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Department of Environment and Natural Resources  
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AUG 24 2004

**DENR Administrative Order**  
No. 2004 - 24

**SUBJECT : Revised Rules and Regulations Governing the Administration and Management of Foreshore Lands**

Pursuant to the provisions of Section 3, Article 12 of the Constitution, and Sections 3, 4, 5 and 58 of the Public Land Act (C.A. 141 as amended), and in order to rationalize and regulate the utilization and occupation of foreshore lands, the following rules and regulations are hereby issued for the guidance of all concerned:

**Section 1. Policies and Objectives**

Consistent with the mandate to accelerate the country's development and the need to conserve and protect the natural resources and the coastal environment, the Department of Environment and Natural Resources (DENR) shall:

- a) Pursue the government's policy to tap all resources to generate economic opportunities and promote social equity;
- b) Promote the sustainable use of our country's foreshore/marshy lands through effective and efficient management schemes and strategies;
- c) Institutionalize a cohesive partnership among the national government agencies, local government units, and foreshore leaseholders for the conservation and maintenance of an ecologically-balanced environment without compromising the financial benefits to be derived from user's fees and other similar fees;
- d) Provide an accepted scheme to ensure access to the sea and water bodies for emergency purposes and benefit of the general public; and
- e) Establish an automated system of foreshore lands related data/information.

**Section 2. Definition of Terms**

The following terms as used in this Order shall be defined as follows:

- a) Foreshore Lands – the part of the shore which is alternately covered and uncovered by the ebb and flow of the tide.

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- b) **Foreshore Lease Application** – the type of application covering foreshore lands. It may also cover marshy lands or lands covered with water bordering upon the shores or banks of navigable lakes or rivers for commercial, industrial or other productive purposes other than agriculture.
- c) **Foreshore Lease Agreement (FLA)** – is an agreement executed by and between the DENR and the applicant to occupy, develop, utilize, and manage the foreshore lands. It may also cover marshy lands or lands covered with water bordering upon the shores or banks of navigable lakes or rivers.
- d) **Marshy Land** – a wetland whose soil is inundated by water and whose vegetation is dominated by grasses or sedges.
- e) **Riparian Owner** – owner of the property adjoining foreshore lands, marshy lands or lands covered with water bordering upon shores or banks of navigable lakes or rivers; it embraces not only owner of lands on the banks of rivers but also the littoral owners, or the owners of lands bordering the shore of the sea or lake or other tidal waters. (Lands General Circular No. 37 dated Feb. 7, 1978)
- f.) **Salvage Zone** - lands measuring twenty (20) meters measured landward from the interior limit of the shoreline for easement purposes.

### **Section 3. Scope**

This Order covers all foreshore lands including marshy lands or lands covered with water bordering upon shores or banks of navigable lakes or rivers.

### **Section 4. Who May Apply**

The following may apply for a Foreshore Lease Agreement:

1. Any Filipino citizen of legal age; and
2. Corporations, associations or partnerships duly constituted and organized under the laws of the Philippines; at least sixty percent (60%) of the capital is owned by Filipino citizens.

### **Section 5. Conduct of Inventory and Land Survey**

Foreshore and marshy lands shall be inventoried and surveyed by the CENRO to determine their existing/ appropriate uses, availability of open areas, extent of the area, and the number of settlers.

The inventory and survey shall be done within one (1) year from the approval of this Order.



## **Section 6. Preference of Riparian**

The owner of the property adjoining foreshore/marshy lands or lands covered with water bordering upon the shores or banks of navigable lakes or rivers, shall be given preference to apply within sixty (60) days upon receipt of "notice of preferential rights" for such lands adjoining his property.

## **Section 7. Transfer of Rights**

If at any time the applicant dies, or if he/she cannot continue through no fault of his/her own after the issuance of the Order of Award or during the life of the lease or while the applicant still has obligations pending towards the government, he /she shall be succeeded in his/her rights by his/her successors-in-interest who shall be entitled to be issued the contract, subject, however, to the compliance of certain requirements thereof and the subrogation of all his/her rights and obligations under the law and existing DENR policies, rules and regulations applicable thereto.

## **Section 8. Where to File the Application**

The Foreshore Lease Application or renewal thereof shall be filed with the Community Environment and Natural Resources Office (CENRO) which has jurisdiction over the area.

## **Section 9. Application Form and Supporting Documents**

1. The application form shall be filed in due form and substance. An application shall only be accepted if properly filled-out under oath by the applicant, or by its President, General Manager or duly authorized representative/s, in the case of juridical person.

2. The following documents should be submitted:

- a. If the applicant is a naturalized Filipino citizen, a copy of his certificate of naturalization duly issued by the proper agency;
- b. In case of corporation, association or partnership:
  - b.1 Articles of Incorporation and Certificate of Registration from the Securities and Exchange Commission (SEC); and
  - b.2 Three (3) copies of the Board Resolution authorizing the President or any representative/s to apply for foreshore lease agreement.
- c. If the applicant uses a name, style or trade name, other than his/its true name, three (3) copies of the Certificate of Registration of such name, style or trade name from the Department of Trade and Industry (DTI) and Securities and Exchange Commission (SEC).

- d. Approved plan and technical description of the land applied for;
- e. Certification from the regional heads whenever applicable, of the following agencies/offices having jurisdiction over the area that the land applied for is not needed for public use:
  - e.1 Department of Tourism;
  - e.2 Philippine Ports Authority (PPA);
  - e.3 Municipal/District/City Engineer's Office with the concurrence of the Regional Director of the Department of Public Works and Highways (DPWH); and/or
  - e.4 Public Estates Authority (PEA)
- f. A development plan of the area stating among others, the financial and technical capability of the applicant to undertake the project.

### **Section 10. Application Fees**

An application for a new and renewal of Foreshore Lease Agreement/contract shall be accepted only when accompanied by an application fee in the amount of One Thousand (P1000.00) pesos for corporations, associations, or partnerships; and Five Hundred (P500.00) pesos for individual plus documentary stamps. The fee is non-refundable.

### **Section 11. Terms of Foreshore Lease Agreement**

The Foreshore Lease Agreement (FLA) shall be for a period of twenty-five (25) years and renewable for another twenty-five (25) years at the option of the lessor.

### **Section 12. Procedural Steps and Timeframe in Processing Applications**

For the purpose of fast-tracking the processing of foreshore lease applications, the following procedures shall be followed:

1. Filing and acceptance of application with complete requirements at the CENRO to include verification of records, numbering, foldering and recording (1 day)
2. Referral to Land Investigator/Deputy Public Land Inspector for investigation and ocular inspection (1 day);
3. Conduct of preliminary investigation and submission of report by the Investigator to the CENR Officer (7 days);
4. Conduct and submission of appraisal report by the CENR Officer to the PENR Officer, Regional Executive Director (RED), or Secretary, as the case maybe (5 days);

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5. Approval of appraisal and grant of authority to conduct public bidding by the following:
  - PENR Officer – (3 days)
  - Regional Executive Director (RED) – (5 days)
  - Secretary – (10 days)
6. Publication/posting of the notice of right to lease the land applied for and submission of proofs of publication by the CENR Officer to the PENR Officer (45 days);
7. Public bidding and submission of report of bidding by the CENR Officer to the PENR Officer (2 days);
8. Issuance of Order of Award and preparation of foreshore lease agreement by the CENR Officer (3 days);
9. Signing of agreement by the awardee and approval by the following officials concerned upon receipt of the instrument:
  - a. PENR Officer (3-5 days)
  - b. Regional Executive Director (7 days)
  - c. Secretary (15 days); and
10. Notarization and transmittal of approved foreshore lease agreement to the applicant by the CENR Officer/ Record Officer concerned (1 day).

**Section 13. Signing Authority for Appraisal , Conduct of Public Bidding and Foreshore Lease Agreements**

The following officials are authorized to approve the appraisal or re-appraisal of the land, conduct of public bidding, and Foreshore Lease Agreements:

1. PENR Officer - 1 hectare and below
2. Regional Executive Director (RED) - more than 1 hectare up to 5 hectares
3. Secretary - more than 5 hectares

Public bidding shall be conducted in accordance with Sections 34, 35, 36, and 37 of C.A. 141.

**Section 14. Appraisal**

1. The appraisal and/or reappraisal shall be accordance with the manner prescribed in DAO 98-20. The area used and the improvement thereon shall be re-appraised every ten (10) years from the date of the approval of the lease contract. In the event however, that new improvements/development have been introduced prior to the tenth -year, immediate appraisal shall be effected;

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2. The rental shall be paid at CENR Office having jurisdiction over the land subject of the lease; and
3. All rentals paid shall be remitted to the National Treasury.

### **Section 15. Conditions**

In addition to the conditions for foreshore lease agreement provided under the Public Land Act, the following are prescribed:

1. The lessee shall not assign, encumber or sublet his rights of the lease without prior consent issued by the PENRO/RED/ Secretary, as the case maybe;
2. Nothing in this section shall be understood or construed to permit the assignment, encumbrance or subletting of foreshore lands to persons, or associations/corporations/partnerships which are not authorized to lease such lands under C.A. 141 as amended and other pertinent laws ;
3. It is strictly prohibited to remove or dispose any timber except as provided under PD 705 as amended, or any stone, oil, coal, salts, or other minerals or medicinal mineral waters existing within the leased area. Violation of these conditions by the lessee shall cause the forfeiture of his rights stipulated in the lease agreement and render him liable to immediate dispossession and suit for damages;
4. All projects introduced by the lessee shall be subject to the Environmental Impact Assessment System;
5. The lessee shall be required to pay the annual lease rental within fifteen (15) days after receipt of the approved lease contract for the first year. Thereafter, said lease rental shall be paid annually on or before the fifth day of the first month of the year during the life of the lease and without the need of notice of demand to pay;
6. The lessee shall be required to follow strictly the implementation of the approved development plan;
7. The salvage zone described herein shall not form part of the agreement. Further, the lease is subject to easement reserved by the Law on Waters and to the provisions of Sections 41, 109, 110, 111, 112, 113, and 114 of C.A. 141 as amended; and
8. The lease shall not give lessee any right to conduct any reclamation work within or adjoining the area under his lease.

## **Section 16: Grounds for Cancellation**

The grounds for cancellation are as follows:

1. Any violation of the provisions of C.A. 141 as amended regarding Foreshore Lands and the additional conditions under the preceding section of this Order; and
2. Non-payment of annual lease rental for two (2) consecutive years.

## **Section 17. Effect of the Termination and Cancellation of the Agreement**

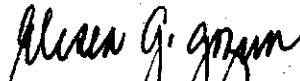
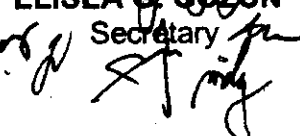
Upon expiration of the lease, or cancellation thereof, all buildings and other permanent improvements made by the lessee, his heirs, executors, administrators, successors, or assigns shall accrue to the government.

## **Section 18. Repealing Clause**

The provisions of DAO 99-34 as well as other issuances, rules and regulations governing foreshore lands of this nature which are inconsistent herewith are hereby repealed/amended or modified accordingly.

## **Section 19. Effectivity**

This Order takes effect fifteen (15) days after publication in any newspaper of general circulation.

  
**ELISEA G. GOZUN**  
Secretary  


**PUBLISHED: MANILA STANDARD**  
**AUGUST 20, 2004**