

**National Report to the Fifth Session of the
United Nations Forum on Forest**

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ABBREVIATIONS

IPF/IFF
ITTO
DENR
EO
FMB
IRR

II. **Progress and issues related to implementation of IPF/IFF P proposals for Action**

General

In consonance with the principles of sustainable development and in compliance with the international commitments towards sustainable forest management particularly to IPF/IFF proposals for action, the Philippine government, in partnership with all stakeholders, has deemed it proper to manage its forest as it relates to, among others: a) forestry and land-use implications to climate change; b) the adoption of criteria and indicators for sustainable forest management; and c) increasing recognition of the role of forests and forestry in poverty eradication, food security, and support of sustainable livelihoods for rural communities, especially forest-dependent communities.

This paper provides additional or new information on initiatives taken by the Philippine Forestry Administration since 1997 in relation to the thematic issues of UNFF2 which are presented according to the following discussion points:

- ? Assessment (including the relevance, priority, status of implementation, planned actions) of the IPF/IFF proposals for action in the national context
- ? Development and implementation of a national forest programme or similar national policy framework for forest,
- ? International cooperation, including development and implementation of partnership,
- ? Mechanisms or initiatives to facilitate stakeholder participation, including indigenous and local communities, in forest sector planning, decision-making and/or forest management

Implementation of the IPF/IFF proposals for action related to thematic issues of UNFF2

Combating deforestation and forest degradation

2. Preparing diagnostic studies to analyse historical and underlying causes of deforestation and forest degradation, including processes outside the forest sector

The updating of Philippine Master Plan for Forestry Development has been completed in 2003. Complementing the findings and recommendations of the revised Master Plan are the recommendations of the ITTO Diagnostic Mission, which was conducted last July 4-20, 2003. The ITTO Pre-Project Design Mission on Forest Fire Management Strategy was also undertaken in December 2003.

3. Formulating and implementing national policies and strategies, through an open and participatory process, for addressing the underlying causes of deforestation

The policy thrust of the Philippine Government as reaffirmed in the recently-issued (2004) **Presidential Executive Order No. 318 “Promoting Sustainable Forest Management in the Philippines”** includes a) delineation, classification and demarcation of state forestland; b) holistic, sustainable and integrated development of forestry resources; c) community based forest conservation and development; d) proper valuation and pricing of forestry resources and financing SFM; e) incentives for enhancing private investment, economic contribution and global competitiveness of forest-based industries. The DENR-FMB is now in the process of developing the Implementing Rules and Regulation (IRR) of Executive Order No. 318 in consultation with various stakeholders.

4. Raising awareness of the importance of issues related to deforestation and forest degradation and the multiple values of forests

Information, Education and Communication is an integral part of program implementation, thus brochures, leaflets and other IEC materials were prepared and distributed to target clientele. The Forest Management Bureau (FMB) and Japan International Cooperative Agency (JICA) in collaboration with Philippine Information Agency (PIA) produced a 30-minute documentary-drama film on forest development entitled “BIYAYA” (“grace” or “blessing”). The film is a useful IEC material to inform the public, rural communities and other concerned groups on the significance of forest and the threats of forest degradation.

A video documentation showcasing the success stories of People’s Organizations in forest rehabilitation and in the establishment of various livelihood activities in Community Based Forest Management projects is also available and being used as information material.

The civil society, composed of people’s organizations, non-government organizations and sectoral/major groups representation, has a strong advocacy in promoting awareness on impacts of deforestation and forest degradation.

Forest conservation and protection of unique types of forest and fragile ecosystems

5. Creating or expanding protected areas to safeguard forest and related ecosystem and their full range of values, and developing and applying criteria and methodologies for assessing the conditions and management effectiveness in protected forest areas

The National Integrated Protected Areas System (NIPAS) Act was legislated in June 1992. There are 209 protected areas identified as part of the initial component of the System. These are natural parks, strict nature reserve, natural monument, wildlife sanctuary, protected landscapes and seascapes, resource reserve, natural biotic areas and other categories established by law, conventions or international agreements with the Philippine Government as a signatory. The initial components are those that were proclaimed as such over the years before the passage of the NIPAS Act. To date, ninety-nine (99) protected areas have been proclaimed and gazetted as permanent protected areas.

6. Developing and implementing partnership mechanisms to engage forest owners, private sector, indigenous peoples and local communities in the planning and management of forest conservation areas and developing and implementing a range of innovative mechanisms for financing and encouraging forest conservation

The issuance of Executive Order 263 in 1995, which mandated the adoption of community-based forest management as the principal strategy to achieve SFM in the country provided the impetus for government-civil society-local communities collaboration in forest management. People's organizations including indigenous peoples, local government units, non-government organizations, academic and research institution, were given the opportunity to participate and benefit from sustainable management of forest resources. Their participation is not only limited to complementation but even in planning and monitoring. This proved effective as more and more forestlands of the public domain under the category of "open-access" were put under deliberate management. The formation of about a hundred Multi-sectoral Forest Protection Committees (MFPCs) nationwide provided a wider base for the participation of various stakeholder groups in forest protection.

The community-based forest management strategy is also applied in protected areas; the strategy gives opportunities to organized enured migrant communities and indigenous peoples to manage, develop, utilize, conserve and protect resources within the zones of protected area and buffer zones consistent with the protected area management plans for these areas. Qualified peoples organization are issued with Protected Area Community-Based Resource Management Agreement with a duration of 25 years renewable for another period.

The issuance of the Indigenous Peoples Rights Act (IPRA) recognizes, promotes and protects the rights of the people to their ancestral domains/lands. As of this date, the National Commission on Indigenous Peoples (NCIP) has issued 29 Certificate of Ancestral Domain Titles (CADTs) covering an area of 604,143.5453 hectares. Before the legislation of the IPRA, the Department of Environment and Natural Resources certified about 2.5 million hectares as covered by valid ancestral domains claims.

The private sector is also engaged in forest management through the Integrated Forest Management Program (IFMP). Tracts of lands of the public domain are awarded to individuals/private corporations through a production sharing contracts - either Integrated Forest Management Agreement (IFMA) or Socialized Industrial Forest Management Agreement (SIFMA) - which give them the right to develop, manage, protect and utilize a specified area of public forestland and forest resources. At present there are 192 IFMAs and ITPLAs with an aggregate area of 710,308 hectares and 1,635 SIFMAs with an aggregate area of 41,872 hectares all over the country.

7. Giving high priority in national forest programs to the rehabilitation and sustainable management offorests and trees in environmentally critical areas, recognizing the linkage between forest protection and sustainable development and improving the coordination among such programmes.

To ensure that critical habitats are properly managed and protected, the government has initiated the delineation of forestlands of the public domain into production and protection zones. The protection zones cover the protected areas and critical watersheds where development will be focused on protection and rehabilitation. The production zones are areas where activities will center on the production of a combination of forest products and services. The latter will be opened up to interested and qualified investors under the Integrated Forest Management Program, including communities living within or adjacent to the resources through the Community-Based Forest Management strategy.

The community forest managers may tie up with corporate forestry entities into mutually-beneficial partnerships in the management and development of areas under their stewardship.

Rehabilitation and conservation strategies for countries with low forest cover

8. Expanding forested area, establishing and managing plantations to enhance production of forest goods and services, while avoiding the replacement of natural ecosystems, and recognizing the role of imports in satisfying the needs for forest products and services.

One of the major potentials of the forestry sector, as identified in the Master Plan for Forestry Development (MPFD), to contribute to the development of the country, economically and ecologically, is the expansion of the area under forest cover through plantation establishment, enrichment planting and assisted natural regeneration. Various incentives are in place to encourage greater public participation and accelerate the plantation development efforts in the country. Applicable tenurial instruments are issued to qualified individuals, associations/organizations and corporations including government agencies and government-controlled corporations.

The strategic targets envisioned under the revised MPFD is to establish 460,000 hectares of commercial forest plantations within appropriate areas including CBFM projects, within 12 years from 2003. A total of 1.5 million hectares of residual (logged-over) forest shall be under sustainable management for self sufficiency in wood. The expansion of other forest areas for rehabilitation and restoration purposes through establishment of indigenous forest plantations would improve the health of forests and watersheds. A total of 150 watersheds shall be prioritized within 2 years for sustainable production of clean water and all these priority watersheds shall have integrated plans and management body within 5 years.

At present, about 7.5 million hectares of forest lands are covered by various tenurial instruments. There are 192 Integrated Forest Management Agreements issued covering a total area of 710,308 hectares and a total of 135,071 hectares planted so far with forest and fruit trees. There are 1,635 Socialized IFMAs (SIFMAs) with a total area of 4,269 hectares planted so far. A total of 5,322 community-forest management areas covering 3.43 million hectares have been granted to people's organizations comprising about 590,000 upland households.

The 7.5 million hectares of forestland areas under various tenurial instrument constitute about 47% of the total public forestlands and 25% of the total area of the country.

The decline in the production of logs from the remaining natural forests in the country has resulted in the increasing reliance on imported logs and processed wood products such as lumber and veneer. A Wood Industry Rationalization Study conducted by the Forest Management Bureau in 2004 established that 62% of the raw material needs of sawmills and plywood plants is imported from other countries. In recognition of the vital role of imports in the wood supply situation in the Philippines, the government has pegged a zero tariff on logs since 2001 while the lowering of tariff rates on lumber, plywood and veneer is being accelerated under various regional and international trade arrangements.

9. Promoting the regeneration and restoration of degraded forest areas including through partnerships and building capacities to promote effective participation in decision making, and development and transfer of environmentally sound technologies

The establishment of forest plantations is a strategy to rehabilitate degraded forest areas. It has gained full support from the private sector, other government agencies and rural communities. Present policies require the license holders/permittees to develop degraded forestlands into a productive state through reforestation, enrichment planting, timber stand improvement and assisted natural regeneration (ANR). One of the significant study on this aspect, is the development of a Computer Based Species-Site Matching Procedures developed by the Ecosystem Research and Development Bureau, the research arm of DENR and Green Tropics International, a non-government entity. Having developed the computer-based species-site matching procedures for several species, the forestation planners can now decide what species would grow satisfactorily on sites earmarked for plantation development.

10. Improving the efficiency of international cooperation to support the management, conservation and sustainable development of all types of forests and building capacity to monitor forest resources

The Philippines has been actively participating in regional and international forestry processes. These provide opportunities by which the country benefits from international collaboration towards achieving sustainable forest management.

Several forestry projects in the Philippines are supported by ITTO, FAO and UNDP while others are implemented thru Official Development Assistance (ODAs) from Japan Bank of International Cooperation, World Bank, Asian Development Bank, among others.

The country is part of the Asian Model Forest Network; the model forest approach patterned after the Canadian Model Forest network was piloted in Samar Island under the Regional Model Forest Project for the Asia-Pacific; this was initially funded by the FAO and the Government of Japan and in the interim being supported by the International Model Forest Network Secretariat. The model

forest approach promotes partnerships among the stakeholders based on the guiding principle that an inclusive partnership of all stakeholders who use the forest resource each having their own appreciation and understanding of it, can together create the condition that will lead to improved and sustainable utilization of forest resources.

The country's latest land cover assessment was undertaken through the joint efforts of the National Mapping and Resources Information Authority (NAMRIA) and the Forest Management Bureau (FMB), and a parallel National Forest Assessment project was supported by the Food and Agriculture Organization (FAO).

Rehabilitation and restoration of degraded lands and promotion of natural and planted forests

11. Promoting the creation of new forest resources through plantations and recognizing their role in rehabilitation of degraded lands and forests in environmentally critically areas.

All holders of tenurial instruments including private landowners whose lands adjoin a river, stream or creek or other water bodies, are obliged to plant along strips 20 meters from the bank of such river, stream or creek. Likewise, they are required to rehabilitate and protect areas above 1,000 meters above sea level within their tenured area.

Mining lessees/permittees are required to restore their mined out areas to nearly its original state by planting similar species before they are decommissioned.

There are also site-specific development interventions in most community-managed forest management units. The ADB-assisted Watershed Component of the Southern Philippines Irrigation Sector Project (SPISP) makes use of High Value Agroforestry (HVA) and Natural Vegetation Strip (NVS) in the rehabilitation of critical watersheds. This is in recognition of the reality that there are occupants even in critical watersheds and their basic livelihood needs to be addressed.

12. Promoting policies to meet increasing demand for wood and non-wood forest products and services, through sustainable forest management

One of the priority objectives that will lead to Sustainable Forest Management is being able to place every square meter of the forestlands under an appropriate management regime by a responsible forest steward, either as an individual, group, community, local government unit or a corporate entity. This requires comprehensive institutional support including putting in place, among others, a favorable policy environment within and outside the sector.

DENR Administrative Order (DAO) 99-53 issued in December 1999 provides for more incentives to be investors in industrial forest plantations. This is being reviewed to simplify the application procedures and requirements to further encourage more investments.

DAO No. 2004-30, which governs Socialized Industrial Forest Management program, simplifies application processing procedures and increases allowable area for agro-forestry development from 10% to 40% of the tenured area.

Executive Order No. 226, otherwise known as the “Omnibus Investments Code of 1987” is promulgated to encourage investments to bring about actual jobs and better incomes for people.

Executive Order No. 136, creating the “Investment One-Stop Action Center” establishes the Council for Investments in Trade, Industry, Tourism, Agriculture, Natural Resources, Transportation, Communications and Services and for Other Purposes. This Order is executed to improve investor perception of the Philippines as an attractive, viable and practical investment option and to encourage investments.

Implementation of the IPF/IFF proposals for action related to thematic issues of UNFF3

Economic aspects of forests, including trade

13. Valuation of forest goods and services

The valuation of forest goods and services is institutionalized since 1997 with the issuance of Executive Order No. 406 entitled: Institutionalizing the Philippine Economics-Environmental and Natural Resources Accounting (PEENRA) System and creating units within the organizational structure of the DENR, National Economic and Development Authority (NEDA) and National Statistical Coordination Board.

This institutionalization process benefited from the experiences of two projects namely : The USAID-supported Environment and Natural Resources Accounting Project (ENRAP) and the UNDP-supported Integrated Environmental Management for Sustainable Development-Environment and Natural Resources Project (IEMSD-ENRA). ENRAP which ran for four phases from 1991 to 2000, aimed to develop a comprehensive data framework that would allow planners and policymakers to examine the interactions between the economy and the environment. IEMSD-ENRA, on the hand, aimed to operationalize the System of Environment and Economic Account (SEEA) framework for the establishment of reliable accounts.

In December 1996, the National Environmental Impact Statement System was strengthened; one of the objectives of which is to ensure that environmental considerations are incorporated at the earliest stage of project development. This paved the way for requiring forestry project proponents to submit a Natural Resource Accounting Report as a condition for the issuance of Environmental Compliance Certificate.

In June 2004, Executive Order (EO) 318 was issued to promote sustainable forest management (SFM) in the Philippines. Among the guiding principles of SFM is

the proper valuation and pricing of forestry resources. A forestry action plan is currently being prepared in line with this EO.

14. The amount, scope, or and quality of market data and information for wood and non-wood forest products and their substitutes

The amount, scope, or and quality of market data and information for wood and non-wood forest products are being improved through the yearly validation and assessment of statistical reports being generated by the DENR field offices. The updates arising from these activities are reflected in the Philippine Forestry Statistics, an annual publication of the Forest Management Bureau which provides data on forestry resources, development activities, production, trade and prices.

Since 1997, the implementation of the ITTO- assisted project, Forestry Statistics and Information system has proceeded from pre-project stage to system development and pilot implementation stages. This project aims to strengthen the information generation and reporting aspect of forestry administration through the utilization of information technology.

Another ITTO-assisted project entitled: Timber and Timber Products Trade Flow Study is being implemented since August 2004 to contribute to the attainment of a better understanding of the domestic timber trade situation by providing market information to trade players. It will also analyze the flow of trade by product, by species and grade among trade players.

15. The use of economic and policy instruments to facilitate progress toward sustainable forest management

The use of economic and policy instruments to facilitate progress toward sustainable forest management form part of the policy process. By virtue of Republic Act 7161, forest charges are periodically updated based on 25% of the market price of logs.

The USAID funded Environment and Environment and Natural Resources Accounting Project contributed substantially in terms of imparting knowledge in the use of economic instruments in policy making. The project played a key role in the pricing of natural resources, e.g. grazing lands, protected areas, forest plantation areas. These project outputs eventually served as basis in setting users' fee/government share in the utilization of these resources.

16. Efforts to reduce negative impacts of trade

Efforts to reduce negative impacts of trade include the following: a) joint effort between DENR and the Bureau of Plant Industry to apply quarantine procedures on the entry of imported logs and other forest based products; b) the continued implementation of the log and lumber export bans.

The logging ban in most parts of the country has forced some users in these areas to rely on illegally sourced logs/wood. To curtail these activities, the DENR has

declared a moratorium on the establishment of new wood processing plants since 2003.

To supplement the supply of timber and timber products particularly in areas affected by the logging ban, the DENR has been supporting efforts to accelerate the reduction/removal of tariff rates on imported logs and processed wood products through various trade agreements. Since 2001, logs are being imported tariff free while the tariff rate on lumber has been reduced from 10% in 1997 to the present 3%.

Wood processors such as furniture makers are also being encouraged by the DENR, the Department of Trade and Industry (DTI) and the Forest Products Research and Development Institute of the Department of Science and Technology (FPRDI-DOST) to use plantation grown species. In this respect, the DENR has deregulated the cutting and transport of these tree species since early 2004 while the DTI is providing training programs to improve furniture designs using these species to add to its market value. For its part, FPRDI-DOST has been imparting knowledge on how to better process these species for specific uses.

17. participation in forest certification and labeling schemes and work toward mutual recognition and comparability of such schemes

The participation in forest certification and labeling schemes is discussed in item 30.

18. Efforts to reduce illegal trade

Illegal trade of forest products remains to be a problem of the Philippine forestry sector. As such, forest protection is a major activity of the DENR. The implementation of the forest stock monitoring system (FSMS), a system that will track the movement of logs from stump to processing plants is currently being established as a nationwide network.

In 1999, the DENR issued Memorandum Circular 99-20 that provides guidelines governing registration, harvesting, transport and marketing of timber by-products coming from private plantations within private lands or tax-declared Alienable and Disposable Lands.

On the aspect of reducing illegal logging and associated illegal trade and corrupt practices, the Philippines has volunteered to chair the Asia Forest Law Enforcement and Governance (FLEG) Task Force/Advisory Group Meeting and to host the next meeting of Governments and discuss processes agreed upon in the Bali Ministerial Declaration on FLEG of September 2001.

The Philippines forged a joint statement with the Government of Indonesia regarding strengthening of Forest Law Enforcement and Governance Process on March 21, 2005. The joint statement calls for increased cooperation among East Asia Pacific countries and G8 nations to reduce illegal logging and associated trades. Information sharing between timber producing countries as well as

consumer countries is also being encourage to ensure that all forestry products are legally traded.

The gains in this Regional/International FLEG process will have a significant impact in the development of sustainable forest management in the Philippines and the Asian Region.

Forest health and productivity

- 19. If damage to forest from air pollution is a significant problem in your country, please provide information on recent national strategies or programmes to minimize damaging air pollution. Please indicate if your country is involved in any international cooperation efforts aimed at strengthening scientific knowledge, increasing information access or reducing the impacts of long-range air pollution on forests, as well as your views on the role of enhanced cooperation at the regional and international levels to facilitate such work**

Wild forest fires ranks fourth among the factors/agents causing great damage to the environment.

The Philippines is a member of ASEAN Senior Officials on Environment (ASOEN) Haze Technical Task Force (HTTF) conducting studies on haze and other pollutions due to wild forest fires.

The promulgation of Republic Act No. 8749 or the Clean Air Act of 1999 and RA 9003, Ecological Solid Waste Management Act of 2000 provide a clear-cut policy and direction in combating air pollution including haze pollution in the Philippines. A National Framework Plan to curb haze pollution/open burning has already been prepared. The Implementing Rules and Regulations of these laws have been approved upon public consultation.

The Philippines joined in October 2003 the 119 countries that have ratified the Kyoto Protocol which seeks to reduce carbon dioxide emission to control climate change. The DENR is the designated National Authority (DNA) for CDM.

There is an on-going Urban Forestry Program implemented by the DENR with the active participation of the Local Government Units, Other Government Organizations and private sector. A draft guidelines to improve its implementation has been prepared and reviewed in consultation with the Department of Interior and Local Governments and the Leagues of Cities, Municipalities and Provinces.

Initial activities include the assessment of the country's fire fighting program in terms of capability and equipment. A capability building training was undertaken and participated in by DENR field personnel.

Maintaining forest cover to meet present and future needs

- 20. Indicate progress made and lessons learned in efforts to harmonize or to make compatible policy frameworks in your country (national forest programme or a similar policy framework for forests).**

The Philippine Master Plan for Forestry was updated and modified in response to the emerging development and concerns toward attaining sustainable forest development. It addresses 10 priority programs for implementation which include, among others, policy reforms and institution development, forest industries rationalization and development, watershed integrated land use planning simultaneous with forest boundary delineation, forest area expansion through plantation development, etc.

Executive Order No. 318, "Promoting Sustainable Forest Management in the Philippines" was signed by the President in June 2004. Its Implementing Rules and Regulations is being formulated in consultation with the various stakeholders.

- 21. Recent efforts to assess long term trends in national supply and demand for wood, non wood forest products and services**

The Revised Master Plan for Forestry Development provided updated information and assessment on long-term trends of national supply and demand for wood, non-wood forest products and services. It also proposed the necessary actions to ensure that the country's forests will provide for future needs for forest goods and services.

Implementation of the IPF/IFFf proposals for action related to thematic issues of UNFF4

Social and cultural aspects of forests

- 22. Promoting fair and equitable sharing of benefits arising from the utilization of forest genetic resources and addressing the issue of intellectual property rights including identification of the origins of forest genetic resources, taking into account the Convention on Biological Diversity (CBD) and other international arrangements**

The CBD recognizes the sovereign ownership of states to their biological and genetic resources. As such, it encourages Parties to the CBD to institute policies on access to fair and equitable sharing of benefits arising from utilization of biological and genetic resources. Two policies were instituted by the Philippine Government which embodies the principles of CBD on the utilization of biological and genetic resources under sovereign ownership by estates. These are Executive Order No. 247 of 1995; and joint DENR-PCSD NCIP Administrative Order No. 01 Series of 2005.

Executive Order No. 247 entitled "Prescribing Guidelines and Establishing a Regulatory Framework for the Prospecting of Biological and Genetic Resources, their By-products and Derivatives, for Scientific and Commercial Purposes and for Other Purposes" was the most important national instrument for addressing the

interest of local and indigenous communities as well as the government as far as benefit-sharing biodiversity use is concerned.

The prescription of E.O. 247 and its Implementing Rules and Regulations relevant to benefit and intellectual property rights are the following:

- 1) A system of mandatory research agreements (Academic or Commercial Research Agreements) between collectors and the Government containing minimum terms and conditions concerning provision for research collaboration and benefit-sharing which includes payment of bioprospecting fees and royalties in case a product is derived and commercialized out of the bioprospecting activity, technology transfer and information sharing.
- 2) A requirement and minimum standards for obtaining Prior Informed Consent (PIC) from local and indigenous communities where collection of materials/knowledge is carried out. The PIC gives the opportunity for communities to negotiate with collectors to share in the benefits arising from the use of their resources and traditional knowledge in the development of useful products.

Bioprospecting regulation in the Philippines was further refined with the issuance of the Joint DENR-PCSD-NCIP Administrative Order No. 1 Series of 2005 re: guidelines for bioprospecting activities in the Philippines. In addition to items 1 and 2 above, the most important provision of this Joint Order pertinent to benefit sharing are the following:

- a) Specific guidelines and schemes for sharing of benefits among the Philippine Government, local communities (referred to as the resource providers) and bioprospectors.

The Order provided that benefits that would accrue to the Philippine Government and local communities from the use of biological and genetic resources are the following:

- 1) Bioprospecting fee which amount shall be assessed and agreed upon by the Philippine government and the resource users. This fee shall accrue to the national government;
- 2) Annual user's or up-front payments to be paid directly to the resource providers (local communities)
- 3) Royalties from the sale of commercial products derived from the use of biological and genetic resources. This shall accrue and to be shared by Philippine government and the local communities; and
- 4) Other in-kind benefits which could be negotiated between the resource providers and the resource user.

Another relevant provision in the Order is the requirement for “**Disclosure of Country of Origin**” as one of the conditions in the Bioprospecting agreement. This means that resource users must declare in all relevant applications for intellectual property rights of for product development or marketing the country from which the biological resources used in developing the product came from.

23. Strengthening the role of women in sustainable forest management, including through capacity building and greater participation in community based forest management

The Philippine Constitution in 1987 explicitly stipulates the fundamental equality between men and women. The state recognizes the role of women in nation building through various enabling mechanisms such as supporting women's program and projects, encouraging full participation in decision-making processes, developing the leadership capabilities of the women sector, and active involvement in the implementation of development programs and projects. Rules and regulations are also reviewed and revised to remove gender bias. An outstanding result of this endeavor resulted to greater access and control of resources and benefits from the resources.

24. Integration of local and indigenous communities in sustainable forest management programs, particularly as regards a) recognition and respect of customary and traditional rights and privileges of indigenous and local communities, b) participation in decision making regarding the management of forest, c) the attainment of secure land tenure arrangements, d) capacity building and technology transfer for sustainable forest management directed at indigenous and local communities

The Community Based Forest Management Program of the Philippines as mandated under Executive Order No. 263 seeks to tap local and indigenous forest communities as partners in the management and development of forestlands in sustainable manner. The features of CBFM program include land tenure, social equity, DENR-LGU partnership and investment capital and market linkage.

The Department of Environment and Natural Resources, take the lead in partnership building and tapping for support services by establishing networks, multi-sectoral partnership and linkages among the LGUs, GOs, NGOs, POs, academe and the general public.

Activities conducted in partnership with LGUs include organization and operationalization of the Regional Steering Committees, provincial and municipal technical working groups; preparation of the provincial/city/municipal forest land use plans; identification of communal forests and community watersheds; preparation of memorandum of agreements on co-management and regional memorandum of cooperation.

Likewise, Memorandum of Agreements/Understanding are entered by DENR with other agencies/POs/NGOs for co-management, investment opportunities and technical/technological support to enhance CBFM implementation.

To intensify and encourage the protection activities in CBFM areas, selected PO members were given some authority and deputized as Environment and Natural Resources Officers to act in behalf of the DENR to conduct forest protection activities.

Review and assessment of the implementation of the CBFM strategy was recently conducted to identify factors that facilitate and hinder implementation as well as issues and concerns. It was done under the support of the National Forest Programme Facility managed by FAO.

Field lessons and experiences are used as basis in policy refinement for improved implementation. As a result, the revised rules and regulations for the implementation of the CBFM was issued.

To promote greater understanding of the development in the CBFM user friendly IEC materials are distributed to various stakeholders.

Field staffs who play key roles are provided with continuous learning and skills development to support field level implementation

The DENR thru the CBFM also assist the local communities in achieving a sustainable livelihood system in which their household and community assets are increased and local forest management is improved. This is done thru the provision of income – generating and livelihood enterprises

The management and development activities in the CBFM areas undertaken by POs include plantation establishment, agroforestry, and development of non-timber forest resources, among others.

Capability building efforts embedded in community organizing, training and the provision of technical assistance in organizational, livelihood and forest management aim to empower the communities.

There are now 2,877 POs managing their CBFM areas. Provincial, regional and national federation of POs had been organized to help facilitate implementation

Traditional forest-related knowledge (TFRK)

25. Inventorying, cataloguing, and applying traditional forest related knowledge for sustainable forest management and promoting research on TFRK with the involvement of the knowledge holders

The Indigenous Peoples (IPs) of the Philippines consisting of 110 major ethno-linguistic groups has a population of not less than 12 million or about 18% of the national population. They are found in at least 62 out of the 78 provinces nationwide. They have a claim of about 5 million hectares of the country's forestland. With the recognition of their traditional areas and the issuance of Certificate of Ancestral Domain Titles (CADTs), comes the recognition, protection and respect of the government to their cultural integrity and one of these is their indigenous knowledge systems and practices (IKSPs).

The National Commission on Indigenous Peoples (NCIP) is the primary government agency responsible for the formulation and implementation of plans and programs to promote and protect the rights and well-being of the IPs and the

recognition of their ancestral domains as well as the rights thereto with due regard to their beliefs, customs and traditions.

NCIP is in the process of cataloguing and codifying the traditional forest-related knowledge of the IPs for sustainable forest management.

26. Supporting the application of intellectual property rights and/or protection regimes for traditional forest related knowledge, and the fair and equitable sharing of benefits arising from the use of traditional forest related knowledge, innovations and practices

The State shall preserve, protect and develop the past, present and future manifestations of the IP's cultures as well as the right to the restitution of cultural, intellectual, religious and spiritual property taken without their free and prior informed consent or in violation of their laws, traditions and customs.

No government or private entity can enter into any project within ancestral domain without the free and prior informed consent of the concerned IPs.

Any project that will affect the ancestral lands must consider in their plans specific programs for IPs in order for it to be approved/affirmed. Most IP communities are dependent upon farming and/or commercial extraction of local resources for the cash they need to meet their needs.

Scientific forest-related knowledge (SFRK)

27. Disseminating scientific knowledge to all interested parties, including through new and innovative ways, and strengthening capacity and mobilizing funding for national and regional research institutions and networks

The Ecosystems Research and Development Bureau of DENR disseminates results of scientific research thru different media such as symposia, conferences, technical training, site demonstration, radio broadcast and printed media, among others. The sources of funding for the research projects mostly come from national appropriation approved by Congress. However, occasionally there is little funding from international organization such as Commonwealth Scientific and Industrial Research Organization (CSIRO), Australian Centre for International Agricultural Research (ACIAR), United Nations Development Programme (UNDP) and European Commission – ORSTOM (French Institute of Research for Development).

28. Enhancing interaction between scientific research and policy processes, including priority setting of research, addressing of knowledge gaps and using scientific knowledge to support decision-making

In order to enhance capacity building, R & D symposia/workshops are being conducted where policy makers and representatives from science and technology institutions are invited either as resource persons or participants.

Monitoring, assessment and reporting, concepts, terminology and definitions

29. Improving information on national forest resources, making the information widely available, assisting other countries in their related efforts

Reliable and regularly updated information is essential to good environmental policy formulation and resources management. Access to information by decision makers enables them to render sound judgment on how resources need to be managed. On the part of the public, disclosure of information by those who gather it induces trust, credibility and breeds participation. Recognizing the need for a timely and reliable information, important steps have been undertaken to improve access to information and public disclosure programs. The DENR currently maintains a web page which contains links to important laws, policies as well as on-going development and future plans. The system allows for the public to interact with the DENR by giving suggestion and/or comments to proposals and other plans of action. The public can also made an inquiry on sensitive issues, which the DENR try to respond immediately.

Forest Resources Assessment Project

The Philippines implemented the FRA project for the assessment of Philippine forest and trees resources as part of the framework of the Forest Resources Assessment Programme of the Food and Agriculture Organization of the United Nations (FAO). FAO conceived the NFA approach to support national forest inventories through helping countries in developing or strengthening their capacities for continued national inventories.

The NFA Project in the Philippines was initiated in August 2002. The project was spearheaded by the Forest Management Bureau and implemented in the field by the DENR operating units (field offices) in collaboration with the Forestry Department of FAO.

The inventory component of the project was based on relatively low intensity, systematic sampling method. Sampling units were established in a national grid at 15" longitude and 15" latitude. Data processing and data analysis were conducted using the NFI-Philippines database application developed by FAO and FMB.

The generated data provide, among others, information on the distribution of forest and other wooded lands according to tree species composition, ownership and management status, size of holdings, designation/protection status, commercial volume and growing stock, felling and removals.

The DENR envisions to institutionalize the FRA project in order to have a consistent basis of information necessary for informed decision-making. This can also provide up-to-date information that would support other present requirements and future needs to report trends in the country's forest and trees resources.

30. Criteria and Indicators for SFM

The development of Criteria and appropriate set of indicators for sustainable forest management in the Philippines is being supported by the International Tropical Timber Organization (ITTO). The system that is being developed will be

applied to both the national and forest management unit levels. The current set makes use of the seven general criteria or themes adopted by many countries (Enabling conditions for SFM; Forest resource security; Ecosystem health and condition; Forest production; Biological Diversity; Soil and water and; Economic, social and cultural aspects). Similar to the ITTO framework, there are a total of sixty- five indicators. The development of the Philippine C and I was carried out through a very transparent and participatory process and with the active involvement of non-governmental organizations, other government agencies, academic institutions, peoples' organizations and other civil society groups.

The Philippine C and I will be used initially to determine the country's progress towards sustainable forest management. The information that will be generated from the process will be used as an important input in the management and decision-making process both by the forest managers and the government.

The developed C and I will also be used as an important first step towards the implementation of forest certification in the country. This will however require participation by credible third parties who will be the eventual certifiers of forest management. At present, the Philippines actively participates in the on-going discussion in the ASEAN region regarding the development of a Pan ASEAN Certification Scheme. Commissioned by the ASEAN Senior Officials in Forestry, the Ad-Hoc Working on a Pan ASEAN Timber Certification Initiative is currently discussing the potential core set of C and I for the ASEAN region and the methodologies or strategies on how to implement the regional scheme that will be developed later on.

While the Philippines at present is a net importer of wood, certification remains a major concern as more and more areas are developed for the production of wood through plantation establishment. This will eventually result to increased wood supply in the near future that could be processed into high-value wood products that could be exported to countries abroad.

III. Generation of information and preparation of the report

31. Describe the process of preparing this report, including which government agencies and stakeholders groups were involved, and extent to which they contributed. Provide information on successes, challenges and lessons learned in the preparation of this report.

This report has been prepared by the Forest Management Bureau, Department of Environment and Natural Resources in collaboration/consultation with other forest stakeholders that include, among others: 1) the Protected Areas and Wildlife Bureau (PAWB); 2) Ecosystems Research and Development Bureau (ERDB); 3) National Commission for Indigenous People (NCIP); and, 4) The Philippine Wood Producers Association (PWPA).

The bases of information include those that are existing within the Department such as forestry action plans specifically the action plan for the implementation of Executive Order No. 318 "Promoting Sustainable Forest Management in the Philippines", program briefs, policy compilations, project reports, stakeholder

consultation workshop reports as well as other materials provided by NGOs and development organizations. Among the key source documents for this report are the Revised Master Plan for Forest Development, The Report of the Diagnostic Mission submitted to the ITTO, The Strategic Action Plan for the Community Based Management Program in the Philippines, and the Environment and Natural Resources Accounting Project Reports.

The diverse topics of, and comprehensive information requirements for the report initially posed a challenge in writing the report but was successfully addressed through the creation of a group for the purpose. Composed of key people from various technical Divisions and Special Projects from within the Bureau, the group gathered reference materials, consulted with other forest stakeholders and contributed sub-reports for each thematic issue. The output of the group is then passed to the Executive Committee of the Forest Management Bureau for review.