DENR Administrative Order No. 97-08 March 18, 1997

SUBJECT : Guidelines Governing the Entry and Disposition of Imported Logs, Lumber, Veneer, Plywood, Poles and Piles, and Pulpwood Including Wood Chips

Pursuant to Presidential Decree No. 1433, otherwise known as the Plant Quarantinee Law of 1978; Executive Order No. 192, dated June 10, 1987; and in consonance with the policy on wood industry rationalization and development, the following guidelines governing the entry and disposition of imported logs, lumber, veneers, plywood, poles and piles, and pulpwood including wood chips are hereby promulgated for the guidance of all concerned.

Sec. 1. <u>Basic Policy</u>. — It is the policy of the government to sustainably manage the country's forest resources and to rationalize the development of the wood-based industries in order to continuously provide the wood supply need of the country in its efforts towards economic growth.

Sec. 2. <u>Objectives</u>. — In consonance with the above stated laws, the following objectives relative to the importation of logs, lumber, veneer, plywood, poles and piles, and pulpwood including wood chips (hereinafter referred to as wood materials) are hereby setforth:

- 1. To secure uninterrupted supply of affordable finished wood materials for the domestic market;
- 2. To import wood materials, as a stop-gap measure, until such time that local supply from natural and plantation forests can adequately meet the local needs towards economic growth, and to augment

indigenous sources in order to utilize existing wood processing plant capacities;

3. To enable wood-based industries including the furniture and other downstream wood products export industries, generate employment and foreign exchange earnings.

Sec3.Who May Import Logs, Lumber, Veneer,Plywood, Poles and Piles, and Pulpwood including wood chips.

A holder of Timber License Agreement (TLA), Industrial Forest Management Agreement (IFMA), wood processing plant permits (WPP), or Certificate of Registration (CR) as agents, contractors or dealers of log/lumber, may import wood materials; Provided that before availing the privilege to import, the holder of TLA, IFMA and/or WPP shall have their existing local log and/or Lumber Dealer's Permit stamped by the Office of the Regional Executive Director (RED) concerned as valid also for imported wood materials without further undergoing a separate registration processes called for under DAO 94-17. However, a prospective agent, contractor or dealer who is not a holder of TLA, IFMA or WPP shall first secure the registration requirements specified under DAO 94-17.

Sec. 4. <u>Port of Entry</u>. Pending other designation by the Secretary of Environment and Natural Resources, the following shall be the ports of entry of imported wood materials:

3. For Luzon, the ports in:

- Poro Point, San Fernando, La Union
- Sta. Ana, Cagayan
- Mariveles, Bataan
- Batangas City
- Legaspi City
- South Harbor, Manila

- 2. For the Visayas, the ports in:
 - Iloilo City
 - Cebu City
- 3. For Mindanao, the ports in:
 - Cagayan de Oro City
 - Butuan City
 - Davao City
 - Zamboanga City
 - Parang, Maguindanao

Sec. 5. <u>Entry and Discharge Requirement</u>. — The importer shall, at least three (3) official working days before the arrival of the shipment, inform in writing the CENRO who has jurisdiction over the port of entry of the forthcoming shipment(s) indicating the type and volume of wood material(s), and the name of the vessel, and the expected time and date of its arrival and unloading. The CENRO concerned shall designate, in writing, a duly licensed and registered forester, as forest officer to meet the vessel at the port of discharge and attend to the inspection of the shipment of imported wood materials together with the personnel of the Bureau of Customs and the Plant Quarantine Office, Bureau of Plant Industry, Department of Agriculture (PQO, BPI, DA):

- 1. A photostatic copy of the license, permit, certificate of registration and/or licenses to import as specified in Section 3 hereof;
- 2. A photostatic copy of the transaction documents pertinent to the shipment at hand, such as sales contract(s), letter(s) of credit and/or similar instruments;
- 3. A photostatic copy of the phytosanitary certificate issued by the country of origin duly received by the Plant Quarantine Officer

who has jurisdiction at the port of entry indicating and therein that the logs, poles and piles were debarked and that the same, as well as the lumber, have been treated with government specified or equivalent chemicals against pests and diseases;

- 4. A photostatic copy of the inspection report of the Plant Quarantine Officer who attended to the said imported wood materials indicating that the same was properly treated and/or free from any disease or pest;
- 5. In case of importation on a contract processing basis, a photostatic copy of the milling contract with the foreign supplier; and
- 6. A photostatic copy of the Bill of Lading issued by the shipping agent/carrier.

Upon clearance by the Philippine Port Authority (PPA), the Bureau of Customs and the PQO-BPI, DA of the shipments for unloading and/or discharge, the forest officer shall inspect, on random basis, the imported wood materials to determine whether or not the same conform with the statement/data appearing on the documents accompanying the shipment. Should the forest officer find that the unloaded imported wood materials do not conform with the accompanying documents, he shall recommend the holding of the products pending submission of appropriate/acceptable documents by the importer/consignee.

Sec. 6. <u>Issuance of Transport Documents by the CENRO</u>. The forest officer concerned shall make the necessary report and/or submit the documents specified in Sec. 5 hereof to the CENRO concerned. When found in order, the CENRO concerned or his duly authorized representative shall issue the necessary transport documents to the

importer pursuant to the pertinent provisions of DAO 94-07 and its implementing regulations and/or guidelines.

Sec. 7. <u>Storage and Processing of Imported Wood</u> <u>Materials</u>. Imported wood materials shall be transported to the log pond, warehouse and/or storage facility designated by the importer and the CENRO concerned.

A separate log and/or mill tally and sales record of processed and/or reprocessed imported wood materials shall be made and kept by the importer with copies thereof submitted, as a part of required regular reporting system, to the CENRO concerned.

In case the importer is a registered agent, contractor or dealer, his reporting of imported wood materials shall be governed by DAO 94-17.

Sec. 8. Creation of DENR Forest Quarantine Coordinating Committee (DFQCC). There shall be a DENR Forest Quarantine Coordinating Committee to be created with the FMB Director and the ERDB Director shall act as chairman and co-chairman, respectively, to represent the DENR in formulating and thereupon monitor the implementation of a joint DENR-Department of Agriculture Administrative Order defining forest quarantine procedures and conditions for the importation of wood materials.

Sec. 9. <u>Penalty Clause</u>. — A person found to have in his possession imported wood materials which have entered the country contrary to the provisions of this Order shall, in addition to the penalties imposable under existing laws, rules and regulations, be penalized by the immediate suspension and/or cancellation of his permits or certificate, the confiscation of the imported wood materials and/or finished wood products derived therefrom and forfeiture of the required bond.

Sec. 10. <u>Repealing Clause</u>. — All existing orders, circulars and instructions inconsistent herewith are hereby repealed or amended accordingly.

Sec. 11. <u>Effectivity</u>. — This Order shall take effect immediately upon the acknowledgment by the UP Law Center and fifteen (15) days after its publication in two newspapers of general circulation.

(SGD.) VICTOR O. RAMOS Secretary

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