

Copy for AD



Republic of the Philippines  
Department of Environment and Natural Resources  
Visayas Avenue, Diliman, 1100 Quezon City (PAL)  
Tel. Nos. 929-6626 to 29; 929-6633 to 35  
929-7041 to 43; 929-6252; 929-1669  
Website: <http://www.denr.gov.ph> E-mail: [web@denrgov.ph](mailto:web@denrgov.ph)

**MEMORANDUM**

TO : The Regional Executive Director  
DENR – CAR and Regions 1 – 13

FROM : The Undersecretary for Field Operations

SUBJECT : Renewal and Cancellation of Certificate of  
Stewardship Contract (CSC)

DATE : **NOV 28 2013**

---

The DENR awarded Certificate of Stewardship Contracts to individuals or families under the then Integrated Social Forestry Program. Many of the CSCs have reached or about to reach their first 25 years of implementation prompting Regional Offices to conduct an assessment of the performance of CSC holders.

In order to continue the proper management of these forestland areas, there is the need to undertake the process of renewal or cancellation of CSCs. Under Section 2 of Article II of the 1987 Constitution, production sharing agreement which covers a period of 25 years can be renewed for another 25 years. The same stipulation is carried in the CSC Agreement that it can be renewed for another 25 years. In this regard, the following processes/procedures should be undertaken by the concerned offices/officials:

1. For the CENROs to collate results of the assessment, prepare list of all CSC holders with their performance rating and recommendations/initial discussions;
2. Consult LGUs for the creation of a Technical Working Group composed of DENR and LGU representatives who will discuss results of the assessment and prepare the final list of CSC which will be renewed or cancelled;
3. The renewal procedure by the concerned DENR official should follow the step of stamping in the Certificate of Stewardship "Renewed for another 25 years" and be duly signed by the authorized officer. The CENRO has the authority to renew CSC with an area of 3 hectares and below while the PENRO renews CSCs with an area of more than 3 hectares but not exceeding five (5) hectares;

4. In the event that the finding of the CSC evaluation is unsatisfactory, the procedures of cancellation shall follow the provisions stipulated under DENR Memorandum Circular No. 21 Series of 1993. The term "CANCELLED" shall be stamped at the Certificate of Stewardship Contract (CSC) and duly signed by the issuing authority; and
5. A database of the CSCs that are renewed and cancelled shall be kept and maintained in order to facilitate monitoring and making decision as to the best use of the CSC areas that were cancelled and vacated.

Submit Completed Staff Work report to this Office, copy furnished the Director, Forest Management Bureau. The full report should also contain decision points for the DENR management to resolve, specifically on CSCs which merited outright cancellation for conversion of the area to other uses.

FOR IMMEDIATE AND STRICT COMPLIANCE.

  
**DEMETRIO L. IGNACIO, JR., CESO I**