

**DENR Administrative Order
No. 99-37
August 23, 1999**

SUBJECT : Implementing Rules and Regulations for the Operationalization of the Environmental Revolving Fund Under P.D. 1586.

Pursuant to Section 10 of Presidential Decree 1586 and Executive Order No. 192, the following rules and regulation are hereby promulgated:

Section 1 Title

This Administrative Order shall be known as the “Implementing Rules and Regulations governing the Environmental Revolving Fund (ERF)”.

Sec. 2 Policies and Objectives

The Environmental Revolving Fund (ERF) shall be used by the Environmental Management Bureau (EMB) and the Environmental Management Sector of the DENR Regional Offices in the implementation of PD 1586.

The ERF herein provided shall be separate and distinct from the other funding requirements under DENR Administrative Order 96-37 such as the Environmental Guarantee Fund (EGF), the Environmental Monitoring Fund (EMF), the Environmental Trust Fund (ETF), and the Review Support Fund (RSF) and other fund required as part of the conditions of the Environmental Compliance Certificate (ECC).

Sec. 3 Coverage

The ERF shall cover fees, fines, penalties and other impositions that may be generated from the implementation of PD 1586, particularly Sections 9 and 10 thereof, as well as those authorized under P.D. 984.

Sec. 4 Fund Management

The Department of Environment and Natural Resources through the Environmental Management Bureau shall manage the ERF in accordance with the following:

4.1 Fund Utilization

The ERF shall be used for the operations of the EMB such as but not limited to activities of the Environmental Impact Assessment Division, compliance monitoring, performance audit, conduct of training and information dissemination, development and implementation of the projects for strengthening the EIS System operations and research. The ERF shall also be used to support the activities of the DENR Regional Offices in the implementation of P.D. 1586 and its implementing rules and regulations.

4.2 Fund Auditing and Reporting

All expenses that are charged against the ERF shall be subject to the General Appropriations Act of the current fiscal year, to wit:

4.2.1 Fund Recording and Deposit

Receipts derived from business-type activities should be separately recorded and

deposited in an authorized government depository bank and may be made available for operational expenses. The interest and other income earned shall be deposited with the National Treasury and shall accrue to the General Fund pursuant to Section 65 of P.D. 1445 in relation to Section 29 (1) of Article VI of the Constitution.

4.2.2 Fund Reporting

The Agency concerned shall submit to the Department of Budget and Management, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, a quarterly report of the income from this fund and a quarterly report of expenditure.

4.2.3 Fund Disbursement

The ERF, in accordance with the limitations set forth in Section 10 of P.D. 1586, shall be automatically appropriated and shall immediately be released provided that in case of failure to submit the quarterly report required in the preceding paragraph, no withdrawal in the subsequent quarter shall be allowed.

Sec. 5 Separability Clause

If any provision of this rules and regulations is declared unconstitutional or invalid, the same shall not affect the validity and effectivity of the other provisions hereof.

Sec. 6 Repealing Clause

All orders, circulars rules and regulations inconsistent with this Order are deemed repealed or modified accordingly.

Sec. 7 Effectivity

This Administrative Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary