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DENR Memorandum Circular
No. 2007 - 09

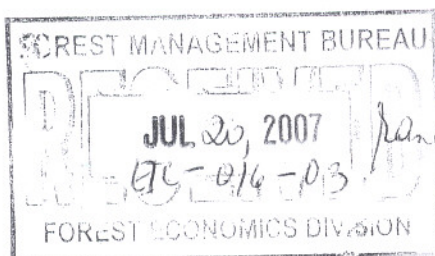
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SUBJECT: CLARIFICATIONS ON THE IMPLEMENTATION OF DAO 2007-13: "LIFTING OF THE MORATORIUM ON NEW WOOD PROCESSING PLANTS (WPPs)"

For the consistent implementation of DENR Administrative Order 2007-13: *Lifting of the Moratorium on New Wood Processing Plants (WPPs)*, the following clarifications are hereby issued:

1. Coverage of the DAO
 - 1.1. The establishment and operations of new wood processing plants pursuant to Ministry Administrative Order 50, series of 1986, as amended by DAO 2003-41, is hereby allowed;
 - 1.2. "Wood processing plants" (WPP) covered by DAO 2007-13 is limited to sawmills, mini-sawmills, resaws, including accessory equipment for the conversion of logs and flitches to lumber, resawing of lumber, and further processing of lumber to semi- or finished lumber products including equipment for edging, trimming, planing and moulding, and kiln-drying.
 - 1.3. The lifting of the moratorium shall cover only wood processing plants referred to in item 1.2 above that use raw materials coming from planted trees from private lands or forestlands.
2. All applications shall be supported by log supply contract(s) duly approved by the RED concerned based on the certification of the CENRO concerned that the said volume(s) committed to be supplied have been verified to be available.
3. New WPP permits shall be approved by the Secretary while the approval of renewal permits shall be vested with the RED concerned. Expansion of wood processing plants which require additional log requirement shall be considered as new establishment; hence, the permit shall be approved by the DENR Secretary. Expansion of existing WPP which will not require additional log volume supplies may be authorized by the RED concerned, subject to the verification of availability of log supply provided for in item 2 above.
4. The transfer of location of existing WPPs with no change in capacity and ownership, within the region, shall be approved by the RED concerned; provided, that the locational clearance from the LGU concerned and new Environmental Compliance *APM*



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Certificate (ECC) shall be secured. The transfer of location of existing WPPs from one region to another shall be treated as new application, and **processed in accordance** with item 3 above.

5. All Regional Offices, with the assistance and guidance of the **Forest Management Bureau**, shall immediately undertake the relevant studies and prepare their respective Regional Wood Processing Rationalization Plans. These Regional Wood Processing Rationalization Plans shall be submitted to the Secretary for approval within a non-extendible period of six (6) months from date hereof, after which such plans shall be the basis for evaluating the feasibility of establishing new processing plants within the region.
6. In the interim, while the regional rationalization plans **are being prepared**, applications for new and renewal permits may be processed in accordance with existing procedures, subject to the strict verification of the availability of raw materials as provided for above.

This Circular shall take effect immediately.


ANGELO T. REYES

Secretary 