

**DENR Administrative Order  
No. 99-46  
November 10, 1999**

**SUBJECT : Revised Regulations Governing the Entry and Disposition of Imported Logs, Lumber, Veneer, Plywood, Other Wood Based Panels, Poles and Piles, Pulpwood and Wood Chips.**

Pursuant to Executive Order No. 192, dated June 10, 1987 and in order to provide a mechanism to effectively monitor the importation, entry, processing and disposition of logs, lumber, veneer, plywood, other wood based panels, poles and piles, plywood and wood chips, herein referred to as imported wood materials, alongside with the existing functions of the Bureau of Customs (BOC) and the Bureau of Plant Industry's Plant Quarantine Office (BPI-PQO) and consistent with the Memorandum of Agreement entered into by and between the Philippine Wood Producers Association (PWPA) and this Department pertaining to the policy on wood industry rationalization and development, the following regulations and guidelines are hereby promulgated for the guidance of all concerned.

**Section 1 - Basic Policy.** 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 - Objectives.** In consonance with the above stated laws, the following objectives relative to the importation of logs, lumber, veneer, plywood, other wood based panels, poles and

piles, pulpwood, and wood chips (hereinafter referred to as imported 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 forest 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.

**Sec. 3 - Who may Import Wood Materials.** A holder of Timber License Agreement (TLA), Industrial Forest Management Agreement (IFMA), Wood Processing Plant Permit (WPP) or Certificate of Registration (CR) as wood furniture manufacturer, agent, contractor, or dealer of logs/poles and piles/lumber issued by the DENR, may import wood materials; **provided**, that, before availing the privilege to import, the holder of the TLA, IFMA, and/or WPP shall first have his current local Log, commercial Poles and Piles and/or Lumber Dealer's permit recorded or registered with the PWPA and then or subsequently stamped by the Office of the Regional Executive Director (RED) concerned as a valid Authority to Import wood materials; Provided further an existing wood furniture manufacturer, agent, contractor, or dealer who is not a holder of a TLA, IFMA or WPP shall first secure the registration requirements specified under Section 8 herein.

**Sec. 4 - Ports of Entry.** Until such time that the Secretary of Environment and Natural Resources has designated other ports, the following shall be the entry of imported wood materials:

**1. For Luzon, the ports of:**

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

**2. For the Visayas, the ports of:**

- Iloilo City
- Cebu City
- Bacolod City

**3. For Mindanao, the ports of:**

- Cagayan City
- Butuan City
- Davao City
- Zamboanga City
- Parang, Maguindanao
- General Santos City

**Sec. 5 - Entry and Discharge Requirements for Imported Wood Products.** The entry and discharge of imported wood materials shall be in accordance with the requirements and procedures of the BOC and BPI-PQO; **provided**, that the Customs District Collector or his authorized agents shall require the importer or his authorized representatives to submit a copy of the Authority to Import (currently stamped Log, Commercial Poles and Piles or Lumber Dealer's Permit) pursuant to Sec. 3 hereof or a Certificate of Registration validly issued by the DENR pursuant to Sec. 8 hereof, and the Plant Quarantine Officer concerned shall require the owner or agent of the carrier, or said importer of his authorized representatives to submit the Phytosanitary Certificate

pertaining to the imported wood materials issued by the country of origin as vital document in the issuance of his inspection report; **provided further**, that the service of qualified DENR-designated technical personnel shall be made available to BOC and/or BPI-PQO, when officially requested by the latter.

**Sec. 6 - Transport Documents for Imported Wood Products.** The aforesaid Authority to Import or Certificate of Registration to Import wood materials granted by the DENR and the clearance of the imported commodities issued by BOC, shall be sufficient documents for the imported wood materials to be moved out of, and/or transported from, the port of entry to the point of destination, i.e. to his premise(s), consignee(s), or consignor(s); **provided**, that, the importer or his authorized representatives shall, upon the arrival of the shipment at the point of destination, provided the CENRO concerned with photostatic copies of the following documents: (1) an Authority to Import or a Certificate of Registration to Import wood materials; (2) the Phytosanitary Certificate issued by the country of origin indicating therein the kind of quarantine treatment requested and/or applied, if any; (3) the Bill of lading; and (4) the Summary of the Packing List.

One week after the end of each month, the CENRO concerned, through its Regional Office (RENRO), shall submit to the Director of Forest Management Bureau (FMB) a monthly report on importation of aforesaid wood materials furnishing PWPA a copy thereof.

**Sec. 7 - Storage, Processing and Disposition of Imported Wood Products.** The storage, processing and disposition of imported wood materials and reportorial procedures required thereof shall be as follows:

The importer who is qualified under Sec. 3 hereof may dispose of the imported wood materials or the processed or finished wood products; **provided**, that their transport form the

storage area or mill site to any point of consignments or sales within a given defined areas allowed under existing regulations or within the region itself shall be accompanied with pertinent sales invoice and/or delivery receipts only; **provided further**, that, the transport of said wood materials outside the defined area or region shall be accompanied, in addition to the corresponding sales invoice and/or delivery receipts, with photocopies of the Phytosanitary Certificate and corresponding sales invoice and/or delivery receipts, with photocopies of the Phytosanitary Certificate and corresponding inspection Report of the Quarantine Officer concerned, the Bill of lading, and the Summary of Packing List duly authenticated by the CENRO concerned and/or his authorized representatives.

**Sec. 8 - Registration Requirements of agents, Contractors, and Dealers of Imported Wood Materials.**

8.1 **Registration Requirements.** In order that an application may be considered as duly filed, the following basic documents shall accompany the application of an agent, contractor, or a dealer for a Certificate of Registration to Import Wood Materials:

- a.) An authenticated photostatic copy of registration as single proprietorship, partnership or corporation from the Department of Trade and Industry and/or Securities and Exchange Commission;
- b.) An authenticated photostatic copy of a written agreement or contract between the agent, contractor or dealer and the local principal authorizing the former to procure, sell or supply the latter with imported wood materials at least for one (1) year;
- c.) A copy of sale/supply contract between the agent, contractor or dealer and the foreign exporter of wood material; at least for one (1) year, duly authenticated by the Philippine commercial

attache/embassy at the country of origin of the wood materials.

- d.) A certificate from the Philippine Wood Producers Association that the type or kind and volume of a particular wood material(s) the agent, contractor, or dealer intends to import within a current year are well within the importation rationalization program of total “allowable capacity measure”.

8.2 **Schedule of Fees and Bonds.** For every application for a new or renewal of a Certificate of Registration issued in consonance herewith, the following shall be collected:

- a.) Application fee - ₱500.00
- b.) Registration Fee - ₱400.00
- c.) Cash Bond - ₱10,000.00 (In case of surety bond, the cash bond shall be increased by at least 25%)

8.3 **Validity.** A Certificate of Registration issued in consonance with this Order shall be valid for a period not exceeding one (1) year, subject to renewal for a similar period upon application and proper compliance with existing DENR rules and regulations.

8.4 **Responsibility of Registered Agents, Contractors or Dealers.** Holder of Certificates of Registration shall:

- a.) Display the Certificate of Registration within the establishment’s premises exposed to public view;
- b.) Submit to the DENR a monthly report on imported wood materials not later than the fifth (5<sup>th</sup>) day of the succeeding month to include, among others, the following information:
  - b.1) Balance of previous months;

- b.2) Purchase(s) made during the month under report;
  - b.3) Total volume/quantity handled;
  - b.4) Volume processed/sold; and
  - b.5) Balance at end of the month.
- c.) Provide from the RED concerned or his authorized representative the required written authority to import before disposing through sales the imported wood materials;
- d.) Allow authorized DENR personnel to inspect the premises where the imported wood materials are stored and to examine records concerning withdrawals or disposition of same; and
- e.) Provide such other related informations as may be required by the Secretary or his authorized representative.

8.5 **Definition of Terms.** For purposes of this Order, the following terms shall be construed to mean as defined hereunder:

- a.) Agent - a person authorized in writing by another person to act for and in behalf of the principal, for the production, procurement, sale or other means of disposal of imported wood materials.
- b.) Contractor - a person who enters into a written contract or agreement with another for whom he undertakes to produce, procure, furnish or sell imported wood materials.

- c.) Commercial poles and piles - large stakes or pieces of timber for foundation or harbor works.
- d.) Dealer - a person, who, for himself or on commission, sells or offers for sale imported wood materials.

**Sec. 9 Creation of DENR Forest Quarantine Coordinating Committee (DFOCC)** 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. 10 Penalty Clause.** 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. 11 Repealing Clause.** This Order repeals DAO No. 94-17, DAO No. 97-08, and DAO No. 97-35 and all existing orders, circulars, and instructions inconsistent herewith.



**Sec. 12 Separability Clause.** If any provision of this order is declared void and illegal, the remaining provisions thereof, not affected thereby, shall remain in full force and effect.

**Sec. 13 Effectivity.** This order shall take effect immediately upon the acknowledgement by the UP Law Center and after publication in 15 days from the date of at least two (2) newspaper of general circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

Published at:

Philippine Star - Nov. 19, 1999

Malaya - Nov. 19, 1999