effective implementation of this Order.

Section 20. Repealing Clause.

All orders, memoranda, circulars inconsistent with the provision of this Order are hereby repealed and/or amended accordingly.

Section 21. Effectivity Clause.

This Order shall take effect immediately upon acknowledgement by the UP Law Center and fifteen (15) days from the date of its publication in the Official Gazette or in a newspaper of general circulation.

ANGEL C. ALCALA
Secretary