



Republic of the Philippines  
Department of Environment and Natural Resources  
**FOREST MANAGEMENT BUREAU**

Visayas Avenue, Diliman, 1100 Quezon City

Tel. No.: (632) 8925-2141 / (632) 8927-4788

E-mail Address: fmb@denr.gov.ph

Website: <https://www.forestry.denr.gov.ph>

**MEMORANDUM**

**FOR :** The Regional Executive Director  
DENR Regions 1-13 and CAR

**FROM :** The OIC-Assistant Secretary for Field Operations-Western Mindanao  
and Director, in concurrent capacity

**SUBJECT :** **QUERY ON THE PRODUCTION SHARING AGREEMENT  
WITH THE PEOPLE'S ORGANIZATIONS FOR THE FOREST  
PLANTATIONS DEVELOPED UNDER THE NATIONAL  
GREENING PROGRAM (NGP)**

**DATE :** MAR 07 2023

This pertains to the Memorandum from the Undersecretary of Legal, Administration, and Legislative Affairs dated 24 January 2023 regarding the legal opinion on the production sharing agreement with the People's Organizations for the forest plantations developed under the National Greening Program.

Please see attached Memorandum with Annexes for your reference and guidance to our DENR Field Offices.

FOR INFORMATION AND CONSIDERATION, PLEASE.

  
ARLEIGH J. ADORABLE, CESO III

cc: The Undersecretary for Field Operations - Luzon, Visayas and Environment  
The Undersecretary for Field Operations - Mindanao



MEMORANDUM

TO : **The Director**  
Forest Management Bureau

FROM : **The Undersecretary**  
Legal, Administration, and Legislative Affairs

SUBJECT : **QUERY ON THE PRODUCTION SHARING AGREEMENT  
WITH THE PEOPLES ORGANIZATIONS FOR THE FOREST  
PLANTATIONS DEVELOPED UNDER THE NATIONAL  
GREENING PROGRAM (NGP)**

This refers to the Memorandum<sup>1</sup> of the Assistant Secretary for Policy, Planning, and Foreign Assisted and Special Projects, and then Director, in Concurrent Capacity of the Forest Management Bureau (FMB) requesting guidance on the application of the following provisions on production sharing agreements with People's Organizations (POs):

1. Sec. 3.3.1 of Executive Order (EO) 26,<sup>2</sup> s. 2011, viz.:

**3.3 Provision on Incentives**

3.3.1 All proceeds from agroforestry plantations, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction. (Underscoring supplied)

2. Sec. 7.3.1 of DENR Memorandum Circular (DMC) 2011-01,<sup>3</sup> viz.:

**7.3 Provision of Incentives**

7.3.1 All proceeds from agroforestry plantations, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.

3. Sec. 4 of DENR Administrative Order (DAO) 98-42,<sup>4</sup> viz.:

SECTION 4. Government Share in the Harvest of Government Owned Forest Plantations. The products or income derived from

<sup>1</sup> Copy attached as ANNEX "A".

<sup>2</sup> Dated 24 February 2011; Declaring and Interdepartmental Convergence Initiative for a National Greening Program.

<sup>3</sup> Dated 08 March 2011; Guidelines and Procedures in the Implementation of the National Greening Program.

<sup>4</sup> Dated 24 June 1998; Production Sharing Agreement With People's Organizations in the Harvest of Forest Plantations Owned by the Government Inside CBFM areas.



the utilization of government owned forest plantations shall be shared as follows:

- a. For the People's Organization – 75% of the gross sales
- b. For the Government – 12.5% of the gross sales
- c. For the CBFM fund (created under Sec. 8 of EO 263) – 12% of the gross sales

x x x

Sec. 3.3.1 of EO 26, s. 2011 and Sec. 7.3.1 of DMC 2011-01 are issuances specific to NGP, while Sec. 4 of DAO 98-42 pertains to forest plantations owned by the government inside Community Based Forest Management (CBFM) areas.

The said request is based on the Memorandum<sup>5</sup> dated 13 October 2021 of the Regional Executive Director (RED), DENR-Region 13, CARAGA Region to your Office seeking:

1. clarification on the relevant provisions of EO 26, s. 2011 and DMC 2011-01; and
2. advice on **whether DAO 98-42 is applicable to harvested forest plantations under the National Greening Program (NGP) within Community-Based Forest Management Agreement (CBFMA) areas.**

In a Memorandum<sup>6</sup> dated 03 December 2021, the OIC Chief, Forest Resources Management Division (FRMD) of the Forest Management Bureau (FMB) submitted to the Chief, Forest Resources Conservation Division of the FMB their inputs, comments, or suggestions on the matter.

This Office has the submits the following comments:

1. **On the issue raised by DENR-Region 13 whether DAO 98-42 is applicable to harvested forest plantations under the National Greening Program (NGP) within Community-Based Forest Management Agreement (CBFMA) areas, this Office opines that the applicable rules should be EO 26, s. 2011, as amended by EO 193,<sup>7</sup> s. 2015, and DENR DMC 2011-01, provided that: (1) the plantations are agroforestry plantations as defined in Sec. 4 (b) of DAO 2019-03,<sup>8</sup> and 2) the agroforestry plantations were planted because of the NGP.**

In *Lopez, Jr. v. Civil Service Commission*,<sup>9</sup> the Supreme Court held that a special law prevails over a general law, to wit:

There is no doubt that Republic Act No. 409, which provides specifically for the organization of the Government of the City of Manila, is a special law, and whereas Republic Act No. 5185 and Batas Blg. 337, which apply to municipal governments in general, are general laws. As the Solicitor General points out, and we agree with him, **it is a canon of statutory**

<sup>5</sup> Marked as ANNEX "A-1"; Attached to ANNEX "A".

<sup>6</sup> Marked as ANNEX "A-2"; Attached to ANNEX "A".

<sup>7</sup> Expanding the Coverage of the National Greening Program.

<sup>8</sup> Dated 08 January 2019; Revised Implementing Rules and Regulations of Executive Order No. 193, Series of 2015: Expanding and Enhancing the Coverage of the National Greening Program.

<sup>9</sup> G.R. No. 87119, [April 16, 1991], 273 PHIL 147-153.



construction that a special law prevails over a general law – regardless of their dates of passage – and the special is to be considered as remaining an exception to the general. (Emphasis supplied)

DAO 98-42 was issued in relation to EO 263,<sup>10</sup> s. 1995. The prefatory statement of DAO 98-42 states:

Pursuant to Article XII, Section 2 of the 1987 Philippine Constitution which defined the modes for the exploration, development, and utilization of natural resources, **Executive Order 263 which adopted Community Based Forest Management as the national strategy to ensure sustainable management of the country's forest resources**, and DAO 96-29 or the CBFM implementing guidelines, which prescribed that the CBFM Agreement is a production sharing agreement, and in order to sustain government efforts in reforesting denuded forestlands, the herein guidelines are issued for the management and utilization of forest plantations owned by the government under a production sharing agreement, for the guidance of all concerned. (emphasis added)

Sec. 2 of DAO 98-42 provides the different forest plantations owned by the government to which the above cited production sharing agreement under Sec. 4 of DAO 98-42 applies. Sec. 2 of DAO 98-42 states:

**Sec. 2 Production Sharing Agreement.** Forest plantations owned by the government shall include the following:

- 2.1 Reforestation/forest plantation projects administered/established by DENR;
- 2.2 Reforestation/forest plantations established by TLA holders and other permittees in compliance with the terms and conditions of the timber license agreement or permit;
- 2.3 Plantations established by holders of IFMA, SIFMA, ITP, CBFMA, and other tenurial instruments which were cancelled for caused; and
- 2.4 Other reforestation or plantation projects established with government funds; provided that the utilization of forest plantations owned by the government shall be limited within production forests or management zones within protected areas where such activities are allowed; provided further that the plantations owned by the government are inside the CBFM areas, and their utilization is included in affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP).

On the other hand, EO 26, s. 2011, as amended by EO 193, s. 2015, provides the implementation of a NGP as a government priority. Particularly, Sec. 4 (b) of DAO 2019-03 defines Agroforestry as follows:

**b. Agroforestry** – refers to the sustainable management of land, which increases their productivity by properly **combining agricultural crops with forest crops** simultaneously or sequentially over time through the

---

<sup>10</sup> Adopting Community-Based Forest Management as the National Strategy to Ensure the Sustainable Development of the Country's Forestlands Resources and Providing Mechanisms for Its Implementation.



application of management practices, which are compatible with the local climate, topography, and slope. (Emphasis supplied)

Applying the case of *Lopez, Jr. v. Civil Service Commission*, it is submitted that by analogy, EO 26, s. 2011 is a special law in relation to EO 263, s. 1995 which is a general law.

Thus, this Office submits that if the proceeds came from agroforestry plantations which are under the NGP, even if the agroforestry plantations are within CBFMA areas, Sec. 3.3.1 of EO 26, s. 2011 and Sec. 7.3.1 of DMC 2011-01 are still applicable. In this case, all requirements under Sec. 3.3.1 of EO 26, s. 2011 and Sec. 7.3.1 of DMC 2011-01, *i.e.*, (1) the plantations are agroforestry plantations as defined in Sec. 4 (b) of DAO 2019-03, and (2) the agroforestry plantations were planted because of the NGP, should be met so that all proceeds shall accrue to the NGP beneficiary communities. This constitutes the special law of EO 26, s. 2011.

On the other hand, we apply the general law (1) if the plantations are not agroforestry plantations as defined in Sec. 4 (b) of DAO 2019-03, and / or (2) the agroforestry plantations were not planted because of NGP. It is submitted that the production sharing agreement under Sec. 4 of DAO 98-42 may apply to the said instances, depending on the circumstances and the stipulations in the applicable agreement.

2. It is submitted that the FMB, pursuant to its function under Sec. 13 of EO 192,<sup>11</sup> s. 1987 to recommend policies<sup>12</sup> for the effective management of forest lands, may consider proposing or issuing necessary guidelines to clarify the matter or possible scenarios on production sharing agreements on agroforestry plantations and other forest plantations.

It is submitted that this legal opinion is limited to the review of the documents presented and relevant laws and rules mentioned.

For your consideration.

ATTY. ERNESTO D. ADOBO, JR., CESO I

Copy furnished:

The Undersecretary  
Policy, Planning and International Affairs

<sup>11</sup> Providing for the Reorganization of the Department of Environment, Energy and Natural Resources, Renaming It as the Department of Environment and Natural Resources, and for Other Purposes.

<sup>12</sup> SECTION 13. *Forest Management Bureau*. —xxx The Forest Management Bureau, to be headed by a Director and assisted by an Assistant Director shall advise the Secretary on matters pertaining to forest development and conservation and shall have the following functions, but not limited to:

(a) Recommend policies and/or programs for the effective protection, development, occupancy, management and conservation of forest lands and watersheds, including grazing and mangrove areas, reforestation and rehabilitation of critically denuded/degraded forest reservations, improvement of water resource use and development, ancestral lands, wilderness areas and other natural preserves, development of forest plantations including rattan, bamboo, and other valuable non-timber forest resources, rationalization of the wood-based industries, regulation of the utilization and exploitation of forest resources including wildlife, to ensure continued supply of forest goods and services.

xxx





Republic of the Philippines  
Department of Environment and Natural Resources  
**FOREST MANAGEMENT BUREAU**  
Visayas, Avenue, Diliman, 1100 Quezon City  
Tel. No.: (632) 8925-2141 / (632) 8927-4788  
E-mail Address: fmb@denr.gov.ph Website: https://www.forestry.denr.gov.ph

ANNEX A

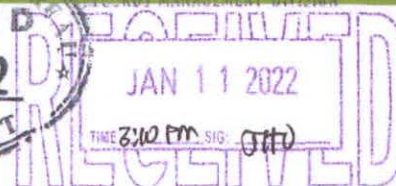
## MEMORANDUM

FOR : The Director  
Legal Affairs Service

FROM : The Assistant Secretary for Policy, Planning, and Foreign Assisted and  
Special Projects, and Director, in concurrent capacity

SUBJECT : **QUERY ON THE PRODUCTION SHARING AGREEMENT  
WITH THE PEOPLES ORGANIZATIONS FOR THE FOREST  
PLANTATIONS DEVELOPED UNDER THE NGP**

DATE : **JAN 10 2022**



This refers to the Memorandum dated 13 October 2021 of Region XIII-CARAGA regarding the above-mentioned subject.

Several policies were identified by the Regional Office concerning the different policies on the production sharing agreements with People's Organizations (POs). Enumerated below are the policies/issuances/law:

Legal Basis	Provision
EO 26 s. 2011. <i>Section 3.3 Provision of Incentives</i>	All proceeds from <b>agroforestry plantations</b> , duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.
DMC 2011-01. <i>Section 7.3 Provision of Incentives</i>	All proceeds from <b>agroforestry plantations</b> , duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.
DAO 98-42. <i>Section 4. Government Share in the Harvest of Government Owned Forest Plantations.</i>	The products or income derived from the utilization of government owned forest plantations shall be shared as follows: <ol style="list-style-type: none"> <li>For the People's Organization – 75% of the gross sale</li> <li>For the government – 12.5% of the gross sales</li> <li>For the CBFM fund (created under Sec. 8 of EO 263 – 12% of the gross sales</li> </ol>

Based on initial review, EO 26 and DMC 2011-01 may apply for fruits and agricultural products harvested from NGP plantations. On the other hand, based on Section 2 of DAO 1998-42, production sharing agreement shall be used for forest plantations owned by government, which include areas within Community Based Forest Management (CBFM), Integrated Forest Management Agreement (IFMA), Socialized Industrial Forest Management Agreement (SIFMA), Industrial Tree Plantation (ITP), and other tenurial instruments which

were cancelled for national cause or government projects (e.g., road widening, construction), plantations established by Timber License Agreement (TLA) holders and other permittees, and other reforestation areas established with government funds—provided that it is within production forests or protected areas where management activities are allowed, and government-owned plantations inside CBFM areas, wherein utilization is in affirmed Community Resources Management Framework (CRMF) and Approved Work Plan (WFP).

In this regard, may we request for your Office's guidance on the application of these mentioned policies. Attached is the Memoranda from Region XIII and FRMD, and copy of the aforementioned law and DENR issuances for your reference.

FOR YOUR INFORMATION AND CONSIDERATION, PLEASE.



MARCIAL C. AMARO, JR., CESO III





Department of Environment and Natural Resources  
Caraga Region

MEMORANDUM

FOR : THE ASSISTANT SECRETARY  
Policy, Planning and Foreign Assisted and Special Projects  
and Director, Forest Management Bureau, in concurrent capacity

FROM : THE REGIONAL EXECUTIVE DIRECTOR

SUBJECT : QUERY ON THE PRODUCTION SHARING AGREEMENT WITH  
THE PEOPLE'S ORGANIZATIONS FOR THE FOREST  
PLANTATIONS DEVELOPED UNDER THE NATIONAL  
GREENING PROGRAM (NGP)

DATE : October 13, 2021



This pertains to the harvesting of forest plantation under the National Greening Program established plantations within Community-based Forest Management Agreement (CBFMA).

The Executive Order No. 26<sup>1</sup>, issued on February 24, 2011, subsection 3.2.1 and in Section 7, item 7.3.1 of DENR Memorandum Circular No. 2011-01<sup>2</sup>, provides that all proceeds from agroforestry plantations, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.

However, under the DENR Administrative Order No. 98-42<sup>3</sup> explicitly states that income derived from plantations established, which were funded by the government funds and within the CBFM areas with affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP), are subject to Production Sharing Agreement. It was stipulated further that the utilization of government owned plantations shall be shared as follows:

- For the People's Organization - 75% of the gross sales
- For the Government - 12.5% of the gross sales
- For the CBFM Fund (created under Section 8 of EO 263) - 12.5% of the gross sales

With the foregoing, we would like to seek clarification on the provisions cited in EO 26 and DMC 2011-01 and advice from your office whether DAO No. 98-42 is applicable to the harvested forest plantations under National Greening Program (NGP) within CBFMA areas.

For your perusal and further instruction.

NONITO M. TAMAYO, CESO III



<sup>1</sup> Implementation of a National Greening Program (NGP) as a Government Priority

<sup>2</sup> Guidelines and Procedures in the Implementation of the National Greening Program

<sup>3</sup> Production Sharing Agreement with People's Organizations in the Harvest of Forest Plantations Owned by the Government Inside CBFM Areas



RECEIVED  
DEC 03 2021  
p-214#6

BY: Rod DATE: 12-9-21 **FOREST MANAGEMENT BUREAU  
INTERNAL MEMORANDUM**

LOG. NO. 278-7

FOR : The Chief, Forest Resources Conservation Division

FROM : The OIC, Forest Resources Management Division

SUBJECT : **QUERY ON THE PRODUCTION SHARING AGREEMENT WITH  
THE PEOPLE'S ORGANIZATIONS FOR THE FOREST  
PLANTATIONS DEVELOPMENT UNDER THE NGP**

DATE : DEC 03 2021

This pertains to the Internal Memorandum from the Chief, Forest Protection Section and OIC, Forest Resource Conservation Division (FRCD) dated 17 November 2021 requesting comments and input on the query from the Regional Executive Director, DENR Region I regarding the production sharing agreement with the POs for the forest plantations development under National Greening Program (NGP).

Relative thereto, below are our inputs/comments/suggestions on the above subject, as follows:

1. The scope of the DENR Administrative Order (DAO) No. 1998-42 "Production Sharing Agreement with People's Organizations in the Harvest of Forest Plantations Owned by the Government Inside CBFM Areas" includes all reforestation or plantation projects established with government funds inside the CBFMA areas. Hence, even the National Greening Program (NGP) plantations established within CBFMA areas are included. Per Section 4, of the said DAO, the products or income derived from the utilization of government funded forest plantations shall be shared as follows:
  - 1.1. For the People's Organization 75% of the gross sales;
  - 1.2. For the Government -12.5% of the gross sales
  - 1.3. For the CBFM fund - 12.5% of the gross sales
  - 1.4. The government share shall be remitted to the Bureau of Treasury (BOTr). Further, since the CBFM Fund was not established because the Executive Order No. 263 did not specify that the proceeds can be deposited in an authorized government depository bank, share for this shall also be deposited to the BOTr.
2. The forest product is not specified in DAO 1998-42. However, based on the experiences of our Field Offices which have already collected government share from the utilization of forest plantations within CBFMA areas, the forest products where they collected government share is only from the utilized timber and not from the harvest of fruits. ✓
3. The Section 3.3., EO 26 and Section 7.3, DMC 2011-01 stated that all proceeds from agroforestry plantation, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction. The fact that it specified agroforestry plantations, it may only cover fruits and other agricultural products harvested by the NGP beneficiaries and not include the timber utilization. ✓
4. In our opinion, DAO 1998-42 should be implemented for those NGP plantations within the CBFMA areas as this is clear responsibility of our CBFM-PO as stipulated in their CBFM Agreements. Further, since there is conflict between DAO 1998-42, DMC 2011-01 and EO 26, we may seek guidance from the DENR Legal Services on the matter.
5. Further, based on one of the meetings attended by the undersigned with the DENR Secretary and Assistant Secretary and concurrent FMB Director, it was discussed that there should be a separate production sharing scheme for NGP.

6. It is opined that timber planted in untenured areas under the NGP shall not be allowed to be harvested. Meanwhile, the POs which have established the NGP plantations in such untenured areas have no right to harvest the plantations and the government as owner of the said plantations.

FOR INFORMATION AND CONSIDERATION, PLEASE.

  
ILDEFONSO L. QUILLOY



MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 26

**WHEREAS**, poverty reduction, resource conservation and protection, productivity enhancement, climate change mitigation and adaptation, are among the priority programs of the government;

**WHEREAS**, there is a need to consolidate and harmonize all greening efforts such as Upland Development Program, Luntiang Pilipinas and similar initiatives of the government, civil society and private sector under a National Greening Program;

**WHEREAS**, the Department of Environment and Natural Resources (DENR) is the primary agency responsible for the conservation, management, development and proper use of the country's environmental and natural resources;

**WHEREAS**, the Department of Agriculture (DA) is the lead agency to boost farmers' income and reduce poverty in the rural sector;

**WHEREAS**, the Department of Agrarian Reform (DAR) is the lead agency in the implementation of agrarian reform and sustainable rural development programs;

**WHEREAS**, the DA, DENR, DAR pursuant to Joint Memorandum Circular No. 1 series 2010 have adopted a Convergence Initiative to integrate and strengthen development framework between and among national government, local government agencies and other stakeholders, wherein complementary human, physical and financial resources are efficiently and effectively deployed;

**WHEREAS**, Executive Order No. 23 series 2011 has mandated the DA-DAR-DENR Convergence Initiative to develop a National Greening Program in cooperation with the Department of Education (DepEd), Commission on Higher Education (CHED), Department of Social Welfare and Development (DSWD), Department of Budget and Management (DBM), private sector and other concerned agencies and institutions.

**NOW, THEREFORE, I, BENIGNO S. AQUINO III**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order and declare the implementation of a National Greening Program (NGP) as a government priority.



**Section 1. Declaration of Policy.** It is the policy of the State to pursue sustainable development for poverty reduction, food security, biodiversity conservation, and climate change mitigation and adaptation.

**Section 2. Coverage.** The National Greening Program shall plant some 1.5 Billion trees covering about 1.5 Million hectares for a period of six (6) years from 2011 to 2016, in the following lands of the public domain:

- 2.1 Forestlands
- 2.2 Mangrove and protected areas
- 2.3 Ancestral domains
- 2.4 Civil and military reservations
- 2.5 Urban areas under the greening plan of the LGUs
- 2.6 Inactive and abandoned mine sites; and
- 2.7 Other suitable lands

All other greening efforts of the private sector and civil society shall be harmonized under the NGP.

**Section 3. Strategies.** In order to ensure the successful implementation of the NGP, the following strategies shall be adopted:

### **3.1 Social Mobilization**

3.1.1 All students, identified by the DepEd and CHED and all government employees shall be individually required to plant a minimum of ten (10) seedlings per year in areas determined by the Convergence Initiative. Private sectors and civil society groups shall likewise be encouraged to participate in the NGP.

3.1.2 With appropriate assistance from the government and the private sector, the Peoples' Organizations (POs) shall be given the primary responsibility of maintaining and protecting the established plantations.

### **3.2 Harmonization of Initiatives**

3.2.1 All tree planting initiatives such as the Upland Development Program, Luntiang Pilipinas and similar activities of the government, private sector, LGUs and the civil society shall be harmonized under the NGP.

3.2.2 All government institutions, especially DA, DAR, DENR, CHED and DepEd shall produce appropriate quality seedlings annually for the NGP. Technical assistance shall



be provided by DA, DENR, and DAR under the Convergence Initiative.

### **3.3 Provision of Incentives**

3.3.1 All proceeds from agroforestry plantations, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.

3.3.2 NGP beneficiary communities shall be considered priority in the Conditional Cash Transfer (CCT) Program.

3.3.3 Appropriate incentives shall be developed by the Convergence Initiative to encourage rainforestation, particularly in the protected area.

### **3.4 Monitoring and Management of Database**

3.4.1 The DA, DAR, DENR, shall develop a centralized database and provide regular monitoring and timely report on the progress of the NGP.

3.4.2 The Convergence Initiative shall engage the private sector, civil society and academe in the monitoring and evaluation of the NGP.

**Section 4. Oversight Committee and Lead Agency.** The members of the Steering Committee under the DA-DAR-DENR Convergence Initiative shall constitute the NGP Oversight Committee, to be chaired by the DENR. The DENR shall be the lead agency for the NGP.

**Section 5. Partner Agencies/Stakeholders.** The NGP shall be implemented in partnership with the following agencies/stakeholders, whose responsibilities shall include but not limited to the following:

#### **5.1 DA-DAR-DENR**

- 5.1.1 Nursery establishment and seedling production
- 5.1.2 Site identification and site preparation
- 5.1.3 Social mobilization
- 5.1.4 Tree planting
- 5.1.5 Monitoring and evaluation
- 5.1.6 Technical support and extension services
- 5.1.7 Provision of certified seeds of agronomic crops
- 5.1.8 Provision of access roads and trails to planting site
- 5.1.9 Provision of post harvest and processing facilities



5.1.10 Technical assistance in product development and marketing

**5.2 Department of Education (DepEd)/ Commission on Higher Education (CHED)**

- 5.2.1 Student mobilization
- 5.2.2 Nursery establishment, seedling production and tree planting
- 5.2.3 Information, Education and Communication
- 5.2.4 Provision of extension services
- 5.2.5 Monitoring and evaluation

**5.3 Department of Social Welfare and Development (DSWD)**

- 5.3.1 Provision of Conditional Cash Transfer to NGP beneficiaries
- 5.3.2 Social mobilization

**5.4 Department of Budget and Management (DBM)**

- 5.4.1 Allocation of funds for all activities of the NGP

**5.5 Department of Interior and Local Government (DILG)**

- 5.5.1 Provision of transportation, security and fire protection amenities
- 5.5.2 Information, Education and Communication

**5.6 Local Government Units (LGUs)**

- 5.6.1 Establishment of nurseries and production of planting materials
- 5.6.2 Development of greening plan for urban and suburban areas
- 5.6.3 Lead the establishment of communal tree farms for firewood and other domestic uses
- 5.6.4 Construction of access roads and trails to the planting sites
- 5.6.5 Provision of medical support
- 5.6.6 Technical assistance and extension of services

**5.7 Department of Health (DOH)**

- 5.7.1 Provision of transportation and medical support



**5.8 Department of Public Works and Highways (DPWH)**

- 5.8.1 Provision of transportation in the hauling of seedlings and volunteer planters
- 5.8.2 Assistance in the construction of access roads and trails to the planting sites

**5.9 Department of Transportation and Communications (DOTC)**

- 5.9.1 Provision of transport for participants
- 5.9.2 Provision of communication facilities

**5.10 Department of National Defense (DND)**

- 5.10.1 Nursery establishment and seedling production
- 5.10.2 Site preparation
- 5.10.3 Provision of transportation support
- 5.10.4 Provision of security

**5.11 Department of Science and Technology (DOST)**

- 5.11.1 Development and transfer of appropriate technologies
- 5.11.2 Information, Education and Communication

**5.12 Department of Justice (DOJ)**

- 5.12.1 Nursery establishment and production of planting materials
- 5.12.2 Provision of transportation

**5.13 National Commission on Indigenous Peoples (NCIP)**

- 5.13.1 Mobilization of participation of indigenous peoples
- 5.13.2 Identification of sites for NGP inside ancestral domains
- 5.13.3 Supervision of forest protection activities inside ancestral domains

**5.14 Technical Education and Skills Development Authority (TESDA)**

- 5.14.1 Technical assistance in products development

**5.15 Philippine Amusement and Gaming Corporation (PAGCOR)**

- 5.15.1 Provision of funds for seedling production and other related activities of the NGP

5.16 All other government agencies, instrumentalities, including government-owned and controlled corporations (GOCCs), state universities and colleges (SUCs), shall provide full support and assistance to the NGP.

**Section 6. Implementing Guidelines.** All participating agencies/institutions, within fifteen (15) days from the date of this Executive Order, shall issue their respective guidelines to implement the NGP, copy furnished the NGP Oversight Committee.



**Section 7. Funding Mechanisms.** Funds needed for the implementation of the NGP for the current year shall be provided by the DBM and funding for the succeeding years shall be incorporated in the regular appropriation of participating agencies.

**Section 8. Separability Clause.** Any portion or provision of this Executive Order that maybe declared unconstitutional shall not have the effect of nullifying other provisions hereof, as long as such remaining portions can still subsist and can be given effect in their entirety.


**Section 9. Repealing Clause.** All rules and regulations and other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

**Section 10. Effectivity.** This Executive Order shall take effect immediately upon its publication in a newspaper of general circulation.

**DONE** in the City of Manila, this 24<sup>th</sup> day of February, in the year of our Lord, Two Thousand and Eleven.

By the President:

  
**PAQUITO N. OCHOA, JR.**  
Executive Secretary







Republic of the Philippines  
**Department of Environment and Natural Resources**  
Visayas Avenue, Diliman, Quezon City  
Tel Nos. 929-6626 to 29; 929-6633 to 35  
929-7041 to 43; 9296252; 929-1669  
Website: <http://www.denr.gov.ph> E-mail: [web@denr.gov.ph](mailto:web@denr.gov.ph)

MAR 08 2011

**DENR MEMORANDUM CIRCULAR**

No. 2011- **01**

**SUBJECT : GUIDELINES AND PROCEDURES IN THE  
IMPLEMENTATION OF THE NATIONAL GREENING  
PROGRAM**

Pursuant to Sec. 2.6 of Executive Order (EO) No. 23 and EO 26, both series of 2011, mandating the DA-DAR-DENR Convergence Initiative to develop a National Greening Program in coordination with DepEd, CHED, DSWD, DBM, private sector and other concerned agencies and institutions; and declaring the implementation of the National Greening Program as a government priority; respectively, and in order to provide guidance for DENR and NGP partners-implementers and participants through a common framework and understanding on the mechanics of implementation, the following guidelines and procedures are hereby issued:

**Section 1. Objectives.** The National Greening Program (NGP) shall aim to:

1. Contribute in reducing poverty among upland and lowland poor households, indigenous peoples, and in coastal and urban areas;
2. Implement sustainable management of natural resources through resource conservation, protection, and productivity enhancement;
3. Provide food, goods and services such as timber, fiber, non-timber forest products, aesthetic values, air enhancement values, water regulation values, and mitigate climate change by expanding forest cover that serve as carbon sink;
4. Promote public awareness as well as instill social and environmental consciousness on the value of forests and watersheds;



5. Enhance the formation of positive values among the youth and other partners through shared responsibilities in sustainable management of tree plantations and forest resources; and
6. Consolidate and harmonize all greening efforts of the government, civil society and the private sector.

**Section 2. Scope and Coverage.** The NGP shall plant 1.5 billion trees in 1.5 million hectares of lands of the public domain for a period of six (6) years from CY 2011 to CY 2016.

**2.1 Areas for Development.** The following areas shall be eligible for development under the program:

- 2.1.1 Forestlands
- 2.1.2 Mangrove areas and protected areas
- 2.1.3 Ancestral domains
- 2.1.4 Civil and military reservations
- 2.1.5 Urban areas identified by the LGUs such as urban parks and open spaces, highways and road-sides, church, schools and office compounds
- 2.1.6 Inactive and abandoned mine sites,
- 2.1.7 Riverbanks, stream banks and other suitable public lands

**2.2 Development components.** The NGP shall have the following components to develop these areas:

- 2.2.1 Production of planting materials for forest trees and fruit tree species and bamboo in nurseries and other appropriate sites by DA, DAR, DENR, DepEd, CHED, DOJ, DND, LGUs, government-owned and controlled corporations (GOCCs), state universities and colleges (SUCs), and other government agencies and instrumentalities, private sector, and communities;
- 2.2.2 Development of upland farms through agroforestry and rainforestation;
- 2.2.3 Reforestation of grasslands/brushlands and rehabilitation of coastal and mangrove areas in community-managed forestlands, consistent with their respective management plans;
- 2.2.4 Rehabilitation of degraded areas in priority watersheds and protected areas;





2.2.5 Rehabilitation of rivers and stream banks and other suitable areas using bamboos;

2.2.6 Development of tree/forest parks and greenbelts in suitable sites in urban areas such as churches, schools, offices, military camps, highways and roadsides, and open spaces; and

2.2.7 Maintenance and protection of planted trees and established plantations by partner implementers.

2.3 *Targets for development.* Annual targets for development under the NGP shall be set to achieve the total target of 1.5 million hectares in six (6) years. For CY 2011, DENR shall develop an initial 100,000 hectares under the NGP, broken down as follows:

2.3.1 60,000 hectares (ha) within community-managed forestlands, including mangrove and coastal areas

2.3.2 20,000 ha within protected areas

2.3.3 10,000 ha in ancestral domain areas

2.3.4 10,000 ha in other areas

Additional areas may be allocated for tree planting activities by the private sector, civil society and other stakeholders.

**Section 3. Nursery Operations.** Whenever applicable, forest tree seed and seedling production, collection and disposition shall be governed by DAO 2010-11, and shall be implemented in complementation with the establishment/expansion or rehabilitation of clonal nurseries and facilities.

3.1 Pursuant to EO 26, DA-DAR-DENR under the National Convergence Initiative, DepEd, CHED, LGUs, DND, DOJ, government-owned and controlled corporations (GOCCs), state universities and colleges (SUCs), and other government agencies and instrumentalities, private sector, and communities shall be responsible for seed and seedling production and establishment of nurseries for the NGP, among others. DENR shall be principally responsible for the production of forest tree species and provision of technical assistance in nursery operations. The production of seedlings of fruit trees and other crops for agroforestry shall be the primary concern of DA and DAR. However, DENR may also engage in the production of seeds and seedlings of fruit trees.

2/3



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF ENVIRONMENT  
AND NATURAL RESOURCES



SENRO30378

- 3.2 The DENR field offices shall organize seed collection teams. Collected seeds shall be turned over to the ERDS for quality control, storage and propagation/distribution.
- 3.3 As far as practicable and to ensure high survival rate, seedlings shall be produced at or near the planting sites in coordination with the LGUs and communities concerned.
- 3.4 The DENR field offices, in coordination with DA, DAR, and the LGUs and communities concerned, among others, shall determine the number and type/species of seedlings to be produced in their respective localities and jurisdictions.
- 3.5 Whenever necessary and appropriate, the DENR field offices particularly the PENROs and CENROs may enter into contracts/agreements for the use of vacant and private lots for seedling production and nursery operations in consideration of the future requirements of NGP for planting materials, at no cost to the government.
- 3.6 Whenever necessary, the DENR field offices may hire additional personnel to oversee seedling production and nursery operations, and plantation establishment.
- 3.7 Seedlings may also be procured from accredited nurseries and other sources subject to strict adherence with procurement and other applicable laws, rules and regulations and prescribed/market prices and unit costs.
- 3.8 For CY 2011, DENR shall produce or procure 50 million seedlings of premium, indigenous, fast-growing, and other forest species and fruit trees including bamboo in its clonal facilities and other nurseries, and from accredited nurseries and other sources including those managed by communities and schools, broken down as follows:
- 3.8.1 Five (5) million seedlings of *dipterocarps*, *narra*, and other premium and indigenous forest tree species
  - 3.8.2 25 million seedlings of *mahogany*, *gmelina*, *bagras*, *acacia* spp., *rubber*, fast-growing and other production/protection forest tree species including bamboo, urban, and mangrove species
  - 3.8.3 20 million seedlings of *mango*, *coffee*, *cacao*, *cashew*, *guyabano*, and other fruit trees

**Section 4. Site Selection.** The DENR field offices shall consider the following criteria in identifying and selecting areas and sites for planting and plantation development under the NGP:





#### 4.1 *Community-managed forest lands*

- 4.1.1 Covered by tenure instrument/agreement such as CBFMA and PACBRMA;
  - 4.1.2 Availability of areas for agroforestry/rainforestation, reforestation, and mangrove/coastal/riverbanks/stream banks-rehabilitation per affirmed management plans;
  - 4.1.3 Accessibility of identified areas/sites to planters and markets; and
  - 4.1.4 Active registration status of POs concerned with relevant government organizations such as SEC and CDA; otherwise, DENR shall assist POs in acquiring the necessary accreditations.
- 4.2 Areas identified by LGUs such as urban parks, open spaces, school sites, roadsides, rivers and stream banks and other suitable areas, among others, consistent with their respective greening plans.
- 4.3 Identification and selection of areas and sites shall be up to barangay level for consideration of DSWD in the grant of incentives to qualified NGP beneficiaries under the Conditional Cash Transfer (CCT) Program.

**Section 5. Site Development.** The DENR field offices shall be responsible for the preparation of the selected sites for planting and plantation establishment.

- 5.1 The DENR field offices, in coordination with DA, DAR, DepEd/CHED, DILG, DND, DOJ, DOST, DOTC, DPWH, DSWD, GOCCs, LGUs, and SUCs, private sector and civil society shall conduct massive IEC campaign and mobilize and organize communities in the preparation of sites for planting. The DENR field offices shall be primarily responsible for site preparation activities such as staking, brushing and digging of holes and may access the support of POs and civil society groups, among others.
- 5.2 The determination of spacing shall be guided by the species, objective/s of the plantation to be established, and site characteristics, among others. Seedlings of forest trees such as *mahogany*, *bagras* and *acacia* spp. may be planted with a spacing of 2m x 3m, 3m x 3m, or 3m x 4 m while spacing for fruit tree seedlings may range from 5m x 5m to 10m x 10m depending on the species.



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF ENVIRONMENT  
AND NATURAL RESOURCES



SENRO30378

- 5.3 Premium and indigenous tree species shall be planted primarily to rehabilitate or restore degraded forestlands and protected areas/zones while fast-growing and production/protection forest tree species and fruit trees shall be planted in agroforestry and production areas and multiple use zones.
- 5.4 Planting shall be done by government employees, students, private sector, and civil society groups, under close supervision by DA, DAR, DENR, and LGUs concerned to ensure higher survival of seedlings.
- 5.5 In general, planting shall be from July to December following the respective climatic types, planting calendars of forest and fruit tree species, and prevailing and forecasted weather conditions by PAGASA, for higher survival of the planted seedlings.

**Section 6. Maintenance and protection.** With appropriate assistance from DA, DAR, DENR, DSWD, LGUs and other government agencies and instrumentalities, and the private sector, the members of POs concerned shall be primarily responsible for the maintenance and protection of the established plantations.

**Section 7. Strategies.** In order to ensure the successful implementation of the NGP, the following strategies shall be adopted:

**7.1 Social Mobilization**

- 7.1.1 DepEd and CHED shall include in their educational programs the participation of all identified students in the NGP and planting of a minimum of 10 seedlings/student/year in identified and selected planting areas/sites by DA, DAR and DENR.
- 7.1.2 All government employees shall be individually required to plant a minimum of 10 seedlings/year in the same areas determined by the Convergence Initiative.
- 7.1.3 Private sectors and civil society groups shall likewise be encouraged to participate in the NGP.
- 7.1.4 The POs shall be given the primary responsibility of site preparation and maintenance and protection of the established plantations. The DENR field offices shall take the lead in providing technical assistance





and conduct of appropriate interventions to enhance the capacities of the POs concerned to undertake these activities.

## **7.2 Harmonization of Initiatives**

- 7.2.1 All tree planting initiatives such as the Upland Development Program, *Luntiang Pilipinas*, and similar greening activities of the government, private sector, LGUs and the civil society shall be harmonized under the NGP.
- 7.2.2 All government institutions particularly DA, DAR, DENR, CHED and DepEd shall produce appropriate quality seedlings annually for the NGP. Technical assistance shall be provided by DA, DENR, DAR under the Convergence Initiative.

## **7.3 Provision of Incentives**

- 7.3.1 All proceeds from agroforestry plantations, duly accounted by the DENR, shall accrue to the NGP beneficiary communities to address food security and poverty reduction.
- 7.3.2 NGP beneficiary communities shall be considered priority in the Conditional Cash Transfer (CCT) Program to undertake nursery operations, site preparation, and maintenance and protection of established plantations including replanting.
- 7.3.3 Appropriate incentives shall be developed by the Convergence Initiative to encourage rainforestation, particularly in protected areas.

## **7.4 Monitoring and Management of Database.**

- 7.4.1 DA, DAR, and DENR shall develop a centralized database and provide regular monitoring and timely report on the progress of the NGP.
- 7.4.2 The Convergence Initiative shall engage the private sector, civil society and the academe in the monitoring and evaluation of the NGP.

**Section 8. Organization and Implementation Mechanism.** The assignment of responsibilities in the implementation of the NGP shall be as follows:

27



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF ENVIRONMENT  
AND NATURAL RESOURCES



SENRO30378

- 8.1 The implementation of the NGP shall be the primary responsibility of the Field Operations Office including all DENR field offices under the Undersecretary for Field Operations. The Undersecretary concerned shall supervise the implementation of all program activities and ensure the attainment of goals and objectives of NGP.
- 8.2 The Planning and Policy Office under the Undersecretary for Planning and Policy shall take the lead in the monitoring and assessment of the performance of the NGP.
- 8.3 The Office of the Assistant Secretary for Special Projects shall be responsible for coordination with DA, DAR, DepEd, CHED, DSWD, and other partner agencies and stakeholders identified under EO 26 concerning their respective commitments on NGP.
- 8.4 The Office of the Assistant Secretary for Administration and Finance shall be responsible for allocating and providing funds and other requirements necessary for implementation of NGP activities.
- 8.5 FMB shall be responsible for providing overall technical support to NGP implementation.
- 8.6 PAWB shall be responsible for providing technical assistance for protected areas.
- 8.7 ERDB shall be responsible for overseeing the production and procurement of seedlings and quality planting material requirements of the program including the establishment of clonal facilities and network of nurseries.
- 8.8 PAO shall be responsible for the development of a massive IEC program for NGP to enhance awareness and for social mobilization and sustainability of the NGP, in coordination with U. P. Los Baños on IEC and social mobilization.
- 8.9 These DENR offices and bureaus and all DENR field offices may establish appropriate implementing and support mechanisms in their respective offices for the implementation of the NGP.
- 8.10 Other DENR bureaus and offices as well as the attached agencies shall support the implementation of the program.





**Section 9. Program Management and Supervision.** The DENR Executive Committee headed by the Secretary shall be responsible for the overall management and supervision of the implementation of the NGP.

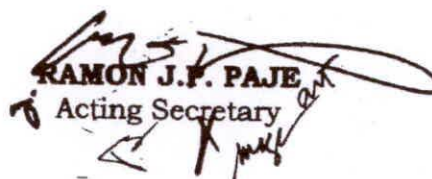
**Section 10. Registry of reforestation/agroforestry projects.** Consistent with the Manual on New Government Accounting System (NGAS), a Registry of reforestation/agroforestry projects shall be maintained for each NGP site. The Regional offices shall consolidate and submit the Registry to FMB.

**Section 11. References.** DENR offices and partner agencies and stakeholders may consult technical references and information materials such as the *ERDB-DENR Guidebook on Development and Management of Forest Plantations (2010 Edition)*, *DENR Greenbook 1-3*, and DAO 2010-11 in the implementation of the NGP particularly in seedling production and nursery operations, site preparation and plantation development, and maintenance and protection of established plantations.

**Section 12. Funding.** The Department shall allocate funds to support the implementation of the NGP.

**Section 13. Repealing Clause.** This Circular shall supersede other issuances that are inconsistent herewith.

**Section 14. Effectivity.** This Circular shall take effect upon publication in a newspaper of national circulation and submission of copy to the Office of the National Administrative Registry (ONAR).

  
**RAMON J. PAJE**  
Acting Secretary



Republic of the Philippines  
DEPARTMENT OF ENVIRONMENT  
AND NATURAL RESOURCES



SENRO30378

Publication:  
The Philippine Daily Inquirer  
March 11, 2011

Acknowledgement:  
ONAR, UP Law Center  
March 14, 2011

**DENR Administrative Order**

**No. 98 - 42**

**June 24, 1998**

**SUBJECT : Production Sharing Agreement With  
People's Organizations in the  
Harvest of Forest Plantations  
Owned by the Government Inside  
CBFM areas.**

Pursuant to Article XII, Section 2 of the 1987 Philippine Constitution which defined the modes for the exploration, development, and utilization of natural resources, Executive Order 263 which adopted Community Based Forest Management as the national strategy to ensure sustainable management of the country's forest resources, and DAO 96-29 or the CBFM implementing guidelines, which prescribed that the CBFM Agreement is a production sharing agreement, and in order to sustain government efforts in reforesting denuded forestlands, the herein guidelines are issued for the management and utilization of forest plantations owned by the government under a production sharing agreement, for the guidance of all concerned.

**Section 1 Basic Policy.** It is the policy of the government to reforest denuded forestlands in order to conserve soil, water, wildlife and other natural resources and expand the forest resource based for the benefit of the present and future generations. The sustainable management of and equitable sharing of benefits from forest resources will be achieved through the CBFM strategy.

**Sec. 2 Production Sharing Agreement.** Forest plantations owned by the government shall include the following:

3.1 Reforestation/forest plantation projects administered/ established by DENR;



- 3.2 Reforestation/forest plantations established by TLA holders and other permittees in compliance with the terms and conditions of the timber license agreement or permit;
- 3.3 Plantations established by holders of IFMA, SIFMA, ITP, CBFMA, and other tenurial instruments which were cancelled for caused; and
- 3.4 Other reforestation or plantation projects established with government funds; *provided that* the utilization of forest plantations owned by the government shall be limited within production forests or management zones within protected areas where such activities are allowed; *provided further* that the plantations owned by the government are inside the CBFM areas, and their utilization is included in affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP).

**Sec. 4 Government Share in the Harvest of Government Owned Forest Plantations.** The products or income derived from the utilization of government owned forest plantations shall be shared as follows:

- a. For the People's Organization - 75% of the gross sales
  - b. For the Government - 12.5% of the gross sales
  - c. For the CBFM fund (created under Sec. 8 of EO 263) - 12% of the gross sales
- 
- 4.1 The CENRO and PO shall jointly conduct scaling of the actual volume harvested from the plantations owned by the government, in accordance with existing rules and regulations. This measured volume shall be the basis for the allocation of shares defined above.
  - 4.2 The PO shall remit to the DENR-CENRO not later than two (2) months from the issuance of Certificate of Timber Origin, Certificate of Lumber Origin or Certificate of Conveyance, the government share and the amount for the CBFM Fund. Failure to

remit shall be sufficient cause for the suspension of harvesting operations.

4.3 The CENRO shall then remit the government share to the National Treasury. The amount intended for the CBFM Fund shall be deposited in the CBFM Fund account.

**Sec. 5 Effectivity.** This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

**(Sgd.) VICTOR O. RAMOS**  
Secretary

Published at:

TODAY - July 08, 1998 - page 04