

Ministry of Natural Resources
OFFICE OF THE MINISTER

October 7, 1982

MINISTRY ADMINISTRATIVE ORDER

No. 48
Series of 1982

SUBJECT: Regulations and Guidelines implementing LOI 1260, which launched the Integrated Social Forestry Program, otherwise known as PROFEM II

Pursuant to the Presidential mandate under LOI 1260 to effectively implement the Integrated Social Forestry Program, otherwise known as PROFEM II, the following regulations and guidelines are hereby promulgated:

SECTION 1. Basic Policy. In achieving national objectives of economic and social development, it is the government policy to democratize the disposition of public forest land and to promote more equitable distribution of the forest bounty. In line with this policy, the government shall provide security of tenure to Kaingineros and other deserving forest occupants dependent on forest lands for their livelihood. The Integrated Social Forestry Program (ISF) or PROFEM II, shall therefore be pursued according to the following policy guidelines covering:

- a) Security of Tenure. Consistent with the provisions of the Constitution, ISF Program participants, through Stewardship Agreements, shall be given a tenure over the subject land for a period of 25 years, renewable for an additional 25 years.
- b) Continued occupancy of present clearings. Forest occupants shall be allowed to cultivate and further develop their clearings and homelots or resettlement areas provided that continued occupancy and development will not impair the forest ecosystem nor shall it encroach or cover areas which have been declared as national parks or reservations or have been the subject of lease contracts with the government, more particularly described in Section 10 hereof.
- c) Size of holdings. The land shall consist of economically viable size holdings which, depending on topography, soil and general conditions in the area, shall, as much as possible, cover three to seven hectares.

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- d) Development of Forest Lands by Individuals. Forest occupants and other deserving citizens dependent on the public forest for their livelihood, shall be allowed to develop individually allocated parcels of open and denuded forest land and shall be encouraged to organize themselves into associations or cooperatives;
- e) Program Management. The ISF program participants shall be enjoined to actively participate in the preparation and implementation of their respective project management plans where all government agencies indicated in LOI 1260 shall provide assistance as maybe required;
- f) Communal Forest Leases. Forest communities shall be allowed to lease on a communal basis the areas they are presently utilizing for non-commercial purposes subject to the limitations under Section 10 hereof, provided that continued utilization will not impair the forest ecosystem and that the communities organize themselves into associations or cooperatives which may be authorized to enter into Stewardship Agreements. The lease shall obligate the communities to conserve and protect forest land within the leased areas; and
- g) Government Efforts. The continuing implementation of the program shall be effected through concerted efforts of various government agencies and instrumentalities as mandated by LOI 1260.

SECTION 2. Objectives. The program aims to mobilize forest resources for economic and social progress of the nation through the involvement of kaingineros and other occupants of forest lands who shall be made effective agents of the state in food production and in the rehabilitation of forest lands. The program shall therefore endeavor to achieve the following specific social, economic, and ecological objectives:

- a) Establishment of a lasting partnership between the government and forest occupants in promoting sustainable use of public lands through a managerial system that is environmentally productive and culturally appropriate;
- b) Conservation, development and protection of forest resources;
- c) Increased income of program participant;

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- d) Stabilization of farming systems in forest lands by harnessing the capabilities and potentials of forest occupants;
 - e) Identification and dissemination of information concerning applicable technologies that are economically feasible, socially acceptable and environmentally sound;
 - f) Development of sustainable and income-generating activities by providing necessary social, financial, technical, educational, and other community services to forest occupants;
 - g) Identification and design of sustainable and economically viable second-generation projects complementing and/or utilizing agro-forestry products;
 - h) Establishment of effective linkages to institutionalize synergy among forest occupants and communities and other institutions and agencies which have the capacity to provide the necessary social, economic and physical infrastructure support;
 - i) Improvement of the quality of life of the kainginero and settler populations by expanding, strengthening and assimilating the existing socio-oriented programs such as PROFEM, Forest Occupancy Management (FOM), Communal Tree Farming and Industrial Tree Plantations into the National Livelihood KKK Movement; and
 - j) Continuing improvement in Program design and implementation by encouraging and supporting interdisciplinary research and experimentation.

SEC. 3. Definition of Terms.

- a) Integrated Social Forestry (ISF) refers to the national program launched under LOI 1260 designed to maximize land productivity and enhance ecological stability, and to improve the socio-economic conditions of forest occupants and communities;

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- b) Forest Occupant refers to a citizen actually and directly occupying and/or cultivating public forest land as of December 31, 1981;
- c) Forest Community refers to forest occupants who are members of indigenous socio-cultural groupings;
- d) Next of kin refers to the spouse and children, or if not applicable, the parents, the brothers or sisters of a forest occupant who has entered into Stewardship Agreement;
- e) Stewardship Agreement refers to a contract entered into by and between an individual forest occupant or forest community association or cooperative and the government allowing the former the right to peaceful occupation and possession over a designated area. The Stewardship Agreement will be written in English or Pilipino and will be non-transferrable, except as herein provided;
- f) Certificate of Stewardship refers to the document issued by the government pursuant to the Stewardship Agreement.
- g) Program participant refers to a forest occupant or community association or cooperative which has entered into a Stewardship Agreement and actively involved in the ISF Program;
- h) Project Area refers to a public forest land which is utilized by a specific, proximate groupings of program participants or prospective Program participants;
- i) Integrated Area Project refers to a large tract of public forest land settled by forest occupants which is designated as such for reasons of diverse community needs with the end in view of providing social and other necessary services in an inter-agency basis;
- j) Program as used in these regulations refer to Integrated Social Forestry or PROFEM II, or vice-versa.

SEC. 4. Participants. The following are qualified to participate in the ISF Program:

- a) Forest occupants; and
- b) Deserving landless farmers, tillers and rural workers dependent on public forest land for their livelihood.



Stewardship Agreements shall not be entered into with absentee claimants, landlords, speculators or any other persons, including forest occupants, not personally cultivating and/or utilizing land to be allocated pursuant to PROFEM II.

SEC. 5. Available Areas. The following areas within public forest land shall be identified as ISF Project Areas:

- a) Areas covered by existing Projects on Forest Occupancy Management (FOM), Family Approach to Reforestation (FAR), Communal Tree Farm (CTF) and other suitable reforestation/afforestation projects;
- b) Areas actually and directly occupied and cultivated by forest occupants as of December 31, 1981, except under conditions stipulated in Sec. 10 hereof.
- c) Other open and denuded areas suited for ISF development.

SEC. 6. General Criteria. The following criteria, among others, shall be considered in the design and implementation of projects aimed at achieving the objectives of the Program:

- a) Economic self-sufficiency and ecological stability shall be the key considerations;
- b) Each project will focus initially on a single strategic activity responding to an immediate concern of the participants as identified during the assessment and appraisal of the project area needs;
- c) Program participants shall be actively involved in project area planning, design and implementation;
- d) Project design and implementation shall be made flexible to allow revision if and when necessary;
- e) Community associations or cooperatives shall be developed and whenever appropriate local institutions shall be strengthened for future autonomy;
- f) Appropriate indigenous practices shall be identified and documented for reference and possible application elsewhere; and

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- g) Technical, organizational, marketing, legal, financial and other relevant assistance shall be extended to Project participants by government agencies concerned as required.

SEC. 7. Incentives. To encourage qualified persons to participate in the Program, the following incentives shall be provided:

- a) No fees shall be collected for the use of the allocated land during the first five years of the Stewardship Agreement, provided that annual fees which shall not exceed ten pesos (P10.00) per hectare may thereafter be collected as determined by the Minister of Natural Resources.
- b) All income/proceeds derived from the land shall accrue to Program participants;
- c) Forest products derived and/or harvested from the Project Area shall be exempted from the payment of forest charges;
- d) Program participants may mortgage or assign their allocated land to any licensed financial institution as collateral for loans to be used in developing the land;
- e) Technical, legal, financial, marketing and other needed assistance shall be extended to Program participants;
- f) Program participants may avail of assistance provided by the government national livelihood (KKK) movement; and
- g) Upon expiration of the Stewardship Agreements, Program participants or their direct heirs shall have the right of preemption to any subsequent Stewardship Agreement covering their allocated land, and when for some reason the government opts not to allocate the land for Stewardship, the participants concerned shall be entitled to just compensation for permanent improvements, introduced, including trees that will not be removed.

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SEC. 8. Responsibilities of the Program Participants.
The Program participants shall strictly observe and/or implement the following

- a) Develop their land into productive farm make their families economically viable and self-reliant consistent with accepted scientific practices and with environmental protection.
- b) Devote portions of their land to tree farming of suitable species to contribute to the reforestation efforts of the government.
- c) Protect and conserve the forest growth in their allocated land and cooperate with the BFD in protecting forest areas adjacent thereto;
- d) Preserve monuments and other landmarks indicating corners and outlines of boundaries within the confines of their allocated land in the course of implementing the project development plan;
- e) Prevent and suppress unauthorized and unregulated fires on their allocated land and other areas immediately adjacent thereto and when necessary shall assist the BFD in extinguishing forest fires within the Project Area;
- f) Plant at least five (5) edible fruit bearing tree species per hectare on their allocated land;
- g) They shall not cut trees or other vegetation within a strip of twenty (20) meters on each side along the banks of creeks, rivers or streams, bordering or passing through their allocated land;
- h) They shall not cut or harvest timber crops when notified by the BFD that to do so would adversely affect the forest ecosystem; and
- i) They shall not transfer or assign their allocated land or any portion thereof without prior authorization from the BFD Director.

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SEC. 9. Program Components. The Program shall include the following components:

- a) Information Drive. The National Secretariat, thru the BFD Social Forestry Division, shall prepare and disseminate information to forest occupants which will explain and encourage their participation in the Program, as well as identify and package technology applicable to the project areas. The Project Teams and Social Forestry Officers shall assist in the dissemination of information preferably thru face-to-face dialogues with prospective program participants;
- b) Identification and assessment of Project Areas. The Bureau of Forest Development shall identify ISF Project Areas. Identified Project Areas shall then be assessed by the Project Teams or Social Forestry Officer as to forest occupancy and cultivation practices, land uses, market accessibility, topography, soil fertility, available hectarage, willingness of forest occupants to join the Program, support of local officials, claimte, on-going or proposed development projects, socio-economic and demographic information, significant problems and constraints. Based on the assessment, the Project Team or Social Forestry Officer concerned and the Social Forestry Division, together with the Program Participants, shall identify the project area needs and formulate the corresponding technology package.

The National Secretariat shall recommend areas that may be designated as Integrated Area Project which shall be implemented as such.

- c) Preparation of Management Plan. A Program Management/ Development Plan for each Project Area shall be prepared by the Project Team or Social Forestry Officers and Social Forestry Division in consultation with the concerned program participants. The plan shall include a description of the Project Area, its objectives, technology package, operational strategies, resource requirements, schedule of activities, marketing schemes, etc. and shall serve as guide in the development of the Project Area. The Project Team and/or Social Forestry Officer(s) shall assist

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participants in the final packaging of a Program Management development plan for implementation and if necessary, submission to institutions involved in KKK or other funding institutions.

- d) Census of Forest Occupants. The District Forester, in cooperation with NEDA/NCSC, shall conduct a census of all forest occupants. The data gathered shall include a demographic profile which will be used in the preparation of the Program Management/development Plan.
- e) Community Organization. The Project Teams and Social Forestry Officers shall facilitate the formation of associations and/or cooperatives of Program participants for registration with appropriate agencies and for possible accreditation under the Kilusang Kabuhayan at Kaunlaran (KKK) livelihood program of the government. Whenever possible the association shall reflect existing, indigenous leadership systems in the organizational structure.
- f) Perimeter and Parcel Surveys. The BFD Regional Director and District Foresters concerned, with the help of the Project Teams and Social Forestry Officers, shall effect the conduct of perimeter surveys of Project Areas and Communal Forest Leases and prepare corresponding standard ISF maps drawn to suitable scale.

A parcel survey of the land for allocation to individual Program participants shall be conducted, allocating three (3) to seven (7) hectares per individual. If the area cultivated by an individual Program participant is more than seven (7) hectares, the excess shall be divided among the participant's next-of-kin whose allocation is less than seven (7) hectares. Areas leased by Forest Communities on a communal basis will be allocated by the community pursuant to the native custom and accepted practices resulting from long period of association.

Land allocated to the individual program participants shall be made contiguous unless economic feasibility, indigenous cropping patterns or natural barriers prevent contiguity.

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All maps shall be approved by the barangay captain of the area or legitimate representatives of the Program participants within a Project Area before final submission to the District Foresters and National Secretariat.

- g) Processing and Issuance of Certificate of Stewardship. The Social Forestry Division of the BFD shall be primarily responsible in the processing and issuance of Stewardship Agreements;

Forest occupants may apply for Stewardship Agreements in the appropriate District Office. The District Office, in coordination with the concerned Project Team and/or Social Forestry Officer(s), shall process the application pursuant to this Order. If the applicant is qualified, the District Forester shall prepare a Stewardship Agreement in English or Pilipino and have it signed by the applicant. The District Forester will then endorse the Stewardship Agreement together with a preliminary sketch/map and other relevant documents to the Regional Director.

The Regional Director shall review the documents to determine compliance with existing regulations and completeness of the required papers. He shall cause the preparation of a standard ISF map and Certificate of Stewardship and shall see to it that the Stewardship Agreement is duly notarized. After reviewing the documents and once satisfied that it complies with existing regulations the Regional Director shall approve the Stewardship Agreement by affixing his signature to the Agreement above the word "GRANTOR". He shall then issue the Program participant a Certificate of Stewardship and shall give the original Stewardship Agreement to the Program participant. A copy of the Agreement shall also be given to the National Secretariat and the concerned District Forester for filing and recording.

The Regional Director shall review the documents concerning proposed Stewardship Agreements covering an area greater than seven (7) hectares. He shall cause the preparation of a standard ISF map and shall see to it that the Stewardship Agreement is duly notarized. After reviewing the documents and once satisfied that it complies with existing regulations the Regional Director shall endorse the application to the Director of BFD with all supporting documents.

If the Director of the BFD is satisfied that the documents supporting a Stewardship Agreement application for an area greater than seven (7)

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hectares is complete and in compliance with existing regulations, he shall approve the Stewardship Agreement and issue the Certificate of Stewardship. The Certificate and original Stewardship Agreement shall be given to the National Secretariat and the concerned District Forester for filing and recording of certificates.

The National Secretariat shall keep on file copies of all the Stewardship Agreements.

- h) Agro-Forestry Nursery. The Project Teams and/or Social Forestry Officer(s) shall establish in each project area, in cooperation with the Program participants, as many agro-forestry nursery as necessary and stock same with appropriate seeds and seedlings which will be made available to Program participants and nearby forest occupants.
- i) Training Program. The Project Team and/or Social Forestry Officer(s) will conduct periodic training programs for program participants to disseminate information on appropriate agro-forestry technology, community organization, financing and marketing.
- j) Development of Agro-Forest Farms. Program participants shall be encouraged to undertake the necessary steps to develop their allocated land, in accordance with the Program Management Plan, into Agro-Forest Farms. Program participants shall call the attention of the appropriate personnel of the BFD, the Ministry of Agriculture or other government agencies for assistance on plantation establishment, farm management and other services. Program participants shall simultaneously plant a combination of forest trees and agricultural crops to increase the productivity of the land. The cropping pattern to be employed shall give due consideration to the protection of the land from erosion. Livestock or fisheries may also be introduced, if appropriate.

Boundaries of land allocated to individual Program participants shall be planted with forest tree species.



- k) Program assistance. All the agencies concerned with the implementation of LOI 1260 shall render technical, organizational, legal, marketing, financial and other assistance to the program participants in concert with each other and as required by each individual project.

SEC. 10. Prohibited Areas. The following conditions will render an area prohibited from forest occupancy under this program:

- a) The area is located within a national park, critical watershed, proclaimed watershed or other reservation;
- b) Continued occupancy of the area would result in soil erosion, sedimentation of rivers and streams, reduction in water yield and impairment of other resources to the detriment of community and public interest;
- c) The area occupied is the subject of a valid timber lease agreement, pasture lease agreement, industrial tree plantation agreement, farm lease agreement or any approved government lease or project for purposes other than the ISF program.

Forest occupants of prohibited areas as indicated above shall be transferred after being given due notice and an opportunity to participate in the identification of their relocation site.

SEC. 11. Program Management. The Program shall be managed and implemented through an Executive Committee, to be assisted by a National Secretariat, the Bureau of Forest Development (BFD) Social Forestry Division, and appropriate Project Teams and Social Forestry Officers which are hereby organized or designated (Refer to Annex A):

- a) Executive Committee. PROFEM II shall be governed by an inter-agency Executive Committee to be chaired by the Minister of Natural Resources. The Committee shall include the Ministries of Natural Resources, Agrarian Reform, Agriculture, Education and Culture, Health, Human Settlements, Justice, Public Works, and Highways, Social Services and Development and Local Governments and

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the National Economic Development Authority. The Committee shall have the two-fold function of PROFEM II planning and policy making.

- b) National Secretariat. A National Secretariat shall be established and its composition appointed by the Minister of Natural Resources. The Secretariat shall provide overall direction and administration of program implementation. The Secretariat shall:
- 1) develop and coordinate the implementation and execution of ISF policy plans and projects through the Social Forestry Division of BFD and the duly constituted Project Teams and Social Forestry Officers,
 - 2) formulate and recommend guidelines in the identification, establishment and development of ISF projects,
 - 3) establish technical committees to conduct inter-disciplinary research and experimentation,
 - 4) monitor and evaluate field activities,
 - 5) assist in the identification of ISF project funding,
 - 6) provide the Executive Committee of the program with periodic reports on ISF program activities, and
 - 7) perform such other related functions as maybe assigned to it;
- c) Social Forestry Division. A Social Forestry Division shall be established in the Bureau of Forest Development. The Division shall provide staff support to the National Secretariat in the development of guidelines and coordination of the implementation and execution of ISF policies, plans, and projects, formulation of guidelines in the identification, establishment and development of ISF projects, the monitoring and evaluation of field activities, preparation of periodic reports; process applications

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for Stewardship Agreements thru its regional counterparts and shall carry out other functions which shall be assigned to it.

- d) Project Teams. The National Secretariat, in coordination with the Bureau of Forest Development, shall organize Project Teams which shall be responsible for the actual management and implementation of ISF program in areas designated as Integrated Area Projects.

The Team shall be composed mainly of appropriate BFD personnel from the Regional and District Offices supported by personnel from other member agencies as indicated by LOI 1260. The Project Team shall be under the direct supervision of the BFD Regional Director.

- e) Social Forestry Officers. The BFD in consultation with the National Secretariat, shall designate at least one Social Forestry Officer for each Project Area. He shall be responsible for actual management and implementation of ISF Programs in the Project Area under the direct supervision of the District Forester concerned.

SEC. 12. Death or Incapacity of a Program Participant. In the event of the death or incapacity of the Program Participant before the expiration of the Stewardship Agreement, the rights and privileges, emanating therefrom shall pass on to the Program Participant's next of kin who shall work on and develop the land in accordance with the terms of the Stewardship Agreement and for the remaining unexpired term.

SEC. 13. Cancellation of the Stewardship Agreement; Compensation. The Stewardship Agreement may be cancelled for any of the following causes:

- a) When a Program participant fails to comply with the terms and conditions of the Agreement within six (6) months after being notified of his neglect in writing by the Regional Director of BFD.
- b) Serious and continued violation of forestry laws, rules and regulations in the development of the area; and
- c) When public interest as determined by the Minister of Natural Resources so demands.

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In the event that the Stewardship Agreement is cancelled for any of the causes listed in this preceding paragraph, the former participant shall be entitled to a fair compensation for all permanent improvements introduced on the allocated land. The amount of compensation shall be based on the fair market value of such improvements as assessed by a government assessor or a disinterested and qualified third party as of the date of cancellation, minus all charges or other monetary obligations accruing to the government, if any. For this purpose, permanent improvements are those which could not be removed without damage to the land. Temporary improvements such as mature harvestable forest crops and such other improvements of similar nature shall be removed by the participant within a reasonable period to be determined by BFD.

SEC. 14. Institutional Linkage. The Secretariat shall initiate the establishment of linkages with other PROFEM II support agencies and shall coordinate the provision of technical and material assistance, infrastructure development, health care facilities and related social welfare and other services to program participants. The BFD Social Forestry Division, Regional and District Offices shall insure that workable and lasting institutional linkages among these support agencies at the National, Regional and District levels are effected.

SEC. 15. Monitoring and Evaluation. In order to assure the success of the Program, regular monitoring of the Project Areas shall be conducted by the Project Teams and/or Social Forestry Officers. Project Area reports shall be submitted to the National Secretariat every three months. A team composed of representatives from the support agencies may also be organized for this purpose.

SEC. 16. Reallocation of Resources. All appropriations, personnel and other resources intended for the:

- 1) implementation of the Program for Forest Ecosystem Management (PROFEM),
- 2) establishment and maintenance of Communal Tree Farm and Family Tree Farms,
- 3) Family Approach Reforestation,
- 4) Improvement of Kaingin Areas,
- 5) implementation of Agro-Forestry Project, and
- 6) Forest Occupancy Management



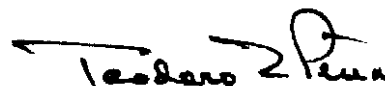
at the Central, Regional, and District Offices of the Bureau of Forest Development shall be redeployed and reallocated to the BFD Social Forestry Division, Project Teams and Social Forestry Offices to be used for the implementation of the Integrated Social Forestry Program or PROFEM II. The corresponding existing activities shall be modified and redirected accordingly to effect maximum benefits for Kaingineros and deserving forest occupants.

The corresponding resources at the Office of the Minister shall likewise be redeployed and reallocated for the use of the National Secretariat in the management of the ISF Program.

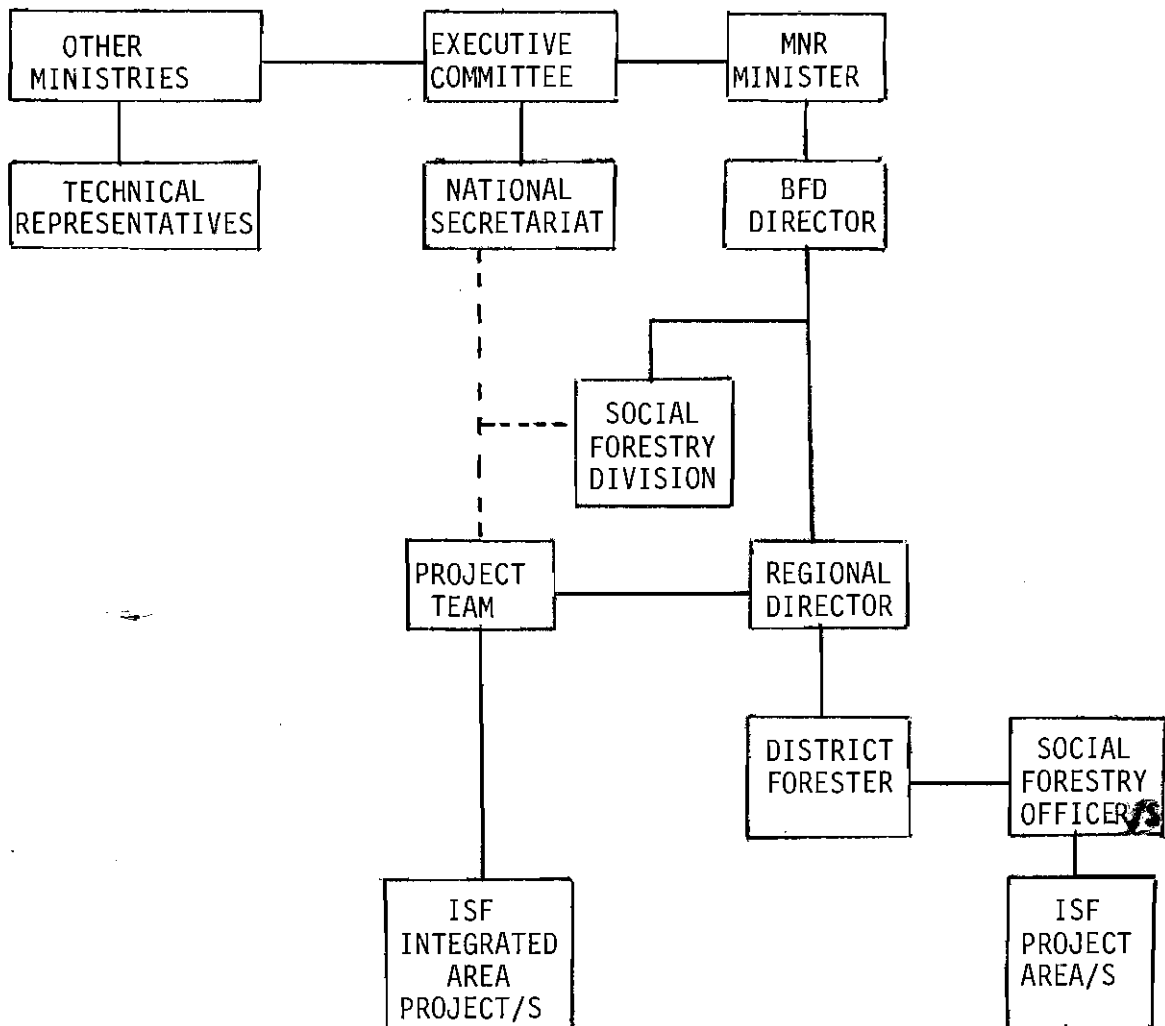
SEC. 17. Implementing Provision. The BFD Director may issue additional instructions and circulars as may be necessary for the effective implementation of this Order.

SEC. 18. Reference to Other Regulations. This Order revises, amends, repeals all existing forestry rules and regulations which are inconsistent herewith.

SEC. 19. Effectivity. This Order shall take effect immediately.


TEODORO Q. PEÑA
Minister

PROFEM II ORGANIZATIONAL STRUCTURE



EXECUTIVE COMMITTEE

Minister of Natural Resources-Chairman
 Minister of Agrarian Reform -Member
 Minister of Agriculture "
 Minister of Education & Culture "
 Minister of Health "
 Minister of Human Settlements "
 Minister of Justice "
 Minister of Public Works
 and Highways "
 Minister of Social Services
 and Development "
 Minister of Local Government "
 Director General of NEDA "

NATIONAL SECRETARIAT

Deputy Minister of MNR - Chairman
 Director of BFD - Vice Chairman
 MAR Representative - Member
 MA " "
 MOH " "
 MHS " "
 MOJ " "
 MEC " "
 MPWH " "
 MSSD " "
 MLG " "
 NEDA " "

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