

**DENR Administrative Order
No. 2000- 23
March 03, 2000**

**SUBJECT : Amending Certain Sections of
DAO 99-36 entitled "Revised
Rules and Regulations Governing
the Administration, Management,
Development and Disposition of
Forest Lands Used for Grazing
Purposes."**

The following sections of DAO 99-36 are hereby amended/modified for the information and guidance of all concerned:

Sec. 1. Sec. 29 is hereby amended to read as follows:

Sec. 29. Payment of Government Share and Corresponding Penalties. Payment of Government Share for the previous year should be remitted on the first month of the succeeding year to the *National Treasury* for assistance in management and technical services to the agreement holders and in the generation of technology for the improvement of grazing management strategies. Penalties for late remittance shall be imposed at 1% annual government share per month. Failure to pay for two (2) consecutive years shall be a ground for automatic cancellation of the FLGMA.

Sec. 2 Sec. 41 is hereby amended to read as follows:

Sec. 41. Cancelled/Expired Areas. *All cancelled and expired pasture leased areas which have not been renewed and there is no new applicant shall be automatically reverted to forest tree production including the production of non-wood forest products.*

Sec. 3. Sec. 28 is hereby amended to read as follows:

Sec. 28. *Schedule of Payment of User's Fee.* A five-year transitory period shall be provided to all existing PLAs and FLGAs after the approval of this Order of which the conversion of their tenurial instrument to profit sharing agreement *as provided in Article 12 Section 2 of 1987 Constitution* shall be made. Upon approval of this Order, the schedule of payment of user's fee shall be as follows"

Year 1	P200.00/ha/yr
Year 2	P275.00/ha/yr
Year 3	P350.00/ha/yr
Year 4	P425.00/ha/yr
Year 5	P500.00/ha/yr

Non-grazeable areas shall be Deforested at the rate of 10% of the area or at least 25% has been reforested at the expiration date which shall be a primary condition for the renewal of the FLGMA. Upon renewal of the FLGMA management plan, an automatic adjustment of the user's fee shall be made based or the assessment of the productivity of the grazing land made by the assessment team as prescribed in Sec. 16.

After the transitory period and five-years thereafter, a new basic user's fee system shall be determined by the DENR. The increase in the basic user's fee shall not be less than 10% of its last rental For both within and after the transitory period, in case the computed economic rent falls below the basic user's fee, the latter shall apply.

Sec. 4 Sec. 27 is hereby amended to read as follows:

Sec. 27. *Forms of Incentives.* *An incentive scheme shall apply involving a reduction of government share up to 80%*

depending on the capability of the agreement holder to comply with the specified incentives as provided therein and shall take effect after the assessment during the transitory period and thereafter. The incentive scheme is listed in Annex B.

(Sgd.) ANTONIO H. CERILLES
Secretary

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