	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	1 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

## I. BASIC POLICY

Whereas, it is the goal of government to:

1. Promote full recovery of cost of services to free other government revenues for priority projects; and
2. Ensure equitable distribution of the burden of cost recovery by having the direct recipients of government services account for the costs.

Whereas, it is only proper that the persons receiving the services for which the fees and charges are imposed should be made to share the burden of the expenses incurred by the government.

## II. PURPOSE

This new policy is being issued pursuant to Administrative Order No. 31 (1 October 2012), directing and authorizing all departments, bureaus, commissions, agencies, offices and instrumentalities of the National Government, including Government-Owned and Controlled Corporations (GOCCs), to **rationalize** the rates of their fees and charges, **increase** their existing rates, and **impose new** fees and charges, as necessary, while streamlining the process of revision.

## III. GUIDING PRINCIPLES

**3.1** In the determination of rates and imposition of new fees and charges, a balance between recovering the costs of services rendered and the socio-economic impact of their imposition has been sought.

**3.2** The rules and regulations shall provide the parameters for determining just and reasonable rates, as well as safeguards to protect the public from unreasonable and arbitrary fees and charges.


## IV. SCOPE

This proposed policy shall apply to all John Hay Special Economic Zone enterprises/locators, concessionaires, contractors and residents as well as to all residents within the CJH Reservation Area and all concerned.

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA	Revision Number	0
		Page Number	2 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

**V. DEFINITION OF TERMS:**

**Cost of service:** refers to the sum (a) direct costs (supplies and materials and salaries/wages of personnel involved) and proportionate share in the overhead expenses incurred by the agency or the GOCC in rendering the service, and b) such other readily identifiable incidental expenses incurred in rendering the service.

**Cost recovery:** refers to the process of compensating the cost associated with the provision of services (including regulation), which involves the collection of user fees to ensure long-term sustainability.

**Fees and Charges:** refers to levies imposed on direct recipients of public goods and services by agencies and GOCCs in their exercise of their mandated regulatory and service delivery functions.

**Socio-economic impact:** refers to any potential positive or negative change in the socio economic environment of stakeholders whether directly or indirectly, that is expected to arise with the introduction and implementation of a policy intervention.

-----

**Board feet:** The board-foot is a unit of measure for the volume of lumber. It is the volume of a one-foot length of a board one foot wide and one inch thick. Board-foot can be abbreviated BDFT, or BF.

**Cambium :** the layer of delicate meristematic tissue between the inner bark or phloem and the wood or xylem, which produces new phloem on the outside and new xylem on the inside in stems, roots, etc., originating all secondary growth in plants and forming the annual rings of wood.

**Cubic meter:** a block of wood measuring 1meter x 1 meter x 1 meter (height, length, width).


**Damaging:** the pulling or tearing down, or mutilating, or burning of trees which cause plant injury or eventual death.

**Earth-balling:** is the process of moving a tree by digging out the earth and the roots in a circular shape, leaving most of the root system undisturbed and intact.

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	3 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

**Damaging /injuring trees:** the pulling or tearing down, or mutilating, or burning of trees which could cause trees to easily become debilitated and eventually hazardous. When a tree becomes hazardous, it often fails, which means a limb falls out of the canopy of the tree, the trunk splits and falls to the ground, or the entire tree becomes uprooted. Hazardous trees can cause injuries and property damage.

**Firewood:** shall mean trees or parts thereof used for domestic household fuel generation except all mangrove species.

**Forest Product:** means timber, pulpwood, firewood, bark, tree top, resin, gum, wood, oil, honey, beeswax, nipa rattan, or other forest growth such as grass, shrub and flowering plant, the associated water, fish, game, scenic, historical, recreational and geologic resources in forest lands.

**Girdling:** Also called ring-barking is the complete removal of a strip of bark (consisting of cork cambium or "phellogen", phloem, cambium and sometimes going into the xylem) from around the entire circumference of either a branch or trunk of a woody plant.

**Hardwood:** is wood from dicot trees. These are usually found in broad-leaved temperate and tropical forests. In temperate and boreal latitudes they are mostly deciduous, but in tropics and subtropics mostly evergreen. **Hardwood** contrasts with softwood (which is from gymnosperm trees).

**"Illegally cut, gathered, transported, declared, classified, and possessed lumber, logs and other forest products":** are those which were cut, gathered, transported, declared, classified or possessed without authority, permit or license in accordance with forest laws, rules and regulations.

**Lesser-known tree species (LKS):** It would be simple to define an LKS as a commercially less accepted species left in the forest after a logging operation. But, as stated by Hansom (1983), a better definition is that it is a species that is not being put to best advantage (although many commercial species are not being put to best advantage either).


**Permit:** is a short-term privilege or authority granted by the State to a person to utilize any limited forest resources or undertake a limited activity within any forest land without any right of occupation or possession therein.

**Premium hardwoods:** Hardwood comes from deciduous trees which are characterized by their wide leaves. These include oak, mahogany, ash, birch, and maple trees. In the Philippines, hardwood is taken from molave, kamagong, narra, yakal, and tanguile trees.

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	4 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

**Premium species:** are tree species the wood of which has some special characteristics such as strength or durability, scarcity or rarity, beauty, or is used for special purposes.

**Softwood:** the wood from a conifer (such as pine, fir, or spruce) as distinguished from that of broadleaved trees.

**Timber:** shall mean any piece of wood having an average diameter of at least 15 centimeters and at least 1.5 meters long, except all mangrove species which in all cases, shall be considered as timber regardless of size.

**Tree:** a perennial plant with usually a single woody stem or trunk and a more or less definite crown, attaining a height of at least 10 feet (3 meters), except for mangrove species which is considered a tree regardless of size.

**Tree Cutting:** refers to the felling or cutting down of a standing tree with the aid of edged instrument or tools whether powered (chainsaw) or by hand through quick or repeated blows.

**Tree Pruning :** The cutting away of parts or branches of a tree or woody plant.

**Trunk/bole:** refers to the stem and main wooden axis of a tree, which is an important feature in tree identification, and which often differs markedly from the bottom of the trunk to the top, depending on the species. The trunk is the most important part of the tree for timber production. The main stem or bole of a tree.


**Wildlife"** means wild forms and varieties of flora and fauna, in all developmental stages, including those which are in captivity or are being bred or propagated;

**Wood waste of timber:** shall mean wood generated incidental to harvesting timber such as log trims, tree tops, branches, buttresses, culls, splits, crooks, and the like.

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE


STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	5 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	6 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018


## VI. SCHEDULE OF PROPOSED FEES, CHARGES AND PENALTIES

	FEES/CHARGES/PENALTIES	RESTRICTIONS
<b>I. PERMIT-TO-BRING-OUT-FOREST PRODUCTS' FEES</b>		
<b>A. Firewood</b>	1,000.00/application	
	plus 800.00/cu.m	maximum of 2 cu.m. donation for family and other socio-cultural events
	"gratis" for one (1) cu.m.	maximum of one (1) cu.m. donation for wake of love one
<b>B. Seedlings</b>	350.00/application	maximum of thirty (30) seedlings for donation
		Plus P33.00/seedling beyond 30 seedlings
<b>C. Lumber</b>	350.00/application	maximum of 100 bdft per application
		Plus P22.00/bdft beyond 100 bdft.
<b>II. ENDORSEMENT FEES for Tree Cutting /Pruning/Balling Permit Applications to DENR-CAR for Locators/Applicants within the JHSEZ</b>		

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	7 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

	FEES/CHARGES/PENALTIES	RESTRICTIONS
<b>A. Trees Affected by Authorized Development Projects</b>	2,500.00/application	regardless of the number of trees applied for
<b>B. Cutting of Live, Dead, Pest-infested Trees Posing Danger to Lives and Properties</b>	1,500.00/application	regardless of the number of trees applied for
<b>III. ENDORSEMENT Fees for Tree Cutting/Pruning/Balling Permit Applications to DENR -CAR (or to the Mayor-Baguio City as applicable/emergency purposes) for residents within the JHRA</b>		
<b>A. Cutting/Pruning/Balling of Trees Affected by Authorized Development Projects</b>	2,000.00/application	maximum of five (5) trees being applied for
<b>C. Live, Dead, Pest-infested Trees Posing Danger to Lives and Properties</b>	1,000.00/application	regardless of the number of trees applied for
<b>IV. PENALTIES</b>		

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>



**JOHN HAY MANAGEMENT CORPORATION**

**POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA**

INTERNAL FORM

Document Code  
JHMC-EMD-002-2018

Revision Number  
0

Page Number  
8 of 13

Effectivity Date  
25 June 2018

	<b>FEES/CHARGES/PENALTIES</b>	<b>RESTRICTIONS</b>
<b>UNAUTHORIZED CUTTING /PRUNING/BALLING OF TREES WITHIN THE JHRA AND JHSEZ</b>		
<b>A. Hardwoods</b>		
<b>1. Live and Healthy Premium Tree Species and other Hardwood Species</b>	5 times the cost of an authorized tree cutting/Pruning/Balling Permit (i.e. P12,500.00) , plus the applicable rate per tree listed below	plus confiscation of timber illegally cut
<b>a. &lt; 15 cm DBH</b>	10,000/tree	
<b>b. 16-40 cm DBH</b>	20,000/tree	
<b>c. 41-60 cm DBH</b>	30,000/tree	
<b>d. 61-80 cm DBH</b>	40,000/tree	
<b>e. above 80 cm DBH</b>	50,000/tree	
<b>2. Live, Dead, Pest-infested Premium Tree Species Posing Danger to Lives and Properties</b>	5 times the cost of an authorized tree cutting/Pruning/Balling Permit (i.e. P12,500.00) , plus the applicable rate per tree listed below	plus confiscation of timber illegally cut
<b>a. &lt; 15 cm dbh</b>	3,000/tree	

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE  
RECEIVED  
DATE

STAMP

**UNCONTROLLED COPY**





**JOHN HAY MANAGEMENT CORPORATION**

**POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA**

INTERNAL FORM

Document Code  
JHMC-EMD-002-2018

Revision Number  
0

Page Number  
9 of 13


Effectivity Date  
25 June 2018

	<b>FEES/CHARGES/PENALTIES</b>	<b>RESTRICTIONS</b>
<b>b. 16-40 cm dbh</b>	7,000/tree	
<b>c. 41-60 cm dbh</b>	10,000/tree	
<b>d. 61-80 cm DBH</b>	13,000/tree	
<b>e. above 80 cm DBH</b>	15,000/tree	
<b>B. Softwoods (Benguet Pine trees)</b>		
<b>1. Live and Healthy Benguet Pine Trees and other Softwood Species</b>	5 times the cost of an authorized Tree Cutting/Pruning/Balling Permit Application (i.e. P12,500.00), plus the applicable rate per tree as listed below:	plus confiscation of timber illegally cut
<b>a. &lt; 15 cm DBH</b>	5,000/tree	
<b>b. 16-40 cm DBH</b>	10,000/tree	
<b>c. 41-60 cm DBH</b>	20,000/tree	
<b>d. 61-80 cm DBH</b>	30,000/tree	
<b>e. above 80 cm DBH</b>	40,000/tree	

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	10 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

	FEES/CHARGES/PENALTIES	RESTRICTIONS
<b>2. Live, Dead, Pest-infested Benguet Pine trees and other Softwood Species Posing Danger to Lives and Properties</b>	5 times the cost of an authorized Tree Cutting/Pruning/Balling Permit Application (i.e. P12,500.00), plus the applicable rate per tree as listed below:	
<b>a. &lt; 15 cm dbh</b>	2,500.00/tree	
<b>b. 16-40 cm dbh</b>	4,000.00/tree	
<b>c. 41-60 cm dbh</b>	6,000.00/tree	
<b>d. 61-80 cm DBH</b>	10,000.00/tree	
<b>e. above 80 cm DBH</b>	13,000.00/tree	
<b>Unauthorized Cutting of Bamboos and Alnus Trees</b>	5 times the cost of an Authorized Tree Cutting/Pruning/Balling Permit Application (i.e. P12,500.00), plus the applicable rate per bamboo/Alnus as assessed by JHMC.	plus confiscation of bamboo and/or alnus trees illegally cut
<b>V. FINES</b>		

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>



**JOHN HAY MANAGEMENT CORPORATION**

**POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA**

INTERNAL FORM

Document Code  
JHMC-EMD-002-2018

Revision Number  
0

Page Number  
11 of 13

Effectivity Date  
25 June 2018

	<b>FEES/CHARGES/PENALTIES</b>	<b>RESTRICTIONS</b>
<b>A. Cutting, Gathering and/or Collecting Timber or other Products Without License</b>	refer to Presidential Decree No. 705 as amended (Revised Forestry Code)	
<b>B. Unauthorized Gathering /Collection of Wildlife</b>	refer to Republic Act No. 9147 , Wildlife Resources Conservation and Protection Act	
<b>VI. OTHER PENALTIES</b>		
<b>A. Damage/Injury Inflicted to LIVE TREES</b>		
<b>1. Injury/damage to the trunk</b>		
<b>a. Injury/damage before the cambium layer</b>	500.00/spot injured/damaged	
<b>b. Injury/damage beyond the cambium layer</b>	3,000.00/spot injured/damaged	
<b>2. Injury/damage to the root system</b>	5,000.00/tree	
<b>3. Injury/damage to the branches</b>	2,000.00/branch	
<b>4. Girdling</b>	4,000.00/ tree	

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE  
RECEIVED  
DATE

STAMP

**UNCONTROLLED COPY**



**JOHN HAY MANAGEMENT CORPORATION**

**POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA**

INTERNAL FORM

Document Code  
JHMC-EMD-002-2018

Revision Number  
0

Page Number  
12 of 13

Effectivity Date  
25 June 2018


	<b>FEES/CHARGES/PENALTIES</b>	<b>RESTRICTIONS</b>
<b>B. Dead Trees as a Result of Previously Reported/Documented Damages/Injuries Inflicted</b>		
<b>1. Pine trees and premium hardwoods</b>		
<b>a. &lt; 15 cm DBH</b>	10,000/tree	
<b>b. 16-40 cm DBH</b>	20,000/tree	
<b>c. 41-60 cm DBH</b>	30,000/tree	
<b>d. 61-80 cm DBH</b>	40,000/tree	
<b>e. above 80 cm DBH</b>	50,000/tree	
<b>2. Other Lesser-known tree species (e.g. Alnus)</b>		
<b>a. &lt; 15 cm DBH</b>	5,000/tree	
<b>b. 16-40 cm DBH</b>	10,000/tree	
<b>c. 41-60 cm DBH</b>	20,000/tree	
<b>d. 61-80 cm DBH</b>	30,000/tree	

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE  
RECEIVED  
DATE

STAMP

**UNCONTROLLED COPY**

	JOHN HAY MANAGEMENT CORPORATION	Document Code	JHMC-EMD-002-2018
	<b>POLICY ON THE INCREASE OF FORESTRY ADMINISTRATIVE FEES, CHARGES AND PENALTIES WITHIN THE JHSEZ AND JHRA</b>	Revision Number	0
		Page Number	13 of 13
	INTERNAL FORM	Effectivity Date	25 June 2018

	FEES/CHARGES/PENALTIES	RESTRICTIONS
e. above 80 cm DBH	40,000/tree	

**Important:** This manual is exclusively owned by the John Hay Management Corporation (JHMC). No portion may be copied or reproduced without written authority from the JHMC- Management.

OFFICE
RECEIVED
DATE

STAMP
<b>UNCONTROLLED COPY</b>