

[EXECUTIVE ORDER NO. 318, June 09, 2004]

**PROMOTING SUSTAINABLE FOREST MANAGEMENT IN THE
PHILIPPINES**

WHEREAS, the Constitution provides for the protection and advancement of the right of the people to a balanced and healthy environment in accord with the rhythm and harmony of nature, to protect the Filipino people from disasters like floods or landslides, and from threats to environmental and economic security like wood and water shortage, biodiversity loss, air pollution and drought. Likewise, it provides for the full, efficient and rights-based use of natural resources to abate poverty, promote industrialization and full employment, affirm the diverse cultures of the Filipino, and ensure their availability to present and future generations;

WHEREAS, Sustainable Forest Management (SFM) is provided in the Global Plan of implementation of the World Summit on Sustainable Development adopted in Johannesburg, as an international strategy for developing and managing forests;

WHEREAS, important socio-economic and environmental changes and policy reforms that directly affect the forestry sector have taken place since the issuance in 1975 of Presidential Decree No. 705, otherwise known as the Revised Forestry Code of the Philippines, and unless and until otherwise directed by Congress, there is a need to provide guidance to national agencies and instrumentalities on how to best harmonize these policy reforms and make the forestry sector responsive to external changes, and attain SFM in the Philippines;

WHEREAS, logging or any commercial exploitation of forestry resources in old growth forests, proclaimed watersheds and other area covered by the National Integrated Protected Areas System (NIPAS) is prohibited to ensure the perpetual existence of all native plants and animals;

WHEREAS, a watershed-based integrated ecosystems management approach is deemed appropriate for SFMa watershed such as the uplands and coastal areas;

NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO, President of the Republic of the Philippines by virtue of the powers vested in me by the Constitution, do hereby order:

SECTION 1. Declaration of Policy. It shall be the Policy of the Government to pursue the sustainable management of forests and forestlands in watersheds. Watersheds shall be deemed as ecosystem management units and shall be managed in a holistic, scientific, rights-based, technology-based and community-based manner and observing the principles of multiple-use, decentralization and devolution, and active participation of local government units (LGUs), synergism of economic,

ecological, social and cultural objectives, and the rational utilization of all resources found therein. It shall likewise be the policy of the Government to promote sound, effective and efficient, globally-competitive and equitable forestry practices in both public and private domains.

SECTION 2. Guiding Principles. The pursuit of these policies shall be guided by the following principles:

2.1 Delineation, Classification and Demarcation of State Forestlands

2.1.1 State forestlands shall be identified, classified and delineated/demarcated on the ground and shall constitute the permanent forest estate unless otherwise stipulated by Congress; the same shall be categorized and managed either as primarily for production or as primarily for protection purposes, and in both cases, placed under a formal management scheme.

2.1.2 Conversions of forestlands into non-forestry uses shall be allowed only through an act of Congress and upon the recommendation of concerned government agencies.

2.2 Holistic, Sustainable and Integrated Development of Forestry Resources

2.2.1 The development and management of the Philippine forests and forestlands including the coastal forests shall be for the highest and widest public benefit and shall be based on the inherent productive capacity and sustainable use of these resources for the present and future generations of Filipinos.

2.2.2 The priority development, protection and management activity of any management unit shall be the rehabilitation of open and/or denuded, degraded, fragile forestlands; and slope stabilization and protection to address occurrence of floods, landslides and similar ecological disasters.

2.2.3 The establishment of tree parks, regreening and roadside planting of forest species in open and appropriate spaces shall be prioritized to mitigate worsening urban air quality and global warming.

2.3 Community-Based Forest Conservation and Development

2.3.1 Community-Based Forest Management (CBFM) shall be the primary strategy in all forest conservation and development and related activities, including joint ventures, production sharing and co-production; it shall be encouraged in all private sector forestry enterprises and ventures.

2.3.2 CBFM shall be a collaborative undertaking of the national government and the LGU's local peoples, community organizations, civil society organizations (CSO's) and private business entities.

2.3.3 Local cultures, values, traditions, religious beliefs and the rights of indigenous peoples to their ancestral lands and domains as promoted and/or defined by existing legislation shall be recognized and respected in all forestry undertakings of the State and the private sector.

2.4 Incentives for Enhancing Private Investments, Economic Contribution and Global Competitiveness of Forest-Based Industries

2.4.1 The government shall provide a favorable and stable policy and investment environment that shall promote the development of efficient, globally-competitive and environment-friendly forest based industries, ensure their sustainable raw material supply and encourage value-added processing in-country to boost rural employment and the economy.

2.4.2 Filipino entrepreneurship in forestry shall be encouraged and supported.

2.4.3 A package of incentives and services that are responsive to the development of forests in private and public forestlands shall be adopted to encourage the development of private forests, including the deregulation of privately-developed forests and privately-planted trees and enhancement of capacities of stakeholders to engage in private forest development and related activities.

2.4.4 The development of high-value tree crops