

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



23 MAY 10 A8:22

SENATE
S. No. 2172

RECEIVED BY: _____

Introduced by Senator Jinggoy Ejercito Estrada

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

EXPLANATORY NOTE

According to the Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD), bamboo is one of the most economically significant non-timber forest products in the world. Bamboo is also one of the fastest growing plants in the world and has many uses from food to products for construction, and furniture. Further, according to United Nations Conference on Trade and Development (UNCTAD), building with bamboo could help governments to provide affordable housing in developing countries since bamboo is cheaper compared to timber, steel, and concrete, and much more widely available—something worth considering to help address the 6.5 million housing shortage¹ in the country. Apart from its economic benefits, bamboo is also significant ecologically due to its capacity to mitigate flood and soil erosion.

In the Philippines, bamboo has several uses from house and kitchen utensils, farm implements, furniture and handicrafts, raw material for construction, banana

¹ Data from the Department of Human Settlements and Urban Development (DHSUD)

props, fish pens, banca outriggers and fuel. It has been manufactured into charcoal and charcoal briquettes. It has also been used for pulp and paper, textiles and clothing, and renewable energy resource in the form of chips and pellets².

According to an UNCTAD study, the Philippines was included in the top 10 bamboo exporters in 2020. In the same year, the Philippines was the largest exporter of wood made of bamboo used in builders' joinery and carpentry products. It accounted for almost 70% of global exports and a trade value of USD113.5million. The main destination of these exports was Japan, which accounted for almost all of the exports from the Philippines. Other countries included the United States, India and others in Europe.

In spite of its economic and ecological benefits, the bamboo industry remains plagued with a number of issues. According to the PCAARRD, these include the following:

- Lack of reliable and updated data on bamboo supply and location;
- Lack of knowledge on potential uses of bamboo;
- Absence of consolidated policies on bamboo harvesting, transportation, and exportation;
- Weak transfer of technology strategies; and
- Lack of a fully developed bamboo industry value chain.

This bill seeks to promote the development of the Philippine bamboo industry by mandating the Philippine Bamboo Industry Development Council to formulate the Philippine Bamboo Industry Development Program which shall include programs and projects that will make the Philippine bamboo industry competitive in local and global markets and allow for the creation of local employment and the establishment of community enterprises. Furthermore, this bill seeks the creation of a Bamboo

² Board of Investments – Department of Trade and Industry. *The Philippine Bamboo Industry Development Roadmap*, 2016.

Industry Research and Development Center and the establishment of a Bamboo Industry Development Council by all Local Government Units.

In view of the foregoing circumstances, immediate passage of this bill is earnestly sought.



JINGGOY EJERCITO ESTRADA

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

1 Section 1. *Short Title.* – This Act shall be known as the "*Philippine Bamboo*
2 *Industry Development Act*".

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

7 It shall also be the policy of the State to foster a self-reliant and independent
8 economy that is supportive of indigenous, scientific and technological capabilities,
9 and skills. To this end, the State shall recognize the strategic importance of the
10 bamboo as a sturdy, versatile, and replenishable material that can be a sustainable
11 source of livelihood and catalyst for agricultural productivity.

12 The State shall likewise ensure the integrated and continuous development of
13 the Philippine bamboo industry through policies and programs that encourage the
14 planting of bamboo, accelerate the development of bamboo-based products and
15 designs, and promote Philippine bamboo products in international markets. It shall
16 establish a program for sustainable utilization, propagation, and promotion of

1 bamboo as furniture, food, construction and design material, and other uses.

2 Sec. 3. *The Philippine Bamboo Industry Development Program (PBIDP).*—The
3 Philippine Bamboo Industry Development Council (PBIDC) shall formulate the
4 Philippine Bamboo Industry Development Program (PBIDP), which shall include
5 programs and projects for the scientific propagation, development and management,
6 processing, utilization, business development, and commercialization of Philippine
7 bamboo and bamboo products, through the cooperation of all stakeholders of the
8 industry that include producers of raw materials, processors, marketing and
9 promotion service providers, and concerned national agencies and local government
10 units (LGUs).

11 Sec. 4. *Objectives of the Philippine Bamboo Industry Development Program.* –
12 The PBIDP shall aim to make the Philippine bamboo industry competitive in the local
13 and global markets and provide opportunities for local employment and the
14 establishment of bamboo-based community enterprises. The PBIDP shall:

- 15 a. Ensure that the bamboo industry has sufficient quality raw materials
16 through the establishment and management of bamboo nurseries and
17 plantations;
- 18 b. Ensure that the bamboo industry continuously receives from the research
19 and development sector relevant technologies and new products;
- 20 c. Ensure that the industry receives pertinent and accurate data from the
21 PBIDC upon which the industry can make business decisions;
- 22 d. Promote investment in the bamboo industry by establishing bamboo
23 plantations and bamboo processing operations, and providing substantial
24 incentives to investors;
- 25 e. Provide skilled labor and manpower through continuous relevant capacity
26 building;
- 27 f. Provide continuous training and capacity building in the bamboo industry
28 development;
- 29 g. Ensure provision of locally manufactured machines of improved capacity
30 and quality at competitive costs;
- 31 h. Ensure markets of bamboo products locally and globally; and

1 i. Ensure sustainable resources for implementing the bamboo industry
2 development program.

3 *Sec. 5. Role of the Philippine Bamboo Industry Development Council (PBIDC).*

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

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

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

24 *Sec. 6. Bamboo Industry Research and Development Center (BIRDC).* – The
25 Bamboo Industry Research and Development Center is hereby created to serve as
26 the secretariat of the Council to be headed by an Executive Director. The BIRDC
27 shall consist of divisions as may be necessary to ensure the effective implementation
28 of the goals and objectives of the Center, including the following functions: research
29 and development; trade promotion and education; networking and linkages; internal
30 administration and finance; and such other divisions as may be necessary.

31 The organizational structure, staffing pattern and compensation schedule of
32 the BIRDC shall be prepared in accordance with existing laws, rules and regulations.

1 Other member agencies of the Council shall provide additional administrative and
2 technical staff support to the BIRDC upon the determination by the Council of the
3 necessity for such augmentation.

4 The BIRDC shall perform the following powers and functions:

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

1 I. Submit periodic reports to the Council on the progress and
2 accomplishment of programs and projects.

3 *Sec. 7. The Executive Director of the Philippine Bamboo Industry*
4 *Development Council.* The Executive Director shall be appointed by the Chairperson
5 of the PBIDC with the approval of the Council. The Executive Director shall be a
6 citizen and resident of the Philippines and must possess executive and management
7 experience of at least three (3) years, and considerable knowledge about the
8 bamboo industry.

9 In addition, the Executive Director shall have the following powers and
10 functions:

- 11 a. Oversee the day-to-day operations of the BIRDC;
- 12 b. Provide technical and administrative support to the PBIDC;
- 13 c. Assist the PBIDC in the performance of its tasks; and
- 14 d. Perform such other functions, duties and responsibilities as may be
15 necessary to implement this Act.

16 *Sec. 8. Support to the Program by Local Government Units.* – Local
17 government units (LGUs) shall participate in the implementation of the PBIDP. Each
18 LGU shall establish a Bamboo Industry Development Council and shall endeavor to
19 capacitate agricultural workers and encourage entrepreneurs to acquire the needed
20 competencies in harvesting and post-harvesting operations.

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

24 *Sec. 9. Incentives for Bamboo in Plantation Development.* The following
25 incentives shall be provided to investors in bamboo plantation development:

- 26 a. Commercial production of bamboo, production of seedlings, establishment
27 of nurseries, and processing of bamboo-based products may qualify for
28 incentives under the National Internal Revenue Code, as amended, subject
29 the criteria set by the Fiscal Incentives Review Board, the Board of
30 Investments (BOI), or the appropriate investment promotion agency;
- 31 b. Exemption of private plantations from the requirements to secure a cutting
32 permit for the harvesting of bamboo and a transport permit for as long as

1 the plantation is registered with the Community Environment and Natural
2 Resources Office (CENRO) of the DENR: *Provided*, That the plantation
3 owner shall inform the CENRO about the date of harvest, and the
4 estimated volume that of the harvest. Inventory of the plantation prior to
5 harvest shall not be required. All CENROs shall approve and enter into a
6 registry, the names of private bamboo plantation investors; and

- 7 c. Access to development loans from public financial institutions for
8 plantation developers and bamboo processors.

9 *Sec. 10. Appropriations.* – The funds necessary to carry out the initial
10 implementation of this Act shall be charged against the current year’s budget of the
11 DTI. Thereafter, such sums as may be necessary for the continued implementation
12 of this Act shall be included in the annual General Appropriations Act.

13 *Sec. 11. Implementing Rules and Regulations.* – Within sixty (60) days from
14 the effectivity of this Act, the DTI-PBIDC shall, in coordination with the DENR, and
15 DOST, promulgate the necessary rules and regulations for the effective
16 implementation of this Act.

17 *Sec. 12. Separability Clause.* – Should any provision herein be declared
18 unconstitutional, the other provisions not affected shall remain in full force and
19 effect.

20 *Sec. 13. Repealing Clause.* – All laws, decrees, orders, rules and regulations
21 or other issuances or parts inconsistent with the provisions of this Act are hereby
22 repealed, amended or modified accordingly.

23 *Sec. 15. Effectivity.* – This Act shall take effect fifteen (15) days after its
24 publication in the *Official Gazette* or in at least two (2) national newspapers of
25 general circulation.

Approved,