



MAR 09 2022

DENR Administrative Order
No. 2022- 05

SUBJECT : RULES AND REGULATIONS ON WOOD CHARCOAL

Pursuant to Presidential Decree No. 705, as amended, otherwise known as the Revised Forestry Code of the Philippines, Executive Order (EO) No. 318, s. 2004, entitled Promoting Sustainable Forest Management in the Philippines, EO No. 23, series of 2011, Declaring a Moratorium on the Cutting and Harvesting of Timber in the Natural and Residual Forests and Creating the Anti-Illegal Logging Task Force, and Republic Act (RA) No. 8749, also known as the Philippine Clean Air Act of 1999, and to encourage holders of tenure and/or wood processing plant permits and owners of private tree plantations to maximize the utilization of wood raw materials and its derivatives, and other forest products for wood charcoal, the following rules and regulations are hereby promulgated.

SECTION 1. Basic Policy. It is the policy of the State to protect and advance a balance and healthful ecology in accord with the rhythm and harmony of nature and to promote sustainable management of natural resources including the raw materials used for the production of wood charcoal.

SECTION 2. Objectives. This Order has the following objectives:

- 2.1. To ensure sustainable production, ease of transport and disposition of wood charcoal in the country; and
- 2.2. To ensure that raw materials used in producing wood charcoal are derived from legal sources.

SECTION 3. Scope and Coverage. This Order shall apply to all wood charcoal made from raw materials, except all mangrove species, which were harvested, gathered, collected, or bought from applicable areas.

3.1. Applicable Areas:

- 3.1.1. Forest lands covered with DENR issued cutting permits per DAO No. 2018-16 and DAO No. 2020-06;
- 3.1.2. Forest lands covered with tenure instruments issued by the DENR wherein the harvesting of tree plantations is covered by DAO No. 2020-18 (i.e., CBFMA, SIFMA, IFMA);
- 3.1.3. Forest lands covered with tenure instrument issued by the DENR with valid tree cutting permits (i.e., FLAg, FLAgT, SLUP);
- 3.1.4. Ancestral lands covered by Certificate of Ancestral Domains Title (CADT) with DENR issued cutting permits;
- 3.1.5. Wood processing plants covered by permits issued by the DENR;
- 3.1.6. Private tree plantations covered by Certificate of Tree Plantation Ownership (CTPO) and Private Tree Plantation Registration (PTPR);
- 3.1.7. Private Titled Lands with valid DENR issued cutting permits; and
- 3.1.8. Private Yard Wastes

For the purposes of this Order, the above-mentioned areas shall be known as “source/s.” Provided, that the production of wood charcoal within forest lands covered with tenure

instruments issued by the DENR are in accordance with the updated/approved/affirmed development/management plan (i.e. CRMP, CDMP, FYWP) or any corresponding operational/implementation plan. Provided further, that Community-based Forest Management Agreement (CBFMA) holders shall only be allowed to produce and sell raw materials for the production of wood charcoal.

3.2 Sources of Raw Materials

Raw materials for wood charcoal production can only be derived from any or the combination of the following:

- 3.2.1 Planted trees intended for fuelwood production, such as Kakawate/Madre de cacao, Ipil-ipil, among others;
- 3.2.2 Harvesting wastes (e.g., tops and branches);
- 3.2.3 Pruning and thinning derivatives;
- 3.2.4 Processing wastes (e.g., wood wastes/ trimmings from wood processing plants); and
- 3.2.5 All other accumulated raw materials waste and residues generated.

SECTION 4. Definition of Terms. The following terms shall be defined as follows:

- 4.1. CENRO - refers to the Community Environment and Natural Resources Office/Officer of the DENR;
- 4.2. Charcoal Monitoring Form (CMF) - a document to be filled-out by the Wood Charcoal Production Permit (WCPP) holder which shall be submitted monthly to the concerned CENRO/Implementing PENRO for control, monitoring and evaluation purposes;
- 4.3. Fuelwood and Wood Charcoal Production and Disposition Form (FWCPDF) - a statistical reporting form containing information on production and disposition of fuelwood and wood charcoal;
- 4.4. PENRO - refers to the Provincial Environment and Natural Resources Office/Officer of the DENR;
- 4.5. Small-scale charcoal production - refers to charcoal-making activities that rely heavily on manual labor using simple and traditional methods free of heavy machinery, organized workforce, and structured personality;
- 4.6. Wood Charcoal - a wood-based product derived from the carbonization of wood;
- 4.7. Wood Charcoal Production Permit (WCPP) - a document issued by the concerned CENRO/Implementing PENRO certifying that the processing and sustainable production of wood charcoal are permitted;
- 4.8. Wood Charcoal Supply Contract (WCSC) - an agreement entered by and between the WCPP holder and the buyer for the delivery of wood charcoal, or the agreement entered by and between the source/s per Section 3 of this Order and the interested WCPP applicant for the delivery of raw materials for wood charcoal production, to be approved by the concerned CENRO/Implementing PENRO; and
- 4.9. Wood Charcoal Transport Permit (WCTP) - refers to permit conferred to traders/merchants/middlemen/buyer of wood charcoal by the concerned CENRO/Implementing PENRO for the conveyance of wood charcoal intended for retail sales, commercial trade and/or personal use outside municipalities/cities.

SECTION 5. Wood Charcoal Production Permit (WCPP). The period to be covered by the WCPP shall be three (3) years (*see* Annex A), which can be renewed for the same duration. The permittee may already file a renewal application, sixty (60) days prior to the expiration of the permit.

All persons/groups/entities undertaking wood charcoal processing and production shall be required to apply for WCPP. However, individuals may be allowed to organize themselves into cooperatives, and be issued with WCPP in the name of the cooperative. Sources of raw

materials for wood charcoal production pursuant to Section 3 hereof shall be encouraged to apply for a WCPP for the promotion of vertical integration.

5.1. Qualified Applicants

- 5.1.1. A Filipino citizen of legal age;
- 5.1.2. An Association, Corporation, Cooperative or Partnership duly registered under Philippine laws;
- 5.1.3. People's Organization (PO) whose members are Filipino citizens; and
- 5.1.4. Holders of tenure instruments, permits and certificates of registration stipulated under Section 3 hereof except CBFMA Holders.

5.2. Application Requirements. Any capable individual or group/association shall apply for WCPP at the nearest CENRO/Implementing PENRO which has jurisdiction over the area and submit the following application requirements:

5.2.1. For Individual Applicant/s

- 5.2.1.1. Duly filled out application form (please see Annex B);
- 5.2.1.2. One (1) valid government-issued identification card; and
- 5.2.1.3. Notarized and duly approved Wood Charcoal Supply Contract (WCSC) (please see Annex C), if the applicant is not a legal source of raw materials as specified in Section 3.

5.2.2. For association/cooperative/corporation/partnership

- 5.2.2.1. Duly filled out application form;
- 5.2.2.2. Proof of juridical personality such as a certified copy of the Certificate of Registration and Certificate of Good Standing from either the Cooperative Development Authority (CDA) or the Securities and Exchange Commission (SEC) and the list of current officers;
- 5.2.2.3. If it is a corporation registered under SEC, certified copy of Certificate of Registration and Articles of Incorporation and By-Laws (specifying in the purpose and objectives, to include among others, the development and production of wood charcoal); and list of current officers and stockholders duly certified by the Board Secretary; and
- 5.2.2.4. Notarized and duly approved Wood Charcoal Supply Contract (WCSC), if the applicant is not a legal source of raw materials as specified in Section 3.

5.2.3. For land tenure instrument and permit holders

- 5.2.3.1. Duly filled out application form (see Annex B);
- 5.2.3.2. Copy of the approved land tenure instruments with corresponding management plans, valid permits and certificates of registration issued, as applicable;
- 5.2.3.3. Business permit, as applicable; and
- 5.2.3.4. Notarized and duly approved Wood Charcoal Supply Contract (WCSC).

5.3. Application Procedures

- 5.3.1. An applicant that is either individual or group/association shall submit all the pertinent requirements enumerated in Section 5.2 hereof to the concerned CENRO/Implementing PENRO;

- 5.3.2. The CENRO/Implementing PENRO shall evaluate the veracity and completeness of the documents submitted within three (3) working days. The evaluation period may be extended up to seven (7) working days depending on the result of the initial assessment of the documents submitted;
- 5.3.3. Upon verification of the source/s and wood charcoal production site through the conduct of rapid site assessment and generation of GIS-generated maps and geotagged photos, which should be carried out for no more than ten (10) working days, the concerned CENRO/Implementing PENRO shall issue the WCPP in favor of the applicant; and
- 5.3.4. Any application with incomplete or invalid documentary requirements shall be returned to the applicant immediately without prejudice to refileing.

SECTION 6. Transport of Raw Materials and/or Wood Charcoal. For holders of WCPP, an authenticated copy of the WCPP shall be sufficient and valid transport document to accompany the movement of the raw materials and/or wood charcoal outside municipalities/cities.

Further, traders/merchants/middlemen shall secure a copy of the Wood Charcoal Transport Permit (WCTP) (please see Annex D) for the movement of wood charcoal from the point where the purchase transaction will take place to the point of destination and present the said permit at checkpoints the said permit, along with a copy of the Official Receipt/Sales Invoice/Acknowledgement Receipt, should there be an inspection or whenever requested. The Wood Charcoal Transport Permit (WCTP) shall be requested from the concerned CENRO/Implementing PENRO upon submission of duly accomplished application form and a copy of Official Receipt/Sales Invoice/Acknowledgement Receipt. The WCTP shall only be effective per shipment of wood charcoal from point to point only and shall be accompanied by the original copies of the permit and Official Receipt/Sales Invoice/Acknowledgment Receipt. In addition, the movement of wood charcoal within municipalities/cities shall not be required of WCTP.

Provided further, that the volume/quantity of purchased wood charcoal from different pick-up locations shall be reflected in the WCTP.

Provided finally, that any illegally-harvested raw materials for wood charcoal and/or wood charcoal (sacks) found during transport without a valid permit or inconsistent with the issued permit shall be confiscated in favor of the Government consistent with the provisions of Section 77 and 78, Chapter IV of the PD 705, as amended.

Section 7. Applicable Fees. The following fees shall be collected as prescribed under existing laws, rules and regulations.

Permit/Document	Fee
Wood Charcoal Production Permit (WCPP)	P 500.00 (new and renewal)
Wood Charcoal Transport Permit (WCTP)	Application: P50.00 Oath Fee: P86.00
Authenticated Copy	P100.00 per page

SECTION 8. Prohibitions. Production and transport of wood charcoal without a valid permit and/or supply contract is prohibited. All products, tools, implements, machineries, and improvements related to the production of wood charcoal without the required documents shall be confiscated in favor of the Government.

SECTION 9. Wood Charcoal Production Monitoring. The prescribed Charcoal Monitoring Form (CMF) (please see Annex E) shall be prepared by the WCPP holder indicating the periodic production and disposition of wood charcoal. This shall be submitted monthly by the

holder to the concerned CENRO/Implementing PENRO for monitoring and evaluation purposes. The CENRO/Implementing PENRO shall submit its consolidated Fuelwood and Wood Charcoal Production and Disposition Form to the concerned DENR Regional Office in accordance with the existing rules and regulations governing statistical reporting system.

SECTION 10. Research and Development of Charcoal Production Facility. The Forest Management Bureau, in coordination with the Ecosystems Research and Development Bureau, Environmental Management Bureau, and the DOST-Forest Products Research and Development Institute, shall develop research and studies on charcoal production facilities with air pollution control installations (e.g., charcoal furnace connected to a stack/chimney) that minimizes the environmental impacts of charcoal production and provide technical assistance, in the setting up and simulation of such structure, within one (1) year after the approval of this Order.

SECTION 11. Issuance of Technical Bulletin and Guidance. The Director of the Forest Management Bureau is hereby authorized to issue technical bulletin and guidance in support of this Order.

SECTION 12. Separability Clause. If any part or section of this Order shall be declared unconstitutional, such declaration shall not affect the other parts of this Order.

SECTION 13. Repealing Clause. All Orders, Circulars, Memoranda, and other issuances inconsistent with any part or section of this Order shall be amended or repealed accordingly.

SECTION 14. Effectivity Clause. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation and acknowledgement of the Office of the National Administrative Registrar (ONAR) of the UP Law Center.

JIM CASAMPULNA
Acting Secretary



Publication: Manila Bulletin
March 24, 2022

Acknowledgement: U.P. Law Center
March 25, 2022

WOOD CHARCOAL PRODUCTION PERMIT

WCPP No. R-YMD-01

(Region-Year/Month/Day-Frequency)

Pursuant to Section 20 of Presidential Decree No. 705, as amended, otherwise known as the "Revised Forestry Code of the Philippines", Executive Order No. 192 (Providing for the Reorganization of the Department of Environment, and Executive Order No. 318 (Promoting Sustainable Forest Management in the Philippines), DENR Administrative Order No. 2004-16 (Prescribing Revised Schedule for Administrative Fees), and other existing laws and regulations, a Wood Charcoal Production Permit is hereby issued to:

(Name of Applicant/Represented by)

A Citizen/Organization/Cooperative/Association/Corporation/Proprietor of the Philippines with _____ business/permanent address at _____, to engage in the business of establishing, processing and producing wood charcoal, where sources of raw materials are legitimate pursuant to DAO No. _____.

The permittee has a Supply Contract with the following:

SUPPLIER	QUANTITY	LOCATION

This Permit is subject to the provisions of applicable Forestry Laws and regulations promulgated or which may be promulgated and such other additional regulations which may hereinafter be prescribed.

This Permit is effective on _____ (date of issuance) and expires on _____.

Issued on _____ at _____, Philippines.

Approved:

Regional Executive Director

Note: This Permit shall also serve as a transport document for WCPP holder who will transport their produced wood charcoal outside municipalities.

Copy furnished:
The Undersecretary for Field Operations
The Director, Forest Management Bureau
Concerned DENR Regional Office
Concerned CENRO/Implementing PENRO

Annex B

WOOD CHARCOAL PRODUCTION PERMIT Application Form

Please complete all the details in the space provided. Indicate N/A if not applicable.

Name of Applicant/ Company:	Date:
Principal/Permanent Address:	Zip Code:
Location of Production Site/Facility:	
Name of Supplier (Legal Source of Raw Materials for Wood Charcoal):	
Tenure/Permit Issued to Supplier:	
Date Granted:	
Supplier's Complete Address:	
Supplier's Contact Details:	
Location of Legal Source:	
Source of Raw Materials: <input type="checkbox"/> Planted trees intended for fuelwood production, such as Kakawate/Madre de cacao, Ipil-ipil, among others <input type="checkbox"/> Harvesting wastes (e.g., tops and branches) <input type="checkbox"/> Pruning and thinning derivatives <input type="checkbox"/> Processing wastes (e.g., wood wastes/ trimmings from wood processing plants) <input type="checkbox"/> All other accumulated raw materials waste and residues generated	

Government ID presented:
ID Number:
Date Issued:
Expiration date:

Note: Attach a copy of Wood Charcoal Supply Contract

Received by:

(Officer In Duty,
DENR CENRO/Implementing PENRO)

Annex C

WOOD CHARCOAL SUPPLY CONTRACT

KNOW ALL MEN BY THESE PRESENTS:

This Contract executed and entered into this ____ of _____, 2021 at Quezon City by and between:

The _____, a Tenure Instrument/CADT/WPP/CTPO or PTPR Holder/s/ private entity with principal/ mailing address at _____, represented by _____ in his/her capacity as _____, hereinafter referred to as the **SUPPLIER**;

And

_____, a private entity/corporation/association/cooperative (any qualified persons or group) duly organized and existing by virtue of the laws of the Republic of the Philippines, with principal/ mailing address at _____ represented by _____ in his/her capacity as _____, hereinafter referred to as the **"BUYER"**;

WITNESSETH:

WHEREAS, the SUPPLIER is one of the eligible legal sources to be harvested, gathered, collected, or bought with raw materials, derivatives and wastes used in producing wood charcoal pursuant to Section 3 of DAO No. 2022-___ [and a holder of a Wood Charcoal Production Permit No. _____ duly issued by the concerned _____ on _____];

WHEREAS, the SUPPLIER agrees to perform well and faithfully supply the BUYER a total of _____ tonnes/sacks of pruning and thinning derivatives/harvesting and processing wastes, accumulated wastes and residues as maybe required by the latter's wood charcoal production operation [consignee];

WHEREAS, the BUYER is engaged in the business of production, supply and retail of wood charcoal as an important domestic product used for home and outdoor recreational cooking;

WHEREAS, the BUYER is a holder of **Wood Charcoal Production Permit No. _____** duly issued by the **DENR (CENR Office concerned)** on _____ and desires to purchase 100% of its wood charcoal requirement from the SUPPLIER;

NOW, THEREFORE, in consideration of the mutual promises, agreements, and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties conscientiously approve as follows:

A. PAYMENT ARRANGEMENT.

Notwithstanding the foregoing, for the first order placed under this agreement dated _____, the total invoice amount shall be paid upon the issuance of the said purchase order with the remaining balance due _____ from receipt of invoice.

B. QUANTITY AND PRICING.

There is no fixed minimum or maximum quantity per annum. Such requirements will vary by seasons and may change over time. The number of raw materials for charcoal to be purchased during this Agreement is based on a rolling forecast, provided that at least 60 days prior to the beginning of each Operating Year, the Buyer will provide the Supplier with a non-binding estimate of the quantity of wood charcoal to be delivered by the Supplier hereunder during each month of the ensuing Operating Year.

The price per ___ tonnes/sacks is dependent on the prevailing market price as agreed by both parties.

That it is understood and agreed by both parties that the SUPPLIER shall not be held liable and/or responsible for any omission and/or delay in the performance of its obligation under this agreement caused by or arising from FORCE MAJEURE and other fortuitous events;

That both parties further agreed to:

1. Mutually perform, fulfill, abide by and submit to any provisions and requirements on all matters contained in this Contract and that no modifications or alterations of the Contract shall be valid or binding on either party unless expressed in writing and executed by the same formality as this Contract, except as may otherwise be specifically provided for in this Contract. All provisions of law/statutes relevant to this undertaking are deemed included in this Contract;
2. Automatically revoked this agreement if it was determined that either the Supplier and the Buyer abandoned the premise of the Contract without cause and without prior approval from the DENR;
3. Any found violations against pertinent DENR laws, rules and regulations committed by either of the contracting parties shall be sufficient cause for the cancellation of this Contract; and
4. This agreement is valid for a maximum period of three (3) years effective immediately upon its approval or automatically deemed terminated when the volume herein contracted to be supplied and purchased is exhausted, whichever comes first.

IN WITNESS WHEREOF, the parties have hereto affixed their signatures this _____ day of _____, 2021 at _____, Philippines.

Supplier

Buyer

WITNESSES:

Approved by:

Republic of the Philippines)
Province of _____
City of _____) S.S.

SUBSCRIBED AND SWORN before me, this ____ day of _____ at _____, affiant exhibiting his/her _____ issued on _____ at _____, photocopy of which is herein attached as an integral part of this affidavit.

Doc. No. : _____;
Page No. : _____;
Book No. : _____;
Series of 2021.

Annex D

WOOD CHARCOAL TRANSPORT PERMIT
WCTP No. R-YMD-01
(Region-Year/Month/Day-Frequency)

TO ALL CONCERNED:

Be informed that the undersigned is authorized to transport the wood charcoal from _____ (indicate complete address of point of origin where purchase transaction was undertaken) to _____ (indicate complete address of point of destination). This also certifies that the sources of raw materials for this particular permit are legitimate pursuant to DAO No. _____

The wood charcoal to be transported are described as follows:

1. Kind, species and quantity of charcoal (sack) _____
2. Conveyance (Vehicle Type) _____
3. Consignee/Destination _____
4. Wood charcoal pick-up locations, as applicable (indicate complete address separated by a comma, how many and equivalent number of sacks) _____

Owner/Holder/Authorized Representative

This is to certify further that the above described wood charcoal had been verified by this Office to have originated from _____ (area/place of production) and is hereby allowed to be transported with the following particulars:

Full Name : _____
Conveyance : _____
Plate No. : _____
Vehicle Type : _____
Describe Route : _____
From : _____
To : _____
Remarks : _____

Reproduction of this permit is allowed for every transport/shipment transaction in the amount of ₱50.00 in favor of the Department of Environment and Natural Resources was paid under O.R. No. _____ dated _____.

Confirmed by:

Verifier/Evaluator

CENRO

Note: This Permit, along with a copy of Supply Contract, shall serve as transport documents for non-WCPP holder who will transport their purchased wood charcoal outside municipalities.

Reference No:
 (to be filled out by DENR personnel)
CMF#-WCPP#-YYFF

CHARCOAL MONITORING FORM

I. GENERAL INFORMATION

Company Name and Duly Authorized Representative of WCPP			
Establishment/Facility Address <small>(location of charcoal production area)</small>	Barangay:	City/Municipality:	Province:
	Northing:	Easting:	
Name of Tenure holder/Permittee/Private			
Address <small>(if address is not the same as previous address)</small>	Street # & Street Name: _____		
	Barangay: _____		City/Municipality: _____
	Province: _____		
Phone Number		Fax Number	
e-mail address			

II. OPERATION/PRODUCTION

Production Input

Species of raw material	Quantity (no.)	Average diameter	Volume (cu.m.)	Operating days/week/month

Please use additional sheet/s if necessary

Production Output

Total wood charcoal produced (per sack*)		Total wood charcoal disposed (per sack*)	
Total Output this period (per sack*)		Weight (kg/sack*)	

** 50-kg rice/feed sack shall be used for uniformity.*

a. FOR PRODUCERS AND SUPPLIERS

Name of Buyer/Supplier (B/S)	Classification (B/S)	Quantity (sack)	Date of Purchase
Total Quantity Sold			

Please use additional sheet/s if necessary

b. FROM WOOD WASTE AND SILVICULTURAL TREATMENT **Used in Production** (please fill up only if wood and wood derivatives used in charcoal production is not covered by a tenure)

SOURCE (WPP, Tenurial, Private plantation, etc.)	Destination		Output (sack)
	To	From	

Note: Reference number on the upper right corner shall indicate follow the format CMF No. + WCPP No. + YYFF (Year CMF is issued, frequency per period)
 CMF shall be submitted monthly by the WCPP holder

Reference No:
(to be filled out by DENR personnel)
CMF#-WCPP#-YYFF

III. TRANSPORT/SHIPMENT

No.	WCTP ID	Volume (sack)	Conveyance used

Please use additional sheet/s if necessary

IV. OTHER INFORMATION

Accidents & Emergency Records

Date	Area/Location	Findings and Observation	Actions Taken	Remarks

Please use additional sheet/s if necessary

I hereby certify that the above information are true and correct.

Signature over printed name
of WCPP holder/permittee

Date submitted

Note: Reference number on the upper right corner shall indicate follow the format CMF No. + WCPP No. + YYFF (Year CMF is issued, frequency per period)
CMF shall be submitted monthly by the WCPP holder