



Republic of the Philippines  
Department of Environment and Natural Resources  
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**SPECIAL ORDER**  
No. 2021 - 540

OCT 13 2021

**SUBJECT : CREATION OF AN INTER-AGENCY COMMITTEE ON FOREST CHARGES (IACFC)**

In the interest of the service and pursuant to Section 6 of Republic Act No. 7161 (*An act incorporating certain sections of the National Internal Revenue Code of 1977, as amended, to Presidential Decree No. 705, as amended, otherwise known as "The Revised Forestry Code of the Philippines," and providing amendments thereto by increasing the Forest Charges on Timber and Other Forest Products*), an Inter-Agency Committee on Forest Charges (IACFC), and a Technical Working Group are hereby created in order to formulate the criteria and guidelines in the determination of the actual FOB market price of timber and other forest products to be used as basis for the assessment of the forest charges.

#### **I. Inter-Agency Committee on Forest Charges (IACFC)**

##### **A. Composition**

Chairperson : Undersecretary for Policy, Planning, and International Affairs, Department of Environment and Natural Resources (DENR)

Vice Chairperson : Director, Forest Management Bureau, DENR

##### **Members**

1. Director, Policy and Planning Service, DENR Central Office
2. Director, Financial and Management Service, DENR Central Office
3. Representative, Agriculture, Natural Resources, and Environmental Staff, Regional Development Group, National Economic Development Authority (NEDA)
4. Representative, Bureau of Trade and Industrial Policy Research, Competitiveness and Innovation Group, Department of Trade and Industry (DTI)
5. Representative, Collection Service Office, Bureau of Internal Revenue (BIR)
6. Representative, Philippine Wood Producers Association (PWPA)
7. Representative, Chamber of Furniture Industries of the Philippines (CFIP)

##### **B. Functions of the IACFC**

The IACFC shall perform the following functions:

1. Formulate the criteria and/or guidelines in the determination of the actual FOB market price;
2. Regularly review, assess, and update the FOB market price of timber and other forest products;
3. Submit to the DENR Secretary a report on the study and recommendation for the new/revised forest charges including justification;
4. Formulate and/or recommend amendments to policies related to forest charges;
5. Oversee the data collection and consolidation process of forest charges; and
6. Perform other tasks and/or functions related to the initiative.

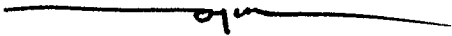
## II. Technical Working Group

A Technical Working Group (TWG) composed of officials and selected technical staff of the Forest Management Bureau (FMB) shall be created to extend technical and administrative support to the Inter-Agency Committee on Forest Charges. The TWG shall perform the specific tasks as follows:

1. Assist the IACFC in fulfilling its oversight responsibilities on specific technical matters;
2. Provide technical assistance in the formulation of criteria and guidelines;
3. Serve as venue for updating the members of IACFC of updates on policies, programs and activities of the forestry sector;
4. Invite other offices or experts as resource persons as necessary;
5. Act as secretariat to the IACFC; and
6. Undertake other relevant tasks as provided by the IACFC.

All related expenses to be incurred by the Committee, and its TWG shall be chargeable against Forest Management Bureau funds, subject to the usual accounting and auditing rules and regulations.

This Order shall take effect immediately.

  
**ROY A. CIMATU**  
Secretary

