

**COMMUNITY-  
BASED RESOURCE  
MANAGEMENT**

**Executive Order  
No. 263  
July 19, 1995**

**SUBJECT : Adopting Community-Based Forest Management As The National Strategy To Ensure The Sustainable Development Of The Country's Forestlands Resources And Providing Mechanisms For Its Implementation**

**WHEREAS**, Article II, Section 16 of the 1987 Constitution provides for the protection and advancement of the right of the Filipino people, both men and women, to a healthful and balanced ecology;

**WHEREAS**, Article II, Section 10 provides for the promotion of social justice to all citizens in all phases of national development;

**WHEREAS**, Article XIV, Section 17 mandates the State to recognize and respect the rights of the indigenous people to their ancestral domains and consider their customs, traditions and beliefs in the formulation of laws and policies;

**WHEREAS**, Executive Order No. 192, series of 1987, mandates the Department of Environment and Natural Resources (DENR) as the primary government agency responsible for the sustainable management and development of the country's natural resources;

**WHEREAS**, the Philippines 2000 and the government's Social Reform Agenda support people empowerment and the full, meaningful and indispensable participation of communities as immediate stakeholders of the forestland resources in the protection and management of the forest ecosystem;

**WHEREAS**, the 25-year Master Plan for Forestry Development also recognizes the indispensable role of local communities in forest protection, rehabilitation, development and management, and targets the protection, rehabilitation, management, and utilization of at least 4 million hectares of forestlands, through the community-based forest management strategy;

**WHEREAS**, entrusting the responsibility for forest rehabilitation, protection, and conservation to the community of stakeholders and affording them equitable access to the forest and coastal resources are viable forestland management strategies as borne by the experience of the DENR and various supporting agencies;

**NOW, THEREFORE, I FIDEL V. RAMOS**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order that:

**Section 1.** Community-based forest management (herein referred to as CBFM) shall be the national strategy to achieve sustainable forestry and social justice.

**Section 2.** The DENR, through its Community and Provincial Environment and Natural Resource Offices, in coordination with the local government units and the Department of Interior and Local Government (DILG) shall, at all times, take into account the needs and aspirations of local communities whose livelihood depends on the forestlands.

**Section 3.** Participating organized communities may be granted access to the forestland resources under long term tenurial agreements, provided they employ environment-friendly, ecologically-sustainable, and labor-intensive harvesting methods. Such harvesting methods shall be mentioned under a site-specific management plan of each recipient community and duly approved by the DENR.

**Section 4.** The indigenous people may participate in the implementation of CBFM activities in recognition of their rights to their ancestral domains and land rights and claims.

**Section 5.** A CBFM Steering Committee shall be created immediately and headed by the DENR with members from the Departments of Agriculture, Trade and Industry, Agrarian Reform, Finance, Science and Technology, Labor and Employment, Interior and Local Government, Budget and Management, National Defense and Justice; National Economic Development and Authority; Philippine Commission on Countrywide Development under the Office of the President, Committee on Flagship Programs and Projects of the Office of the President; Presidential Management Staff under the Office of the President; Cooperative Development Authority, and Offices of Northern and Southern Cultural Communities. The Committee may invite representatives from the Philippine Chamber of Commerce, Philippine Wood Products Association, NGO coalition groups, and other public and private organizations to become members of the Steering Committee. The Committee shall formulate and develop policy guidelines that will create incentives and conditions necessary to effectively carry out community-based forest management strategy. Accordingly, members of the CBFM Steering Committee should, at least, be represented by concerned Assistant Secretaries or heads of bureaus and agencies.

**Section 6.** The DENR shall work with local governments, people's organizations (POs), non-government organizations (NGOs), religious groups, business and industry, and other concerned organizations to ensure that communities are empowered to initiate and achieve the objectives of this Order.

**Section 7.** In its budget preparation, the DENR shall allot adequate funds to effectively accomplish CBFM targets and shall seek supplementary funding from local and foreign supporting agencies and organizations. DENR shall ensure the inclusion of budgetary allocation for CBFM in the annual General Appropriations Act, pending the passage of the revised Forestry Code.

**Section 8.** The DENR shall establish a Community-based Forest Management Special Account (CBFMSA) to support the implementation of the strategy and provide financial and professional incentive system for deserving communities and government personnel.

**Section 9.** The DENR may source local and international grants and donations for the establishment of the CBFM Special Account. Other sources of fund may later be determined by the CBFM Steering Committee subject to existing government regulations.

**Section 10.** The DENR shall support and set up jointly with relevant colleges and universities, private and public organizations, arrangements for a community forestry training program for members of participating units, such as people's organizations, non-government organizations, local government units, and other government personnel.

**Section 11.** Within six months after the signing of this Order, the DENR, in consultation with government financial institutions, such as the Development Bank of the Philippines (DBP), the Land Bank of the Philippines (LBP), GSIS and the SSS, shall effect the creation of favorable financing mechanisms for access by communities and organizations in the pursuit of the CBFM strategy and its sub-strategies such as community training and empowerment, enterprise development, agroforestry development, tree plantations, and other non-forest-based alternative livelihood systems.

**Section 12.** The DENR Secretary shall issue new rules, regulations, procedures, and guidelines necessary to implement this Order and repeal or modify existing ones consistent with the policies set forth by the CBFM Steering Committee.

**Section 13.** The DENR Secretary shall, within six months from the signing of this Order, submit to the Office of the President, a National Comprehensive Community Forestry Action Plan, which embodies the Department's short, medium and long-term plans. The action plan shall be discussed and approved by the CBFM Steering Committee prior to its submission to the President.

**Section 14.** All previous executive and administrative issuances which are inconsistent herewith are repealed or amended accordingly.

**FIDEL V. RAMOS**  
President

By the President  
**RUBEN D. TORRES**  
Executive Secretary

**DENR Administrative Order**  
**No. 2000- 44**  
**June 06, 2000**

**SUBJECT : Amending Certain Provisions of DAO 96-29 and Providing Specific Guidelines for the Establishment and Management of Community-Based Projects within Protected Areas.**

Pursuant to the action agenda of consolidating all forestry programs into an over-arching Sustainable Forest Management Program, DAO 96-29, the Rules and Regulations for the implementation of Executive Order No. 263, otherwise known as the Community-Based Forest Management Strategy, is hereby amended to align it with the provisions of Republic Act 7586, otherwise known as the National Integrated Protected Areas Systems (NIPAS) Act of 1192, and specifically to provide the following guidelines on the establishment and management of Community-Based Projects (CBP) within protected areas, to include and to read as follows:

**Article I. Title, Basic Policy, Objectives, Definition of Terms and Scope**

In order to sustain the conservation objectives of protected areas, it shall be the basic policy, of the Department to allow sustainable use inside multiple-use and buffer zones, except any form of logging, or timber cutting involving the natural forest.

**Section 5. Scope and Coverage.** Subject to private rights, CBP shall apply to all areas designated as multiple- use and buffer-zones of protected areas.

**Article II. Key Program Participants**

**Section 1 . Qualifications of Participants.** Only qualified tenured migrant communities as defined under the NIPAS Law, who are duly organized may participate in the CBP.

## **Section 2. Incentives to the Participants.**

- i. To develop allocated areas within the multiple-use and buffer zones of protected areas and claim ownership of all introduced improvements.
- ii. To receive income and proceeds from the development of areas covered by CBPS, subject to the sharing scheme that shall be developed as mentioned in Article VII Sec. 4 of this Order and other relevant provisions of the NIPAS Law.
- iii. Other incentives, where applicable, as enumerated in DAO 96-29

## **Article III. Stages of CBP Implementation.**

CBP implementation shall have four stages: the Preparatory Stage, the People's Organization (PO) Formation and Diagnostic Stage, the Planning, Stage and the Implementation Stage.

The Protected Area Management Board (PAMB) and the Protected Area Superintendent (PASu) shall take an active role in all stages of CBP implementation as provided in Article III of DAO 96-29. All activities related thereto, such as but not limited to, the Formulation of Community Resource Management Framework (CRMF), Resource Use Plan (RUP) and Annual Work Plan (AWP) must be consistent with the Initial Protected Area Plan, subject to revision upon approval of the final Protected Area Management Plan, and other relevant policies, rules and regulations.

Affirmation of the CRMF, RUP, AWP and other requirements shall be by the PAMB upon joint recommendation of the PASu and the CENROs. The organized tenured migrant communities potentially eligible for CBP shall be afforded all the necessary assistance by the DENR, specifically the Community-Based Forest Management Office (CBFMO) and Protected Areas and Wildlife Bureau (PAWB) in the implementation of the CBP.



## **Article IV. Tenure.**

### **(a) Section 1. Tenurial Instrument.**

The appropriate tenurial instrument to be issued within multiple use and buffer zones of protected areas is the Community Based Forest Management Agreement. (CBFMA). The PAWB shall develop an appropriate pro-forma agreement for CBFM within protected areas in consultation with the Regional Offices, PAMB and other stakeholders.

The PO which holds a CBFMA within. protected areas, if it deems appropriate, may enter into an agreement or execute an assignment, designation or allocation, only among, its individual members, families, or groups, thereof, who are likewise qualified tenured migrants wider Republic Act No.7586. subject to concurrence of the PAMB. All such agreements, assignments, designation or allocation shall, however, be subject to these guidelines, and the condition that succession to the area allocated would only be to the next of kin and only for the unexpired portion of the tenure, and consistent with all pertinent environment laws, rules and regulations.

**Section 5.** All CBFMA within protected areas shall be endorsed by the PAMB and approved by the Regional Executive Director.

## **Article VII. Financial and other Mechanisms**

Section 4. Part of the income derived from the CBFMA within the protected area shall accrue to the Integrated Protected Area Fund (2AF), pursuant to DAO 96-22 and the sharing scheme agreed upon by the PAMB and the CBFMA holders that shall be developed by PAWB. This amount shall be reinvested in the community- based project areas for the improvement, rehabilitation and protection of the natural resources, community development activities and other projects of the protected area.

**Section 5.** The CBFMA holder may enter into an agreement or a contract with the Natural Resources Development Corporation (NRDC) in the processing, marketing and disposition of their products.

**Article X. Final Provisions**

Section 1. Effectivity. This Order shall take effect fifteen (15) days after its publication in a general newspaper of national circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

Published at:  
MALAYA July 16, 2000

## **DENR Administrative Order**

**No. 2000 – 29**

**March 14, 2000**

**SUBJECT : Guidelines Regulating The Harvesting And Utilization Of Forest Products Within Community-Based Forest Management Areas.**

Pursuant to the provisions of Executive Order No. 263, and Department Administrative Order No. 96-29, and in order to rationalize the utilization of forest products within areas covered by Community-Based Forest Management Program (CBFM), the following guidelines are hereby promulgated:

**Section 1. Basic Principle.** The CBFM aims to promote the socio-economic upliftment of forest communities and at the same time, achieving sustainable development/management of forest resources. It recognizes that responsible and efficient resource utilization by organized and empowered local communities based on sound ecological and economic principles can result to sustainable management of forest lands and resources. This recognition is manifested in the granting of resource-use rights to peoples' organizations under the CBFM program otherwise known as Resource Use Permit (RUP).

**Section 2. Objectives.** The granting of resource-use permit to peoples' organization shall have the following objectives:

- a. To provide the basis for the community to access and benefit from forest resources in a sustainable manner.
- b. To help the community generate start-up capital needed to finance and establish livelihood and other development activities in the area.
- c. To empower peoples' organizations under the CBFM program as effective partners in the protection, conservation, development and rehabilitation alongside the concept of sustainable development.

**Section 3. Scope and Coverage.** Utilization of naturally grown and/or planted forest resources shall be covered by Resource Use Permit (RUP) may be issued to holders of tenorial instruments under the CBFM program of DENR who intend to harvest/utilize forest products for commercial use, provided that they have an affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP).

**Section 4. Requirements for the Utilization of Forest Resources.** The requirements for forest resource utilization are the following:

- a. Affirmed CRMF
- b. Affirmed AWP
- c. ECC
- d. RUP

In the case of timber resource extraction, the following additional conditions shall govern:

**4.1 Area of natural forest.** Harvesting of timber within the natural forest should be confined only in areas identified as production forest in accordance with the CRMF. Extraction of forest products outside of the identified zone shall be strictly prohibited. Cutting will not be allowed along gullies, steep slopes, river channels and other identified critical areas.

**4.2 Stand volume after harvesting.** Where cutting is allowed in the residual forest, the average stand volume after harvesting these areas should not be less than eighty (80) cubic meters per hectare.

### **Section 5. Procedures.**

- a. The PO with the assistance of a registered professional forester and the PMO/site coordinator concerned shall prepare and submit the AWP to the CENRO at least three (3) months prior to the commencement of planned annual operations.

- b. The CENRO shall cause the validation of the AWP, particularly the information on inventories of areas where harvesting of forest products shall be undertaken, following existing guidelines.
- c. The CENRO shall affirm the AWP and issue the RUP within sixty (60) calendar days from the submission of the AWP.
- d. In case where the CENRO functions are assumed by higher authorities, the authority concerned shall issue the RUP accordingly.

**Section 6. Safeguards.** In order to ensure that the harvesting of forest products will be done in the most economical and ecological manner, the following safeguards shall be observed.

#### **A. Responsibilities Of DENR**

A nationwide scheme establishing the Forest Stock Monitoring System (FSMS) in tandem with local Multi-sectoral Forest Protection Council (MFPC) shall be operationalized in coordination with the field offices to facilitate the monitoring of harvesting activities.

1. Region. The Regional office shall maintain an updated list of peoples' organization with RUPs within their jurisdiction. They shall, on a semi-annual basis, monitor, in coordination with the PENRO, CENRO, and/or LGUS and MFPCs, the progress of the activities by the community particularly the extraction of forest products, the marketing strategies, the intended use of the proceeds particularly in livelihood activities.
2. PENRO. The PENRO shall likewise maintain an updated records of all peoples' organization granted with RUP in its jurisdiction. They shall monitor on a regular basis and in coordination with the CENRO, the community, LGUs and other concerned groups the status of the implementation of the RUP and the intended activities as stipulated in the annual work plan.

3. CENRO. The CENRO shall maintain an updated records of all communities with affirmed RUP within its jurisdiction. Through a project management officer, whom the CENRO shall designate as the link between the DENR and the community, activities of the community pertaining to the implementation of the AWP and the RUP shall be closely monitored and supervised. The PMO shall, as much as possible immerse with the community and maintain a record of daily harvest and balances. He/She shall likewise monitor the establishment and development of the livelihood component of the AWP. As PMO he/she shall be accountable to the CENRO. Furthermore, other units of the CENRO shall provide the needed assistance to the community.

**B. Responsibilities of the Community.** Apart from the responsibilities of the peoples' organization as stipulated in the CBFM agreement, POs granted with RUP shall have the following specific responsibilities.

- 1 . Develop and implement equitable benefit-sharing arrangements among its members.
2. Refrain from the use of heavy equipment such as bulldozers and the like and as much as possible must employ labor intensive methods of harvesting.
3. Be transparent and promote participatory management particularly in the handling of records of transactions and finances.
4. Develop and implement mechanisms for the rehabilitation and development of areas subjected to harvesting operations.
- 5 . Pay forest charges on timber other than those harvested in plantations as well as other fees and charges required by the DENR.

6. Submit monthly report to the CENRO, through the assigned PMO, as to the progress of the activities and cooperate with the monitoring team that the DENR may send from time to time to determine compliance of the POs to the agreement.

**Section 7. Marketing of Products.** The RUP shall serve as the permit to sell the logs, lumber and other forest products.

The Natural Resources Development Corporation (NRDC) shall assist in the processing, marketing and disposition of forest products through a mutually agreeable arrangement with the concerned POs.

In order to maximize the profit that could be generated and to increase value added, the community shall be encouraged and assisted to further develop and upgrade their materials into higher value finished products.

**Section 8. Penal Provision.** Violations of any of the provisions of this Order shall be penalized in accordance with existing laws and regulations.

**Section 9. Separability Clause.** Should any of the provisions of this Order be subsequently or otherwise revised, modified or repealed accordingly, the same shall not affect the validity or legality of the other provisions so far as they could stand independently of the provisions so revised, modified or repealed.

**Section 10. Effectivity Clause.** This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

(Sgd.) **ANTONIO H. CERILLES**  
Secretary

Published at  
**MALAYA**

**March 29, 2000**

**DENR Administrative Order**  
**No. 2000 - 20**  
**February 20, 2000**

**SUBJECT : Amendment to DENR Administrative Order No. 99-46 dated November 10, 1999, Re: Revised Regulations Governing the Entry and Disposition of Imported Logs, Lumber, Veneer, Plywood, Other Wood Based Panels, Poles and Piles, Pulpwood and Wood Chips.**

Pursuant to the Department policy on wood industry rationalization and development and in order to promote and encourage the development of the furniture industry in partnership with the Chamber of Furniture Industries of the Philippines, DENR Administrative Order No. 99-46 is hereby amended:

1 . In Section 8.1 (Registration Requirements), Item d, the following statement is appended:

**Provided, that furniture makers, whether individuals or corporations, should secure the herein certificate from the Chamber of Furniture Industries of the Philippines (CFIP).**

2. All other provisions of DENR Administrative Order No. 99-46 and Memorandum Circular No. 99 -24, not inconsistent herewith shall remain in full force and effect.

3. This Order shall take effect fifteen (15) days after its publication a newspaper of general circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

Published at  
MALAYA

March 22, 2000



**DENR Administrative Order**  
**No. 99-35**  
**August 10, 1999**

**SUBJECT : Revised Guidelines in the Implementation of the Resource Use Permit in Community-Based Forest Management Program.**

In the interest of the service and to insure the sustainability of the CBFM implementation and consistent with the adoption by the Department of the ecosystem and watershed planning framework, this Administrative Order is hereby promulgated to modify Memorandum dated 22 September 1998 suspending the processing and issuance of resource use permits for CBFM holders and other people-oriented forestry projects and Section 10, 1998 suspending the processing and issuance of resource use permits for CBFM holders and other people-oriented forestry projects and Section 10, Article III of DAO No. 96-29, otherwise known as the “Community-Based Forest Management Program”.

**Section 1.** Section 10 Article III, DAO 96-29 is hereby amended to read as follows:

**SECTION 10. FORMULATION OF RUPs.** A management and utilization plan for each resource, e.g. timber, rattan resins, covering a specific area of the CBFMA and time period shall be prepared. The DENR shall conduct resource inventory as a basis for the resource use plan. The accepted resource use plan shall serve as the permit to utilize the resource. Following the land use of the CBFMA areas, the protected and production forests shall be clearly identified and delineated. As a matter of general policy, commercial logging shall be banned in natural forests within CBFMA area, the protected and production forests shall be clearly identified and delineated. As a matter of

general policy, commercial logging shall be banned in natural forests within CBFMA area and logging/harvesting shall be confined only in man-made plantations. The forest management scheme to be applied in both protection and production forests where there is an existing natural forest shall be in accordance with the following:

<b>Forest Management Scheme</b>	<b>Approving Authority</b>
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Sanitation Cutting -----	Regional Executive Director
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Thinning -----	Regional Executive Director
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Cutting/Clearing for Forest	
Fire Prevention -----	Secretary

**Other Silvicultural Treatments**

Requiring cutting/ Clearing of vegetation/ Trees-----	Secretary
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A detailed plan of the above shall be incorporated in the RUP to insure that adequate safety nets are considered and accountabilities of officials clearly identified.

**Sec. 2 Log and Lumber Dealer's Permit.** The affirmed Work Plan shall serve as the PO's permit to sell logs or lumber only to legitimate buyers of logs or lumber. The permit shall be limited to the volume authorized under the affirmed Work Plan. No separate log or lumber dealer's permit is required.

**Sec. 3 Repealing Clause.** This Order amends or repeals any order, circular and memorandum that are inconsistent herewith.

**Sec. 4 Effectivity.** This Order shall take effect thirty (30) days after its publication in a newspaper of national circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

Published at:

MALAYA – August 28, 1999 -- page 07

**DENR Administrative Order**  
**No. 99-29**  
**July 22, 1999**

**SUBJECT : Amendments of DENR A. O. No. 96-29 Which Prescribed the Rules and Regulations for the Implementation of Executive Order No. 263, Otherwise Known as the Community-Based Forest Management Strategy (CBFMS).**

Pursuant to Section 12 of Executive Order No. 263 entitled “Adopting Community-Based Forest Management (CBFM) as the National Strategy to Ensure the Sustainable Development of the Country’s Forest Lands Resources and Providing Mechanisms for its Implementation” and to facilitate the implementation of CBFM inline with the President’s thrust to eradicate poverty among the basic sectors of the society, the following guidelines are hereby issued.

1. To simplify the procedures in the processing and approval of CBFMAs, CRMFs, AWP and RUPs, all provisions of DAO No. 96-29 requiring endorsement/affirmation by concerned local government units and other government agencies are hereby repealed. Instead, the concerned LGUs and government agencies shall be provided with copies of approved CBFMs, CRMFs, AWP and RUPs for their reference in assisting the DENR and concerned peoples organization in the implementation of the CBFM Program.
2. The foregoing provision notwithstanding, all REDs, PENROs, and CENROs are hereby directed to continue/enhance their close coordination with concerned local government units and other government agencies to ensure the successful implementation of the CBFM Program.

3. Provisions of other DENR Administrative Orders, Memorandum Circulars, other official issuances not consistent herewith are hereby repealed or amended accordingly.
4. This Order shall take immediately after its publication in a general newspaper of national circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

Published at:

TODAY – July 24, 1999

**DENR Administrative Order**  
**No. 99-11**  
**April 14, 1999**

**SUBJECT : Amending DAO 98 Series of 1988 To Include CBFMP Under the Coverage of Program D of the Comprehensive Agrarian Reform Program (CARP) and the National Anti Poverty Program.**

Pursuant to RA 6657 or the Comprehensive Agrarian Reform Law, Section 15 of Executive Order No. 229 which provides for the implementation of Program D – Agrarian Reform in Public Lands, and Executive Order 263 which adopted Community Based Forest Management (CBFM) as the national strategy for the sustainable forest development, DAO 98 series of 1988 is hereby amended as follows:

A. Sec. 2 of DAO 98, series of 1988 shall now read as follows:

“Section 2. Components and Coverage of Program D. Under the Program, the Department shall implement the following major component activities, namely:

1. Distribution of public alienable and disposable (A and D) lands suitable to agriculture which involves land transfer through application of free, homestead, and/or sales patents, and
2. Allocation of forestlands to qualified communities under the Community Based Forest Management Strategy.

The coverage of Program D shall include both public A and D lands and forestlands and shall consist of both land transfer and non-transfer (CBFM) schemes achieving agrarian reform in public lands.”

B. Sec. 4 of DAO 98, Series of 1988 shall now read as follows:

“Section 4. Allocation through the CBFM Strategy. This component of Program D which allows local communities management of and access to forest resources, should accelerate

the implementation of the CBFM Program. The CBFM Program integrated all community based and people oriented program of the DENR as mandated under DAO 96-30. The procedure for the implementation of the program including site identification, granting of tenurial instruments, formulation and implementation of community management plans shall conform with the provisions of DAO 96-29 and related issuances.”

C. Section 8 of DAO 98 Series of 1988 shall now read as follows:

“Section 8. Management and Administration. The components of Program D being inherent and basic activities of the Department shall be implemented by the regional offices, and with respect to forestlands under the CBFM program be monitored by the CBFM program be monitored by the CBFM Office in the Central Office.

D. This Order takes effect immediately.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

## **DENR Administrative Order**

**No. 98 - 45**

**June 24, 1998**

**SUBJECT : Guidelines Governing the Issuance and Transfer of Certificate of Stewardship (CS) Within CBFM Areas**

Pursuant to Executive Order No. 263 otherwise known as the Community-Based Forest Management Strategy and DAO 96-29, its implementing rules and regulations, the following guidelines are hereby promulgated for the guidance of all concerned:

**Section 1 Basic Policy.** Consistent with the policy of promoting social justice and equitable access to forest lands and resources, the government shall recognize individual property rights within forest lands in order to encourage private investments in the development of marginal forest lands, promote socio-economic upliftment, and enhance active participation in CBFM activities. In line with this policy, a Certificate of Stewardship (CS) shall be awarded to an individual or family actually occupying, tilling, developing, managing or protecting portions of forest lands. The CS, which have a duration of 25 years and renewable for another 25 years, shall be issued within established CBFM areas, subject to the decision and recommendation of the People's Organization (PO). CS areas are integral part of the CBFMA area, and should be developed, managed and utilized in accordance with the Community Resource Management Framework formulated for the entire CBFMA area.

**Sec. 2 Qualifications of CS Recipients.** Individuals or families with the following qualifications may be awarded Certificate of Stewardship and enter into Stewardship Agreement with the government:

- 1) Must be Filipino citizens;
- 2) Must be of legal age;
- 3) Must be actual tillers or cultivators of the land to be allocated;



- 4) Must be a member of the People's Organization which was granted a CBFM area subject of the CS application;
- 5) Must be willing to develop the land as well as participate in community-based forest management activities;
- 6) Must not be a previous holder of CS that was cancelled for cause.

**Sec. 3 Procedure in the Issuance of CS.** The following steps shall be followed in the delineation, processing and issuance of CS within established CBFMA areas.

- 1) Information dissemination. The CENRO through its CBFM Unit, PMOs, Information Officers, and in collaboration with the PO, LGU, and other assisting organization(s) shall include in their IEC activities, the procedure on the issuance of CS, including the rights and responsibilities of the recipients.
- 2) Census of forest occupants. The PO shall conduct a census of individuals or families who are actually occupying and/or cultivating portions of the CBFM area. Results of this census shall be indicated in a community map showing individual parcels and occupants/tillers. As soon as the census is completed, the PO shall hold a general meeting to a) validate the results of the census; b) decide whether to recommend for the issuance of the individual CS to qualified members; and c) agree on the rights and responsibilities of individual CS holders.
- 3) Request for issuance of CS. The PO, through a resolution, shall request the DENR through the CENRO for the issuance of CS to actual forest occupants/tillers within the CBFM area. Attached to the resolution are 1) the census of forest land occupants; 2) agree rights and responsibilities of CS holders; 3) individual application for CS of prospective beneficiaries, duly endorsed by the PO head and 4) community map of the area showing the parcels actually occupied and/or cultivated by individual families, properly numbered, and validated in the general meeting. This shall serve as the parcellary map of the area.
- 4) Processing and issuance of Certificates of Stewardship. Upon receipt of the request, the CENRO through the CBFM Unit shall

prepare the Stewardship Agreement and Stewardship Certificate in four copies. The format of the Stewardship Agreement is given in *Annex 1*. The Agreement need not be notarized. For married individuals, the CS shall be issued in the name of both spouses who shall be co-stewards of the land.

The CENRO shall then forward the CS to the PENRO for approval. The Head of the PO and the CENRO shall sign as witnesses to the Stewardship Agreement.

The original copy of the CS shall be given to the beneficiary, and the other copies shall be given to the PENRO, CENRO and the PO.

The original copy of the Parcellary Map shall be kept at the PENRO, and certified copies shall be given to the CENRO, PO, LGU and the Regional CBFM Office concerned.

- 5) Marking of boundaries and resolution of conflicts. It shall be the responsibility of each beneficiary to establish distinct and more or less permanent markers of corners and boundaries of the CS area. The resolution of boundary conflicts shall be the responsibility of the PO.

**Sec. 4 Transferability of the CS.** The CS, including those issued prior to this Administrative Order, may be transferred, sold or conveyed in whole or in part under the following conditions:

- 1) The transferee is a qualified beneficiary as defined under Section 2, hereof; provided that the total land area under the stewardship of the latter does not exceed 10 hectares.
- 2) At least 50% of the area covered by the CS has been developed, i.e., planted to agricultural crops, trees, or forest species, developed pasture or fishpond, and other productive land uses.
- 3) The terms and conditions of the original Agreement shall remain in force and effect. However, the provision prohibiting the

subleasing of the land or portion thereof in old CS issued prior to this Order is hereby revoked;

- 4) The Agreement shall remain valid for the remaining unexpired term of the original agreement;
- 5) The transfer is endorsed by the PO, through a resolution of its Officers;
- 6) The instrument of transfer is duly notarized.

The new CS and Stewardship Agreement, map and other supporting documents shall be forwarded to the PENRO for approval, in accordance with Section 3, hereof.

**Sec. 5 Repealing Clause.** This order amends Administrative Order No. 4, series of 1991 and all other orders, circulars, guidelines and procedures on the issuance and transfer of CS that are inconsistent herewith.

**Sec. 6 Effectivity.** This Order shall take effect immediately.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Annex omitted

Published at:

TODAY July 08, 1998 - page 07

**DENR Administrative Order**

**No. 98 - 44**

**June 24, 1998**

**SUBJECT : Guidelines on the Establishment and Management of the CBFM Special Account**

Pursuant to Section 8 of Executive Order No. 263 mandating DENR to establish a Community Based Forest Management Special Account (CBFMSA), the herein order is hereby issued for the guidance of all concerned.

**Section 1 Objectives of the CBFMSA.** The CBFMSA shall help promote the full, meaningful and indispensable participation of upland communities in the protection and management of the forest ecosystem. The CBFMSA shall support the CBFM Strategy, provide financial and professional incentives to deserving communities and government personnel and ensure the sustainability of the CBFM Program.

**Sec. 2 CBFMSA Sources.** The CBFMSA shall be deposited to a qualified Philippine Government Bank under the name of the CBFM Special Account. The following are the sources of the CBFM Fund:

- 2.1 The government share in the Production Sharing Agreements with the CBFM POs in the harvest and management of forest resources;
- 2.2 Interests and other charges imposed by the government to POs who borrow money from the CBFM Fund to pursue their operations;
- 2.3 Contributions, donations, endowments and grants from any source;
- 2.4 Other revenues as may be derived from the management of the CBFM projects; and

2.5 Such other funds as DENR may later identify or provide to the CBFMSA.

**Sec. 3 Uses of CBFMSA.** The CBFMSA shall be used solely to support the implementation of the CBFM Strategy. These include among others:

3.1 Establishment of new CBFM projects;

3.2 Assistance to POs in community organizing and formulation of Community Resource Management Frameworks (CRMF) and Annual Work Plans (AWP);

3.2 Financial assistance to the POs in implementing development projects contained in their affirmed CRMFs and AWP. These projects shall include but not limited to the following: enterprise development, ecotourism, agroforestry, plantation development and other activities that will expand the forest resource base, harvesting and processing of forest products and posting of bonds for forest charges;

3.3 Financial and professional incentives to deserving communities and government personnel involved in CBFM; and

3.5 Such other uses that the CBFM Fund Governing Board will allow.

**Sec. 4 Collection of Government Share in a Production Sharing Agreement.** The Regional Executive Director or his/her duly authorized representative shall be responsible for the collection of the government share in Production Sharing Agreements with the POs and shall remit the same to the CBFM Fund through the CBFMO. The Regional Executive Director or his/her duly authorized representative shall submit to the CBFMO a statement of collections during the preceding quarter within the first fifteen (15) days of each quarter. The CBFMO will prepare the consolidated report on collections and status of funds for information and action by the CBFMSA Governing Board.

**Sec. 5 Disbursement of CBFMSA.** Disbursement of CBFMSA shall be used solely for the purposes set forth in Section 3

hereof, *provided* that at least fifty percent (50%) of the government share from the harvest of plantations collected by each region shall be used exclusively for the establishment of plantations in the same CBFM area.

The Regional Executive Directors together with the POs and other stakeholders shall submit to the CBFMSA Governing Board an annual proposal of activities for funding.

**Sec. 6 CBFMSA Governing Board.** There is hereby established a CBFMSA Governing Board composed of seven (7) members: the Secretary or his duly authorized representative as ex-officio Chairman of the Board; the CBFM Office Head; the Forest Management Bureau Director; the Director of the Finance Management Services of DENR; one from the Multisectoral Forest Protection Committees (MFPC) as recommended by the MFPC National Federation; and two (2) from CBFM POs. The MFPC and PO members shall have a term of two years.

**6.1 Functions of the CBFMSA Governing Board.** The Governing Board shall perform the following functions:

6.1.1 Determine and decide procedures on the management, allocation and disbursement of the CBFMSA and decide by a majority vote, on issues and problems concerning the same;

6.1.2 Issue guidelines to account and audit the funds released and disbursed to ensure the protection and maximum utility of the CBFMSA; and

6.1.3 Issue guidelines to govern the conduct of its business.

**6.2 Meetings.** The Governing Board shall meet at least once a quarter.

**6.3 Secretariat.** The CBFM Office shall serve as the Secretariat of the CBFMSA Governing Board.

**6.4 Funding Requirements of CBFMSA Governing Board.** Members of the Governing Board shall serve without additional

compensation from the government except for travel and actual expenses incurred in the performance of their duties and responsibilities. The financial requirements of the CBFM Fund Governing Board and the Secretariat shall come from DENR regular funds.

**Sec. 7 Effectivity.** This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Published at:

TODAY July 08, 1998 - page 06

**DENR Administrative Order**

**No. 98 - 43**

**June 24, 1998**

**SUBJECT : Exemption of Community Based Forest Management Projects from the Payment of Administrative Fees.**

**WHEREAS**, Executive Order No. 263 dated July 19, 1995 adopted Community Based Forest Management (CBFM) as the national strategy towards the sustainable development of the country's forestland resources;

**WHEREAS**, under the CBFM Program, organized People's Organizations (POs) are given equitable access to the utilization of the forest resources while at the same time given the responsibility of managing and protecting their forest areas;

**WHEREAS**, this strategy is towards the improvement of the socio-economic conditions of the upland dwellers and the sustainable management of the forests;

**WHEREAS**, under the CBFM Program, the POs are given the privilege of utilizing the forest resources in their areas provided the sustainable utilization of the same is contained in their long term Community Resource Management Framework Plans and Annual Work Plans and provided further that they comply with all the necessary forestry rules and regulations including the payment of forest charges and administrative fees;

**WHEREAS**, the POs, being the poorest of the poor are having difficulty in the payment of forest charges and administrative fees resulting in their inability to take advantage of the opportunities provided, or resulting in unprofitable operations;



**WHEREAS**, under Section 64 of PD 705, otherwise known as the Forestry Reform Code of the Philippines, the DENR Secretary is empowered to set and prescribed the payment of administrative fees;

**WHEREAS**, the DENR is mandated under EO 263 to assist the POs in implementing the CBFM Program;

**NOW THEREFORE**, premises considered, the POs of CBFM projects are hereby exempted from the payment of following administrative fees:

- A. Application Fee
- B. License/Permit Fee
- C. Service Fee
- D. Rental Fee
- E. Others (e.g. Oath Fee, appeal fee and authentication fee)

This Order shall take effect fifteen days following its publication in a newspaper of general circulation and upon submission to the UP Law Center.

**SO ORDERED.**

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Published at:

TODAY - July 08, 1998 - page 04

# **DENR Administrative Order**

**No. 98 - 42**

**June 24, 1998**

**SUBJECT : Production Sharing Agreement With People's Organizations in the Harvest of Forest Plantations Owned by the Government Inside CBFM areas.**

Pursuant to Article XII, Section 2 of the 1987 Philippine Constitution which defined the modes for the exploration, development, and utilization of natural resources, Executive Order 263 which adopted Community Based Forest Management as the national strategy to ensure sustainable management of the country's forest resources, and DAO 96-29 or the CBFM implementing guidelines, which prescribed that the CBFM Agreement is a production sharing agreement, and in order to sustain government efforts in reforesting denuded forestlands, the herein guidelines are issued for the management and utilization of forest plantations owned by the government under a production sharing agreement, for the guidance of all concerned.

**Section 1 Basic Policy.** It is the policy of the government to reforest denuded forestlands in order to conserve soil, water, wildlife and other natural resources and expand the forest resource based for the benefit of the present and future generations. The sustainable management of and equitable sharing of benefits from forest resources will be achieved through the CBFM strategy.

**Sec. 2 Production Sharing Agreement.** Forest plantations owned by the government shall include the following:

3.1 Reforestation/forest plantation projects administered/ established by DENR;

- 3.2 Reforestation/forest plantations established by TLA holders and other permittees in compliance with the terms and conditions of the timber license agreement or permit;
- 3.3 Plantations established by holders of IFMA, SIFMA, ITP, CBFMA, and other tenurial instruments which were cancelled for caused; and
- 3.4 Other reforestation or plantation projects established with government funds; *provided that* the utilization of forest plantations owned by the government shall be limited within production forests or management zones within protected areas where such activities are allowed; *provided further* that the plantations owned by the government are inside the CBFM areas, and their utilization is included in affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP).

**Sec. 4 Government Share in the Harvest of Government Owned Forest Plantations.** The products or income derived from the utilization of government owned forest plantations shall be shared as follows:

- a. For the People's Organization - 75% of the gross sales
- b. For the Government - 12.5% of the gross sales
- c. For the CBFM fund (created under Sec. 8 of EO 263) - 12% of the gross sales

4.1 The CENRO and PO shall jointly conduct scaling of the actual volume harvested from the plantations owned by the government, in accordance with existing rules and regulations. This measured volume shall be the basis for the allocation of shares defined above.

4.2 The PO shall remit to the DENR-CENRO not later than two (2) months from the issuance of Certificate of Timber Origin, Certificate of Lumber Origin or Certificate of Conveyance, the government share and the amount for the CBFM Fund. Failure to remit shall be sufficient cause for the suspension of harvesting operations.

4.3 The CENRO shall then remit the government share to the National Treasury. The amount intended for the CBFM Fund shall be deposited in the CBFM Fund account.

**Sec. 5 Effectivity.** This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Published at:  
TODAY - July 08, 1998 - page 04

## **DENR Administrative Order**

**No. 98 - 41**

**June 24, 1998**

**SUBJECT : Guidelines on the Establishment and Management of Community-Based Forest Management (CBFM) Projects Within Watershed Reservations.**

Pursuant to EO 263 adopting CBFM as the national strategy to promote sustainable forest management and development, DAO 96-29 or the CBFM Implementing Rules and Regulations, and consistent with RA 7586, otherwise known as the NIPAS Act, as implemented by DAO 25, s. 1992, this Administrative Order is issued to provide guidelines on the establishment and management of CBFM Projects inside watershed reservations.

**Section 1. Basic Policy.** It is the policy of the government to conserve, protect, rehabilitate and develop forest watershed areas to ensure the sustainable production of water for domestic, agricultural, industrial and other purposes. To achieve said policy, watershed reservations are included as initial components of the National Integrated Protected Areas System (NIPAS). Further, the government recognizes supports and promotes the rights and capacities of local communities, tenured migrants and indigenous peoples to manage natural resources on a sustainable management principle. It has adopted the CBFM strategy for sustainable development of these natural resources. Accordingly, the Department has established CBFM and People-oriented Forestry Projects inside forestlands including watershed reservations. The implementation of the CBFM strategy inside watershed reservations must be according to the provisions of the NIPAS law. It must also be consistent with the principles of multiple use, sustainable management and biological diversity conservation.

**Sec. 2 Objectives.** The implementation of CBFM Projects inside watershed reservations aims to:

- 2.1 Enhance the conservation, protection and rehabilitation of watershed reservations to reduce soil erosion and sedimentation, improve water yield and quality, and promote biological diversity.
- 2.2 Provide livelihood opportunities to local communities, tenured migrants and indigenous peoples and enhance their socio-economic well being; and
- 2.3 Encourage support and active participation of local communities, tenured migrants and indigenous peoples and strengthen their capacities to manage watershed resources on a sustainable basis.

**Sec. 3 Procedure in the Implementation of CBFM Projects in Watershed Reservations.**

- 3.1 CBFM projects may be established within watershed reservations provided that the management of resources therein shall be according to the NIPAS Law and its Implementing Rules and Regulations. The NIPAS Law respects and protects the rights and interests of indigenous peoples and tenured migrants within protected areas.
- 3.2 The procedure for implementing CBFM Projects inside watershed reservation shall follow DAO 96-29 and related policies. *Provided*, that the appropriate Protected Area Superintended (PASu) and the Protected Area Management Board (PAMB) shall be involved in all phases of the CBFM implementation.
- 3.3 The appropriate tenurial instruments shall be issued according to DAO 96-29, *provided* that the PAMB endorses it.
- 3.4 The formulation of the Community Resource Management Framework (CRMF) and Annual Work Plan (AWP) shall follow MC 97-12. Both CRMF and AWP must be consistent with the Initial Protected Area Plan (IPAP), subject to revision upon approval of the final management plan of the watershed reservation. Upon favorable endorsement of the PAMB, the CRMF and the AWP shall be affirmed by both the PASu and the CENRO concerned.

3.5 The PO shall implement the affirmed CRMF and AWP, assisted by the PASu, the CENRO, the LGU concerned and the concerned agencies/entities.

3.6 The CENRO, the PASu, the LGU, the PAMB and PO shall jointly monitor the implementation of the CRMF and the AWP. Results of the monitoring activity shall be used as one of the bases for improving management plan implementation by the PO.

## **Sec. 4 Watershed Resources Management**

4.1 Community management of watershed resources shall include, but not be limited to, the following strategies:

4.1.1 Protection of the CBFM area and the larger watershed reservation from fire, encroachment, illegal logging and other forms of destruction;

4.1.2 Protection of primary forest and conservation of biological diversity;

4.1.3 Rehabilitation and reforestation of denuded areas; and

4.1.4 Promotion of land uses and practices that increase productivity and conserve soil, water and other forest resources.

4.2 The development and utilization of watershed resources may be allowed in management zones where such activities are permitted following DAO 25, s. 1992 and the affirmed CRMF. Priority shall be given to the development of the forest resource base such as agro-forestry, plantation establishment and improvement of existing forest stands, eco-tourism and other non-extractive activities, and improvement of agriculture and other food production activities.

4.3 In extracting forest resources, priority shall be given to non-timber species, abandoned logs, fallen timber and dead trees, plantation timber species and lesser-used species.

4.4 Part of the income derived from the utilization of watershed resources shall accrue to the Integrated Protected Area Fund

(IPAF), as agreed upon by the PO and PAMB. This amount shall be reinvested in the CBFM area for the improvement and protection of the watershed resources, and for other community development activities.

4.5 Utilization of watershed resources shall be described in detail in a Resource Use Plan (RUP) which is an integral component of the AWP, pursuant to Memorandum Circular No. 97-12. Any likely negative impacts of such activities shall be identified and appropriate mitigation measures shall be prescribed pursuant to Philippine Environmental Impact Assessment (EIA) System. These mitigation measures shall be clearly shown in the AWP.

**Sec. 5 Transitory provisions.** Existing Ancestral Domain Management Plans (ADMPs) and CRMFs affirmed before Administrative Order shall remain valid and in force. Requests for utilization of forest resources by CBFM participants may be granted in accordance with Section 4 hereof, and upon endorsement by the PAMB. In cases where the IPAP for the watershed reservation has not been prepared, the Regional Executive Director concerned shall, within six (6) months from the issuance of this Order, cause the immediate preparation of the same. Thereafter, the PO, assisted by the CENRO and PASu, shall review and amend said ADMP or CRMF following the provisions of this Order.

The amended ADMP or CRMF shall form an integral part of the management plan of the entire watershed reservation.

**Sec. 6 Amendatory Provisions.** This Administrative Order amends provision of previous memorandum circulars and other orders inconsistent herewith.

**Sec. 5 Effectivity.** This Order shall take effect fifteen



(15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Published at:

TODAY - July 08, 1998 - page 04

# **DENR Administrative Order**

**No. 98 - 10**

**March 04, 1998**

**SUBJECT : Guidelines on the Establishment and Management of Community-Based Forest Management (CBFM) Projects Within Mang-rove Areas.**

Pursuant to PD 705 as amended, otherwise known as the Revised Forestry Code of the Philippines, EO 263 entitled “Adopting CBFM as the National Strategy to Ensure the Sustainable Development of the Country’s Forestland Resources and Providing Mechanisms for its implementation”, and its Implementing Rules and Regulations embodied in DAO 96-29, the following guidelines are issued for the establishment and management of CBFM within mangrove areas, for the guidance of all concerned.

**Section 1. Objectives.** Community-Based Forest Management Projects shall be established in mangrove areas in order to promote equitable access to natural resources, help in the socio-economic upliftment of local communities and at the same time encourage their participation in the conservation, rehabilitation, afforestation and management of mangrove forests.

**Sec. 2 Establishment and management of CBFM Projects.** The establishment and management of CBFM Projects in mangrove areas shall be in accordance with DAO 96-29 and other policies issued on CBFM. Provided, that in case the mangrove area is within a protected area, the management of the same shall be in accordance with the provisions of RA 7586 and its implementing rules and regulations. Provided further, that the participants to CBFM Projects shall be organized and issued Community-Based Forest Management Agreement (CBFMA) consistent with relevant provisions of DAO 96-29.

**Sec. 3 Cutting or harvesting and utilization within CBFM areas.** Cutting or harvesting of mangrove species shall be allowed provided that these are planted by the CBFMA holders

themselves and that the harvesting operations are included in the affirmed Community Resource Management Framework, Ancestral Domain Management Plan or Protected Area Management Plan, as the case may be, and Annual Work Plan; provided, further that replanting of area harvested shall be undertaken within six months after harvesting operations, and provided, finally that the harvesting operations shall be closely monitored by the CENRO/PASU concerned.

**Sec. 4 Exemption from payment of forest charges.** All harvested planted mangrove forest products are exempted from payment of forest charges.

**Sec. 5 Penalties.** Unauthorized cutting of mangrove species, particularly naturally growing species or non-replanting of areas where harvesting had been conducted, shall be sufficient cause for the suspension, or cancellation of the CBFMA, without prejudice to penalties provided for in PD 705, as amended, RA 7586 and other forest policies, rules and regulations.

**Sec. 6 Transitory provisions.** Relevant provisions of this order shall also apply to valid and existing holders of CSC and Mangrove Stewardship Agreements, who are hereby encourage to associate themselves and avail of CBFMA to include areas outside their stewardship contract areas.

**Sec. 7 Repealing Clause.** Provisions of other DENR Administrative Orders, Memorandum Circulars, or other official issuances not consistent herewith are hereby repealed or amended accordingly.

**Sec. 8 Effectivity.** This Order shall take effect fifteen (15) days after its publication in a newspaper of national circulation.

(Sgd.) VICTOR O. RAMOS  
Secretary

Published At:

TODAY -- October 09, 1998 page 6

# **DENR Administrative Order**

**No. 96-30**

**October 10, 1996**

**SUBJECT : Integration of all the Community-Based Forest Management Strategy and People-Oriented Forestry Programs and Projects into the DENR Regular Structure.**

Pursuant to Executive Order No. 263 Series of 1995 adopting Community-based Forest Management Strategy (CBFMS) as a national strategy for sustainable forestland management and in adherence to the Philippine Master Plan for Forestry Development where People-Oriented Forestry Program (POFP) is one of the approaches, and consistent with Executive Order No. 192 as implemented by DENR Administrative Order No. 1, Series of 1988, it is the purpose of this Administrative Order to integrate all the Community-Based Forest Management Strategy and People-Oriented Forestry Programs and Projects into the DENR regular structure.

## **ARTICLE I**

### **TITLE, POLICY, OBJECTIVES, AND DEFINITION OF TERMS**

**Sec. 1 Title.** This Administrative Order shall be known as the “Integration of the CBFMS and POFP into the DENR Regular Structure”

**Sec. 2 Basic Policy.** It is the policy of the government to protect and advance the rights of the Filipino people, both women and men, and the indigenous peoples. These rights include a healthy environment through the promotion of social justice, a more equitable access to and sustainable development of forestland resources.

The Department has instituted a number of CBFMS and POF programs and projects. To implement these, different offices of the Department have been tasked to handle each program or project. Consistent with the streamlining principle, there is a need to integrate

all the CBFMS and POF programs and projects of the Department into the DENR regular structure.

**Sec. 3 Objectives.** The integration of CBFMS and POF programs and projects aims to:

- a. Unify and integrate all DENR programs and projects on CBFMS and POF;
- b. Provide a smooth transition in the turn-over of all CBFMS and POF programs and projects to FMB; and
- c. Pave the way for the operational and functional integration of CBFMS and POF programs and projects.

**Sec. 4 Definition of Terms.** The following terms are to be understood and interpreted as follows:

- 4.1 **CBFMO** - refers to the Community-Based Forest Management Office
- 4.2 **CBFMS and POF programs and project** - refer to the following programs and projects: Integrated Social Forestry Program (ISFP); National Forestation Program (NFP funded under ADB1); Low-Income Upland Communities Project (LIUCP); Community Forestry Program (CFP); Community-Based Forestry (CBF funded by RP-GERMAN); Community Forest Management (CFM under NRMP); Regional Resources Management Project (RRMP under ENR-SECAL); Forestry Sector Project (FSP) funded by Forestry Sector Project Loan or ADB 2); and Recognition of the Indigenous Peoples.
- 4.3 **CBFM Steering Committee** - refers to the inter-agency committee created under Executive Order 263 of 1995
- 4.4 **FASPO** - refers to the Foreign Assisted and Special Projects Office of the DENR
- 4.5 **FMB** - refers to the Forest Management Bureau
- 4.6 **DENR** - refers to the Department of Environment and Natural Resources

- 4.7 **NCCO** - refers to the National Community Forestry Program Coordinating Office under the office of the Director of the FMB
- 4.8 **PMOs** - refer to Program or Project Management Offices of the different CBFMS and POF programs and projects
- 4.9 **Resource institutions** - refers to organizations which could provide assistance to the CBFMS and POF through, but not limited to, funding of activities, provision of humanpower, and provision of equipment and other implements
- 4.10 **SFD** - refers to the Social Forestry Division of the FMB
- 4.11 **Secretary** - refers to the Secretary of the DENR
- 4.12 **Termination of programs or projects** - refers to the end of contracts and/or agreements pertaining to the programs or projects, as the case maybe.

## **ARTICLE II**

### **ORGANIZATIONAL STRUCTURE**

**Sec. 1 Organization of CBFMO.** During the transition period as stated in Article III section 1 of this Order, the CBFMO shall be under the supervision of the FMB Director. It shall be initially composed of the SFD and the NCCO and shall be headed by a senior official designated by the Secretary.

The FMB Assistant Director shall ensure the support of the different FMB divisions to the integration process. After the transition period, the CBFMO shall be under the supervision of the FMB Assistant Director.

**Sec. 2 Functions of the CBFMO.** The CBFMO shall perform the following functions:

- 2.1 Review all CBFMS and POF programs and projects to identify issues and lessons learned;
- 2.2 Draft policies, guidelines and procedures on CBFMS and POF;
- 2.3 Prepare and monitor implementation of national CBFMS and POF program of action;
- 2.4 Serve as the repository of data/information on CBFMS and POF;
- 2.5 Link with resources institutions within and outside the Forest Management Bureau to gain support for the implementation of CBFMS and POF;
- 2.6 Assist the FASPO in packaging and monitoring projects supporting CBFMS and POF;
- 2.7 Handle new CBFMS and POF programs and projects as may be initiated; and
- 2.8 Serve as Secretariat to the inter-agency CBFM Steering Committee;

**Sec. 3 Advisory Council.** An ad-hoc Advisory Council shall be created to provide technical and administrative guidance to the CBFMO during the transition period. A Chief Technical Adviser shall be identified from among the members of the Council to lead the Council. The Council shall be initially composed of the following:

Undersecretary for Field Operations  
Undersecretary for Environment and Programs  
Development  
Undersecretary for Legal, Legislative Affairs, and Attached  
Agencies  
Head Executive Assistant  
Director, Protected Area and Wildlife Bureau  
Director, Special Concerns Office  
Director, Planning and Policy Studies Office

Director, Foreign Assisted and Special Projects Office  
Heads of all CBFMS and POF Programs and Projects  
Management Offices

To complement the members coming from the DENR, the Undersecretary for Environment and Programs Development may invite institutions as members of the Council.

**Sec. 4 Structure.** The operational and functional structure as shown in Annex 1 shall be observed during the transition period and shall form part of this Order..

### ARTICLE III

#### TRANSITORY PROVISIONS

**Sec. 1 Transition Period.** The transition period for the integration of CBFMS and POF programs and projects to the FMB shall be from the issuance of this Order until the December 31, 1997.

**Sec. 2 Initial Integration and Phase in.** The CBFMO shall initially integrate the functions of the SFD and the NCCO. All other existing Project Management Offices (PMOs) of CBFMS and POF programs and projects shall provide the CBFMO with updated and comprehensive program or project status within one (1) month upon the issuance of this Order and quarterly thereafter. These PMOs shall continue to operated as such until their respective programs/projects/activities are completed; *provided, however*, that they shall immediately coordinate their activities with CBFMO, and, at least one (1) year before the termination of their programs/projects/activities based on their respective work and financial programs, they shall observe the following:

- a. **Institutional capability building.** Selected personnel from regular DENR Offices who shall be eventually assigned to CBFMO as well as those from SFD and NCCO, shall undergo on-the-job training on CBFMS and POFP to enhance their respective competence;



- b. **Phasing in.** All program management offices (PMOs) shall fully divest their office of their respective duties and functions and transfer them to CBFMO.

*Provided finally,* that the CBFMO Head shall render a comprehensive report on the integration to the FMB Director not later than November 30, 1997.

### ARTICLE III

#### FUNDING

The Community-Based Forest Management Office shall initially obtain its funding from all CBFMS and POF programs and projects; *provided, however,* that if the CBFMS and POF programs and projects are externally funded, consent from the funding agency shall be obtained before funds are channeled to the CBFMO. Future funding of the CBFMO shall be incorporated in the General Appropriations of the Department.

**Sec. 3 Repealing Clause.** All orders, memoranda, circulars inconsistent herewith are hereby repealed and amended accordingly.

**Sec. 4 Effectivity.** This order takes effect immediately.

**VICTOR O. RAMOS**  
Secretary

**DENR Administrative Order**

**No. 96-29**

**October 10, 1996**

**SUBJECT : Rules and Regulations for the Implementation of Executive Order 263, Otherwise Known as the Community-Based Forest Management Strategy (CBFMS)**

Pursuant to Section 12 of Executive Order No. 263 (EO 263), entitled “Adopting Community based Forest Management as the National Strategy to Ensure the Sustainable Development of the Country’s Forestlands Resources and Providing Mechanisms for its Implementation” issued by the President of the Republic of the Philippines on 19 July 1995, this Administrative Order is hereby promulgated, setting forth the rules and regulations governing the implementation of the Executive Order.

**ARTICLE I**

**TITLE, BASIC POLICY, OBJECTIVES, DEFINITION OF TERMS AND SCOPE**

**Sec. 1 Title.** This Administrative Order shall be known as the “Community-Based Forest Management Program”.

**Sec. 2 Basic Policy.** It is the policy of the State to: a) protect and advance the right of the Filipino people to a healthful environment; b) improve their socio-economic conditions through the promotion of social justice, equitable access to and sustainable development of forestlands resources; and c) respect the rights of indigenous peoples to their ancestral domains by taking into account their customs, traditions and beliefs in the formulation of laws and policies. Active and transparent community participation and tenurial security shall be among the key strategies for achieving these goals.

Accordingly, the State acknowledges and supports the capacities and efforts of local communities and indigenous peoples to

protect, rehabilitate, develop and manage forestlands and coastal resources. The State shall provide legal and technical support to ensure equitable access to and sustainable use of natural resources. Pursuant to these policies, the State hereby establishes the Community-Based Forest Management Program (CBFMP) to implement EO 263.

**Sec. 3 Concept.** Efficient and sustained management of forest lands and coastal areas can result from responsible resource utilization by organized and empowered local communities. It shall be the responsibility of the DENR, the Local Government Units (LGUs), and other government agencies to collaborate with Non-Government Organizations (NGOs) and other private entities in developing the enabling environment to support and strengthen local communities in managing forestlands and coastal resources on a sustainable basis,. The DENR shall provide security of tenure and technical assistance to these local communities.

Local communities shall be assisted by DENR, LGU, NGOs and other government agencies (OGAs) or entities in the preparation of a Community Resource Management Framework (CRMF). The CRMF shall express the communities' aspirations, local and indigenous knowledge, and shall serve as a guide in the access, development, use and protection of resources in areas currently and eventually utilized and managed by the communities. The CRMF shall be consistent with the overall strategy for the conservation of areas encompassing watersheds and herein set forth policies.

**Sec. 4 Definition of Terms.** The following terms are to be understood and interpreted as follows:

**ANCESTRAL DOMAINS** - All lands and natural resources, occupied and possessed by indigenous cultural communities, by themselves or through their ancestors, communally or individually, in accordance with their customs and traditions since time immemorial, continuously to the present except when interrupted by war, *force majeure*, or displacement by force, deceit, or stealth, and including all adjacent areas generally belonging to them that are necessary to ensure their economic, social and cultural welfare.

**ANCESTRAL LANDS** - Lands occupied, possessed and utilized by individuals, families or clans who are members of an ICC/IP since time immemorial, by themselves or through their predecessors in interest, continuously to the present except when interrupted by war, *force majeure* or displacement by force, deceit or stealth; including claims to lands that have been devolved to individuals such as residential lots, rice terrace, paddies or tree lots, indigenous corporate claims belonging to families or clans such as private forests and swidden farms and communal claims belonging to a community within a defined territory.

**AWP** - Annual Work Plans

**BUFFER ZONES** - Identified areas outside the boundaries of and immediately adjacent to designated protected areas pursuant to Section 8 of the NIPAS Law, that need special development control in order to avoid or minimize harm to the protected area.

**CENRO** - Community Environment and Natural Resources Office/Officer of DENR

**CERTIFICATE OF ANCESTRAL DOMAIN CLAIM** - A certificate issued by DENR to an indigenous cultural community/indigenous people declaring, identifying and recognizing their claim to a particular traditional territory which they have possessed and occupied, communally or individually, in accordance with their customs and traditions since time immemorial.

**CERTIFICATE OF ANCESTRAL LAND CLAIM** - A certificate issued by DENR to an indigenous Filipino individual, family, or clan, declaring, identifying and recognizing their claim to a particular area they have traditionally possessed, occupied and used by themselves or through their predecessors in interest since time immemorial.

**COASTAL ENVIRONMENT PROGRAM** - A program established in the DENR to implement its projects on conservation and management of the coastal environment. The CEP encompasses all concerns over the habitat and ecological support systems of coastal

communities and fisheries specially pertaining to their productivity, biodiversity, integrity, sustainability, and equitability of access and use. This is principally governed by DAO 19, S1993.

**COMMUNITY** - A group of people who may or may not share common interests, needs, visions, goals and beliefs, occupying a particular territory which extends from the ecosystem geographical, political/administrative and cultural boundaries and any resources that go with it.

**COMMUNITY BASED FOREST MANAGEMENT STRATEGY**

- Organized efforts by the DENR to work with communities in and near public forest lands with the intent to protect, rehabilitate, manage, conserve, and utilize the resource.

**COMMUNITY BASED FOREST MANAGEMENT STEERING COMMITTEE**

- A multi-sectoral Committee responsible for the formulation and development of policy guidelines that will create incentives and conditions necessary to effectively carry out CBFMP. It shall be composed of the Secretary of the DENR as head; the respective Secretaries, or Undersecretaries or Assistant Secretaries or bureau/agency heads of the Departments of Agriculture, Trade and Industry, Agrarian Reform, Local Government, Budget and Management, National Defense, Justice, National Economic and Development Authority, Philippine Commission on Countrywide Development, Committee on Flagship Programs and Projects of the Office of the President's Presidential Management Staff, Cooperative Development Authority and Office for the Northern and Southern Cultural Communities. Representatives from POs participating in the CBFMP, NGOs, Philippine Chamber of Commerce, Philippine Wood Products Association and other public and private organizations may be invited to become members of the Steering Committee. This committee will replace the multi-agency/sectoral committee created under EO 196 to oversee the ENR-SECAL Program and all such other Steering Committees created for various other community based forestry programs.

**COMMUNITY-BASED FOREST MANAGEMENT SPECIAL ACCOUNT**

- A special fund to be established and used to support

the implementation of CBFMP and to provide a professional incentive system for deserving communities and government personnel.

**COMMUNITY-BASED FOREST MANAGEMENT SPECIAL AGREEMENT** - A production sharing agreement entered into between a community and the government, to develop, utilize, manage and conserve, a specific portion of the forestland, consistent with the principles of sustainable development and pursuant to a Community Resource Management Framework.

**COMMUNITY FORESTRY PROGRAM** - A forest management program of the DENR which grants rights to organized communities to manage, develop and utilize forest resources on a sustainable basis. The CFP is principally governed by DAO 123, S 1989 and DAO 22, S 1993.

**COMMUNITY SPECIAL TASK FORCE FOR ANCESTRAL LANDS** - The Special Task Force based in specific Community Environment and Natural Resources Offices (CENRO) which is responsible for the identification, delineation and recognition of ancestral domain and land claims.

**COMMUNITY RESOURCE MANAGEMENT FRAMEWORK** - The document defining the terms and procedures for access, use, and protection of natural resources within the CBFMA area, which shall in all cases be consistent with the overall management strategy of the entire watershed area where the CBFM area is located, and shall be formulated by the community with the assistance of its PO and the DENR, LGU and/or private entities.

**DAO** - DENR Administrative Order

**EMPAS** - Environmental Management and Protected Areas Sector

**FMB** - Forest Management Bureau

**FOREST LAND MANAGEMENT PROGRAM** - A program launched by DENR through which Forest Land Management Agreements are issued, which in turn replaces the former short term

contract reforestation systems as the principal mode for accomplishing the reforestation objectives in collaboration with forest occupants and residents of upland communities. The program grants participants the sole and exclusive right to occupy, develop and manage specified areas of forest lands, subject to repayable financial assistance from DENR, and to harvest, sell and utilize products grown on the land. The FLMP is principally governed by DAO 23, S1993.

**FORESTS** - Either natural vegetation or plantations of forest crops such as trees, or both, occupying a definable, uninterrupted or contiguous area not less than one hectare in size with the tree crowns covering *at least* ten (10) percent of the area, exclusive of the associated seedlings, saplings, palms, bamboo and other undercover vegetation. A natural forest is a stand constituted by natural succession without human intervention which includes such stand types as dipterocarp, pine, mossy, beach and/or mangrove, and for purposes of these rules are classified according to: 1) primary use and management; and 2) growth formation. As to primary use and management, a forest shall be either a: 1) protection forest; or 2) production forest. As to growth formation, a natural forest is classified according to either 1) primary or old growth forest or 2) a residual or second growth forest which refers to natural forest which has been previously subjected to timber harvesting or extraction.

**FORESTLANDS** - Lands of the public domain which have been classified as such under the land classification program of the DENR and all unclassified lands of the public domain.

**FOREST PRODUCTS** - Any forest resource that is harvested or utilized, except minerals.

**FOREST RESOURCES** - All natural resources, whether biomass such as plants and animals or non-biomass such as soil and water, as well as the intangible services and values present in forestlands or in other lands devoted for forest purposes.

**GENERAL MANAGEMENT PLANNING STRATEGY** - A plan adopted by a duly established Protected Areas Management Board (PAMB), designed to maintain the integrity of protected areas

specifically as to ecological stability and biological diversity, through the full participation and involvement of communities.

**INDIGENOUS CULTURAL COMMUNITY/INDIGENOUS PEOPLES** - A homogenous society identified by self-ascription and ascription by others, whose members have continuously lived as a community on communally bounded and defined territory, sharing common bonds of language, customs, traditions and other distinctive cultural traits, and who, through resistance to the political social and cultural inroads of colonization, became historically differentiated from the majority of Filipinos.

**INTERIM RESOURCE UTILIZATION RIGHTS** - The permission granted to the communities prior to the approval of CRMF which allows harvest and sale of forest products on a limited scale to provide immediate income to communities, and funds for the preparation of CRMF and other related activities.

**INTEGRATED SOCIAL FORESTRY PROGRAM** - The national program launched under Letter of Instruction No. 1260 designed to maximize land productivity, enhance ecological stability, and improve the socio-economic conditions of forest occupants and communities.

**INTEGRATED RAINFOREST MANAGEMENT PROJECT** - A community-based forestry project supported by the government of Germany.

**LOW INCOME UPLAND COMMUNITIES PROJECT (LIUCP)** - A project undertaken by DENR to restore and sustainably manage the country's upland/forest resources, and alleviate poverty in rural communities. This is principally governed by DAO 35,S1992.

**MULTIPLE USE ZONE** - Areas where settlement, traditional and/or sustainable land use, including agriculture, agro-forestry, extraction activities and other income generating or livelihood activities may be allowed to the extent prescribed in the management plan consistent with the General Management Planing Strategy. Land tenure may be granted to tenured residents whether ICC/IP or migrants.



**NATIONAL COMPREHENSIVE COMMUNITY FORESTRY ACTION PLAN** - The government's plan for the implementation of the Community Based Forest Management Strategy containing therein its short, medium and long term goals and strategies.

**NATIONAL INTEGRATED PROTECTED AREAS SYSTEM** - As defined in the NIPAS Law, the classification and administration of all designated protected areas to maintain essential ecological processes and life-support systems, to preserve genetic diversity, to ensure sustainable use of resources found therein, and to maintain their natural conditions to the greatest extent possible.

**PENRO** - Provincial Environment and Natural Resources Office/Officer of DENR.

**PEOPLES ORGANIZATION** - A group of people, which may be an association, cooperative, federation, or other legal entity, established by the community to undertake collective action to address community concerns and need and mutually share the benefits from the endeavor.

**PRIOR VESTED RIGHTS** - Acknowledged claims, privileges, prerogatives, or ownership over land or natural resources to which one is entitled by reason of law, license, contract or tradition.

**PROTECTED AREAS MANAGEMENT BOARD** - A multi-sectoral board created in each established protected area and vested with powers to administer the NIPAS implementation.

**RED** -Regional Executive Director of DENR.

**RECOGNITION OF ANCESTRAL DOMAINS/CLAIMS** - A DENR strategy to recognize the rights of ICCs/IPs to their Ancestral Domains/Lands pursuant to the provisions of the 1987 Constitution mandating the State to protect the right to due process and the rights of ICCs/IPs to their ancestral domains to ensure their economic, social and cultural well being. The program is principally governed by DENR DAO 2,S1993.

**REGIONAL RESOURCE MANAGEMENT PROJECT (RRMP)**

- A community-based rural development project geared towards the protection, development and management of the watershed and upland resources.

**RTD - FORESTRY** - The Regional Technical Director for Forestry of the DENR.

**RUP** - Resource Use Plan

**SUSTAINABLE DEVELOPMENT** - As defined by the World Commission on Environment and Development, means meeting the needs and aspirations of the people without compromising the ability of future generations to meet theirs.

**SUSTAINABLE FOREST MANAGEMENT AND DEVELOPMENT** - The process of managing, developing, and utilizing forestlands and resources therein to achieve the production of desired products or services without impairing the inherent productivity of the forest, thereby ensuring a continuous flow of these products or services and without undesirable effects on the physical and social environment.

**TENURE** - Guaranteed peaceful possession and use of specific forest land area and the resources found therein, covered by an agreement, contract or grant which cannot be altered or abrogated without due process.

**TENURE MIGRANTS/COMMUNITIES** - Communities or members thereof within protected areas who have actually and continuously occupied such areas for at least five (5) years before the designation of the same as a protected area in accordance with Republic Act 7586, and who are dependent thereon for subsistence.

**WATERSHED** - Land drained by a stream or fixed body of water and its tributaries having a common outlet for surface run-off.

**Sec. 5 Scope and Coverage.** Subject to prior vested rights, CBFMP shall apply to all areas classified as forestlands including allowable zones within protected areas. It shall integrate and unify all people-oriented forestry programs of the government including the Integrated Social Forestry Program (ISFP), Upland Development Project (UDP), Forest Land Management Program (FLMP), Community Forestry Program (CFP), Low Income Upland Communities Project (LIUCP), Regional Resources Management Project (RRMP), Integrated Rainforest Management Project (IRMP), Forestry Sector Project (FSP), Coastal Environment Program (CEP); and Recognition of Ancestral Domains/Claims.

Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs) whose claims to ancestral domains/lands have been recognized through Certificates of Ancestral Domain Claims (CADCs) or Certificates of Ancestral Land Claims (CALCs), or whose domains are recognized by themselves and neighboring communities, may, at their option, participate in the CBFMP through the preparation and implementation of Ancestral Domain Management Plans (ADMPs). An ADMP shall be considered the equivalent of a CRMF. Unless otherwise provided by subsequent issuances, a CBFMA shall then be issued over portions of the CADC or CALC which are within classified forest lands.

## **ARTICLE II**

### **KEY PROGRAM PARTICIPANTS**

**Sec. 1 Qualifications of Participants.** The principal participants in CBFMP shall be the local communities as represented by their organizations, herein referred to as People's Organizations (POs).

In order to participate in the CBFMP, a PO must have the following qualifications:

1. Members shall be Filipino citizens

2. Members may either be:
  - a. Actually tilling portions of the area to be awarded;
  - b. Traditionally utilizing the resource for all or substantial portion of their livelihood; or
  - c. Actually residing within or adjacent to the areas to be awarded.

In case of married members, the names of both spouses should be listed.

**Sec. 2 Incentives to the POs.** - POs shall be entitled to the following incentives and privileges:

- i. To occupy, possess, utilize and develop the forestlands and its resources within a designated CBFMA area and claim ownership of introduced improvements. ICCs/IPs shall be deemed not to have waived their rights to ancestral lands and domains, and the right to lay claim on adjacent areas which may, after more careful and thorough investigation, be proved to be, in fact, part of their ancestral domain;
- ii. To allocate to members and enforce rights to use and sustainably manage forestlands resources within the CBFMA area.
- iii. To be exempt from paying rent for use of the CBFMA areas;
- iv. To be exempt from paying forest charges on timber and non-timber products harvested from plantations in accordance with R.A. 7161;
- v. To be properly informed of and be consulted on all government projects to be implemented in the area. A PO's consent shall also be secured by the DENR prior to the granting and/or renewal of contracts, leases and permits for the extraction and utilization of natural resources within the area; *provided*, that

an equitable sharing agreement shall be reached with the PO prior to any grant or renewal to an individual or legal entity that is not from or based in the affected community;

- vi. To be given preferential access by the DENR to all available assistance in the development and implementation of the CRMF, RUP and AWP;
- vii. To receive all income and proceeds form the sustainable utilization of forest resources within the CBFMA area, subject to the provisions of the NIPAS Law;
- viii. To enter into agreements or contracts with private or government entities for the development of the whole or portions of the CBFMA area; *provided*, that public bidding and transparent contracting procedures are followed; *provided further*, that development is consistent with the CRMF of the CBFMA area; and
- ix. To enter into agreements or contracts with government entities; *provided*, that existing COA regulations and pertinent guidelines re adhered to.

**Sec. 3 Responsibilities of POs.** The participating POs shall have the following responsibilities in the CBFMA areas;

- i. Participate in site identification, selection and boundary delineation, and, if needed, in parcellary surveys;
- ii. Designate areas according to their sustainable use and, in accordance with their native customs, traditions and practices, allocate and enforce natural resource rights in accordance with national laws, rules and regulations;
- iii. Prepare and implement CRMFs, RUPs and AWP for the area;
- iv. Develop and implement equitable benefit-sharing arrangements among its members;

- v. Protect, rehabilitate and conserve the natural resources in the CBFMA area and assist government in the protection of adjacent forest lands;
- vi. Develop and enforce policies pertaining to the rights and responsibilities of PO members and the accountability of PO leaders;
- vii. Develop equitable mechanisms for addressing conflicts, including rules, regulations and sanctions regarding forest use and protection; *provided*, that in case of ICCs/IPs, indigenous processes and mechanisms shall be followed.
- viii. Be transparent and promote participatory management and consensus building in all activities and endeavors;
- ix. Pay forest charges, other than those on timber and non-timber products harvested from CBFMA plantations, as well as fees and other taxes required by the government ;
- x. Undertake other responsibilities agreed to in the CBFMA.

### **ARTICLE III**

#### **STAGES OF CBFMP IMPLEMENTATION**

CBFMP implementation shall have four stages: the Preparatory Stage, the PO Formation and Diagnostic Stage, the Planning stage, and the Implementation Stage.

##### **Preparatory Stage**

The objectives of this stage are (a) to inform and educate DENR officials, LGUs and the general public about CBFMP; (b) to establish institutional linkages between the DENR and the LGU; (c) to identify potential CBFMP areas; and (d) to select CBFMP areas.

**Sec. 1 Information, Education and Communication Campaigns.** The DENR and LGUs, in collaboration with other

government agencies; non-government organizations and other sectors, shall conduct an Information Education Communication (IEC) campaign to inform, educate and get the support of all concerned sectors on CBFMP implementation. The campaign shall include the orientation and training of DENR and LGU personnel and leaders of the PO who shall be engaged in the implementation of CBFMP.

**Sec. 2 Establishing Institutional Linkages.** The DENR shall work with local governments, other government agencies, people's organizations, non-government organizations, tribal councils, and other concerned organizations to ensure that communities are empowered to initiate and achieve the objectives of CBFMP. The DENR shall promote and support the active participation of these agencies and organizations, and shall assist them in enhancing their capacities to actively participate in and support the program.

**Sec. 3 Identification of CBFMP areas.** Identification and selection of CBFMP areas shall be jointly undertaken by the DENR and the concerned LGU in consultation with local communities. The identification of CBFMP areas shall take into consideration the forestlands use plan to ensure that the CBFMP is consistent with the overall watershed conservation strategy and with the Municipality's Land Use and Development Plan. The general procedure in selecting CBFMP areas is as follows:

- (a) Each CENRO and duly designated representatives of the concerned municipal government, shall identify potential CBFMP areas with the aid of a Forestlands Use Plan, latest available information and/or updated forest management map, and other baseline data. The CENRO and LGU representatives shall then validate the identified areas on the ground to determine their suitability in accordance with the criteria defined below.
- (b) The validated areas, endorsed by the concerned Legislative Councils of LGUs, shall then be indicated in a map of appropriate scale, which map, together with pertinent data and information, shall be forwarded through channels to the Regional Executive Director (RED) for approval.

- (c) The approved map and all other documents shall be furnished the Director of the FMB, for data base management and monitoring purposes.
- (d) Upon approval of the CBFMP areas, the CENRO shall, within fifteen (15) days, inform in writing the concerned LGUs and together with the latter, shall conduct an information campaign to inform the public about the program. Copies of CBFMP guidelines and site map shall be posted in the municipality and barangays where the site is located.

**Sec. 4 Criteria for area selection.** The following are the criteria for site selection:

- (a) *Available areas:* CBFMP may be implemented in uplands and coastal lands of the public domain except in the following:
  - i. Areas covered by existing Timber License Agreements (TLAs), Pasture Lease Agreements, Industrial Forest Management Agreements (IFMA) and other forest land contracts, leases, permits or agreements, except in the following cases:
    - (1) the lessee, permittee or agreement holder executes a waiver in favor of the CBFMA, *provided*, that when any pre-existing rights expire within three years from the issuance of a CBFMA, no waiver shall be required; or
    - (2) a permit is issued only for the collection or harvesting of minor forest products, in which case no waiver from the permittee shall be required. Upon termination of any pre-existing permit for non-timber forest products, the permit shall not be renewed and any new permit shall be given to the CBFMA holder.



- ii. Protected areas except multiple use zones, buffer zones and other areas where utilization activities may be allowed pursuant to the provisions of R.A. 7586 (NIPAS Law) and its implementing rules and regulations;
  - iii. Forestlands which have been assigned by law under the administration and control of other government agencies, except upon written consent of the concerned government agency;
  - iv. Certified ancestral lands and domains, except where the ICCs/IPs opt to participate in CBFMP; and
  - v. Other areas occupied by ICCs that are known to be ancestral but are not yet covered by CADC or CALC, unless the ICCs/IPs opt to participate in CBFMP.
- (b) *Presence of communities* residing within or adjacent to forestlands and who are largely dependent on forestlands resources for their livelihood.
  - (c) *Endorsed by the Legislative Councils of concerned LGUs* for CBFMP.
  - (d) *Open, denuded or marginal forest lands* requiring immediate rehabilitation and protection; and
  - (e) *Adjacent to or adjoining* existing CBFM projects.

## **Sec. 5 Processing of Conflicting Claims**

- a) Adverse claimants or any party alleging conflicting claims over the identified CBFMP are, or portions thereof, shall file their complaints before the RED within thirty (30) days from date of first publication/or notification.
- b) The RED shall convene a team composed of the Regional Technical Director for Forestry (RTD-F) as Chairman and

representatives of PENRO and CENRO, Provincial and Municipal governments, to hear and receive proof of conflicting claims. This Team may utilize culturally appropriate and locally acceptable methods on conflict management, provided these are transparent and fair. Indigenous dispute processes and other appropriate institutions such as the Provincial Special Task Forces on Ancestral Domains (PSTFAD) and Community Special Task Forces on Ancestral Lands (CSTFAL) established under DENR Special Order NO. 25, S1993 as well as the PAMB in protected areas shall be invited to participate in dispute processing.

- c) The RTD-F shall prepare a report of the Team's findings and recommendations and shall submit the same to the RED within fifteen (15) days from the date the case is submitted for resolution. The RED shall render a decision on the matter within fifteen (15) days from receipt of the report.

### **PO Formation and Diagnostic Stage**

The objectives of this stage are (a) to encourage participation of local communities in CBFMP; (b) to start community organization building or strengthening; (c) to define existing conditions (social, economic, natural resources, etc.) relevant for planning; and (d) obtain CBFMA.

#### **Sec. 6 Application by the community/participants.**

Local communities, represented by existing organizations, or at least ten (10) residents, or their Barangay Councils, may apply in writing to the concerned CENRO for participation in CBFMP. The application shall be supported by concerned Barangay and Municipal Legislative Councils, a brief socio-economic profile of the barangay and the number of expected participants.

#### **Sec. 7 Community appraisal and PO formation.**

The CENRO, in collaboration with duly designated representatives of the concerned LGUs, shall cause the conduct of an initial community appraisal. The community appraisal shall focus on identification of the existing forestlands resources management system of the

community and related concerns that may be addressed under the CBFMP. Both DENR and LGUs shall assist, if appropriate, with community organizing activities (CO) and in the establishment of a PO (if not existing) which shall be community-based and duly registered. It is preferred that the PO is authorized to conduct business and access loans for financing opportunities from both financial and non-financial institutions.

Employees of DENR, LGUs or other government agencies shall, in no case, become members or officers of PO's.

**Sec. 8 Application for CBFMA.** Once registered, the PO may apply for a CBFMA by filing an application to the concerned CENRO. The PO shall submit the following minimum requirements:

- i) Certificate of Registration of the peoples organization, *provided*, that ICCs/IPs shall be exempted from presenting this requirement;
- ii) List of officers or, in case of ICCs, members of the Council of Elders;
- iii) List of members and their respective addresses, including names of both spouses in each household;
- iv) Resolution from the membership authorizing the officers of the community organization to file the application. ICCs that opt to avail of CBFMA shall show proof of consent through their Council of Elders or equivalent body; and
- v) Individual or joint endorsement of the concerned Legislative Councils of the Barangay, Municipal, and Provincial LGUs, depending on the jurisdiction and coverage of the area.

Within fifteen (15) days upon receipt of the application, the CENRO shall check the required supporting papers, prepare the corresponding map of the area at 1:50,000 scale and endorse the same to the RED through the PENRO. A Review Committee composed of

representatives of the RTD-Forestry, CENRO, PENRO, barangay, municipal and provincial councils and PAMB, if the site is within a protected area, shall, within fifteen (15) days, convene and discuss with the PO the terms and conditions to be included in the CBFMA. Its recommendations shall then be forwarded to the concerned approving authority as provided by section 4, Article IV, hereof.

### **Planning Stage**

The objectives of this stage is to assist the PO's in preparing their (a) Community Resource Management Framework (CRMF); (b) Resource Use Plans (RUPs); (c) Annual Work Plans (AWPs). If applicable, the PO s shall likewise be assisted in securing interim resource use permits that will provide them livelihood opportunities while the CRMFs, RUPs and AWPs are being prepared. DENR-LGU-other sectors shall assist the POs in undertaking these activities. As such, the plans that are prepared shall only require affirmation by DENR-LGU partners.

**Sec. 9 Formulation of CRMF.** The CRMF shall indicate, among others, the community's and the PO's mission, vision and objectives; a summary of situation analysis (see community appraisal, above); the guiding principles to be followed in plan preparation; indicative community resource development and use plans; internal management arrangements including benefit sharing, external supports needed ; and internal monitoring and evaluation system to be adopted.

**Sec. 10 Formulation of RUPs.** A management and utilization plan for each resource, e.g., timber, rattan resins, covering a specific area of the CBFMA and time period shall be prepared. The DENR shall conduct resource inventory as a basis for the resource use plan. The accepted resource use plan shall serve as the permit to utilize the resource.

**Sec. 11 Annual Work Plan.** The operationalization of the CRMF and the RUP shall be embodied in an Annual Work Plan which shall indicate among other things the specific targets for the year for utilization (based on the RUPs); resource development and

protection (agroforestry, tree plantations, assisted natural regeneration, protection activities, etc.); organizational strengthening (training, other skills development) and enterprise development.

**Sec. 12 Interim Resource Use Permit.** One of the outputs during community appraisal is to identify existing forest-based livelihood systems that may be enhanced to augment income. The community shall be granted an interim user's permit that shall terminate upon the acceptance of the resource use plans.

### **Implementation Stage**

The objectives of this stage are to (a) enhance organizational and institutional capacities that will make resource use and development sustainable; (b) ensure the economic viability of resource management activities; (c) ensure the flow and equitable distribution of benefits to PO members and to the larger community; and (d) ensure the build-up of capital by the PO for forest management and community development projects.

**Sec. 13 Activities in the Implementation Stage.** Activities in this stage will revolve around the iterative processes involved in implementing and managing planned activities specified by the annual work plan, reviewing the outcomes of these activities, replanning and using experiences as bases for the succeeding annual work plan. Implementation also includes the following:

- (a) Review and revision of PO s constitution and by-laws;
- (b) Sourcing of local and external financial and technical assistance;
- (c) Mobilizing workgroups;
- (d) Strengthening of organizational and entrepreneurial skills;
- (e) Linking and transacting with markets;
- (f) Monitoring and evaluation; and
- (g) Continued membership and leadership skills development.

**Sec. 14 Other assistance.** The DENR the LGU and other assisting organizations shall continue to support the PO by providing the necessary brokering services to link the PO to resource

institutions and by monitoring PO outputs to ensure observance of technical requirements provided in the CBFMA and the resource use permits.

## ARTICLE IV

### TENURE

**Sec. 1 Tenurial Instruments.** The following tenurial instruments shall be issued to qualified participants:

- (a) **Community Based Forest Management Agreement (CBFMA).** CBFMAs are agreements between the DENR and the participating People's Organizations. The CBFMA, which has a duration of twenty-five (25) years renewable for another twenty-five (25) years, shall provide tenurial security and incentives to develop, utilize and manage specific portions of forest lands pursuant to approved CRMFs. The CBFMA is a production sharing agreement which is designed to ensure that the participating community shall enjoy the benefits of sustainable utilization, management and conservation of forestlands and natural resources therein. The government shall share in these benefits in the form of increased natural resource protection and rehabilitation, forest charges, fees and/or taxes as determined and agreed upon.
- (b) **Certificate of Stewardship Contract (CSC).** The CSC, which has a duration of twenty-five (25) years renewable for another twenty-five (25) years, shall be awarded to individuals or families actually occupying or tilling portions of forest lands pursuant to LOI 1260. In the case of married people, the CSC shall be awarded in the name of the couple. The CSC shall, henceforth, be issued only within established CBFM project areas, subject to the allocation and endorsement of the PO.
- (c) **Certificate of Ancestral Domain Claim-Community Based Forest Management Agreement (CADC-CBFMA) and Certificate of Ancestral Land Claim-Community Based Forest Management Agreement (CALC-CBFMA).** The

CADC-CBFMA and CALC-CBFMA shall be the tenurial instruments of CADC or CALC holders, respectively, who opt to enter into a CBFMA over the portions of the ancestral domains or ancestral lands within forest lands.

## **Sec. 2 General Provisions.**

The lapse of tenurial instruments shall not extinguish the ICCs'/IPs' claims to their ancestral domains and lands, whether or not such claims have been recognized through CADCs or CALCs.

CSCs and CBFMAs are contracts between the government, represented by the DENR, and a participant/PO for the management of a determinate and demarcated portion of forest lands. Rights and responsibilities agreed to in the contract shall remain in effect during the term of the agreement until its expiry date, unless otherwise modified, rescinded or amended by agreements of the parties.

The terms and conditions of the CSC/CBFMA shall be binding between the parties. Upon written mutual consent, and subject to existing administrative rules and regulations, the parties may pre-terminate the CSC/CBFMA or may modify, alter or amend the terms and conditions thereof.

In the event that an area covered by a CSC or CBFMA is reclassified as alienable and disposable status, or to any other legal status allowing settlers ownership rights greater than those offered under the CSC/CBFMA, the rights and obligations under the agreement shall be deemed unenforceable.

When, on account of public interest, welfare, safety or public order, and not due to the fault or negligence of the CSC or CBFMA holder, the DENR is obliged to pre-terminate the agreement, the participants shall be entitled to compensation on all improvements made in the CBFMA area, based on the fair market value of such improvements as assessed by a government assessor or disinterested party and qualified third party as of date of cancellation, minus all charges and obligations, if any, accruing to the government. In addition, affected participants shall have the right to harvest or remove

such improvements as can reasonably be removed consistent with applicable policies, the value of which shall be deducted from the final compensation.

For the purpose of CBFMA issuance, herewith format marked as Annex 1, shall be observed.

**Sec. 3 Transferability.** The CSC may be transferred, sold or conveyed in whole or in part to any qualified participant residing within the CBFM project; *provided*, that the transferee shall comply with the terms and conditions contained in the original stewardship agreement which shall remain valid for the remaining unexpired term; *provided further*, that the instrument of transfer is duly notarized and favorably endorsed by the concerned PO. The DENR shall then cancel the original CSC and issue a new one in the name(s) of the transferee.

In contrast, the CBFMA, CADC-CBFMA and CALC-CBFMA are non-transferable. However, the PO may enter into contracts with private or government agencies for the development of portions of or the entire area covered by the tenurial instrument, subject to the existing rules and regulations. The PO may also sell or use as collateral the standing crops in the area.

**Sec. 4 Authority to Approve.** The authority to approve tenurial instruments under CBFMP shall be as follows:

<b>Instrument</b>	<b>Area</b>	<b>Recommending Approval</b>	<b>Final Approval</b>
CSC CBFMA CADC-CBFMA CALC-CBFMA	up to 5 ha	CENRO	PENRO
	up to 5000 ha	CENRO	PENRO
	more than 5000 ha up to 15,000 ha	PENRO	RED



more than 15,000 up to 30,000 ha	PENRO	USEC for Field Operations
more than 30,000 ha	RED & USEC for FO	Secretary

All CBFMAs shall be endorsed individually or jointly by the concerned Legislative Councils of the Barangay, Municipal, and Provincial LGUs, depending on the jurisdiction and coverage of the area.

For allowable zones within protected areas, the Chairman of PAMB having jurisdiction of the area shall also sign as recommending official.

## ARTICLE V

### MANAGEMENT OF CBFMP

**Sec. 1 CBFM Steering Committee.** In accordance with Section 8 of EO 263, a CBFM Steering Committee shall be constituted. It shall be chaired by the DENR Secretary with members from the Departments of Agriculture, Trade and Industry, Agrarian Reform, Finance, Science and Technology, Labor and Employment, DILG, Budget and Management, National Defense, Justice, National Economic Development Authority, Philippine Commission on Countrywide Development under the Office of the President Committee on Flagship Programs and Projects of the Office of the President, Cooperative Development Authority, and Offices for Northern and Southern Cultural Communities.

The Committee may invite representatives from the Philippine Chamber of Commerce, Philippine Wood Products Association, NGO Coalition groups representatives of POs and other public and private organizations to become members of the Steering Committee.

The Committee shall formulate and develop policy guidelines that will create incentives and conditions necessary to effectively implement community based forest management.

The Steering Committee shall have the following roles and functions:

- (a) Provide overall guidance and policy direction to the CBFMP and, for this purpose, meet periodically to review and integrate, if necessary, all policies pertinent to the CBFMP, and resolve policy gaps and/or conflicts with other programs and projects in the Environment and Natural Resources Sector;
- (b) Review and approve the CBFMP Comprehensive Action Plan;
- (c) Secure inter-agency support and participation in CBFMP; and
- (d) Identify and source funds for CBFMP.

The Committee may create similar sub-committees at the regional and provincial levels.

**Sec. 2 The Forest Management Bureau (FMB)** shall be the National Coordinating Office of CBFMP. However, for purposes of complementation, the **Protected Areas and Wildlife Bureau (PAWB)**, in close collaboration with the FMB, shall primarily coordinate the CEP and the multiple use zone areas to be covered by CBFMP.

The FMB shall have the following functions and responsibilities:

- (a) Review all People-Oriented Forestry and CBFM programs, projects, and activities of DENR to identify issues and lessons learned.
- (b) Draft policies, guidelines and procedures on CBFM;

- (c) Prepare and monitor implementation of the national CBFM program of action.
- (d) Liaise with other government and non-government organizations for support and/or participation in the program;
- (e) Assist in the development and preparation of project proposals for financial support by donor agencies;
- (f) Develop and maintain improved management information systems on CBFMP within the DENR.
- (g) Serve as the technical secretariat of the CBFM Steering committee; and
- (h) Perform such other functions as may be directed by the Steering Committee and/or the Secretary of the DENR.

**Sec. 3** The **RED**, assisted by the RTD-Forestry and RTD for EMPAS, shall be responsible for the effective implementation of CBFMP in the region. The RED shall also identify an appropriate division that shall act as the regional repository of all data and information on CBFMP. The RED shall submit periodic reports to the Secretary, through the Undersecretary for Field Operations, on program implementation, including monitoring and evaluation, copy furnished the FMB and the PAWB.

**Sec. 4** The **PENRO** shall be responsible for the effective implementation of CBFMP in the province, including the submission of periodic reports and the maintenance of a data base for all CBFMP projects in the province.

**Sec. 5** The **CENRO** shall be directly responsible for implementing the CBFMP within its jurisdiction, in coordination with concerned LGUs, other government agencies and non-government organizations/private entities. The CENRO shall submit periodic reports of CBFMP implementation to the PENRO for evaluation.

## ARTICLE VII

### FINANCIAL AND OTHER MECHANISM

**Sec. 1 Financing Mechanisms.** During budget preparations, the DENR, in cooperation with concerned LGUs, shall allot adequate funds to effectively accomplish CBFMP targets and shall, when necessary, seek supplementary funding from local and foreign donor agencies and organizations. The DENR shall ensure the expansion of existing People-Oriented Forestry Fund, and inclusion of budgetary allocation for CBFM in the Annual General Appropriations Act.

The DENR, LGUs, or other government agencies may finance CBFMP development, conservation and harvesting activities, subject to availability of funds and terms and conditions agreed upon by concerned parties.

The DENR, in consultation with government financial institution such as the Development Bank of the Philippines, Land Bank of the Philippines, Government Service Insurance Systems and the Social Security System, shall promote the creation of favorable financing mechanisms to achieve the goals and objectives of CBFMP.

**Sec. 2 Community Based Forest Management Special Account (CBFMSA).** The DENR shall establish a CBFMSA to support the implementation of the Program including the provision of financial support and other incentives for deserving PO's, communities, non-government organizations and government personnel.

The DENR may source local and international grants and donations for the establishment of the CBFM Special Account.

The CBFM Special Account shall be managed by the DENR under guidelines to be prepared by the DENR and approved by the Steering Committee.

**Sec. 3 Community Forestry Development Fund (CFDF).** The PO shall establish a CFDF in any local bank of its choice. Deposits to the CFDF shall come from any of the following sources:

- (a) A percentage of gross sales less forest charges and other government shares, of forest products harvested from natural forest and plantations;
- (b) Endowments or grants;
- (c) A percentage of income from other livelihood projects; and
- (d) Membership fees and other sources.

The CFDF shall be managed by the PO under rules establishes. The PO shall strive to maintain sufficient CFDF funds to finance the PO's forest protection, reforestation, agroforestry, investments in livelihood enterprises, preparation of CRMF, RUP, AWP, purchase of tools and equipment, or any other investments the PO may decide to make, to improve the well-being of the community.

The PO shall maintain a simple bookkeeping system for the CFDF and shall be subject to an audit by an external auditor. The PO shall prepare and furnish a periodic report on the status of the CFDF to its members, the DENR and the LGU.

## **ARTICLE VIII**

### **PENALTIES AND SANCTIONS**

**Sec. 1 Sanctions.** Compliance by the PO with the terms and conditions of the CSC/CBFMA shall be monitored and evaluated by the DENR and the concerned LGU. The findings shall be discussed with the PO, including recommended solutions to address the problem, if any. In the event of non-compliance with, or continued violations of, the terms of the agreement despite the lapse of six (6) months from the date of notification about such infraction or non-compliance, the PO's permits to utilize and transport forest products

and other natural resources shall be suspended for at least six (6) months to not more than one (1) year.

Should the beneficiary/PO continue to commit gross violations of the CSC/CBFMA, such CSC/CBFMA shall be canceled or revoked.

The DENR reserves the right to pursue other civil and criminal remedies to protect its rights.

**Sec. 2 Imposition of Penalties/Appeals.** Suspension of the CSC/CBFMA shall be done by the respective authorities who approved the tenurial instruments upon recommendation of the concerned DENR offices and the concerned LGUs, as the case may be. Revocation or cancellation shall be done by the RED or Undersecretary for Field Operations or Secretary, as the case may be, upon recommendation of the concerned DENR offices.

Parties who are aggrieved by any decision of the concerned DENR official, may file an appeal to the next higher-authority of the DENR within thirty (30) days from receipt of said decision.

## ARTICLE IX

### TRANSITORY PROVISIONS

**Sec. 1 Tenure.** Henceforth, the CBFMA shall be awarded in place of the following: Community Certificate of Forest Stewardship issued to community organizations under the ISFP; Mangrove Stewardship Agreements issued to community organizations under the CEP; the Community Forest Management Agreements issued under the CFP, RRMP and IRMP; and the Forest Land Management Agreements issued under the FLMP. The CBFMA shall also be the tenurial instrument to be issued to PO's in allowable zones within protected areas.

Holders of valid and existing CSC and Mangrove Stewardship Agreements and whose lands are contiguous may associate themselves and avail of a CBFMA to include areas outside their stewardship contract areas.

Existing CCFS or Community Forest Stewardship Agreements or Community Forest Leases and/or CALCs awarded to the ICCs may be converted to the CADC as provided in DAO 2, S1993 or other pertinent regulations. In these areas, only a confirmation survey will be required. ICCs may also apply for the inclusion of other areas within the CADCs that were excluded from the former CCFS.

**Sec. 2 Preparation of CRMF and RUP.** The FMB shall conduct on -the-job training for the technical personnel of the regional offices to ensure that standards consistent with the CBFMS concept are observed in the respective plans.

## ARTICLE X

### FINAL PROVISIONS

**Sec. 1 Effectivity.** This order shall take effect thirty (30) days after its publication in a general newspaper of national circulation.

**Sec. 2 Separability Clause.** If any provision of this Order is held invalid, all other provisions not affected thereby shall remain valid.

**Sec. 3 Repealing Clause.** Provisions of other DENR Administrative Orders, Memorandum Circulars or other official issuances not consistent herewith are hereby repealed or amended accordingly.

**VICTOR O. RAMOS**

Secretary

# **DENR Administrative Order**

**No. 96-26**

**September 10, 1996**

**SUBJECT : Revised Guidelines Governing the Harvest and Transport of Planted Trees and Non-Timber Products within Social Forestry Areas.**

Pursuant to Executive Order No. 192 dated June 10, 1987 and Sections 20 and 39 of PD 705, as amended, and in order to facilitate and regulate the harvest and transport of planted trees and non-timber products in duly established social forestry areas, the following guidelines and procedures are hereby promulgated for the guidance and compliance of all concerned:

**Sec. 1 Qualified Applicants.** Integrated Social Forestry Program (ISFP) participants whose stewardship areas contain mature and harvestable planted trees and other non-timber products are qualified to apply for a permit to cut, gather, transport, dispose and/or utilize said forest products.

**Sec. 2 Application Requirements.** The applicant shall apply to the Community Environment and Natural Resources Office (CENRO) a permit to harvest planted trees and non-timber products by accomplishing the prescribed application form (Annex A). The Social Forestry Desk Officer (SFDO) shall receive and process the application and indorse/recommend the same to the Community Environment and Natural Resources Officer (CENR Officer) for approval.

**Sec. 3 Procedures in the Processing of Applications for Harvesting Permit.** The following procedures shall be observed when processing applications:

**3.1 Inventory.** Upon submission of the application, the SFDO shall conduct free of charge, an inventory at 100% intensity over the area applied for within ten (10) days except under reasonable circumstances, taking into consideration trees or



stock to be left for production, soil erosion control, and stream bank protection. *Provided*, that if it is a devolved social forestry area, the inventory shall be jointly conducted by the SFDO and the Community Development Officer/Assistant (CDO/CDA) of the concerned Local Government Units (LGUs).

The inventory team shall mark consecutively and distinctly all the inventoried planted trees or non-timber products and the inventory report duly certified (Annex B) shall be submitted to CENRO concerned within five (5) days after date of completion of the field inventory report.

3.2 **Preparation of Permit to Harvest.** The SFDO shall prepare the permit to harvest following the prescribed format (Annex C).

3.3 **Issuance of Permit to Harvest.** The CENR Officer concerned shall issue the Permit to Harvest.

The maximum period of the harvesting permit issued under this Order shall not exceed six (6) months which can be renewed depending on the availability of planted trees and non-timber products to be harvested.

3.4 **Furnishing Copies of Permits Issued.** In the exercise of this delegated authority, the concerned CENR Officer shall immediately furnish the Provincial Environment and Natural Resources Office (PENRO), the Regional Environment and Natural Resources Office (RENRO), the Forest Management Bureau (FMB), and the Office of the Undersecretary for Field Operations, copies of all the permits issued in consonance herewith, for information, record and reference. Failure to comply with this requirement shall render a permit invalid and the CENR Officer shall be administratively liable as provided for under existing Civil Service rules and regulations.

**Sec. 4 Conditions under the Harvesting Permit.**

- 4.1 Only mature planted forest trees and non-timber products duly inventoried shall be allowed to be harvested.
- 4.2 The transport, disposition and utilization of planted forest trees and non-timber products harvested from social forestry areas shall be in consonance with existing forest and internal revenue laws, rules and regulations.

All shipment of harvested planted trees and non-timber products covered by a permit shall be accompanied by a Certificate of Origin (Annex D) issued by the concerned CENR Officer. Issuance of the permit shall be subject to the recommendation of the SFDO who has jurisdiction over the area, and presentation of the appropriate Auxiliary Invoice.

Trees cut under this permit maybe exported by the permittee subject to proper application, documentation and issuance of export authority, in accordance with the exportation procedures and regulations.

- 4.3 The permittee shall submit a monthly and a terminal report after the lapse of the permit granted by the CENR Officer.

**Sec. 5 Suspension and Cancellation of Permits.**

Permits issued under this Order shall be suspended or cancelled for violations of the terms and conditions of the permit as well as applicable forest laws, rules and regulations.

**Sec. 6 Penalties.** Harvesting and transporting of forest products from social forestry areas without a permit shall be illegal and anyone committing such acts shall be punished in accordance with Section 68 of PD 705, as amended (Sec. 7 of Republic Act No. 7161) and any other appropriate laws.

**Sec. 7 Repealing Clause.** All Orders, issuances and instructions inconsistent herewith are hereby repealed, revoked or amended accordingly.

**Sec. 8 Effectivity.** This Order takes effect immediately.

**VICTOR O. RAMOS**  
Secretary

**DENR Administrative Order**  
**No. 93-21**  
**April 27, 1993**

**SUBJECT : Amending DENR Administrative Order No. 5, Series of 1993 Re: Adopting Selected ISF Model Sites and other Community Based Projects as Center for People's Empowerment in the Uplands (CPEU)**

To better promote the involvement of upland communities in forest development and conservation, two (2) ISF Model Sites are hereby declared as provincial training centers and referred to as CPEUs in lieu of the sites previously declared, as follows;

<b>REGION</b>	<b>PROVINCE</b>	<b>LOCATION</b>
3	Zambales	Anonang, Cabangan in lieu of Lucapon South, Sta. Cruz
4	Aurora	Brgy. Dianawan, Maria Aurora replacing Brgy. Bayanihan

All the provisions of DENR Administrative Order No. 05, Series of 1993 shall remain the same. cd asia

This Order shall take effect immediately.

**(Sgd.) ANGEL C. ALCALA**  
Secretary

**DENR Administrative Order**  
**No. 93-05**  
**January 28, 1993**

**SUBJECT : Adopting Selected ISF Model Sites and other Community. Based Project as Center for People's Empowerment in the Uplands (CPEU)**

Consistent with the policy of the government to promote the involvement of upland communities and encourage their active participation in upland development thru people's empowerment and capacity building for the rehabilitation and conservation of denuded forest lands and convert them into viable economic and sustainable production units, the following advanced community-based projects are hereby declared as provincial; training centers and shall be referred to as Center for People's Empowerment in the Uplands (CPEUs).

**Cordillera Administrative Region**

**PROVINCE**

**LOCATION**

Abra	Tangileb, Nagtipunan
Benguet	Anteg-in, Itogon
Kalinga Apayao	Sisim, Rizal
Mountain Province	Capinitan, Sabangon
Ifugao Luta, Lagawe	

**REGION 1**

Ilocos Norte	Dadaor, Bangui
Ilocos Sur	Sevilla, Casilagan, Sta. Cruz
La Union	Bail, Fernando, Pongpong Sto. Tomas
Pangasinan	Laoag, Aguilar

**REGION II**

Batanes	San Juan, Radiwan
Cagayan	Gosi, Tuguegarao

Isabela	Salindingan, Ilagan
	Taleb, Dallao
Nueva Vizcaya	Balete, Sta. Fe
Quirino	Magalsing, Aglipay, Diffun

### REGION III

Bataan	Aleon Batangas, Mariveles
Zambales	Lucapon South, Sta. Cruz
Tarlac	Calayaan, San Agustin & Mabini, Gerona
Bulacan	So, Sapang Bulak, Carunzo Camachile (FSA IIA & IIB)
Nueva Ecija	Sto. Niño 3rd, San Jose City
Pampanga	Arayat

### REGION IV

Aurora	So. Buguislao, Brgy. Bayanihan
Batangas	Brgy. Dianawan, Sapangan, San Juan
Cavite	Kaykandong and Mapaluka Pinagsanhan, Maragondon
Laguna	Makitiw, Pakil, Laguna & Brgy. Minayutan Famy Laguna
Marinduque	Tungib, Lipata & Dampulan
Occidental Mindoro	So. Himamara, Ibarrasan & Tigue, Brgy. Mapaya
Oriental Mindoro	Brgy. Lantuyan, Baco
Palawan	San Isidro, Calategas Narra Brgy. San Isidro, Roxas
Quezon	Brgy. Sta Catalina & Malicboy, Atimonan & Pagbilao, Quezon Brgy. Ilayang Bagumbayan Pagbilao, Quezon
Rizal	Kilingan, San Jose

Romblon Antipolo  
Cawayan, San Agustin

### **REGION V**

Catanduanes Progreso, Paraiso, Summit  
P. Vera, San Miguel,  
Viga and Gigmoto  
Camarines Norte San Pascual, Basud  
Camarines Sur ISF Model Site  
La Victoria, Bula  
Masbate Mariposa, Aroroy, Mobo  
Albay Manaet, Bacacay  
Sorsogon Cagbalo, Magallanes

### **REGION VI**

Aklan Brgy. Julita, Libacao, Kalibo  
Antique Brgy. Patlabangon, Patnongon  
Capiz Brgy. Agcagay, Jamindan  
Iloilo Brgy. Nazuni, Dingle,  
Barotac Nuevo  
Negros Occidental Brgy. Talacdan, Cauayan

### **REGION VII**

Bohol Brgy. Taytay and Bangwalog  
Cebu City Obo, Dalaguete  
Negros Oriental Sab-ahan, Bais City  
Siquijor Bogo Maria

### **REGION VIII**

Nothern Leyte Brgy. Santol, San Miguel  
Southern Leyte Anahaw, Bontoc  
Northern Samar So. Omogis, Colipapa,  
Caprasan, Brgy. Cabadiangan  
Eastern Samar Binalay, Mac Arthur  
Western Samar Mapaso, Calbiga

## **REGION IX**

Zamboanga del Sur	Sicade
Zamboanga del Norte	Daniel Maing
Basilan	Sto. Niño/Camp Barnes
	Isabela (extension)

## **REGION X**

Agusan del Sur	Sta. Irene, Prosperidad
Agusan del Norte	San Isidro, Santiago
Misamis Oriental	Nahulugan, Biniigwagan
	Manalang, Opol
Misamis Occidental	Mapit-os Mocabon, Aloran
Surigao del Norte	Bukas Grande Atoyay,
	Sering, Socorro
Bukidnon	Pulog Hill and Pulog Kitamis,
	San Miguel
	Dolorosa, Dangcagan,
	Bukidnon
Camiguin	So. Campana Pamahawan
	Pandan, Mambajao

## **REGION XI**

Davao Oriental	So. Bactinan & So.
	Bitanagan, Don Mariano
	Marcos, Lupon
Davao del Sur	Upper Kibalang, Marilog
Davao del Norte	Upper and Lower Magangit,
	Nabunturan
Surigao del Sur	Kandayaga, Adlay, Carrascal
South Cotabato	El-Ulit Tantagan, Bukay
	Pait, Glan

## **REGION XII**

Lanao del Norte	San Isidro, Tagoloan
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## **Memorandum Circular**

**No. 98 - 09**

**June 24, 1998**

**SUBJECT : Additional Guidelines on the Issuance of Interim Resource Use Permit or IRUP**

Pursuant to Section 7 of Memorandum Circular No. 97-12, and in order to provide a clear procedure on the issuance of IRUP to CBFM project participants, the following additional guidelines are hereby promulgated.

**Section 1. Purpose of IRUP.** POs and IPs who have been issued their CBFMAs or CADCs and whose CRMFs or ADMPs are under formulation or review, may, upon their request, be granted an IRUP to immediately give them access to existing resources, provide livelihood opportunities and generate start-up resources to support preparatory and planning activities of CBFM. A format for a letter/request is herewith attached as *Annex 1* and forms part of this Circular.

**Sec. 2 Allowable Forest Products.** IRUP may be granted, in the order of priority, for the collection and harvesting of non-timber forest products, extraction and utilization of abandoned logs, fallen timber and dead trees, and harvesting of plantation species. Harvesting of mature timber species from the residual forest will be a last priority, and may be allowed only if it can be shown that income from the priority forest products is insufficient to cover the amount needed for preparatory CBFM activities.

**Sec. 3 Preparation of an Interim Resource Use Plan.** Requests of POs/IPs for an IRUP shall be supported by an Interim Resource Use Plan, indicating among others, the following information:

- 1) Forest products to be harvested or utilized.
- 2) Approximate area of operation indicated in a community map.

- 3) Approximate quantity of existing forest products to be utilized available in the intended area of operation. In the case of timber, a 100% inventory of abandoned logs or dead trees, or a marking list of mature trees to be harvested in case of plantations, or naturally growing timber species, shall be attached.
- 4) Methods of harvesting and transport of forest products from site to roadside or where the product will be finally disposed of.
- 5) List of equipment/tools needed, indicating availability or how it will be acquired.
- 6) Major activities and organization of work. Indicate responsible person(s) for each activity and number of workers to be involved.
- 7) Schedule of activities (not more than one year).
- 8) Planned disposition of forest products (for sale, domestic use, or as raw materials of an existing cottage industry).
- 9) Estimated expenses, and how the operation will be financed.
- 10) Estimated income and amount to be set aside for funding of CBFM activities.
- 11) List of CBFM activities to be supported from the income from operations.

The CENRO concerned shall provide technical assistance to the PO in the preparation of the Interim Resource Use Plan, including the inventory of forest products.

**Sec. 4 Issuance of IRUP.** The CENRO is authorized to issue the IRUP. The quantity of resources that may be granted for harvesting or utilization under the IRUP shall be determined on the basis of the inventory, the amount needed to be raised to fund CBFM activities, and the capacity of the PO/IP to utilize the resource within one year.

A format of an IRUP is attached herewith as *Annex 2* and forms part of this Circular.

The IRUP shall be granted only once, for a maximum duration of one year reckoned from date of issuance of the IRUP. It is non-renewable.

Copies of the IRUP shall be furnished the LGU, PENRO and RED concerned, for record and information and for monitoring and evaluation purposes.

**Sec. 5 Monitoring of IRUP.** The CENRO concerned shall closely monitor and, whenever possible, provide technical advice to the PO in appropriate harvesting methods. The PO shall submit to the CENRO a semi-annual report of the status of harvesting or utilization operation, and a final report at the end of the one-year operation.

**Sec. 6 Effectivity.** This Memorandum Circular takes effect immediately and supercedes all other circulars inconsistent herewith.

(Sgd.) **VICTOR O. RAMOS**  
Secretary

Published at:

TODAY -- July 08, 1998 -- page 05

## **Memorandum Circular**

**No. 98 - 08**

**June 24, 1998**

**SUBJECT : Guidelines on Contracting Inside  
Community-Based Forest  
Management (CBFM) Areas**

Pursuant to Executive Order No. 263 Series of 1995 and DENR Administrative Order No. 96-29 and other pertinent laws, rules and regulations and in order to hasten and systematize contracting inside CBFM areas, the following guidelines are hereby promulgated for the guidance of all concerned:

### **Section 1. Objectives**

The Community-Based Forest Management (CBFM) Program grants to People's Organizations (POs) the privilege to enter into contracts with private and government entities and individuals for the utilization and/or development of portions, or the entire CBFM area to:

- a) facilitate the attainment of the PO's plans to develop and manage forestlands and resources;
- b) enhance their socio-economic conditions; and
- c) encourage investments by the private sector in the CBFM Program.

This contracting privilege is one of the strategies being pursued by the government to empower local communities to sustainably manage and benefit from the forest resources.

### **Sec. 2 Kinds of Contracting Inside CBFM Areas**

There are two major kinds of contracting inside CBFM areas:

2.1 **Service Contract** - This takes the form of extraction of forest resources and associated activities such as road construction, major and minor transport, processing, and marketing of forest products.

2.2 **Development Contract** - This involves the development of portions of CBFM areas into plantations for timber, latex, fruits and other forest products, agroforestry, livestock production, eco-tourism and other developmental activities as contained in the the affirmed Community Management Resources Framework (CRMF) of the POs.

### **Sec. 3 Who May Be Parties to Contracts Inside CBFM Areas**

Parties to contracting inside CBFM areas may be:

3.1 Between the PO and a PO member or group of members, hereinafter referred to as the “PO-designate”; and

3.2 Between the PO or the PO-designate, and a Third Party which may be an individual, a partnership, a corporation, another PO/cooperative, or a government entity.

### **Sec. 4 Contracting to be Consistent with CRMF and AWP of PO**

4.1 Any contract entered into by the PO shall at all times be consistent with the PO’s CBFMA and affirmed CRMF.

4.2 Service contracts involving the extraction of natural forest shall only be good for one year to correspond to, and in conformity with, the PO’s AWP.

4.3 Development contracts shall be for the period agreed upon by the parties but in no case to exceed the term of the CBFMA or its extensions, if any.

## **Sec. 5 Roles of the DENR and the LGU in Contracting**

- 5.1 The PO or the PO-designate and the contractor may enter into such agreements they may deem proper and beneficial to both parties.
- 5.2 The DENR through the CENRO and the Municipal government or their representatives shall assist the PO or PO-designate in the negotiations of all contracts inside the CBFM area, to ensure that:
- 5.2.1 The rights and interests of the PO are protected;
  - 5.2.2 The contract is in accordance with the CRMF and AWP of the PO; and
  - 5.2.3 The contract does not violate any of the terms and conditions of the CBFMA nor any other forestry laws, rules and regulations.
- 5.3 The PO or PO-designate shall furnish the CENRO and the LGU a copy of any service or development contract entered into by the PO or PO-designate and all other changes in the terms and conditions of the contract.
- 5.4 The CENRO, the LGUs concerned, the PO and other stakeholders as appropriate, shall jointly conduct periodic monitoring of contracts. The concerned CENRO shall furnish copies of the monitoring reports to all concerned parties.

## **Sec. 6 Effect of CBFMA Suspension or Cancellation**

- 6.1 Should the CBFMA be suspended or canceled for reasons attributable to the PO, the DENR and LGU concerned shall jointly act as steward or trustee of the community and shall remain as such until the PO has been cleared or a new PO has been granted the CBFMA.
- 6.2 Cancellation of the CBFMA for reasons of public interest shall not restrict either the PO or the contractor from normal legal recourse.

**Sec. 7 Violation of the Terms and Conditions of the Contract**

Violations of the terms and conditions of the contract either by the PO or contractor shall be disposed of in accordance with the terms and conditions agreed upon by the parties to the contract. Where such violations are, however, also violations of forestry laws, rules and other regulations, the violator shall be prosecuted in accordance with law.

**Sec. 8 Rights of Developer to Transfer/Sell His/Her Rights.**

8.1 The contractor shall have the right to transfer or sell his/her rights and obligations in the contract to any person or entity, subject to prior concurrence of the PO or PO-designate who shall have the right of first refusal. In such case, the transferee shall be considered the new developer.

8.2 The contractor shall notify the DENR through the CENRO, and the LGU any sale or transfer of rights and obligations.

8.3 In the event of such sale or transfer or in case of amendments to the contract, the DENR and the LGU shall perform its functions in accordance with the provisions of Section 5 hereof.

**Sec. 9 Resolution of Conflicts**

Conflicts between parties to the contract shall be resolved in accordance with the provisions of the contract or in accordance with law.

**Sec. 10 Effectivity**

This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

(Sgd.) VICTOR O. RAMOS  
Secretary



**Memorandum Circular**  
**No. 97-13**  
**July 18, 1997**

**SUBJECT : Adopting the DENR Strategic  
Action Plan for Community-Based  
Forest Management (CBFM)**

1. Pursuant to DENR Administrative Order No. 96-29, DAO No. 96-34 and other pertinent laws, rules and regulations, the herein DENR Strategic Action Plan is hereby disseminated to all Regional Offices for guidance in the implementation of the Community-Based Forest Management Program.
2. All DENR Regional Offices shall immediately prepare their respective Regional Strategic Action Plans and the same shall be the basis for PENROs to prepare their respective Provincial Action Plans. The latter will, in turn, be the basis for the CENROs in the preparation of their respective CENRO Action Plans.
3. All field offices are enjoined to include refinements and innovations that assure relevance and appropriateness of the Regional, Provincial and Community Action Plans to the unique situation in their respective areas of jurisdiction.
4. The preparation of the plans shall be closely coordinated and validated with concerned stakeholders and non-government organizations.
5. The CBFMO shall assist the field offices in the preparation of their respective Strategic/Action Plans.
6. The Regional Strategic Action Plans shall be submitted to the CBFMO not later September 30, 1997.

This Circular takes effect immediately.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

**Memorandum Circular**  
**No. 97-12**  
**July 18, 1997**

**SUBJECT : Guidelines for the Formulation of  
Community Resource Management  
Framework and Annual Work Plan  
for Community Based Forest  
Management Areas**

Pursuant to DENR Administrative Orders No. 96-29 and 96-34, and other pertinent laws, rules and regulations, the following guidelines for the formulation of Community Resource Management Framework (CRMF) and Annual Work Plan (AWP for Community Based Forest Management Areas are hereby promulgated for the guidance of all concerned: <sup>2</sup>

**Section 1. Rationale.**

The Community Based Forest Management Program (CBFMP) aims to promote socio-economic upliftment of forest-dependent communities, at the same time achieving sustainable management of forest resources. It recognizes and supports the capacities and indispensable roles of local communities (coastal, indigenous peoples and upland) to protect, rehabilitate, develop, utilize and manage forest lands and related resources. This recognition and support is formalized through a Community Based Forest Management Agreement (CBFMA), a long-term tenorial instrument that provides and ensures access by the communities to forest lands and the resources found therein, and, in the case of ancestral domains of indigenous peoples, the Certificate of Ancestral Domain/Land Claims (CADC/CALC) that recognizes the rights of Indigenous Peoples (IPs) to their ancestral domains and lands.

The Community Resource Management Framework (CRMF) is a strategic plan of the community on how to manage and benefit from the forest resources on a sustainable basis. It describes the community's long term vision, aspirations, commitments and strategies

for the protection, rehabilitation, development and utilization of the forest resources. The CRMF is a document prepared by the community with the assistance of DENR CBFM staff, and LGU staff wherever agreements on cooperative support for CBFM exist between a DENR unit and its counterpart LGU. The CRMF is affirmed by the DENR Community Environment and Natural Resources Officer; such affirmation confirms that the CRMF has been prepared in a participatory manner (involving the community, the DENR, and other stakeholder parties), and that DENR commits to support the community in implementing its CRMF.

In the case of CADC, the IPs strategic plan is the Ancestral Domain Management Plan (ADMP), which shall be prepared in lieu of the CRMF, following the guidelines embodied in DENR DAO 96-34. The relationship between CRMF and ADMP is shown in Annex 2.

The PO's and IP's Annual Work Plan (AWP) shall describe how the community intends to implement their CRMF/ADMP vision during the year and shall indicate the key activities to be undertaken. The AWP describes the community's specific objectives, strategies, activities, and targets for the year on resource protection, rehabilitation, development, and utilization, organizational strengthening, financing, marketing and enterprise development, among others.

As a matter of principle, the CRMF should reflect the CBFM priority for the beneficial use by communities of resources that entail little or no extraction, especially of timber resources. Priority shall be given to the beneficial use with no extraction (e.g., ecotourism), followed by minimal extraction usage (e.g., of non-timber resources, water usage), with timber extraction being the last priority.

In case extraction shall be undertaken within the CRMF, the AWP shall include a Resource Use Plan (RUP). In the case of IPs, the exercise of traditional resource uses only requires affirmation of their

ADMP, and does not require an AWP/RUP <sup>1</sup>. However, in the event that the CADC holder-group opts to extract and utilize forest resources along non-traditional lines, an AWP/PUP shall be prepared in the manner prescribed along the lines of the CRMF.

Once affirmed by the DENR CENR Officer, the AWP with its RUP also serves as the permit to utilize the resource.

## **Sec. 2. Objectives.**

The objectives of formulating the CRMF and AWP are the following:

1. For the community to define its common visions, aspirations, strategies and plans for the protection, rehabilitation, development and use of resources of the CBFMA area on a sustainable basis;
2. To provide the basis for the community to access and benefit from forest resources in a sustainable manner;
3. To identify opportunities for the community to improve their sources of livelihood and attain socio-economic development;
4. To identify priority areas for financial, technical, marketing and other assistance to the community by government, non-government and other assisting organizations in CBFM implementation; and,
4. To provide the basis for monitoring of environmental, social, and economic impact indicators of CBFM;

## **Sec. 3. Guiding Principles.**

The formulation of the CRMF and the AWP shall be guided by the following principles:

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<sup>1</sup> Traditional resource use systems to be firmly validated either at the time of the preparation of the ADMP, or during the implementation of the ADMP through anthropological studies and similar methods.

1. **Participatory approach.** — The formulation and implementation of CRMF and AWP shall be PO-led and shall promote broad-based community participation and involvement. The concerns of the communities, LGUs, national agencies and other stakeholders shall be taken into consideration through democratic consultations and negotiations. These processes may involve resolution of conflicts arising from the use and management of forest resources.
2. **Multiple use forest management.** — The multiple uses of forests shall be promoted. In undertaking such opportunities, the complementarity of forest functions should be considered to attain a balance between economic and environmental concerns. As a matter of principle, the CRMF should reflect the CBFM priority for the beneficial use by communities of resources that entail little or no extraction, especially of timber resources. Priority shall be given to the beneficial use with no extraction (e.g., ecotourism), followed by minimal extraction usage (e.g., of non-timber resources, water usage), with timber extraction being the last priority.
3. **Resource sustainability.** — Community management of forests should lead to the protection and improvement of existing forest resources, rehabilitation of degraded ones, and conservation of soil, water, wildlife and biodiversity resources. This should result in higher productivity and sustainability of the forest resources, and provide greater benefits to the steward-community.
4. **Integrated Planning.** — The CRMF should provide an integrated framework for the development, protection, and utilization of the forest resources. It should be consistent with, and forms an integral part of, the conservation and management of the larger watershed as well as the area development plans of the LGU concerned.
5. **Recognition of indigenous peoples' rights and practices.** — The management and utilization of forest resources shall

promote the recognition and respect for the rights of indigenous peoples, and their indigenous knowledge, systems and practices including the protection of their intellectual property rights where these exist.

6. **Gender parity.** — The management and utilization of forest resources shall provide equal opportunities for men and women to participate and share in attendant responsibilities and benefits.
7. **Effective resource utilization.** — Utilization of existing resources shall be based on sound ecological and economic principles. Plantation timber species, non-timber forest products and lesser-used species shall be given priority in utilization and extraction activities within the CBFMA area. A portion of the income derived from the utilization of forest resources, which shall be by the community, shall be reinvested in the development of the community's CBFM area, e.g., capital build-up for the PO, community facilities such as water systems and infrastructure, and improvement of the forest resource base.

#### **Sec. 4. Preparation of the CRMF .**

The Peoples Organization (PO) shall prepare the CRMF with the assistance of the DENR CENRO CBFM staff and, where agreements on partnerships and cooperation exist between a DENR unit and its counterpart LGU, staff of such LGU. The PO may also call upon other government and non-government organizations for assistance. The CRMF shall contain the following (a suggested outline of the CRMF is given in Annex 3):

The PO may request the assistance of CENRO, LGUs concerned, Assisting Organizations and other governments agencies for technical and other assistance in formulating the plans.

1. A summary of the community socio-economic profile, present land uses in the CBFM area, including indicative mapping of

the vegetative cover which may be presented in a community map.

2. The community's envisioned land use for the CBFM area, which shall also be shown on a community map base on materials submitted in support of their CBFMA.
3. The community's strategies to protect, rehabilitate, develop and utilize the CBFMA area and the resources therein on a sustainable basis.
4. Indicative plan on how the community will manage and finance their activities.
5. Indication of how the community will market the services and/or products from its CBFM area.
6. The community's own indicators on the impacts of their forest management activities, and indicators of progress and well-being in their own perspective;

The CRMF may be written in the community's own dialect to ensure full understanding by the members. The CENRO shall cause the translation of the CRMF into Pilipino and/or English for the understanding of groups external to the community.

To further integrate the concerns and generate the support of other sectors in the community the draft CRMF may be discussed in public consultations organized by the PO with the assistance of the CENRO and the LGU concerned.

## **Sec. 5. Preparation of the Annual Work Plan.**

The PO/IP, assisted by the CENRO, shall prepare an Annual Work Plan that will describe the PO's/IP's activities and targets for implementing the CRMF or ADMP. These activities shall include, but are not limited to, forest protection, rehabilitation, development and utilization, organizational and community strengthening, and



enterprise development. An outline of the AWP is attached as Annex 4.

The PO/IP shall prepare and submit its AWP for each succeeding year during the final quarter of the current year for affirmation by the DENR CENR Officer. In preparing its AWP, the PO/IP shall take into account the progress made in previous years and update the area where the community is working on the CBFMA/CADC community map, and ensure that the AWP is always consistent with their CRMF.

Where the PO/IP intends to harvest any of the forest products such as timber, rattan, resin, bamboo, etc., the PO/IP shall prepare a Resource Use Plan (RUP). In the case of IPs, no RUP needs to be prepared when the harvesting done as an exercise of their traditional use rights within their certified ancestral domains claims.

The RUP shall indicate the resource to be harvested/utilized, the approximate area and location of the subject resource that will be harvested for that year (to be indicated in a copy of the CBFMA/CADC community map), and the expected approximate quantity to be harvested during the period. It shall also indicate the community's expected harvesting schedule and extraction methods to be employed, as well as plans on marketing the products.

Planned assistance by the CENRO staff to support PO/IP resource use planning shall be included in the AWP activity schedule affirmed by the CENR Officer as part of the AWP. Part of the assistance shall be in determining the extraction/harvest levels of the resource, based on allowable cut determination prescribed by existing rules and regulations on the matter. In the case of timber trees, the PO/IP shall be assisted by the CENRO staff concerned to inventory and mark those intended to be cut, and shall attach a Tree Marking List to the RUP Affirmation Form included in the AWP. This Tree Marking List which indicates the tree number, species, diameter and height, shall be the basis for PO/IP allowable cut embodied in the AWP/RUP.

## **Sec. 6. Affirmation of CRMF and AWP.**

The CRMF and AWP shall be signed by the Head of the PO/IP on behalf of the community and affirmed by signature of the CENR Officer for and in behalf of the DENR. The affirmation by the CENR Officer is a confirmation of the DENR's active involvement in the preparation thereof, and serves as a statement of commitment to support the PO/IP in the implementation. Copies of the affirmed CRMF and AWP shall be provided the municipal and provincial governments concerned, CENRO, PENRO, DENR Regional Office, and CBFMO.

## **Sec. 7. Interim Resource Use Permit.**

POs/IP who are holders of CBFMA or CADC may be granted Interim Resource Use Permits (IRUP) at the beginning of their CBFM work in order to generate start-up resources needed for resource assessments, rural appraisals, planning, and similar preparatory activities. IRUPs shall be granted by the CENRO, upon request of the PO; it shall be granted only once, and it shall have a maximum effectivity of one year, and shall terminate upon the affirmation of the first AWP of the PO/IP group.

The quantity of resources that shall be granted for usage/extraction under the IRUP shall be determined judiciously by the CENRO, based on historical data in the locality with respect to the sustainable use/extraction rates for the particular resource. The CENRO CBFM staff shall conduct low intensity inventory of the resource availability in the area from which the quantity to be granted under the IRUP shall come from. The inventory shall serve to validate the historical data used as basis.

The CENRO shall ensure that, in the absence of more detailed resource information at the time of granting the IRUP, the allowed quantity to be used should be within a comfortable margin below over-extraction/over-use levels to preclude such over-extraction/over-use.

## **Sec. 8. Transitory Provisions**

Existing approved Community Resource Management and Development Plans (CRMDP) at the time of issuance of this Circular shall remain valid and in force, and the implementation thereof shall be through an AWP as herein provided. Approved CRMDPs shall be reviewed within one year, and shall be replaced by a CRMF.

## **Sec. 9. Effectivity.**

This Memorandum Circular takes effect immediately and supersedes all other circulars inconsistent herewith.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

**Memorandum Circular**  
**No. 97-11**  
**July 18, 1997**

**SUBJECT : Operationalization of the CBFM Program at the Regional, PENR and CENR Offices**

Pursuant to DAO No. 96-29 and other pertinent laws, rules and regulations and in order to fast-track the implementation of the CBFM Program, the following guidelines are hereby promulgated:

1. On the integration of all people-oriented programs and other DENR community-based forestry projects
  - 1.1 As defined under DAO No. 96-29 the following programs shall be fully integrated, administered and managed under the CBFM offices at all field levels, viz:
    - a. Integrated Social Forestry Program
    - b. Community Forestry Program
    - c. Coastal Environmental Program (Mangrove Rehabilitation Component)
    - d. Ancestral Domains Management Program
    - e. Regional Resources Management Program (ENR-SECAL)
    - f. Contract Reforestation Program (Loan 1)/Forest Land Management Program/Forestry Sector Project (Loan II)
    - g. Low-Income Upland Communities Program
    - h. Community Resources Management Program
    - i. NRMP — Forest Resources Management Component
  - 1.2 The Regional Offices are hereby tasked to organize an office under the RTD for Forest Management Services. The office to be organized shall be the recognized

management structure to coordinate the implementation of the CBFM Program in the region, until a new structure shall have been evolved and promulgated by this Office after the on-going organizational review being conducted by the CBFMO.

- 1.3 All personnel, equipment and other logistics shall be pooled in close coordination with other RTDs and/or program coordinators/project managers for cost-effective and efficient field implementation.
- 1.4 The CBFMO (Central Office) shall review all CBFM-related Technical Assistance (TA) with end view of coordinating these to complement each other in support of CBFM operations in the field.

2. On organizing CBFM Field Teams

- 2.1 The Regional CBFMO shall organize CBFM Teams at the CENRO level to undertake, monitor and support field implementation. The field teams shall be composed of at least three personnel well-trained on CBFM and shall be deployed full-time and field-based to ensure immersion in their respective areas of assignment. Priority assignment should be given to existing site/project coordinators of present CBFM-related programs/projects.
3. The Regional Executive Directors are hereby directed to immediately incorporate these guidelines in the Regional Strategic Action Plan. They are further directed to provide all the support mechanisms for the smooth implementation hereof.
4. This Order takes effect immediately.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

**Joint Memorandum Circular**  
**No. 99-01**  
**September 03, 1999**

**SUBJECT : Detailed Functions and Responsibilities of Partner Agencies Involved in the Implementation of the Community Based Resource Management Project (CBRMP).**

Pursuant to the Loan Agreement dated 08 April 1998 between the World Bank and Government of the Philippines which provides for the implementation of the Community-Based Resource Management Project (CBRMP) and the Memorandum of Agreement between the Department of Finance and the Department of Environment and Natural Resources (DENR) dated 28 April 1998, the following detailed functions and responsibilities of partner agencies are hereby issued for the information and guidance of all concerned.

**SECTION 1.0 BASIC POLICY AND OBJECTIVES**

The Government articulates the pursuit of alleviating poverty in rural areas through the Social Reform Agenda and at the same time attain sustainable development through Philippine Agenda 21. Consistent with these policies, the CBRM Project was conceived to: (a) enhance the capacity of low-income rural local government units (LGUs) and communities to plan, implement and sustain priority natural resources management projects; (b) strengthen the central government systems to transfer finance (As financial intermediaries) and environmental technologies and improve the implementation of environmental policies; and (c) provide resources to LGUs to finance natural resources management projects.

Recognizing the need for mutual cooperation, a collaborative and concerted program of action was initiated between the partner agencies in support of the goals and objectives of the CBRM Project.

## **SECTION 2.0 POLICY SUPPORT**

- 2.1 The DOF through the Community-Based Resource Management Office (CBRMO) shall identify policy issued emanating from CBRM implementation.
- 2.2 The DOF and the DENR shall review and update pertinent policies and guidelines of their respective Departments in support of CBRM.

## **SECTION 3.0 PROGRAM COMPLEMENTATION**

- 3.1 The DOF through CBRMO shall identify opportunities and issues for operational linkages with other programs.
- 3.2 The DOF and the DENR shall promote complementation among CBRM-related and LGU-capacitation programs.

## **SECTION 4.0 PROJECT CYCLE MANAGEMENT**

### **4.1 Promotion**

4.1.1 The DOF through CBRMO shall:

- a. Organize and lead promotional activities on CBRM in the pilot Regions (i.e., R5, 7,8 & 13); and
- b. Mobilize Regional CBRM Team and conduct orientation to rural LGUs and communities.

4.1.2 The DOF through BLGF shall:

- a. Participate and facilitate provision of needed financial and other related support services in the conduct of promotional activities on CBRM; and
- b. Assist in identifying potential LGUs, preferably belonging to the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> classes.

- 4.1.3 The DENR through its Central Office shall provide materials, orientation and other related support services to its regional and provincial offices.
- 4.1.4 The DENR through its Regional Offices and Provincial Environment and Natural Resources Offices (PENRO) shall participate in regional promotional activities and shall assist in the identification of potential LGUs and sub-projects.

## **4.2 First Level Assessment**

- 4.2.1 The DOF through CBRMO shall:
  - a. Review the completeness of documentary requirements submitted by the LGUs;
  - b. Organize field level validation of identified sub-project sites;
  - c. Issue notice of prequalification of proponent LGUs;
  - d. Evaluate the eligibility of the proposed sub-projects based on agreed guidelines and criteria;
  - e. Provide detailed briefing to the LGUs regarding CBRM;
  - f. Assist the LGUs in organizing CBRM Teams;
  - g. Ensure the compliance of LGUs in the criteria for selection of community organizers or NGOs, consultants and staff;
  - h. Orient the LGUs on the procurement of services of NGOs, consultants and staff following the World Bank Procurement Procedures; and
  - i. Coordinate with the Local Government Academy (LGA) in the conduct of Training Needs Assessment and in the conduct of training courses.
- 4.2.2 The DOF through BLGF shall:
  - a. Gather financial reports for Borrower's data sheet and determine loanable amount and borrowing capacity;
  - b. Provide data bank on:
    - i. Revenue generation program on collection efficiency; and



- ii. Delinquencies, deficits, remittances and shortages.
- c. Provide the necessary support system to the LGU to improve revenue collection efficiency and tax collection and at the same time determine the effectiveness of its financial system.

4.2.3 The DENR through its Regional Offices and PENROs shall:

- a. Participate in site validation activities and will be responsible for the following:
  - i. Verify land use status of proposed subproject sites and issue a certification that the said sites are located within public land;
  - ii. Assess the biophysical and environmental conditions of the proposed subproject sites; and
  - iii. Assess conflicts in land use rights and issue corresponding clearance stating therein that the proposed site is not contested.
- b. Provide resource persons in the conduct of detailed briefings and training.

### **4.3 Project Preparation**

4.3.1 The DOF through CBRMO shall:

- a. Provide orientation to the LGUs in the preparation of feasibility studies (FS), monitor the preparation and evaluate the completeness of the submitted FS; and
- b. Coordinate with LGA in the provision of training to the LGUs and the communities;

4.3.2 The DOF through BLGF shall:

- a. Provide the necessary assistance in strengthening the financial management system of the LGUs;

- b. Review the financial aspect of the sub-projects and participate in the technical review together with the other members of the CBRM Team/TWG;
- c. Assess the debt repayment schedules for the loan-grant-equity mix; and
- d. Serve as Chairman of the Regional Technical Review Committee (RTCC).

4.3.3 The DENR through its Regional Offices and PENROs shall:

- a. Conduct perimeter survey of the sub-project areas;
- b. Provide maps and other available secondary data needed in the preparation of the FS;
- c. Identify the technology requirements in the proposed subprojects;
- d. Provide the resource persons needed in the conduct of site development planning and other technical requirements in FS preparation;
- e. Provide guidelines and orientation on the conduct of Environmental Impact Assessment (EIA) if deemed necessary; and
- f. Identify the appropriate land tenurial instrument and facilitate its issuance; and
- g. Participate as member of the RTRC.

## **4.4 Project Appraisal**

4.4.1 The DOF through the CBRMO shall:

- a. Mobilize interagency project appraisal teams;
- b. Evaluate the actual proponents (communities);
- c. Issue notice of endorsement or revision of the sub-project plan;
- d. Review financial feasibility of the sub-project;
- e. Convene the RTRC;
- f. Provide secretariat support to the RTRC; and
- g. Prepare endorsement to Municipal Development Fund-Policy Governing Board (MDF-PGB).

4.4.2 The DOF through BLGF Regional Offices as chairman of the RTRC shall evaluate and approve subprojects and endorse these to MDF-PGB for loan approval.

4.4.3 The DENR shall:

- a. As a member of the RTRC, endorse the subprojects to MDF-PGB for loan approval; and
- b. Participate in the technical appraisal of the subprojects by evaluating their technical soundness and consistency with policies, validating the assumptions used, reviewing its Environmental Impact Statement (EIS) and participating in the preparation of the subproject appraisal reports (SPAR).

#### **4.5 Preparation of Detailed Implementation Plans (DIPs)**

4.5.1 The DOF through CBRMO shall:

- a. Orient the LGUs in the preparation of the DIPs;
- b. Assess community preparedness in sub-project implementation;
- c. Review detailed design and sub-project logframe; and
- d. Package and disseminate appropriate technology.

4.5.2 The DOF through BLGF shall participate in the technical review of the DIPs and provide assistance as may be requested.

4.5.3 The DENR shall conduct training on technology transfer and package and disseminate appropriate technologies.

#### **4.6 Loan Approval, SPLA Signing and Fund Release**

4.6.1 The DOF through CBRMO shall:

- a. Prepare the Sub-project Loan Agreement (SPLA) and facilitate its review by the LGU;
- b. Facilitate the signing and approval of the SPLA by MDF and DOF;

- c. Facilitate initial fund release; and
- d. Assist in setting up a financial and procurement system within the LGUs.

4.6.2 The DOF through BLGF shall:

- a. Review the completeness and appropriateness of documentation requirements for endorsement to MDF-PGB;
- b. Endorse the SPLA for approval by the DOF Secretary; and
- c. Effect release of funds to the LGUs.

#### **4.7 Subproject Operation, Maintenance and Supervision**

4.7.1 The DOF through CBRMO shall:

- a. Monitor sub-project implementation and validate accomplishments to facilitate fund releases;
- b. Provide technical assistance (TA) on site development and management activities;
- c. Ensure compliance to CO process by the LGUs;
- d. Provide M & E framework and guidelines and provide training, in collaboration with LGA, on participatory monitoring and evaluation;
- e. Spearhead major evaluation studies; and
- f. In coordination with LGUs, recommend changes in project design and implementation strategy

4.7.2 The DOF through BLGF shall:

- a. Serve as member of the NTRC;
- b. Provide policy guidelines and review overall project implementation;
- c. Serve as member of the validation and assessment team in the regional, provincial and community/district levels; and
- d. Monitor fund releases to LGUs.

4.7.3 The DENR shall:

- a. Serve as member of the NTRC;
- b. Participate in the monitoring of sub-project implementation and in the validation of accomplishments;
- c. Provide TA in site development and management activities;
- d. Provide policy guidelines and review overall project implementation; and
- e. Serve as member of the validation and assessment team in the regional, provincial and community/district levels.

**4.8 Monitoring and Evaluation**

- 4.8.1 The DOF through CBRMO shall consolidate and prepare regular reports for submission to concerned entities/agencies;
- 4.8.2 The DOF through BLGF shall evaluate fund disbursement as against physical accomplishment and participate in other M & E related activities; and
- 4.8.3 The DENR shall spearhead in the preparation of the State of the Environment Reports and in the conduct of Environmental Monitoring and Evaluation.

**Section 5.0 Effectivity**

This Circular takes effect immediately.

**(Sgd.) LILY K. GRUBA**  
Undersecretary

**(Sgd.) MARIO S. ROÑO**  
Undersecretary and CBRM  
Focal Point, DENR

## **JOINT MEMORANDUM**

**FOR : The Hon. VICTOR O. RAMOS**  
**Secretary**  
**Department of Environment and**  
**Natural Resources**

**FROM : LEONARDO A. PAAT**  
**Regional Executive Director**  
**DENR Region 2**

**Hon. RODOLFO Q. AGBAYANI**  
**Governor**  
**Province of Nueva Vizcaya**

**DATE : Feb. 26, 1998**

**SUBJECT : REQUEST FOR CONCURRENCE**  
**TO IMPLEMENT THE ATTACHED**  
**MEMORANDUM OF AGREEMENT**  
**FOR THE CO-MANAGEMENT OF**  
**THE 24,000 HECTARE-LOWER**  
**MAGAT REFORESTATION**  
**PROJECT**

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The Provincial Government of Nueva Vizcaya and the DENR regional and local offices have finally forged a landmark agreement to place the 24,000 hectare-Lower Magat Reforestation Project under a system of Co-management. We are modeling the way to achieve innovative and strategic partnership in the management of forest resources. The Magat area offers the opportunity for demonstrating the viability and sustainability of such arrangement based on the context of making devolution and decentralization work to respond to our key environmental, economic and social reform agenda.

The Memorandum of Agreement over which we seek your honored and preferential intervention is a concrete expression of Nueva Vizcaya's Urgent Call to Action which you have recognized and supported during the Cabinet consultation meeting presided by your honor at Kayapa, Nueva Vizcaya on Sept. 22, 1996.

To highlight the importance of this historic agreement, we would like to request your concurrence to implement the MOA and personal conferment during your visit with First Lady Amelita Ramos on the occasion of the opening of the CAVRAA meet in Bayombong, Nueva Vizcaya on March 1, 1998.

Anticipating that this request will merit your utmost preferential attention.

**(SGD.) RODOLFO Q. AGBAYANI (SGD.) LEONARDO A. PAAT**

## **MEMORANDUM OF AGREEMENT**

### **KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement made and entered into this 25<sup>th</sup> day of February, 1998 at Bayombong, Nueva Vizcaya by and between:

The **DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**, hereinafter referred to as **DENR**,  
Represented by Regional Executive Director  
**LEONARDO A. PAAT**

and

The **PROVINCIAL GOVERNMENT** of **NUEVA VIZCAYA**,  
Hereinafter referred to as the **LGU**, represented by  
its Governor **RODOLFO Q. AGBAYANI**

### **WITNESSETH**

WHEREAS, the DENR is the primary government agency responsible for the sustainable management of the country's environment and natural resources;

WHEREAS, the Local Government Units (LGUs) are mandated under the Local Government Code (RA 7160) to share with the national government, particularly with DENR, in the responsibility of allocating, developing, and managing natural resources and in the duty of sustainable managing natural resources and in the duty of sustainable managing the environment within their territorial jurisdictions;

WHEREAS, the sustainable development and management of the environment and natural resources is crucial in the implementation of the strategic physical and sectoral development plans and programs of the LGUs;



WHEREAS, under Executive Order No. 263, the government mainly thru the DENR in partnership with the LGUs is mandated to adopt Community-Based Forest Management (CBFM) as the strategy in the sustainable development and management of the country's forest lands to ensure that communities are empowered in their participation to protect, develop and manage forest lands resources;

WHEREAS, the DENR and the LGU recognize the importance of sharing the power, responsibility and accountability in the effective allocation, development and management of forest lands in the province of Nueva Vizcaya;

WHEREAS, on September 15, 1997, the DENR and the LGU signed a summary of agreements to jointly allocate, protect, develop and manage the forest lands of the province;

WHEREAS, the LGU has adopted an agro- and nature-based ecotourism development strategy;

WHEREAS, the DENR and the LGU realize the urgency of protecting, developing and managing the 24,000-hectare Lower Magat Reforestation Project in Diadi and Bagabag, Nueva Vizcaya for the benefit of the present and future generations of communities;

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants hereinafter set forth, the parties hereby agree, as they hereby agree, to jointly allocate, protect, develop and manage the forest lands in the 24, 000 hectare Lower Magat Reforestation Project as shown in the map, consistent with an **Indicative Protection, Development and Management Plan** to be jointly prepared by the DENR and the LGU, and with the following provisions and obligations, to wit:

## **1.0 Steering Committee**

- 1.1 A **Steering Committee (SC)** for the Lower Magat Reforestation Project is hereby created. The SC shall be composed of the Governonr (Chairman), DENR Regional Executive Director of Region 2 (Co-Chairman), Provincial Environment and Natural Resources Officer of Nueva Vizcaya,

mayors of Diadi and Bagabag, one representative from the private sector coming from the local chamber of commerce, and one representative from the coalition of non-government organizations in Nueva Vizcaya.

1.2 The SC shall meet regularly to:

1.2.1 Formulate, review, and modify policies for the effective protection, development and management of the Lower Magat Reforestation Project;

1.2.2 Review and approve investment proposals;

1.2.3 Review and approve annual work plans and oversee the overall implementation of the Indicative Plan;

1.2.4 Review and sign sub-agreements in the form of Memorandum of Agreements (MOAs) with legitimate occupants of the Lower Magat Reforestation Project, for the stewardship of any portion of the project area, Provided that it may authorize the Chair to discharge this function, Provided further that in either case, these shall not be interpreted as permanent substitute for permits/licenses issued by the DENR or other government agencies; and

1.2.5 Review and sign Joint Venture Contract and other sub-agreements with private individuals, cooperatives, corporations or government agencies for the protection, development and management of any portion of the project area, Provided that it may authorize the Chair to discharge this functions, Provided further, that in either case, the sub-contracts of JVAs shall not be interpreted as substitute for permits/licenses issues by the DENR or other government agencies.

1.3 The SC shall screen, select and recommend to the Chair the appointment and/or

termination of the Project Manager for the Lower Magat Forest Management Office.

## **2.0 Lower Magat Forest Management Office**

2.1 A Lower Magat Forest Management Office (LMFMO) is hereby created.

2.2 The LMFMO shall:

2.2.1 Have the authority, responsibility, and accountability in the protection, development and management of the Lower Magat Reforestation Project based on the Indicative Plan and the subsequent development plans that the SC will henceforth approve, Provided that the Experimental Forest shall continue to be managed;

2.2.2 Lead, direct, and coordinate the planning, implementation and monitoring of work plans;

2.2.3 Endorse to DENR through the SC the issuance of appropriate tenurial instruments to people's organizations, legitimate claimants, and qualified private sector in the Lower Magat Reforestation Project, such as, but not limited to Certificate of Stewardship Certificate (CSC), Community-Based Forest Management Agreement (CBFMA), and Socialized Industrial Forest Management Agreement (SIFMA);

2.2.4 Be headed by the competent Project Manager who will oversee, supervise and coordinate the over all operational planning, monitoring, and implementation of the Indicative Plan and subsequent plans that the SC will henceforth approve. The Project Manager will also supervise, direct, and evaluate the LMFMO staff including those that will be assigned and seconded by DNER and the LGUs;

- 2.2.5 Train, deploy and support its staff in providing on-site assistance to communities and their members to effectively to protect, manage and develop the forest lands;
  - 2.2.6 Ensure the maximum participation of legitimate upland farmers, claimants and indigenous peoples in the sub-allocation and management of forest lands in the Lower Magat Reforestation Project;
  - 2.2.7 Organize, train and deploy a team that may conduct periodic monitoring of the environmental and socio-economic impacts of the work plans and indicative Plan;
  - 2.2.8 Enforce forestry laws, rules and regulations in the Lower Magat Reforestation Project; and
  - 2.2.9 Resolve issues and conflicts following the procedures in denr AO 96-29 ad other pertinent policies.
- 2.3 The LMFMO shall prepare annual work plans, budgets, reports periodic and properly certified financial statements for the review and appropriate action of the SC.
  - 2.4 The LMFMO shall develop and implement a transparent financial management systems that can fully account for the sources and uses of funds, especially the annual support and grants from the LGUs, DENR and donor agencies; and for funds that are internally-generated form joint ventures, contracts, feeds and other business arrangements.
  - 2.5 The LMFMO shall explore workable and beneficial institutional and business arrangements with the National Irrigation Administration (NIA), Department of Tourism, Department of Agriculture, Department of Trade and Industry, National Power Corporation, and other public and private organizations.

### **3.0 Responsibilities of the DENR and the LGU**

#### **3.1 DENR shall:**

- 3.1.1 Issue appropriate tenurial instruments;
- 3.1.2 Transfer and turn over existing DENR facilities and documents to the LMFMO;
- 3.1.3 Maintain and fund appropriate research and relevant research in forest production and management and ensure the transfer of technologies to LMFMO, communities and individual upland farmers;
- 3.1.4 Through the Regional Office, annually or quarterly plan, allocate and budget funds in support of its tasks to protect, develop, and manage the Lower Magat Reforestation Project;
- 3.1.5 Provide needed technical assistance to the LMFMO in its annual planning, annual evaluation and assessment, and implementation of the Indicative Plan and subsequent development plants that the SC will henceforth approve;
- 3.1.6 Include LMFML and PNREO staff and key leaders in its human resources development programs on forest management, enterprise development, organizational development, plantation and orchard development and management, community forestry, and other relevant training areas;
- 3.1.7 Inform the LMFMO and PNREO of development in forest policies and programs by providing them copies of pertinent DENR orders, memoranda, maps and other issuances that concern sustainable forest management;
- 3.1.8 Deploy selected members of the Multi-Sectoral Forest Protection Committee (MFPC) to periodically monitor

and evaluate the impact of the LMFMO plans and activities;

- 3.1.9 In general, provide such other resources and services to LMFMO that will ensure the effective protection, development and management of the Lower Magat Reforestation Project;
- 3.1.10 Deputize, authorize the LFMO to enforce forestry rules and regulations; and
- 3.1.11 Through its CENRO and PENRO, conduct periodic monitoring and assessment of the implementation of the Indicative Plan.

### 3.2 The LGU shall:

- 3.2.1 Consistent with agreements reached in the SC, allocate human and financial resources for the operations of the LMFMO;
- 3.2.2 Integrate into the Provincial Physical Framework Plan and Municipal Comprehensive Land Use and Development Plans the attached Indicative Plan and subsequent development plans that the SC will henceforth approve;
- 3.2.3 Pass necessary ordinances, rules and regulations consistent with DENR policies in support of the CBFM strategy, and forest protection in the Province;
- 3.2.4 Install a monitoring and evaluation system to be implemented by the ENRO;
- 3.2.5 Encourage and promote the participation of the private sector and entrepreneurs in the implementation of the Indicative Plan and subsequent development plans, especially those ventures that are related to agri-and nature-based ecotourism;

- 3.2.6 Lead, facilitate, and coordinate assistance to communities, especially those related with capability building and empowerment of people's organizations, linking with resource institutions particularly on enterprise development and marketing, and accessing social infrastructures from other national line agencies;
- 3.2.7 Direct assistance to upland farmers and local communities in the Lower Magat Reforestation Project especially in accessing capital and credit to fund forest land development and generation of alternative livelihood opportunities; and
- 3.2.8 In general, provide such other resources and services that will ensure the effective protection, development and management of the Lower Magat Reforestation Project.

#### **4.0 AMENDMENTS**

Proposed amendments and modifications to this agreement may be initiated wither parties and shall be deliberated, discussed and approved by the Steering Committee.

#### **5.0 EFFECTIVITY**

This **Memorandum of Agreement** shall take effect immediately upon signing and remain enforced for 25 yeas unless so mutually rescinded or renewed by both parties.

**IN WITNESS WHEREOF**, the parties hereunto affixed their signatures on February 25 1998, at Bayombong, Nueva Vizcaya.

**DEPARTMENT OF ENVIRONMENT PROVINCIAL GOVERNMENT  
AND NATURAL RESOURCES OF NUEVA VIZCAYA**

By:

By:

**(SGD.)LEONARDO A. PAAT  
Regional Executive Director**

**(SGD.)RODOLFO Q. AGBAYANI  
Provincial Governor**

**CONCURRING WITNESSES**

**VICTOR O. RAMOS**  
**Secretary, DENR**

**(SGD.) BENJAMIN T. TUMALIUAN**      **(SGD.) ARMADO BUCCAD**  
**RTD for FORESTRY**                      **RTD for RESEARCH**

**(SGD.) NICASIO V. PASCUA**  
**PENRO**

**(SGD.) NORMA U. MIGUEL**                      **(SGD.) VICTOR Z. CASTILLO**  
**Mayor of Diadi**                                      **Mayor of Bagabag**



**Department of Interior and Local Government  
Memorandum Circular No. 96-143**

**TO : ALL PROVINCIAL GOVERNORS, CITY MAYORS, MUNICIPAL MAYORS, PUNONG BARANGAYS, DILG REGIONAL DIRECTORS AND OTHERS CONCERNED**

**SUBJECT : ENJOINING SUPPORT TO THE COMMUNITY FORESTRY PROGRAM**

Section 15 of the Local Government Code mandates local government units to ensure, among other significant development concerns, the right of their inhabitants to a balanced ecology. Local authorities, particularly cities and municipalities, are expected to undertake community-based forestry efforts, as well as, other initiatives that are necessary to protect the natural ecosystem.

Admittedly, LGUs have been involved in the Community Forestry Program (CFP) along site identification, validation and other aspects of CFP implementation. Through the years, the DENR-LGU partnership in CFP operations has been proven to be very effective. Recently, the Sangguniang Bayan of San Pablo in the Province of Isabela has appropriated ONE HUNDRED THOUSAND PESOS (P100,000.00) to finance a CFP Projects in the locality.

In furtherance of sustainable development objectives, and in support of overall efforts to protect the ecosystem, similarly situated LGUs are hereby encouraged to appropriate and disburse funds to finance the implementation of community-based forestry projects, which include integrated forestry programs and similar projects.

All DILG Regional Directors are likewise directed to disseminate this Memorandum Circular to LGUs within their jurisdiction, provide assistance, where necessary and as appropriate, monitor LGU compliance and submit an Initial Report on the matter to

reach OSEC, Attn: OUSLG, within one (1) month form receipt hereof and for subsequent reports, as often as necessary.

For the information and guidance of all concerned.

**(SGD.)ROBERT Z. BARBERS**  
Secretary