

**DENR CIRCULAR
NO. 1
Aug. 18, 1988**

**SUBJECT : Clarifying the Policies and Guidelines
on the Reforestation Deposit.**

Pursuant to the provisions of DENR Administrative Order No. 63, Series of 1988 and after due consultation with the Philippine Wood Products Association, the following are hereby issued to clarify certain policies and guidelines concerning Fund Deposit:

9. The option of a timber licensee/permittee to waive and contract out his reforestation obligation previously allowed under the existing guidelines are hereby suspended. Towards this end, the concerned timber licensee/permittee shall, by himself, undertake the reforestation activities. However, if the licensee/permittee decides to hire a reforestation contractor, said licensee/permittee shall be fully responsible for his contractor's performance.
10. The corresponding Reforestation Deposit as determined by the Secretary shall still be required and deposited by the licensee/permittee concerned to the PWPA Reforestation Trust Fund.
11. The proviso of existing guidelines whereby all timber licensee/permittees required to submit an Integrated Annual Operations Plan (IAOP) shall comply with the Reforestation Deposit requirement shall not apply to Special Timber Licenses/Permits to cut softwood (e.g. Gubas), Private Land Timber Licenses, or similar licenses to cut a few selected timber species. In this connection, the Forest Management Bureau shall prepare and circularize to all concerned a listing of all licensee/permittees who are required under existing regulations to submit an IAOP and the payment of the Reforestation Deposit.
12. On the matter of undertaking reforestation activities in areas outside the timber concession area for the reason that there are no available open areas, or the available areas are insufficient to cover the required hectarage based on the approved IAOP, the 50% requirement shall be based on the original targetted reforestation goal

of the IAOP.

13. The DENR shall closely monitor the reforestation activities of the licenses/permittees.
14. With respect to procedure of disbursement, withdrawals and disbursement on the reforestation deposit based on the work and financial plan shall be submitted under oath by the licensee/permittee direct to the PWPA Management Committee. The amount received by the licensee from the Reforestation Trust Fund shall be held in trust by the licensee to be spent only for the specific purpose of reforestation as mandated under DENR Administrative Order No. 79, Series of 1987.
15. Maintenance and protection of areas planted in the ensuing years will still be responsibility of the TLA holder.
16. All existing policies and guidelines on the Reforestation Deposit which are adversely affected by the foregoing clarifications are hereby suspended. In lieu thereof, the provisions of this circular shall apply.
17. This Circular shall take effect immediately.

(Sgd) FULGENCIO S. FACTORAN, JR.
Secretary