

**DENR Administrative Order
No. 97
Dec. 29, 1988**

**SUBJECT : Revised Regulations Implementing The
Integrated Social Forestry Program
under LOI 1260**

Pursuant to Executive Order 192, LOI 1260 implementing the Integrated Social Forestry (ISF) Program, and the Comprehensive Agrarian Reform Law, the following regulations and guidelines are hereby promulgated.

SECTION 1. Basic Policy. — To achieve the national objectives of economic and social development, it is the government policy to democratize the use 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 and assist kaingineros and other deserving forest occupants dependent on forest lands for their livelihood. The ISF Program shall therefore be pursued according to the following policy guidelines:

- 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 settlement 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 of the area, shall, as much as

possible, cover three to seven hectares.

- d. **Development of Forest Lands by Individuals.** Forest occupants dependent on the public forest for their livelihood shall be allowed and assisted in developing individually allocated parcels of open and denuded forest land into productive agroforestry farms 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 development and management plans where all government agencies indicated in LOI 1260 shall provide assistance as may be 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 resources 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 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 participants;
- 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 agroforestry products;
- h. Establishment of effective linkages to institutionalize synergy 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.

SECTION 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.
- b. **Forest Occupants** 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 designated area.
- 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 refers to Integrated Social Forestry.

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

- a. Individuals or heads of families who occupied forest lands prior to January 1, 1982; and
- b. National Minorities or tribal communities.

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.

SECTION 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 including mangrove swamps 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.

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

SECTION 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 Secretary of the Department of Environment and Natural Resources (DENR).
- 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 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 Bagong Kilusang Kabuhayan at Kaunlaran (BKKK) 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.

SECTION 8. Responsibilities of the Program Participants. —

The Program participants shall strictly observe and/or implement the following:

- a. Develop their land into productive farm to 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 Community Environment and Natural Resources Officers (CENRO) 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 CENRO in extinguishing forest fires within the Project Area.
- f. Plant at least five (5) edible fruit bearing trees 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 DENR 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 DENR Secretary.

SECTION 9. Program Components. — The Program shall include the following components:

- a. **Information Drive.** The National Secretariat 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 (SFOs) 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 Regional Executive Directors (REDs) shall identify ISF Project Areas. Identified Project Areas shall then be assessed by the Project Teams or SFO 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, climate, 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 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 Development Plan.** A Development Plan for each

Project Area shall be prepared in accordance with established guidelines by the Project Team or SFOs 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 SFOs shall assist participants in the final packaging of a Program Management Development Plan for implementation and if necessary, submission to institutions involved in BKKK or other funding institutions.

- d. **Census of Forest Occupants.** A complete census of forest occupants shall be taken in coordination with concerned agencies. The data gathered shall include a demographic profile which will be used in the preparation of the Project Development Plan.
- e. **Community Organization.** The Project Teams and SFOs shall facilitate the formation of associations and/or cooperatives of Program participants for registration with appropriate agencies and for possible accreditation under the BKKK livelihood program of the government. Existing organizations shall be recognized and strengthened to improve their capabilities in the development of agroforestry farms/plantations and other livelihood projects. In areas where there are no existing organization(s) among ISF Program participants, they shall be encouraged to organize into associations or cooperatives and develop them as effective government's counterparts in the implementation and supervision of social forestry projects.
- f. **Perimeter and Parcel Surveys.** The Regional Executive Director (RED) and CENRO concerned with the help of the Project Teams and SFOs 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 survey of the parcels allocated to individual Program participants shall be conducted, allocating three (3) to seven (7) hectares per individual. If the area cultivated by an individual Program participants is more than seven (7) hectares, the excess shall be divided among the participant's next-of-kin whose allocation, if any, 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 barrier's prevent contiguity.

- g. **Processing and Issuance of Certificates of Stewardship.** The RED shall be primarily responsible in the processing and issuance of Stewardship Agreements.

Forest occupants shall apply for Stewardship Agreement in the appropriate CENRO. The CENRO, in coordination with the concerned project team and/or SFO(s), shall process the application pursuant to this Order. If the applicant is qualified, the Social Forestry Unit Head shall prepare a Stewardship Agreement, which need not be notarized, in English or Pilipino, and the ISF standard map and attached them to the individual Certificate of Stewardship.

The CENRO shall review the documents to determine compliance with existing regulations and completeness of the required documents. After reviewing the documents and if satisfied that it complies with existing regulations, he shall then approve the Stewardship Certificate covering an area of not more than five (5) hectares. The CENR Officer shall then issue the Program participant the duplicate copy of the Stewardship Certificate. A copy of the Stewardship Certificate shall be sent to the National Secretariat, the CENRO retains a copy for his file and record. The original copy of the Agreement shall be forwarded to the Regional Office for proper control and record. Stewardship Certificate together with the ISF standard map and other relevant documents covering areas more than five (5) hectares shall be endorsed to the RED.

The RED shall review the documents and when satisfied that it complies with existing regulations, shall approve the Stewardship Certificate covering an area of more than five (5) hectares up to seven (7) hectares.

The National Secretariat shall keep copies of all approved Stewardship Certificates.

- h. **Nursery and Demonstration Farm Establishment.** Each ISF Project shall have a central nursery to ensure the continuous supply of high quality planting materials and a demonstration farm to serve as show window of appropriate agroforestry technologies for the upland farmers. Nurseries and demonstration farms shall be constructed on newly established areas including those on-going projects where nurseries and demonstration farms are deemed necessary as determined by the participants and SFO concerned.
1. As much as possible, the area of the nursery to be established should be contiguous with the demonstration farm with a minimum area of one (1) hectare for every three hundred hectares total project area.
 2. The bunkhouse to be constructed should be spacious enough to accommodate the SFTs, SFOs, tools and/or equipment and shall serve as multi-purpose hall for the community such as farmers' meetings and trainings.
 3. The nursery and the demonstration farm shall be constructed by the community through self-help or bayanihan system with the direct supervision of the SFO and SFT.
 4. The bunkhouse and other facilities should be made from readily available indigenous materials and should have a minimum service life of not less than 5 years.
 5. The nursery and the demonstration farm shall be jointly managed by the concerned DENR personnel and the community, the proceeds of which shall accrue to the farmer participants.
- i. **Development of Agroforest 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 FMB, the Department of Agriculture and 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.

- j. **Training Program.** The Project Team and/or SFO(s) will conduct periodic trainings for program participants to disseminated information or appropriate agroforestry technology, community organization, financing and marketing.
- 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.
 - 1. Construction of Access Roads and ISF Project Trails. There shall be constructed access roads and trails in the ISF Projects strategically located to facilitate farm development including the transport of all products derived therein. In areas where there are already existing access roads/trails, the same shall be maintained and developed to enhance mobility in the project.
 - 1.1 The construction of access road shall be undertaken with the support of the local government concerned and in coordination with the Department of Public Works and Highways. Provided, that access roads shall be constructed only when and if absolutely necessary.
 - 1.2 Access trails with a minimum density of 100 m/ha and a maximum width of one (1) meter shall be constructed through Bayanihan system utilizing the existing community organizations or associations.
 - 2. Water Impounding Dams. Whenever feasible and as many as necessary, water impounding dams shall be constructed in each ISF Project.

3. Fertilizer may be supplied to Program participants at cost or at subsidized price.

All assistance to be provided by the participating agencies as provided by LOI 1260, in addition to the above, shall be covered by a Memorandum of Agreement, subject to PARC approval.

SECTION 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 is the subject of a valid timber license agreement (TLA), pasture lease agreement (PLA), industrial tree plantation lease agreement (ITPLA), agroforestry farm lease agreement (AFLA) or any approved government lease or project for purposes other than the ISF Program.

The foregoing provisions to the contrary notwithstanding, the following areas may be allowed for development:

- 1) Areas within existing TLA, PLA, ITP or AFLA which have been occupied as of December 31, 1981 and developed up to the present, and are devoid of standing timber, and where there is consent, either actual or implied or acquiescence by the license or lease holder.
- 2) Communal forest, communal pasture or any other BFD Project which has ceased to serve its original intention, neglected or abandoned as determined by a study team to be designated by the Secretary.

Forest occupants prohibited areas as indicated above shall be relocated after being given due notice and an opportunity to participate in

the identification of their relocation site.

SECTION 11. Program Management. — The Program shall be managed and implemented through an Executive Committed to be assisted by a National Secretariat (refer to Annex A), the FMB Social Forestry Division, and appropriate Project Teams and Social Forestry Officers.

- a. **Executive Committee.** The ISF Program shall be managed by an inter-agency Executive Committed to be chaired by the DENR Secretary. The Committee shall include the Secretaries of Environment and Natural Resources, Agrarian Reform, Agriculture, Education, Culture and Sports, Health, Justice, Public Works and Highways, Social Services and Development, and Local Governments and the NEDA Director General. The Committee shall have two-fold function of ISF Program planning and policy making.
- b. **National Secretariat.** A National Secretariat shall be established and its composition appointed by the Secretary of Environment and 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 FMB and the duly constituted Project Teams and Social Forestry Officers.
 - 2) Formulate and recommend guidelines in the identification, establishment, and development of ISF projects.
 - 2) Establish technical committees to conduct inter-disciplinary research and experimentation;
 - 3) Monitor and evaluate field activities;
 - 4) Assist in the identification of ISF project funding;
 - 5) Provide the Executive Committee of the Program with periodic reports on ISF program activities; and

- 6) Perform such other related functions as maybe assigned to it.
- c. **Social Forestry Division.** The Social Forestry Division shall be strengthened and 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 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 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 personnel from the Regional Offices supported by personnel from other member agencies as indicated by LOI 1260. The Project Team shall be under the direct supervision of the RED.

- e. **Social Forestry Officers.** The RED 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 Program in the Project Area under the direct supervision of the CENRO concerned.

SECTION 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.

SECTION 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 RED;
- 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 Secretary of DENR so demands.

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 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 cannot be removed without damaged to the land. Temporary improvements of similar nature shall be removed by the participant within a reasonable period to be determined by the DENR.

SECTION 14. Institutional Linkage. — The Secretariat shall initiate the establishment of linkages with other support agencies and shall coordinate the provision of technical and material assistance, infrastructure development, educational, health care facilities and related social welfare and other services to Program participants. The FMB Social Forestry Division, Regional, PENR and CENR Offices shall insure that workable and lasting institutional linkages among agencies at the regional, provincial and community levels are effected.

SECTION 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 SFOs. Project Area report 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.

The Regional Office shall regularly monitor, evaluate and

document existing social forestry projects within their jurisdiction. They shall submit to the DENR Central Office reports highlighting problems and opportunities including recommendations to further improve ISF program/projects implementation.

SECTION 16. Technical Assistance and Services. — Technical Assistance shall be provided to ISFP participants, particularly on community organizing, agroforestry development, marketing of agroforestry products, soil and water conservation and forest livelihood projects. The REDs shall see to it that SFTs are assigned and devote most of their time in social forestry projects to assist the Program participants in the development and management of the project.

SECTION 17. Participation of Non-Governmental Organizations (NGOs). NGOs shall be tapped to participate in the various program components, specifically but not limited to, census of forest occupants, community organization, information and technology dissemination, and monitoring and evaluation of agroforestry projects. These NGOs shall be identified and selected from the existing Inventory of NGOs and Other Private Organizations of the Department.

SECTION 18. Integrated Social Forestry Funds. ISFP funds shall be used exclusively to support the Program implementation. REDs shall see to it that funds allocated for ISFP are properly programmed to finance social forestry activities.

SECTION 19. Additional Guidelines. The Undersecretary for Field Operations may issued additional instructions and circulars as may be necessary for the effective implementation of this Order.

SECTION 20. Repealing Clause. This Order supersedes MAO 48, Series of 1982 and revises/amends all existing forestry rules and regulations which are inconsistent.

SECTION 21. Effectivity. This Order shall take effect immediately.

(Sgd.) FULGENCIO S. FACTORAN, JR.
Secretary

EXECUTIVE COMMITTEE

Secretary of Environment and Natural Resources	-	Chairman
Secretary of Agrarian Reform	-	Member
Secretary of Agriculture	-	Member
Secretary of Education, Culture and Sports	-	Member
Secretary of Health	-	Member
Secretary of Justice	-	Member
Secretary of Public Works and Highways	-	Member
Secretary of Social Services and Development	-	Member
Secretary of Local Government	-	Member
Director General of NEDA	-	Member

NATIONAL SECRETARIAT

Undersecretary for Field Operations	-	Chairman
Director of FMB	-	Vice Chairman
DAR Representative	-	Member
DA Representative	-	Member
DOH Representative	-	Member
DOJ Representative	-	Member
DECS Representative	-	Member
DPWH Representative	-	Member
DSSD Representative	-	Member
DLG Representative	-	Member
NEDA Representative	-	Member

ANNEX A

ISF ORGANIZATIONAL STRUCTURE

