



HOUSE OF REPRESENTATIVES

H. No. 7941

BY REPRESENTATIVES VILLAFUERTE (L.R.), VILLAFUERTE (M.L.), HORIBATA, ENCISO, GARCIA (D.), VILLARICA, COLADA, DY (F.), GATCHALIAN, ALBA, FLORES, ZUBIRI, ROQUE, VARGAS, FARIÑAS, VALMAYOR, YU (D.G.), ROMUALDO, YU (J.V.), ROMAN, SUANSING (M.A.), ALVAREZ (J.), BAUTISTA, CRUZ (A.), SUAREZ, PAGLAS, MARAÑON, NISAY, GARCIA (M.A.), PANCHO, DUJALI, SALO, DE VENECIA, GO (E.C.), ARENAS, ORTEGA, AMANTE, ALMARIO, DY (I.P.), PANALIGAN, PADUANO, LEE, BROSAS, ABALOS, QUIMBO, SINGSON-MEEHAN, ACIDRE, ALBANO, PALMA, ABANTE, AQUINO, BAUTISTA-LIM, BONGALON, CABREDO, CAJAYON-UY, CELESTE, CUARESMA, ESPINA, GONZAGA, HARESCO, LOYOLA, MATUGAS, MOMO, NAVA, SINGSON (R.V.), TIANGCO, UMALI, VIOLAGO, ZAMORA (M.C.), ADIONG, ADVINCULA, ANG, ASISTIO, AUMENTADO, BASCUG, BOSITA, BUSTOS, CHATTO, CO-PILAR, COJUANGCO (J.), CRUZ (R.), DAGOOC, DIMAPORO (S.A.), DIONISIO, EUDELA, FORTES, FRESNEDI, GARDIOLA, GO (M.), GOLEZ, GUTIERREZ, HERNANDEZ, KHONGHUN, LAGON (D.), LAGON (S.), LAZATIN, LEGARDA, LUISTRO, MACEDA, MANGAOANG, MANIQUIZ, MASTURA, MATIBAG, NOGRALES (M.), OUANO-DIZON, PLEYTO, REVILLA (R.J.), RODRIGUEZ (E.), SAKALURAN, SALI, SANTOS, TAN (J.), TANCHAY, TULFO (J.), VERGARA, VERZOSA, YAP (C.), ESCUDERO, GASATAYA, MARIANO-HERNANDEZ, MARIÑO, MARQUEZ, MIGUEL, ROMULO, SAULOG, YAP (C.T.), YAP (ERIC), TY, AQUINO-MAGSAYSAY, PADIERNOS, ACHARON, PANOTES, ORDANES, ACOP, REYES, SUAN, KHO (R.), TARRIELA, MAGSINO, BERNOS, ATAYDE, SALIMBANGON, PUMAREN, SUANSING (H.), CUA, LACSON-NOEL, TAN (S.J.), BRIONES, AMATONG, CHUNGALAO, CAGAS, MENDOZA, GORRICETA, NOEL, HATAMAN, RODRIGUEZ (R.), UNGAB, ALVAREZ (M.), CO (E.), SALCEDA, ENVERGA, VILLANUEVA, RIVERA, PRIMICIAS-AGABAS, YAMSUAN, BORDADO, VELOSO-TUAZON AND DALIPE, PER COMMITTEE REPORT NO. 503

AN ACT

PROMOTING THE DEVELOPMENT OF THE BAMBOO INDUSTRY BY STRENGTHENING THE PHILIPPINE BAMBOO INDUSTRY DEVELOPMENT COUNCIL, CREATING THE BAMBOO INDUSTRY RESEARCH AND DEVELOPMENT CENTER, PROVIDING INCENTIVES FOR BAMBOO PLANTATION DEVELOPMENT, AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Philippine Bamboo Industry
2 Development Act.”

3
4 **SEC. 2. *Declaration of Policy.*** – It is the policy of the State to promote and support
5 industries that generate employment especially in the rural areas, reduce poverty, foster a
6 sustainable environment, and mitigate the impacts of climate change.

7 It shall also be the policy of the State to foster a self-reliant and independent economy
8 that supports indigenous, scientific and technological capabilities, and skills. To this end, the
9 State shall recognize the strategic importance of the bamboo as a sturdy, versatile, and

1 replenishable material that can be a sustainable source of livelihood and catalyst for
2 agricultural productivity.

3 The State shall likewise ensure the integrated and continuous development of the
4 Philippine bamboo industry through policies and programs that encourage the planting of bamboo,
5 accelerate the development of bamboo-based products and designs, and promote Philippine
6 bamboo products in international markets. It shall establish a program for a sustainable utilization,
7 propagation and promotion of bamboo as furniture, food, construction and design material, and
8 other uses.

9
10 **SEC. 3. *The Philippine Bamboo Industry Development Program.*** – The Philippine
11 Bamboo Industry Development Council, herein after referred to as the Council, shall formulate
12 the Philippine Bamboo Industry Development Program, herein after referred to as the Program
13 which shall include plans of actions and projects for the scientific propagation, development and
14 management, processing, utilization, business development, and commercialization of Philippine
15 bamboo and bamboo products, through the cooperation of all stakeholders of the industry that
16 include producers of raw materials, processors, marketing and promotion service providers, and
17 concerned national agencies and local government units (LGUs).

18
19 **SEC. 4. *Objectives of the Philippine Bamboo Industry Development Program.*** – The
20 Program shall aim to make the Philippine bamboo industry competitive in the local and global
21 markets and provide opportunities for local employment and the establishment of bamboo-based
22 community enterprises. The Program shall:

- 23 (a) Ensure that the bamboo industry has sufficient quality raw materials through the
24 establishment and management of bamboo nurseries and plantations;
- 25 (b) Ensure that the bamboo industry continuously receives from the research and
26 development sector information about relevant technologies and new products;
- 27 (c) Ensure that the industry receives pertinent and accurate data from the PBIDC upon
28 which the industry can make business decisions;
- 29 (d) Promote investment in the bamboo industry by providing substantial incentives to
30 investors and encouraging the establishment of bamboo plantations and bamboo
31 processing operations;
- 32 (e) Provide skilled labor and manpower through continuous relevant capacity building;
- 33 (f) Provide continuous training and capacity building in bamboo plantation operations,
34 bamboo processing, and product development and design;
- 35 (g) Ensure provision of locally manufactured machines of improved capacity and quality
36 at competitive costs;

- 1 (h) Ensure markets of bamboo products locally and globally; and
2 (i) Ensure sustainable resources for implementing the bamboo industry development
3 program.
4

5 **SEC. 5 *Role of the Philippine Bamboo Industry Development Council.*** – The
6 Philippine Bamboo Industry Development Council, created under Executive Order No. 879,
7 series of 2010, hereinafter referred to as the Council, shall provide the overall policy and program
8 directions of various agencies and instrumentalities to ensure the implementation of the Program.
9

10 The Council shall be administratively attached to the Department of Trade and Industry
11 (DTI) and shall be composed of the following:

- 12 (a) Secretary of the Department of Trade and Industry (DTI) as Chairperson;
13 (b) Secretary of the Department of Environment and Natural Resources (DENR);
14 (c) Secretary of the Department of Agriculture (DA);
15 (d) Secretary of the Department of Education (DepEd);
16 (e) Secretary of the Department of Science and Technology (DOST);
17 (f) Secretary of the Department of Labor and Employment (DOLE);
18 (g) Executive Director of the Bamboo Industry Research and Development Center;
19 (h) Chairperson of the National Commission of Indigenous Peoples;
20 (i) National President of the League of Municipalities of the Philippines;
21 (j) Executive Director of the Union of Local Authorities of the Philippines;
22 (k) Two (2) Representatives from Non-Government Organizations;
23 (l) One Representative from a reputable private industry association; and
24 (m) One Representative each from the Bamboo Farmers, the Bamboo Manufacturers, and the
25 Bamboo Processors' Associations.
26

27 The Council shall promulgate such rules and regulations as may be necessary for the
28 attainment of the objectives of this Act.
29

30 **SEC. 6. *Bamboo Industry Research and Development Center.*** – The Bamboo Industry
31 Research and Development Center, hereinafter referred to as the Center, is hereby created to serve
32 as the secretariat of the Council. It shall be headed by an Executive Director and shall consist of
33 divisions as may be necessary to ensure the effective implementation of the goals and objectives
34 of the Center, including the following functions: research and development; trade promotion and
35

1 education; networking and linkages; internal administration and finance; and such other divisions
2 as may be necessary.

3 The organizational structure, staffing pattern and compensation schedule of the Center
4 shall be prepared in accordance with existing laws, rules and regulations. Other member agencies
5 of the Council shall provide additional administrative and technical staff support to the Center
6 upon the determination by the Council of the necessity for such augmentation.

7

8 The Center shall perform the following powers and functions:

- 9 (a) Promote and encourage the establishment and management of bamboo nurseries,
10 plantations and processing facilities that would accelerate the production and
11 commercialization of bamboo and various bamboo products;
- 12 (b) Promote the commercialization and market access of appropriate, innovative and
13 viable bamboo industry development technologies and products;
- 14 (c) Monitor and evaluate the performance of bamboo industry development programs and
15 projects;
- 16 (d) Coordinate and partner with other government agencies in the implementation of
17 bamboo industry development programs and projects;
- 18 (e) Coordinate and partner with the private sector, people's organizations and
19 non-governmental organizations, and the academe in providing assistance on matters
20 pertaining to bamboo industry development;
- 21 (f) Accept grants, donations and contributions from local and international donors and
22 such similar sources of funds for the implementation of the provisions of this Act,
23 subject to the usual budget, accounting and auditing rules and regulations;
- 24 (g) Conduct capability-building initiatives for farmers, processors, designers, and other
25 stakeholders in the bamboo industry;
- 26 (h) Conduct research and development in partnership with appropriate government
27 agencies to advance sustainable bamboo industry development practices;
- 28 (i) Supervise the implementation of the plans and programs of the Council;
- 29 (j) Manage and administer the projects identified by the Council;
- 30 (k) Conduct, in cooperation or partnership with appropriate government agencies, a
31 periodic review of the Philippine Bamboo Industry Development Roadmap; and
- 32 (l) Submit periodic reports to the Council on the progress and accomplishment of
33 programs and projects.

1 **SEC. 7. *The Executive Director of the Center.*** – The Executive Director shall be
2 appointed by the Chairperson of the Center with the approval of the Council. The Executive
3 Director shall be a citizen and resident of the Philippines and must possess executive and
4 management experience of at least three (3) years, and considerable knowledge about the
5 bamboo industry.

6
7 In addition, the Executive Director shall have the following powers and functions:

- 8 (a) Oversee the day-to-day operations of the Center;
9 (b) Provide technical and administrative support to the Council;
10 (c) Assist the Council in the performance of its tasks; and
11 (d) Perform such other functions, duties and responsibilities as may be necessary to
12 implement this Act.

13
14 **SEC. 8. *Support to the Program by Local Government Units.*** – Local government units
15 (LGUs) shall participate in the implementation of the Program. All provinces, cities, and
16 municipalities shall establish a Bamboo Industry Development Council and shall endeavor to
17 capacitate agricultural workers and encourage entrepreneurs in harvesting and post-harvesting
18 operations.

19 Provincial governments shall formulate and implement their respective bamboo industry
20 development programs within two (2) years from the enactment of this law.

21
22 **SEC. 9. *Incentives for Bamboo in Plantation Development.*** – Investors in bamboo
23 plantation development shall enjoy the following incentives:

- 24 (a) Exemption from the payment of rent for the use of government lands for commercial
25 bamboo plantation for the first five (5) years of operation reckoned from the date of
26 the first harvest of the plantation;
27 (b) In the case of private plantations, exemption from the requirement to secure a cutting
28 permit for the harvesting of bamboo and a transport permit for as long as the plantation
29 is registered with the Community Environment and Natural Resources Office
30 (CENRO) of the DENR: *Provided*, That the plantation owner shall inform the CENRO
31 about the date of harvest, and the estimated volume of the harvest. Inventory of the
32 plantation prior to harvest shall not be required. All CENROs shall approve and enter
33 into a registry, the names of private bamboo plantation investors;
34 (c) Exemption from the payment of forest charges and other fees for taxes that local
35 government units may impose;

- 1 (d) Access to development loans from public financial institutions for plantation
2 developers;
- 3 (e) Insurance coverage of plantations and plantation development equipment by the
4 Philippine Crop Insurance Corporation;
- 5 (f) Tax free importation of plantation development equipment, including tree nursery
6 facilities, pursuant to Republic Act No. 10863, otherwise known as the Customs
7 Modernization and Tariff Act (CMTA);
- 8 (g) To claim expenses incurred for plantation operations as deductible expenses for
9 income tax purposes, subject to the provisions of the National Internal Revenue Code
10 of 1997, as amended: *Provided*, That the deduction shall only apply to the taxable
11 period when the expenses were incurred;
- 12 (h) To claim as ordinary and necessary expenses or as capital expenditure expenses
13 incurred in the development and operation of a bamboo plantation prior to the initial
14 commercial harvest;
- 15 (i) Prioritized access for plantation developers to credit assistance from government-
16 owned, controlled or supported financial institutions;
- 17 (j) Acceptance of plantation as collateral for loans in government-owned-or-controlled
18 banks;
- 19 (k) In the case of a tenured developer, entitlement to fair compensation upon the premature
20 termination of the agreement at no fault of the holder: *Provided*, That all depreciable
21 permanent and semi-permanent improvements such as roads, buildings, and nurseries
22 including the planted and standing trees and other forest crops introduced and retained
23 in the area, shall be properly evaluated: *Provided, further*, That the amount of
24 compensation shall be mutually agreed upon by both the Department and the tenure-
25 holder: *Provided, finally*, That in case of disagreement between them, the matter
26 shall be submitted to arbitration by a mutually acceptable and impartial third party
27 adjudicator;
- 28 (l) No volume restriction in the exportation of bamboo culms from plantation;
- 29 (m) Tax free importation of processing equipment by processors engaged in bamboo
30 industry, pursuant to the Customs Modernization and Tariff Act (CMTA); and
- 31 (n) Inclusion in the annual investment program of the National Economic Development
32 Authority of industrial bamboo plantations in forest lands and priority access to funds
33 from external and internal sources.

34
35 **SEC. 10. Appropriations.** – The funds necessary to carry out the initial implementation
36 of this Act shall be charged against the current year’s budget of the DTI. Thereafter, such sums

1 as may be necessary for the continued implementation of this Act shall be included in the annual
2 General Appropriations Act.

3 **SEC. 11. *Implementing Rules and Regulations.*** – Within sixty (60) days after the
4 effectivity of this Act, the DTI and the Council shall, in coordination with the DENR, and DOST
5 promulgate the rules and regulations to implement this Act.

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7 **SEC. 12. *Separability Clause.*** – If any provision of this Act or part hereof is declared
8 invalid or unconstitutional, the other provisions not affected by such declaration shall remain in
9 full force and effect.

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11 **SEC. 13. *Repealing Clause.*** – All laws, executive and administrative orders, rules and
12 regulations inconsistent with this Act are hereby repealed or amended accordingly.

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14 **SEC. 14. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
15 the *Official Gazette* or in a newspaper of general circulation.

Approved,