

**Memorandum Order**  
**No. 12**  
**December 22, 1987**

**SUBJECT: Interim Guidelines on Expired or Expiring  
Timber License Agreements Prior to the  
Implementation of the Regulations to  
Implement E.O. 278**

Pursuant to E.O. 192 and 278 and in order to provide action on Timber License Agreements expired or expiring so as to avoid a gap from the period of expiration up to the period of implementation of E.O. 278, the following interim guidelines are hereby promulgated for implementation as follows:

1. Applications for Provisional Timber Production Agreements over expired or expiring Timber License Agreements shall be processed in accordance with the summary procedure herein attached as Annex A and Provisional Timber Production Agreement shall be entered into, subject to the following conditions:
  - a. the Provisional Agreement shall be for a period of six (6) months unless earlier terminated for the implementation of the new schemes under E.O. 278;
  - b. the applicant has not seriously violated selective logging, reforestation and forest protection rules and regulations;
  - c. the holder of the said Provisional Agreement shall participate in the conduct of prequalification and bidding of the license area upon implementation of the new scheme;
  - d. the holder of the Provisional Agreement shall assume all obligations defined under the terms and conditions of their expired timber license;
  - e. the applicant agrees to pay, exclusive of the BIR rates of forest charges and realty taxes, a new forest fee for forest management of P250.00 per cubic meters for First and Second Group timber only; and
  - f. the applicant shall file the application at the Regional Office concerned at least fifteen (15) days before expiry of the Timber License Agreement. For licenses that expired from February 2 to October 31, 1987, applications should be filed within 15 days from issuance of this Order and operations shall resume after approval of the Provisional

Timber Production Agreement. For those that expired from November 1 to December 31, 1987, applications should be filed within fifteen (15) days from issuance of this Order and the operations shall continue while the Provisional Timber Production Agreement is being processed. All applications should be filed together with the annual concession reports and the integrated operations plans for six (6) months.

2. This Order shall take effect immediately.

**FULGENCIO S. FACTORAN, JR.**  
Secretary