



MEMORANDUM

FOR : **All Regional Executive Directors**
Luzon and Visayas (except NCR)

FROM : The Undersecretary for Field Operations – Luzon, Visayas, and Environment

SUBJECT : **REITERATION OF MEMORANDUM DATED 26 SEPTEMBER 2017 OF THE UNDERSECRETARY FOR CLIMATE CHANGE SERVICE REGARDING THE ISSUANCE OF DEMAND LETTER TO ALL FOREST TENURE INSTRUMENT HOLDERS WITHIN YOUR ADMINISTRATIVE JURISDICTION**

DATE : **NOV 29 2023**

This has reference to the Regional Forestry-related revenue collection for Fiscal Year 2022 vis-à-vis the projected revenue for the same year.

Analysis of the projected revenue vis-à-vis revenue collection data for FY 2022 indicated that there are only **49.41% Revenue Collection from the Government Share, User's Fee and Rental of FLAg, FLAgT, FLGMA, SIFMA, IFMA, SLUP, OLP/SPLULA**. Hence, a deficit of 50.59% in the collection of tenure fees (Government Share/Rental/User's Fee) for the forestry sector. Below is a table of the Regional Revenue Collection data and projected revenue for immediate reference.

REGION	PROJECTED (Php)	COLLECTED (Php)	DIFFERENCE	PERCENT COLLECTION (%)
CAR	625,822.47	1,117,853.89	(492,031.42)	178.62
R01	39,323,083.74	20,478,976.93	18,844,106.81	52.08
R02	9,622,640.23	3,429,137.14	6,193,503.09	35.64
R03	100,003,018.05	318,201.19	99,684,816.86	0.32
R04A	378,554.33	429,896.00	(51,341.67)	113.56
R04B	16,620,231.02	16,827,734.07	(207,503.05)	101.25
R05	3,533,380.83	19,588,166.37	(16,054,785.54)	554.37
R06	1,619,664.19	1,153,796.96	465,867.23	71.24

REGION	PROJECTED (Php)	COLLECTED (Php)	DIFFERENCE	PERCENT COLLECTION (%)
R07	177,562,459.88	113,667,234.52	63,895,225.36	64.02
R08	10,389,533.06	2,818,196.73	7,571,336.33	27.13
R09	3,582,418.00	446,406.94	3,136,011.06	12.46
R10	5,194,130.74	699,693.54	4,494,437.20	13.47
R11	195,690.00	7,906.50	187,783.50	4.04
R12	1,540,164.84	1,152,588.55	387,576.29	74.84
R13	5,161,123.60	3,311,687.27	1,849,436.33	64.17
TOTAL	375,351,914.99	185,447,476.60	189,904,438.39	49.41

On 26 September 2017, a Memorandum was issued by the Undersecretary for Climate Change Service on the issuance of demand letter to all forest tenure instrument holders within administrative jurisdiction of DENR Field Offices (copy attached). Based on the Memorandum, all the DENR Regional Directors were reminded that failure to pay rental/user's fee, government share and other required fees after they become due and demandable is among the grounds for suspension and/or cancellation of the agreement, pursuant to the terms and conditions thereof, and existing laws, rules and regulations.

In line with this, certain provisions of the Memorandum dated 26 September 2017 are hereby reiterated for immediate action and compliance, to wit:

1. Issue demand letters to delinquent occupants/lessee/holders who have not settled their outstanding payments for the FY 2022; and
2. Cancel the agreements for the delinquent occupants/lessees/holders for those who failed to pay the annual lease rental for two (2) consecutive years.

If the holder/lessee seeks reconsideration from the cancellation, DENR may grant such request, subject to **full payment of unpaid amount plus surcharges including penalty.**


ATTY. JUAN MIGUEL T. CUNA, CESO I



MEMORANDUM

TO : All Regional Directors
Except NCR

FROM : The Undersecretary
Climate Change Service

SUBJECT : ISSUANCE OF DEMAND LETTER TO ALL FOREST TENURE
INSTRUMENT HOLDERS WITHIN YOUR ADMINISTRATIVE
JURISDICTION

DATE : September 26, 2017

This has reference to the recommendations of the Commission on Audit (COA) contained in its Consolidated Annual Audit Report for the year ended December 31, 2015 regarding uncollected/unrealized income from foreshore areas, forest lands used for grazing purposes and patrimonial properties.

It may be mentioned that per Memorandum dated 17 February 2017 of then Undersecretary Marlo D. Mendoza (copy attached), you were directed to issue demand letters to all holders of forestry tenure instruments within your administrative jurisdiction. Likewise, you were reminded that failure to pay rental/user's fees, government share and other required fees after they become due and demandable is among the grounds for the suspension and/or cancellation of the Agreement, pursuant to the terms and conditions thereof, and existing laws, rules and regulations.

In this regard, the aforesaid Memorandum of Undersecretary Mendoza is hereby reiterated. Hence, you are directed to undertake the following:

1. On expired forestry tenure instruments including FLGLAs/FLGMAs:
 - a. Issue demand letter to the former lessee/holder to vacate the area/property;
 - b. Take possession of the property on behalf of the DENR and take appropriate measure to protect the same;
 - c. Conduct comprehensive assessment to determine the best land use of the area;
 - d. Make public notices that the area is now open for application for forestry purposes and/or consider the same under the National Greening Program; and
 - e. Forfeiture all improvements introduced and found in the area in favor of the government.

2. Delinquent occupants/lessees/holders (Those occupants who failed to pay the annual lease rental for 2 consecutive years)

a. Cancel the Agreement:

- If the holder/lessee seeks reconsideration from the cancellation, DENR may grant such request, subject to full payment of unpaid amount plus interest including penalty;
- b. Take possession of the property on behalf of the DENR and take appropriate measure to protect the same;
- c. Conduct comprehensive assessment to determine the best land use of the area;
- d. Make public notices that the area is now open for application for forestry purposes and/or consider the same under the National Greening Program; and
- e. Forfeiture all improvements introduced and found in the area in favor of the government.

Please submit your compliance on the same to this office within fifteen (15) working days from receipt of this Memorandum, copy furnished the Director, Forest Management Bureau.

For strict and immediate compliance.


ATTY. ANALIZA REBUELTA-TEH

Copy furnished:

The OIC Assistant Secretary for Legal Services

The Director
Financial Management Service

The Director
Office of the Undersecretary for Field Operations

The Director
Forest Management Bureau (FMB)

The Director
Knowledge, Information Systems Service (KISS)

The Director
Planning and Policy Studies Office (PPSO)

REVENUE

- A. Regional Revenue Collection
- B. Projected Income per Tenure
- C. Actual Revenue Collected Summary by Tenorial Instrument (2022)

Regional Revenue Collection (amount in Pesos): 2022

REGION	COLLECTED (Php)
CAR	3,165,096.00
NCR	689,170.48
R01	24,334,613.79
R02	6,100,559.85
R03	2,091,347.84
R04A	3,813,737.01
R04B	20,482,189.03
R05	23,028,732.25
R06	2,628,960.81
R07	117,935,207.44
R08	8,107,776.25
R09	5,265,595.95
R10	22,510,380.69
R11	3,978,954.15
R12	2,551,533.85
R13	31,205,147.69
GRAND TOTAL	277,889,003.08

Note: Based on the Forestry Related Income Collection Reports submitted by Regional Offices (including Tenure Fees, Administrative Fees, Forest Charges and Penalties/Surcharges)

Projected and Collected Income Per Tenure (2022)*

REGION	PROJECTED (Php)	COLLECTED (Php)	DIFFERENCE	PERCENT COLLECTION (%)
CAR	625,822.47	1,117,853.89	(492,031.42)	178.62
R01	39,323,083.74	20,478,976.93	18,844,106.81	52.08
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TOTAL	375,351,914.99	185,447,476.60	189,904,438.39	49.41

* Summary of 2022 Regional Revenue Projection and Collection for Tenure Fees (Government Share, User's Fee and Rental for FLAg, FLAgT, FLGMA, SIFMA, IFMA, SLUP, OLP/SPLULA)

Actual Revenue Collected Summary by Tenorial Instrument (2022)

TENURIAL INSTRUMENT	COLLECTED (Php)
CBFMA	1,337,168.76
CSC	72,093.28
FLAG	87,545,190.97
FLAGT	35,804,577.63
FLGLA	572,840.00
FLGMA	2,319,980.60
IFMA	479,266.15
ITP	189,375.00
OLP	8,815,825.30
SIFMA	2,887,125.50
SLUP	47,595,510.45
TFLA	1,796.05
Not Specified	11,412,281.87
Grand Total	199,033,031.56