

**SUBJECT : Amending the Revised Rules and Regulations
Implementing P.D. 1586 (Environmental Impact
Statement System)**

ARTICLE I - POLICY OBJECTIVES AND DEFINITION OF TERMS

Sec. 1. Basic Policy. Consistent with the basic policy of the state to assure the availability and sustainability of the country's natural resources through its judicious use in order to achieve immediate economic gains and in pursuance to Presidential Decree 1586 and Proclamation 2146, the following amendments to the revised rules and regulations implementing the Environmental Impact Statement System are hereby promulgated.

Sec. 2. Policy Objectives.

1. To identify environmental constraints and opportunities of natural systems in order to guide the planning and development of project activities from the selection of appropriate site to the design, implementation and termination so that environmental considerations are incorporated in the early stages of project development.
2. To identify, predict and describe in appropriate terms the costs and benefits of development projects and assess the likely primary and secondary changes therein and systematically present the results for review and decision-making.
3. To ensure the success of development projects through finding ways to reduce unacceptable impacts and prescribe the most appropriate and cost-effective mitigating measures.
4. To involve as much as possible a wide spectrum of concerned sectors and the adjacent communities who will be affected by the project development in the exchange of views, information and concerns in order to effect projects that are beneficial to the majority and acceptable to the community.
5. To provide the basis for assessing the actual impacts of implemented and completed projects and identify other significant impacts in order to effect corrective actions and to improve future projects of similar type and magnitude.

Sec. 3. DEFINITION OF TERMS. For the purpose of these rules and regulations and whenever any of the following words and terms are used therein shall have the meaning ascribed in this section.

- a. **DENR** - refers to the Department of Environment and Natural Resources.
- b. **EMB** - refers to the Environmental Management Bureau
- c. **Environmental Impact Statement (EIS) System** - refers to the entire process of organization, administration and procedure institutionalized for the purpose of assessing the significance of the effects of physical developments on the quality of the environment.
- d. **Environmental Impact Assessment (EIA)** - refers to the process of predicting the likely environmental consequences of implementing project activities.
- e. **Environmental Impact Statement/Study (EIS)** - refers to the document(s) of studies on the environmental impacts of a project including the discussions on direct and indirect consequences upon human welfare and ecological and environmental integrity. The EIS may vary from project to project but shall contain in every case all the relevant information and details about the project to enable the DENR and other concerned parties to make judicious decisions. Such EIS shall substantially conform with the outline set forth in Annex A.
- f. **Environmental Compliance Certificate (ECC)** - refers to the document issued by the Secretary of the Department of Environment and Natural Resources or his duly authorized representative certifying that the proposed project under consideration will not bring about an unacceptable environmental impact and that the proponent has complied with the requirements of the Environmental Impact Statement (EIS) System.
- g. **Environmental Impact Statement Monitoring and Evaluation** - refers to the process of comparing the predicted impacts on the environment as stipulated in the EIS with those which actually occurred after the implementation and operation of the project.

- h. **Environmental Impact/Statement Review Committee** - refers to the body of experts from various fields created by DENR whose main task is to assist the DENR in evaluating EIS and other documents.
- i. **Compliance Monitoring** - refers to the activity designed to gauge the level of compliance with the conditions stipulated in the ECC issued and in the EIS or PD submitted.
- j. **Environmentally Critical Project (ECP)** - refers to those projects which have high potential for negative environmental impacts and are listed in Presidential Proclamation 2146 dated Dec. 14, 1981.
- k. **Environmental Critical Areas (ECA)** - refers to those areas which are environmentally sensitive and are listed in Presidential Proclamation 2146, dated Dec. 14, 1981.
- l. **Project** - refers to activities including actions, programs or undertaking regardless of scale or magnitude which may have significant impact on the environment.
- m. **Project Proponent (PP)** - refers to any entity, private and government organizations, persons, owners/agents, planning or intending to undertake a project.
- n. **Project Description (PD)** - refers to the document submitted by the project proponent substantially describing the proposed project particularly those aspects of the project which will likely cause environmental impact. Such project description shall substantially conform with the outline set forth in Annex B hereof.
- o. **Public Hearing** - refers to the activity undertaken by DENR to gather facts and thresh out all issues, concerns and apprehensions and at the same time provide the project proponent with the opportunity to present the project to the people/community who would be affected by such.
- p. **RED** - refers to the Regional Executive Director of DENR.
- q. **RTD** - refers to the Regional Technical Director for Environmental Management and Protected Areas Services of the DENR regional offices.
- r. **PENRO** - refers to the Provincial Environment and Natural Resources Officer of the DENR.

- s. **CENRO** - refers to the Community Environment and Natural Resources Officer of the DENR.

ARTICLE II - PROCEDURES FOR PROCESSING OF ECC APPLICATIONS

Sec. 1. Screening of Projects

1. The proponent shall submit a duly accomplished ENFORM I which shall serve as the basis for determining whether the project is within the purview of the EIS System. The said form appears as Annex C.
2. Projects that fall within the purview of the EIS System are as follows:
 - a) Environmental Critically Projects (ECP) wherein the project proponent shall submit an Environmental Impact Statement (EIS) to EMB.
 - b) Projects that fall within Environmentally Critical Areas (ECA) wherein project proponents shall be required to submit PDs to DENR Regional Offices. However, they may be required later to submit an EIS if deemed necessary.
3. Projects Not Covered by the EIS System
 - a) Environmentally Critical Projects which have been operational prior to 1982 are not covered by the scope of the EIS System except in cases where their operations are expanded in terms of daily production capacity or the coverage of its original area in which case such project will be covered by the EIS System.
 - b) Exempted projects

Any proposed activity or operation that does not fall within the category stated in Article II, Section I of this order and which are characterized by all of the following conditions:

- discharges minimal amount of waste and the management of such wastes are relatively easy.

has a capitalization of not more than P 500,000

employs not more than 20 persons,

An exemption certificate however, shall still have to be issued by the DENR for those projects in which the above criteria apply.

Likewise, pursuant to Article II Section II of P.D. 1586 some projects may be exempted by the President or his duly authorized representative for reasons of national interest or in compliance with international commitments. Such exemptions, however, does not preclude the DENR to require the proponent from instituting the necessary remedial measures to protect the environment.

4. The proponent shall pay the necessary fees in accordance with the schedule of fees.

Further, for exempted projects that are within ECA, comments and/or recommendations shall be solicited from appropriate units or agencies which have jurisdiction over these ECA, prior to the issuance of the exemption certificate by DENR.

Sec. 2. Processing or EIS and PD. - The EMB shall be responsible for processing EIS documents of Environmentally Critical Projects (ECP). The DENR Regional Offices shall be responsible for those projects that fall within the scope of Environmentally Critical Areas (ECA) and exempted projects. The flow charts showing the processing steps enumerated below appear as Annex D-1 and D-2.

A. Steps in the review and evaluation of Environmental Impact Statements (EIS)

1. Upon determination by DENR that the project shall be subject to an EIS, a copy of the scoping guidelines shall be given to the project proponent for his guidance. On the basis of the above and on the outline given, the proponent has the option to commission the undertaking of the EIS to a competent professional group or by the proponent's technical staff.
2. Upon completion of the EIS the proponent shall submit at least fifteen (15) legible copies of the document to the DENR for review.
3. Upon receipt of the EIS, the DENR shall forward the document to the concerned EIS unit which shall initially evaluate the submitted document as to its content and completeness of the supporting documents. Within thirty (30) days, the EIS Unit shall decide whether or not the information contained in the EIS is

sufficient for a thorough evaluation of the project's environmental impacts. The EIS Unit shall then inform the proponent of any additional information that may be needed for further evaluation of the EIS. After the evaluation, the EIS Unit may:

- a. recommend issuance of the Environmental Compliance Certificate (ECC);
 - b. recommend conduct of an ocular inspection of the proposed project site to check the veracity of the information contained in the submitted EIS; or
 - c. recommend further review by the EIS Review Committee to thoroughly assess the submitted EIS with respect to accuracy of the data presented, the applicability of the mitigating measures and the adequacy of the monitoring program.
4. For projects referred to the Review Committee, the EIS Unit shall convene the committee whose members shall be selected from the pool of experts/area subject specialists.

The Review Committee can require the holding of a public hearing to be conducted by the DENR/EMB or the Regional Office, subject to the process stipulated in Article II Section 3 or may likewise require the project proponent to submit additional information if necessary.

5. After a thorough evaluation of all inputs the Review Committee shall recommend for the approval or denial of the ECC by the Secretary of the DENR or his duly designated representative.

B. Steps in the review and evaluation of Project Descriptions

6. Projects requiring Project Descriptions shall follow same process as required in the review of EIS, except for the conduct of public hearing which is not necessary at this stage.
7. Upon submission of the PD, the regional EIS unit shall review and evaluate the documents and determine the accuracy of data and assessments presented, the applicability of mitigating measures, the adequacy of the monitoring programs and public acceptability of the projects. The RTD's can always request for additional information if necessary. Part of the evaluation process is the ocular

inspection of the project site which may be conducted by the EIS Unit with the assistance of the PENRO/CENRO.

8. Once all pertinent information have been validated, the RTD can recommend for the granting or denial of the ECC to the Regional Executive Director (RED). The Regional Office shall decide not more than two (2) months from receipt of the PDs whether it shall issue or deny the ECC to the concerned proponent.
9. In cases wherein the EIA unit considers the project requires an EIS, the RTD shall inform the proponent of the requirements and said application shall follow the process stipulated in Article II Section 2.A.

Sec. 3. Conduct of Public Hearing

Public Hearing maybe initiated by the DENR when the magnitude of the project such that a great number of people are affected or when there is mounting public opposition against the proposed project

3.1 Notice

A notice of public hearing shall be published once a week for two (2) consecutive weeks in any newspaper of general circulation at least twenty (20) calendar days prior to the scheduled hearing. Notice shall likewise be posted in a conspicuous place in the municipality or barangay where the project is to be located. All expenses incurred for the notices shall be charged to the project proponent.

3.2 Designation of Hearing Officers

The Secretary or his duly designated representative shall appoint hearing officers in the conduct of public hearings.

3.3 Powers and Duties of Hearing Officers

Hearing Officers shall have the power and authority to conduct proceedings with the aim of further eliciting information and more pertinent facts.

They will ensure that all participating parties are given the opportunity to air their positions/concerns regarding he project and that same are adequately discussed.

The Hearing Offices shall submit a report of their findings to the EIS Review Committee within fifteen (15) working days after the hearing.

Copies of the report shall be considered as public documents and shall be made available to all concerned parties and other interested entities.

3.4 Nature of Proceedings

The conduct of public hearings shall be summary in nature and does not strictly adhere to the technical rules of evidence.

Sec. 4. Granting of ECC

- 4.1 An Environmental Compliance Certificate (ECC) is issued by the DENR Secretary or his duly designated representative to a project proponent after having satisfied the process described in Article n of this Order.

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Sec. 5. EIA MONITORING

- 5.1 All ECPs will be subjected to periodic compliance monitoring by the EMB and all other projects by the DENR Regional Offices.

- 5.2 The EMB can call on the assistance of the regional office in the conduct of compliance monitoring activities while the latter can call on the EMB when the monitoring of the project requires institutional and technical expertise that can be provided by the Bureau.

The EMB shall initiate the formation of a Multipartite Monitoring Team in coordination with the regional office as may be required by the conditions of the ECC.

ARTICLE III - DUTIES AND RESPONSIBILITIES OF ACTORS IN THE EIS REVIEW PROCESS

Sec. 1. Project Proponents

- a. conduct an Environmental Impact Assessment (EIA) of the proposed project and submit its findings to DENR in accordance with the prescribed guidelines.
- b. provide a true, complete and accurate EIS or PD
- c. publish the notice of public hearing

- d. provide resource persons to make presentations and answer questions during public meetings and hearings.
- e. ensure that appropriate post-assessment monitoring and reporting are carried out as required.
- g. initiate, in certain cases, the establishment of the Environmental Guarantee Fund (EGF) as stipulated in the ECC which shall make available reserve funds for monitoring activities and the immediate rehabilitation and/or compensation of affected parties should negative impacts occur in relation to the project.
- h. submit the required reports to the DENR.

Sec. 2. DENR.

2.1 OFFICE OF THE SECRETARY

- a. formulate EIA policies, plans and programs and advise the EMB and Regional Offices from time to time in the efficient implementation of projects and programs
- b. advise the President and Congress on the enactment and modification of laws relative to the EIS System
- c. approve or deny the issuance of an Environmental Compliance Certificate for EIS documents related to ECP

2.2 EMB

- a. coordinate the implementation of the necessary policies and guidelines relative to the EIS System
- b. conduct assessments and evaluation of the EIS to serve as basis for recommending the issuance/denial of the ECC and or advise the project proponent that his project as planned needs modifications and corrections
- c. serve as the administrative body which shall carry out the procedural process of the EIS System

- d. develop procedural assessment guidelines and prescribe the appropriate scoping guidelines for specific project types
- e. chair the EIS Review Committee
- f. solicit in writing comments from other government agencies and persons with expertise or regulatory powers over the proposed projects
- g. coordinate with the DENR field offices, local government units (LGUs), non-government organizations (NGOs), people's organizations (POs), project proponents and other government agencies in the conduct of actual compliance and multipartite monitoring of projects granted ECC
- h. initiate the conduct of public hearings for environmentally critical projects
- j. provide technical assistance to the Regional Office in the review, inspection, monitoring and the conduct of public hearings.

2.3 REGIONAL OFFICES

- a. implement laws, policies, plans, programs, projects, rules and regulations of the DENR relative to the EIS System
- b. assess and evaluate PO/EIS for ECA
- c. conduct on-site inspection for PO/EIS for ECA
- d. investigate EIS-related complaints
- e. assist EMB in the conduct of on-site inspection for Environmental Impact Statement (EIS) of ECP and make the necessary recommendations
- f. conduct actual compliance monitoring of projects granted ECC and prepare the necessary reports
- g. coordinate with other government agencies, non-government organizations, local government units, private offices and project proponents in the region in the implementation and enforcement of EIS System rules and regulations and public information campaign

- h. initiate the conduct of public hearing whenever necessary
- i. initiate the conduct of training for PENRO/CENRO on the EIS System
- j. chair the Regional EIS Review Committee
- k. approve or deny the ECC for EIS and PD that are in ECAs
- l. issue exemption certificates for exempted projects.

2.4 PENRO AND CENRO

- a. coordinate with local government units, barangay officials, NGOs, POs and local residents relative to the EIS System
- b. conduct public information campaign regarding the EIS System
- c. assist the Regional Office in the conduct of on-site inspections and monitoring

2.5 EIS REVIEW COMMITTEE

- a. assist the EIA unit in the evaluation and review of EIS documents
- b. make recommendations regarding the issuance or non-issuance of Environmental Compliance Certificate of proposed projects under review

ARTICLE IV - PENALTIES, GROUND FOR CANCELLATION OF ECC AND ADMINISTRATIVE SANCTION

The Secretary of the Department of the Environment and Natural Resources or his duly authorized representative shall impose penalties upon person(s) found violating provisions of PD 1586 or its implementing rules and regulations.

Sec. 1. Scope of Violations

- 1.1 Critical Projects found operating without ECC
- 1.2 Projects within ECA but found operating without ECC, and

1.3 Projects found violating ECC conditions.

Sec. 2. Imposition of Penalties

2.1 A Report which will serve as the basis for the imposition of fine will be prepared by the EIA Unit. The report among others should include the following information:

- a. Brief background of the project including previous violation, if any.
- b. Nature of the violation and/or the ECC conditions violated.
- c. Results and discussion on any measurement, sampling or monitoring activities conducted either by EMB, Regional Environmental Management Protected Areas (EMPAS) or DENR accredited research institutions, academic and or technical organizations.
- d. Discussion on the results obtained and the corresponding adverse impacts caused by the violations.
- e. Recommended amount of fine to be imposed in accordance with this Order.

2.2 The Report shall be submitted to the Director of EMB or the Regional Executive Director (RED) as the case maybe for appropriate action.

2.3 The EMB Director or RED shall issue an order for the imposition of penalties.

2.4 Nature of Violations and Corresponding Fines

The violation of ECC requirements is categorized as follows:

A. Project which are established and/or operating an ECC

Any project which has been classified as environmentally critical and/or located in environmentally critical area and established and/or operating without an ECC shall be liable to penalty.

Any Project Proponent operating without an ECC shall be informed by DENR about the nature of the violation and the corresponding amount of fine imposed therein

The DENR shall evaluate the merits of the explanation submitted by the Proponent and decide whether or not a fine and the requiring of the submission of EIS/PD shall be imposed.

The amount of fine shall not exceed P50,000 at the discretion of the DENR.

The Proponent should settle all requirements within thirty (30) days upon notification. Failure to comply with these requirements shall be a ground for issuance of an order for the cessation of project operation

B. Project violating ECC Conditions

1. First Violation

The Project Proponent shall be informed by the Director of the EMB or the RED about the nature of the violation and shall be asked to explain within seven (7) days upon receipt of notification why they should not be penalized. The Director of the EMB or the RED shall decide within seven (7) days upon receipt of explanation whether the justification presented merits consideration or a violation has been committed.

The Director of EMB or RED shall impose a fine and require the proponent to submit a plan that will address the violations.

The amount of fines for every violation of the ECC conditions shall not exceed P 50,000 thereof, which shall be set at the discretion of the DENR.

The project proponent is required to settle all the requirements within fifteen (15) days upon receipt of notification. Failure to comply with these requirements would constitute an automatic ground for the suspension of their ECC.

2. Subsequent Violations

Any Project Proponent found to have committed further violation of any or all ECC conditions shall be required by the EMB/Regional Office to cease operation and have his ECC revoked.

Sec. 3. Implementing Body. - The EMB/DENR Regional Offices shall be responsible in determining whether there has been any violation of P.D. 1586, and its implementing rules and regulations.

Sec. 4. Administrative Authority/Sanction. - The EMB/DENR is the agency which reviews the EIS and PD. As such all DENR Personnel are not allowed to be involved in any way, whatsoever, directly or indirectly in the preparation of EIS and/or PD documents. Any personnel found to have violated this provision shall be liable to administrative sanctions and penalties in accordance with the Rules and Regulations of the Civil Service Commission.

Sec. 5. Motion for Reconsideration. - All Motions for Reconsideration by the project proponent shall be submitted to the EMB Director or RED within fifteen (15) days upon receipt of the DENR order. The EMB Director or the RED shall decide on this Motion for Reconsideration within (30) days upon the receipt of the motion. The decision of the EMB Director or the RED, as the case may be, shall be final

Sec. 6. Appeals. - Any appeal from the decision/order of the EMB Director or RED shall be filed by the Project proponent with the Office of the Secretary within fifteen (15) days upon the receipt of the said order or decision. The Secretary shall decide on the appeal within a period of thirty (30) days upon the receipt of the said appeal. The decision of the Secretary shall be final and executory.

ARTICLE V - SUPPLEMENTAL RULES AND REGULATIONS

1. Projects which have not been responded by the proponent within a year from the date of filing shall be automatically invalidated. The DENR shall send/notify the proponent one month before the proposed termination date.
2. In after termination, the proponent decides to proceed with his project it is considered as a new application and shall pay the corresponding fee.

ARTICLE VI - EFFECTIVITY

The Rules and Regulations shall take effect thirty (30) days after publication in any newspapers of general circulation.

ARTICLE VII - REPEALING CLAUSE

All rules and regulations found inconsistent herewith shall be superseded by this Administrative Order.

FULGENCIO S. FACTORAN, JR.
Secretary

RECOMMENDING APPROVAL:

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