

**MEMORANDUM CIRCULAR**

No. 04,

**TO :** All Regional Executive Directors  
All DENR Personnel Concerned  
All Reforestation Contractors  
All Forest Licensees, Leasees, Permittees  
Concerned

**FROM :** The Secretary

**SUBJECT:** On the Matter of Acceptable Survival  
Percentage for Forest Plantations.

For purposes of setting a minimum acceptable survival percentage for forest plantations established and developed through contracts, by administration, or by forest licensees, leasees, permittees concerned, it shall henceforth be the policy of the Department that for such forest plantations to be considered as fully-established, the percentage of survival shall be eighty per cent (80%) or higher at two (2) years after planting.

For this purpose, the following terms of reference shall invariably apply:

1. The survival count shall be reckoned from the original spacing or density prescribed in the development plan of the area. *No subsequent adjustments of density or spacing shall be done without prior written approval of the Regional Executive Director concerned.*
2. The survival count shall include only those individual plants that are robust, vigorous, and of good form; diseased or malformed plants shall not be included.

Henceforth all plantations shall only be considered as being fully planted if the aforementioned survival count is satisfied. Plantations established through contract shall only be accepted by the Department when the prescribed survival percentage is met at the time of turn-over; plantations established by government administration shall likewise be considered as fully-established only when the above-prescribed survival percentage is met. This standard shall also apply for all plantations developed by timber licensees, Industrial Tree Plantations Leasees, Tree Farm Leasees, Agro-Forest Farm Leasees and other licenses/leasees/permittees concerned.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on March 7, 1987

MEMORANDUM CIRCULAR

No. 05

**SUBJECT: Delegation of Authority to Regional Executive Directors to Review and Approve Prequalified/Predisqualified Applications of Small Entrepreneurs to Bid for Rattan Cutting Areas**

To facilitate bidding of rattan cutting areas allocated for small entrepreneurs, authority to review and approve prequalified/predisqualified applications of small entrepreneurs pursuant to Section 15 of DENR Administrative Order No. 04, Series of 1989 entitled "Revised Regulations Governing Rattan Resources," is hereby delegated to Regional Executive Directors (REDs), considering that prequalification documents and requirements for small entrepreneurs are submitted at the office of the RED pursuant to Section 12 thereof.

The REDs shall submit a report to the Secretary, through the Central Rattan Screening Committee, on actions taken regarding rattan applications received for information and records purposes.

Henceforth, all Regional Rattan Screening and Awards Committees created by the REDs pursuant to Section 13 of the above-mentioned administrative order, shall be chaired by the Regional Technical Director (RTD) for forest Management who shall recommend actions to be taken on rattan applications to their respective REDs.

For the guidance and compliance of all concerned.

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

Signed on May 04, 1989

**MEMORANDUM CIRCULAR**

No. 07

**TO :** All Regional Executive Directors, Provincial and  
Community Environment and Natural Resources  
Officers

**SUBJECT:** Stoppage of the Issuance of Agroforestry Farm Lease  
Agreement.

In the interest of the service and in order to provide more areas for the Program D of the Comprehensive Agrarian Reform Program, Agroforestry Farm Lease Agreement as a form of special forest use is no longer allowed. Henceforth no applications for AFLA's shall be entertained. Agroforestry shall now be practiced only in areas covered or to be covered by Certificates of Stewardship Contracts (CSC) through the ISF or CARP.

You are further instructed to insure that the following are done immediately.

1. Evaluate all existing AFLA's in your area of jurisdiction and determine if they have complied with the terms and conditions of the lease agreement;
2. Recommend AFLA's that merit continuous operation and those that have to be cancelled based on the evaluation;
3. Inform those with pending applications for AFLA's within your jurisdiction about this policy. They may instead opt to go into tree farming on Industrial Tree Plantation development.

Please be guided accordingly.

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

Signed on June 15, 1989

**MEMORANDUM CIRCULAR**

No. 07

**TO :** All Regional Executive Directors, Provincial and  
Community Environment and Natural Resources  
Officers

**SUBJECT:** Stoppage of the Issuance of Agroforestry Farm Lease  
Agreement.

In the interest of the service and in order to provide more areas for the Program D of the Comprehensive Agrarian Reform Program, Agroforestry Farm Lease Agreement as a form of special forest use is no longer allowed. Henceforth no applications for AFLA's shall be entertained. Agroforestry shall now be practiced only in areas covered or to be covered by Certificates of Stewardship Contracts (CSC) through the ISF or CARP.

You are further instructed to insure that the following are done immediately.

1. Evaluate all existing AFLA's in your area of jurisdiction and determine if they have complied with the terms and conditions of the lease agreement;
2. Recommend AFLA's that merit continuous operation and those that have to be cancelled based on the evaluation;
3. Inform those with pending applications for AFLA's within your jurisdiction about this policy. They may instead opt to go into tree farming on Industrial Tree Plantation development.

Please be guided accordingly.

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

Signed on June 15, 1989

MEMORANDUM CIRCULAR

No. 09

TO : ALL Regional Executive Directors

SUBJECT : **Clarification on DENR Administrative Order No. 19, Series of 1989 re: Lumber Export Ban.**

This Office has been informed that there are delays or cancellation of vessels contracted to ship lumber for export which will prevent the exporters to ship their cargoes up to June 30, 1989, the deadline set for lumber exportation.

For the guidance of all, you may allow shipment even after June 30, 1989 on the following conditions:

1. The lumber are already in the loading point by June 30, 1989;
2. There is a confirmed vessel booking by June 30, 1989; and
3. The authority to export has been approved by May 15, 1989.

Such booked shipments can only be allowed up to July 30, 1989.

Please be guided accordingly.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on June 26, 1989

**MEMORANDUM CIRCULAR**

No. 10

**TO : All Regional Executive Directors**

**FROM : The Secretary**

**SUBJECT: Further Clarification on the Lumber Export Ban.**

With reference to DENR Administrative Order No. 19 dated 17 March 1989 on the lumber export ban, particularly Sec. 3.3 thereof, please be informed that kiln-dried S4S lumber which are not more than the following dimensions: 2 inches or 5.1 centimeters thick, 12 inches in width, and 40 inches in length, are considered components of finished wood products. However, in order to discourage the export of large pieces of lumber and promote the manufacture of more-value-added finished wood products, these types of materials/components shall be allowed for export only up to December 31, 1989.

Please be guided accordingly.

**CELSO R. ROQUE**  
Acting Secretary

Signed on June 28, 1989

# DENR MEMORANDUM CIRCULAR

No. 11

**SUBJECT : Rules and Regulations in the Implementation of Contract Reforestation Projects.**

## 1.0 *PURPOSE*

This circular is issued to provide guidelines, rules and procedures in the implementation of the National Forestation Programs.

## 2.0 *COVERAGE*

This circular shall apply to all Contractual Reforestation Projects funded out of appropriations released to and administered by the DENR as well as by other national and local government agencies involved in the National Forestation Program.

## 3.0 *DEFINITION OF TERMS*

### 3.1 Reforestation

Reforestation means the planting of an area in forest land using perennial plant species, usually dominated by trees and other forest species including the attendant preliminary activities such as seedling production, site preparation, construction of trails and access roads & bridges as well as maintenance of plantations. Reforestation may also include watershed rehabilitation and such silvicultural treatment as timber stand improvement, assisted natural regeneration, and other similar activities that may result in the creation or improvement of forest lands.

### 3.2 Contract

Contract means an agreement between the government represented by the DENR or any other government agency involved in the National Forestation Program and an entity or individual whereby the latter agrees to implement an activity or a series of activities pursuant to the terms and conditions of the agreement.

### 3.3 Contract by Public Bidding

This is a contract awarded after conducting public bidding which involves the publication and dissemination of invitations to bid and terms of reference, specifications, prequalification of bidders, acceptance of bids, selection from among the prequalified bidders and the awarding of the reforestation contract to the most qualified bidder.

### 3.4 Negotiated Contract

A negotiated Contract is a contract that dispenses with public bidding or entered into after failure of bidding and is usually awarded in accordance with Executive Order No. 301.

### 3.5 Prequalification, Bids and Awards Committee

The Prequalification, Bids and Awards Committee (PBAC) created for the purpose, is a body that provides prospective contractors with notice of pre-qualification and other relevant information regarding the proposed work, including a brief technical description of work as to size, major items and other important features of the work to guide in evaluating their capabilities, evaluates bidder's qualifications and bids and makes recommendations on the result of bidding.

### 3.6 Family Reforestation Contract

Family Reforestation Contract refers to a contract entered into by and between the Government represented by the DENR or any other government agency involved in the National Forestation Program and the head of the family for a reforestation area of 1-5 has.



### 3.7 Community Reforestation Contract

Community Reforestation Contract refers to a contract entered into by and between the Government represented by the DENR or any other government agency involved in the National Forestation Program and a duly recognized entity such as the barangay, cooperative, foundation, civic and/or religious organization acting for and in behalf of residents of a community located in or adjacent to a reforestation site for areas not exceeding 100 has.

- 3.7.1 For the purpose of this Circular, an association is a group of at least 15 members who may or may not be registered in any government office with the president and the treasurer named as liable persons. They shall however be encouraged to register in appropriate government agencies.
- 3.7.2 The barangay referred here is the barangay government structure, represented by the Captain and the Kagawads, among whom authorized signatories are chosen, as documented in a barangay council resolution.

### 3.8 Corporate Reforestation Contract

Corporate Contract refers to a contract entered into by and between the Government represented by the DENR or any other government agency involved in the National Forestation Program and the private corporations, non-government organizations, and other formal/legally constituted entities for purposes of profit and other legitimate objectives of the entity concerned.

### 3.9 Memorandum of Agreement

Is a contract entered into by and between DENR and other government agencies, government controlled corporations and local government units to undertake reforestation activities as defined in Sec. 3.1.

### 3.10 Contract Cost

Contract cost refers to the amount of reforestation contract which includes other related expenditures incurred in the execution of the contract such as wages, cost of seedlings, small infrastructures such as potting sheds, nurseries, trails and small bridges, and cost of preparing the site, planting, project management and supervision, taxes, etc. and maintaining the plantation. The contract cost may cover the cost of a specific activity or activities necessary to be undertaken until the area is planted and maintained and all other activities specified in Sec. 9-b of DENR Memorandum Circular No. 11, Series of 1989, dated October 1988, Annex A of this circular.

### 3.11 CONTRACT DURATION

A reforestation contract's duration is 3 years starting from pre-establishment activities to maintenance.

- 3.11.1 The first year includes pre-establishment activities to actual planting and maintenance.
- 3.11.2 The second and the third years are devoted to maintenance (weeding and protection) of plantation.
- 3.11.3 The contract duration may be shortened depending on its coverage. An example is where the contract covers only a specific activity such as seedling production.

### 3.12 RED

RED refers to the Regional Executive Director to whom the authority of approving individual contracts with cost not exceeding P2,000,000 has been delegated by the Secretary of the DENR.

### 3.13 RTD

RTD refers to the Regional Technical Director for Forestry who assists the RED and has been delegated the authority to approve individual contracts with cost not exceeding P1,500,000.

### 3.14 PENRO

PENRO refers to the Provincial Environment and Natural Resources Office and to the Provincial Environment and Natural Resources Officer, to whom the authority to approve contracts with individual cost not exceeding P1,000,000 has been delegated by the Secretary of the DENR.

### 3.15 CENRO

CENRO refers to the Community Environment and Natural Resources Office and to the Community Environment and Natural Resources Officer, to whom the authority to approve contracts with individual cost not exceeding ₱ 100,000.00 has been delegated by the Secretary of the DENR.

### 3.16 Advance Payment/Mobilization Fund

Advance payment/mobilization fund not exceeding 15% of contract price as allowed by the President of the Philippines is the amount which shall be paid in accordance with a schedule, to the Contractor after signing of the contract and shall be deducted proportionately from the progress payments, in accordance with the guideline prescribed by the DENR.

### 3.17 NGO

NGO refers to non-government organization. Preferably a non-profit group, which may or may not be duly registered with the Securities and Exchange Commission (SEC) and or the Department of Science and Technology or any other appropriate government agency that has secured written authorization from all the proposed participants to represent them as their linkage with the DENR.

### 3.18 Special Disbursing Officer

Special Disbursing Officer (SDO) is a bonded employee authorized to pay out cash and issue checks in settlement of accounts.

## 4.0 *SPECIFIC GUIDELINES AND PROCEDURES*

### 4.1. Contract

4.1.1 Contracts may be awarded either through negotiated procedures or public bidding For families, communities, associations and non-government organizations, negotiated contract shall be allowed.

4.1.2 Contracts entered into with families, associations and communities need not be notarized. However, such contracts must be subscribed and sworn to before the Administrative Officer/Assistant of the Provincial and Community Natural Resources Offices, as the case may be and shall be recorded in a separate logbook exclusively for the purpose. All other contract shall be notarized.

### 4.2 Administrative Arrangements

4.2.1 Negotiated contracts may be entered into for families and communities. The contract cost, however, must be in accordance with the Approved Agency Estimate (AAE) as approved by the Secretary, DENR.

All other contracts may also be negotiated as provided for by EO 301 under any of the following situations:

- a) Whenever the supplies and services are urgently needed to meet an emergency which may involve the loss of, or danger to, life and/or property;
- b) Whenever the supplies and services are to be used in connection with a project or activity which cannot be delayed without causing and detriment to the public service;
- c) Whenever materials and services are sold by an exclusive distributor or manufacturer who does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained elsewhere at more advantageous terms to the government;
- d) Whenever the suppliers and services under procurement have been unsuccessfully placed on bid for at least two consecutive times, either due to lack of bidders or the offers received in each instance were exorbitant or non-confirmed to specifications;

- e) In cases where it is apparent that the requisition of the needed supplies and services through negotiated purchase is most advantageous to the government to be determined by the Department Head concerned; and
  - f) Whenever the purchase is made from an agency of the government.
- 4.2.2 Public bidding shall be announced through advertisements in newspaper/s of general circulation or posting the same in at least three (3) conspicuous places, like provincial/city/municipal buildings, markets and the like for at least 10 days. Award shall be made after three (3) days of bid submission.
- 4.2.3 Construction of permanent improvements under Contract Reforestation projects such as access roads, trails, bridges, pottings sheds, nurseries and similar structures within the area are not considered infrastructure in so far as P.D. No. 1594 is concerned.
- 4.2.4 The Certificate as to Availability of Funds (CAF) covering the full contract or first year amount whichever is appropriate signed by the Chief Accountant/Head of Accounting Units, shall be attached to and become an integral part of the proposed contract. The sum certified shall not thereafter be made available for expenditure for any other purpose until the obligation of the government under the contract is fully extinguished.
- 4.2.5 The Chief Accountant/Head of the Accounting Unit, shall sign as witness in the contract in addition to the required CAF. Contract not so witnessed and not supported by a CAF shall be considered null and void.
- 4.2.6 The CAF shall form part of the supporting documents of the contract for which the cash advances are released to the CENRO. The CENRO shall be furnished a copy of the contract and the CAF for funds control and record purposes.
- 4.2.7 One or more Special Disbursing Officers may be designated to take charge of the disbursement functions at the CENRO or PENRO.

- 4.2.8 Cash Payment; may be made out of cash advances (CA) for an amount not exceeding P15,000 for any one payment.
- 4.2.9 Based on the agreed schedule, the Contractor shall submit a Statement of Account (SA). Such SA shall be verified and certified as to reasonableness by the personnel concerned duly designated by the RED, PENRO and CENRO, as the case may be.
- 4.2.10 Official receipt need not be required for payment made to families, tribal communities, community organizations and such other similar organizations. To acknowledge the receipt of payment, the Contractor shall simply sign the RECEIVED box of the Disbursement Voucher. As a safeguard, a witness shall sign and accomplish the space provided for in the lower portion of the Disbursement Voucher. All other contractors shall issue the corresponding officials receipts to acknowledge the payments received.

## 5.0 FUNDS FLOW

### 5.1 Interim procedures

These interim procedures will be adopted pending the implementation of the provincial accounting system whereby allotments and funding warrants will be released directly to the Provincial Environment and Natural Resources Offices.

- 5.1.1. Funds Needed To Pay Family and Community Contracts
  - 5.1.1.1. Funds needed to pay mobilization and progress billings for family and community contract shall be released by the regional offices in the form of cash advance to the disbursing officers/special disbursing officers of the CENRO and PENRO, (wherever the payment is to be done).
  - 5.1.1.2. The cash advance shall be supported by a list of contractors, number of hectares or activities covered by the contract and amounts due and payable per contract based on scheduled billing.

- 5.1.1.3. The cash advance granted to a disbursing officer/ special disbursing officer shall be liquidated immediately after its purpose has been achieved, i.e. paying scheduled billings.
- 5.1.1.4. No new cash advance shall be issued to a disbursing officer, unless the previous cash advance is liquidated.
- 5.1.1.5. Payment of billings of family and community contract is authorized to be made in cash but any billing/payment shall not exceed P15,000.00.
- 5.1.2. Billings arising from corporate contracts shall all be paid in check at regional or provincial office based on the delegation of authority in Sect. 6 hereof.
- 5.2 Procedures During the Operation of the Provincial Accounting Systems.
  - 5.2.1 Under the Provincial Accounting System, the allotment and funding warrant for reforestation contracts may be released by the Department of Budget and Management to the Provincial Environment and Natural Resources office, as indicated in the Work and Financial Plan.
    - 5.2.1.1. Funds needed to pay mobilization and progress billings for family and community contract shall be released in the form of cash advance by the Provincial Environment and Natural Resources Office (PENRO) to the special disbursing officer/s of the CENRO.
    - 5.2.1.2. The cash advance shall be supported by a list of contractors, number of hectares or the activities covered by the contract.
    - 5.2.1.3. Payment of advance fund and progress billing for family and community contracts may be made in cash but any one billing/payment shall not exceed P15,000.00.
    - 5.2.1.4. The cash advance granted to special disbursing officers shall be liquidated immediately after its purpose has been achieved, i.e. paying scheduled billings.

5.2.1.5. No cash advance shall be issued to special disbursing officer unless the previous cash advance is liquidated.

5.2.2. Payment of billings for contracts payable at the PENRO shall be made through checks at the PENRO.

6.0 *DELEGATION OF AUTHORITY*

6.1 The authority to enter into the various contracts and approve payment is delegated as follows:

6.1.1 Authority to enter into Contract

Transaction	Recommending Official	Approving/Signing Official
6.1.1.1. Family Approach Contract		
-not more than P100,000	Forestry Supervisor I	CENRO
6.1.1.2. Community Contract		
-more than P100,000 to P1,000,000	CENRO	PENRO
-more than P1,000,000 to P1,500,000	PENRO	RTD Forestry
-more than P1,500,000 to P2,000,000	PENRO and RTD Forestry	RED
6.1.1.3. Corporate Contract		
-not more than P100,000	Forestry Supervisor I	CENRO
-more than P100,000 to P1,000,000	CENRO	PENRO
-more than P1,000,000 to P1,500,000	PENRO	RTD Forestry
-more than P1,500,000 to P2,000,000	PENRO and RTD Forestry	RED



–more than P2,000,000 but not exceeding P10,000,000	RED	Secretary & 2 USECs
–more than P10,000,000	RED/Sec.	President
6.1.2 Voucher Covering Payment		
6.1.2.1 Family Approach Contract		
–not more than P30,000	Forestry Supervisor I	CENRO Countersigned by the PENRO
6.1.2.2 Community Contract		
–not more than P30,000	Forestry Supervisor I	CENRO Countersigned by the PENRO
–more than P30,000 to P300,000	CENRO	PENRO
–more than P300,000 to P500,000	PENRO	RTD Forestry
–more than P500,000 to P2,000,000	RTD Forestry	RED
6.1.2.3 Corporate Contract		
–not more than P30,000	Forestry Supervisor I	CENRO Countersigned by the PENRO
–more than P30,000 to P300,000	CENRO	PENRO
–more than P300,000 to P500,000	PENRO	RTD Forestry
–more than P500,000 to P2,000,000	RTD Forestry	RED
* Provincial Account . . . . .	PENRO and RTD	RED
Regional Account . . . . .	RTD	RED

–P2,000,000 and above	RED	Secretary or USEC for Operations.
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\* **Provincial Accounts** means contracts funded out of provincial funds.

**Regional Account** means contracts funded out of regional fund.

#### 6.1.2.4 Signing and Countersigning of Checks

–not more than P300,000	PENRO Administrative Officer	PENRO
–more than P300,000 but not exceeding P500,000	Regional Budget Officer and Financial Service Chief or any RTD that the RED may designate	RED or any other RTD that the RED may designate
–more than P500,000 to P2,000,000	RTD Forestry	RED
–more than P2 million	RED	Secretary or USEC for Operations

### 7.0 *Reforestation Cost*

- 7.1 The unit cost per hectare and the unit cost of reforestation materials and activities shall be prescribed by the Secretary of the DENR which should consider location, prevailing price conditions in the locality and other justified cost adjustments.
- 7.2 For this purpose, the DENR Secretary shall submit to the Commission on Audit periodically but not less than once a year, the unit cost of reforestation contracts and activities. Such cost shall be allowed until such time that the Commission on Audit issues officially its own contract cost which will consider, among others, the location.

## 8.0 *DUTIES OF CONCERNED OFFICIALS*

Copies of all contracts, together with their supporting documents shall be submitted to the Auditor within five (5) days after the perfection thereof. The review shall not be pre-requisite to the implementation/prosecution of projects or payment of claims.

## 9.0 *REPEALING CLAUSE*

All circulars and issuances inconsistent herewith are hereby modified accordingly.

## 10.0 *EFFECTIVELY*

This Circular shall take effect immediately.

CELSO R. ROQUE  
Acting Secretary

Signed on July 05, 1989

**MEMORANDUM CIRCULAR**

**No. 12**

**TO : ALL REGIONAL EXECUTIVE DIRECTORS**

**SUBJECT: Additional Clarification on the Implementation of DENR Administrative Order No. 19, Series of 1989 Banning the Export of Lumber.**

In order to avoid overcrowding of lumber for export at the Port Area and other loading points in catching up with the deadline set under DENR Administrative Order No. 19, Series of 1989, banning the export of lumber effective July 1, 1989, the Regional Executive Director/PENRO/CENRO concerned are hereby instructed to allow export of lumber not accommodated in the Port Area and other loading points before July 1, 1989 and are still kept inside the warehouse and/or sawmill on the following conditions:

1. There is a confirmed vessel booking by on or before June 30, 1989;
2. The authority to export has been approved by May 13, 1989;
3. The lumber approved for export shall be inspected, marked and segregated by the CENRO concerned or his authorized representative; and
4. Kiln-dried S4S lumber of 2 inches thick, 12 inches in width and at least 40 inches in length, are considered component of finished wood products and shall be allowed for export up to December 31, 1989.

Be guided accordingly.

**CELSO R. ROQUE**  
Acting Secretary

Signed on July 10, 1989

**MEMORANDUM CIRCULAR**

**No. 13**

**TO : ALL REGIONAL EXECUTIVE DIRECTORS**

**SUBJECT: Amendment of Memorandum Circular No. 12 on the Additional Clarification on the Implementation of DENR Administrative Order No. 19, Series of 1989 Banning the Export of Lumber.**

To rectify the conditions provided for in Memorandum Circular No. 12, item 4 of said Circular should read as follows:

“Kiln-dried S4S lumber of not more than two (2) inches thick and twelve (12) inches in width are considered component of finished wood products and shall be allowed for export up to December 31, 1989.”

Be guided accordingly.

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

Signed on July 18, 1989

**MEMORANDUM CIRCULAR**

No. 15

Series of 1989

**TO : ALL REGIONAL DIRECTORS/PENROs/CENROs**

**SUBJECT : Prioritizing the Implementation of Mangrove Reforestation**

**SECTION 1. BASIC POLICY**

The government, aware of the alarming rate of depletion of the existing mangrove resources and fully cognizant of the roles of these resources in the preservation of estuarine ecosystem including the protection of marine and shoreline habitat commits for the rehabilitation and development of Mangrove Forest immediately. In operationalizing this, the Department of Environment and Natural Resources shall apply the method that is feasible in any given situation which will accelerate the re-establishment of vegetative cover that (1) can provide immediate micro-forest products and, (b) can stabilize and protect the shorelines and coastal communities against the destructive forces and (c) can immediately provide ecological restitution and favorable climatic influences. Pursuant to these objectives, it shall be the policy of the DENR consistent with the National Forestation Program to prioritize the implementation of Mangrove Reforestation for the rehabilitation and development of Mangrove Forests.

**SECTION 2. IMPLEMENTING GUIDELINES**

a) Effective immediately, all DENR offices involved in the planning and implementation of Mangrove reforestation programs and projects are instructed to prioritize Mangrove reforestation by contract.

b) Mangrove reforestation shall be applied based on the criteria:

Priority 1. Inadequately stocked logged-over areas, idle and abandoned fishpond and saltbeds, denuded and open areas inside the Mangrove Swamps, wilderness areas and/or Mangrove Swamp Forest Reserves as per Presidential Proclamation No. 2151 and 2152, respectively;

Priority 2. Mangrove areas adjacent or nearby the red-tide affected coastal areas.

Priority 3. Mangrove areas in the typhoon belt or storm surge region such as in Bicol, Western Pangasinan, Samar and Leyte, Batanes, Bataan and Eastern Mindanao region.

Priority 4. Mangrove areas, including the adjacent mudflats and tidalflats with conservation potentials as habitat, foraging and resting sites of aquatic and terrestrial fauna including amphibians and wildlife.

Priority 5. Mangrove areas including mudflats and tidal flats outside the areas stated above.

### **SECTION 3. TECHNICAL FEATURES**

Mangrove Reforestation shall incorporate the following:

- 3.1 Survey and Mapping of the Area
- 3.2 Development Plan Preparation
- 3.3 Site Preparation
- 3.4 Propagules Collection
- 3.5 Establishment including Augmentation Planting
- 3.6 Protection, Care and Maintenance

### **SECTION 4. WORK AND FINANCIAL PLANS**

In the formulation of individual project work and financial plans by administration and/or in the assessment and modification of plans submitted by contractors, all DENR offices shall refer to the attached annexes A and B for guidance. However, the REDs, through their respective Mangrove Regional Desk Officers (Section 5) in coordination and cooperation with the PENROs and CENROs, should endeavor to formulate total and comprehensive development plans of the entire mangrove areas for their respective regions, giving emphasis on the immediate ecological restitution and availment of socio-economic benefits to mangrove dependent and associated population.

In no case shall the cost per hectare in the first year of implementation exceeds P8,205.52 for totally denuded/open areas requiring 100% planting. For areas with some existing regenerations and where only augmentation planting is required, the cost per hectare will be based on the total number of propagules used in augmentation planting multiplied by the rated cost per propagule of P1.85 (P8,205.52/4445 propagules). Provided that the number of living and healthy trees/seedlings including those supplementally planted shall have a minimum of 3,556 trees/seedlings per hectare at turnover time. The maintenance, protection and administrative costs (combined) for the 2nd and 3rd years, shall be P1,860.48 per hectare each. The total for a 3-year comprehensive contract shall be P11,600.00 (rounded figures) per hectare.

## **SECTION 5. ORGANIZATION OF MANGROVE REGIONAL DESK OFFICER**

To immediately and effectively implement the project, Regional Executive Directors concerned are hereby instructed to create Desk Officer(s) in every Region preferably from the Research Sector whose sole function is to speed up the implementation and coordinate the establishment of Mangrove Reforestation at the CENRO level. A Forestry Specialist or Environmental Resource Specialist shall serve as Project Leader to oversee/implement the program at the field level.

## **SECTION 6. PREPARATION AND SUBMISSION OF MANGROVE REFORESTATION DEVELOPMENT/WORK PLAN**

The CENRO in coordination with the Desk Officer whose jurisdiction the project be implemented either by contract or administration shall be responsible for the preparation of the Development Plan observing the priorities embodied under Section 2 and the technical features under Section 3 hereof. The Plan shall be approved by the REDs concerned copy furnished Assistant Director, Special Concerns Office. The document called for shall reach the SCO fifteen (15) days after receipt of this Circular. Subsequent 3-year development plan shall also be submitted on or before the end of October, 1989

The Regional Executive Director shall have the discretion herein to allocate areas for the purpose either by administration or by contract both of which are ADB-OECF funded.

All 3-year development plans emanating from the CENRO Offices will be consolidated and shall serve as the basis for Regional Offices to come up with the Mangrove Plan called for in Section 4 hereof, and shall have been submitted to the Special Concerns Office (SCO) on or before November 9, 1989.

## **SECTION 7. TARGET AREAS FOR MANGROVE REFORESTATION**

It is mandated that five months (5) after the receipt of this Circular each region shall have an established Mangrove Reforestation by contract or by administration or a combination hereof under the ADB-OECF funding allocation not less than 200 hectares contiguous or aggregate following the guidelines and technical features herein.

In regions where Mangrove Reforestation is not feasible or by assessment not of highest priority and thus, establishing mangrove reforestation is not necessary, the SCO must be informed immediately so that adjustment of targets will be remedied as planned.



**SECTION 8. REPEALING CLAUSE**

Any provisions of Department Administrative Orders, Memorandum Circulars or other DENR documents inconsistent with this Circular are hereby amended or repealed accordingly.

**SECTION 9. EFFECTIVITY**

This Circular takes effect immediately.

**FULGENGIO S. FACTORAN, JR.**  
Secretary

**RECOMMENDING APPROVAL:**

**CIRILO B. SERNA**  
Director  
Forest Management Bureau

Signed on August 29, 1989

\* (Annexes A and B Omitted)

**MEMORANDUM CIRCULAR**

No. 17

**TO : ALL REGIONAL EXECUTIVE DIRECTORS/PENROS/  
CENROS**

**SUBJECT: Prioritizing Application of Assisted Natural  
Regeneration Method in the Development of  
Watersheds, Protection and Production Forests.**

**SECTION 1. BASIC POLICY** In the rehabilitation and development of watersheds, protection and production forests, the Department of Environment and Natural Resources (DENR) shall (a) apply the most economical and cost-effective methods that are feasible in any given situation and (b) accelerate the re-establishment of vegetative cover that approximates a natural forest in terms of species diversity and composition. In pursuit of these objectives, it shall be the policy of the DENR to prioritize the implementation of Assisted Natural Regeneration (ANR) methods for the rehabilitation and development of watersheds, protection and production forests.

**SECTION 2. IMPLEMENTATION GUIDELINES**

a) Effective immediately, all DENR offices involved in planning and implementation of watershed and reforestation programs and projects are instructed to incorporate ANR methods in all such projects, wherever applicable regardless of whether these are carried out by administration, by contract or by combination thereof.

b) ANR shall be the preferred method to apply in any of the following situations:

i) in open/denuded forest lands containing vigorous wildlings 15 cm. to 200 cm. tall of pioneer trees, brush and other woody species with a density of approximately 600-700 per hectare relatively well spread on the project sites regardless of slope;

ii) areas that are being developed as protection forests or primarily to improve the vegetative cover of watersheds meeting criterion in (1);

iii) protected areas such as national parks, game refuge and nature reserves and similar reservations;

iv) portions of areas being developed as production forests where (in comparison with other methods) ANR is the most economical or expeditious method to apply for the establishment of nurse trees and/or production forest themselves;

v) near or adjacent ecotone areas; and

vi) regions considered relatively wet throughout the year where sites are not prone to grassfires.

### **SECTION 3. TECHNICAL FEATURES** ANR methods shall incorporate.

i. ringweeding, ring cultivation, soil loosening and related treatments such as fertilization, mulching and the like for wildlings/seedlings/saplings of pioneer trees, brush and other woody perennial species;

ii. removal and/or suppression of cogon, talahib, runo and other grass species that are fire hazards and competing with the favored pioneer species in reforestation and watersheds development projects;

iii. establishment and diligent maintenance of firebreak for effective and sustained fire prevention;

iv. augmentation/enrichment planting in situations where the population of pioneer wildlings/seedlings/saplings is less than seven hundred (700) per hectare and therefore not sufficient to achieve crown closure in a period of three to five years (3-5 yrs.); the planting shall be conducted using wildlings or nursery grown seedlings in open areas/meadows or were existing natural regenerations are sparse and wanting, using a 2m x 3m as standard spacing.

v. where there is portion of ANR site dominated by stands above two (2) meters in height relatively well spread in the area, appropriate TSI technique, sanitation or liberation cutting shall be applied with the ultimate objective of eliminating suppression effects of weed species.

vi. use of wildlings gathered from ecotone areas where the open sites for ANR is adjacent to them;

vii. combination of (i) to (iv) above and other site-specific treatments which achieve the same objectives at comparable costs.

**SECTION 4. WORK AND FINANCIAL PLAN.** In the formulation of work and financial plans, and/or in the assessment and modification of plans submitted either by administration or contractors and contract proponents, all DENR offices shall refer to the attached annexes A, B, C, and D for guidance. In no case, however, shall the cost in a three-year period exceed the established cost ranges from P12,000.00 to P15,000.00 per

hectare inclusive of **all treatments/activities** applied. Same cost shall apply to **ANR variations or combination** hereof employed in other areas. Provided that the number of living trees including those of augmentation planting conducted in these areas shall have a minimum of 1,600 trees per hectare more or less evenly distributed throughout the area after a three-year period. Similarly, where a situation exists that less cost is obtaining as a result of **implementation field offices** are encouraged to expand area coverages for the system using the funds still available for the purpose.

**SECTION 5. ORGANIZATION OF ANR REGIONAL TASK FORCE** To immediately and effectively implement the project, Regional Executive Directors are hereby instructed to organize Task Forces consisting of two (2) technical personnel in every Region whose sole functions is to speed up and coordinate the establishment of ANR areas at the field level.

**SECTION 6. TARGET AREA FOR ANR.** Six months after receipt of this Circular, each Region shall have an established ANR either by contract under ADB/OECF funding or by administration not exceeding 500 hectares and in no cases less than 300 hectares following the guidelines and technical features embodied herein. ANR shall be used to supplement other reforestation contract areas. However, areas targetted whenever possible shall be separate and distinct from other systems of contract reforestation.

**SECTION 7. PREPARATION AND SUBMISSION OF ANR DEVELOPMENT/WORK PLAN.** The Task Force shall also be responsible for the preparation of ANR Development/Work Plan in accordance with Section 4 and 3 specifications and Section 6, with respect to target area. The plan shall be approved by the REDs concerned copy furnished Office of the Assistant Director, Special Concerns Office. The document called for shall reach the SCO fifteen (15) days after receipt of this Circular.

**SECTION 8. REPEALING CLAUSE.** Any provisions of Department Administrative Orders, Memorandum Circulars or other DENR documents inconsistent with this Circular are hereby amended or repealed accordingly.

**SECTION 9. EFFECTIVITY.** This Circular takes effect immediately.

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

**RECOMMENDING APPROVAL:**

**CIRILO B. SERNA**  
Forest Management Bureau

Signed on September 13, 1989

**ASSISTED NATURAL REGENERATION**  
**A Strategy for Cheap, Fast, and Effective Regeneration**  
**of Denuded Forest Lands**  
By: *Marcelino V. Dalmacio*<sup>1</sup>

**I. THE CONCEPT**

The dominant vegetation of a typical reforestation project is grass, principally, cogon (*Imperata, sp.*). This plant community is considered as a fire disclimax which developed as the original vegetation was destroyed and the agents of destruction were repeatedly applied (Sajise et al, 1976).<sup>2</sup> Oftentimes, a few scattered trees are found; remnants of the original vegetation, or those hardy species belonging to a Savannah community such as *Pileostigma, malabaricum*, and, *Anti-desma* species.

A close look at the thick grass biomass reveals, however, that there are a number of broad-leafed species growing amidst the grasses. If this plant community of broad-leafed species is not burned or destroyed, its natural regeneration will eventually take over the grasses. In fact, the study by Sajise et al, enumerated 46 broad-leafed species out of 75 that were found in grassland communities. It was further determined that the kind and number of regeneration would depend on the availability of propagules (i.e. seeds, etc.) and the length of time the grasslands were not burned/disturbed.

**II. ADVANTAGES/LIMITATIONS**

The ANR strategy takes advantage of the natural regeneration (of broad-leafed species). The objective of the ANR strategy is to liberate these species from competing vegetation, encourage faster growth, and facilitate their domination over the site. Being already well-established and adapted to the site, the problem of species-site incompatibility is therefore eliminated. Moreover, unlike conventional tree planting methods, ANR will not be constrained by rainfall, and can be done the whole year round.

ANR will result in a multi-storey, multi-species forest stand, which is more effective for watershed protection and wildlife habitat than a traditional plantation.

By itself, the ANR strategy will often have limited application insofar as timber production is concerned. However, the desired timber

<sup>1/</sup> DENR Regional Executive Director, Region 8, Tacloban City

<sup>2/</sup> Sajise, P., et al 1976. Phil. Agriculture 59, 317 -- 314

species can be inter-planted to supplement the naturally-growing tree species. The naturally-growing species will serve as nurse trees for the interplanted timber species. Depending on the density and distribution of natural regeneration, the extent of additional planting will be greatly reduced (usually to less than 400 trees/ha.), thus dramatically cutting costs for seedling production, transport and planting. Furthermore, ANR is expected to significantly improve the micro-environment of the site, thereby promoting a more favorable growth of the planted/desired timber species.

### III. PROCEDURE

Well-documented experience in the application of ANR is still very limited, and the techniques are not yet perfected. However, the following procedures are suggested as guides for implementing ANR in reforestation, agroforestry and watershed management projects.

#### A. Locating and Releasing the Natural Regeneration

Deploy laborers over the area and systematically locate all broad-leaved species that are growing on the site, regardless of size. This should be done whether the area will be regenerated thru ANR, conventional planting (of seedlings) or combinations thereof.

**To clearly mark the location of existing broad-leaved species, depress the grasses away from the seedlings/natural regeneration. Make sure that the stems of the grasses are broken, not cut. This may be done by pressing down the grasses and then trampling on them. Do this in a circle reaching 1 meter radius in all directions measured from the seedling, which should be at the mid-point of the circle.**

Another way of clearly marking the location of seedlings/natural regeneration is to cut the grasses close to the ground, as in spot weeding. Alternatively, the area may be completely clear-brushed, making sure that the natural regeneration are not cut.

#### B. Maintenance

Repeat the above operations at 2-3 months interval (depending on growth of the grasses) especially within the 1st year, or until such time that the trees have already overtopped the grasses.

#### C. Augmentation Planting

Where there are wide gaps between naturally growing seedlings, plant potted or bare-root nursery-grown seedlings (or direct-seed as the case may be) with a spacing of approximately 2-3

meters. Prepare the site and maintain it in the same manner as described in paragraph B above.

#### **D. Protect the area from fire and other forms of destruction at all times.**

### **IV. PILOT TESTING**

A. To validate the applicability of this technique in forest stand development, all managers of reforestation, agroforestry and watershed management projects should test ANR on at least 20 hectares within their respective projects.

#### **B. Documentation**

Document the activity to provide a basis for evaluation/ improvement. Among the important data needed are the following:

1. Description of the area to ANR, i.e., brushland, grassland, etc. Identify the major vegetative cover.
2. Determine the number of broad-leaved trees and shrubs growing per unit area, as a result of natural regeneration after each treatment (e.g. -- seedlings per hectare). Include a list of species, if practical:
3. Describe the methods used i.e., ring-weeding, complete weeding, depressing, etc.
4. Quantity the extent of augmentation and frequency of maintenance treatments.

Attached herewith is a suggested form for monitoring and evaluation.

#### **C. Planning and Budgeting**

In order to launch ANR activities in an organized manner, it is important to estimate costs and labor requirements. Attached hereto are two (2) tables that describe the specific activities to be implemented, probable sequencing, average costs and labor requirements (Tables I and I A). These can be modified to suit different climatic and locational variables. Meanwhile. They provide a guideline for planning and budgeting.

#### **D. Reporting**

ANR activities should be included in official, accomplishment reports, as a separate item under reforestation.

1\*(Tables I and IA Omitted)

## **MEMORANDUM CIRCULAR**

No. 18

**TO : ALL REGIONAL EXECUTIVE DIRECTORS/  
PENROs/CENROs**

**SUBJECT : Prioritizing the Establishment and Development of Rattan  
Plantation by Contract and Administration and Exploring  
the Possibility of Availing Management and Technical  
Services Agreements with Plantation Developers and Other  
Schemes.**

### **SECTION 1. BASIC POLICY**

Pursuant to Section 39, Chapter VI of the DENR Administrative Order No.4 dated January 21, 1989 and in line with the policy of the government of ensuring the sustainable productivity of the rattan resources as a tool to economic recovery and social equity, the Department of Environment and Natural Resources (DENR) shall (a) encourage and accelerate the establishment and development of rattan plantations with the participation of the public and private sectors, (b) to ensure the availability of rattan resources; and (c) to generate employment in the countryside.

To further enhance the objective of rattan plantation development, DENR encourages the possibility of assessing offers pertaining to Management and Technical Services Agreement (MTSA) from Filipino corporations, cooperative, associations, non-government organizations (NGO) which have good track record or their key personnel have extensive experience in rattan plantation establishment and development.

The Management and Technical Services Agreement (MTSA) is an arrangement wherein the DENR engages the management and technical services of a plantation developer for a specified fee with DENR providing the funds for implementing the Agreement.



## **SECTION 2. IMPLEMENTING GUIDELINES**

- a) Effective immediately, all DENR offices involved in the development and development of rattan plantation by regular reforestation contracts and assess offer made, if any on Management and Technical Agreements (MTSA) with the DENR;
- b) Establishment and development of rattan plantation shall be applied in the following areas based on Section 40 of the DENR Administrative Order No.4:
  1. Brushlands and openlands;
  2. Recently logged-over forests;
  3. Second-growth forests not scheduled for relogging within the next twenty (20) years;
  4. Established plantation inside forest tree plantation development projects or existing government reforestation projects.

However, the rattan plantations may be raised together with fast growing forest tree species under a forest multi-cropping system.

## **SECTION 3. WORK AND FINANCIAL PLANS**

In the formulation of work and financial plans and/or assessment and modification of plan submitted by contractors and contract proponents, all DENR offices engage herein shall refer to the attached annexes "A", "B", "C", and "D".

## **SECTION 4. ORGANIZATION OF RATTAN REGIONAL DESK OFFICER**

To immediately and effectively implement the project, REDs are hereby instructed to designate a desk officer in every region whose sole function is to speed up the implementation and coordinate with the contractors, CENROs and PENROs in the establishment and development of Rattan Plantation.

## **SECTION 5. PREPARATION AND SUBMISSION OF RATTAN PLANTATION DEVELOPMENT/WORK PLAN**

The CENRO in whose jurisdiction the project be implemented either by contract or administration shall be responsible for the preparation of the development plan using Annexes " A", "B", "C" and "D" as guide while observing the suitable areas embodied under Section 2 hereof. The plan shall be approved by the REDs concerned copy furnished Assistant Director,

Special Concerns Office. The document called for shall reach the SCO fifteen (15) days after the receipt of this Circular. Subsequent 3-year development plan shall also be submitted on or before the end of October, 1989.

The Regional Executive Director shall have the discretion herein to allocate and select areas for the purpose either by administration or contract both of which are ADB-OECF funded.

In cases where proposals are submitted under the MTSA scheme, Regional Executive Directors With their comments/stand on them may forward same to Special Concerns Office for appropriate action/study of the NFP Secretariat.

## **SECTION 6. TARGET AREAS FOR RATTAN PLANTATION**

Six months after the receipt of this Circular, each region shall have Rattan Plantation by Contract, by Administration or a combination hereof. The area initially should not be more than 500 hectares following the aforecited guidelines and features herein.

## **SECTION 7. REPEALING CLAUSE**

Any provision of the Department Administrative Orders, Memorandum Circulars or other DENR documents inconsistent with this Circular are hereby amended and repealed accordingly.

## **SECTION 8. EFFECTIVITY**

This Circular shall take effect immediately.

**FULGENCIO S. FACTORAN; JR**  
Secretary

**RECOMMENDING APPROVAL:**

**LOPE D. REYES**  
Assistant Director  
Officer-in-Charge  
Forest Management Bureau

Signed on September 14, 1989  
\* (Annexes A, B, C and D Omitted)

## MEMORANDUM CIRCULAR

No. 19

**SUBJECT : Additional Implementing Guidelines on Timber Stand Improvement (TSI) in Dipterocarp Forests.**

To further accelerate TSI implementation under the ADB-OECF Program, the following additional instructions/guidelines are hereby issued for guidance and immediate compliance:

1. Designation of Regional and CENRO TSI Project Officer (RTPO/ CTPO) -A RTPO, preferably a Forestry Supervisor I who has undergone TSI training, directly responsible for field implementation, supervision, and management of the Project shall be designated in every Region except NCR likewise, a CTPO who has undergone TSI training and preferably a Senior Forester shall be designated in each CENRO where TSI activity can be undertaken.
2. Preparation of Three-Year Plan -The RTPO and CTPO shall jointly prepare a 3-year (1989-1992) TSI plan. The location of the areas to be treated shall be shown on a 1 :50,000 scale topo map. The 3-year plan shall be shown in sufficient details in the annual operations plan which shall be accompanied by a 1: 10,000 scale map. Quarterly and yearly TSI progress or accomplishment reports following the guidelines under BFD Circular No. 48, Series of 1983 shall be submitted. In the selection of residual (logged-over) dipterocarp forest for TSI treatments, the ideal age of stand must be 10-15 years after logging to ensure adequate stocking of potential crop trees (PCTs).The residual stands must contain 100-150 Potential Crop Trees (PCTs) per hectare based on diagnostic sampling surveys conducted in selected TSI areas. Otherwise, less than 100 PCTs per hectare and lower than 20 residuals would entail enrichment planting activities.
3. Organization of TSI Crew -An ideal TSI crew is composed of 8 persons: one crew leader, a Forester, who will identify the PCTs and will select the competitors to be eliminated, two painters who will mark with red paint the identified PCTs and yellow paint for those trees to be eliminated/girdled, five laborers girdle those trees which are marked with yellow paints.
4. Preparation of TSI Work and Financial Plan -The RTPO and CTPO shall be directly responsible for the preparation and execution of this plan.

## COST ESTIMATE FOR TSI OPERATIONS

ACTIVITY	MANDAYS/ HECTARE	COST/ HECTARE
1. Improvement of accessibility		
1.1 Trail opening	—	₱ 10.00
1.2 Road improvement <sup>1</sup>	—	500.00
2. Preliminary work prior to TSI treatment		
2.1 Diagnostic sampling	—	100.00
3. TSI treatment		
3.1 Girdling and climber cutting	5.5	967.00
4. Enrichment planting (10% of area)	—	1,650.00
5. Administration/supervision/monitoring About 10% of Items 1 to 4)	—	273.00
<b>TOTAL</b> .....		<b>₱ 3,500.00</b>

In each of this activity, except for administration/supervision TSI Labor Contract must be executed between concerned DENR Officials and Contracting Party (laborers or company that has capability to do it).

5. TSI Monitoring and Evaluation – To ensure a more effective and accurate monitoring and documentation of TSI activities, under the ADB-OECF Program and within TLAs, TSI control shall assess the quantity and quality of accomplishments as earmarked in the approved TSI plan.

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<sup>1</sup> Assured ₱20,000/km and road density of 25 meters/hectare

For this purpose, a sampling intensity of ten (10) percent using 10 meters wide strips spaced 100 meters apart, shall be used to assess the following parameters:

- a. Size of TSI area
- b. PCT stocking of TSI area
- c. Selection and spacing of PCTs
- d. Extent of liberation
- e. TSI expenditures

Deviation of more than two (2) percent with regards to proper selection, spacing and liberation shall result on the recommendation to treat the area again.

The Regional Executive Director shall be authorized to organize a monitoring and evaluation team from the Regional and Provincial Offices, whose head will not be lower than a Senior Forester. Field monitoring and evaluation activities shall be conducted once in every quarter, with their program reports to be submitted to the FMB through channels.

The report of the TSI field monitoring team shall constitute the following (see Annexes 1 to 3):

- a. Field Tally Sheet (Form No. 1) to serve as data sheet during field control operations.
- b. Management Block Ledger (Form No. 2) which is summary sheet of Form No. 1.
- c. TSI Evaluation Sheet (Form No. 3) to be accompanied by proper TSI management map (1:10,000).
- d. Narrative analysis of the above Forms.

6. Regional TSI Target for 1989 – The region, TSI target under the ADB and OECDF budget for the period July to December 1989 are as follows:

REGION	TOTAL	ADB	OECF
CAR	1,029	341	688
1	371	193	178
2	2,016	664	1,352
3	733	257	476
4	2,398	779	1,619
5	331	194	137
6	333	163	170
7	167	129	38
8	1,456	529	927
9	870	333	537
10	2,511	708	1,803
11	2,616	737	1,879
12	1,169	459	710
TOTAL	16,000	5,486	10,514

FULGENCIO S. FACTORAN, JR.  
Secretary

Recommended by:

CIRILO B. SERNA  
Director, FMB

Signed on September 26, 1989

\* (Annexes 1, 2, and 3 Omitted)

## MEMORANDUM CIRCULAR

No. 20

**SUBJECT:      Establishing the Guidelines for Implementing  
the Infrastructure Component of the Integrated  
Social Forestry Program (ISFP).**

Towards the end of accelerating the implementation of the Infrastructure Support Component of the ISFP and in line with the policy of the Department to provide livelihood opportunities among its program participants pursuant to the provisions of DAO No. 97 Series of 1988 and the Comprehensive Agrarian Reform Law, the following guidelines are hereby issued:

**1. Objectives of the ISF Infrastructure Component.**

The following are the objectives of the ISF Program Infrastructure Support component:

- a. To increase the access of participants to market and other basic services.
- b. To increase upland farm productivity and income of program beneficiaries through the construction of water impounding structures.
- c. Generate local employment and income through the use of labor intensive methods in the construction of infrastructures and facilities.
- d. Strengthen and reinvigorate traditional workgroup practices and the spirit of voluntarism through the "Bayanihan" system.
- e. Rehabilitate and stabilize the upland environment through tree planting as part of the activities under the infrastructure component.

**Section 2. Nature of Infrastructure Support.** The Infrastructure support component of the ISF program does not fall under the purview of PD 1594. These may be small water impounding structures not exceeding 20 cubic meters in structure and access trails.

**Section 3. Coverage of Project Support.** All ISF project sites, regardless of category or distinction whether ISF regular or CARP-ISF can qualify for infrastructure support since for all intents and purposes all ISFP participants are also CARP beneficiaries under its program D component.

**Section 4. Selection of Construction Sites.** All infrastructures and support facilities should be constructed within identified ISF project sites except for trails which can be constructed outside of the site for purposes of connecting the project area to an accessible point. The following considerations must be taken into account in site location:

a. **Community Involvement.** ISF beneficiaries shall be directly involved in the selection of the sites of the infrastructures, to enhance community participation in project undertakings and ensure equitable access to the benefits to be derived from the said structures.

b. **Technical Considerations.** The various physical and technical factors obtaining in specific sites shall be taken into consideration in determining the feasibility of constructing the proposed infrastructure.

c. **Criteria in Site Selection.** As much as practicable, every ISF project site shall have an infrastructure or facility constructed as provided hereof. In cases where two or more candidate sites are available within the same project area, the DENR technician shall in consultation with the project participants, put more weight to the wider area with the greater number of families to be benefited by the proposed infrastructure.

The projected benefits to be derived from the infrastructure shall be determined in terms of the following:

1) Water Impounding Structures

- a. Area irrigated in hectares
- b. Greater number of families serviced with water

2) Graded Trails

- a. Greater number of households/farms serviced
- b. Distance from project site to accessible point

d. **No. of facilities per Project Site.** Two or more facilities may be constructed in the same project area when necessary and if sufficient funds for the purpose are available, taking into account the urgent need for such project by the participants and those of other beneficiaries.

**4. Types and Specifications.** The following Types and specifications are to be considered in the implementation of the infrastructure component of the ISFP:

a. **Volume of Dam Structure.** A typical water impounding structure shall be moderately small just enough for one micro-watershed, that would require not more than 20 cubic meters of construction materials. The volume of the dam should mean the aggregate space occupied by the flanks, floors, and other and all structural parts of the entire construction. Structures that are over this limit should be referred to the DPWH office.

The volume referred to herein does not mean the water impounding capacity of the structure, which would vary greatly depending upon many factors, such as slopes, width of gully, season, depth of dug-out and height of the structure.

b. **Types of Infrastructures.** The water impounding structures shall either be in the form of (1) a Dam, (2) a Box type structure, or (3) a dug-out structure reinforced with cement, or any combination of the mentioned types provided they are constructed for the main purpose of holding/impounding water either from a spring or live creek, rainwater, or underground water, for irrigation and household use.

The Forest Engineering Unit personnel at the FMS Regional Office shall prepare the engineering plans and designs for the infrastructures, considering the physical as well as social attributes obtaining in the ISF project sites, within the limit of budget and the specifications under this guideline.

c. **Reforestation Component of the Infrastructure Facilities.** Project designs of vital infrastructures, such as the water impounding structures, and graded trails, shall incorporate the planting of trees in appropriate areas within the vicinity of said facilities to be undertaken by the Contractor – ISF Participants as an integral part of the Contract, to ensure the longest lifespan and utility of the structure, and as a contribution to the National Forestation Program.

The planting of trees shall be designed to achieve the following:

- (1). Stabilization of embankments, upslopes, open side cuts and shoulders of the graded trails, and minimize soil erosion;
- (2). Enhance water yield of headwaters/springs supporting the water impounding structures; and
- (3). Stabilize the upland environment in support of the National Forestation Program (NFP).

d. **Guide for Cost Estimates.** The maximum cost of a typical support facility is estimated at ₱50,000.00 per unit as shown in the guide estimates below:



Kind	Maximum Vol. of structure/ Length	Unit Cost	Total Cost
1. Dam	20 cu. m.	₱2,500.00/cu.m.	₱50,000.00
2. Graded Trails	10 kms.	₱2,200.00/km.	₱ 2,000.00

e. **Unit Cost Estimates.** The unit cost estimates shown above will at best only serve as guide considering that the unit cost may vary depending upon the physical characteristics of the various sites.

f. **Unit of Measure.** For purposes of measuring work accomplishment the following unit of measurements are hereby given for adoption:

Facility	Unit of Measure
1). Graded Trails	– No. of kilometers
2). Water Impounding Structures (vol. of the structures constructed and NOT the volume of water that the Dam can impound.)	– Cubic Meters

5. **Recruitment and Selection of Contractors.** Consistent with the philosophy of the ISFP of promoting self-reliance through the active community participation in the implementation of ISF project plans and activities, construction and/or establishment of ISF facilities and infrastructure components shall be undertaken by or contracted to the local ISP project participants.

The following steps and principles shall be observed in selecting contractors of infrastructure facilities:

a. **Local Participation.** The ISF participants shall be called to a meeting to inform them that a water impounding facility, and a graded trail, are being proposed for construction in the project.

The ISF Participants shall decide among themselves, whether or not the construction of the infrastructure addresses common needs in the project site. As soon as their consent is obtained, they shall then decide on the location or site of the infrastructures, within the limits set forth in this guideline.

The DENR Technician shall then inform the ISF participants of the mode of constructing and/or establishing the infrastructures, and that they have the priority in terms of employment or in entering into any contract for the construction of the infrastructures.

b. **Farmers' Groups and Representative NGOs and LGUs.** ISF Participants may be represented by their association, or their local Barangay Council, or the Municipal Council in the contract for the construction of the infrastructure. In case of an NGO, a written authorization from the ISF Project Participants shall first be secured.

6. **Mode of Contract.** The mode of implementation shall either be by the "Pakyaw System" or through negotiated contracts. This arrangement is expected to reinforce the "bayanihan" concept of the ISF beneficiaries of accomplishing tasks by means of common and collective effort.

On the other hand, by entering into a contract the ISF Participants would be encouraged to put up a common capital as an input necessary for the accomplishment of a common task they are bound to undertake.

7. **Preparation of Infra Plan, Cost Estimates and Processing of Contract.** After the project area and the specific sites have been identified, the CENRO shall immediately initiate the preparation of engineering designs and cost estimates through the project teams. The team may avail of the administrative as well as the technical expertise of the PENRO and the Regional Office Teams.

8. **Briefing of Participants.** Prior to the signing of the contract by both parties, the CENRO project team shall brief thoroughly the prospective contractors about the specifications, the terms and conditions of the contracts and the responsibilities of each contracting party. The specifications of the target outputs and the work breakdown structure expected to be performed by the participants shall be thoroughly explained.

a. **Roles and Responsibilities.** The Project team of Social Forestry Officers and Technicians shall see to it that the contractors have fully internalized their roles as responsible and dependable partners in this endeavor.

b. **Support of NFP Goals.** Likewise their counterpart labor, which shall be the planting of trees for stabilization of slopes and upstream tree planting shall be clearly explained. The accomplishments under this component shall be credited as IRF support to the National Forestation Program of the Department.

10. **Duration of Contract.** The duration of the contract shall be within reasonable time limits and shall not exceed one year from the date of signing.

11. **RESPONSIBILITY: Organization of Project Teams.** The administration and supervision of the implementation of the ISRP infrastructure Component shall be the responsibility of the CENRO and PENRO and their concerned field personnel particularly Social Forestry Officers and Technicians. Over-all supervision at the various levels shall be executed under the following set up:

a. The RED through the RTD for Forestry Sector in coordination with the Division Chief of the FRDD, and SVS, Social Forestry Unit shall:

- 1). Coordinate the efforts of field teams and support personnel in the implementation of the infrastructure component of ISFP:
- 2). Monitor the progress of the measures of accomplishment for reporting to proper authorities.
- 3). Provide technical assistance such as the clarification of planning guidelines, maintenance in the preparation of engineering designs, and the processing of documents and contracts.
- 4). Facilitate the processing of vouchers and expedite the timely payment of contracted services to the program participants.

b. The PENRO shall likewise mobilize a support team to provide administrative and technical assistance to project teams. The team specifically shall strive to relieve the field teams of bureaucratic delays and shall assist the CENRO team in the technical aspects of the activity.

c. At the field level, the CENRO shall organize a team composed of both technical and administrative personnel that will administer and supervise the actual negotiation and finally the construction of facilities under the infrastructure component of the ISFP.

d. The ISF Coordinating Office recently created at the Central Office shall be responsible for coordinating the progress of implementation. It shall provide guidelines in the planning, supervision and monitoring of all ISF activities whether funded from Regular or from the Agrarian Reform Fund.

- 1). The Coordinating Office shall be assisted by the Social Forestry Division which shall be mainly responsible for the preparation of guidelines and other relevant issuances intended for smooth program implementation.
- 2). The monitoring of the progress of implementation shall be done in close coordination with the DENR-CARP Secretariat and the ISFP Coordinating Office.
- 3). The ISFP Coordinating Office shall regularly provide the Secretary through the USEC for Operations progress reports regarding this activity.

12. **Additional Guidelines.** The Undersecretary for Field Operations may issue additional instructions and circulars as maybe necessary for the effective implementation of this order.

13. **Repealing Clause.** This circular revises and amends forestry rules and regulations which are inconsistent herewith.

14. **Effectivity.** This Order takes effect immediately.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on September 26, 1980

# MEMORANDUM CIRCULAR

No. 21

**TO :** ALL REGIONAL EXECUTIVE DIRECTORS, PENRO  
CENROs

**SUBJECT :** Establishment of 10-Hectare Management Block  
Unit Pursuant to DENR Monitoring and  
Evaluation System in All Areas Under Contract  
Reforestation.

**SECTION 1. BASIC POLICY.** Consistent with the implementation of Contract Reforestation nationwide, it is the policy of the DENR to implement a Monitoring and Evaluation System (MES) for effective management and closer supervision of all types of contracts funded by the Administration, ADB and OECF. As a policy of establishing adequate ground control and systematic management of all areas under contract reforestation, the DENR initiates a control technique by block management system (BMS) or the area grid control which may lead to the full computerization of all relevant data pertaining to the execution of contract terms and conditions based on living tree concept; and consequently utilizing remote sensing technique in later years for the inventory of the established plantations.

**SECTION 2. DEFINITION OF TERMS.** Cognizant of the developed DENR MES, the following words as used in this Circular are hereby defined:

1. **Block** – a management unit established with an area of 10 hectares.
2. **Blocking** – is the process necessary to establish specific unit area for monitoring purposes where in this Circular, the area of which is 10 hectares.
3. **Block Management System (BMS)** – it is a control technique for an area under contract reforestation. This means sub-dividing the area awarded into 10-hectare block with a uniform dimension of 200 meters by 500 meters. Each block for computerization purposes is assigned with a unique identification number to establish its identity.
4. **DENR Monitoring and Evaluation System (MES)** – a system modified and subsequently adopted by DENR for use by the National Forestation Program in all areas under contract reforestation. The system was first developed and applied by the Paper

Industries Corporation of the Philippines (PICOP) in its industrial plantation areas. The ADB consultant group recommended the adoption of the system as modified.

5. UTM or Universal Transverse Mercator – a worldwide mapping system that reduces the distortions in square maps caused by the round features of the earth. The earth's surface is divided into several hundreds of zones. Each zone has a principal baseline and a principal meridian. The zones used in the Philippines are numbered 50 and 51. The area covered is from longitude 117 degrees to longitude 126 degrees and from latitude 4 degrees to latitude 20 degrees.
  - as applied to Monitoring and Evaluation of contract reforestation, UTM means a worldwide mapping system from which the baselines for the blocking of the area will be based.
6. Living Tree Concept – that of ensuring high survival of plantations by monitoring stocking density in between phases against the standard of not less than 80%.

### **SECTION 3. ORGANIZATION AND WORK PROCEDURE.**

a) Effective immediately, all DENR offices involved in the planning and implementation of contract reforestation are hereby instructed to implement the blocking of areas under contract for the years 1988 and 1989 following the procedure and specifications called for by the DENR MES and utilizing the UTM technique in establishing grids therein.

b) To effectively implement the blocking of the contracted areas, you are hereby directed to utilize the services of the DENR personnel who were trained in the DENR MES. In doing so, there shall be teams to be created in each region (refer to Tables I and II for the number of teams for each region) headed by a MES trained personnel. Each team shall consist of six (6) members under the overall supervision of the aforementioned MES trained personnel, who thereafter systematically be fielded to carry out the task hereunder:

1. Establishment of a reliable reference tie point preferably at the center of the project area to be blocked using UTM as general reference.
2. Establishment of two baselines from the reference point following the cardinal directions. It will be done using a compass by running the line from the center to a due north/south and due east/west directions.

3. While running the baselines, the 10-hectare block subdivision shall be established simultaneously by planting corner posts on designated block boundaries. For the east-west direction, every 200 meters shall be marked while for the north-south direction, marking shall be done for every 500 meters, repeating the same procedure until the whole area is covered.
4. Planted corner posts should be in square form and at least 5 feet in height. The post should be erected in such a way that the four sides should face different blocks. The corner of the post should coincide with dividing lines of the blocks.
5. Block number on the corner post should be indicated for easy identification of the block following the MES block numbering system.
6. In case a block boundary crosses the road, guide post should be planted on the side of the road, the distance of which should be indicated on the guide post and the direction specified by an arrow.
7. For partial block (less than 10 hectares as in the case of block at the edge of the perimeter boundary of the project) dimensions should be measured and gross area computed.
8. Staking of the seedlings planted and also in spots with no surviving ones based on spacing used.

Whenever possible enlist the assistance of NAMRIA and Land Evaluation Parties attached with the Office of your respective ASECs for field operations.

#### **SECTION 4. AREAS FOR BLOCKING AND PERIOD OF COMPLETION.**

The total area by region and period of completion of the blocking activity is hereunder indicated in Appendix A for your reference and strict compliance.

**SECTION 5. PREPARATION AND SUBMISSION OF MAPS OF BLOCKED AREAS.** Upon completion of the task under Section 4 of this Circular, each region should have prepared a map with a scale of 1:10,000 detailing the identification of each block established in accordance with the DENR MES coding designed and using UTM as reference in grid establishment.

The resulting map should be known as a Blocking Management System Map or BMS Map, a copy of which will be furnished Office of the Assistant Director, Special Concerns Office (SCO), DENR, fifteen (15) days after the completion date as herein indicated in Section 4 of this Circular.

**SECTION 6. FUNDING SOURCES.** In carrying out the blocking works, funds allocated under the National Forestation Program (NFP) shall be utilized herein.

**SECTION 7. FUTURE TARGETS OF BMS.** For areas under contract reforestation from 1990 onward, the same procedure shall apply. Henceforth, blocking of areas under contract reforestation shall become an integral part of the planning process, which a contractor himself may undertake at a cost, if such contractor possesses the technical capability to pursue the same.

**SECTION 8. REPEALING CLAUSE.** Any provision of Department Administrative Orders, Memorandum Circulars or other DENR issuances inconsistent with this Circular are hereby amended or repealed accordingly.

**SECTION 9. EFFECTIVITY**

This Circular takes effect immediately.

**VICTOR O. RAMOS**  
Undersecretary for Field Operations

Signed on November 10, 1989

\* (Appendices A, B and C Omitted)



MEMORANDUM CIRCULAR

No. 23

SUBJECT: Components, Targets/Outputs, Structures and Roles of Implementors of the National Reforestation Program (NFP).

In the interest of the service and pursuant to the **goals and objectives** of the National Forestation Program, the **Components of the Program, Targets/Outputs, Structures and the Roles of the Implementation of the NFP** are hereby established.

I. THE NFP COMPONENTS AND CORRESPONDING TARGETS/OUTPUTS

The NFP consists of the following components, **targets and outputs** for the period covering 1988-1992:

COMPONENTS

TARGETS/OUTPUTS

A. *Policy Reforms*

Timely & full compliance with the ADB/OECF Forestry Sector Loan conditionalities as well as those conditionalities which other funding sources (loan or grants) for NFP-related projects may prescribe.

B. *Investments*

1. Forestation Program

- |  |                               |
|--|-------------------------------|
| a. Contract Awards   | 180,000 HAS. (Contracted)     |
| b. Actual forestation to be accomplished by private sector contractors.        | Minimum 95,000 HAS (Planted)  |
| c. Forestation Program to be carried out by DENR under its traditional system. | Maximum 65,000 HAS. (Planted) |

- |    |   |   |
|----|---|---|
| d. | Forestation to be accomplished by other national and local government agencies (contract and force account together). | 115,000 HAS. (Planted)  |
| 2. | Forestation by Private Sector (ITP, Tree Farms, TLA).   | 83,000 HAS. (Planted)   |
| 3. | Rehabilitation of Major Watershed Areas*  | 50,000 HAS. (Treated)   |
| 4. | Timber Stand Improvement and Enrichment Planting  | 80,000 HAS.   |
| 5. | Implementation of ISFP Projects   |   |
|    | Rehabilitation of settler families  | 120,000 families involving an area of 180,000 ha. forest plantations and agro-forestry farming. |

**C. Support Services**

- |    |                                 |  |
|----|---------------------------------|--|
| 1. | Infrastructure                  | Access roads, trails and vertical structures   |
| 2. | Planning                        | Forestry Plans, Investment Programs and Work Programs (National, Regional, Provincial District & Project -- including watershed) |
| 3. | Community Organizing            | Organized Communities and NGO Participation in the NFP   |
| 4. | Monitoring & Evaluation (M & E) | PICOP M & E System Installed and NGO verification scheme arranged  |
| 5. | ADB Technical Assistance Grants | 5 studies completed  |

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\*Actual surface area treated by rehabilitation works (vegetative & structural)

- Master Plan Study
  - Selection, Appraisal, Monitoring System
  - Rattan Plantations
  - Rationalization of Wood Based Industries
  - Industrial Tree Plantation Scheme
6. Other Technical Assistance      **Trainings, project Preparation, etc.**
  7. Research      **Research agenda & projects**
  8. Development Communication      **Communication Plan, NFP Bulletin, Slide/Video Tape Presentations, Primers, Manuals, Billboards**
  9. Mapping      **Control maps, Project maps, Planning maps, etc.**
  10. Coordination of Oversight Agencies      **Smooth budget releases, prompt disbursements and procurement, the issuance of an NFP project COA-DENR Circular**
  11. Loan Utilization      **2nd tranche released on schedule, 100% Loan Proceeds Utilization**
  12. Financial Services      **Provincial accounting system set up and operationalize fund allotment to field offices**

## II. THE NFP BOARD

In order to manage and provide overall direction to the National Forestation Program, the NFP Advisory Board is hereby created.

### 1. Members:

- a. Sec. Fulgencio S. Factoran, Jr.      – Chairman
- b. USEC Victor O. Ramos      – Member
- c. USEC Ricardo M. Umali      – Member
- d. USEC Celso R. Roque      – Member

- e. **USEC Lito Monico Lorenzana** – Member
- f. **Mr. Evaristo Narvaez, Jr.** – Member
- g. **Dir. Cirilo B. Serna** – Member

**2. Functions:**

The Board shall be the highest policy making body of the NFP. It shall issue the necessary guidelines and policy issuances for the NFP as well as approve the annual targets and budgets.

**III. THE NFP STEERING COMMITTEE**

To assist the NFP Board, the NFP Steering Committee is hereby created.

**1. Members:** The following are designated as members of the committee.

- a. **Dir. Ebert T. Bautista (SCO)** – **Chairman**
- b. **Representative of the NFP Sub-Cabinet Secretariat** – **Member**
- c. **Representative of USEC For Field Operations** – **Member**
- d. **ASEC Bernardo Agaloos/Raoul Geollegue (ISF)** – **Member**
- e. **ASEC Rolando L. Metin (Finance and Administration)** – **Member**
- f. **Representative of the ASEC for PPSO** – **Member**
- g. **Representative of the ASEC for FASPO** – **Member**
- h. **Asst. Dir. Mariano T. Machacon (SCO)** – **Member**
- i. **Dir. Carlos Tomboc (ERDB)** – **Member**
- j. **Dir. Ricardo Serrano (PAO)** – **Member**
- k. **OIC Dir. Samuel Penafiel (PAWB)** – **Member**
- l. **Romeo T. Acosta (FMB)** – **Member**
- m. **Virgilio Basa (NAMRIA)** – **Member**
- n. **Patrick Dugan (Senior Consultant)** – **Member**

2. **Functions:** The following are the functions of the Committee:
- a. Recommend to the NFP Board the issuance of **Department Administrative Orders, Memorandum Circulars, Special Orders and other similar issuances needed in the implementation of the NFP, such as:**
    - planning guidelines
    - contracting guidelines
    - cost guidelines
    - technical guidelines
  - b. Recommend to the Board the **NFP Annual Work Program, Targets and Budgets.**
  - c. Recommend to the Board the problems and corresponding corrective actions to be made.
  - d. Keep the Board informed on the status of the NFP.

#### IV. **THE NATIONAL PROJECT COORDINATING OFFICE (NPCO)**

The NPCO which was created by virtue of S.O. no. 239, s. 89, is hereby designated as the **NFP Secretariat**. It shall provide the necessary technical and administrative support to the **NFP Board, the Steering Committee and the Sub-Cabinet Committee**. The NPCO is hereby placed under the supervision of the **Chairman of the NFP Steering Committee** to be assisted by the **Senior Consultant**. A comprehensive organization chart is attached as **Annex A of this Order**.

#### V. **ASSIGNED ROLES IN THE NFP**

The following units in **DENR** shall be responsible for the achievement of targets and outputs of the **NFP Components**:

1. **NATIONAL PROJECT COORDINATING OFFICE (NPCO)**

NPCO shall be responsible for the following:

  - a. **The macro planning of the NFP.**
  - b. **The macro Monitoring and Evaluation of the NFP.**

- c. Provide planning guidelines to the Field Operations units of DENR in coordination with PPSO.
- d. Provide necessary information needed for technical studies/technical assistance.
- e. Analyze and evaluate the progress of project implementation with respect to operational targets, planning and scheduling under each component.
- f. Monitor and review the progress of agreements with other government agencies and formulate recommendations for more effective implementation of the project.
- g. Coordinate the preparation of the annual budgetary requirements of the NFP components for approval of the NFP Board and Steering Committee prior to submission to DBM (thru FASPO).
- h. Monitor and evaluate NFP expenditures.
- i. Monitor timely disbursement of funds allocated to the regions and disbursement of funds retained at the Central Office in coordination with concerned officer.
- j. Initiate the processing of vouchers for payment involving funds retained at Central Office.
- k. Provide MIS, technical, administrative and clerical support to the NFP.
- l. Such other functions that may be assigned by the Chairman of the NFP Steering Committee.

## 2. **USEC PPPMO/ASEC/FASPO/ASEC MANAGEMENT SERVICES**

The USEC for PPMO through the ASEC for FASPO and in coordination with the ASEC for Management Services, shall be responsible for the accomplishment of the following:

- a. The timely and 100% compliance of conditionalities of other foreign assistance to NFP related projects.
- b. The integration and submission of budgetary requests of foreign-assisted programs and projects of the NFP to DBM.
- c. Coordinating the releases of loan and grant proceeds to the GOP and DENR.

- d. The integrated reporting of loans and grants utilization to the corresponding foreign sources and oversight agencies of government.
- e. The coordination and support of the five ADB Technical Assistance Grants.
- f. The management of consultants and other technical assistance related to the NFP.
- g. Coordinating at the national level the line agencies and local government units involved in the NFP through the NFP Sub-Cabinet Committee, which was created under S.O. 124, Series of 1989 in coordination with the NPCO.

### **3. USEC for Field Operations**

- 1. The USEC for Field Operations, through the AREA ASECs REDs, PENROs and CENROs shall be responsible for implementing and achieving the targets of the Investment (Component of the NFP as enumerated under Sections I-B (1-5) of this Special Order.
- 2. As a matter of priority, the Field Operation units shall apply the following principles in the pursuance of its responsibilities under Section V-3 1 (above).
  - a. Involve as much as possible corporations, community organizations, families, tribes and NGOs through contractual arrangements. However, in awarding of contracts, such contracts must promote maximum participation of forest occupants either as direct contractors with DENR or as sub-contractors to corporate, community, tribal, NGO, Line Agencies, Local Government Unit contractors.
  - b. Involve as much as possible othe agencies of government, especially those who have jurisdiction over critical watersheds, and the local government units, especially those with proven managerial capabilities, through Memoranda of Agreement (MOA).
  - c. Democratize access to natural resources to forest occupants through the promotion of:
    - 1) Community, family, tribal contract reforestation for tree plantations
    - 2) ISF
    - 3) Community, family, tribal watershed rehabilitation activities contracts

- 4) Community, family, tribal TSI contracts
- 5) Community, family, tribal ANR contracts
- 6) Community, family tribal Mangrove/Rattan/Bamboo refo contracts

3. In addition, Field Operations shall be responsible for the infrastructure component of the NFP such as access roads and lookout towers. As a matter of principle, such shall be implemented using labor intensive technology and hiring of forest occupants.

4. Field Operations shall be responsible for seeing to the formulation of Forestation & Watershed Rehabilitation Plans, investment programs and work programs at the regional, provincial and community levels as well as the project preparation of specific NFP projects. Such shall be formulated under the guidance of and in coordination with PPSO and NPCO.

5. The PICOP M & E System shall be operated by the Field Operations Office once installed. However, the verification scheme using independent organizations such as NGOs will also have to be arranged by Field Operations to complement the M & E System.

6. **Special Assignments:**

- a. Under the principle enumerated in Section V 3 (2), it is apparent that community organizing is an important support component for NFP Investments. Community Organization shall involve trainings focusing on dissemination of appropriate technology on community forest operations such as plantation management, management of the natural resources, TSI, harvesting of small-diameter plantations timber.
- b. The ISF also deserves special attention not only because of the principles under Section V-3 (2) of this Order but also because it is an important component of the CARP. For this purpose, an Assistant Secretary has been designated as responsible for the DENR ISF Program. He is also designated as co-chairman of the NFP Sub-Cabinet Committee for ISF matters as enunciated under the MOA signed by the members of the Sub-Cabinet Committee.
- c. The Investment Components of the NFP also need technical guidance for the field units of DENR. Thus, the following NFP Task Forces were created:
  - 1) Task Force on TSI
  - 2) Task Force on ITP
  - 3) Task Force on Seedlings
  - 4) Task Force on Rattan, Mangrove and ANR



- 5) Task Force on Watershed
- 6) Task Force on M & E

The functions of the above Task Forces and their members are detailed under their respective Special Orders.

7. The CENROs are encouraged to integrate the management of NFP implementation under one team.

8. Field Operations units are further encouraged to cluster the various NFP component projects in one or more general areas for easier management. The use of watersheds or micro-watersheds as the clustering framework (e.g. 1,000 has. refo site) is recommended because it also maximizes environmental impact.

9. Each level of Field Operations must have only *one person* assigned for the NFP Data Bank and shall coordinate with the NPCO.

#### 4. Ecosystems Research and Development Bureau (ERDB)

The ERDB, in coordination with the Philippine Council for Agriculture Resource Research and Development (PCARRD) and the REDs will be responsible for the formulation of a short-term (1990-1992) and long-term (post 1992) Research Agenda on Forestry. Such agenda shall be translated into various research projects that give a bias towards community-based research.

#### 5. Public Affairs Office (PAO)

The PAO, in coordination with the NPCO and regional information officers of DENR, shall be responsible for the smooth implementation of the Development Communications Component of NFP.

#### 6. National Mapping and Resource Information Authority (NAMRIA)

NAMRIA shall be responsible for the cartographic, remote sensing, Geo-information Systems (GIS), and survey requirements of the NFP.

#### 7. Management Services

Management Services shall be responsible for:

1. Coordinating with DBM & COA to ensure speedy disbursements and procurement under the NFP.
2. Supervising financial and budget management at field level for

smooth disbursements and procurement under the NFP budget and attain 100% funds utilization as well as prompt financial reporting.

This Order shall take effect immediately and revokes all Orders, Memoranda, etc. which are inconsistent herewith.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on November 20, 1989

**SUBJECT: Guidelines on the Conduct of Monitoring and Evaluation (M & E) of Projects of the National Forest Program (NFP) by Non-Government Organizations (NGOs).**

Pursuant to the provisions of DENR Memorandum Circular No. 11, Series of 1988, which encourages the participation of a broad sector of the population in the National Forestation Program by enlisting their specific areas of expertise, and entering into activity-specific contracts for various components of the NFP, the following guidelines are hereby adopted for the conduct of Monitoring and Evaluation (M & E) of NFP projects by NGOs.

## **ARTICLE I**

### **POLICY, OBJECTIVES AND DEFINITIONS OF TERMS**

**SECTION 1. BASIC POLICY.** Consistent with the objectives of the National Forestation Program to enlist the broadest spectrum of participants in the development, conservation, management and utilization of forests and forest resources, it is the policy of the government to encourage the participation of non-government organizations (NGOs) in the different activities of reforestation particularly in the monitoring and evaluation of reforestation projects of the National Forestation Program.

**SECTION 2. OBJECTIVES.** The objectives of this Monitoring and Evaluation Program are:

1. To reconcile reported progress and attainments of forestry projects under the NFP with field realities.
2. To obtain an independent view of the projects in terms of their efficiency and community/environmental impact.

**SECTION 3. DEFINITION OF TERMS.** Amplifying further the provisions of Sec. 4, Memorandum Circular No. 11, S. 1988, the following words as used in this Order are hereby defined:

- a. **DEPARTMENT or DENR** – refers to the Department of Environment and Natural Resources

- b. SECRETARY — Secretary of DENR
- c. UNDERSECRETARY OR USEC — the DENR Undersecretary for Environment and Research
- d. ASSISTANT SECRETARIES OR ASECS — the DENR Assistant Secretaries for Field Operations
- e. RED — refers to the Regional Director of the DENR Regional Office
- f. PENRO — refers to the Provincial Environment and Natural Resources Officer
- g. CENRO — refers to the Community Environment and Natural Resources Officer
- h. CONTRACT — refers to the agreement entered into by and between the DENR and the NGOs in the conduct of monitoring and evaluation of reforestation projects
- i. CONTRACTOR — an NGO that has been awarded a Monitoring and Evaluation Contract
- j. NGOs — refer to private non-profit and voluntary organizations that are committed to the task of socio-economic development and established primarily for service. Cooperatives shall be considered as NGOs for purposes of this definition.
- k. DENR SYSTEM FOR MONITORING AND EVALUATION OR DSME — refers to the computerized System of Monitoring and Evaluation designed by the Paper Industries Corporation of the Philippines (PICOP) for the National Forestation Program (NFP).

- l. NATIONAL DENR-NGO DESK – a coordinating body between the DENR and the NGOs at the DENR Central Office.
- m. REGIONAL DENR-NGO DESK – refers to the regional coordinating bodies between the DENR and the NGOs
- n. TECHNICAL CAPABILITY – refers to the competence in handling socially-oriented programs and to the ability and resourcefulness in coming up with strategies to solve internal problems
- o. NATIONAL PROGRAM COORDINATING OFFICE OR NPCO – refers to the coordinating arm of the DENR in the implementation of the National Forestation Program
- p. REGIONAL LIAISON OFFICERS OR RLOs – refers to NGO staff assigned to assist the Regional Offices in the implementation of the NFP

**ARTICLE II**  
**IDENTIFICATION OF CONTRACTORS AND PROCESSING OF CONTRACTS**

**SECTION 4. CLASSIFICATION OF CONTRACTORS.** NGOs classified under any of those below are qualified to apply as contractors for monitoring and evaluation of reforestation projects under the National Forestation Program.

- 1. Local religious organizations
- 2. Academic/Professional Institutions
- 3. Civic Groups
- 4. Indigenous Cultural Communities
- 5. Other non-profit organizations concerned with environmental and social issues.

State universities may also be tapped for M & E provided they are accredited properly.

**SECTION 5. SELECTION CRITERIA.** NGOs falling under any of the classifications mentioned in Section 4 of this Circular shall be further selected based on the following criteria:

1. Known to be with integrity and commitment to environmental and social issues;
2. Reputable and socially acceptable to the concerned and/or affected community;
3. Locally-based and with adequate basic resources (i.e. manpower, etc.);
4. With technical capability, or can be trained, if there are technical capability gaps.

**SECTION 6. ACCREDITATION.** For purposes of screening NGOs and for communications networking, the Regional DENR-NGO Desk Officers, with the assistance of NPCO's Regional Liaison Officers (RLOs), shall accredit prospective contractors in the monitoring and evaluation of reforestation projects upon submission of certification of good community standing from at least two of the following:

- a. Head of a local religious organization
- b. Local Leaders (e.g. mayor, governor)
- c. Heads of Civic Groups
- d. Heads of Academic/Research Institutions

The NGO, however, should get the Certificate from those categories where his organization does not fall under. For example, the NGO belonging to category a should get their Certificates from b, c, and d.

In regions where the Regional DENR NGO Desks have not been established yet, accreditation shall be done at the Central Office DENR NGO Desk.

The Contractors, based on self-assessment of their capability, shall be given the opportunity to select the reforestation projects which they want to monitor and evaluate. In case there are more Contractors interested in the same area, the RED shall determine which area a particular Contractor shall monitor and evaluate.

The following supporting documents shall be attached to the application letter:

1. Name and address of the organization;
2. List of principal officers of the organization (e.g. president, vice president, treasurer, board members, trustees, stockholders, etc.);

**SECTION 7. PROCESSING OF CONTRACTS.** Immediately upon submission of papers of accreditation, the Regional DENR-NGO Desks, as assisted by NPCO's Regional Liaison Officers (RLOs), shall recommend,

for the RED's approval, the NGO Contractors for the monitoring and evaluation of a particular plantation/s. The concerned ASEC for Field Operations, shall regularly review the processing and implementation of M and E contracts and shall be supported by NPCO staff.

**SECTION 8. DURATION OF CONTRACTS.** Contracts shall be good for three (3) years, renewable every year, but subject to the Contractors' performance for the preceeding year.

### **ARTICLE III**

#### **MONITORING AND EVALUATION**

**SECTION 9. MONITORING AND EVALUATION SYSTEM.** The new DENR System of Monitoring and Evaluation (DSME) shall be used by the NGOs in the Monitoring and Evaluation of the reforestation projects.

In particular, the NGOs shall accomplish the Inspection Chart Maps (ICMs) (Annex A) for the DMES in two (2) copies, one of which is to be submitted to the CENRO, PENRO or RED's office concerned and the other to the Central DENR-NGO Desk. Aside from the generation of ICMs, the NGOs shall also be expected to inform the DENR about other areas of concern such as "ghost contractors", anomalous sub-contracting, etc., as well as report on selected indicators of project impact on the environment and beneficiaries.

NGOs may also submit comments and recommendations that can improve the implementation of the reforestation program which will be considered by the DENR. In carrying out the provisions of this Order, the Contractors and the concerned DENR offices and personnel shall also use the standard reporting forms attached hereto as Annex B; provided however, that the National Coordinator may design and use alternative forms subject to approval of the same by the Undersecretary.

To facilitate the flow of information and records from DENR units to NGOs, the Regional DENR-NGO Desk Officers, with the assistance of NPCOs Regional Liaison Officers (RLOs), shall assist the NGOs, in programming/scheduling the inspection of the reforestation projects.

**SECTION 10. COVERAGE AND FREQUENCY OF REPORTING.** Subject to the availability of funds, all reforestation projects whether implemented by administration or by contract, shall be subject to monitoring and evaluation by the NGOs. In no case, however, shall the non-availability of funds prevent NGOs from continuing the monitoring and evaluation of reforestation projects at their own expense, if they so choose. The NGOs shall monitor and evaluate reforestation projects at least five (5) times during the first year of implementation, and quarterly during the second and third

years, or as specified in their contracts. In general, frequency of inspection shall coincide with the schedules and procedures set forth in the MES.

## ARTICLE IV

### ORIENTATION AND TRAINING

**SECTION 11. ORIENTATION AND TRAINING.** The NPCO, with the assistance of the Regional DENR-NGO Desks, Local Government Units and local religious organizations, shall immediately hold regional orientation seminars and trainings on the monitoring and evaluation of reforestation projects of the NFP. The trainings shall include the Inspection Procedures of the new MES and the seminars shall also serve to enlist other interested NGLs wishing to participate in the M & E.

NGOs whose contracts have been approved shall be required to send in at least two trainees for a four-day intensive training course in Inspection Procedures of the new MES. The dates and place of the trainings shall be determined by the NPCO with due consideration to convenience and savings on the part the trainees.

## ARTICLE V

### FUNDING

**SECTION 12. SOURCE OF FUNDS.** Funds for the monitoring and evaluation of the reforestation projects shall come from the M & E Budgets of the ADB/OECF Program Loan for the Forestry Sector. The cost of contracts shall be based on the attached Cost Guidelines herein marked as Annex C.

**SECTION 13. MOBILIZATION ADVANCES.** Contractors for monitoring and evaluation shall be given mobilization fund as provided for in Section 7 of DAO 14, Series of 1989. Mobilization fund for monitoring and evaluation shall not exceed fifteen percent (15%) of the total contract budget.

**SECTION 14. DEDUCTION OF MOBILIZATION ADVANCES FROM PROGRESS PAYMENTS.** Deduction of mobilization payments as provided for in Section 8 of DAO 144, Series of 1989 shall also apply for M & E Contractors. The amount deducted from the Contractor's periodic progress payments shall be proportionate to the quarterly progress payments. At his option, the contractor may also increase the rate of deductions to accelerate repayment.



**SECTION 15. DISBURSEMENT OF FUNDS.** Quarterly disbursements shall be made by the RED to the Contractors upon the receipt of the required reports from the latter. Disbursements shall be made immediately, allowing for adequate processing time.

## **ARTICLE VI**

### **NATIONAL COORDINATOR AND SECRETARIAT**

**SECTION 16. NATIONAL COORDINATOR.** The over-all coordinator of this Program shall be the Chairman of the DENR-NGO Desk, or such other official designated by the Secretary. He shall be assisted by the members of the DENR-NGO Advisory Committee. Their duties and responsibilities are:

1. Oversee and coordinate all operations of the NGOs in the monitoring and evaluation of the reforestation projects.
2. Formulate and recommend policies for the smooth implementation of the Program to the Undersecretary for Environment and Research.

**SECTION 17. SECRETARIAT.** The DENR-NGO Desks to be installed at the central, regional, and provincial offices of the DENR shall form the Secretariat for this Program. It is the duties and responsibilities of the Regional DENR-NGO Desks to:

1. Assist and coordinate the field operations of the NGOs in the M & E Programs.
2. Identify problem areas in the implementation of the Program and elevate the same to the National Coordinator.
3. Provide technical assistance as required/requested by the NGOS.

## **ARTICLE VII**

### **GROUND FOR CANCELLATION, PENALTIES AND ADMINISTRATIVE SANCTIONS**

**SECTION 18. GROUND FOR CANCELLATION OF CONTRACT.** The Undersecretary, upon the recommendation of the National Coordinator, and after proper and thorough investigation, may cancel/rescind M & E contracts, for any of the following reasons:

- a. If the contract was obtained through fraud, misrepresentation or omission of facts at the time of application;
- b. Failure to start Monitoring and Evaluation activities within one (1) month from the disbursement of the mobilization fund.
- c. Voluntary surrender of contract by contractor for cause; and
- d. Violation of any of the laws and conditions of, or failure to comply with or perform the obligations as stipulated in the contract, or policies, or pertinent laws affecting the implementation of this Program.

**SECTION 19. PENALTIES.** In the case of the Contractor/s misrepresentation of facts at any time the contract is in force, the following punitive actions shall apply:

1. Cancellation of contract.
2. Perpetual disqualification to apply for a Monitoring and Evaluation Contract.
3. Prosecution in court for Civil or Criminal offenses, whichever applies and where conditions and circumstances warrant.

In case of a rescinded contract, the area and the amount allotted for the default contractor shall be awarded to another qualified contractor.

**SECTION 20. ADMINISTRATIVE SANCTIONS FOR DENR EMPLOYEES.** DENR employees shall be subject to the same administrative sanction as stated in Section 84 of MC 11, S. 1988.

**SECTION 21. SUPPLEMENTAL RULES AND REGULATIONS.** The Undersecretary upon the recommendation of the National Coordinator, shall formulate rules and regulations as may be necessary to effectively carry out the objectives of this Order. Additionally, the National Coordinator, may promulgate supplemental rules, procedures and regulations which apply to a particular region. However, such rules and regulations shall be in accordance with this Order, and duly noted by the Secretary.

**SECTION 22. TECHNICAL ASSISTANCE.** Whenever the Contractors need so the DENR offices shall provide the Contractors with all the necessary technical assistance to facilitate the conduct of monitoring and evaluation.

**SECTION 23. REPEALING CLAUSE.** The provisions of any administrative orders, memoranda, circulars and related DENR documents which are inconsistent with this Order are hereby repealed or amended accordingly.

**SECTION 24. EFFECTIVITY.** This order shall take effect immediately.

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

**RECOMMENDING APPROVAL:**

**EBERT T. BAUTISTA**  
Director  
Special Concerns Office

Signed on November 28, 1989

\* (Annexes A, B, B-1, B-2, and C Omitted)

**MEMORANDUM CIRCULAR**

No. 25

**SUBJECT: Guidelines on the Approval of 1990 Integrated Annual Operations Plans (IAOP's)**

In line with the DENR's mandate for the sustainable development of the country's natural resources and the basic premise that Integrated Annual Operations Plans (IAOP's) for a given timber license or permit should reflect long term planning, the following conditions/guidelines must henceforth be incorporated in IAOP's beginning 1990.

- 1) The annual allowable cut shall be determined using the formula prescribed under FAO 74 for particular forest stands. While the implementation of a more intensive forest stand assessment is pending, the data to be used shall be the RP-German National Forest Resources Inventory results, including the volume per hectare figures per region. For this purpose, the projected volume after the cutting cycle shall be assumed to approximate the original stand. The attached tables shall be used as reference.
2. There shall be no logging in virgin forest area 50% or steeper in slope.
3. There shall absolutely be no logging in mossy forest or dipterocarp forests 1000 meters in elevation or over.
- 4) Enrichment planting of newly logged-over areas shall utilize long term forest crops or high value species, preferably dipterocarps.
- 5) Timber stand improvement in logged-over forests shall be strengthened in accordance with Memorandum Circular No. 19 Series of 1989 dated 26 September 1989.
- 6) Reforestation targets shall not be lower than 100% of the area to be logged for the particular year, which pertains to open and denuded lands and excludes timber stand improvement and enrichment planting in logged-over areas. In cases where there are no open and denuded portions within the license area, the regional office concerned shall identify equivalent areas outside the license area for purposes of reforestation.

**For strict implementation.**

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

Signed on December 27, 1989

EXISTING TIMBER LICENSE AGREEMENTS (TLAs) USING FAO 74

REGION	NAME OF LICENSEE	LIC. NO.	Date of Issuance	Expiry Date	Cutting Cycle (Yrs.)	OLD GROWTH FOREST (Has.)	RESIDUAL FOREST (Hectares)	TOTAL AREA OF CONCESSION (Hectares)	AAC FAO 74	
2	1 ACME Consolidated and Veneer Company	TLA 75	7-20-65	6-30-90	30	28,116	20,989	84,525	97,392	
	2 Amunitan Bay Timber Licensees	TLA 148-1	7-22-85	6-30-2000	30	1,984	4,504	24,710	12,868	
	3 BRQ Timber & Dev't. Corp.	TLA 227-A	10-29-84	8-30-94	40	2,200	1,312	6,000	5,224	
	4 Consolidated Log & Lbr Mills, Inc. (CLLMI)	TLA 105	7-10-72	6-30-97	30	9,666	14,813	26,920	48,550	
	5 Pacific Timber Export Corp.	TLA 131-A	5-4-82	12-31-06	30	18,788	6,220	34,450	49,599	
	6 Green Valley Timber Corp.	TLA 247-1	3-07-82	1-31-93	30	1,675	4,797	13,720	12,836	
	7 Isabela Sierra Lumber Corp. (ISLC)	TLA 312-1	9-9-85	7-31-95	30	3,708	13,780	21,290	31,686	
	8 Jones Logging Corporation	38-1	6-30-82	12-31-07	30	1,832	14,144	20,911	34,685	
	9 Kasibu Logging Corp.	TLA 126-1	8-6-82	7-31-92	40	1,459	5,414	10,500	10,224	
	10 Liberty Logging Corporation	TLA 250-1	5-26-81	6-30-7	30	5,672	10,020	27,260	31,122	
	11 Luzon Loggers, Inc.	TLA 029	3-22-73	6-30-97	30	3,240	14,815	23,620	35,809	
	12 Luzon Mahogany Timber Industry Inc.	243-1	7-1-82	12-31-07	30	8,604	622	26,125	18,298	
	13 Monte Alto Timber Resources Corp. (F. Siquian)	TLA 280-1	1-15-85	12-31-99	30	4,970	6,670	14,490	23,086	
	14 Nor Luz Timber, Inc.	TLA 141	2-21-73	6-30-97	40	7,969	13,283	27,160	31,612	
	15 North Luzon Mahogany Exporters, inc.	TLA 025	12-21-72	6-30-87	40	8,656	24,232	54,760	48,921	
	16 Northern Isabela Lumber Producers Corp.	TLA 147	10-07-85	12-31-96	30	4,655	3,640	12,250	16,452	
	17 Sierra Madre Wood Industries Inc.	345	7-8-80	12-31-04	40	7,417	4,336	19,050	17,483	
	18 Sta. Teresita Wood Industries, Inc.	TLA 214-1	2-4-83	1-31-95	40	2,012	19,170	36,100	31,508	
	19 Twin Peaks Realty Development Corp.	356	8-20-84	7-31-09	30	10,540	8,264	26,000	37,295	
	20 United Timber License Inc.	134-1	1-03-82	6-30-07	40	26,952	17,783	74,500	66,543	
	21 Veterans Woodworks, Inc.	TLA 274	6-20-74	6-30-99	40	21,577	24,931	63,170	69,181	
	22 Northern Timber Company Inc.	TLA 351	7-15-82	12-31-92	30	4,350	15,550	20,000	39,468	
	23 Southern Plywood	TLA 321	10-07-76	6-30-01	30	0	0	71,300	0	
	24 Western Cagayan Lumber Inc.	TLA 73	7-23-65	6-30-90	30	0	0	69,675	0	
	25 La Villa Resources Corp.	TLA 139	2-05-73	6-30-97	40	0	0	57,620	0	
4	26 Inter Pacific (formerly B&S)	TLA 365	3-15-85	2-28-10	30	7,125	19,840	50,000	56,627	
	27 Verdant Agroforest Development Corp.	356	4-15-85	3-31-10	30	10,467	11,583	30,320	46,345	
	28 R C C Timber Company, Inc. (formerly Ong Bro. L.)	312	4-25-83	4-15-93	30	4,379	7,075	8,000	24,053	
	29 Nationwide Princess Timber Corp.	107-1	3-15-82	12-31-07	45	18,380	10,630	46,860	17,599	
	30 Paganan Timber Products	281	10-29-74	6-30-99	45	36,624	28,100	98,950	39,266	
	31 Palawan Lumber Manufacturing Corp.	220-1	3-25-82	6-30-07	40	7,720	8,330	34,888	11,364	
	32 International Hardwood & Veneer Corp.	TLA 373	1-11-61	12-31-01	30	2,400	20,500	20,500	48,090	
	33 Industries Development Corp.	TLA 002	8-14-69	6-30-94	30	17,020	25,055	60,005	88,358	
	5	34 Woodworks Inc.	TLA 023-3	5-11-78	12-31-91	30	0	0	34,480	0
	8	35 Great Pacific Timber and Dev't Corp. (GEFARIN)	TLA 007	7-15-70	6-30-92	35	9,200	32,000	84,540	61,800
36 PAVA Logging Company		120-1	7-7-82	12-31-07	35	4,500	23,667	31,075	42,251	
37 Basey Wood Industry Inc.		14	1-21-71	6-30-95	35	18,600	12,108	57,525	46,062	
38 San Jose Timber Corporation		118-1	9-24-82	6-30-07	35	37,800	43,100	95,770	121,350	
39 Timber Producers and Marketing Corp.		375	11-26-86	11-26-11	35	9,728	8,140	26,500	26,802	
9	40 First Plywood Corp.	138	2-2-73	6-30-97	30	5,020	4,740	27,810	29,378	
	41 West Basilan Timber Co.	164-A	8-26-81	12-31-90	40	3,908	3,168	22,988	15,974	
	42 Mindanao Estates Timber Corp.	184-1	9-30-82	6-30-02	30	6,152	10,380	47,380	49,761	
	43 Great Pacific and Development Corp. (NEPATCO)	008	6-27-72	6-30-97	40	5,748	7,760	19,350	30,494	
	44 Sirawai Plywood and Lumber Co.	54-1	8-20-85	6-30-00	30	4,488	2,856	16,830	22,105	
	45 Westmin Forest Products Inc.	144	8-6-80	12-31-04	30	2,792	9,460	22,680	36,879	
	46 El Salvador Timber Co.	108	4-14-82	12-31-07	40	3,772	6,010	20,325	22,083	
	47 Zamboanga Wood Products (ZAMBWOOD)	TLA 067	-	-	35	-	-	79,760	0	
48 Basilan Kakayaan Development Corp.	TLA 361	-	-	35	-	0	26,730	0		
10	49 CVC Lumber Ind. Inc. (DEL ROSARIO MERBED)	TLA 218-1	7-05-83	6-30-92	35	4,391	13,841	30,295	31,724	
	50 Agusan Wood Industries Inc.	197-1	7-16-74	6-31-98	35	11,250	18,644	60-390	52,016	
	51 Woodland Domain Inc. (form. Kallid)	232-1	11-15-82	6-30-07	35	11,693	36,109	72,680	83,175	
	52 Butuan Logs Inc.	83	10-29-65	6-30-90	35	4,196	13,988	25,550	31,640	
	53 Davao Mahogany Producers Co.	17	11-16-84	7-1-94	35	804	11,639	22,500	21,651	
	54 Nasipit Lumber Co., Inc.	39-1	8-19-80	0-07-35	35	11,391	39,552	98,312	88,641	
	55 Liberty Forest Company Inc.	34-1	8-02-72	6-30-97	35	1,790	21,308	30,380	40,191	
	56 Mainit Lumber and Dev't Company Inc.	TLA 174-1	3-21-80	6-30-97	35	5,842	13,123	30-045	32,999	
	57 MAC Int'l Dev't Corp. (S. AQUATIC MERGED)	349	7-24-81	6-30-06	40	1,000	2,800	17,575	5,786	
	58 Talakag Timber Co. Inc.	906	7-03-70	6-30-92	30	5,240	6,664	44,839	24,165	
	59 El Labrador Lumber Co. Inc.	369	10-02-85	9-10-95	30	6,000	14,244	49,115	41,095	
	60 Timber Ind. Dev't of the Phil.	116	6-06-80	12-31-06	30	2,956	4,194	22,650	14,494	
	61 Anakan Lumber Co. Inc.	128-B	06-06-79	6-30-04	40	10,140	16,260	78,480	40,194	

REGION	NAME OF LICENSEE	LIC. NO.	Date of Issuance	Expiry Date	Cutting Cycle (Yrs.)	OLD GROWTH FOREST (Has.)	RESIDUAL FOREST (Hectares)	TOTAL AREA OF CONCESSION (Hectares)	AAC FAO 74
11	62 Mindanao Lumber Dev't Co. Inc.	36	3-17-76	6-30-97	30	6,996	8,148	32,575	40,990
	64 C. Alcantara & Sons Inc.	91	5-10-67	6-30-91	35	6,950	21,200	43,840	65,308
	65 L. S. Sarmiento Co. Inc.	79	10-21-65	6-30-90	35	0	8,225	51,775	19,082
	66 Manuel Nieto Corp. (Landasan Timber )	4	3-23-70	6-30-94	35	3,564	11,968	25,500	36,034
	67 Timber Producers and Marketing Corp.	111	10-02-73	6-30-98	35	4,135	3,302	12,430	17,252
	68 Valderrama Lumber Manufacturing Co., Inc.	96	8-18-69	6-30-94	35	1,976	21,488	20,985	54,436
	69 Angala Enterprises	TLA 3	11-04-69	6-30-90	35	890	7,250	38,100	18,885
	70 Davao Enterprises Corp.	160-1	11-12-92	6-31-97	35	3,180	6,300	40,000	21,994
	71 North Camarines Lumber Co.	076	8-25-65	6-30-90	35	3,776	21,397	39,500	58,401
	72 Anchorage Wood Industry Inc.	24	9-14-72	6-30-97	35	1,100	4,229	10,050	12,363
	73 Kalinan Timber Corp.	18	6-01-72	6-30-97	30	2,675	5,875	36,530	23,142
	74 Malalag Lumber Co.	216	2-14-73	6-30-97	30	3,010	4,605	28,480	20,611
	75 Aras-Asan Timber Co. Inc.	48-1	7-01-82	6-30-07	35	2,730	13,790	24,236	38,326
	76 Lianga Bay Logging Co.	49-1	6-11-84	10-15-93	35	6,472	40,063	59,000	107,961
	77 PICOP 1	PTLA 047	10-07-77	4-25-02	35	1,200	3,400	131,022	10,672
	78 PICOP 2	TLA 43	7-03-81	2-07-06	35	8,300	112,950	49,657	281,300
	79 Surigao Development Corp.	56-1	1-17-86	6-30-11	35	14,300	46,171	69,270	140,293
	80 Ventura Timber Corp.	355	5-11-83	3-31-08	35	5,754	20,164	33,360	60,130
	81 NAREDDICO Inc.	146-2	7-24-81	12-31-07	35	1,096	25,148	96,210	60,886
	82 Davao Stevedore Terminal Co. Inc.	TLA 098	10-08-69	6-30-94	35	925	6,400	37,550	16,994
12	83 Findlay Millar Timber Co.	347	11-10-81	11-12-06	40	3,360	22,967	60,420	60,355
	84 Vicmar Development Corp.	171	11-24-75	11-27-00	30	2,137	14,260	23,680	50,120
	85 Sarmiento Industries Inc.	80	9-17-65	6-30-90	30	3,019	19,017	133,500	67,357
	86 Cotabato Timberland Co. Inc.	88-1	12-10-80	12-31-05	30	0	2,175	20,265	6,648
	87 M & S Company Inc.	81	10-18-65	6-30-40	30	18,001	21,200	100,000	119,824
	88 Sarmiento Industries Inc.	77	10-21-15	6-30-90	30	7,035	14,986	153,050	67,311
	89 Timber Ind. Dev't of Mindanao	357	10-10-85	12-31-95	30	2,704	7,688	11,850	31,765
	90 MF Timber Industries Inc.	TLA 319	6-17-81	12-31-00	30	0	0	14,080	
	91 Jamil P. Lucman	TLA 353	-	-	-	0	0	32,125	
	92 Mirrico Timber Enterprises	TLA 180-1	-	-	-	0	0	21,500	
TOTAL						593,842	1,251,113	3,808,998	3,622,652

FORMULATIONS

(1) FAO 74, S. OF 1974

$$AAC = \frac{(A_0 + A_1)}{cc} \times V_0 \times .70$$

WHERE:

- A<sub>0</sub> - area of old growth forest (NFRI) or closed canopy forest (SPOT)
- V<sub>0</sub> - volume per hectare per Region of old growth forest using 1987 RP-German Report.
- A<sub>1</sub> - total area of residual forest (NFRI and SPOT)
- cc - cutting cycle

Source of Data: 1987 RP-GERMAN Forest Resource Inventory Report or NFRI

Prepared by: Policy Studies Office

DENR MEMORANDUM ORDER

No. 01

SUBJECT: Amendment to Provision No. 5, Letter (d) on Posting and Publication, DENR Memorandum Order No. 36, Series of 1988.

In order to avoid deterioration of highly perishable confiscated forest products and to preserve its economic value, provision No. 5, letter (d) of DENR Memorandum Order No. 36, Series of 1988 should read as follows:

d. Posting and Publication

The invitation to Bid and Notice of Sale (Annex "D") shall be posted in at least three (3) conspicuous places in the DENR local offices, as the case may be, and in other public places, and it shall be published in at least two (2) newspapers of general circulation for three (3) consecutive days, the last publication of which shall be fifteen (15) days before the opening of the bids. In areas where there is no local newspaper, the posting of notices at least thirty (30) days before the opening of the bids shall be deemed sufficient. Likewise, Letter of Invitation to Bid (Annex "E") shall be sent to prospective bidders such as the PWPA representative, furniture association manufacturers and all sawmills in the locality to inform them of the scheduled public auction sale and of the description of the forest products available for bidding.

**IN CASE OF HIGHLY PERISHABLE CONFISCATED FOREST PRODUCTS LIKE RATTAN, THE FIFTEEN (15) DAYS PERIOD BEFORE OPENING OF BIDS MAY BE SHORTENED. TO ENSURE WIDER COVERAGE OF THE NOTICE OF BIDDING, THE SALE MAY BE AIDED IN A GOVERNMENT STATION IN ADDITION TO THE PUBLICATIONS AND NOTICES IN PUBLIC BUILDINGS.**

In case of rebidding, the Invitation to Rebid and Notice of Sale shall be published in the same newspaper of general circulation at least once every week for three (3) consecutive weeks the last publication of which shall be one (1) week before the scheduled rebidding.

If after a rebid, no qualified bids are submitted, negotiated sale may be authorized with the approval of the DENR Secretary.

The Secretary may also authorize, negotiated sale in cases where the value of the forest products is less than ₱50,000 and the prospective buyers are engaged in furniture and similar industries, and in other cases when social equity is involved. In the latter case, the Regional Executive Director, upon prior clarification with the Undersecretary for Field Operations, may segregate the bidding into small lots. It is understood that the cost of sale shall be deducted from the bidding price.

All other provisions of DENR Memorandum Order No. 36, Series of 1988 which are not inconsistent herewith shall remain in full force.

FULGENCIO S. FACTORAN, JR.  
Secretary

Signed on January 25, 1989