Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session
HOUSE BILL NO. 4891

INTRODUCED BY HONORABLE CHERYL P. DELOSOS-MONTALLA

AN ACT
PROVIDING FOR THE SUSTAINABLE MANAGEMENT OF FORESTS AND FOREST LANDS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Forests used to be one of the richest natural resources in the Philippines. In fact, in 1900, more than 70%, on average, of the island’s total land area of 30 million hectares (ha) was covered with forests (ESSC, 1999a). Based on a study, titled “Decline of the Philippine Forest,” by the Institute of Environmental Science for Social Change, the country has about 21 million hectares of forest cover, covering 70 percent of the total land area, in 1900s. Four decades later, the deforestation caught on that, by 1999, the Philippines only has 5.5 million hectares, with only 800,000 hectares of this was primary forest.

In the report by the Forest Management Bureau of the Department of Environment and Natural Resources, Palawan remains the top Philippine province with the biggest forested area, with 699,931 hectares of forest area out of its 1,489,626 has total land area. It is followed by Isabela (378,637 has), Cagayan (342,944 has), Agusan del Sur (342,736 has), Surigao del Sur (226,805 has), Quezon (226,193 has), Apayao (223,121 has), Aurora (218,588 has), Bukidnon (202,322 has), and Nueva Vizcaya (193,708 has).

Provinces with low forest areas include: Guimaras (with 776 has only), Siquijor (903 has), Batanes (1,819 has), Metro Manila (2,120 has), Cavite (2,540 has), Batangas (4,526 has), Camiguin (5,718 has), La Union (5,880 has), Masbate (6,778 has), and Pampanga (7,465 has).

Deforestation comes with a high price. The country will be facing food insecurity. Due to soil erosion, there will be low yield of agricultural produce.

The intermittent water interruptions we are experiencing, especially during dry months, are the result of deforestation. Since most of the watersheds are denuded, the Philippines has an unstable water supply. The water quality has also deteriorated, since they is a loss of water infiltration and slow recharging of water tables.

Based on the data by the Forest Management Bureau of the Department of Environment and Natural Resources, the Philippines needs an estimated 54 percent of forest cover to protect the areas against landslides and ensure water supply. The target is to rehabilitate around 1.2 million has of denuded and deforested forest lands by 2022.

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1 Albert P. Aquino and Carl Rookie O. Daquio. CBFM: A National Strategy for Sustainable Forest Management

Sustainable forest management is one of the solutions that the Philippine forest industry is looking at. According to the United Nations’ Food and Agriculture Organization (FAO), sustainable forest management addresses the significance of forest degradation and deforestation while increasing direct benefits to people and the environment. In fact, it is the only way forward. 3

The concept recognizes the need for balance between the inherent need of the people for livelihood (products directly derived from trees such as timber and paper) while ensuring that the forests are protected and will continue to be ecologically viable for generations to come. This is in line with the National Greening Program of the country, which aims to expand forest cover, mitigate and adapt to climate change, conserve biodiversity, poverty alleviation and inclusive growth while adhering to the principles of good governance.

The decline in forest cover goes along with a significant loss of biodiversity, raw materials and storage capacity for water and an alarming release of greenhouse gases through the slash and burning cultivation/farming. 4 In economic terms, the challenge of the government to determine who should be held accountable for the open access nature of many forest lands leading to resource degradation is difficult. 5 The continuous influx of migrant communities has further aggravated the diminishing forest resources. Given the dependence of human and social life of products from the forest—from wood to water and to the oxygen they produce—these consequences impinge on all sectors of the society. 6

This bill is realistic approach to a very real problem. It approaches deforestation from all fronts by ensuring that we promote the protection and well-being of our forests while pushing for social development.

It is in this light that immediate passage of this bill is sought.

CHERYL P. DELOSO-MONTALLA
Representative
2nd District, Zambales

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3 Ibid.
6 Ibid.
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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

ARTICLE I
GENERAL PROVISIONS

SECTION 1. Short Title. — This Act shall be known as the “Sustainable Forest Management Act”.

SEC. 2. Declaration of Policy. — It is the policy of the State to promote social justice and the general welfare in all phases of national development; protect and advance the right of the Filipino people to a balanced and healthful ecology in accord with the rhythm and harmony of nature; and to conserve and develop the patrimony of the nation. Therefore, the State hereby adopts the following policies for the sustainable management and conservation of forest lands and forest resources found therein:

a. The specific limits of forest lands, after these have been fixed and demarcated, shall not be altered, except through an act of Congress;

b. The sustainable use and conservation of forest lands and forest resources found therein shall bear a social, cultural, ecological, biological, and economic functions, responsibility and accountability to promote the common good of present and future generations;

c. The protection of forest ecosystem, as well as rehabilitation through reforestation and afforestation of the degraded forest ecosystem, shall be given priority to mitigate climate change, improve and conserve biodiversity, enhance ecosystem functions and services and provide long-term economic benefits;

d. Forest lands shall be partitioned and planned into forest management units (FMUs) based on natural topographic and hydrologic boundaries as well as watershed continuum approach and community-based management approach which adopts a holistic inter-relationship between the upstream and downstream areas with vesting access rights and responsibilities to local communities, indigenous peoples, women and youth in order to carry out efficiently the rational ecological treatment of the entire landscape from the mountain down to the coast;
e. The management, protection, conservation and development of forest resources shall be done in an integrated, inclusive, developmental, and sustainable manner, focusing on the forest resource and the people who manage, conserve and benefit from it.

SEC. 3. Objectives. The general objective of this bill is to ensure the sustainable use and effective management of forest resources and services by providing equitable access, accountability, and benefit sharing to all stakeholders and the Filipinos at large. The specific objectives are:

a. To streamline management of forest lands and forest resources by undertaking Sustainable Forest Management Strategies by all concerned stakeholders, including the government, private sector, communities, and civil society groups;

b. To promote sustainable livelihood and enterprises and an incentive mechanism for forest management activities, especially among those depending in forest lands;

c. To strengthen institutional mechanism to respond to forest management concerns namely, development of the forest industry; law enforcement; management of watershed, and empowering local and indigenous communities to take responsibility in managing forestlands and forest resources;

d. To create the Sustainable Forest Development Fund as a support mechanism for funding requirements of forest management initiatives;

e. To strengthen the role of Forest Management Bureau to be more responsive and pro-active to all stakeholders and consistent with the objectives and strategies of this Act;

f. To ensure that the national standard of 40% forest cover is achieved, sustained and protected by the country to maintain the provision of ecological services.

SEC. 4. Scope and Coverage. – The provisions of this Act shall apply to all forest lands and all forest resources in lands over which the Philippines has sovereignty and jurisdiction: Provided, that all forest lands and forest resources found in protected areas established under the National Integrated Protected Areas System (NIPAS) shall be sustainably managed and developed following the principles of this Act and consistent with the provisions of Republic Act No. 7586, or the “National Integrated Protected Areas System Act of 1992”, as amended by Republic Act No. 10629, and Republic Act No. 11038, or the “Expanded National Integrated System Act of 2018”; Provided further, that all wildlife resources and critical habitats found in forest lands, including alienable and disposable lands, shall be governed by Republic Act No. 9147, or the “Wildlife Resources Conservation and Protection Act”; Provided furthermore, that the rights of indigenous cultural communities and indigenous peoples to their ancestral forest lands shall be respected and prioritized, as provided for in Republic Act No. 8371 or the “Indigenous Peoples’ Rights Act of 1997”; Provided finally, that all forest lands under the management or administration of local government units and other government agencies or instrumentality shall be managed in accordance with their duly legislated charters and the principles and provisions of this Act.

SEC. 5. Sustainable Forest Management Strategies. – Inclusive forest governance shall be undertaken through watershed and community-based management approach. It shall promote sustainable use through reforestation, small-scale plantation development, and use of indigenous and native species, thus enhancing ecosystem services, ensuring biodiversity conservation, and
increasing resilience to climate change impacts. Encouraging private investments and sustainable
biomass production as renewable energy will enhance economic contribution and global
competitiveness of forest-based industries.

The promotion of forestry research, extension and education on forest ecosystem assets,
services accounting and valuation, and strengthening professionalism in the forest service is
deemed necessary to carry out the provisions of this Act.

SEC. 6. Definition of Terms. – As used in this Act:

a. Ancestral forestlands are ancestral lands and domains defined as such under Republic Act
No. 8371, otherwise known as the “Indigenous Peoples Rights Act of 1997”;

b. Biodiversity refers to the variability among living organisms from all sources, including,
inter alia, terrestrial, marine, and other aquatic ecosystems in the ecological complexes of
which they are part of;

c. Certification is the process of verifying that a forest land is managed based on a defined
set of standards as is conducted by an accredited third party;

d. Climate Change refers to a change in climate that can be identified by changes in the mean
and/or variability of its properties and that persists for an extended period, typically
decades or longer whether due to natural variability or as a result of human activity;

e. Climate Change Adaptation refers to the adjustment in natural or human systems in
response to actual or expected climatic stimuli or their effects, which moderates harm or
exploits beneficial opportunities;

f. Climate Change Mitigation refers to human intervention to reduce anthropogenic
emissions by sources and removals by sinks of all greenhouse gases including ozone
depleting substances and their substitutes;

g. Ecosystem refers to a community of living organisms interacting with each other and with
their physical environment;

h. Ecotourism refers to a form of sustainable tourism within a natural and/or cultural heritage
area where community participation, protection and management of natural resources,
culture, and indigenous knowledge and practices, environmental education and ethics, as
well as economic benefits are fostered and pursued for the enrichment of host community
and satisfaction of visitors;

i. Forest refers to an ecosystem or an assemblage of ecosystems dominated by trees and other
natural vegetation; a community of plants and animals interacting with one another and its
natural environment;

j. Forest land refers to land of the public domain classified as needed for forest purposes,
including both production and protection. They shall include all forest reserves of the
public domain;
k. **Forest Management Unit (FMU)** refers to a clearly defined forest area assigned for management based on a set of objectives and a long-term watershed-based management plan to be integrated in the Comprehensive Land Use Plans and Comprehensive Development Plans of cities and municipalities. All current forest tenurial instruments may be considered FMUs;

l. **Forest-Based Industries** refer to various industries that are dependent on raw materials or products derived from forests such as, but not limited to, wood, rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers, or wild flora and fauna;

m. **Forest Protection Officers** mean the official(s) and/or employee(s) of the Department who are granted the authority to enforce all environmental laws and conduct arrests, seizures and apprehensions in relation to environmental law enforcement.

n. **Forest-Based Industries** refer to various industries that are dependent on raw materials or products derived from forests such as, but not limited to, wood, rattan, bamboo, vines, latex, resins, saps, essences, fruits, flowers, or wild flora and fauna;

o. **Forest Resources** refer to all products and resources whether biomass such as plants and animals including its by-products and derivatives, which can be a raw material, or non-biomass such as soil, water, scenery, as well as the intangible services and values present in forest lands or in other lands devoted for forest purposes;

p. **Forest Restoration** refers to a management strategy to enhance and accelerate natural processes of forest regeneration in order to regain the elastic capacity of forest ecosystem;

q. **Grazing land** means a portion of the forest land which has been set aside, in view of the sustainability of its topography and vegetation, for raising livestock;

r. **Indigenous peoples/Indigenous Cultural Communities** refer to a group of people or homogenous societies as defined in Section 3h. in the Indigenous Peoples Rights Act or Republic Act 8371;

s. **Indigenous species** refer to species or genotypes that have evolved in the same area, region or biotope and are adapted to the specific predominant ecological conditions at the time of establishment;

t. **Natural Forest** refers to a forest composed of naturally growing indigenous trees, not planted by man, whose structure, composition, and dynamics have been largely the result of natural succession process;

u. **Non-Timber Forest Products** refer to all biological materials and derivatives other than timber produced in forests. The term includes fruits and nuts and vegetables, fish and game, medicinal plants, resins, essences and rays of barks and fibers such as bamboo, rattan, and a host of other palms and grasses;

v. **Plantation** refers to timber and non-timber stand established by planting and/or seeding in the process of afforestation or reforestation. The stand is of either introduced species (all planted stands), or an intensively managed stand of any indigenous species, which meets
all the following criteria: one or two species at plantation, even-aged class, and regular spacing;

w. Primary Forest also known as old-growth forest, shall refer to forest which have never been subject to human disturbance or has been so little affected by hunting, gathering and tree cutting that its natural structure, function and dynamics have not undergone any change that exceed the elastic capacity of the ecosystem;

x. Processing Plant refers to any establishment or infrastructure housing any mechanical set-up, device, machine, or combination of machines used for the conversion of logs and other forest raw materials into lumber, fiberboard, pulp, paper, or other finished wood products;

y. Reforestation refers all land use activities directed towards restoration, establishment, and sustained management using preferably native species of diversified vegetation on denuded, degraded, and/or marginal lands, abandoned fishponds and mines including but not limited to the planting and tending of timber to enhance and accelerate natural processes of forest regeneration and regain the capacity of forest ecosystem;

z. Rehabilitation means reforestation or afforestation activities including mechanical measures such as contouring and terracing;

aa. Secondary Forest shall refer to a former forest that was logged over and is characterized by residuals;

bb. Secretary shall refer to the Secretary of the Department of Environment and Natural Resources;

c. Sustainable Forest Management refers to the process of watershed-based management of forest land and resources to achieve one or more clearly specified objectives of management with regard to the continuous production of desired forest products and the delivery of ecosystem services without undue reduction of its inherent values, biodiversity and future productivity and without undesirable effects on the physical and social environment;

dd. Sustainable use means the use of forest resources in a way and a rate that does not lead to its long-term decline, thereby maintaining its potential to meet the needs and aspirations of present and future generations;

e. Tenure shall refer to guaranteed and peaceful access to and use of specific forest land and the resources found therein through an agreement, contact or grant which cannot be altered or abrogated without due process; and

ff. Watershed refers to the land area drained by a stream or fixed body of water and its tributaries having a common outlet for surface runoff. A watershed can be part of a larger landscape that includes connections from the head waters to the reef.

gg. Watershed Reservation refers to a forest land that has been proclaimed by the Presidents or by law as such, primarily for water production purposes although other compatible uses may be allowed under sustainable and multi-use management concepts.
ARTICLE II

ADMINISTRATION, DEVELOPMENT, MANAGEMENT AND SUSTAINABLE USE
OF FOREST LANDS AND FOREST RESOURCES

SEC. 7. Administration, Development, Management and Sustainable Use of Forestlands.
– Forestlands and forest resources shall be under the full supervision and control by the State. The
development and sustainable use thereof shall be under the State’s full control and supervision.
The State may directly undertake such activities or it may enter into agreements with qualified
persons in order for these persons to receive technical assistance and appropriate incentives.

The Forest Management Bureau, hereinafter referred to as the FMB, shall be the primary
government agency responsible for the administration, development, management and sustainable
use of forest lands as defined in this Act. It shall have the authority to enter into management
agreements or issue tenure instruments on behalf of the Government, promulgate rules and
regulations for the effective enforcement of this Act, and administratively adjudicate offenses
provided for in this Act in order to facilitate the speedy resolution of forestry-related cases.

SEC. 8. Categories of Forestlands. – For the purpose of administration, development,
management and sustainable use, forest lands in the Philippines shall be categorized into ancestral
forest lands, private forest lands, and public forest lands.

a. Ancestral forestlands are ancestral lands and domains defined as such under Republic Act
   No. 8371, otherwise known as the “Indigenous Peoples Rights Act of 1997”;

b. Private forests are alienable and disposable lands registered under the current land
   registration system of the country which are devoted for forestry purposes; and

c. Public forestlands shall include all lands of the public domain that have not been declared
   as a National Parks under Section 5 of Republic Act No. 7586, otherwise known as the
   No. 11038; mineral lands pursuant to Republic Act No. 7942 otherwise known as the
   “Philippine Mining Act of 1995”, and those lands not classified as agricultural based on
   the maps developed by the National Mapping and Resource Information Authority
   (NAMRIA).

SEC. 9. Forest land Delineation. – The delineation of forest lands as completed by the DENR
shall be adopted.

SEC. 10. Management of Forest lands. – For purposes of sustainable use, management and
planning, all forest lands shall be managed for protection or production purposes only.

a. Protection Forest lands. All areas within the forest lands designated or set aside as such
   shall constitute the protection forest lands. They shall consist of the following:

   (1.) Primary and secondary forests;

   (2.) All areas one thousand (1,000) meters above sea level;

   (3.) Limestone, forest over ultramafic, peat swamp, beach, freshwater swamp;
(4.) All areas with a slope of fifty percent (50%) or more;

(5.) All areas along the bank of rivers and streams, and the shores of the seas and lakes throughout entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas, along their margins which are subject to the easement of public use.

(6.) All watershed reservations that have been proclaimed by the President or by law as such, primarily for water production purposes or for other compatible uses under sustainable or multi-use management concepts.

All extractive activities, including harvesting, gathering, and collection of forest resources, except non-timber forest products and scientific and educational use as permitted by the FMB, are prohibited within forest lands for protection purposes.

Establishment of built-up facilities are also prohibited within protection forest lands, except for special uses consistent with sustainable forest management strategies.

Only indigenous species shall be planted or introduced within protection forest lands.

b. Production Forest Lands. All public forest lands not classified as protection forest lands, pursuant to this Section, shall constitute the production forest lands of the country. These lands shall be devoted for the production of timber and non-timber forest products to supply the domestic forest resource demand of the country and facilitate international trade of forest resources.

SEC. 11. Forest Management Units. – For the purposes of assigning respective areas of operations and management, all public forest or timber land shall be assigned and registered as “Forest Management Units” (FMUs) with the DENR: Provided, That all areas under an existing and valid tenure agreement or management arrangement with the DENR before the passage of this Act shall be considered as FMUs.

The FMU shall be managed for protection and/or production purposes. Protection FMUs shall have the primary function of protecting life support systems to regulate water, prevent flooding, control erosion, prevent seawater intrusion, maintain soil fertility, and of conserving plant and wildlife biodiversity and their ecosystem. Production FMU shall have the primary function of producing forest products, food, energy and/or fresh water among others.

SEC. 12. Qualified managers of FMUs. – To ensure effective management of forest lands, managers of FMUs shall be confined to qualified and capable persons, or entities which include indigenous and local households, civil society organizations, business organizations, forest land use tenure holders, and dedicated national and local government units including government-owned and controlled corporations subject to the requirements to be provided in the implementing rules and regulations of this Act.

SEC. 13. FMU Development and Management Planning. – Every FMU shall have a management plan formulated by the FMU Manager with technical assistance from the Registered Professional Forester that follows a watershed continuum approach and sustainable forest management strategies as stated in this Act approved by the FMB. If the FMU holder is an individual, indigenous people or a member of civil society, assistance in the preparation or
formulation of a management plan will be provided by DENR. In designating FMUs within a watershed, priority shall be given to indigenous peoples, civil society and local communities in awarding appropriate tenurial instruments.

The FMU management plan shall contain the following:

a. FMU management objective;

b. Description of the physical, environmental, socio-economic, and administrative profile of the FMU;

c. Mapping and zoning of the FMU into production and high conservation value-forest zones;

d. Management prescriptions to be applied in each zone to meet the FMU management objectives;

e. Implementation plan; and

f. Expected benefits and impacts of the plan.

SEC. 14. Sustainable Management of Mangrove Resources. – Mangrove species planted within production forestlands can be harvested, gathered or collected, taking into consideration the basic forestry policies and strategies provided for in this Act. The harvesting, gathering, collection of mangrove species, and provision of clean technologies to address energy needs shall be upon the authority provided for by the FMB.

SEC. 15. Mined-Out Areas and Abandoned Fishpond Areas. – The management and administration of rehabilitated mined-out areas shall immediately be transferred to the FMB. The management and administration of abandoned and idle fishpond lease areas shall immediately be reverted to the DENR.

SEC. 16. Sustainable Use of Forest Resources. – The harvesting, gathering and collection of all planted forest resources within production forestlands and private forestlands, including its by-products and derivatives, shall not require any clearance from the DENR: Provided, that the amount of harvested products is consistent with the approved management plan; Provided further, that DENR shall set a monitoring mechanism that will include members of the local consultative bodies; Provided finally, that any request for clearances for domestic transport of forest resources submitted to the DENR shall be acted upon within seven (7) working days from the date of its submission with the proper office. After a lapse of seven (7) working days and no action has been taken by the DENR, the clearance for transport is deemed approved.

The harvesting, gathering, collection and transport of non-timber forest products within production forest lands shall be exempt from any clearance from any government institution.

All timber and non-timber forest products planted within private lands shall belong to the owner of the land who shall have the right to harvest, gather, and collect the same without any clearance from any government institution.

SEC. 17. Regulation and Sustainable Use of Forest Resources within Ancestral Forest Lands. – The rights of the indigenous peoples over their ancestral forestlands shall be respected:
Provided, That management of forest resources within those lands shall be in accordance with the
existing laws, rules and regulations, the Ancestral Domain Sustainable Development and
Protection Plan (ADSDPP), and Forest Land Use Plan (FLUP). Provided, that DENR shall
formulate appropriate sustainable management and monitoring guidelines.

ARTICLE III
FOREST-BASED INDUSTRIES

SEC. 18. Development of an Open and Competitive Market for Forest Resources. – To
meet the demands for forest good and services of the country, the State, through the DENR, shall
promote and rationalize the establishment, operations, and development of forest-based industries.
DENR shall institute measures to develop an open and competitive market for forest products
including among others the liberalization of forest products harvesting, transport, and marketing.

SEC. 19. Export of Certified Forest Products. – No person shall sell or offer for sale any
forest resources in the international market without complying with the certification system
established by the Government. Failure to adhere to the established standards, or any act of
falsification shall be sufficient cause for the cancellation of export licenses and other permits
authorizing the manufacture or sale of such resources.

SEC. 20. Regulation of Forest-Based Industries. – All processing plants using forest
resources as raw materials shall be subject to existing regulations prescribed by law, including the
required Environmental Impact Assessment (EIA) System: Provided, that these processing plants
are registered with the Department of Trade and Industry as well as clearance from the Local
Government Unit to operate.

SEC. 21. Enhance Private Investments and Economic Contribution. – Forest-based
industries shall be supported to promote global competitiveness, support domestic demands for
wood and other products, and enhance economic contribution to the country. Appropriate
incentives shall be provided such as but not limited to establishment of agroforestry economic
zones in order to ease the conduct of business and attract local and foreign investments that are
mutually beneficial to the government, concerned communities, partner organizations and the
investors concerned.

SEC. 22. Community-Based Forest Enterprises. – Economic activities and practices of
local communities, including indigenous cultural communities on forest-based enterprises,
including non-timber forest products, that promote the sustainable use of forest resources shall be
promoted and supported to address food security and improve quality of life.

ARTICLE IV
EMPOWERING AND ENABLING CONDITIONS FOR SUSTAINABLE FOREST
MANAGEMENT

SEC. 23. Forest Land Use and Tenure Instruments. – The State, represented by the
DENR may undertake the development, sustainable use, and management of forest lands and forest
resources found therein with qualified persons, whether natural or juridical, through tenure
instruments. The order of priority in the provision of forest land use rights shall be as follows:

a.) Duly recognized indigenous peoples, organizations and households in the case of FMUs
in ancestral lands;
b.) Holders of valid and existing agreements with the DENR and FMB;

c.) Residents occupying forest lands without tenure;

d.) Investors on ancestral forestlands with a free and prior informed consent (FPIC) with indigenous peoples; and

e.) Investors on public forest lands that are not under any agreement with the Department and other persons.

Any person who is a party to any of the agreements mentioned in this Section shall not be allowed to transfer or convey the rights vested by the agreements within five (5) years from the issuance of the agreement. Thereafter, the person shall be able to transfer, or convey the rights of interests therein subject to a written authority from the Secretary of duly authorized representative. Provided, that the transferor has complied with the terms and conditions of the agreement; Provided further, that the transferee shall assume the obligations of the transferor.

All parcels of public forestlands that are not covered with any management arrangement or tenure instrument shall be converted to forest management units.

SEC. 24. Forest Management Agreement. – The DENR and a qualified person, whether natural or juridical, may enter into a Forest Management Agreement for the development, sustainable use and management of forest lands and forest resources found therein. The Forest Management Agreement shall have a duration of twenty-five (25) years and may be extended for another twenty-five (25) years.

SEC. 25. Scope of Forest Management Agreement. – In the case of public forestlands, ancestral forestlands and production forestlands, the Forest Management Agreement may be entered into for the following purposes:

a. Agroforestry plantations in accordance to the standards of the DENR on forest plantation development;

b. Forest plantation development with processing plant;

c. Ecotourism development;

d. Mangrove restoration; and

e. Special uses for forest lands.

A Forest Management Agreement may be entered for a single purpose or a combination of any of the abovementioned purposes.

SEC. 26. Special Uses of Forest Lands. – In the case of production forestlands, a Forest Management Agreement may also be entered into for a special use of forestland which shall include the following:

a. Establishment of forest park;
b. Dry Dock Site;

c. Industrial Processing Site;

d. Herbal or Medicinal Plantation;

e. Fish Drying Site;

f. Communication Station Site;
g. Public Landing Site or Airstrip;

h. Log Pond or Log Depot;
i. Lumber Yard;

j. Motor Pool Site;
k. Power Station Site;
l. Transmission Line Site;
m. Right-of-Way;

n. Farm-to-market roads;
o. Government Facility Site (e.g. schools, clinics, satellite offices among others);
p. Water Reservoir;

q. Renewable energy projects.

Provided, that for government facilities or infrastructures like farm-to-market roads, public school sites, public hospitals or clinics, etc. shall be free from any fees, charges, or other pecuniary obligations under the Forest Management Agreement.

SEC. 27. Qualified Persons. – The following persons are qualified to enter into a Forest Management Agreement with the State:

a. Filipino persons or entities which include indigenous and local households, civil society organizations, business organizations, and forest and land use tenure holders;

b. Corporations or associations at least sixty percent of whose capital is owned by Filipinos;

c. Local government units, when the purpose of the Forest Management Agreement is for public use or the establishment of government centers and facilities; or

d. Other National Government Agencies or Government-Owned or Controlled Corporations, when the purpose of the Forest Management Agreement is for national interest, like transmission lines, water reservoirs, or distribution lines for electricity.
SEC. 28. Production Sharing. – The following schemes shall be observed by the Parties to a Forest Management Agreement in relation to the sharing of benefits derived from the agreement:

a. Forest Plantations, Forest Plantations with Processing Plants. The sharing of outputs from Forest Management Agreements entered into for the purpose of developing and managing forest plantations, and forest plantations with processing plants shall be based on the total gross output of the plantation harvests. Said sharing shall be done in a manner advantageous to national interest without prejudice for incentives that may be prescribed by DENR.

b. For ecotourism purposes, the person who entered into a Forest Management Agreement with the Government for the purpose of ecotourism or other special uses for forest lands shall have the obligation to pay an annual user’s fee equivalent to five percent (5%) of the nearest commercial zonal value per square meter or a fraction thereof.

c. Government Facilities or Infrastructures. Non-income generating government facilities such as public school sites, public hospitals or clinics, government center or offices, roads, farm-to-market access roads, and public buildings are exempt from paying any fee or other pecuniary obligation with the State. Provided, that the use of these establishments or infrastructures shall not be subject to privatization.

d. For local communities and registered civil society organizations, support through incentive schemes or the like shall be provided as social fencing against drivers of deforestation.

SEC. 29. Forestry Research, Education, Training, and Extension. – Research and technology development of the Ecosystems Research and Development Bureau, Forest Products Research and Development Institute, Universities, and other research institutions shall be strengthened to support sustainable management of forest resources. For this reason, Forestry Development Center of the University of the Philippines Los Baños shall lead in forest policy research in collaboration with the Commission on Higher Education or CHED, Higher Educational Institutions (HEIs), schools, universities, and colleges (SUCs), Department of Science and Technology (DOST)-accredited NGOs as well as other concerned stakeholders.

The DENR, the Department of Science and Technology, the Commission on Higher Education, and Universities, within one (1) year from the passage of this Act, shall prepare a comprehensive sustainable national forestry and environmental research and technology development and transfer program in furtherance of sustainable forest management, which shall be implemented, monitored, and reviewed in accordance with existing research management systems.

The Continuing Professional Development shall be promoted and upheld through selected universities and training institutions on forestry and natural resources management subject to the Professional Regulation Commission’s accreditation system. Forestry education in the Philippines shall be rationalized to ensure the quality of formal forestry education and establish, support and sustain the national and regional centers of development and excellence in forestry and environmental education to develop high quality human resources and promote global competitiveness. The Commission on Higher Education shall include forest ecology and environment courses in general education curricula. DENR shall formulate a nationwide program
for sustained public information and advocacy campaign for forests and natural resources
conservation, sustainable forest management, and climate change.

SEC. 30. The Sustainable Forest Development Fund. — A Sustainable Forest
Development Fund (SFDF) is hereby established to provide concessional financing particularly
for forest development projects proposed by qualified managers of FMUs. The said Fund shall be
administered by a Government-Owned and Controlled Banking Institution as a trust account.

The SFDF may be augmented by grants, donations, and endowment from various sources
local and international sources.

In addition, at least seventy percent (70%) of forest charges and government share collected,
including proceeds from the sale of confiscated forest resources, machinery, equipment, and tools,
fines, and penalties shall be set aside for the SFDF.

Moreover, securitization, payment for ecosystem services and collaborative investments
shall be encouraged to support sustainable forest management and enterprises and the conservation
of forest-based biodiversity in the Philippines.

The DENR shall include the guidelines for the management, development, and
operationalization of the SFDF, in coordination with other concerned agencies and civil society
organizations in the implementing rules and regulations of this Act. No amount from the SFDF
shall be disbursed to cover ordinary and necessary expenses of the DENR and other concerned
agencies.

SEC. 31. Importation and Sale. — Forest resources may be imported into the country,
subject to existing laws, rules, and regulations. All imported forest resources shall comply with
the Philippine National Standards to be developed by the Department of Trade and Industry in
coordination with the Forest Products Research and Development Institute and the DENR.
Compliance with these standards shall be a precondition for the sale or disposition of these
products in the Philippines.

ARTICLE VI
ORGANIZATIONS AND GOVERNANCE

SEC. 32. Creation of the Position of Undersecretary for Forestry. — There is hereby
created in the DENR the position of Undersecretary for Forestry who shall perform the following
functions:

a. Oversee the provision of technical, marketing, financial, tenurial and infrastructure support
to persons and entities engaged in FMU management;

b. Ensure watershed-based planning and monitoring processes are observed in forestry-
related developments;

c. Facilitate institutional linkages and convergence initiatives among forestry stakeholders in
support of effective development and management of forest lands consistent with its
protection and production uses;
d. Provide scientific information-based policy recommendations in aid of sustainable forest management; and

e. Promote cost-effectiveness of forestry investments among local and international investors and donors in line with sustainable forest management.

The Undersecretary shall be appointed by the President of the Republic of the Philippines, whose office, structure and staffing, shall be determined by the Secretary subject to existing laws, rules, and regulations.

SEC. 33. Reconstitution of the Forest Management Bureau. — The Forest Management Bureau is hereby reconstituted as a line bureau under the DENR, which shall be responsible for the administration, sustainable management, development, conservation, and protection of all forestlands and forest resources of the country, with functions specifically as follows:

a. Implementation of all policies, plans, programs, projects and activities concerning forestlands with provision for effective feed-backing and reporting mechanisms;

b. Ensure sufficient provision of technical, marketing, financial, tenurial and infrastructure support to persons and entities engaged in FMU management;

c. Enforce watershed-based planning approaches in all forest-land development and management endeavors;

d. Encourage the participation of forestry stakeholders thru multi-sectoral consultative bodies in all forestry-related consultative processes;

e. Develop and implement an effective geographical information system in aid of forestry planning, monitoring and policy formulation;

f. Monitor and evaluate the physical, environmental and socio-economic outcomes in the management of all FMUs; and

g. Formulate and publish periodic reports informing stakeholders of the status of the Philippine forest lands using both qualitative and quantitative methods.

SEC. 34. Composition of the Forest Management Bureau. — As a line bureau, the FMB shall be headed by a Director and assisted by two (2) Assistant Directors who shall supervise the administrative and technical services of the Bureau respectively. There shall be a FMB Regional Director in each administrative region with corresponding offices and positions.

SEC. 35. Assistance of Law Enforcement Agencies. — Local Government Units, the Department of Interior and Local Government, and the DENR, shall call upon law enforcement agencies and instrumentalities of the Government such as the Philippine National Police (PNP), the Armed Forces of the Philippines (AFP), the Philippine Coast Guard (PCG) and the National Bureau of Investigation (NBI) for the enforcement of environmental laws, executive orders, and their implementing rules and regulations.

SEC. 36. Local Government Units. — Enabling mechanisms shall be developed to enhance the participation of the local government units in watershed management planning, sustainable use,
conservation and protection of forest resources within their territorial jurisdiction, including those
assigned by law to other government agencies.

LGUs with forest lands inside their jurisdiction shall harmonize their CLUPs, local
development plans, disaster risk reduction management plans and other required plans according
to the objectives specified herein and in the protected area management plans.

SEC. 37. Other Government Agencies. – Forest lands or portions thereof, which have been
placed under the administration and management of other government agencies, shall remain under
the administration and management of the said government agencies following a watershed
management approach with the DENR exercising oversight power these areas: Provided, that their
administration and management shall be based on the policies, strategies, and programs that are
consistent with the provision of this Act; Provided further, That the concerned agencies shall
submit an annual accomplishment report to the DENR.

SEC. 38. Multi-Sectoral Consultative Bodies in Relation to Natural Resources Governance.
- A technical and multi-sectoral consultative body involving all stakeholders concerned within a
watershed shall be convened by the FMB pursuant to this Act, specifically for each FMU and
cluster of FMUs as appropriate and shall be consulted at least once a year to review and make
recommendations on watershed-based management related policies at the local and regional level.
Further, the FMB shall extend technical assistance to multi-sectoral bodies organized for the
purpose of policy making in relation to environment and natural resource governance specifically
on forest governance issues.

SEC. 39. Function of Multi-sectoral Consultative Bodies. – The body shall be responsible
for the over-all policy direction and monitoring in the management of the forest lands and forest
resources found within their respective jurisdictions in accordance with the provision of this Act.
Specifically, (a) it shall review and recommend implementation of programs and projects, (b)
perform oversight and monitoring functions on matter pertaining to management performance and
status of environment and natural resources, and (c) participate in the review and recommend
relevant policies for the protection, conservation and restoration efforts within the watershed in
ensuring significant contribution of the forestry sector to national economy, ecological
sustainability and sustainable development closely adhering to the principles and priority programs
of the Government. Said body may also facilitate the initiation of the LGUs’ participation in the
devolution program and monitoring the transfer and implementation of devolved functions to the
LGUs.

SEC. 40. Power and Water Utility Service Providers. – Forest lands or portions thereof,
which have been placed by law or agreement under the administration and management of
government and private power and water utilities service providers, shall be included in the
partitioning of forest lands into appropriate categories consistent with the purpose of the assigned
forest land, and shall remain under the administration and management of the said utilities service
providers concerned; Provided, That the DENR shall exercise oversight power on the planning,
management, utilization, and assessment of all forest resources in these areas.

SEC. 41. Governance Mechanism. – The following mechanisms shall be developed,
established and used for the sustainable forest management:

a. Institutional Support for Sustainable Forest Management. The principles and practices of
transparency, accountability, and participatory decision-making, in transactions, decision,
and actions affecting forestry, in all levels, and the policy of streamlining, decentralization, devolution, and deregulation shall be adopted, promoted, and institutionalized in the DENR.

b. Forest Land Use Planning. Updating and preparation of forest land use plans shall be integrated with the updating and preparation of comprehensive land use plans of local government units.

c. Linkage. Networks and linkages with local and international institutions, civil society organizations, local government units and industries involved in the promotion and practice of sustainable forest management shall be strengthened.

d. Revenues and Benefit-sharing. FMB shall prescribe appropriate fees and government shares for different kinds of utilization, exploitation, occupation, possession, or activities within forest lands, as well as the corresponding administrative fees for permits, agreements, and other services.

e. Authority to Impose or Waive Fees. The DENR shall have the authority to impose other fees for payment for ecosystem services and forest protection, management, reforestation, and development. In addition, the Department may waive fees and charges on government activities within forest lands that supports public utility, social welfare, national security, or national interest.

f. Third-Party Monitoring. FMB shall undertake the monitoring and control of forest management and utilization through a third-party audit and certification. A National Forest Certification System shall be established by the FMB which will outline the policy, rules, procedures, and management for implementing forest management certification and chain-of-custody certification in the country. The FMB shall develop pertinent guidelines, in coordination with all stakeholders, for the implementation of this provision subsequent to, and after one (1) year upon the effectivity of this Act.

g. Forest Management Information System. FMB shall establish a forest management information system which consists of comprehensive up-to-date information on the physical, social, financial, economic, biological, and environmental components of the country’s forest lands and forest resources. It shall include a continuous monitoring system to track the utilization and movement or transfer of forest-based goods and services, the changes in the state of forest resources and ecosystem services, and its drivers. It shall include further a ground-based validation system as basis for assessing progress towards sustainable forest management.

h. Empowering Concerned Government Officials on Implementing Sustainable Forest Management. It shall be the priority of the State to ensure that government employees involved in the implementation of the sustainable forest management law are properly trained, sufficiently equipped, adequately compensated, and given ample opportunities to participate in its implementation. The DENR and other agencies involved shall appropriately provide funding for the same.
ARTICLE VII
OFFENSES AND PENALTIES

SEC. 42. Harvesting, Gathering, Collection, Mining without Permit, or Possession of Forest Resources from Protection Forest Lands. — Any person who shall harvest, gather, collect, or possess any forest resource from protection forestlands without authority, except non-timber forest products, shall be punished with imprisonment ranging from six (6) years and one (1) day to twelve (12) years and one (1) day and/or a fine equivalent to ten (10) times the value of the said forest resource. The Forest Protection Officers shall have the authority to estimate the present market value of the forest resources subject of the illegal harvest, gathering, collection or possession based on the guidelines promulgated by the DENR.

In case of partnerships, associations, or corporations, the president, managing partner or general manager shall be held liable.

In case of aliens, the Bureau of Immigration shall deport them without further proceedings after paying the fine imposed.

SEC. 43. Illegal Harvesting, Gathering, Collection, or Possession of Forest Resources as an Act of Economic Sabotage. — Illegal forest activities such as timber poaching, conversion of forest lands to agriculture, residential and other land uses, charcoal making, wildlife trading, use of exotic species in natural forests, and any of the acts enumerated in the preceding section shall be considered as an economic sabotage when committed by:

a. At least two or more persons through an organized and systematic manner; and

b. Any person, when the amount of forest resources harvested, gathered, collected, or possessed amounts to at least five million pesos (P5,000,000.00).

The penalty of imprisonment for twenty (20) years and one (1) day to forty (40) years shall be imposed.

SEC. 44. Grazing Livestock in Forest Lands without Authority. — Any person found to have caused the grazing of livestock in forest lands without an authority and permit from the DENR shall be punished with the imprisonment of two (2) years, four (4) months, and one (1) day to four (4) years and two (2) months. The livestock shall be confiscated in favor of the local government unit concerned.

SEC. 45. Unlawful Occupation of Forest Lands. — Except for indigenous peoples occupying ancestral lands consistent with their CADC and/or CADT and the provisions of Republic Act No. 8371 or the Indigenous Peoples Rights Act, any person who possess or occupy any parcel of public and/or protection forestland without any permit, tenurial instrument or authority from the DENR shall be punished with a penalty of imprisonment of six (6) years and one (1) day to twelve (12) years and a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00) and forced eviction from the area.

SEC. 46. Destruction of Forest Lands. — Any person who shall destroy or cause destruction within protection, ancestral, and public forest lands or assist, aids, or abets another person to do so, shall be punished with a penalty of imprisonment of six (6) years and one (1) day
to twelve (12) years, and a fine of not less than One hundred thousand pesos (P100,000.00) but not more than Five hundred thousand pesos (P500,000.00).

SEC. 47. Unlawful Operations of Sawmills, Wood Processing Plants, and Forest-Based Industries. — Any person operating sawmills, wood processing plants, and forest-based industries without any permit or authority from the DENR, shall be punished with a penalty of imprisonment for six (6) years and one (1) day to twelve (12) years and a fine of not less than five million pesos (P5,000,000.00).

If the offender is a public official or employee, the accessory penalty of disqualification for holding any public imposed for a period of twelve (12) years and one (1) day. If the offender is an official or an employee of the Department, the accessory penalty of permanent disqualification shall be imposed.

All forest resources, machinery, equipment, and tools pertinent to the operations of the abovementioned establishments shall be confiscated in favor of the Government.

SEC. 48. Prohibition on the Issuance of Land Titles or Tax Declarations on Forest Lands. — All land titles and tax declaration issued over forest lands shall be deemed void ab initio. Any person who shall issue land titles and tax declarations over any forest land or a parcel thereof shall be punished with imprisonment of six (6) years and one (1) day to twelve (12) years and a fine of not less than One hundred thousand pesos (P100,000.00) nor more than five hundred thousand pesos (P500,000.00). The accessory penalty of disqualification shall be imposed for a period of twelve (12) years and one (1) day.

SEC. 49. Non-Payment and Non-Remittance of Forestry Fees and Charges. — Any person who fails to pay the amount due and payable as forestry fees or charges to the government or remit the same to the proper authorities shall be punished with a penalty of imprisonment for a period of six (6) years and one (1) day to twelve (12) years with a fine of not less than one hundred thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00).

SEC. 50. Non-Establishment of Tree Parks and Green Spaces. — Every local government unit shall establish and maintain tree parks and green spaces pursuant to their comprehensive land use plans. Funds for the establishment and maintenance of the same shall form part of the local government unit’s annual budget.

Every owner of land subdivided into residential, commercial, or industrial lots shall reserve, establish and maintain at least thirty percent (30%) of the total land area of the subdivision, exclusive of roads, service streets and alleys as green space for tree parks.

No subdivision plan shall be approved by the Housing and Land Use Regulatory Board unless at least thirty percent (30%) of the total area of the subdivision has been reserved as green space. The owner must develop the green space within three (3) years from the approval of the subdivision plan.

Any local government unit or owner of a parcel of land subdivided into residential, commercial, or industrial lots who fails to establish green spaces or tree parks as provided in the preceding paragraphs shall be penalized with a fine of not less than Five hundred thousand pesos (P500,000.00) nor more than One million pesos (P1,000,000.00).
SEC. 51. Illegal Conversion of Tree Parks and Green Spaces. – Any person who shall convert or cause to convert any tree park or green space for a purpose inconsistent with that which is provided for by this Act shall be punished with a penalty of imprisonment for six (6) years and one (1) day to twelve (12) years and/or a fine not less than Five hundred thousand pesos (P500,000.00) nor more than One million pesos (P1,000,000.00).

If the offender is a public official or employee, the accessory penalty of disqualification is imposed for a period of twelve (12) years and one (1) day. If the offender is an official or an employee of the Department, the accessory penalty of permanent disqualification shall be imposed.

SEC. 52. Arrest and Detention. – If the apprehension was conducted in remote areas far from the place where persons authorized to conduct inquest proceedings are located, the delivery to the proper judicial authorities shall be done within a reasonable time period, taking into consideration the ordinary travel time from the place of arrest to the place of delivery.

In order to facilitate the delivery of arrested persons for violations of this Act, the Department of Justice shall designate in every city and province a special prosecutor who shall be responsible for filing appropriate charges against arrested offenders.

SEC. 53. Public Auction of Forest Resources. – If the confiscated forest resources are in danger of deteriorating, the DENR may order that the same be sold at public auction even before the termination of the judicial proceedings, with the proceeds kept in trust to await the outcome of the judicial proceedings.

SEC. 54. Authority of Forest Protection Officers. – When in the performance of their officials duties, forest protection officers or other public officials or employees authorized by the DENR, shall have free access into forest lands or any parcel thereof.

They are also authorized to search the exterior and interior of all vehicles suspected to contain illegally harvested, collected, or gathered forest resources: Provided, That the search is done in the presence of the apprehended persons and two (2) public local officials.

Finally, forest protection officers are authorized to administer oaths, take acknowledgements in official matters connected under the authority of this Act and its implementing rules and regulations.

ARTICLE VIII
ADMINISTRATIVE PROVISIONS

SEC. 55. Administrative Authority of the Secretary or his Duly Authorized Representative to Order Confiscation. – In all cases of violations of this Act or other forest laws, rules and regulations, the Secretary, his duly authorized representative may order the confiscation of forest resources illegally harvested, collected, gathered, possessed and those that are abandoned. This authority shall extend to all conveyances used either on land, water or air as well as machinery, equipment, implements, and tools used in the commission of the offense and to dispose of the same in accordance with pertinent laws, rules and regulations.

SEC. 56. Administrative Authority of the Secretary to Impose Fines. – In all cases of violations of this Act and other forest laws, rules, and regulations where fine is the principal penalty, the Secretary or his duly authorized representative, after the consultation with the forest-based
industries affected, is hereby authorized to impose administratively the penalty consisting of the amount and the schedules of the fine which shall be officially published in a national newspaper of general circulation.

SEC. 57. Fines Escalation Clause. – The fines herein prescribed shall be increased by at least ten percent (10%) every three (3) years to compensate for inflation and to maintain the deterrent function of such fines.

SEC. 58. Informant’s Incentive. – Twenty percent (20%) of the value of confiscated materials shall be used as incentives to informants including forest management councils, forest management boards to be placed in the Sustainable Forest Development Fund. They shall also be entitled to free legal assistance should cases be filed against them in the performance of official duties.

SEC. 59. Suits and Strategic Legal Action Against Public Participation and the Enforcement of this Act. –

a. A legal action filed to harass, vex, exert undue pressure, or stifle any legal recourse that any person, institution, or the government has taken or may take in the enforcement of this Act, protection of the environment or assertion of environmental rights shall be governed by this Section.

b. A suit and strategic legal action against public participation may be interposed as a defense by a person involved in the enforcement of environmental laws, protection of the environment, or assertion of environmental rights. The suit or strategic legal action shall be supported by documents, affidavits, papers, and other evidence; and, by way of counterclaim, pray for damages, attorney’s fees and costs of suit.

The court shall direct the plaintiff or adverse party to file an opposition showing the suit is not valid as a defense, attaching evidence in support thereof, within a non-extensible period of five (5) days from receipt of notice that an answer has been filed.

The suit or strategic legal action shall be set for hearing by the court after issuance of the order to file an opposition within fifteen (15) days from filing of the comment or the lapse of the period.

c. The hearing on the suit or strategic legal action shall be summary in nature. The parties must submit all available evidence in support of their respective positions. The party seeking the dismissal of the case must prove by substantial evidence that his act for the enforcement of this Act is a legitimate action for the protection, preservation and rehabilitation of the environment. The Party filing the action assailed as a SLAPP shall prove by preponderance of evidence that the action is not a SLAPP and is a valid claim.

d. The affirmative defense of a SLAPP shall be resolved within thirty (30) days after the summary hearing. If the court dismisses the action, the court may award damages, attorney’s fees and costs of suit under a counterclaim if such has been filed. The dismissal shall be with prejudice.
If the court rejects the suit or strategic legal action, the evidence adduced during the summary hearing shall be treated as evidence of the parties on the merits of the case. The action shall proceed in accordance with the Rules of Court.

SEC. 60. Citizen's Suit. — Any citizen may file an appropriate civil, criminal or administrative action with the proper court against:

a. Any person who violates or fails to comply with the provisions of this Act or its implementing rules and regulations;

b. The Department or other implementing agency with respect to orders, rules, and regulations issued inconsistent with this Act;

c. Any public officer who willfully or grossly neglects the performance of an act specifically enjoined as a duty by this Act or its implementing rules and regulations; or abuses his authority in the performance of his duty; or in any manner improperly performs his duties under this law or its implementing rules and regulations.

However, no suit can be filed until after a notice of violation is sent to the alleged offender within thirty (30) days starting from the date of the occurrence of the violation.

SEC. 61. Implementing Rules and Regulations. — The DENR, in consultation with other government agencies and relevant stakeholders charged with the administration and enforcement of this Act shall promulgate the necessary implementing rules and regulations within one (1) year from the effectivity of this Act.

SEC. 63. Appropriations. — The amount necessary to initially implement the provisions of this Act shall be charged against the appropriations of the DENR in the current General Appropriations Act. Provided, that a share from the VAT on oil and natural gas, emission testing tax, flood control tax, road users tax, and the Reforestation, Watershed Management Health and/or Environment Enhancement Fund Power Industry Reform Act of 2001 (EPIRA), and its Implementing Rules and Regulations (IRR), shall be appropriated to fund provisions in this Act. Thereafter, such sums as may be necessary to fully implement the provisions in this Act shall be included in the annual General Appropriations Act. For local government units, the funding requirements shall be taken from their internal revenue allotment (IRA) and other sources of income including the income derived from the shares from the different modes of agreement.

SEC. 64. Transitory Provisions. — Upon the approval of this Act, the DENR shall evaluate the conditions of all forest lands covered by existing tenure instruments, agreements or contracts, permits, and the like, which shall be allowed to continue until their expiry unless otherwise earlier terminated for cause.

SEC. 65. Separability Clause. — Should any provision of this Act be subsequently declared not constitutional, such declaration shall not affect the validity or the legality of the other provisions.

SEC. 66. Repealing Clause. — All laws, decrees, executive orders, rules and regulations, issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.
SEC. 67. Effectivity. – This Act shall take effect thirty (30) days from the date of its publication in the Official Gazette and a newspaper of general circulation.

Approved,