

Subject : Guidelines and Procedures in the Inventory, Documentation and Packaging of Appropriate Upland Farming Practices/Technologies

Pursuant to the provisions of the DENR Administrative Order No. 4, Series of 1991 and Letter of Instruction No. 1260, the following guidelines and procedures are hereby promulgated in the inventory, documentation and packaging of appropriate upland farming practices/technologies for possible application to other similarly situated upland settlements.

Sec. 1. Objectives

- 1.1 To establish data base information on existing upland farming practices and technologies at the CENRO, RENRO and Central Office; and
- 1.2 To strengthen the capabilities of the DENR field personnel in the conduct of the inventory, documentation and packaging of the appropriate upland farming practices and technologies.

Sec. 2. Definition of Terms

- 2.1 **Upland Farming Practices/Technologies** - refers to any crop (agricultural, orchard, forest and/or livestock) production, cropping pattern (monocropping, intercropping of annuals, perennials or combination), soil stabilization (vegetative, structural), soil and water conservation and management (mulching, green manuring), land management (contour, minimum tillage) and other practices that are existing and being adopted by the upland farmers for a specific purpose such as productive, protective and/or ameliorative.
- 2.2 **Data based information** - a collection of information on upland farming practices and technologies that may include the description, site characterization and location, main and secondary purposes and other information relevant to the specific farming practices and technologies.
- 2.3 **Productive** - the ability of the system to produce products useful to farmers. Usually quantified in terms of production of crops harvested per unit area.

Ameliorative – the ability of the system to enhance environmental balance and ecological stability, the introduced technologies being compatible with the existing site condition.

- 2.5 **Protective** – the ability of the system to contribute to the protection of the local area through the adoption of soil conservation measures, protection of the area from fire, pest and diseases and other measures.

Sec. 3. General Activities and Procedures

3.1 Training Orientation of Field Personnel

3.1.1 The Regional Social Forestry Division in coordination with concerned units shall conduct a training orientation of all field personnel to be involved in the conduct of inventory, documentation and packaging of farming practices/technologies. In the course of this training orientation, an action plan shall be prepared by the participants which shall be used as guide in the conduct of this activity.

3.1.2 The Social Forestry Division at the Central Office shall likewise provide the necessary assistance and supervision to the field personnel in the conduct of this activity as may be required and/or upon request of the Regional Offices.

3.2 Inventory of Upland Farming Practices and Technologies.

3.2.1 The CDAs shall conduct the inventory of upland farming practice and technologies within their respective area of jurisdiction, within the existing ISF projects and/or related projects implemented by non-government and other government agencies.

3.2.2 In the conduct of the inventory the CDAs shall use the following methodologies; actual observation, farmers interview; and/or material reviews (in case of documented technologies). ;

3.2.3 Upland farming practices and technologies to be inventoried as much as possible are those that satisfy the farmers household basic need: (food, fuelwood, forage, light construction materials, sources of income) and/or contribute to the ecological stability or environment enhancement of the local area.

- 3.2.4 The basic information that CDAs shall gather in the field are: the name of the technology; site description; technology description; major activities/procedures involved in technology adoption; and problems/limitations (Refer to attached Documentation format). A pictorial whenever necessary may be included.
- 3.2.5 The CDAs shall prepare a compiled report by project and submit it to the regional SFD. The report shall be reproduced in four copies for project file, CENRO, PENRO, and RENRO.
- 3.2.6 The CENRO shall establish systematic data based information on the different upland farming practices and technologies existing within its jurisdiction. The data based information shall be used for extension and information dissemination, upland farmers training and farm planning.

3.3 Evaluation of Upland Farming Practices and Technologies

- 3.3.1 The Regional Social Forestry Division shall create an ad hoc committee composed of regional personnel who shall be responsible in the evaluation and assessment of the CENRO submitted reports.
- 3.3.2 The ad hoc committee shall group together similar technologies submitted by the CENRO offices and shall conduct evaluation of each technology.
- 3.3.3 In the evaluation of upland farming practices and technologies, the following criteria shall be applied in order to determine the prioritized technologies for documentation and packaging:
 - a. The farm practices or technologies shall primarily meet the basic needs of the household such as food, fuelwood, fodder for livestock and light construction materials. For income generation, the medium to long term farm practices and technologies should produce agroforestry products that have a favorable existing and/or potential markets.
 - b. The skills needed for the application of the farm practices or technologies is already existing with the upland farmers and/or has a great potential for farmers adoption. Further, the farm

practices or technologies shall not be inconsistent with their cultural values; and

- c. The farm practices or technologies should complement the existing biophysical conditions of the area.

As much as possible all prioritized upland farming practices and technologies selected are not yet documented and/or published materials.

3.3.4 Concerned CENRO personnel shall be informed of the prioritized upland farming practices and technologies selected for documentation and packaging.

3.3.5 The Regional SFD shall establish systematic data based information on the different upland farming practices and technologies existing within the region. The data based information shall be used for extension and information dissemination, upland farmers training, staff training and farm planning within the region and/or exchange of information with other regions.

The Regional SFD shall submit regular reports concerning the different upland farming practices and technologies within the region.

3.4 Documentation of the Prioritized Upland Farming Practices and Technologies

3.4.1 The CDO and the concerned CDA shall conduct the documentation of the prioritized upland farming practices and technologies. They shall use semi-structure interview of the farmers concerned and/or supplemented by pictorial documentation.

3.4.2 They shall be guided by the attached form in gathering information on the prioritized upland farming practices and technologies.

3.4.3 Documented technologies shall be prepared in six copies (Farmers copy, Project file, CENRO, PENRO, RENRO and Central Office) and shall be submitted to the region for packaging.

3.5 Packaging of Upland Farming Practices and Technologies

- 3.5.1 All documented technologies shall be reviewed by the regional ad hoc committee for approval and packaging.
- 3.5.2 The packaging of the technologies shall be in the form of 2 to 3 pages of information kit.
- 3.5.3 The outline shall be as follows:
- o Name of Technology
 - o Brief Description/Main, Secondary Purposes
 - o Other Variations (if any)
 - o Site Characterization (where it is reported to be adopted)
 - o Procedures
 - o Financial Feasibility (if available)
 - o Problems and Limitations
 - o Illustrations or Pictures of the Technology
- 3.5.4 The reproduction, production in other forms such as how to's, flip charts and others shall be encouraged however subject to the availability of regional funds for IEC.
- 3.5.5 A copy of the packaged technology shall be submitted to the Central Office.

Sec. 4. Fund Source. Budgetary requirements in the conduct of this activity shall be charged against the regional appropriations.

Sec. 5. The Programme Assistance Team (PATs) shall provide technical assistance at any stage of the inventory, documentation and packaging of upland farming practices and technologies.

Sec. 6. Effectivity. This Order shall take effect immediately.

VICTOR O. RAMOS
Undersecretary for Field
Operations

DENR Circular
No. 03
September 3, 1992

Subject : Clarification of DAO No. 38, Series of 1992, Prescribing Conditions for the Operation of Sawmills and Mini-Sawmills

In connection with the policy under DAO No. 38, Series of 1992, directing that no permit to operate shall be given to sawmills and mini-sawmills unless with assured legitimate sources of raw materials equivalent to 100% of log requirement, the following clarifications are hereby issued, to wit:

1. The provisions of Section 2, DAO No. 38 shall be strictly applied to:
 - 1.1 Mini-sawmills; and
 - 1.2 Sawmills without back-up concession
2. In the case of sawmills with back-up concession and where the permit is coterminous with their TLAs same shall be exempted from the application of said provisions.
3. The permits to be issued to all sawmills shall have a maximum tenure of two (2) years.

With respect to sawmills located in the Greater Manila Area, which are either with or without back-up concession or log supply, they are exempted from the said provisions pursuant to a previous policy on the matter.

For purposes of this Order, Greater Manila Area includes the following:

1. From Manila going north, specifically the municipalities of Meycauayan, Marilao, Bocaue, Balagtas and Guiguinto, province of Bulacan.
2. From Manila going south, specifically the municipalities of San Pedro, Province of Laguna.
3. All the municipalities and cities within Metro Manila.

This Order takes effect immediately and amends/revokes other orders or instructions inconsistent herewith.

ANTONIO G. PRINCIPE
OIC, Undersecretary for
Field Operations

**Memorandum Circular
No. 01
January 29, 1992**

SUBJECT : Guidelines in the Monitoring and Evaluation of Reforestation Areas, Enrichment Planting and Timber Stand Improvement by TLA Holders

Sec. 1. Basic Policy. Pursuant to Department Administrative Order No. 79 dated December 28, 1987 and Department Administrative Order No. 63 dated July 13, 1988, as amended, which require Timber License Agreement (TLA) holders to reforest one (1) hectare for every hectare logged and to conduct enrichment planting and Timber Stand Improvement (TSI), the DENR hereby adopts these guidelines in order to determine the level of compliance by the TLAs.

Using the basic principles of Inspection Chart Maps (ICM), non-government organizations (NGOs) shall be contracted to conduct the evaluation of areas reforested by TLA holders. However, because of prohibitive cost of conducting a 100% counting using ICM, and in order to arrive at a more realistic result than in simple random sampling, systematic sampling method using 20% intensity shall be adopted in the evaluation.

Sec. 2. Contract for Evaluation. The evaluation of TLA reforestation areas shall be undertaken by accredited non-government organizations which the DENR regional offices have considered and ascertained to possess the integrity credibility and technical competence in carrying out previous monitoring and evaluation projects using ICM (copy of the Contract attached as Appendix A). To ensure check and balance in the evaluation, representatives from DENR Central and Regional Offices and from the TLA holders whose reforestation is being evaluated shall join the NGO in the field inspection. The NGO shall record its findings in the ICMs. The representatives of DENR and TLA holder may also prepare a separate report, especially in cases where these parties disagree with the findings of the NGO.

As a general rule, disputes should be settled through conference with the parties involved in the evaluation process. An actual field check may be done in order to justify the issue/s against the report of the NGO.

Sec. 3. Activities in Undertaking Systematic Sampling. The NGOs shall be guided by the following steps in doing systematic sampling:

1. Subdivision of the reforestation project area into 200- by 500-meter blocks with the longer side on the north-south direction and the shorter side on the east-west direction. Each block corner should be marked with a properly labelled post.
2. Identification of the first five strips. These strips shall be assigned numbers 1 to 5. Draw randomly a number out of the five.
3. The number drawn will be located on the ground. This strip will be considered the first strip and it is where the inspector starts. If # 3 was drawn, it is the strip number 3 where the inspector begins counting the seedlings.
4. After completing the "first strip", the inspector will proceed to the "fifth strip" and to every fifth strip thereafter. Thus after completing strip # 3, the inspector will proceed to strip # 8 and then to strip # 13, etc.
5. The NGOs must have a recording system in the course of the evaluation which can be transferred later to the ICM. In transferring the data, the relative locations of the strip must always be considered. Hence, strip 3 on the ground shall be recorded to the third strip in the ICM and so on.
6. Permanent structures and non-plantable areas shall also be reflected in the ICM.

The same method applies in TLA areas where reforestation is not confined to just one site.

Sec. 4. The Evaluation Schedule by NGOs. Evaluation shall be conducted immediately upon signing of the contract in accordance with the approved work and financial plan (**Annex "A"**).

Sec. 5. Computation of Survival Rate. The computation of survival rate using systematic sampling is shown in **Appendix "B"** of this Memorandum Circular.

Sec. 6. Monitoring of Previous Reforested Area. The representatives from the DENR and TLA shall monitor the reforested/planted area since 1989 up to 1990. Report of findings shall be submitted to the DENR Secretary through the Forest Management Bureau Director.

Sec. 7. Evaluation of Enrichment Planting and TSI. In order to determine compliance of the afforested activities, the representatives from the DENR and TLA shall monitor/evaluate the enrichment planting and timber stand improvement of the TLA holders based from their annual goal. The evaluation procedures are as follows:

The team shall secure a map of the TLA and determine the locations of the TSI areas for CY 1991. In determining the extent of the area treated, the formula below shall be used at 5% intensity:

$$T = Lb \times Ls$$

where: T = Treated area
Lb = Length of baseline
Ls = Total average of length of strips.

The treatment applied shall also be indicated whether by girdling, cutting of vines, thinning, etc. In enrichment planting, the team shall see to it that log landings, logging set-ups such as cableways, etc. abandoned kaingin and all other open areas less than five (5) hectares were being enriched by the TLA concerned. The team shall indicate in the map the location/locations of these areas enriched and the species planted. They shall determine the area of enrichment planting by random sampling using 5% intensity. Each sample plot shall be measured 10m x 250m or 250 m². For every sample plot, observations shall be indicated such as condition of seedlings planted, area brushed/weeded, spacing, site preparation, etc.

Sec. 8. Schedule of Payment and Fund Source. The contractor shall be entitled to the payment of a mobilization cost of 15% of the total contract cost, to be disbursed in full upon execution of the contract. The full contract payment shall be made upon submission of the complete evaluation report.

Funds for this purpose shall be withdrawn from the interest of the Reforestation Trust Fund deposited by TLA holders.

Sec. 9. Performance Bond. The Contractor shall be required to post performance bond equivalent to 15% of the total contract cost. This bond shall be posted in favor of the DENR issued by the Government Service Insurance System (GSIS) callable on demand in order to guarantee the faithful performance of the contractor. It shall be released to the contractor upon acceptance of the contracted services or project.

Sec. 10. Progress Reports. All reports shall be submitted to the Secretary through the FMB Director upon completion of the evaluation. The outline of the report is herein attached as Annex "B-1" and "B-2" of the contract for M & E.

Sec. 11. Repealing Clause. This Order revises or amends all existing forestry rules and regulations which are inconsistent herewith.

Sec. 12. Effectivity. This Circular takes effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary

MONITORING AND EVALUATION CONTRACT

KNOW ALL MEN THESE PRESENTS:

This Contract made and entered into by and between:

The Forest Management Bureau, DENR staff bureau with office address at Visayas Avenue, Diliman, Quezon City, represented by its Director, CIRILO B. SERNA, hereinafter referred to as "DENR";

and

_____, an accredited non-government organization (NGO), duly organized and existing under the laws of the Philippines, with office address at _____, represented by its President, _____, hereinafter referred to as "CONTRACTOR".

WITNESSETH:

WHEREAS, to determine the extent of reforestation done by the TLAs, the DENR requires the Timber License Agreement (TLA) holders to replant/reforest one hectare for every hectare logged pursuant to DAO 79 dated December 28, 1987;

WHEREAS, to obtain an independent view of the progress of reforestation by Timber License Agreement holders, the DENR hereby encourages the participation of NGOs in the monitoring and evaluation (M & E) of such plantations;

WHEREAS, the Contractor has signified its intention to undertake at cost the monitoring and evaluation of the TLA reforestation described herein, and the DENR has found it qualified to do such work;

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants, terms and conditions hereinafter set forth, the parties agree as follows:

Sec. 1. Project Site(s) - The project(s) to be monitored and evaluated by the Contractor is the _____ located at _____ consisting of a total of _____ hectares.

Sec. 2. Obligation of the Contractor - The Contractor have the following obligations:

- 2.1 Conduct monitoring and evaluation (M & E) of the various development activities of the Project Site(s) in accordance with the Work and Financial Plan hereto attached as Annex "A", which is an integral part hereof, following the procedures prescribed in the DENR Monitoring and Evaluation System for Contract Reforestation;
- 2.2 Provide all the labor, equipment, supplies and materials needed to fully and effectively accomplish the contracted services;
- 2.3 Submit a progress and final reports of work accomplished in the form prescribed by DENR hereto attached as Annex "B-1", which is an integral part hereof; and
- 2.4 Report to DENR any information, other than survival rate, gathered on the area being evaluated and submit appropriate recommendations to improve the implementation of the contract reforestation program.

Sec. 3. Obligations of DENR - The DENR shall have the following obligations:

- 3.1 Upon receipt of request for payment, review the Contractor's progress reports expeditiously and, if acceptable, process billings and remit the payments to its duly-authorized representative;
- 3.2 Provide technical advice and assistance, to the Contractor, particularly in the interpretation of the pertinent rules, regulations and procedures for monitoring and evaluation of contract reforestation projects;
- 3.3 Submit report of work accomplished in the form prescribed by DENR hereto attached as Annex "B-2", which is an integral part hereof; and
- 3.4 Provide the contractor a representative during the actual field evaluation.

Sec. 4. Obligation of TLA Holder - The TLA Holder, on the other hand, shall have the following obligations:

- 4.1 Allow and/or facilitate access to the project site(s) by the Contractor or its authorized representatives;
- 4.2 Provide the Contractor with the available maps, plans and other information about the project site(s); and
- 4.3 Provide the inspectors a representative in the course of inspection.

Sec. 5. Contract Cost - The total cost of the services under this Contract is P= _____ as computed in the Work and Financial Plan attached as Annex "A" hereof. This represents the maximum amount that can be paid to the Contractor upon satisfactory performance of the activities or works required under this contract.

Sec. 6. Applicability of DENR Rules and Regulations - The provisions of DENR Administrative Order No. 31 Series of 1991, otherwise known as the "Revised Guidelines for Contract Reforestation", Article VII Contract Management (such as: the posting of performance bond Sec. 49) and the penalty for delay (Sec. 54), and all pertinent rules and regulations, shall be binding upon the parties to the extent they are applicable.

Sec. 7. Amendments - This Contract or any part hereof, including the annexes, may be amended, modified or revised by agreement of the parties in writing.

Sec. 8. Effectivity and Duration - This Contract shall be effective upon signing by both parties and shall remain in force and effect for a period of one and one half months from the date hereof or up to _____ unless sooner terminated for cause. Work shall commence immediately upon receipt of the notice to proceed.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below at _____ on the _____ day of _____ 19 _____.

CONTRACTOR

**DEPARTMENT OF
ENVIRONMENT AND
NATURAL
RESOURCES
FOREST
MANAGEMENT
BUREAU**

BY:

BY:
CIRILO B. SERNA

CONFORME:

**TIMBER LICENSE AGREEMENT
REPRESENTATIVE**

WITNESS

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

) S.S.

CITY/MUNICIPALITY OF _____)

BEFORE ME, at _____, Philippines, on this _____ day of _____ 19____ personally appeared the following:

NAME	RES. CERT. NO.	ISSUED AT	ISSUED ON
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Contractor TLA Holder Cirilo B. Serna			
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who executed the foregoing instrument, and who acknowledged to me that agency/corporation/association he/she represents.

NOTARY PUBLIC

Until _____

PTR No. _____

Doc. No. _____

Page No. _____

Book No. _____

Series of 1992

PRESCRIBED REPORT FORMAT FOR MONITORING AND EVALUATION

I. Project Description

A. Location and Area

Specific location (i.e., barangay, municipality, and province) and the estimated size of the area (in hectares) must be indicated. The coordinates (longitude and latitude) of the site as well as the accessibility of the area must be described.

Indicate annual cutting area.

B. Topography and Drainage

The terrain of the area shall also be described (i.e., rolling, moderately sloping, steep, etc.). Elevation shall also be included.

C. Vegetative Cover/Land Use

The existing vegetative cover in the area and the present land use status shall be described and included in this section.

II. Findings

A. Pre-implementation Activities of the Project

State if the project has already been sectioned and/or blocked and if surveying and mapping of the area has been undertaken through a ground relocation survey of the project boundaries. Indicate whether a well-defined operations map exists. Report if a detailed Development Plan has been prepared.

B. Nursery Establishment

Report the number and seedling compositions of existing nursery/ies and their corresponding location, areas, and seedling capacities.

Indicate the number of seedlings raised/ maintained, plantable and non-plantable by species, state whether these are potted, bareroot, or balled, etc.

Inventory the existing structures and assess the adequacy or lack of these facilities.

Inventory available nursery and plantation tools, indicate whether serviceable or non-serviceable.

C. Plantation Inspection Using ICMs

Indicate in a map with a 1:10,000 scale the actual area planted and year, by species and age class.

Boundaries and blocking must also be reflected in the map.

Report on the survival, spacing, and density of trees planted using a 100% count on the ICMs. Record data by species. Check if activities were undertaken according to plans and schedule.

D. Maintenance and Protection

Indicate number of concession guard employed, deputized and non-deputized.

Indicate new kaingin and occurrence of fire, if any.

Report observations on the implementation of plantation maintenance and protection. State if plantations have been brushed, weeded, and protected as reported.

State conditions of trees planted whether stunted, yellowish, etc.

E. Infrastructure Development

Give observations on the quality of road and building constructions.

State if these were accomplished according to approved plans, specifications, and budgets.

F. Other Observations

State observations and findings on such matters as peace and order situation, management-labor disputes, area damaged by either natural or man-made (arises) and other existing or perceived problems, if there are any, which could hinder the successful implementation of the project.

III. Summary and Recommendation

Summarize all information gathered and formulate necessary recommendations.

IV. Attachment

1. Map/s of the project site with blocking complete with technical descriptions.
2. ICM results in tabulated form.
3. ICM forms duly accomplished and signed by the contractor or representative, inspector and CENRO/s concerned.
4. Pictures representing the actual situation/ condition of the area evaluated with captions.

ADDITIONAL DATA TO BE GATHERED BY DENR REPRESENTATIVES

Enrichment Planting and Timber Stand Improvement (TSI)

1. Enrichment Planting

CY _____

Goal (Ha.) _____
Reported Accomplishments (Has.) _____
Verified Accomplishments (Has.) _____
Species _____
Spacing _____

Indicate the location of the areas under enrichment planting and average percent (%) survival.

2. Timber Stand Improvement (TSI)

TSI operations conducted within the residual forest Yes /_/_/

No /_/_/

CY _____
Year Logged _____
Goal (Ha.) _____
Reported Accomplishments (Has.) _____
Verified Accomplishments (Has.) _____
TSI Activities _____

WORK AND FINANCIAL PLAN

Name of NGO

M & E of _____ (_____ has.)

DATE	RESPONSIBLE PARTY	ACTIVITIES TO BE UNDERTAKEN	AMOUNT
Day 1	Both Parties	Signing of contract	
2	DENR	Issuance of Notice to Proceed	
2	NGO	Submission of M & E Plan	
3	DENR	Processing of First Payment	
8	DENR	Release of First Payment (15% of Total Contract Cost)	15%
9	NGO	Mobilization of Inspection Team	
10	NGO	Deployment of Personnel to project site	
17	NGO	Submission of progress report as support document for the second fund release (at least 50% of the accomplishment)	
18	DENR	Evaluation of progress report	
19	DENR	Processing of payment for the second fund release	
24	DENR	Release of second payment (34% of the Total Contract Cost)	34%
30	NGO	Completion of field work	
38	NGO	Submission of final report	
39	DENR	Processing of third payment	17%
44	DENR	Release of third payment (17% of Total Contract Cost)	
39	DENR	Evaluation/Validation of final report	
44	DENR	Processing of final payment	
50	DENR	Release of final payment (34% of the Total Contract Cost)	34%

COMPUTATION FOR SURVIVAL RATE

$$\% \text{ Survival} = \frac{\text{SCL}_i}{\text{NPS}_i} \times 100$$

where: SCL = seedlings counted as living in each particular strip
 NPS = number of plantable spots in each particular strip

Example: Assumptions: 2m x 3m spacing used
 Area - 1 block with a net plantable area of 7 has.

Findings:

Strips	Seedlings counted as living	No. of plantable spots
3	100	150
8	145	167
13	95	138
87	107	135
23	67	120
28	103	110
33	110	115
38	115	125
43	120	130
48	112	145
53	100	150
58	95	167
63	110	167
68	97	155
73	105	148
78	108	130
83	95	120
88	117	125
93	120	136
98	89	145
	2,110	2,720

Therefore,

$$\% \text{ Survival} = \frac{2,110}{2,720} \times 100$$

$$= 77.57\%$$

Memorandum Circular
No. 02
March 09, 1992

SUBJECT : Addendum to DENR Memorandum Circular No. 1, Series of 1992 re: Guidelines in the Monitoring and Evaluation of Reforestation Areas, Enrichment Planting and Timber Stand Improvement by TLA Holders

Pursuant to Department Administrative Order No. 79 dated December 28, 1987 and Department Administrative Order No. 63 dated July 13, 1988, as amended, which require Timber License Agreement (TLA) holders to reforest one (1) hectare logged and to conduct enrichment planting and Timber Stand Improvement (TSI), additional instructions/guidelines are hereby issued for the information and guidance of all concerned.

Under Section 6, the FMB/DENR teams shall undertake the following activities:

- a. Conduct ocular inspection on the areas planted in 1989 and 1990 and determine whether the established plantations are still intact.
- b. Determine the average survival rate in each site/location through random sampling at 5% intensity.
- c. Determine whether protection and maintenance activities are being undertaken such as ring weeding/strip brushing, replanting, fertilization, etc.
- d. Prepare reports in accordance with the attached report format.

Under Section 8, the standard contract cost shall be P45.00 per hectare, 20% sampling intensity. Computation shall be based on the total area planted by each company.

This Memorandum Circular takes effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary

PRESCRIBED REPORT FORMAT FORM

A. Basic Information

1. Name of Licensee _____ 5. Date of Issue _____
 2. License No. _____ 6. Expiry Date _____
 3. Total License Area _____ 7. Total Area Reforested _____
 4. Location _____ 8. Date of Evaluation _____

B. Established Plantation and Protection/Maintenance - CY _____

	Location of Estd. Plnts.	Area Planted	Species/ Spacing (has)	Survival	Damage to Plnts. Cause	Replanted Area	Remarks
1.							
2.							
3.							
4.							
5.							
6.							

TOTAL

C. Recommendation:

SUBMITTED BY: _____
Team Leader
Member

UPLAND FARMING PRACTICES AND TECHNOLOGIES DOCUMENTATION FORM

I. General Information

Includes the name of the farmer and/or key informants, the size of the household and number of members involved in the farm development, location of the area in terms of barangay, municipality and province.

II. Site Description

Includes the general topography where the technology is applied, climatic type, soil type, soil pH and elevation.

III. Technology Description

Brief description of the technology, species used, spacing and main and secondary purpose of the technology.

IV. Major activities/procedures involved in the implementation of the technology including duration and inputs involved. Time of harvest and outputs or products derived.

V. Problems and Limitations encountered including actions undertaken by the farmer.

Memorandum Circular
No. 03
April 15, 1992

TO : All Regional Executive Directors, Provincial and Community Environment and Natural Resources Officers, and All DENR Officials Concerned

1. For the information and guidance of all concerned, quoted hereunder are pertinent provisions of the Loan and Guarantee Agreements entered into by and between the Republic of the Philippines and the Asian Development Bank relative to the Industrial Forest Plantation (Sector) Project Loan, as far as the responsibilities of the DENR and the Land Bank of the Philippines, referred to in the project documents as the Borrower, is concerned:

"II - Pre-selection of Qualified Sub-Borrowers and Grant of IFMAs

Selection Criteria

1. DENR shall, through regional field offices as coordinated by FMB, solicit, select and categorize potential Qualified Sub-Borrowers in accordance with the following requirements:
 - (a) **Eligibility Criteria.** A potential Qualified Sub-Borrower must meet all the following criteria:
 - i. Be either a natural or juridical person or entity entitled to develop and exploit forest resources.
 - ii. Not be a suspended or cancelled for cause, operator or a current Timber License Agreement (TLA) operator (except an operator who is converting from TLA to an IFMA), nor be owned by or affiliated, connected or related, directly or indirectly, with any such operators.
 - iii. Have demonstrated or have access to expertise in the establishment of industrial forest or tree plantations of at least 100 hectares (ha).
 - iv. Possess or have access to satisfactory financial resources (excluding IFP credit).

- v. Has ready access to appropriate technical or manpower resources for the proposed Subproject.
- vi. Demonstrate or satisfy DENR of its ability to market expected IFP products either by itself or through processing and/or marketing contracts.
- vii. Not be logging in unlogged old-growth forest or be owned by or affiliated, connected or related, directly or indirectly, with any operators logging in unlogged old-growth forest.
- viii. Possess either an IFMA covering the proposed IFP or DENR authorization to harvest forest crops on alienable and disposable or private land or the right to log alienable and disposable land under an outgrower-scheme or nucleus estate approach covering the proposed IFP.

(b) **Categorization.** (1) A potential Qualified Sub-Borrower, after satisfying all the above eligibility criteria, shall be assigned a score for each of the following factors:

- i. distance in kilometers between the nearest boundary of the applicant's former concession/operating area (including an area converted into IFMA) and the proposed IFP site (K);
- ii. difference in the percentage of forest cover in the applicant's concession and that of the province as a whole (p);
- iii. population density in the locality of the proposed IFP site in persons per square kilometer (L); and
- iv. number of employees to be recruited externally per hectare of IFP developed in man-years per hectare (E).

(2) An overall numerical score (S) for each potential Qualified Sub-Borrower shall then be computed based on the following formula:

$$S = K + (P \times 100) + L + (E \times 100)$$

or any other formula agreed to in writing by the Bank, in consultation with the Guarantor including DENR, and the Borrower.

(3) Based on its overall numerical score (S), each potential Qualified Sub-Borrower shall be categorized according to the following groups:

- i. Group A (Eligible for IFP Credit of up to 90% of estimated total Subproject cost : For S equal to or more than 150.
- ii. Group B (Eligible for IFP Credit of up to 75% of estimated total Subproject cost : For S equal to or more than 100, but not more than 150.
- iii. Group C (Eligible for IFP Credit of up to 60% of estimated total Subproject cost : For S equal to or more than 50, but not more than 100.
- iv. Group D (Eligible for IFP Credit of up to 40% of estimated total Subproject cost : For S less than 50:

(4) Notwithstanding any other provision of this subparagraph (b), a potential Qualified Sub-Borrower, who has ready access to expertise but no direct prior involvement in the forestry sector, shall be promoted by two (2) Groups, but in the case of such potential Qualified Sub-Borrower originally assigned to Group B, it shall be promoted to Group A.

(5) Except as the Bank may otherwise agree for the purposes of this subparagraph (b), the estimated total Subproject cost shall be based on the cost of plantation establishment in years 1 and 2 of the Subproject as submitted by the potential Qualified Sub-Borrower and reviewed and adopted by the Borrower.

(c) **Mandatory Requirements.** A potential Qualified Sub-Borrower must propose a Subproject that (i) in size is equal to or greater than 600 has.; (ii) in cost is equal to or less than the peso equivalent of eight million dollars (\$8,000,000) at the time of proposal; and (iii) is not to be established in areas of competing or conflicting land claims or use, including cultural, tribal or ancestral claims.

- (d) **Discretion.** All questions concerning interpretation of the eligibility criteria and categorization of potential Qualified Sub-Borrowers shall be decided by the DENR Secretary in consultation with the Bank.

Selection of Qualified Sub-Borrowers (IFM Holder)

- 4. The Borrower (LBP) shall select from the potential Qualified Sub-Borrowers categorized by DENR, the Qualified Sub-Borrowers to implement the respective Subprojects in accordance with the selection procedures in paragraph 5 of this schedule and on the basis of the detailed criteria, to be prepared by the borrower which shall at a minimum include the borrowers, standard commercial lending criteria as acceptable to the bank, together with the following:
 - (a) The Qualified Sub-Borrower shall be credit worthy and have adequate financial capability, including that for making adequate equity contributions or other source of loan financing for the unfunded balance of the proposed subproject.
 - (b) The qualified Sub-Borrower shall provide acceptable collateral for the IFP Credit, which collateral may include IFP product.
 - (c) The proposed subproject shall be technically sound and financially viable.
 - (d) The Qualified Sub-Borrower shall undertake to implement the proposed Subproject in accordance with the Revised DENR Regulations and other laws and regulations of the Guarantor applicable to the IFP.
- 5. Each applicant Qualified Sub-Borrower shall file with the borrower, an application consisting of (i) a full description of the applicant (including financial information), and (ii) a feasibility study of the proposed Subproject including a comprehensive plan for the operation and maintenance of the proposed Subproject pursuant to Paragraph 8 of this Schedule, prepared in form and substance satisfactory to the Bank. The Borrower shall evaluate such proposal in accordance with its loan processing procedures as acceptable to the Bank. The final approval of the Qualified Sub-Borrower shall be the sole responsibility of the

borrower on the basis of sound banking practices, subject to the provisions of Sec 3.05 of this Loan Agreement.

Amount of IFP Credit

6. The Borrower may finance a Subproject up to the percentage limits specified by the group category to which the Qualified Sub-Borrower was assigned in accordance with the provisions of paragraph 2(b) of the Schedule to the Guarantee Agreement. Based on its evaluation of the feasibility study, the Borrower shall have the right to (i) decline financing altogether, or (ii) finance a percentage of the total cost of the Subproject lower than that specified by the Qualified Sub-Borrower's group categorization.

2. Pursuant to the aforementioned provisions of the Loan and Guarantee Agreements the following guidelines are hereby promulgated.

2.1 A prospective sub-borrower informs the Department of Environment and Natural Resources (DENR) thru the Forest Management Bureau (FMB) or the Regional Executive Director (RED) concerned in writing, his/her their intention to apply for a loan with the Land Bank of the Philippines (LBP);

2.2 The FMB or the RED concerned checks whether the prospective borrower satisfies all the eligibility criteria presented in the preceding paragraphs and assigns them to any of the four categories A to D using the following point score making use of relevant informations in the approved comprehensive management and development plan as basis:

Distance/Km (k)

15	----- up -----	1.0
14	----- 10 -----	0.8
9	----- 5 -----	0.6
4	below	0.4

Population Density/sq. k (L)

301	----- up -----	1.0
300	----- 201 -----	0.8
200	----- 101 -----	0.6
100	below	0.4

Difference in Percentage Forest Cover (P)

90%	----- up -----	1.0
89%	----- 70% -----	0.8
69%	----- 40% -----	0.6
39%	below	0.4

**Number of employees to be recruited (E)
(Manday/ha)**

above	----- 2000 -----	1.0
1999	----- 1500 -----	0.8
1499	----- 1000 -----	0.6
999	----- 500 -----	0.4
below	----- 500 -----	0.2

- 2.3 For Distance (k), the distance of the project area to the nearest access road, may be considered; Population Density/sq. km. (L) may be computed by considering the population in the municipality/ies based on the 1990 census of populations divided by the area/s of the concerned municipality/ies in square kilometers; Percentage Cover (P) by taking the difference of the area of the Province and the forest cover within the province divided by the area of the Province and the No. of employees (N) from the date indicated in the Plan.
- 2.4 FMB or RED concerned prepares endorsement to the Land Bank of the Philippines thru proper channel recommending approval of the loan application; furnishing the concerned party of the recommendation; otherwise inform party of whatever findings the office have on the case.
3. Any inquiry as to the terms and conditions of the Credit Agreements maybe referred to the Land Bank of the Philippines.
4. This Order take effect immediately.

VICTOR O. RAMOS
OIC, Secretary

MEMORANDUM CIRCULAR

No. 04

May 20, 1992

SUBJECT : Activities and Procedures to Strengthen Marketing Activities in Social Forestry Projects

Pursuant to Department Administrative Order No. 4, Series of 1991 and in line with the objectives of the Integrated Social Forestry (ISF) Program to provide its beneficiaries with marketing assistance through effective marketing system, the following guidelines and procedures are hereby promulgated:

Sec. 1 General Policy. The marketing of products from ISF projects shall be pursued with the general policy of ensuring economic viability of areas under the Program. To achieve this desired goal, provision of essential marketing support shall be continuously extended to ISF beneficiaries.

Sec. 2 Specific Objectives. The marketing of products under the ISF program aims to achieve the following objectives:

- a. Increase and sustain income of ISF Program participants through the sale of products;
- b. Promote socio-economic development within project areas through income generating activities and provision of essential marketing support and assistance;
- c. Encourage and sustain participation of program participants in a systematic way of marketing through effective market planning and identification of viable markets; and
- d. Establish effective linkages among participants, the government and other concerned institutions.
- e. Provide participants with market information necessary for making marketing designs or strategies.

Sec. 3 Operating Procedures. The following procedures shall be adopted in the marketing of agroforestry products:

A. Product Identification

Based on the crops raised or to be raised in the project areas, the quality of products that will be produced shall be identified and the approximate/projected quantity of production for each product shall be determined by the Community Development Assistant (CDA) in consultation with the ISF program participants. This inventory of harvestable products shall be reflected for each participant in ISFP-FLD Form No. 1 and summarized for each ISF project site in ISFP-FLD Form No. 2.

The CDO shall also take the initiative to coordinate with concerned GOs, NGOs and business enterprises in determining commodities with market potential for specific geographic areas.

B. Market Identification

1. In order to ensure market viability of ISF products, an inventory of existing and potential markets shall be maintained as ready reference for the selection of appropriate markets for specific ISF products. The list shall be entered into the Market Information Sheet (ISFP-FLD Form No. 3).
2. Market identification shall be conducted by the CDO in coordination with the CDA using ISFP-FLD Form No. 3.
3. All identified markets shall be entered into a Market Catalogue (ISFP-FLD Form No. 4). The catalogue shall be prepared and updated by CDO twice a year to reflect new market developments.
4. A summary catalogue containing a list of all identified markets in all regions shall be compiled and updated yearly by the Social Forestry Division (SFD) in every Regional Offices and furnish a copy of each to the SFD, Central Office.
5. The Forest Livelihood Development Section of the SFD, Central Office shall likewise identify markets in Metro Manila for products of large volume, prepare

market catalogues and thereafter provide Regional Offices copies of the same.

C. Market Planning

Upon identification of the products to be produced and the possible markets, the CDA with the assistance of the ISF project participants shall prepare a marketing plan for the products of the project area. The plan shall contain a description of the products, possible markets and marketing strategies. This shall be incorporated in the Project Development Plan.

D. Market Negotiations

1. Small quantities of products, such as agricultural crops, may be marketed directly in local outlets where the sale negotiations can take place if it is the usual practice in the locality.
2. For products of large quantities or where a marketing agreement/contract is necessary, concerned members of the ISF association shall negotiate with the identified buyers assisted by the concerned CDO and CDA.
3. The terms and conditions stipulated in the marketing agreement/contract shall be made understandable to both parties. It shall cover product specifications, quantity, buying terms, delivery date, transportation and other relevant information.

E. Price Information System

1. A weekly/monthly price bulletin for each ISF project shall be prepared by the CDA to provide the participants with updated price information of the major products in season from different identified markets. The frequency of updating shall depend on the information needs of the community. This may be presented in the form of leaflets, bulletin boards or any other appropriate forms.

The price information will provide the ISF participants options so they may choose their market outlets and increase their bargaining power.

Sec. 4 Support Activities. To ensure a proper and effective system of marketing, the following shall be conducted in support to market related activities of Social Forestry projects.

A. Strengthening Existing Associations and/or Formation of Cooperatives.

The CDA shall:

1. Encourage and assist the group, association or cooperative to pool their products together and initiate collective disposal for increased bargaining capacity with prospective buyers. The concept of Bagsakan Center could be initiated at this stage.
2. Facilitate trainings for program beneficiaries on cooperative development, processing and packaging of products, entrepreneurship and other related subjects to improve marketing of their products in close coordination with other government agencies, non-government organizations and institutions.

B. Establishment of Linkages with Service Agencies

1. The RED shall be responsible in establishing linkages with service agencies like DA, DTI, and private business industries. Linkage shall be expressed in Memorandum of Agreement (MOA).
2. The PENRO and CENRO shall be responsible in the implementation of the MOA in the field level. MOA may also be executed at the PENRO/CENRO level whenever necessary.

Sec. 5 Completion of Marketing Forms and Report Submission.

- A. The inventory of marketable products (ISFP-FLD Form No. 1) shall be accomplished by each project participant with the assistance of the CDA once every six months.

Based from the data in ISFP-FLD Form No. 1, a summary report of product inventory (ISFP-FLD Form No 2) for every ISF project shall be prepared by the CDA once every six months, and a copy to the Regional Office and Central Offices.

- B. The Market Information Sheet (ISFP-FLD Form No. 3) shall be accomplished by the CDO in collaboration with the existing and potential buyers of ISF products and in coordination with the concerned CENRO.

A compilation of all market information within each region shall be prepared every six months by the SFD, Regional Office using ISFP-FLD Form No. 4 or the Market Catalogue.

All Market Catalogues in the different regions shall be consolidated by their respective Social Forestry Divisions, copy furnished the Social Forestry Division, Central Office. This information will serve as basis for analysis, further studies and to plan marketing strategies for Social Forestry products.

Sec. 6 Effectivity. This Circular shall take effect immediately.

VICTOR O. RAMOS
Undersecretary

Memorandum Circular
No. 05
May 20, 1992

SUBJECT **Regulations in the Identification,
Documentation and Packaging of Upland
Livelihood Enterprises**

Pursuant to the provisions of Department Administrative Order No. 04, Series of 1991 to provide assistance to Integrated Social Forestry (ISF) Program beneficiaries in the development of upland livelihood projects, the following activities and procedures in the identification, documentation and packaging of Upland Livelihood Enterprises (ULE) are hereby promulgated for the information, guidance and compliance of all concerned:

Sec. 1. Objectives.

- 1.1 To obtain a list of all existing upland livelihood enterprises within ISF project areas.
- 1.2 To identify and prioritize feasible upland livelihood enterprises for future expansion, dissemination and possible replication to suitable areas.
- 1.3 To come up with updated data on ULE for use in policy formulation and planning.

Sec. 2. Definition of Terms. For the purpose of this Circular, the following terms shall be defined as follows:

- 2.1 ***Upland Livelihood Enterprises (ULE)*** - are income generating activities managed by the Integrated Social Forestry participants within ISF communities.
- 2.2 ***Identification*** - refers to the listing of ULE per ISF project to include information such as location, type of ULE and its products and the number of participants.
- 2.3 ***Documentation*** - written representation of information on the ULE history, processes of activities including technical, administrative and marketing aspects as well as the needs and constraints in its implementation.
- 2.4 ***Packaging*** - Preparation of a concise and simple narrative report containing all the documented information under 2.3 of the selected ULEs. This packaged

report shall serve as a guide for possible expansion or establishment in other areas.

Sec. 3. Scope. All existing upland livelihood enterprises within ISF project areas shall be identified and studied for documentation and possible packaging.

Sec. 4. Activities.

4.1 Inventory of existing upland livelihood enterprises (ULE)

The Community Development Assistant shall:

4.1.1 Identify all existing ULEs implemented by ISF participants within his area of responsibility. The CDA shall encourage participants with similar ULEs to form into sub-groups and pool their resources to enhance cooperation.

4.1.2 Submit a list of identified ULE in every ISF Project to the Community Development Officer copy furnished the Interim Social Forestry Division (Region) and the Social Forestry Division, Central Office.

4.2 Prioritization and selection of existing upland livelihood enterprises for documentation purposes.

4.2.1 The Community Development Officer (COO) shall study the list of ULE and recommend to the CENRO, which ULE are to be prioritized for documentation based on the following criteria:

- a) Availability of Markets
- b) Increasing demand trend for the products
- c) Availability and sustainability of raw materials
- d) Simple and easy to manage
- e) Profitability of the enterprises

4.2.2 Based from the prioritized ULE submitted by different CENROs of the region, the RED shall select which feasible ULE will be documented, copy furnish the Director of Forest Management Bureau.

4.3 Documentation - After proper selection by the RED, he shall instruct the following:

4.3.1 Community Development Assistant to:

4.3.1.1 Conduct field visitation and gather data on the selected ULE in coordination with the program participants who are implementing the ULE using the standard format on Annex A, B, and C.

4.3.1.2 Document the data gathered and prepare a narrative report.

4.3.2 The Community Development Officer shall review the narrative reports before submitting to RED who shall then select the documented ULE for packaging.

4.4 Evaluation

4.4.1 The ISFD, Regional Office shall conduct field verification and evaluation of the submitted narrative reports taking note of the adoptability and operational constraints of the documented ULE in coordination with the concerned CENRO, CDO, CDA and participants.

4.4.2 Based from their findings, the evaluators shall identify documented ULE for packaging. They shall recommend to the Regional Executive Director the selected ULE for packaging.

4.5 Packaging

4.5.1 The ISFD in the Region shall be responsible in packaging the documented upland livelihood enterprises and practices for dissemination to appropriate areas.

4.5.2 Copies of packaged ULE shall be submitted/ distributed to the Director, FMB, PENRO, CENRO and ISF association concerned.

Sec. 5. This Order shall take effect immediately.

VICTOR O. RAMOS
Undersecretary for Field
Operations

Memorandum Circular
No. 07
June 08, 1992

SUBJECT : Guidelines on the Conduct and Submission of Aerial Photography by Holders of Timber License Agreements.

Pursuant to DAO No. 17 dated April 27, 1992 and DAO Nos. 88 and 69, Series of 1990, as amended, the following guidelines are hereby issued for the information and guidance of all concerned:

1. Each TLA holder who will qualify for continued operation as determined by the Department based on the result of the residual forest inventory (Memorandum No. 08, Series of 1991) and DAO No. 12 dated April 1, 1992 will sign a contract of services with Development Alternatives, Inc. for the production of the required vertical aerial photographs and photographic mosaic.
2. Upon signing of such contract, the TLA holder will deposit 50% of the total cost of the production of the required aerial photographs and photographic mosaic including costs for aerial photo interpretation and mapping pertaining to his concession area. The remaining of 50% of the total cost will be paid within 30 days from the effective date of the contract.
3. The Contract cost will be deposited in the Philippine Wood Products Association (PWPA) trust fund account under the title "Aerial Photography trust fund".

Any withdrawal from such account intended to pay the cost of completed activity-phase aerial photograph project will be made with Development Alternatives, Inc. (DAI) and PWPA as joint signatories.

4. The basis of computation for the individual TLA's cost obligations will be the net operable area, that is total concession area less (virgin forest + A and D + plantation area within the concession).
5. The fulfillment by the TLA holder of the cost obligations will be considered as constituting partial compliance with the requirements of DAO No. 17, Series of 1992.

6. The deadline for the submission by TLA holders of the requirements indicated in paragraph 2, above, will be contingent on DAI's completion of the contracted services.

This Memorandum Circular takes effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary

MEMORANDUM CIRCULAR

No. 08

June 05, 1992

SUBJECT : Guidelines in the Conversion of Inadequately Stocked Residual Forests into Industrial Forest Plantations.

Pursuant to PD No. 705, as amended by Executive Order No. 725 dated September 9, 1981, and DENR Administrative Order No. 42, Series of 1991, the following guidelines relative to the conversion of inadequately-stocked residual forests into Industrial Forest Plantations are hereby issued:

Sec. 1 Inadequately-stocked residual forests refer to logged-over areas with an existing stand of timber containing less than 20 trees of dipterocarp, premium and/or other presently commercial species with diameter above buttress (DAB) of more than 20 centimeters.

Sec. 2 As matter of policy, clear cutting of residual natural forests is not allowed. However, conversion of inadequately-stocked forests into forest plantation thru clear-cutting by IFMA holders may be allowed upon prior authority from the Secretary and subject to the following conditions:

- 2.1 An environmental clearance (EC) shall be secured prior to clear-cutting activities;
- 2.2 An immediate, i.e., within the same year, programmed planting activity shall be undertaken in order to avoid or minimize site deterioration thru erosion;
- 2.3 Conversion of inadequately-stocked residual forests to plantation shall be done only after the open and/or brushlands have already been planted, unless these are small patches (less than 5 hectares each) interspersed in the brushland areas; and
- 2.4 A sufficient buffer zone or strip of the inadequately-stocked residual forest, the width of which shall not be less than 100 meters between plantation blocks, shall be retained. These strips of land should be subjected to enrichment planting or used for rattan plantation if possible.

Sec. 3 Inadequately-stocked residual forests 50% and above in slope, areas 1000 meters and over in elevation, and strips 20 meters both sides of a stream for stream bank protection, shall not be allowed for conversion into plantations. Enrichment planting shall be conducted in such areas using dipterocarp, premium or other commercial species.

Sec. 4 This Order shall take effect immediately.

FULGENCIO S. FACTORAN, JR.
Secretary

**Memorandum Circular
No. 09
August 03, 1992**

Subject : Submission of Medium-Term Forest Management Plan for Block I of the Operable Second Growth (Residual) Forest and Deferment of Timber Inventory in Areas Under Blocks II to VI

Pursuant to the provisions of Department Administrative Order No. 24, Series of 1991 and in consonance with the policy directions in the management of the residual forest, the following rules are hereby issued for the guidance of all concerned.

1. Holders of Timber License Agreement (TLA) and Timber Production Sharing Agreement (TPSA), as the case maybe, are hereby required to prepare and submit a Medium-Term Forest Management Plan covering a period of ten (10) years following the general outline attached hereto as Annex "A". The Plan shall serve as the written guide for the systematic and sustainable harvesting, development and utilization of the forest resources for the provision of desired benefits.
2. The preparation and submission of the Medium-Term Forest Management Plan shall be guided by the following:
 - 2.1 The Medium-Term Plan herein required shall commence with CY-1992 onward.
 - 2.2 Basically required under the Plan is the inclusion of, among others, the schedule for logging the Block I residual forest, as stratified and inventoried based on prescribed guidelines.
 - 2.3 Only those TLA/TPSA holders with completed timber inventory over Block I and allowed by the Secretary, DENR to continue operating shall submit the Medium-Term Plan, provided, that such stratified and inventoried Block I sustain a ten-year logging program in accordance with forest regulatory prescriptions.
3. The Medium-Term Plan shall be the basis for the preparation and submission of the integrated Annual Operations Plan (IAOP). No IAOP beginning CY-1993 shall be approved if the same is not in accordance with the submitted Medium-Term Plan.

4. For concession areas that cannot meet the ten-year requirement referred to in Paragraph 2.3 hereinabove and thus cannot comply with the Medium-Term Plan, the TLA/TPSA holders concerned may only prepare and submit their Integrated Annual Operations Plan (IAOP) for approval by the Regional Executive Director concerned, provided, that they were granted prior authority by the Secretary, DENR to likewise continue operating in Block I.
5. Timber inventory in Blocks II to VI is hereby deferred pending the submission of a complete aerial photo coverage by TLA/TPSA holders for their respective concession areas pursuant to Department Administrative Order No. 69, Series of 1990.
6. This Order shall take effect immediately.

RICARDO M. UMALI
Acting Secretary

GENERAL OUTLINE FOR MEDIUM-TERM
FOREST MANAGEMENT PLAN

Part I

INTRODUCTION

1. Record of preparation, review and approval
2. Foreword
3. Location Map (letter-sized)
4. Summary of previous ten-year performance
5. Summary under present plan

PART II

GENERAL INFORMATION

1. Introduction
 - 1.1 History
 - 1.2 Location
2. Biophysical Environment of the Concession Area
 - 2.1 Climate
 - 2.2 Geology
 - 2.3 Hydrology
 - 2.4 Topography
 - 2.5 Soils
 - 2.6 Forest Type(s)
3. Socio-Economic Environment (Embraces the cross-section of the local province where the concession area is located)
 - 3.1 Population
 - 3.2 Economic Activities
 - 3.3 Infrastructures
 - 3.4 Social Services

- 4. Description
 - 4.1 Land
 - 4.11 Technical Description
 - 4.12 Management Blocks, compartments and sub-compartments
 - 4.13 Land Use Plan
 - 4.2 Forest Resources
 - 4.21 Inventory System
 - 4.22 Vegetative Cover
 - 4.23 Natural Second Growth Forest
 - 4.231 Stand Composition
 - 4.232 Stand Structure

PART III

PRESCRIPTIONS FOR MANAGEMENT AND DEVELOPMENT

- 1. Statement of General Policy
 - 1.1 Management Objectives
 - 1.2 Silvicultural Objectives
 - 1.3 Socio-Economic Objectives
 - 1.4 Environmental Objectives
- 2. Regulation of Yield
 - 2.1 Cutting System
 - 2.11 Timber Extraction Method
 - 2.12 Tree Marking Procedure
 - 2.2 Annual Allowable/Sustained Yield Cut
 - 2.21 Growth and Mortality
 - 2.22 Annual Allowable Cut Determination
 - 2.221 Annual Cutting Area
 - 2.222 Annual Allowable Cut

2.23 Cutting Budget

3. Logging and Utilization

3.1 Logging Plan

3.11 Accessibility

3.111 Existing Road Network and Proposed Logging Roads

3.112 Road Classification/Specification Standard and Requirements

3.113 Road Construction and Maintenance

3.114 Treatment of Abandoned Roads

3.12 Timber Extraction Equipment to be Employed (Felling and Bucking and Log Yarding/Skidding)

3.13 Ten-Year Logging Operations Plan

3.2 Utilization Plan

3.21 Utilization Plans and Policy

3.22 Disposition of Cut

3.23 Location, Kind, Capacity and Log Requirements of Existing Processing Plants

4. Timber Stand Improvement Plan

4.1 TSI Goal

4.2 Timber Stand Improvement Activities

5. Reforestation Plan

5.1 Forest Nurseries

5.2 Seedling Production Goal

5.3 Planting Goal (Includes Schedule of Planting within the Year, Location and Area, General Site Conditions and Plantation Techniques Adopted)

5.4 Care and Maintenance

- 6. Forest Protection Plan
 - 6.1 Forest Patrol
 - 6.2 Forest Fire Control
 - 6.21 Fire Prevention
 - 6.22 Fire Preparedness
 - 6.221 Pre-suppression
 - 6.222 Fire Detection
 - 6.3 Control of Forest Pests and Diseases
 - 6.31 Detection
 - 6.32 Control Measures
 - 6.4 Forest Law Enforcement
 - 6.41 Surveillance and Detection
 - 6.42 Arrest and Prosecution
- 7. Related Forest Development Plans and Uses
 - 7.1 Watershed Management
 - 7.11 Erosion Prevention and Control Measures
 - 7.12 Water Supply and Control Measures
 - 7.2 Wildlife and Recreation Management
 - 7.3 Range Management
 - 7.4 Forest Research
 - 7.5 Integrated Social Forestry
 - 7.51 Forest Information and Extension
 - 7.52 Management-In-Place
 - 7.53 Resettlement of Kaingeros
 - 7.54 Employment of Kaingeros
 - 7.55 Rehabilitation and Integration of Settlers
 - 7.56 Food Production Program
 - 7.57 Community Service Program
 - 7.57.1 Basic Educational, Cultural, Health,

Sanitation and Recreational Facilities

- 7.57.2 Basic barangay Hall/Center
- 7.57.3 Employment and Livelihood Projects
- 7.57.4 Water Supply
- 7.57.5 Infrastructure
- 7.57.6 Tree Planting Program Activities

- 7.6 Environmental Enhancement Program
- 7.7 Non-Timber Forest Products

8. Plan Maintenance and Revision

- 8.1 Management Plan Maintenance
- 8.2 Plan Revision

Appendices

- A. Stand and stock tables based on updated timber inventory
- B. Maps
 - 1. Timber license area with the technical description
 - 2. Vegetative cover of the area
 - 3. 10-Year Plans (Logging, timber stand improvement and reforestation)
 - 4. Forest Patrol sectors
 - 5. Management blocks and compartments
- C. Road Classification and Standard
- D. List of Authorized Logging Equipment/Machineries
- E. List of Personnel and Employees with corresponding designations, SSS registration number, salaries, etc.
- F. Company Organizational Chart
- G. Organizational and Functional Chart of the Forestry Department
- H. Wood Processing Plant Permit
- I. Timber License Agreement
- J. Articles of Incorporation
- K. List of Stockholders and their respective Shareholdings
- L. Others

**Memorandum Circular
NO. 11
August 7, 1992**

TO : ALL REGIONAL EXECUTIVE DIRECTORS

SUBJECT : Clarificatory Guidelines on the Use of Confiscated Conveyances

Pursuant to Section 9 of DENR Administrative Order No. 59, Series of 1990, confiscated conveyances may be used by the regional offices in connection with or as an incident to forest protection and development activities. However, this policy applies only to conveyances which have been finally forfeited in favor of the government, in accordance with Section 68 or 68-A of P.D. 705, as amended.

Conveyances which are still the subject of pending judicial prior administrative forfeiture proceedings are not covered by the above policy. However, said conveyances may be used if it is for the purpose of maintaining or preserving the condition of the conveyances.

Please be guided accordingly.

RICARDO M. UMALI
OIC, Secretary

**Memorandum Circular
No. 12
August 11, 1992**

TO : All Regional Executive Directors

**SUBJECT : Authority to approve donations of
confiscated logs.**

Pursuant to Department Administrative Order No. 38 dated April 19, 1990, the Regional Executive Directors are authorized to approve donations of confiscated logs below fifty (50) cubic meters for government infrastructure.

This authority was suspended temporarily before the Election.

In order to facilitate action on the requests of other government agencies for donation of confiscated logs for their infrastructure projects, the suspension of this authority, as spelled out in DENR Administrative Order No. 38, Series of 1990 is hereby lifted. The concerned officials may now act on such matters as earlier delegated.

In addition, since the donation subject of this circular is gratuitous in nature and for government use, the payment of forest charges shall not be required from the Donee.

Please be guided accordingly.

RICARDO M. UMALI
Acting Secretary

Memorandum Circular
No. 14
September 03, 1992

SUBJECT : Prescribing Guidelines in the Verification of Overlaps Between the Boundaries of Forestlands and Alienable and Disposable (A&D) Lands

In order to prevent issuance of patents over claims which may be inside forest zones by relocating the previously established forest boundaries, the following guidelines are hereby issued for the guidance and compliance of all concerned:

A. In municipalities where cadastral surveys or Public Land Subdivision surveys have been completed:

1. A verification survey shall be conducted to determine the overlapping Forest Zone (FZ) and A&D areas using the existing Land Classification (LC) maps. Forest zone corners and/or natural boundaries shall be located from established reference points of the cadastral project;
2. To undertake the verification survey, the Regional Executive Director shall create a composite team to be composed of representatives from the Land Management Services and Forest Management Services;
3. A new survey shall be plotted in the cadastral maps of the project survey;
4. All cadastral lots found to be falling within areas classified as forestlands or unclassified lands shall be voided. Similarly, public land applications in these areas shall be automatically cancelled;

In case such areas are inhabited by forest occupants they shall be considered under the Integrated Social Forestry Program (ISFP). They shall be properly advised if they qualify under the Integrated Social Forestry Program.

5. In the event that amendment to the technical descriptions of areas verified to be falling under forestlands classification pursuant to PD 705, shall not be done until such time that Congress shall have passed the applicable law related to land classification as provided for in RA 6657 or the Comprehensive Agrarian Reform Law (CARP).

- B. In on-going cadastral surveys:
1. In cadastral projects that are in progress, the recoverable markers of the Forest Zone shall be located by direct shots from nearby controls of the project or by circuit, loop or connection traverse using the controls of the cadastre;
 2. The established Forest Zone markers shall be located in coordination with Foresters assigned by the CENRO;
 3. Claims within unclassified areas and inside classified forest zone may be surveyed, subject to the prior authority granted by the Regional Executive Director, as integrated Social Forestry Lots and shall be reflected in the Social Forestry Map as described in DENR Administrative Order No. 72, s-1990.
- C. This Order shall take effect immediately.

RICARDO M. UMALI
Acting Secretary

Memorandum Circular
No. 16
October 01, 1992

SUBJECT : Guidelines on the Conduct and Submission or Aerial Photography by Holders or Timber License Agreement

In view of the formal withdrawal of Development Alternatives Inc. last September 01, 1992 from its contract of services as envisioned in DENR Memorandum Circular No. 07 dated June 08, 1992, said memorandum circular is hereby revoked and the effectiveness of DENR Administrative Order No. 17 dated April 27, 1992 returned to its original force. However, the May 31, 1992 deadline for the submission of the required complete aerial photographic coverage of the license area is hereby extended to March 31, 1993.

Pursuant to DAO No. 17, Series of 1992, the qualified TLA holders may secure the services of competent consulting firms to obtain the required complete aerial photography using the most cost-effective means.

This Memorandum Circular takes effect immediately.

ANGEL C. ALCALA
Secretary

SUBJECT : Delineation of Functions and Implementation of the Integrated Social Forestry Program after the Devolution of Functions to the Local Government Units (LGUs)

Pursuant to the provisions of Republic Act No. 7160 otherwise known as the Local Government Code of 1991 and Department Administrative Order No. 30, series of 1992 and to have a common framework and direction among the different offices for the eventual devolution of projects to Local Government Units (LGUs), you are hereby , instructed to adopt the following procedures specifically on the functions retained with the DENR, pending the completion of the Comprehensive Manual of Operations for ISFP.

Sec. 1. Powers and Functions to be Retained with the DENR.

1. **Identification and delineation of IS Projects.** Based on the result of the Inventory of Forest Occupants (IFO), the DENR Regional Office shall identify and indicate in the control map, potential areas for ISF development. As an initial activity, profiling of these areas shall be conducted as basis for evaluation of any request coming from the Local Government Units and communities for the establishment of new ISF projects.
2. **Perimeter and Parcellary Surveys.** As soon as the evaluation of the proposed project area is completed, and upon the recommendation of the team that the area is available and suitable for ISF development, perimeter survey of the area shall be conducted by the Land Evaluation Survey Team based at the Region in accordance with the provisions of DAO No. 72, series of 1990. The survey shall serve as the final requirement for the approval of the area for ISF purposes.

Based on the perimeter survey of the project area, the necessary parcellary survey shall be conducted to identify individual occupations of the ISF beneficiaries as basis for the issuance of the Certificate of Stewardship (CS). The survey team, however, shall see to it that farmer representatives shall be actively involved in the actual survey to avoid conflicts of boundaries.

3. **Processing and Issuance of Land Tenure Instruments**

Applications for CS and Certificates of Mangrove Stewardship (CMS) shall be filed by the applicant at the concerned CENRO. However, the Social Forestry Desk Officer (SFOO) before receiving the application shall see to it that the same have been cleared and deliberated at the Environment and Natural Resources Council, a multi-disciplinary, multi-agency group at the municipality. Upon receipt of the application, the SFDO shall evaluate the application for approval by the CENRO. In the processing and evaluation of the application, the SFOO, through the CENRO, may request for the assistance of the Social Forestry Provincial Coordinator (SFPC) and/or the Regional Social Forestry Division.

After the approval, the documents shall be forwarded to the concerned Mayor or Governor through the Council for awarding. The original copy of the documents shall be forwarded to the Regional Office, SFD, for control and records purposes. On the other hand, a summary of issuances, indicating the names, CS/CMS number, area, location of the project shall be forwarded to the Social Forestry Division (SFD), Forest Management Bureau (FMB) Central Office.

Applications for Certificate of Community Forest Stewardship (CCFS) shall be submitted to the region through the SFDO and SFPC which should pass the Environment Council at the Municipality. The Regional SFD shall process and evaluate the application for approval by the concerned authority in accordance with the provisions of DAO No.4, Series of 1991. Thereafter, the documents shall be forwarded to the Council for issuance. All original copies of the CCFS documents shall be forwarded to the Social Forestry Division Forest Management Bureau, Central Office for control and records purposes .

4. **Monitoring and Evaluation.** All projects either devolved or retained shall be subjected to Monitoring and Evaluation (M & E) by the DENR in coordination with the Local Government Units and the affected communities. On the devolved projects, monitoring and evaluation shall be done to determine the status of program implementation, areas where DENR could provide the necessary assistance and problem identification which could serve as basis in the formulation of policies and guidelines. As a function of monitoring, it shall check whether devolved projects are included in planning and budgeting at the LGUs. For retained projects, the conduct of M & E shall likewise not be limited on physical development of ISF projects but shall also include the process to determine strengths and weaknesses of project implementation as basis in policy review and development.

The Regional Office in coordination/consultation with the PENRO, CENRO and the concerned LGU through their CDO/CDA shall spearhead the conduct of M & E. Social Forestry Division at Central Office in coordination with the Project Development and Evaluation Division of the DENR shall issue detailed guidelines on the monitoring and evaluation for Social Forestry Projects and shall assist the Regional Offices in monitoring and evaluation of Social Forestry projects.

5. **Production and Dissemination of Information, Education and Communication (IEC) Materials.** In support to the implementation of the ISF program at the Local Government units, the DENR in coordination with the LGUs shall continue to develop, produce and disseminate information on ISFP.
6. **Training Programs.** The DENR shall continue to provide training programs not only to retained personnel but to the devolved CDOs/CDAs as well. However, attendance of the latter shall be subject to the recommendation/approval of the concerned Mayor/Governor.

Sec. 2. Definition of Roles. In the performance of the above functions, the various level of DENR field offices (CENRO, PENRO, RENRO) shall have the following functions:

A. Community Environment and Natural Resources Office (CENRO)

To attend to all ISFP concerns at the CENRO level, the CENR Officer shall designate from among their existing manpower a Social Forestry Desk Officer (SFDO) who shall have the following functions:

1. Prepares work plans regarding ISF implementation for submission to the Regional Office through the PENRO in coordination with the concerned Local Government Units. The plan must highlight the different activities that require DENR interventions in order to facilitate ISF implementation by the LGU.
2. Receives and consolidates ISF reports from the LGUs for submission to the Regional Office through the PENRO.
3. Receives applications for Stewardship Agreements for approval by the concerned authority.

4. Provides technical assistance and other services to ISFP beneficiaries in coordination with the LGU.
5. Performs other functions as may be assigned by the CENRO.

B. Provincial Environment and Natural Resources Office (PENRO)

The PENR officer shall designate from among their existing manpower a Social Forestry Provincial Coordinator (SFPC) to coordinate and handle all ISFP concerns at the provincial level. Specifically, the SFPC shall have the following functions:

1. Consolidates all ISFP reports within the jurisdiction of the province or submission to the Regional Social Forestry Division.
2. Receives and consolidates plan of activities submitted by the LGUs for submission to the Regional Office.
3. Provides technical and manpower assistance to the CENRO and the LGU in the performance of either retained or devolved functions.
4. Performs other functions as may be assigned by the PENRO.

C. Regional Environment and Natural Resources Office, Social Forestry Division (RENRO-SFD)

To facilitate the delivery of services to various PENROs, CENROs and LGUs, the Regional Social Forestry Division shall be responsible for the following major functions in coordination with the different PENROs, CENROs, Local Government Units and the concerned Community Associations.

1. Program Development

- a. Conducts a thorough review of all existing guidelines regarding ISFP implementation and prepares appropriate recommendations to the National Social Forestry Division;
- b. Develops plans and proposals in coordination with the LGUs including the scheduling of activities based on the submitted work plans by the LGUs;

- c. Identifies and documents existing livelihood projects, upland farming practices and market outlets; and
- d. Coordinates and establishes linkage with other government offices, non-governmental organizations and other institutions for the provision of support services to ISF beneficiaries.

2. Monitoring and Evaluation

- a. Conducts Performance Evaluation of the Stewardship Agreement holders;
- b. Undertakes periodic Monitoring and Evaluation of devolved and retained Social Forestry projects;
- c. Identifies and conducts perimeter and parcellary surveys of Social Forestry Project areas in coordination with the Land Evaluation Survey Team;
- d. Processes applications for Stewardship applications for approval by the concerned authorities;
- e. Maintains records regarding approved land tenure instruments; and
- f. Consolidates and maintains data bank on ISFP reports.

3. Extension, Education and Support Services

- a. Conducts Training Needs Assessment, actual trainings/workshops in coordination with the HRD and other concerned DENR Units;
- b. Packages and transfers livelihood and other upland farming technologies including marketing assistance to the program beneficiaries;
- c. Prepares and reproduces IEC materials on the ISFP; and
- d. Coordinated the Operation of the Center for People's Empowerment in the uplands.

In the performance of its functions, the RENRO-SFD shall be transferred from Ecosystem and Research to the Forest Management Sector.

Sec. 3. Development and Maintenance of the Center for People's Empowerment in the Uplands (CPEU). To serve as training and research laboratory, at least one project per province shall be identified and developed as Center for People's Empowerment in the Uplands. Provided, that in the provinces of Quezon, Bukidnon, Palawan and Isabela two (2) model sites each shall be retained.

The established CPEU shall be maintained and developed by the concerned Community Associations under the supervision and technical assistance of the assigned Project Leader who shall likewise be retained with the DENR and shall be managed under the concept of model site development.

Sec. 4. Assignment of Devolved and Retained Personnel

A. Devolved Personnel - Pursuant to the provisions of Department Administrative Order No. 30, Series of 1992, personnel performing intermunicipal functions like the Community Development Officers/Assistants (CDOs and CDAs) shall be devolved to the concerned provinces where the municipalities are located. Provided, however, that the CDO/CDA assigned to the ISF projects in the cities of Davao, Zamboanga and Puerto Princesa shall be transferred to these cities and that at least one CDO and CDA shall be devolved to each of the other cities that have at least three (3) ISF projects in their jurisdiction.

B. Retained Personnel - Community Development Officers retained with the DENR shall be assigned at the Regional Social Forestry Division. Provided, however, that upon the request of the PENRO concerned upon the approval of the RED, the CDO depending on the bulk of the ISF activities can be assigned to the province. CDAs and Forest Community Organizers (FCOs) retained by DENR shall be assigned in the selected model site and Upland Development Pilot projects, respectively. Provided, further, that whenever necessary, these CDAs and FCOs shall be tapped in conducting training programs and monitoring and evaluation activities.

To support/complement existing ISFP manpower at the region, the RED shall identify and assign at least five (5) personnel from other Regional Divisions/Units to the Regional Social Forestry Division. They shall be trained on appropriate skills and technologies to strengthen their capabilities in the implementation of the ISF Program.

Sec. 5. Repealing Clause. Any part of the above procedures that will be inconsistent with the provisions of the Manual of Operations to be issued by the department pursuant to DAO No. 30, Series of 1992 shall be deemed amended and/or repealed accordingly.

Sec. 6. Effectivity. This Memorandum Circular shall take effect immediately.

ANGEL C. ALCALA
Secretary

Recommending Approval:

ROLANDO L. METIN
Assistant Secretary
for Management Services
and ISFP National Coordinator

**Memorandum Circular
No. 19
November 5, 1992**

**SUBJECT : Lifting the suspension on the
Issuance/Processing of Private Land
Timber Permit (PLTP)**

In order to protect the rights of landowners and to enable them to utilize the timber found growing in their private lands, and in view of the need to augment the supply of wood products for housing, building construction and other domestic consumption, the suspension on the processing and issuance of Private Land Timber Permit (PLTP) is hereby lifted, subject, however to the following additional conditions:

- a. The provision of DENR Administrative Order No. 121, series of 1989 and DENR Memorandum Order No. 22, series of 1990 shall be strictly followed and observed by all concerned;
- b. Naturally grown timber cut from private lands under PLTP shall be subject to the payment of forest charges pursuant to Republic Act 7161 as implemented by DENR Administrative Order No. 56, Series of 1991;
- c. The PLTP proponent shall submit a comprehensive plan, if the area will be cleared for development, or a building plan including the bill of materials, if the timber will be used for housing purposes, for consideration of the official who will issue/approve the permit;
- d. For monitoring and evaluation purposes, pending applications shall be re-evaluated/investigated by the personnel of the Field Offices;
- e. Timber inventory at 100% intensity shall be undertaken by a team to be headed by a Registered Forester in coordination with the applicant and/or his duly authorized representative. All trees shall be charted and their location indicated in a map with a scale of 1:2,000 except for large area. The team shall submit, within one (1) week from the date of completion of the field inventory, a report duly notarized which should contain the following:
 1. Original tally sheet;
 2. Stand and stock table;
 3. Tree charting map (scale 1:2,000)

4. **Photograph of the first and last tree tallied;**
5. **Panoramic photograph of the entire private land and the forested area;**
6. **Certified xerox copy of the land title with cadastral survey map; and**
7. **Biophysical environment of the area such as but not limited to climate, ecological characteristic, hydrology, topography, soil (depth of the top soil, type, etc.) forest type, etc.**

This Order takes effect immediately and supersedes, amends or modifies accordingly all other Orders, memoranda or Circulars inconsistent herewith.

ANGEL C. ALCALA
Secretary

Subject : Implementing Guidelines for the Awarding, Monitoring and Evaluation or Community Organizing Contracts for Forest Land Management Agreement (FLMA)

Sec. 1. Basic Policy. In accordance with the provisions of DAO 32, Series of 1992 and in order to effectively implement the social preparation component of FLMA, the Department of Environment and Natural Resources (DENR), in its pursuit for economic growth through long term development, management, and sustainable use of resources, affirms the vital role of partnership between communities and the government in the formulation, planning and implementation of its programs and projects. It is recognized that communities have the basic right to organize with the principal objective of harnessing individual capabilities shall be employed as a strategy for facilitating people's participation in activities fostering community development.

Sec. 2. Objectives of Community Organizing in FLMA Projects. Community organizing shall be an Integral approach in the implementation of FLMA with the following objectives:

- 2.1 To involve the community in all stages of forest development and management;
- 2.2 To foster and establish strong and sustainable community organizations which shall directly develop, rehabilitate, conserve and manage forest resources;
- 2.3 To recognize, harness and broaden community capabilities in natural resource management;
- 2.4 To generate and utilize community knowledge and skills in project management, and
- 2.5 To promote cooperation among all entities involved in forest resources development and management which will guide the long-term viability and sustainability of community-based DENR projects.

Sec. 3. Definition of Terms. For purposes of this Memorandum Circular the following terms are defined as follows:

- 3.1 **Capsule Proposal** - refers to a 1-2 page summary of a set of proposed CO activities to be undertaken by an NGO using the format referred to in Annex A.
- 3.2 **Community** - refers to people residing within or adjacent the FLMA site and committed to develop, maintain and protect the site.
- 3.3 **Community Organizing (CO)** - refers to the processes and activities aimed at developing and strengthening the capabilities of the Forest Land Managers (FLM) in planning and implementation of the development and management of their forest resources.
- 3.4 **Core Group Members** - refers to the target participants who are competent, open to learning experiences and to the possibilities of change, concerned about the welfare of their community and its members, respectable, and recognized the potentials of an organized people.
- 3.5 **FLM Area** - refers to an existing reforestation area where the planted trees have been found, through an evaluation by DENR with appropriate consultation with the community, to have attained height, planting density and survival standards as prescribed in the DENR Technical Guide on Contract Reforestation, and declared to be suitable and qualified for an FLMA grant. It shall also refer to sites which shall be covered by the Comprehensive Site Development and Management (CSDM) contracts as defined in DAO 32, Series of 1992.
- 3.6 **Forest Land Management Agreement (FLMA)** - refers to a contract between the DENR and a family or an association that is duly organized by bona fide residents of the community where the FLMA area is located. Among others, the FLMA grants them the sole and exclusive privilege to develop and manage said area, harvest and utilize its products for 25 years, renewable for another 25 years, with the obligation to pay production share to the government equivalent to the cost invested in reforesting the area, pursuant to DENR Administrative Order No. 71, Series of 1990, as amended.
- 3.7 **Indigenous Cultural Community (ICC)** - refers to a group of people sharing common bonds of language, customs, traditions and other distinctive cultural traits, and who have since time immemorial, occupied, possessed and utilized a territory (RA 7586).

- 3.8 **Monitoring and Evaluation (M&E)** - refers to the continuous review over the implementation of CO activities to ensure that work schedules, targeted outputs and other required action are proceeding according to plan. M&E determines as systematically and objectively as possible the relevance, effectiveness and impact of activities in the light of their objectives.
- 3.9 **Non-Government Organization (NGO)** - refers to a social development agency guided by principles of equity and environmental sustainability, has the capability to develop people's organizations, and which has a track record of accomplishments in community and environmental development.
- 3.10 **Quarterly Commitment Plan (QCP)** - refers to a periodic set of activities and outputs which the NGO contractor will implement and attain within the indicated period. (See Annex C for format).
- 3.11 **Sketch Map** - refers to a top view representation of the project area which may not be drawn to scale.
- 3.12 **Social Investigation (SI)** - refers to the process of obtaining and organizing information needed for project planning, implementation and evaluation. It shall also refer to a continuing activity for raising awareness and community mobilization.

Sec. 4. Entities Qualified for Community Organizing. People living in the community as defined in this circular as of December 31, 1988, including families who have chosen to become permanent residents of the community since then. Where an exceptionally large barangay or several barangays are involved the target participants shall be those household who actually derive direct benefits from the project area. Priority should be accorded to the ICCs in cases where they are residing within or adjacent to the project site.

Sec. 5. Criteria in the Selection of NGO. The following are the general criteria to be used in the selection of the NGO contractor for CO:

- 5.1 At least three (3) years of experience in community organizing.

In case of NGOs with less than three (3) years actual CO work, a Second Level Accreditation Certificate from the NGO Desk Central Office shall be required.

- 5.2 DENR accredited.

- 5.3 Track record in project development and management with technical, managerial and financial capabilities. Financial capability shall be gauged on the NGO's assets which shall be equal to at least ten per cent (10%) of the total CO project cost as indicated in an audited financial statement for the year immediately preceding the FLMA CO project.
- 5.4 Access to and linkage with other resource agencies and institutions.
- 5.5 Proximity to the community or possesses the capability, commitment and willingness to continue their work in the FLMA site as needed.
- 5.6 Likelihood of compatibility with the community.

Sec. 6. Selection and Awarding Process. All Regional DENR Offices through the National Forestation Program (NFP) Steering Committee shall create a Selection Committee which shall be composed of the following:

- 1. Regional Technical Director for Forestry (RTD-F) - Chairman
- 2. Provincial Environment and Natural Resources Officer (PENRO) concerned - Vice-Chairman,
- 3. Community Environment and Natural Resources Officer (CENRO) concerned - Member,
- 4. Regional Liaison Officer (RLO) of the NPCO - Member, and
- 5. Regional NGO Desk Officer (RNDO) - Member.

The following are the Selection and Awarding procedures for Community Organizing:

- 6.1 The NFP Steering Committee of the DENR shall cause semi-annual publication for three (3) consecutive days each in three (3) nationally-circulated newspapers a general invitation for NGOs to pre-qualify for the implementation of the CO contract for FLMA.
- 6.2 The Selection Committee shall cause notices of invitation stating the criteria to qualify for the provision of CO services in particular FLMA sites. These notices shall be published in a locally circulated newspaper at least three to four (3-4) weeks before a set deadline for submission of documents.
- 6.3 The Selection Committee shall give at least a week's prior notice to all qualified NGO applicants to join a group ocular inspection of the proposed site.

- 6.4 The NGO applicants shall submit a capsule proposal a week after the group ocular inspection.
- 6.5 The Selection Committee shall interview the NGO applicants who submitted the capsule proposals.
- 6.6 The Committee shall then evaluate the capability of the NGO applicants to provide community organization services as indicated in their capsule proposal and the results of the interview. It shall then prepare a short list of qualified NGOs within a week after the interview. The shortlisted NGOs shall then be notified to prepare within four (4) weeks a project proposal (see Annex D for format) for presentation to the Committee.
- 6.7 The Committee shall evaluate the project proposals and select the most qualified NGO.
- 6.8 The Committee shall notify the selected NGO for contract signing.

Sec. 7. Preparation and Signing of Contract. After notification of the selected NGO contractor for CO by the Selection Committee, the PENRO concerned shall, within five (5) working days, prepare a contract. This contract shall be subjected for review and signature by the NGO within three (3) working days. The RED shall represent the DENR as signatory to the contract.

Sec. 8. Notice to Proceed. The PENRO concerned, authorized by the RED, shall issue a notice to proceed in favor of the NGO contractor within five (5) working days after signing have been completed and the contract shall have been notarized and approved by the Commission on Audit (COA) and availability of funds certified by the appropriate DENR officer.

Sec. 9. Contracting Process in Community Organizing. Community organizing contract shall be done in two (2) phases (see Annex E). Phase I which covers a maximum period of three (3) months, shall focus on the following activities:

- 9.1 gathering of sufficient information through appropriate Social Investigation processes in order that the management strategies and other activities for FLMA are in accordance with the prevailing situation in the project;
- 9.2 identification of possible FLMA participants; and

9.3 conduct of Information and Education campaign.

In particular, the comprehensive report detailing the Phase I activities shall be used to identify the future directions of community organizing activities to be conducted in the Phase II. (See Annex B for the outline).

Phase II which shall cover a period of twenty-one (21) months, shall focus on organization and capability-building activities such as leadership skills development, project planning and management, and financial management.

The summary of cost ceilings for Phase I and II activities are presented in Annex F.

The NGO contractor may recommend the non-implementation of FLMA in that particular site due to reasons beyond the control of either or both the contractor and the DENR, i.e., peace and order situation, unstable political situation and poor site conditions.

The DENR shall validate the above cited reasons to decide whether to continue FLMA in the particular site or not. When the decision shall be to continue with FLMA, the NGO contractor shall automatically proceed to Phase II.

An NGO may be awarded with additional CO contracts depending on its qualifications as defined in Sec. 5.0 hereof, and its competence and capability as indicated by:

1. More than 5 years of experience in CO work.
2. Presence of on-going CO program in sites other than DENR projects.

Sec. 10 Monitoring and Evaluation. The PENRO concerned shall create a Validation and Assessment (V&A) team, to be composed of a CENRO and a PENRO representatives. The team shall conduct quarterly validation and assessment of Phase II activities undertaken by the NGO contractor in response to the submitted progress billings. The NGO contractor in response to the submitted progress billings. The NGO contractor shall provide the DENR a copy of its Quarterly Commitment Plan (QCP) at the beginning of every quarter which shall serve as the basis for V&A. The proposed community organizing activities to be included in the QCP are summarized in Annex G.

The concerned DENR Regional Offices shall create one or more Monitoring and Evaluation (M&E) Committee(s), composed of representatives from regional DENR divisions. The committee will be chaired by the Regional ISF Division, and will

have the following division representatives as members: Planning and Management, Forest Resources Development, Regional NGO Desk Officer (RNDO), and the Assistant Regional Liaison Officer (ARLO). The M&E team will determine the extent with which the NGO contractor have attained the targets specified in its contracts and to identify implementation problems that need to be addressed. M&E shall be conducted at the end of Phase I, and at the 6th, 12th and 18th months and at the end of Phase II. The M&E team shall submit their reports to the Regional Executive Director. The RED shall then inform the concerned NGO contractor of the results of the M&E in writing. A summary of the M&E reports shall be submitted to the NFP Steering Committee Chairman.

Sec. 12 Performance Bond. The NGO contractors for Phase I and II shall post performance bonds callable on demand equivalent to 10% of their respective contract price for the duration of the two (2) phases as stipulated in the contract.

Sec. 13 Disbursement of Funds. Upon receipt of the billing and validation and assessment report, PENRO shall promptly disburse the approved amount based on the quarterly schedule of payment attached to the contract. Funds for this purpose shall be charged from the ADB-OECF 200-6 released to each respective PENROs.

Sec. 14 Supplemental Rules and Regulations. The Undersecretary for Field Operations, upon the recommendation of the RED shall formulate rules and regulations as may be necessary to actively carry out the objectives of this Circular. Additionally, the RED may promulgate supplemental rules and regulations which apply to a particular region. Provided such rules and regulations shall be in accordance with this Order and duly noted and approved by the Undersecretary for Field Operations.

Sec. 15 Repealing Cause. The provision of previous memorandum circulars inconsistent herewith are hereby repealed or amended accordingly.

This Order shall take effect immediately.

ANGEL C. ALCALA
Secretary

Recommending Approval:

RICARDO M. UMALI
Senior Undersecretary for Field
Operations

FORMAT FOR CAPSULE PROPOSAL

Project Title:

Proponent:

Duration:

Rationale:

Brief Description of Project Area:

Objectives/Strategies:

Expected Output:

Methodology:

Budgetary Requirements:

PHASE I REPORT OUTLINE

Hereunder is the suggested outline for Phase I report:

- A. Title of the Report
- B. Introduction
 - 1. Location and accessibility
 - 2. History of the area (if available)
 - 3. Purposes/Objectives
- C. Brief background situationer

(The following information are secondary data that can be found in census and other statistics, government registries and records, development plans, project accomplishment reports and other government documents.)

- 1. Biophysical characteristics
 - a. Terrain
 - b. Soil
 - c. Climate
- 2. Biological conditions
 - a. Land-use pattern
 - b. Crop grown and cropping pattern
 - c. Livestock raised
 - d. Vegetation types/conditions
- 3. Other important considerations
 - a. Water resource
 - b. Availability of seeds/planting materials
(agricultural crops/forest-tree species)
- D. Information and Education Campaign Activities

E. Socio-Economic Setting

1. Demographic characteristics and age distribution
2. Off-farm income sources
3. Labor availability and distribution *
- labor profile
4. Transport facilities
5. Market and credit availability
6. Cooperatives and other organizations
7. Size of landholdings
8. Land tenure status
9. Social services

F. Cultural Setting

1. Migration and ethnic groupings
2. Ethnicity and preferences with regard to crops
and livestock
3. Leadership patterns
4. Conflict management
5. Customs and traditions related to agroforestry
6. Rights and obligations with regard to sex, age,
and groups
7. Peace and order situation
8. Prevailing attitudes and beliefs
9. Development perceptions

G. Analysis and Diagnosis of Problems and Opportunities

1. Spatial patterns - includes sketch maps of soil, slope, land-use, settlement, and drainage patterns, vegetation cover and other land features which draw relationship patterns.
2. Temporal patterns - includes climatic and cropping patterns, socio-economic variables, periodical relationship which reveal problems and opportunities.
3. Flow patterns - includes major products in the areas as well as its flow points, availabilities, equities, consumptions, productivity and income opportunities.

4. Decision patterns - includes decision-making processes/flows affecting upland cropping such as long term production and conservation-oriented practices.

H. Observed Problems /Opportunities and Recommendations

I. Attachments

1. Process documentation (include only the highlights of activities under taken)
2. Resource inventory sketch maps
3. Sample survey form
4. Information and education campaign materials
5. Photos