

FORESTRY

DENR Administrative Order
No. 98 - 01
January 06, 1998

SUBJECT : Establishing the Forest Resource Securitization Strategy for Mobilization of Private Capital to Support Sustainable Forestry in the Philippines.

Whereas, pursuant to Executive Order No. 192, and in accordance with the Philippine Agenda 21, and the Master Plan for Forest Development of the Philippines, the DENR is mandated to lead the way for institutionalizing the means for attaining sustainable forestry in the Philippines;

Whereas, the attainment of sustainable forest management in the Philippines requires the mobilization of the expertise and capital of the private sector, through the integration of viable forestry enterprises under joint venture agreements and similar modes;

Whereas, the disincentive of long payback periods in forestry enterprises can be countered by a Forest Resource Securitization Strategy (FRSS) to provide the capital market mechanism that can mobilize private sector expertise and capital in the scale and terms needed for sustainable forestry =] projects;

Whereas, the DENR recognizes that, in order for market forces to operate, there must be assurance that long term contracts and trust agreements between rights holders over forest lands and resources on the one hand, and buyers of forest products and services and other investors, on the other hand, can be formulated in accordance with international financing and legal standards in an unhampered manner; the DENR further recognizes that such contracts and agreements should

be implemented faithfully by the contracting parties with minimum interference from Government;

Whereas, in order to institutionalize the Securitization strategy, the Department of Environment and Natural Resources (DENR) commits to develop a policy framework that will assure the operation of market forces in capital mobilization for forest cooperators, proponents and the general public interest linked with the Securitization Strategy;

Whereas, the Department recognizes the need to pump prime or catalyze private investments by prioritizing the flow of development assistance funds under the supervision of DENR into project areas where there is need of forest plantation development, industrial forestry and reforestation.

Section 1. Basic Policy

The Department of Environment and Natural Resources shall promote the extensive mobilization of private capital, both domestic and foreign, that will invest in integrated reforestation, forest management and forestry enterprises that are sustainable and financially viable through a Forest Resource Securitization Strategy (FRSS).

The FRSS shall provide the necessary legal, policy and institutional framework that will allow market forces to function in the field of forestry, in such manner that will attract investors and long term buyers of forest products to provide adequate capitalization in Philippine forestry, for such investors and buyers to enter into mutually-beneficial relationships with use-rights holders in Philippine forest resources, including forest-dependent communities and indigenous peoples.

The FRSS provides a facility or mechanism to enable holders of tenurial and/or use rights to forest lands and resources, as well as for DENR itself and its authorized agencies or corporations, to access

additional funds for the sustainable development of forest lands and resources, through Joint Venture Agreements (JVA) with appropriate Partners willing to work under the policies, terms and authorities of the FRSS.

The FRSS shall be limited to forest plantation development, industrial forestry and reforestation areas.

Sec. 2 Specific Objectives

The Forest Resource Securitization Strategy has the following specific objectives:

- (1) Provision for a stable legal and policy framework**
-- Provide a stable legal and policy basis by establishing the Securitization Strategy that will ensure the formulation and faithful implantation of viable Forest Management Plans and corresponding Business Plans and Trust Agreements entered into by the Joint Venture Agreement (JVA) partners in the Securitization Strategy in accordance with Revised Securities Act and other pertinent laws rules and regulations; guarantee the stability of the relationship and contractual commitments of the DENR, use-rights holders, and the securitization proponents; protect the rights of the investors and the general public who have purchased financial securities issued through the securitization process, and assure the fulfillment of obligations of all parties under contracts established in the securitization process.

- (2) Develop a capital market for sustainable forestry and environmental protection program/projects --**
Institutionalize a reliable capital market mechanism that will evoke confidence on the part of the general public

and institutions to invest in Forest Resource Securities, and thereby develop a new and long-term source of funding to support forest plantation development and industrial forestry and reforestation.

- (3) **Encourage the development of a globally competitive Philippine forestry industry** -- Create a viable market that will motivate private enterprises, both foreign and local, to invest and development a world class Philippine forestry industry, gain the commitment of long term buyers of forest products, and sustain investment in forest plantation development, industrial forestry and reforestation.

- (4) **Promote the empowerment of forest-based communities and indigenous peoples** -- empower organized forest-based communities and indigenous peoples to participate actively and share in the returns of a competitive Philippine forestry industry by providing the means to secure adequate capitalization, technology transfer, training, and assurances of long term markets for forestry resource products, through the Securitization Strategy.

- (5) **Develop market-based incentive systems** -- Provide motivation and market-based incentive systems for rights holders of forest resources to be efficient in their forest management work in order to attract investors and long term buyers to consider working with them under the Securitization Strategy.

- (6) **Focus, integrate, and organize environmental protection efforts** -- Enable independent environmental initiatives to be more focused and unified, by providing a mechanism for pooling public and private resources (through the Trust Fund created by securitization process) to provide adequate capitalization, a more sustainable approach to these projects, and a more effective impact of environmental protection initiatives.

Sec. 3 Principal Features of the Strategy

- 3.1 **Purpose of Forest Resources Securitization Strategy** -- The FRSS is a strategy that defines the legal basis, provides the economic environment and policy conditions, and guarantees the institutional arrangements, whereby a forest rights holder with an existing agreement with DENR, or DENR, by itself, or through its qualified agency or corporate arm, enters a joint venture agreement with a Service Consortium for the purpose of securitization of forest assets, through the process defined in this Order but limited to forest plantations, industrial plantations, and reforestation areas.
- 3.2 **DENR Authorizations to Support the Securitization Strategy** -- The strategy provides the policy, consent, authorities and permits from DENR that may be required to implement a Securitization Project, and to attract the participation and investments of the domestic and international forest industry, long term buyers of forest products, processors, financial institutions, and the general public.

- 3.3 **Basic Output of the Strategy** -- The Strategy provides right holders of forestry areas, or DENR, by itself, or through its qualified agency or corporate arm, a mechanism for raising funds from the forestry industry, financial institutions and the capital market in general, for the total development of forest lands and resources.
- 3.4 **Key Policy Requirement of the Strategy** -- The Strategy recognizes that the key to attract private capital into sustainable forestry and other environmental concerns is to create a stable legal and policy framework responsive to the workings of the markets for forest products and services, that will enable forestry enterprises, reforestation and forest management programs, to be economically and financially viable, while adhering to sound environmental standards and “best” forestry practices.
- 3.5 **Participation of Upland Communities** -- A basic policy thrust of the FRSS is to ensure the active participation of economic empowerment of the upland communities, in the project areas, based on the principle of prior informed consent; to ensure that technology, training, an economic resources be channeled to them to develop their capabilities as caretakers and beneficiaries of the forest to share in the earnings of the project, and to become active participants in the development of a globally competitive Philippine forestry industry.

Sec. 4 Key Components of the Strategy

The FRSS has key components designed to address the critical needs of securitization and required by market conditions, industry and banking standards. These are:

- (1) DENR authorization of the Joint Venture and guarantee on the stability of the legal and policy framework governing the Project Trust Agreement -- in order assure investors, industry and financial players, both local and international, and the general public of the implementability and adherence to the Project Trust Agreement, and the protection of their interests.
- (2) Integrated Business Plan for Securitization Projects and the necessary DENR authorizations -- A total plan for the development, operations and management of commercial and non-commercial components of the Project as well as the fund raising and marketing activities, will be formulated to be included in the Project Trust Agreement to be authorized and supported by the DENR with the necessary consent, authorities, and permits to ensure its implementability.
- (3) Independent valuation of forest assets and investments in the project areas, which will serve as the basis for recovery of costs and compensation to equity holders, and for the issuance of the financial securities.

- (4) Preparation of Forest Development Plan -- a Forest development plan shall be prepared for each Securitization Project; the Plan shall be a comprehensive forest rehabilitation, development, and maintenance plan in accordance with accepted forestry practices and sound environmental standards, which shall be formulated for the Project Area based on DENR's sustainable forest management objectives, and agreed upon with the forest use-rights holder in case there be any. In case the Project Area is covered by exiting community-based forest management tenure instruments, the Forest Development Plan shall define the relationship and participation of the community in the joint venture, including provisions for training, livelihood and other socio-economic development needs of the upland community concerned.
- (5) Modification of DENR agreement with rights holder in accordance with the requirements of a bankable securitization project -- The Department recognizes that there may be need to modify its original agreement with existing rights holder to ensure a bankable securitization project, and such modifications may be considered by DENR upon its approval of the Business Plan and the Project Trust Agreement.
- (6) Conveyance of rights and responsibilities by Rights Holder to the Project Trust -- The DENR may allow the rights holder to assign to the Project Trust the rights, interests or benefits that it has over the forest areas, to enable the Trust to function in accordance with its contractual commitments and

undertake necessary remedies in case of default in order to assure investors, creditors, and the general public of the full implementability and protection of their rights under the Trust Agreement.

- (7) Economic empowerment and active participation of upland communities in securitization projects -- This is a basic policy of the FRSS and shall be provided as a major program component in the Forest Development Plan and Business Plan for Securitization Project.

- (8) Special Fund for Developmental Objectives -- A Special Purpose Fund will be accumulated from allocations made from Project earnings and or from funds specially invested for developmental or non-commercial objectives such as the replication of integrated reforestation in other areas, rehabilitation and management of protect forest or watershed areas, development of water resources and wildlife habitat, and other similar environmental projects identified by the Project Trust.

- (9) Programming of Official Development Assistance (ODA) funds to support FRSS -- DENR shall negotiate for, and program, where appropriate and feasible, ODA funds where these are available to support Securitization Projects, in order to catalyze the launching of these projects and in recognition of the developmental purposes supported by the strategy.

Sec. 5 Coverage of the Strategy

- (1) **Forest Areas with Tenurial or Use-Rights Agreements.** The FRSS may be applied to all forest plantations, industrial plantation and reforestation areas with tenurial or use-rights agreements with DENR under any of its programs and use-rights allocation modes (e.g., IFMA, SIFMA, CBFM) provided the rights holder agrees, and is able by itself, to perform or secure a working agreement with a Service Consortium that has the necessary credentials, track record and competence to undertake the critical tasks required by securitization. Provided further that the proponent(s) are authorized by the DENR to undertake a securitization project, as evidenced by DENR's concurrence on the Project Trust Agreement.

- 2) **Forest Areas without Tenurial Agreements and/or under DENR entities.** The FRSS is also available for forest plantation, industrial plantation and reforestation areas that are presently not covered by tenurial arrangements or use-rights allocations, and such are under the direct management of DENR or any of its agencies or corporations, provided that a joint venture agreement is entered into between DENR and its assigns for the purpose of undertaking a Securitization Project. Provided further, that should the DENR-assigned entity be abolished, all the rights, interests, assets and benefits shall remain entrusted with the Project Trusts, and the DENR shall step into the role of responsibilities of the Joint

Venture Partner vis-a-vis the Service Consortium and the Trustee Bank.

- (3) **Piloting the Securitization Strategy** -- The DENR shall undertake securitization projects initially for three years in specifically defined areas in order to pilot and learn from the experience and develop the market and institutions for the Securitization Strategy.

Sec. 12 Effectivity. This Strategy shall be effective upon signing of this Department Administrative Order and supersedes any administrative rule or regulations inconsistent with the provisions of this issuance.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 08

February 25, 1998

SUBJECT : Amendment to DAO 97-35 Entitled “Governing the Entry and Disposition of Imported Logs, Lumber, Veneer, Plywood, Poles and Piles, and Pulpwood Including Wood Chips”.

In order to certify certain omission and typographical errors in the approved DAO 97-35, this Order is hereby amended to read as follows:

“SUBJECT: AMENDING AND CLARIFYING CERTAIN SECTIONS OF DAO No. 97-08 ENTITLED “GUIDELINES GOVERNING THE ENTRY AND DISPOSITION OF IMPORTED LOGS, LUMBER, VENEER, PLYWOOD, POLES AND PILES, AND PULPWOOD INCLUDING WOOD CHIPS”

Section 3. **Who May Import Logs, Lumber, Veneer, Plywood, Poles and Piles and Pulpwood Including Chips.** A holder of Timber license Agreement (TLA), Industrial Forest Management Agreement (IFMA), Wood Processing Plant Permit (WPPP) or Certificate of Registration (CR) issued by DENR as wood processor, agent, contractor or dealer of logs/lumber, may import wood materials; provided that before availing the privilege to import, the holder of TLA, IFMA, and/or

WPPP shall have their existing local log and/or Lumber Dealer's Permit stamped by the Office of the Regional Executive Director (RED) concerned as valid also to import wood materials without further undergoing separate registration processes called for under DAO 94-17. However, a prospective wood processor, agent, contractor and dealer who are not holders of TLA, IFMA, or WPPP shall first secure the registration requirements specified under DAO 94-17.

All other provisions of DAO 97-35 remain as is. This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Published At:

ISYU - March 19, 1998 -- page 05

DENR Administrative Order
No. 98 - 10
March 04, 1998

SUBJECT : Guidelines on the Establishment and Management of Community-Based Forest Management (CBFM) Projects Within Mangrove Areas.

Pursuant to PD 705 as amended, otherwise known as the Revised Forestry Code of the Philippines, EO 263 entitled “Adopting CBFM as the National Strategy to Ensure the Sustainable Development of the Country’s Forestland Resources and Providing Mechanisms for its implementation”, and its Implementing Rules and Regulations embodied in DAO 96-29, the following guidelines are issued for the establishment and management of CBFM within mangrove areas, for the guidance of all concerned.

Section 1. Objectives. Community-Based Forest Management Projects shall be established in mangrove areas in order to promote equitable access to natural resources, help in the socio-economic upliftment of local communities and at the same time encourage their participation in the conservation, rehabilitation, afforestation and management of mangrove forests.

Sec. 2 Establishment and management of CBFM Projects. The establishment and management of CBFM Projects in mangrove areas shall be in accordance with DAO 96-29 and other policies issued on CBFM. Provided, that in case the mangrove area is within a protected area, the management of the same shall be in accordance with the provisions of RA 7586 and its implementing rules and regulations. Provided further, that the participants to CBFM Projects shall be organized and issued Community-Based Forest

Management Agreement (CBFMA) consistent with relevant provisions of DAO 96-29.

Sec. 3 Cutting or harvesting and utilization within CBFM areas. Cutting or harvesting of mangrove species shall be allowed provided that these are planted by the CBFMA holders themselves and that the harvesting operations are included in the affirmed Community Resource Management Framework, Ancestral Domain Management Plan or Protected Area Management Plan, as the case may be, and Annual Work Plan; provided, further that replanting of area harvested shall be undertaken within six months after harvesting operations, and provided, finally that the harvesting operations shall be closely monitored by the CENRO/PASU concerned.

Sec. 4 Exemption from payment of forest charges. All harvested planted mangrove forest products are exempted from payment of forest charges.

Sec. 5 Penalties. Unauthorized cutting of mangrove species, particularly naturally growing species or non-replanting of areas where harvesting had been conducted, shall be sufficient cause for the suspension, or cancellation of the CBFMA, without prejudice to penalties provided for in PD 705, as amended, RA 7586 and other forest policies, rules and regulations.

Sec. 6 Transitory provisions. Relevant provisions of this order shall also apply to valid and existing holders of CSC and Mangrove Stewardship Agreements, who are hereby encourage to associate themselves and avail of CBFMA to include areas outside their stewardship contract areas.

Sec. 7 Repealing Clause. Provisions of other DENR Administrative Orders, Memorandum Circulars, or other official issuances not consistent herewith are hereby repealed or amended accordingly.

Sec. 8 Effectivity. This Order shall take effect fifteen (15) days after its publication in a newspaper of national circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

Published At:

TODAY -- October 09, 1998 page 6

DENR Administrative Order
No. 98 - 11
March 11, 1998

SUBJECT : Temporary Lifting of the Ban on Lumber Export.

In order to help stabilize the foreign exchange rate of the Philippine peso which has been adversely affected by the regional economic crisis and in order to get the optimum value of Philippine hardwood while using imported wood for ordinary construction, this Department in consultation with the Department of Trade and Industry (DTI) is temporarily lifting the ban on lumber exports imposed under DENR Administrative Order No. 19, dated 17 March 1989.

The lifting of the ban is, however, subject to the following conditions:

1. Only TLA- and IFMA-holders with approved Integrated Annual Operations Plan (IAOPs) shall qualify for an export permit;
2. Only KD lumber produced and processed locally shall be allowed for export;
3. A floor price shall be established periodically for the lumber to be exported to get the full value of the wood;
4. To ensure that domestic requirement for lumber is not prejudiced by export, the DENR Regional Offices in coordination with the local DTI will determine the domestic lumber requirement of the Region. A certification to this effect will be issued by the RED which will determine the export allocation of KD lumber per region. Such volume should not affect the requirement of lumber for local consumption.

5. Exportation of the lumber processed by qualified TLA-/IFMA-holders will only be allowed upon satisfactory compliance with all the requirements as shown as Annex A.
6. Lumber exports shall be allowed up to December 31, 1998 only, unless earlier terminated by this Office.

This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

(Sad.) VICTOR O. RAMOSE
Secretary

Annex A omitted

DENR Administrative Order

No. 98 - 13

March 16, 1998

SUBJECT : Reversion of Mantigue Island from the Category of Alienable and Disposable Land to Forest Land.

Pursuant to Section 4 of Forestry Administrative Order No. 65, Series of 1972 whereby isolated areas, eighteen percent in slope and less than 250 hectares in area are to be excluded from classification as alienable and disposable land, Mantigue Island also known as Magsaysay Island is hereby reverted to the classification of forest land from alienable and disposable land.

This order also revokes BFD Administrative Order No. 4-2098 dated June 29, 1987, declaring Mantigue Island as alienable and disposable land.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 14

March 26, 1998

SUBJECT : Declaring and Certifying Certain Portion of the Public Forest as Available for Fishpond Development Under LC Project No. 28-B of Jaro, Iloilo.

Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines, as amended, I hereby declare and certify the portion of the forest land containing an area of 2.90 hectares as available for fishpond development, the administration and management of which is hereby transferred to the Department of Agriculture and Food (DAF) thru the Bureau of Fisheries and Aquatic Resources (BFAR), located in the aforementioned municipality and province, shown and described per Map No. SZ-93 which is attached hereto and forms an integral part of this order, subject to the following conditions:

- a. The strip of mangrove or swampland at least fifty (50) meters wide fronting oceans, lakes and other bodies of water, and the strips of land twenty (20) meters on both sides of river channels/banks are reserved for shoreline and/or bank protection.
- b. Existing mangrove vegetation found therein shall be protected and conserved for ecological reasons in line with the government's environmental and natural resources conservation program.
- c. The utilization of forest products existing therein shall remain subject to Forestry and Internal Revenue Laws and Regulations, and the present holders, if any, of licenses covering the area that may be occupied for purposes of development under the authorization of

the Director of Fisheries and Aquatic Resources, shall have the preferential rights in the utilization of said forest products.

- d. The area herein declared and certified as available for fishpond development must be developed or utilized for the purpose stated within five (5) years from approval hereof, otherwise the declaration/certification as such is automatically revoked or cancelled pursuant to paragraph 3, Section 43 of PD 705 as amended, and the Department of Environment and Natural Resources shall exercise immediate administration and control over these areas.
- e. Violation of any of the above-stated conditions shall constitute sufficient cause to invalidate this declaration/certification.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommending Approval:

Usec. JOSE G. SOLIS
Administrator
National Mapping & Resource
Information Authority

JOSE D. MALVAS, JR.
Director
Forest Management Bureau

DENR Administrative Order

No. 98 - 19

April 21, 1998

SUBJECT : Recalling DAO 98-11.

In the interest of the service, Department Administrative Order (DAO) No. 98-11 is hereby recalled. Although there is a need for market based instruments in forestry, the Order must be recalled because full support from stakeholders is necessary to ensure that safety nets can be properly enforced.

The provisions of DAO 98-11 are hereby rescinded with finality and with prejudice to any and all applications for lumber export filed with the Department pursuant to said DAO.

This order takes effect IMMEDIATELY and supersedes all issuances inconsistent herewith.

21 April 1998, Quezon City, Philippines

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 27

June 17, 1998

SUBJECT : Interim Annual Rental for Special Use of Forestland for Energy Projects.

Pursuant to the provisions of Sec. 64 of Presidential Decree No. 705, as amended, Executive Order No. 192, Series of 1987, and pending result of a study to determine the most appropriate rate of rental to be prescribed for the special use of forestland for energy projects, the interim rental fee for the purpose is set as follows:

The annual fee to be collected by DENR for special use of forestland for energy projects shall be **THREE THOUSAND PESOS (₱ 3,000.00)** per hectare or a fraction thereof and to be increased cumulatively by ten percent (10%) every year.

The Forest Management Bureau is hereby directed to conduct in coordination with other DENR offices/bureaus and other appropriate government agencies, the aforesaid study on the appropriate rate of rental for special use of forestland for energy projects starting immediately upon the issuance of this order. They shall submit their report and recommendation in the form of a draft DAO on or before 20 November 1998 to this Office.

This Order takes effect immediately and supersedes all orders, circulars, and instructions which are inconsistent herewith.

(Sgd.) VICTOR O. RAMOS

Secretary

DENR Administrative Order
No. 98 - 30
June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Alienable or Disposable for Cropland and Other Purposes, and setting aside Certain Parcels Thereof for Permanent Forest Purposes Under LC Project Nos. 10-G of Tuba, Benguet and 13-F of San Manuel, Pangasinan.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 2,445.00 hectares, and further declare and certify an aggregate area of 1,150.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipalities and provinces and shown and described in Map LC - 3569, which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 31

June 18, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forest Lands for Permanent Forest and as Alienable or Disposable for Cropland and Other Purposes Under LC Project Nos. 11-E, 9-H, 12-G of Tublay, La Trinidad and Sablan, Benguet; and 16-B of Bagulin, La Union, Respectively.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 2,018.90 hectares, and further declare and certify an aggregate area of 763.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipalities and provinces and shown and described in Map LC - 3551, which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 32

June 18, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forest Lands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project Nos. 1-A, 7-C, 18-B and 12-E of Atok, Kapangan, Kibungan and Sablan, Benguet; and 20-B of Burgos, La Union, Respectively.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 8,458.00 hectares, and further declare and certify an aggregate area of 513.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipalities and provinces and shown and described in Map LC - 3561, which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 33

June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forest Lands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project Nos. 18-A of Nagtipunan, Province of Quirino.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 16,704.00 hectares, and further declare and certify an aggregate area of 960.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipality and province and shown and described in Map LC - 3559, which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 34

June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forest Lands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project Nos. 15-H, 16-K, 17-A and 18 of Aglipay, Maddela, Cabarroguis, and Nagtipunan, Province of Quirino.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 55,483.00 hectares, and further declare and certify an aggregate area of 4,009.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed Municipalities and provinces and shown and described in Map LC - 3554, which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 35

June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forest Lands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project Nos. 16-M of Maddela, Quirino and 10-H of San Agustin, Isabela, Respectively.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 31,023.00 hectares, and further declare and certify an area of 932.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipality and province and shown and described in Map No. LC - 3556 which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order

No. 98 - 36

June 18, 1998

SUBJECT : Declaring and Establishing Certain Portions of the Public Forest as Permanent Forest Multiple-Use Development and Management Purposes Under LC Project No. 12-J of Abra De Ilog, Mindoro Occidental and 11-D of Puerto Galera, Mindoro Oriental.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forestland for multiple-use forest development and management certain parcels of the public domain containing an aggregate area of 11,910.00 hectares, more or less, situated in the Municipalities of Abra de Ilog and Puerto Galera, Province of Mindoro Occidental and Mindoro Oriental, respectively, as shown and described in Map No. LC - 3512, which is attached to and forms an integral part of this Order.
2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS

Secretary

Recommended by:

(Sgd.) EVANGELINE C. CRUZADO

Officer-In-Charge, NAMRIA

DENR Administrative Order
No. 98 - 37
June 18, 1998

SUBJECT : Declaring and Establishing Certain Portions of the Public Forestlands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project No. 18-D and 10-E of San Teodoro and Baco, Mindoro Oriental and LC Project No. 10-C of Sta. Cruz, Mindoro Oriental Respectively.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 21,810.00 hectares, and further declare and certify an area of 322.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipality and province and shown and described in Map No. LC - 3563 which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

(Sgd.) EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order
No. 98 - 38
June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forestlands for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project No. 38-C of General Nakar, Quezon.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 40,731.00 hectares, and further declare and certify an area of 2,078.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed municipality and province and shown and described in Map No. LC - 3562 which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

(Sgd.) EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order
No. 98 - 39
June 18, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Forestland for Permanent Forest Purposes and as Alienable or Disposable for Cropland and Other Purposes Under LC Project No. 60-B of Guiuan, Province of Eastern Samar.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare as permanent forest, the forestland blocks covering an area of 9,689.00 hectares, and further declare and certify an aggregate area of 1,240.00 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the above named municipality and province shown and described in Map No. LC - 3577 which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of a stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

(Sgd.) EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order
No. 98 - 40
June 11, 1998

SUBJECT : Declaring Certain Portions of the Public Forest as Alienable or Disposable for Cropland and Other Purposes and Setting Aside Certain Parcels Thereof for Permanent Forest Purposes Under LC Project No. 5-G of El Nido, Palawan.

1. Pursuant to Section 13 of Presidential Decree No. 705, otherwise known as the Revised Forestry Code of the Philippines as amended, I hereby declare and certify an area of 177.73 hectares, more or less, as alienable or disposable for cropland and other purposes under the Public Land Act and further declare as permanent forests, the forestland blocks covering an aggregated area of 555.92 hectares, which parcels of land are located in the above named Municipality and Province shown and described in Map No. LC - 3601 which is attached to and forms an integral part of this Order, subject to the following conditions:

In the area herein declared as alienable or disposable, a strip of 15 meters in width on each side of any public trail and a strip of 20 meters in width on each side from the highest bank of any stream or river are reserved as forestlands and must be maintained under permanent forest cover for ecological reasons in line with the government's environmental and natural resources protection and conservation program.

2. This Order shall take effect upon approval.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommended by:

(Sgd.) EVANGELINE C. CRUZADO
Officer-In-Charge, NAMRIA

DENR Administrative Order
No. 98 - 41
June 24, 1998

SUBJECT : Guidelines on the Establishment and Management of Community-Based Forest Management (CBFM) Projects Within Watershed Reservations.

Pursuant to EO 263 adopting CBFM as the national strategy to promote sustainable forest management and development, DAO 96-29 or the CBFM Implementing Rules and Regulations, and consistent with RA 7586, otherwise known as the NIPAS Act, as implemented by DAO 25, s. 1992, this Administrative Order is issued to provide guidelines on the establishment and management of CBFM Projects inside watershed reservations.

Section 1. Basic Policy. It is the policy of the government to conserve, protect, rehabilitate and develop forest watershed areas to ensure the sustainable production of water for domestic, agricultural, industrial and other purposes. To achieve said policy, watershed reservations are included as initial components of the National Integrated Protected Areas System (NIPAS). Further, the government recognizes supports and promotes the rights and capacities of local communities, tenured migrants and indigenous peoples to manage natural resources on a sustainable management principle. It has adopted the CBFM strategy for sustainable development of these natural resources. Accordingly, the Department has established CBFM and People-oriented Forestry Projects inside forestlands including watershed reservations. The implementation of the CBFM strategy inside watershed reservations must be according to the provisions of the NIPAS law. It must also be consistent with the principles of

multiple use, sustainable management and biological diversity conservation.

Sec. 2 Objectives. The implementation of CBFM Projects inside watershed reservations aims to:

- 2.1 Enhance the conservation, protection and rehabilitation of watershed reservations to reduce soil erosion and sedimentation, improve water yield and quality, and promote biological diversity.
- 2.2 Provide livelihood opportunities to local communities, tenured migrants and indigenous peoples and enhance their socio-economic well being; and
- 2.3 Encourage support and active participation of local communities, tenured migrants and indigenous peoples and strengthen their capacities to manage watershed resources on a sustainable basis.

Sec. 3 Procedure in the Implementation of CBFM Projects in Watershed Reservations.

- 3.1 CBFM projects may be established within watershed reservations provided that the management of resources therein shall be according to the NIPAS Law and its Implementing Rules and Regulations. The NIPAS Law respects and protects the rights and interests of indigenous peoples and tenured migrants within protected areas.
- 3.2 The procedure for implementing CBFM Projects inside watershed reservation shall follow DAO 96-29 and related policies. *Provided*, that the appropriate Protected Area Superintended (PASu) and the Protected Area Management Board (PAMB) shall be involved in all phases of the CBFM implementation.
- 3.3 The appropriate tenurial instruments shall be issued according to DAO 96-29, *provided* that the PAMB endorses it.
- 3.4 The formulation of the Community Resource Management Framework (CRMF) and Annual Work Plan (AWP) shall follow

MC 97-12. Both CRMF and AWP must be consistent with the Initial Protected Area Plan (IPAP), subject to revision upon approval of the final management plan of the watershed reservation. Upon favorable endorsement of the PAMB, the CRMF and the AWP shall be affirmed by both the PASu and the CENRO concerned.

3.5 The PO shall implement the affirmed CRMF and AWP, assisted by the PASu, the CENRO, the LGU concerned and the concerned agencies/entities.

3.6 The CENRO, the PASu, the LGU, the PAMB and PO shall jointly monitor the implementation of the CRMF and the AWP. Results of the monitoring activity shall be used as one of the bases for improving management plan implementation by the PO.

Sec. 4 Watershed Resources Management

4.1 Community management of watershed resources shall include, but not be limited to, the following strategies:

4.1.1 Protection of the CBFM area and the larger watershed reservation from fire, encroachment, illegal logging and other forms of destruction;

4.1.2 Protection of primary forest and conservation of biological diversity;

4.1.3 Rehabilitation and reforestation of denuded areas; and

4.1.4 Promotion of land uses and practices that increase productivity and conserve soil, water and other forest resources.

4.2 The development and utilization of watershed resources may be allowed in management zones where such activities are permitted following DAO 25, s. 1992 and the affirmed CRMF. Priority shall be given to the development of the forest resource base such as agro-forestry, plantation establishment and improvement of existing

forest stands, eco-tourism and other non-extractive activities, and improvement of agriculture and other food production activities.

4.3 In extracting forest resources, priority shall be given to non-timber species, abandoned logs, fallen timber and dead trees, plantation timber species and lesser-used species.

4.4 Part of the income derived from the utilization of watershed resources shall accrue to the Integrated Protected Area Fund (IPAF), as agreed upon by the PO and PAMB. This amount shall be reinvested in the CBFM area for the improvement and protection of the watershed resources, and for other community development activities.

4.5 Utilization of watershed resources shall be described in detail in a Resource Use Plan (RUP) which is an integral component of the AWP, pursuant to Memorandum Circular No. 97-12. Any likely negative impacts of such activities shall be identified and appropriate mitigation measures shall be prescribed pursuant to Philippine Environmental Impact Assessment (EIA) System. These mitigation measures shall be clearly shown in the AWP.

Sec. 5 Transitory provisions. Existing Ancestral Domain Management Plans (ADMPs) and CRMFs affirmed before Administrative Order shall remain valid and in force. Requests for utilization of forest resources by CBFM participants may be granted in accordance with Section 4 hereof, and upon endorsement by the PAMB. In cases where the IPAP for the watershed reservation has not been prepared, the Regional Executive Director concerned shall, within six (6) months from the issuance of this Order, cause the immediate preparation of the same. Thereafter, the PO, assisted by the CENRO and PASu, shall review and amend said ADMP or CRMF following the provisions of this Order.

The amended ADMP or CRMF shall form an integral part of the management plan of the entire watershed reservation.

Sec. 6 Amendatory Provisions. This Administrative Order amends provision of previous memorandum circulars and other orders inconsistent herewith.

Sec. 5 Effectivity. This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 08, 1998 - page 04

DENR Administrative Order

No. 98 - 42

June 24, 1998

SUBJECT : Production Sharing Agreement With People's Organizations in the Harvest of Forest Plantations Owned by the Government Inside CBFM areas.

Pursuant to Article XII, Section 2 of the 1987 Philippine Constitution which defined the modes for the exploration, development, and utilization of natural resources, Executive Order 263 which adopted Community Based Forest Management as the national strategy to ensure sustainable management of the country's forest resources, and DAO 96-29 or the CBFM implementing guidelines, which prescribed that the CBFM Agreement is a production sharing agreement, and in order to sustain government efforts in reforesting denuded forestlands, the herein guidelines are issued for the management and utilization of forest plantations owned by the government under a production sharing agreement, for the guidance of all concerned.

Section 1 Basic Policy. It is the policy of the government to reforest denuded forestlands in order to conserve soil, water, wildlife and other natural resources and expand the forest resource based for the benefit of the present and future generations. The sustainable management of and equitable sharing of benefits from forest resources will be achieved through the CBFM strategy.

Sec. 2 Production Sharing Agreement. Forest plantations owned by the government shall include the following:

3.1 Reforestation/forest plantation projects administered/ established by DENR;

- 3.2 Reforestation/forest plantations established by TLA holders and other permittees in compliance with the terms and conditions of the timber license agreement or permit;
- 3.3 Plantations established by holders of IFMA, SIFMA, ITP, CBFMA, and other tenurial instruments which were cancelled for caused; and
- 3.4 Other reforestation or plantation projects established with government funds; *provided that* the utilization of forest plantations owned by the government shall be limited within production forests or management zones within protected areas where such activities are allowed; *provided further* that the plantations owned by the government are inside the CBFM areas, and their utilization is included in affirmed Community Resources Management Framework (CRMF) and Annual Work Plan (AWP).

Sec. 4 Government Share in the Harvest of Government Owned Forest Plantations. The products or income derived from the utilization of government owned forest plantations shall be shared as follows:

- a. For the People's Organization - 75% of the gross sales
 - b. For the Government - 12.5% of the gross sales
 - c. For the CBFM fund (created under Sec. 8 of EO 263) - 12% of the gross sales
-
- 4.1 The CENRO and PO shall jointly conduct scaling of the actual volume harvested from the plantations owned by the government, in accordance with existing rules and regulations. This measured volume shall be the basis for the allocation of shares defined above.
 - 4.2 The PO shall remit to the DENR-CENRO not later than two (2) months from the issuance of Certificate of Timber Origin, Certificate of Lumber Origin or Certificate of Conveyance, the government share and the amount for the CBFM Fund. Failure to

remit shall be sufficient cause for the suspension of harvesting operations.

4.3 The CENRO shall then remit the government share to the National Treasury. The amount intended for the CBFM Fund shall be deposited in the CBFM Fund account.

Sec. 5 Effectivity. This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 08, 1998 - page 04

DENR Administrative Order

No. 98 - 43

June 24, 1998

SUBJECT : Exemption of Community Based Forest Management Projects from the Payment of Administrative Fees.

WHEREAS, Executive Order No. 263 dated July 19, 1995 adopted Community Based Forest Management (CBFM) as the national strategy towards the sustainable development of the country's forestland resources;

WHEREAS, under the CBFM Program, organized People's Organizations (POs) are given equitable access to the utilization of the forest resources while at the same time given the responsibility of managing and protecting their forest areas;

WHEREAS, this strategy is towards the improvement of the socio-economic conditions of the upland dwellers and the sustainable management of the forests;

WHEREAS, under the CBFM Program, the POs are given the privilege of utilizing the forest resources in their areas provided the sustainable utilization of the same is contained in their long term Community Resource Management Framework Plans and Annual Work Plans and provided further that they comply with all the necessary forestry rules and regulations including the payment of forest charges and administrative fees;

WHEREAS, the POs, being the poorest of the poor are having difficulty in the payment of forest charges and administrative fees resulting in their inability to take advantage of the opportunities provided, or resulting in unprofitable operations;

WHEREAS, under Section 64 of PD 705, otherwise known as the Forestry Reform Code of the Philippines, the DENR Secretary is empowered to set and prescribed the payment of administrative fees;

WHEREAS, the DENR is mandated under EO 263 to assist the POs in implementing the CBFM Program;

NOW THEREFORE, premises considered, the POs of CBFM projects are hereby exempted from the payment of following administrative fees:

- A. Application Fee
- B. License/Permit Fee
- C. Service Fee
- D. Rental Fee
- E. Others (e.g. Oath Fee, appeal fee and authentication fee)

This Order shall take effect fifteen days following its publication in a newspaper of general circulation and upon submission to the UP Law Center.

SO ORDERED.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 08, 1998 - page 04

DENR Administrative Order
No. 98 - 44
June 24, 1998

SUBJECT : Guidelines on the Establishment and Management of the CBFM Special Account

Pursuant to Section 8 of Executive Order No. 263 mandating DENR to establish a Community Based Forest Management Special Account (CBFMSA), the herein order is hereby issued for the guidance of all concerned.

Section 1 Objectives of the CBFMSA. The CBFMSA shall help promote the full, meaningful and indispensable participation of upland communities in the protection and management of the forest ecosystem. The CBFMSA shall support the CBFM Strategy, provide financial and professional incentives to deserving communities and government personnel and ensure the sustainability of the CBFM Program.

Sec. 2 CBFMSA Sources. The CBFMSA shall be deposited to a qualified Philippine Government Bank under the name of the CBFM Special Account. The following are the sources of the CBFM Fund:

- 2.1 The government share in the Production Sharing Agreements with the CBFM POs in the harvest and management of forest resources;
- 2.2 Interests and other charges imposed by the government to POs who borrow money from the CBFM Fund to pursue their operations;
- 2.3 Contributions, donations, endowments and grants from any source;

- 2.4 Other revenues as may be derived from the management of the CBFM projects; and
- 2.5 Such other funds as DENR may later identify or provide to the CBFMSA.

Sec. 3 Uses of CBFMSA. The CBFMSA shall be used solely to support the implementation of the CBFM Strategy. These include among others:

- 3.1 Establishment of new CBFM projects;
- 3.2 Assistance to POs in community organizing and formulation of Community Resource Management Frameworks (CRMF) and Annual Work Plans (AWP);
- 3.4 Financial assistance to the POs in implementing development projects contained in their affirmed CRMFs and AWP. These projects shall include but not limited to the following: enterprise development, ecotourism, agroforestry, plantation development and other activities that will expand the forest resource base, harvesting and processing of forest products and posting of bonds for forest charges;
- 3.5 Financial and professional incentives to deserving communities and government personnel involved in CBFM; and
- 3.5 Such other uses that the CBFM Fund Governing Board will allow.

Sec. 4 Collection of Government Share in a Production Sharing Agreement. The Regional Executive Director or his/her duly authorized representative shall be responsible for the collection of the government share in Production Sharing Agreements with the POs and shall remit the same to the CBFM Fund through the CBFMO. The Regional Executive Director or his/her duly authorized representative shall submit to the CBFMO a statement of collections during the preceding quarter within the first fifteen (15) days of each quarter. The CBFMO will prepare the consolidated report on

collections and status of funds for information and action by the CBFMSA Governing Board.

Sec. 5 Disbursement of CBFMSA. Disbursement of CBFMSA shall be used solely for the purposes set forth in Section 3 hereof, *provided* that at least fifty percent (50%) of the government share from the harvest of plantations collected by each region shall be used exclusively for the establishment of plantations in the same CBFM area.

The Regional Executive Directors together with the POs and other stakeholders shall submit to the CBFMSA Governing Board an annual proposal of activities for funding.

Sec. 6 CBFMSA Governing Board. There is hereby established a CBFMSA Governing Board composed of seven (7) members: the Secretary or his duly authorized representative as ex-officio Chairman of the Board; the CBFM Office Head; the Forest Management Bureau Director; the Director of the Finance Management Services of DENR; one from the Multisectoral Forest Protection Committees (MFPC) as recommended by the MFPC National Federation; and two (2) from CBFM POs. The MFPC and PO members shall have a term of two years.

6.1 Functions of the CBFMSA Governing Board. The Governing Board shall perform the following functions:

- 6.1.1 Determine and decide procedures on the management, allocation and disbursement of the CBFMSA and decide by a majority vote, on issues and problems concerning the same;
- 6.1.2 Issue guidelines to account and audit the funds released and disbursed to ensure the protection and maximum utility of the CBFMSA; and
- 6.1.3 Issue guidelines to govern the conduct of its business.

6.2 Meetings. The Governing Board shall meet at least once a quarter.

6.3 Secretariat. The CBFM Office shall serve as the Secretariat of the CBFMSA Governing Board.

6.4 Funding Requirements of CBFMSA Governing Board.

Members of the Governing Board shall serve without additional compensation from the government except for travel and actual expenses incurred in the performance of their duties and responsibilities. The financial requirements of the CBFM Fund Governing Board and the Secretariat shall come from DENR regular funds.

Sec. 7 Effectivity. This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY July 08, 1998 - page 06

DENR Administrative Order

No. 98 - 45

June 24, 1998

SUBJECT : Guidelines Governing the Issuance and Transfer of Certificate of Stewardship (CS) Within CBFM Areas

Pursuant to Executive Order No. 263 otherwise known as the Community-Based Forest Management Strategy and DAO 96-29, its implementing rules and regulations, the following guidelines are hereby promulgated for the guidance of all concerned:

Section 1 Basic Policy. Consistent with the policy of promoting social justice and equitable access to forest lands and resources, the government shall recognize individual property rights within forest lands in order to encourage private investments in the development of marginal forest lands, promote socio-economic upliftment, and enhance active participation in CBFM activities. In line with this policy, a Certificate of Stewardship (CS) shall be awarded to an individual or family actually occupying, tilling, developing, managing or protecting portions of forest lands. The CS, which have a duration of 25 years and renewable for another 25 years, shall be issued within established CBFM areas, subject to the decision and recommendation of the People's Organization (PO). CS areas are integral part of the CBFMA area, and should be developed, managed and utilized in accordance with the Community Resource Management Framework formulated for the entire CBFMA area.

Sec. 2 Qualifications of CS Recipients. Individuals or families with the following qualifications may be awarded Certificate

of Stewardship and enter into Stewardship Agreement with the government:

- 1) Must be Filipino citizens;
- 2) Must be of legal age;
- 3) Must be actual tillers or cultivators of the land to be allocated;
- 4) Must be a member of the People's Organization which was granted a CBFM area subject of the CS application;
- 5) Must be willing to develop the land as well as participate in community-based forest management activities;
- 6) Must not be a previous holder of CS that was cancelled for cause.

Sec. 3 Procedure in the Issuance of CS. The following steps shall be followed in the delineation, processing and issuance of CS within established CBFMA areas.

- 1) Information dissemination. The CENRO through its CBFM Unit, PMOs, Information Officers, and in collaboration with the PO, LGU, and other assisting organization(s) shall include in their IEC activities, the procedure on the issuance of CS, including the rights and responsibilities of the recipients.
- 2) Census of forest occupants. The PO shall conduct a census of individuals or families who are actually occupying and/or cultivating portions of the CBFM area. Results of this census shall be indicated in a community map showing individual parcels and occupants/tillers. As soon as the census is completed, the PO shall hold a general meeting to a) validate the results of the census; b) decide whether to recommend for the issuance of the individual CS to qualified members; and c) agree on the rights and responsibilities of individual CS holders.
- 3) Request for issuance of CS. The PO, through a resolution, shall request the DENR through the CENRO for the issuance of CS to

actual forest occupants/tillers within the CBFM area. Attached to the resolution are 1) the census of forest land occupants; 2) agree rights and responsibilities of CS holders; 3) individual application for CS of prospective beneficiaries, duly endorsed by the PO head and 4) community map of the area showing the parcels actually occupied and/or cultivated by individual families, properly numbered, and validated in the general meeting. This shall serve as the parcellary map of the area.

- 4) Processing and issuance of Certificates of Stewardship. Upon receipt of the request, the CENRO through the CBFM Unit shall prepare the Stewardship Agreement and Stewardship Certificate in four copies. The format of the Stewardship Agreement is given in *Annex 1*. The Agreement need not be notarized. For married individuals, the CS shall be issued in the name of both spouses who shall be co-stewards of the land.

The CENRO shall then forward the CS to the PENRO for approval. The Head of the PO and the CENRO shall sign as witnesses to the Stewardship Agreement.

The original copy of the CS shall be given to the beneficiary, and the other copies shall be given to the PENRO, CENRO and the PO.

The original copy of the Parcellary Map shall be kept at the PENRO, and certified copies shall be given to the CENRO, PO, LGU and the Regional CBFM Office concerned.

- 5) Marking of boundaries and resolution of conflicts. It shall be the responsibility of each beneficiary to establish distinct and more or less permanent markers of corners and boundaries of the CS area. The resolution of boundary conflicts shall be the responsibility of the PO.

Sec. 4 Transferability of the CS. The CS, including those issued prior to this Administrative Order, may be transferred, sold or conveyed in whole or in part under the following conditions:

- 1) The transferee is a qualified beneficiary as defined under Section 2, hereof; provided that the total land area under the stewardship of the latter does not exceed 10 hectares.
- 2) At least 50% of the area covered by the CS has been developed, i.e., planted to agricultural crops, trees, or forest species, developed pasture or fishpond, and other productive land uses.
- 3) The terms and conditions of the original Agreement shall remain in force and effect. However, the provision prohibiting the subleasing of the land or portion thereof in old CS issued prior to this Order is hereby revoked;
- 4) The Agreement shall remain valid for the remaining unexpired term of the original agreement;
- 5) The transfer is endorsed by the PO, through a resolution of its Officers;
- 6) The instrument of transfer is duly notarized.

The new CS and Stewardship Agreement, map and other supporting documents shall be forwarded to the PENRO for approval, in accordance with Section 3, hereof.

Sec. 5 Repealing Clause. This order amends Administrative Order No. 4, series of 1991 and all other orders, circulars, guidelines and procedures on the issuance and transfer of CS that are inconsistent herewith.

Sec. 6 Effectivity. This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Annex omitted

Published at:

TODAY July 08, 1998 - page 07

DENR Administrative Order
No. 98 - 61
September 25, 1998

SUBJECT : “Lets Go Green” Guidelines on Planting Along the National, Provincial and Municipal Highways, and Along the River/Stream Banks.

Consistent with Executive Order No. 99-A “Enjoining All Sectors to Participate in Tree Planting Activities in Support of Environment and Natural Resources Programs” and Executive Order No. 100 “Mandating the Active Participation of all Government Agencies Nationwide in Urban Greening, Through an Adopt-A-Street/Park Program” and in consonance with the provisions of the Master Plan for Forestry Development (MPFD) and the Philippine Strategy for Sustainable Development (PPSD), the Department hereby launches “Lets Go Green” to revitalize and operationalize the greening of National/Provincial/City/Municipal highways and the river/stream banks stabilization nationwide.

Section 1 SCOPE - The Project covers all areas of vacant/idle roadsides, highways, (National/Provincial/City/ Municipal) and river/stream banks.

Sec. 2 OBJECTIVES

This Administrative Order shall have the following objectives:

- 2.1 To promote an organized and systematic planting, protection and maintenance of appropriate species along vacant/idle roadsides,

national and municipal highways and river/stream banks for beautification, protection and stabilization;

- 2.2 To establish active linkages and cooperation among the National Government Agencies (NGAs), Local Government Units (LGUs), Non-Government Organizations (NGOs), Private Volunteer Organizations (PVOs), and such other organizations and individuals;
- 2.3 To contribute in the unhampered protection and stabilization of river/stream banks;
- 2.4 To enhance ecological balance.

Sec. 3 PROJECT IMPLEMENTATION

For purposes of implementation:

The CENRO

- 3.1 Executes plan of action;
- 3.2 Procures/provides the planting material;
- 3.3 Submits periodic reports thru channels sending advance copies to the SCO.

The PENRO

- 3.4 Identifies and maps location and size of vacant/idle roadside, highways and river/stream banks;
- 3.5 Identifies suitable species to be planted;
- 3.6 Designs action plan with budget requirements of the planting/maintenance scheme in coordination with the provincial,

city, municipal planning officers and the local DPWH officers through MOAs;

- 3.7 Submits plan of action to their respective REDs for approval;
- 3.8 Conducts regular monitoring of project areas.

The FMB/CBFMO

- 3.9 Provides technical assistance, monitors and evaluates project areas established/developed; and
- 3.10 Submits periodic reports thru channels sending advance copies to the SCO.

The SCO and Field Operations Office

- 3.11 Provides over-all coordination with implementing agencies/offices/units;
- 3.12 Consolidates and submits assessment reports to the Secretary; and
- 3.13 Drafts additional guidelines, if necessary, in order to effectively implement the activities.

Sec. 4 EFFECTIVITY

This order shall takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 62
October 01, 1998

**SUBJECT : Regulation and Guidelines
Governing the Implementation of
“Adopt-A-Mountain” Program.**

In the course of executing DENR mandate to conserve, develop, protect and utilize the natural resources of the Philippines toward economic upliftment and general well-being of the present and future generations, the following regulations and guidelines governing the implementation of **“Adopt-A-Mountain”** Program are hereby promulgated:

Section 1 Title. This Administrative Order shall be known as the **“Adopt-A-Mountain”** Program.

Sec. 2 Statement of Policy/Strategy. **“Adopt-A-Mountain”** shall be a Program under the purview of the CBFM Strategy per **EO 263**.

2.1 Policy - It is the mandate of the government to ensure the rehabilitation of Environment and Natural Resources (ENR). One strategy toward this end is the restoration of denuded/degraded mountains through the involvement of local residents/communities in the development, maintenance and protection of **“Adopt-A-Mountain”** forest plantation.

Sec. 3 Goal - The **“Adopt-A-Mountain”** Program has two (2) pronged goals, namely:

3.1 Production forest establishment and maintenance; and

3.2 Protection forest establishment and maintenance.

Sec. 4 Objectives. The “Adopt-A-Mountain” program has the following objectives:

- 4.1 To accelerate the revegetation/regreening of the country’s denuded/degraded mountains and range lands so as to improve water yield capacity and timber production.
- 4.2 To promote effectively the protection of the remaining and/or available natural forest as source of potential endemic species for educational and scientific research purposes.
- 4.3 To promote voluntarism among our people in the rehabilitation and protection of our forest lands.
- 4.4 To promote the *Bayanihan* spirit and self-reliance among marginal sectors towards improvement of ecosystem.
- 4.5 To contribute to the *Lets Go Green* activities of the government.

Sec. 5 Definition of Terms. The following terms are to be understood or interpreted as they are hereunder indicated:

- 5.1 **“Adopt-A-Mountain” Program** - refers to the program established by the Secretary of DENR which aims to rehabilitate degraded/denuded forestlands in order to improve its cover, restore the eco-type and enhance biodiversity, and create possible sources of water and wood supply.
- 5.2 **Premium Species** - refer to tree species, the wood of which has special characteristics, such as strength, durability, beauty, scarcity, and rarity or is used for special purpose (see list of species in DAO 78, series of 1987).

5.3 **Fast Growing Species** - refer to tree species that grow relatively faster than common trees with mean annual increment of ten (10) cu.m./ha. under favorable site condition;

5.4 **Inadequately Stocked Area** - refer to a forest land with an existing stand containing an average stock of below 20 trees/ha. of natural tree species with a diameter of 20 cm. d.b.h.;

5.5 **Reforestation under this Program** - means the planting of an area in the mountain using perennial plant species, including the attendant preliminary activities, such as: seedling production; site preparation; construction (if necessary) of trails, access roads and bridges; as well as plantation maintenance. It may also include rehabilitation of headwater and such other approaches like timber stand improvement, assisted natural regeneration (ANR) and other similar activities that may result in the creation or improvement of forest lands.

5.6 **CBFM Strategy** - refers to the program following the concept that gives organized and empowered communities the right and responsibility to directly manage and benefit from forest land resources.

5.7 **Projects** - refers to the sites of “Adopt-A-Mountain” Program.

Sec. 6 Coverage of the Program

6.1 Bare, open, denuded areas of mountains, inadequately-stocked areas that are not programmed for reforestation;

6.2 Portion and/or abandoned pasture areas and grazing lands needing immediate reforestation. **PROVIDED**, that such areas shall be excluded from the lease;

6.3 Inadequately stocked mountains with stand below 20 trees and/or areas with remaining endemic/premium species for the country's natural regeneration and recovery; and for scientific research purposes; and

6.4 Idle private lands situated in mountains that remain unproductive for at least 3 years and/or in areas with over 18% slope but no development was introduced.

Sec. 7 Identification and Delimitation of Potential Mountain for the Program.

The DENR shall identify with the aid of latest forest resources condition map, aerial photograph satellite imageries, and/or appropriate technical reference, lands of public domain, the physical features of which indicate the feasibility of establishing "Adopt-A-Mountain" project.

Areas so identified require validation from the CENRO's/PENRO's on the ground and thereafter demarcated/delineated on the map of convenient Scale (1:50,000 m. for operation, 1:250,000 for base and location) and shall henceforth, be classified either protection or production forest types of mountain.

Sec. 8 Prioritization of Projects.

8.1 Areas with high threat/risk of further degradation;

8.1.1 population is high

8.1.2 way of life is dependent on wood

8.1.3 water is scarce

8.2 With community support; and

8.3 With LGU support.

Sec. 9 Granting of Incentives/Awards. To encourage greater participation of various sectors, incentives and awards shall be granted by the government.

The DENR through the REDs and FMB shall package an incentive/award system for program participation, to include that for DENR personnel directly involved in the projects.

Sec. 10 Roles of Offices under the Program

- 10.1 The CENRO shall identify/select and allocate areas to be covered by the program
- 10.2 The CENRO shall provide technical assistance to program participants including private land owners.
- 10.3 The CENRO and PENRO shall be responsible for forging an agreement with local agencies involved such as: DECS, DILG, LGUs, DND, NGOs, and shall mobilize participants in the implementation of this program.
- 10.4 The RED through the PENROs and CENROs shall determine the needed requirements for the project and ensure the compliance therewith. Among such requirements are the following:
 - 10.4.1 Species required;
 - 10.4.2 Quantity needed;
 - 10.4.3 Location and planting site; and
 - 10.4.4 Map of the project.
- 10.5 The CENRO shall submit through the PENRO and RED status reports on Adopt-A-Mountain project sites within its jurisdiction.

- 10.6 The RED may authorize accredited NGOs who will spearhead the conduct of relevant services especially regarding social and technical training as well as monitoring reforestation mountain.
- 10.7 The RED shall ensure the attainment of the objectives set under this plan and the implementation of the operational guide prepared in the individual Indicative Plan for each project site which shall form part of this Order (See Annex “A”).
- 10.8 The DENR Regional Office shall, within (30) days after receipt of report from CENRO, prepare a summarized report to FMB which shall likewise submit a report to the Secretary through the Chairman of the Project/Program. FMB shall likewise prepare comments and recommendations and maintain a nationwide status chart of “**Adopt-A-Mountain**” Program.
- 10.9 The FMB, Regional Offices, PENROs and CENROs shall maintain identical sets of complete documents including maps of each operating agreement holders.
- 10.10 The Special Concerns Office and Office of Undersecretary for Field Operations shall provide over-all coordination with implementing agencies/offices/units. It shall likewise draft additional guidelines, if necessary, in order to effectively implement the activities.

Sec. 11 Effectivity. This Order shall take effect immediately.

(Sgd.) **ANTONIO H. CERILLES**
Secretary

DENR Administrative Order
No. 98 - 66
October 28, 1998

SUBJECT : Amendments to DENR Administrative Order No. 97-04, dated March 04, 1997 Re: Rules and Regulations Governing the Industrial Forest Management Program.

Pursuant to Presidential Decree No. 705, as amended, and Executive Order No. 278 dated July 25, 1987, and in order to ensure the effective implementation of the Industrial Forest Plantation Program the following provisions of DAO No. 97-04 are hereby amended:

1. Section 7 is hereby amended to read as follows:

“Section 7,. Initial Environmental Examination. After an IFMA has been awarded, the holder thereof shall submit an Initial Environmental Examination (IEE) in accordance with Section Nos. 17 to 22, Article III, DAO No. 96-37 dated December 02, 1996 and the checklist that shall be prescribed therefor. The issuance of an Environmental Compliance Certificate (ECC) by the Regional Executive Director (RED) concerned shall be in consonance with Section 24, Article III, DAO No. 96-37.”

2. Corollary to the preceding paragraph, sub-Section 14-1 is hereby deleted.

3. Sub-Section 19.1 is likewise amended to read as follows:

“19.1 Within six (6) months from the date an IFMA is entered into, the IFMA Holder shall submit a Comprehensive Development

and Management Plan (CDMP) in the form shown in Annex “E” of DAO No. 97-04 which shall be subject to the approval of the Secretary or the Undersecretary for Field Operations, as the case may be. The submission of an Initial Environmental Examination (IEE) by the IFMA Holder and the issuance for Environmental Compliance Certificate (ECC) by the Regional Executive Director concerned are conditions precedent to the approval of the CDMP.”

4. All the other provisions of DENR Administrative Order No. 97-04 not inconsistent herewith shall remain in force.
5. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98-67
December 09, 1998

**SUBJECT : Guidelines For The Identification,
Declaration And Award Of Areas
Suitable For Salt Production**

Section I. Statement of Policy

Pursuant to Section 6, paragraph d of Republic Act No. 8172 otherwise known as ASIN Law and to ensure the sustainable production of salt. The following guidelines are hereby promulgated.

Section 2. Objectives

1. To provide criteria and guidelines for the identification, classification and awarding of areas suitable for salt production purposes.
2. To encourage salt production and support the food security program of the government.
3. To generate and develop job opportunities to help the low income earner in the countryside.
4. To provide procedures and mechanisms for monitoring and adoption of anti-pollution control measures by salt producers/manufacturers.
5. To register and enlist all salt producers or public land engaging in the production of salt in the country.

Section 2. Definition of Terms

For purposes of this Order, the following terms shall be defined as follows:

1. **Iodized Salt** -- contain small amount of iodine which is the most cost-effective way of preventing iodine deficiency that can cause goiter, mental retardation and congenital physical defects;
2. **Manufacturer/Producer**-- one who produces, imports, trades in, or distributes salt;
3. **Salt Iodization** -- the addition of iodine to salt intended for human or animal consumption in accordance with specifications as to form, fortificant, method, manner and composition as may be prescribed by the Bureau of Food and Drug Administration;
4. **Saltfarm** -- refers to any foreshore areas devoted/utilized for salt production.
5. **Salt Production Sharing Agreement (SPSA)** – is a contract entered into between the DENR and a person/corporation, association, or partnership for the use of public lands for salt production;
6. **Table salt** -- is a white crystalline substance consisting of sodium chloride that occurs abundantly in nature both in solid and liquid form.

Section 3. Areas Available for Salt Production

The areas available for salt production includes:

- a. Areas currently devoted to salt production and areas with natural salt deposits.
- b. Foreshore areas free from mangrove vegetation, corals and seagrass population.

Except, for the following areas;

- a. Foreshore areas delineated for bathing purposes,

- b. Areas designated as municipal fishery reserves and its equivalent, or areas designated as core and buffer zones of the Protected Area System and similar reservations.
- c. Areas designed as type SD of water classification pursuant to DAO 34's 1990
- d. Areas covered by existing and valid tenurial instruments.

Section 4. Criteria for Identification and Prioritization of Areas suitable for Salt Production

The criteria for identifying areas suitable and available for salt production are the following:

a. Topography

The area should be an extensive tidal flat, with good drainage (has ability to drained of water during normal low tide), situated at least 100 meters from any river mouth, and free from floods and storm surge. It should also have a generally flat or gently sloping peripheral terrain at least 1 kilometer from its boundaries.

b. Climatic Conditions

The area should preferably be situated within a climatic type I of Corona's classification, and exposed to the north-east and easterly winds and with a below normal precipitation level.

c. Water Quality

The salinity of water for salt production period should be at least parts per thousand (ppt.); the higher the better. The water quality of area should be free from contamination sewage and industrial and agricultural run-off/pollutants. The tidal fluctuations preferably should vary within a 1 meter range.

d. Soil Type and Characteristics

The soil characteristics should range from silty clay to clay loam, with pH value of slightly acidic or within the pH range of 6-7.

e. Other consideration for suitability

The proposed salt production area should be situated at most 4 kms. but not less than 2 kms. from settlements for manpower requirements. It should have source of freshwater (without competing with the local population), accessible all year through and have access to ready source of materials.

Section 5. Identification, and Declaration of Salt Production

1. Procedure for identification and declaration of potential Salt Production Area (SPA)

All CENROs shall identify areas suitable for existing salt production areas within public domain, and areas with natural/rock salt deposits. The report shall cover the following concerns.

1. Actual area used
2. Total leased area
3. Optimum production volume/year
4. Actual production volume
5. Direct beneficiaries
6. Tenurial Status
7. Awarding and expiry dates

The reports should be submitted to the Task Force Mangrove/Asin for compilation and publication.

2. Validation and Site Appraisal of Identified Potential Salt Production Areas (SPA)

For the first three (3) years, potential areas for salt production shall be validated by the Task Force Mangrove/Asin. The task force shall prioritize areas covering at least 100 hectares. The task force shall prepare a validation report to include the following concerns:

1. Potential environmental risk.
2. Municipal Development Plan for the area and its immediate environment.
3. Assessment of the current use of the area and the impact of possible displacement.
4. Conduct a public dialogue with affected communities related to the classification of the area.

For areas covering less than 100 has., the regional offices shall dispatch a validation team composed of representatives from the Regional CEP Coordinator, EMPAS, ERDS, FMS and ORED which shall perform the aforementioned activities. Validation report shall be submitted to the Task Force. All reports concerning potential SPA shall be completed and endorsed by the task force for declaration of the Secretary.

3. Publication of Areas Available for Salt Production

The Secretary shall declare areas available for salt production purposes, which shall be published on newspaper of general circulation.

Section 6. Application procedure for Salt Production Sharing Agreement

1. Who are Qualified to Apply

- a. Any Filipino citizen of legal age;
- b. Any corporation, association or cooperative duly constituted under the laws of the Philippines, sixty percent 60% of the capital of which is owned by Filipino citizens.

Preference shall be given to applicants who are residents of the area, community based organizations, and those corporations which practice environmental conservation prior to application.

2. Application Requirements

The following documents are to be submitted;

- a) Letter of application
- b) Receipt of application fee
- c) Development plan
- d) Feasibility studies
- e) Endorsement letter from affected barangays and municipalities

For corporations, associations, cooperatives, additional requirements shall be as follows:

- a) Certificate of registration
- b) Letters of incorporation and by laws
- c) Directory of officers
- d) Track record
- e) Financial records for the past three (3) years

3. Processing of Applications

- a) The applicant shall secure and submit all the necessary document to the CENRO concerned.

- b) The CENRO shall evaluate the completeness of the documents and if the site is within a declared salt production area, within 15 working days of the submission of the documents.
- c) Application for SPSA within a declared SPA area shall be recommended by the team for approval and endorsed to the PENRO concerned for areas not more than 100 has. or to ORED for areas not more than 1,000 has.; or the OSEC for areas above 1,000 hectares for preparation and approval of SPSA.
- d) Development work shall only commence after the applicant has a valid SPSA and after complying with the requirements of DAO 96-37 and other pertinent rules and regulations.

4. Size of the SPSA areas

The following shall be the site limitation for SPSAs applied for:

- 1. Individual - not more than 5 has.
- 2. Association/Cooperative - not more than 100 has. or not exceeding the area of the political jurisdiction of the barangay where the association/cooperative is based.
- 3. Corporation, Foundation and other similar groups not more than 500 has. The site applied for should be contiguous.

Section 7. Monitoring and Reporting

The SPSA holder shall submit a semi-annual report to the CENRO concerned during the development/construction phase of salt production area and annually thereafter. The monitoring shall be conducted by Regional Office on a semi-annual period during the development plan phase and annually thereafter.

All reports shall be forwarded to Task Force Mangrove/Asin on a quarterly basis.

Section 8. Reversion

The SPSA holder shall complete the development of the whole site within 5 years. At least 80% should be fully developed by the third year. In case of violation, areas under developed shall be reverted for mangrove forest purposes. Agreed production volume should be attained on the seventh year otherwise the area shall be made available for other applicants.

Section 9. Expansion

The SPSA holder can apply for production area expansion but it shall not exceed the limits prescribed in Section 6 (4). Priority for expansion shall be given to the existing and adjacent SPSA holder.

Section 10. Priority for Processing SPSA Application

The DENR shall adopt a first come first serve policy, and shall prioritize financially stable corporation with previous record on salt production.

Section 11. Payment of Application Fee

Application fee shall be P 500.00 per application.

Section 12. Government share.

Government share shall be computed based on the following formula:

$$GS = GR -(CP + MPR)$$

where:

- GS -government share
- GR -gross revenue
- CP -cost of production
- MPR -margin for profit and risk (30% of the gross revenue)

Section 13. Term of a Saltwork Production Sharing Agreement

An SPSA shall remain in full force and effect for twenty five (25) years and be renewable for another twenty five (25) years, but is subject to suspension or cancellation if the SPSA holder violates the terms and conditions provided for under the agreement.

Section 14. Privileges of SPSA holder

The SPSA holder shall be entitled to the following incentives;

1. To occupy, possess, utilize and develop SPA areas and claim ownership on the introduced improvement therein.
2. To allocate to its members and enforce rights to use sustainably the SPA areas;
3. To be properly informed, consulted on all government projects to be implemented in the area.
4. To be given preferential access by the DENR to all available assistance in the development of the area and in the process of complying to the ECC.
5. To receive all income and proceeds from the salt production in excess of the amount set aside as government share;

Section 15. Responsibility of SPSA holder

1. Participate in boundary delineation of the SPA;

2. For existing corporation, organization of salt producer within the public land, submit the following documents:
 - a. SEP of the affected communities;
 - b. RRA; and
 - c. Map covering the SPA area and adjacent community and natural resources and land use.
3. Prepare and implement development plan, feasibility study, environmental protection and enhancement plan for the SPA
4. Comply with the ECC conditionality
5. Construct/develop structure or system that may be required for environmental/environment monitoring purposes.
6. Assist the government in protection and conservation of adjacent natural resources.
7. Prioritize employment of residents.
8. Assist the government on public education campaign for the nearby communities.
9. Submit Annual Comprehensive Report and other reports that maybe required by the DENR.

Section 16. Productivity

Salt ponds may be used as temporary fishponds during the wet season, provided that necessary adjustments for government share be complied with

Section 17. Environmental Monitoring Procedures

The monitoring procedures to be complied with for Salt Production Area monitoring shall be the following;

1. Monitoring teams shall conduct inspection and water quality testing every year
2. Mangroves and other resources shall be inventoried and mapped before the actual SPSA is awarded. This activity shall be conducted

with the SPSA applicant to establish baseline resource information as basis for future environmental monitoring.

3. Rapid Resources System appraisal shall be conducted during the 3rd year, 5th year and seventh year and every 5th year thereafter to determine the impact of site development activities and provide basis for adjustment of ECC conditionalities (whenever necessary).
4. Compliance to the Environmental Enhancement Plan shall also be monitored.
5. SPSA holder shall also be encouraged to participate in the DENR's effort on Coastal Environment Conservation and Protection.
6. Existing policies related to EIA, ECC and environmental quality monitoring shall be adhered to.

Section 18. Repealing Clause

All rules and regulations inconsistent with the provision of this Order are hereby repealed.

Section 19. Effectivity

This Order shall take effect 15 days after its official publication in a newspaper of national circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

TODAY -- December 11, 1998

**DENR Administrative Order
No. 98 - 69
December 18, 1998**

**SUBJECT : Suspension of the Effectivity of
DAO No. 35 Dated May 06, 1988
Re: Regulations Governing the
Grant of Rewards to Informers on
Violations of Forest Laws, Rules
and Regulations.**

Consistent with our objectives to improve the regulations governing the grant of rewards to informers on violations of forest laws, rules and regulations and prevent the possibility for unscrupulous individuals to use such regulation to defraud and cause loss to the government, the effectivity of Department Administrative Order No. 35 dated May 06, 1988 is hereby suspended effective immediately.

This should not, however, be interpreted as a slack in the Department's effort against illegal logging. All officials and employees are hereby ordered to continue its vigilance and pro-active efforts against illegal logging using the Department's resources.

The Undersecretary for Legal is hereby ordered to cause the review of DAO # 35, dated May 06, 1988 and submit the improved version not later than January 15, 1999.

This Order shall not affect prior claims under review of DENR.

This Order shall take effect immediately and shall remain valid until the issuance of a new regulation concerning this matter.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular

No. 98 - 04

April 27, 1998

SUBJECT : Guidelines and Procedures in the Collection, Utilization and Management of Rattan Special Deposit.

The following guidelines and procedures on the collection, utilization and management of Rattan Special Deposit (RSD) are hereby issued pursuant to Chapter IX of DAO 4, Series of 1989.

Section 1. Collection of Rattan Special Deposit.

Section 50 and 51, Chapter IX of DAO 4, Series of 1989 provides that RSD shall be collected from rattan cutting licensee to generate fund for rattan plantation development. RSD shall be collected by the Regional Executive Director (RED), Provincial Environment and Natural Resources Officer (PENRO), Community Environment and Natural Resource Officer (CENRO), as the case maybe. Collection shall accrue to a specific trust fund deposit of the DENR which shall be deposited in any government accredited bank under the name of DENR. Remittance of the fund shall be in accordance with Section 5 of the General Appropriations Act (GAA).

Sec. 2 Utilization of Rattan Special Deposit.

The RSD shall be used to fund the rattan plantation development of rattan cutting licensees or other parties contracted by the DENR. Priority shall be given to rattan cutting licensees, *provided that* they have complied with the conditions stipulated in the rattan cutting license issued to them.

The RED, PENRO, or CENRO, as the case maybe, in accordance with pertinent regulations on delegation of authority, shall enter into contract with qualified rattan cutting licensees or other parties

who are qualified to implement Rattan Plantation Development Plan. The contract shall be obligated by the PENRO or the RED, as the case maybe. The PENRO or the RED, as the case maybe, shall request the Department of Budget and Management to release the fund for actual development, administration and supervision of the rattan plantation.

The utilization of RSD shall require a three-year Rattan Plantation Development Plan (RPDP) to be approved by the RED. The CENRO, PENRO and rattan cutting licensees or other contracted parties shall jointly prepare the plan. The CENRO and PENRO shall see to it that the schedule of payments is explicitly stated in the plan including the release of fifteen percent (15%) mobilization and fifteen percent (15%) retention fee.

Ten percent (10%) of the total cost of rattan plantation development based on Annex A for administration and supervision expenses shall be allocated to the concerned Regional Office, Provincial Environment and Natural Resource Office. It will be distributed as follows:

- Regional Office, three percent (3%);
- Provincial and Natural Resource Office, three percent (3%); and
- Community Resource and Environment Office, four percent (4%).

The DENR shall reimburse expenses of rattan cutting licensees who have established their rattan plantation within their licensed area prior to the release of RSD. The reimbursement shall be based on the following:

1. recommendation of the Inspection Team referred to under section 3 of this circular.

2. amount which should not exceed the rattan plantation development cost estimated in Annex A which shall form part of this Circular.
3. approval of the RED.

Sec. 3 Management of Rattan Special Deposit. A Rattan Special Deposit Committee shall be created to consist of the following:

- PENRO, chairperson;
- Provincial Environment and Natural Resource Office Accountant, member; and
- Forest Management Specialist of CENRO and PENRO, members.

The committee shall have the following functions:

1. Prioritize and recommend identified areas for plantation development in consonance with the provision of Section 45.5.1 of DAO 4, Series of 1989.
2. Screen prospective rattan plantation development contractors and endorse to the RED the accreditation of the qualified contractor(s) pursuant to Section 42 of DAO 4, Series of 1989.
3. Call anybody from the CENRO and PENRO to assist in the implementation of RPDP as the need arises.
4. Evaluate the RPDP jointly prepared by the CENRO, PENRO and rattan cutting licensees.
5. Prepare and submit report on the collection, withdrawal and disbursement of RSD including the accomplishment report per project. The report shall be submitted to Forest Management Bureau and Finance Management Service through the Undersecretary for Field Operations.

The DENR shall require rattan cutting licensees or contracted parties to post surety bond equivalent to ten percent of the assessed RSD to ensure full implementation of RPDP.

The RED shall organize **Inspection Teams** to be composed of registered foresters from the Regional Office, Provincial Environment and Natural Resource Office, Community Environment and Natural Resource office to evaluate the performance of the rattan cutting licensees or contracted parties. The Team shall recommend payment based on the result of its evaluation. Payment shall be made at the PENR Office or Regional Office, as the case maybe. Fifteen percent (15%) of the total cost of implementing the RPDP shall be retained and shall be released only after at least eighty-five percent (85%) survival rate has been attained upon turn over of the plantation.

Sec. 4 Special Provision. The Finance Management Service of DENR shall cause the inclusion of RSD as a Trust Receipt in accordance with the General Appropriations Act for DENR pursuant to Section 45 of Book VI, Executive Order No. 292 with the specific purpose of implementing the RPDP.

Sec. 5 Effectivity. This circular takes effect immediately and supercedes all circulars, memorandum and memorandum orders inconsistent herewith.

(Sgd.) **VICTOR O. RAMOS**
Secretary

Annex A omitted

Memorandum Circular
No. 98 - 08
June 24, 1998

SUBJECT : Guidelines on Contracting Inside Community-Based Forest Management (CBFM) Areas

Pursuant to Executive Order No. 263 Series of 1995 and DENR Administrative Order No. 96-29 and other pertinent laws, rules and regulations and in order to hasten and systematize contracting inside CBFM areas, the following guidelines are hereby promulgated for the guidance of all concerned:

Section 1. Objectives

The Community-Based Forest Management (CBFM) Program grants to People's Organizations (POs) the privilege to enter into contracts with private and government entities and individuals for the utilization and/or development of portions, or the entire CBFM area to:

- a) facilitate the attainment of the PO's plans to develop and manage forestlands and resources;
- b) enhance their socio-economic conditions; and
- c) encourage investments by the private sector in the CBFM Program.

This contracting privilege is one of the strategies being pursued by the government to empower local communities to sustainably manage and benefit from the forest resources.

Sec. 2 Kinds of Contracting Inside CBFM Areas

There are two major kinds of contracting inside CBFM areas:

2.1 **Service Contract** - This takes the form of extraction of forest resources and associated activities such as road construction, major and minor transport, processing, and marketing of forest products.

2.2 **Development Contract** - This involves the development of portions of CBFM areas into plantations for timber, latex, fruits and other forest products, agroforestry, livestock production, eco-tourism and other developmental activities as contained in the affirmed Community Management Resources Framework (CRMF) of the POs.

Sec. 3 Who May Be Parties to Contracts Inside CBFM Areas

Parties to contracting inside CBFM areas may be:

3.1 Between the PO and a PO member or group of members, hereinafter referred to as the “PO-designate”; and

3.2 Between the PO or the PO-designate, and a Third Party which may be an individual, a partnership, a corporation, another PO/cooperative, or a government entity.

Sec. 4 Contracting to be Consistent with CRMF and AWP of PO

4.1 Any contract entered into by the PO shall at all times be consistent with the PO’s CBFMA and affirmed CRMF.

4.2 Service contracts involving the extraction of natural forest shall only be good for one year to correspond to, and in conformity with, the PO’s AWP.

4.3 Development contracts shall be for the period agreed upon by the parties but in no case to exceed the term of the CBFMA or its extensions, if any.

Sec. 5 Roles of the DENR and the LGU in Contracting

- 5.1 The PO or the PO-designate and the contractor may enter into such agreements they may deem proper and beneficial to both parties.
- 5.2 The DENR through the CENRO and the Municipal government or their representatives shall assist the PO or PO-designate in the negotiations of all contracts inside the CBFM area, to ensure that:
 - 5.2.1 The rights and interests of the PO are protected;
 - 5.2.2 The contract is in accordance with the CRMF and AWP of the PO; and
 - 5.2.3 The contract does not violate any of the terms and conditions of the CBFMA nor any other forestry laws, rules and regulations.
- 5.3 The PO or PO-designate shall furnish the CENRO and the LGU a copy of any service or development contract entered into by the PO or PO-designate and all other changes in the terms and conditions of the contract.
- 5.4 The CENRO, the LGUs concerned, the PO and other stakeholders as appropriate, shall jointly conduct periodic monitoring of contracts. The concerned CENRO shall furnish copies of the monitoring reports to all concerned parties.

Sec. 6 Effect of CBFMA Suspension or Cancellation

- 6.1 Should the CBFMA be suspended or canceled for reasons attributable to the PO, the DENR and LGU concerned shall jointly act as steward or trustee of the community and shall remain as such until the PO has been cleared or a new PO has been granted the CBFMA.

6.2 Cancellation of the CBFMA for reasons of public interest shall not restrict either the PO or the contractor from normal legal recourse.

Sec. 7 Violation of the Terms and Conditions of the Contract

Violations of the terms and conditions of the contract either by the PO or contractor shall be disposed of in accordance with the terms and conditions agreed upon by the parties to the contract. Where such violations are, however, also violations of forestry laws, rules and other regulations, the violator shall be prosecuted in accordance with law.

Sec. 8 Rights of Developer to Transfer/Sell His/Her Rights.

8.1 The contractor shall have the right to transfer or sell his/her rights and obligations in the contract to any person or entity, subject to prior concurrence of the PO or PO-designate who shall have the right of first refusal. In such case, the transferee shall be considered the new developer.

8.2 The contractor shall notify the DENR through the CENRO, and the LGU any sale or transfer of rights and obligations.

8.3 In the event of such sale or transfer or in case of amendments to the contract, the DENR and the LGU shall perform its functions in accordance with the provisions of Section 5 hereof.

Sec. 9 Resolution of Conflicts

Conflicts between parties to the contract shall be resolved in accordance with the provisions of the contract or in accordance with law.

Sec. 10 Effectivity

This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation and submission to the UP Law Center.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY – July 08, 1998 – page 06

Memorandum Circular
No. 98 - 09
June 24, 1998

SUBJECT : Additional Guidelines on the Issuance of Interim Resource Use Permit or IRUP

Pursuant to Section 7 of Memorandum Circular No. 97-12, and in order to provide a clear procedure on the issuance of IRUP to CBFM project participants, the following additional guidelines are hereby promulgated.

Section 1. Purpose of IRUP. POs and IPs who have been issued their CBFMAs or CADCs and whose CRMFs or ADMPs are under formulation or review, may, upon their request, be granted an IRUP to immediately give them access to existing resources, provide livelihood opportunities and generate start-up resources to support preparatory and planning activities of CBFM. A format for a letter/request is herewith attached as *Annex 1* and forms part of this Circular.

Sec. 2 Allowable Forest Products. IRUP may be granted, in the order of priority, for the collection and harvesting of non-timber forest products, extraction and utilization of abandoned logs, fallen timber and dead trees, and harvesting of plantation species. Harvesting of mature timber species from the residual forest will be a last priority, and may be allowed only if it can be shown that income from the priority forest products is insufficient to cover the amount needed for preparatory CBFM activities.

Sec. 3 Preparation of an Interim Resource Use Plan. Requests of POs/IPs for an IRUP shall be supported by an Interim Resource Use Plan, indicating among others, the following information:

- 1) Forest products to be harvested or utilized.
- 2) Approximate area of operation indicated in a community map.
- 3) Approximate quantity of existing forest products to be utilized available in the intended area of operation. In the case of timber, a 100% inventory of abandoned logs or dead trees, or a marking list of mature trees to be harvested in case of plantations, or naturally growing timber species, shall be attached.
- 4) Methods of harvesting and transport of forest products from site to roadside or where the product will be finally disposed of.
- 5) List of equipment/tools needed, indicating availability or how it will be acquired.
- 6) Major activities and organization of work. Indicate responsible person(s) for each activity and number of workers to be involved.
- 7) Schedule of activities (not more than one year).
- 8) Planned disposition of forest products (for sale, domestic use, or as raw materials of an existing cottage industry).
- 9) Estimated expenses, and how the operation will be financed.
- 10) Estimated income and amount to be set aside for funding of CBFM activities.
- 11) List of CBFM activities to be supported from the income from operations.

The CENRO concerned shall provide technical assistance to the PO in the preparation of the Interim Resource Use Plan, including the inventory of forest products.

Sec. 4 Issuance of IRUP. The CENRO is authorized to issue the IRUP. The quantity of resources that may be granted for harvesting or utilization under the IRUP shall be determined on the basis of the inventory, the amount needed to be raised to fund CBFM activities, and the capacity of the PO/IP to utilize the resource within one year.

A format of an IRUP is attached herewith as *Annex 2* and forms part of this Circular.

The IRUP shall be granted only once, for a maximum duration of one year reckoned from date of issuance of the IRUP. It is non-renewable.

Copies of the IRUP shall be furnished the LGU, PENRO and RED concerned, for record and information and for monitoring and evaluation purposes.

Sec. 5 Monitoring of IRUP. The CENRO concerned shall closely monitor and, whenever possible, provide technical advice to the PO in appropriate harvesting methods. The PO shall submit to the CENRO a semi-annual report of the status of harvesting or utilization operation, and a final report at the end of the one-year operation.

Sec. 6 Effectivity. This Memorandum Circular takes effect immediately and supercedes all other circulars inconsistent herewith.

(Sgd.) **VICTOR O. RAMOS**
Secretary

Published at:

TODAY -- July 08, 1998 -- page 05

Memorandum Circular
No. 98 - 10
June 24, 1998

SUBJECT : Test Implementation of the Project Impact Monitoring and Evaluation System (PRIMES) as Monitoring and Evaluation Guidelines for Community-Based Forest Management Program (CBFMP).

Pursuant to Department Order No. 96-29 and in order to facilitate the conduct of monitoring and evaluation of CBFM projects, the Project Impact Monitoring and Evaluation System (PRIMES) shall be adopted by the field offices for test implementation.

The various CBFM projects to be covered by this activity are the following: Integrated Social Forestry; Community Forestry; Mangrove Rehabilitation (CEP); Ancestral Domain Management; Regional Resources Management (ENR-SECAL) Contract Reforestation (Loan I) and Forest Land Management/Forestry Sector Project (Loan II); Low Income Upland Communities; Community Resources Management; and Forest Resources Management (NRMP).

Section 1. Objectives - The objectives in conducting the impact monitoring and evaluation of CBFM projects are:

- 1.1 To determine the impacts of CBFM implementation nationwide/regionwide;
- 1.2 To establish a database for planning and management, policy making, budget sourcing, among others;

1.3 To standardize the procedures in the conduct of monitoring and evaluation of CBFM projects at the field levels; and

1.4 To strengthen the skills and capabilities of field personnel in the conduct of monitoring and evaluation of CBFM projects.

Sec. 2 Procedures and Methodologies - The procedures and methodologies as prescribed in Manual on Project Impact Monitoring and Evaluation System shall be used as the guide by the field offices in the conduct of monitoring and evaluation of CBFM projects. The said Manual and the forms are in diskette form using Word 6.0 (Text), Powerpoint 6.0 (graphics) and Excel 6.0 (tables) are herein provided.

Sec. 3 Responsible Person and Office. - The Regional Executive Director shall assign the supervision and management of impact monitoring and evaluation to the Regional Technical Director for Forestry.

The RTD for Forestry in coordination with concerned unit/offices shall facilitate the conduct of the activity. Further, responsible persons shall be identified at the RENRO, PENRO, and CENRO offices to coordinate this activity including the entry of data and information to the computer(s) of various offices.

Reports on the conduct of impact monitoring and evaluation shall be transmitted to the Undersecretary for Field Operations, attention the Chief, Community-Based Forest Management Division, Forest Management Bureau.

Based on the documentation of the test implementation, the CBFM Division shall improve the PRIMES into a more appropriate system.

Sec. 4 Repealing Clause. All Orders, Circulars and Memoranda inconsistent herewith are hereby repealed and/or amended accordingly.

Sec. 5 Effectivity - This Circular takes effect immediately and shall be enforced for six (6) months. The improve system shall be adopted after the test implementation.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 07
April 15, 1998

**SUBJECT : Suspension of the Implementation
of DAO 98-11.**

In view of the growing public concern on DAO No. 98-11 Re: “Temporary Lifting of the Ban on the Lumber Export”, the implementation of the same is hereby **SUSPENDED**.

In this regard, acceptance of all applications for lumber export permit is hereby held in abeyance until a public consultation and a decision has been made on the matter.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 10
June 02, 1998

SUBJECT : Additional Terms and Conditions to be Incorporated in the Forest Land Grazing Lease Agreements (FLGLAs) Relative to the Conduct of Prescribed Burning Inside Pasture Areas.

In order to check/minimize the occurrence of uncontrolled forest fires as well as provide additional safeguards on the conduct of prescribed burning inside pasture/grazing areas as a tool of range management, the following additional terms and conditions shall be incorporated in the Forest Land Grazing Lease Agreement for guidance and compliance of all concerned.

“Before prescribed burning can be undertaken within the FLGLA area, the lessee shall submit a written request to the CENRO concerned for an authority pertaining thereto. A sketch map of the FLGLA areas showing the portion to be burned, should be attached to the request.

The burning should be strictly undertaken in consonance with Section 12 of MAO 50, series of 1982. In the event that an uncontrolled grass/forest fire occurs as a consequence of the said burning, the lessee shall be required to pay for the damages based on the actual assessed value thereof, without prejudice to the filing of criminal case.”

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 15
September 25, 1998

To : **All Undersecretaries**
All Assistant Secretaries
All Regional Executive Directors
All PENROs, All CENROs
All Other Concerned DENR
Personnel

SUBJECT : **Stopping the Processing and**
Issuance of CADCs and CALCs.

1. In view of the issuance of the Implementing Rules and Regulations of the Indigenous Peoples Rights Act (R.A. No. 8371) last June 9, 1998, the processing and issuance of Certificates of Ancestral Domain Claim (CADC) and Certificates of Ancestral Land Claim (CALC) are hereby stopped.
2. All concerned Regional Offices shall furnish this Office through the CBFMO, Forest Management Bureau a list of pending CADC/CALC applications within their respective jurisdiction indicating the location, applicant community and estimated area of the individual application not later than September 30, 1998.
3. The preparation of Ancestral Domain Management Plans of approved CADCs shall however continue in accordance with the approved CY 1998 Work and Financial Plan.

For strict compliance

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order

No. 98 - 16

October 30, 1998

SUBJECT : Interim Guidelines for the Issuance of Cutting Permits for Private Land Timber Permits (PLTP) and Special Private Land Timber Permits (SPLTP).

Pursuant to the provisions of EO 192 which grants authority to the DENR Secretary to promulgate rules and regulations for sustainable development and management of forest resources, the provisions of DENR Administrative Order No. 98-24 (Manual of Approvals) relative to the authority to issue cutting permits for PLTP and SPLTP is hereby suspended while such is being studied. For this purpose, all cutting permit applications under the PLTP and SPLTP shall be processed and approved at the DENR Central Office units subject to the volume limit as enumerated below:

1. Application for cutting permits covering up to 200 cu. m per applicant per year shall be approved by the Undersecretary for Field Operations
2. Application for cutting permits covering more than 200 cu. m. per applicant per year shall be approved by the Secretary

All other provisions of AO No. 90-26 as amended by AO No. 90-79, MC No. 90-22, MC Nos. 92-19, 93-18, 94-09, 95-10 and other related issuance shall remain in force.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 17
November 03, 1998

SUBJECT : Banning the Further Zonification of Mangrove Forest for Fishpond Development and/or the Release of Mangrove Forestlands Previously Zonified as Such.

WHEREAS, MANGROVE FOREST as a resource provides environmental benefits such as: habitat, feeding, breeding area for aquatic resources and sanctuary of wildlife species; stabilizers of the coastlines and coastal communities; and promotes soil built-up and water clarity;

WHEREAS, MANGROVE FOREST likewise provides economic benefits such as: source of timber, and non-timber products;

WHEREAS, the major cause of mangrove deforestation is fishpondification or the conversion of mangrove forest into fishpond or prawn farms;

WHEREAS, the continued conversion of mangrove forest into fishpond will lead to total loss of the remaining mangrove resources.

NOW THEREFORE, in view of the foregoing premises, **FURTHER ZONIFICATION** of mangrove forests for fishpond development and/or the release of already zonified mangrove forests for the said purpose, shall henceforth be banned.

In consonance thereto, the following implementation guidelines and instructions are hereby issued:

1. The ban shall cover the further release of zonified mangrove forest for fishpond development.
2. No further zonification activities shall be allowed in all mangrove areas.
3. Conduct inventory of mangrove areas zonified for fishpond purposes to determine, among others, the status of fishpond development therein. Areas not yet developed or no longer used for fishponds shall be reverted back to forest land for rehabilitation.
4. Likewise, determine the extent and status of the mangrove forests that are not subjected to zonification for fishpond purposes.
5. All DENR Regional Executive Directors shall submit within thirty (30) days from the effectivity date of this order, the report pertaining hereto to include maps at scale 1:50,000 indicating the mangrove forests and development made thereon.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

LANDS

DENR Administrative Order
No. 98 - 04
January 23, 1998

SUBJECT : Amendment to Department Administrative Order No. 03, Series of 1993 Providing for Supplementary Guidelines in the Disposition of Pindangan Estate (The Estate), Alcala, Pangasinan.

To fast-track and ensure the smooth implementation of the resolution of the Supreme court dated May 15, 1980 in G.R. No. 21062, "*Cabonitalia et. al., versus Santiago, et. al.,*" the dispositive portion of which is hereunder quoted:

The Court, with the end in view of a speedier determination of these land disputes, to consider the case definitely terminated. The Director of Lands, with the approval of the Minister of Agriculture (now the Department of Environment and Natural Resources) shall determine the adjudication and distribution of the land in question to legitimate occupants and claimants. (Underscoring supplied)."

the following revised guidelines in the disposition of the subdivision lots comprising the Estate are hereby issued for the information and a guidance of all concerned:

1. The Community Environment and Natural Resources Office (CENRO) shall make an inventory of the status of the subdivision lots, and shall submit to the RED, DENR, Region I, furnishing the LMB Director and the Undersecretary for Field Operations, the corresponding list indicating the following information:

- 1.1 Land Use - lot classification as to whether it is agricultural, residential, commercial, industrial, etc.
- 1.2 The existence or non-existence of a public land application over the lot in conformity with law, rules and regulations on the matter.
- 1.3 Name of the applicant(s)
 - 1.3.1 Claimants/occupants included in the list of the 178 occupants named by former District Land Officer Pedro A. Asensi shall be properly annotated.
 - 1.3.2 Lots occupied by two or more persons, both claiming preferential rights, may be divided among them or may be properly recorded in the CENRO for investigation as a case of claim and conflict.
2. The lots, if agricultural, shall be disposed of in the manner and subject to the limitation prescribed in Chapters V and VI of the Public Land Act (Commonwealth Act No. 141) and if residential, in the following manner:
 - 2.1 The notice of sale shall be made through mass publication and mass auction sale.
 - 2.3 To protect the interest of the bonafide occupants especially the group of 178, lots shall be disposed of through sealed bidding.
3. Processing of Application - applications for uncontested lots already filed with the CENRO shall be immediately given due course in accordance with the existing rules and regulations governing the sale of public lands. In the exercise of this functions, the CENRO shall be preference to bonafide occupants of Barangay Pindangan, Alcala, Pangasinan,

particularly to the 178 occupants previously named in the list of former District Land Officer (DLO) Pedro Asensi. Any such occupant must established the following qualifications.

3.1 He must be a Filipino citizen, of legal age, and/or head of the family and actually occupying/possessing the lot applied for.

4. The approval of the appraised value of the land, the authority to conduct bidding, and issuance of order of award shall be done in accordance with DAO NO. 38, s. of 1990. The public auction shall be conducted by the Community Environment and Natural Resources Office (CENRO). The processing and preparation of the Deed of Conveyance shall be done by the Regional Executive Director with the approval of the Secretary.

4.1 The Regional Executive Director shall have authority to cancel or reject any or all uncontested applications which do not conform with the foregoing requirements. Henceforth, the land covered by cancelled or rejected applications shall be declared open for disposition by public auction through oral bidding following existing rules and regulations.

4.1.1 The order of rejection or cancellation may be appealed by the person adversely affected to the Secretary of Environment and Natural Resources within fifteen (15) days from receipt of a copy of such order.

5. All cases involving claims or conflicts shall be investigated in accordance with existing rules and regulations and the corresponding report of investigation shall be submitted to the Regional Executive Director immediately upon the termination thereof for resolution. However, all cases of claims or conflicts

amicably settled or those investigated ex-parte shall be submitted to the CENRO for resolution.

5.1 Since possession cannot be recognized at the same time in two different personalities except in the case of co-ownership, a question may arise regarding possession. This issue shall be resolved based on the following criteria:

5.1.1 The present and undisputed possessor shall be preferred;

5.1.2 If there are two or more possessors, the provisions of par. 1.3.2 shall apply;

5.1.3 An applicant shall only be entitled to one residential lot not to exceed one thousand (1,000) square meters and one farm lot not to exceed five (5) hectares.

5.2 It shall be the responsibility of the CENRO to enforce and adopt adequate measures to prevent the entry of persons with undocumented legal title in the area and he may avail the assistance of law enforcement agencies in this regard.

6. Heirs or transferees in good faith of the 178 occupants listed in the report of former DLO Pedro Asensi may continue the sales application filed by his predecessor-in-interest or transferor subject to the area limitation prescribed in these guidelines.
7. All orders and other issuances inconsistent with these guidelines are hereby revoked or modified accordingly.
8. This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 20
May 20, 1998

SUBJECT : Revised Rules and Regulations on the Conduct of Appraisal of Public Lands and Other Patrimonial Properties of the Government.

In accordance with Sections 5, 24, 37 and 64(a) of Commonwealth Act No. 141, as amended, Section 2 of Act No. 3038, Section 5, paragraph 2 of Republic Act No. 477, as amended, Section 2 of Batas Pambansa Blg. 233, Section 12 of Act 1120, and Section 2 Republic Act. No. 1361, and in order to secure for the government, reasonable returns from the sale, lease, occupation and utilization of its land resources by private individuals and entities, the following rules and regulations are hereby promulgated for the strict compliance of all concerned.

Section 1. Definition of Terms. For purposes of this Order, the following terms:

- a. Appraisal** - means an art of estimating the value of an adequately described property. It is not an exact science, but the opinion of value expressed must be educated, which means that the estimate should be supported by pertinent data as basis.
- b. Assessed Value** - means the fair market value of the real property as determined by the provincial, city or municipal assessors, as the case maybe, and adopted through an ordinance of the saggunian concerned, multiplied by the assessment level. It is synonymous to taxable value.
- c. Fair Market Value** - means the highest price in terms of money which a property will bring if exposed for sale in the

open market, allowing a reasonable time to find a purchaser who buys with knowledge of all the uses to which it is adopted and for which it is capable of being used. It is the amount of cash for which, in all probability, the property would be sold by an owner willing, but not obliged to sell to a purchaser who desires, but it is not obliged to buy.

- d. **Friar Lands** - refer to various estates and other parcels of lands acquired by the Philippine government in 1903 during the American regime from religious orders and private corporations.
- e. **Lands of the Private Domain** - refers to a land belonging to and owned by the state as a private individual, without being devoted for public use, public service or the development of national wealth. It is similar to patrimonial properties of the state.
- f. **Public Lands** - refers to alienable and disposable lands of the public domain classified as agricultural, residential, commercial, industrial, reclaimed, foreshore, marshy lands and townsite reservations.
- g. **Vested Rights** - means a right over a property which is absolute, complete, and unconditional, to the exercise of which no obstacle exists, and which is immediate and perfect in itself and not dependent upon a contingency. To be vested in its accurate legal sense, a right must be complete and consummated, and one of which the person to whom it belongs cannot be divested without his consent. It is some right or interest in property that has become fixed and established; and is no longer open to doubt or controversy.

Sec. 2 Coverage. - These rules and regulations shall apply to the following properties under the jurisdiction of the DENR and to the improvements existing therein, if any, to wit:

- a. Alienable and disposable lands of the public domain subject to disposition under Chapters 5, 6 and 9 of Commonwealth Act No. 141, as amended, and Republic Act No. 730;
- b. Lands of the private domain contemplated under Act No. 3038, as amended;
- c. Properties covered by Republic Act No. 477, as amended, and other real properties placed under the jurisdiction of the DENR by virtue of executive Order No. 285, series of 1987;
- d. Properties within the purview of Republic Act No. 1361, as amended by Republic Act No. 5941; and
- e. Friar lands disposed of under Act No. 1120 and Commonwealth Act No. 32;

Sec. 3 Manner of Conducting the Appraisal. - In conducting the appraisal or re-appraisal, the fair market value of the property shall, as much as possible, be ascertained by considering the following factors, to wit:

- a. Extent, classification, location, actual use and development trends of the area;
- b. Assessed value and BIR zonal valuation;
- c. Sales and holding prices of lands of similar character located in the area;
- d. Highest and best use or potential of the property;
- e. The purpose for which the property is to be disposed of; and,
- f. Other relevant factors or circumstances.

Subject to the limitations that may be imposed under the pertinent laws, proclamations or any other presidential issuance's, in no case shall the appraised or re-appraised value of the property classified as residential or agricultural or primarily used for institutional or recreational purposes, be less than the current assessed value thereof. If the property is classified as commercial or industrial, the appraised or re-appraised value shall be not less than the average of the assessed and zonal values thereof.

If the property has not yet been declared for taxation purposes or its assessed value is not available, the assessed value of another property located in the area which is of similar character with that of the property being appraised shall be used. If the zonal value is not available, the fair market value or the current selling price of properties of similar character in the area as determined by the Assessor's Office concerned, shall be utilized.

The foregoing, notwithstanding, part or parts not exceeding thirty percent (30%) of its total area, of industrial or commercial land covered by lease application or contract, which are devoted to and actually utilized for growing of trees, shall be appraised or re-appraised at zero value.

Sec. 4 Appraisal Committee - Creation and Composition. - Within thirty (30) days from the effectivity of this Order, an Appraisal Committee charged to appraise/re-appraise lands of the public domain and patrimonial properties covered by Act 3038 which are by sales, lease or temporary permit application shall be created by the Regional Executive Director, and shall be composed of the following:

4.A Public Lands and Patrimonial Properties Covered by Act No. 3038. - The Appraisal Committee charged to appraise/re-appraise lands of the public domain and patrimonial properties covered by Act 3038 which are by sales, lease or temporary permit application shall be created by the Regional Executive Director, and shall be composed of the following:

1. The CENR Officer, as Chairperson;
2. One (1) Land Investigator in the CENRO; and
3. One (1) Land Management Officer in the CENRO, as members;

4.B **Residential, Agricultural, Urban, Commercial and Industrial Lands Covered by Republic Act No. 477, and Batas Pambansa Blg. 233, and all Other Properties Turned Over to the DENR by Virtue of Executive Order No. 285, s. of 1987.** - The Appraisal Committee charged to reappraise the properties under this section which are to be disposed of by sale, shall be constituted by the LMB Director, to be composed of the following:

1. A representative of the Director, Lands Management Bureau, who will act as Chairperson;
2. The Regional Technical Director of the Lands Management Sector concerned or his duly authorized representative; and
3. The City or Municipal Assessor of the City or Municipality where the land and/or improvements to be appraised are situated, as members.

If the property shall be disposed of through lease, the Committee on Appraisal consisting of one (1) Chairperson and two (2) members, shall be created by the LMB Director to be composed of the proper personnel of the LMB and/or the DENR field offices in the region where the property sought to be appraised is situated.

4.C **Friar Lands** - The Appraisal Committee shall be created by the LMB Director consisting of one (1) Chairperson and two (2) members to be composed of the following:

1. The Chief, Land Administration and Utilization Division, LMB, as Chairperson;
2. The Community Environment and Natural Resources Officer concerned or his duly authorized representative; and,

3. The Chief, Legal Division, LMB or his duly authorized representative, as members.

4.D **National Government Properties Situated in Baguio City Within the Purview of R.A. 1361, as amended by R.A. 5941, to be Disposed of by Sale.** - The Committee shall be created by the LMB Director, consisting of one (1) Chairperson and two (2) members, to be composed of the following:

- a. The Regional Technical Director, Land Management Sector of DENR-Cordillera Administrative Region, as Chairperson;
- b. The District Engineer, Baguio City; and
- c. The City Assessor, Baguio City, as members

4.E **Appraisal Committee Secretariat.** - The Special Order creating the Appraisal Committee shall include the creation of the Appraisal Committee Secretariat to be composed, as the case may be, of responsible LMB employees unit, or LMS personnel, unit or section in the CENRO concerned, as the demand of expeditious conduct and accomplishment of the appraisal may warrant.

The Appraisal Committee Secretariat shall assist the Committee in data gathering, coordination and investigation work. It shall, further provide technical and administrative support to the Committee.

Sec. 5 Appraisal Report. - After conducting the appraisal or re-appraisal, the Committee shall prepare and submit an Appraisal Report containing its findings and recommendations and the reasons and/or justification in support thereof.

The appraisal report shall, likewise, include the identity area, location, classification, the actual and potential uses of the

property, the improvements therein, if any, a brief description of the existing vicinity such as presence of roads, ports and other infrastructures, as well as the existing social and economic activities therein. A location map of the property and a sketch plan of the existing improvements therein, if any, must be attached to the appraisal report.

Information and/or certification regarding latest assessment, zonal valuation and data on recent sales of properties located in the area where the property being appraised is located and other relevant information, must be secured, if available, from the Bureau of Internal Revenue, Assessor's Office, Register of Deeds, and any other established offices of private entities concerned, and shall form part of the Appraisal Report.

Sec. 6 Mass Appraisal. - When conducting the appraisal or re-appraisal, the Committee, whenever feasible, shall adopt the carpet approach or simultaneous appraisal of lots comprising a residential subdivision, or of adjacent lots or lots located in the same municipality or city, which are proposed to be sold or leased to qualified applicants.

Sec. 7 Approval of the Appraisal Report. - The Appraisal Report to be submitted by the Committee on Appraisal involving properties falling under Section 2(a) and 2(b) of this Order, shall be approved by the authorized DENR Official as provided for under Administrative Order No. 38, dated April 19, 1990. For properties falling under Section 2(c), and 2(d), by the DENR Secretary, upon the recommendation of the LMB Director. Appraisal report involving properties under Section 2(e) shall be approved by the LMB Director.

Sec. 8 Appraisal - Up to when Effective. - The price or rental of the lands and improvements existing therein, if any, which are subject of temporary permit, sale or lease application or

those covered by an existing lease contract or temporary permit which are sought to be renewed or extended shall be based on the result of appraisal or re-appraisal which has been approved within one (1) year prior to the date of the issuance of the award, temporary permit, or in case of properties mentioned in paragraph 2(c) of this Administrative Order, from the prior approval of the proposed sale or lease or of the renewal or extension of an existing lease contract. In case of Friar Lands, the date shall be reckoned from the issuance of the sales certificate.

Sec. 9 Repealing Clause. - Lands General Circular Nos. 52, dated December 19, 1978, and 52-1 dated August 15, 1986, and all other existing rules and regulations, orders and circulars which are contrary to or inconsistent herewith are hereby repealed or modified accordingly.

Sec. 10 Effectivity. - This Administrative Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation and upon filing of three (3) certified true copies thereof with the University of the Philippine Law Center.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 16, 1998 - page 15

DENR Administrative Order

No. 98 - 48

June 29, 1998

SUBJECT : Redefining the Program Thrusts of the Field Network Survey Parties

Pursuant to Executive Order No. 45 dated 05 January 1993 and DENR Administrative Order No. 22, series of 1994, the Philippine Reference System of 1992 (PRS 92), shall now be adopted as the common reference of all surveying, mapping and charting in the country. A transition period up to the year 2000 is allowed in order to integrate existing surveys after which the PRS 92 shall be recognized as the sole reference.

The Field Network Survey Parties (FNSP) in each DENR Regional Office are hereby activated and their program thrusts redefined accordingly towards effective planning and execution to achieve the objective of providing accessible PRS 92 controls to all geodetic engineers using the conventional equipment and survey techniques.

Section 1. Redefined Functions of the Field Network Survey Parties (FNSP). The Field Network Survey Parties (FNSP) shall:

1. Connect to PRS 92 GPS stations, all existing control points such as: Bureau of Land Location Monuments (BLLM), Provincial Boundary Monuments (PBM), Municipal Boundary Monuments (MBM), Barrio Boundary Monuments (BBM) of cadastral, public land subdivision and group settlement surveys, including triangulation control points established by the Bureau of Lands (now Lands Management Bureau), the Bureau of Coast and Geodetic Survey (now CBSN/NAMRIA) and the private surveying organization;

2. Densify PRS 92 and the above control points to achieve at least two kilometers density or at least a pair of location monuments shall be established within a barangay such that the tie line of a survey should not exceed one kilometer;
3. Demarcate the political boundaries of contested areas in cadastral surveys to define the political boundaries of provincial, municipal and cities upon request of the local government units (LGUs) concerned and when the dispute shall have been settled in accordance with Sections 118 and 119 of R.A. 7160 (Local Government Code). Cost of these boundary surveys shall be charged against the funds of the LGUs concerned;
4. Demarcate boundaries of local government units following the descriptions in the law creating the municipality, city or barangay. The cost shall be borne by the concerned LGU;
5. Establish project controls of cadastral projects by administration;
7. Conduct test traverse of project controls of cadastral projects awarded to cadastral contractors;
8. Verify control of cadastral projects for approval of the Regional Technical Director for Lands; provided that controls established by triangulation method, the preliminary computations shall be done by FNSP and the final adjustment using Crandall or Least Squares Adjustment or other appropriate adjustment methods shall be done with the assistance of the Lands Management Bureau;
8. Upon order of the Regional Executive Director, demarcate the perimeter or boundary of (1) Integrated Social Forestry projects; (2) Buffer Zones as defined in DENR Adm. Order No. 13, s. 1992 (Regulations Governing the Establishment of Buffer Zones within Forest Lands); (3) accepted ancestral land claims as identified by the PENRO/CENRO concerned; (4) all reservations and national parks and other protected areas following the boundary descriptions contained in the proclamations, and (5) other surveys necessary to delimit areas within forest lands for a particular purpose as may be required

by the Regional Executive Director or higher officials of the DENR.

Sec. 2 Strategy of Implementation. The conduct of the above-mentioned surveys is to produce survey maps on the Philippine Plane Coordinate Systems (PPCS)-Transverse Mercator (TM)PRS 92 based on homogenous world standard high precision network controls. It shall be implemented as follows:

1. Connection of existing control points in the Local Plane Coordinate System or the Philippine Plane Coordinate System -TM Grid of 1965 as stated in Section 1, item 1 hereof shall be tied to PRS 92 stations of second or third order accuracy.

1.1 The FNSP shall prepare an inventory of all established BLLMs, PBMs, MBMs, BBMS, CBM. A Provincial or Municipal Control Index Map of appropriate scale shall be prepared and these controls are plotted using the PPCS-TM (1965 Grid Coordinate).

1.2 The recovered control points reported in the Location Monuments Recovery Reports and submitted as part of the survey returns of all isolated surveys shall be properly marked on the Provincial/Municipal Control Index Maps. The established PPCS-TM/PRS 92 stations shall also be plotted in the index maps using their PRS 92 Grid Coordinate. The traverse or triangulation survey design shall be prepared such that all PRS 92 stations within the area shall be used as traverse stations.

1.2.1 For this purpose, the Location Monument Recovery Report shall be required for each isolated survey being submitted pursuant to DENR Adm. Order No. 61, series of 1993 (Requiring the Submittal of the Location Monuments Recovery Report as Part of the Survey Return); mandatory for the tie point used in the survey

and optional for other location monuments within the vicinity of the survey.

1.2.2 The FNSP shall also conduct a field survey of existing location monuments on a municipal or provincial project basis.

1.3 In the establishment of geodetic network, connections must always be made to a network that is higher in accuracy than the one to be established. Connection of old reference points to PRS 92 shall be of the 4th Order accuracy for purposes of adjustment.

1.4 With the results of the interconnections of existing location monuments and PRS 92 GPS stations, the LMB, LMS and CGSD/NAMRIA shall start transforming the geographic coordinates of existing controls to conform with PRS 92.

2. The FNSP may establish additional PRS 92 stations of 3rd Order accuracy from 2nd Order and 3rd Order stations, respectively, by traverse or triangulation method or a combination thereof to achieve the designed two-to-three kilometer density or a pair of PRS 92 stations in each barangay. However, the densification of the First Order PRS 92 National Network which shall be on 2nd and 3rd Order accuracy is the responsibility of the CBSD/NAMRIA using the GPS receivers.

3. Numbering of Stations

3.1 For new stations of the 1st, 2nd and 3rd Order accuracy numbering must follow those established by CGSD/NAMRIA in setting up the PRS 92. Regional Technical Directors for Lands shall coordinate with CGSD/NAMRIA as to the starting number that they will use in a province.

3.2 For new stations of lower accuracy, i.e. 4th Order, the Regional Lands Management Services/Lands Management Bureau and CGSD/NAMRIA may design their own set of numbering. The RTDs for Lands shall forward whatever system is adapted to the LMB and the latter shall coordinate with CGSD/NAMRIA for completing the central data bank.

4. In order to place all surveys on maps of the same reference system, upon order of the Regional Executive Director, the perimeter/boundary survey of (1) ISF projects as identified by the CENRO (DENR Adm. Order No. 54, s. 1990); (2) Buffer Zones as defined in DENR Adm. Order No. 13, s. 1992 (Regulations Governing the Establishment of Buffer Zones Within the Forest Lands) as identified by the PENRO or CENRO; (3) ancestral claims as identified by the CENRO/ PENRO; (4) all reservations, national parks and other protected areas shall be demarcated on the ground on an integrated survey approach pursuant to DENR Adm. Order No. 35, s. 1993 (Prescribing Standard Operating Procedures to Strengthen the DENR Integrated Approach to Surveying and Mapping in the Country).

4.1 The FNSP through the RTD for Lands shall arrange with CBSD/NAMRIA for the establishment of the position of the survey using the GPS receivers by occupying monumented corners of the area at the prominent turn of the boundary.

4.2 The CENRO Surveys Unit or the Land Evaluation Teams shall assist in blazing the boundaries, making the corners with monuments in the manner as prescribed in Section 219 to 232 and 233 to 243 of the Manual for Land Survey of the Philippines (MLSP).

4.3 All boundaries between permanent forests and alienable and disposable lands called by the buffer zones (DENR Adm. Order No. 13, s. 1992) shall be clearly marked and maintained on the ground, with infrastructure or roads, or concrete monuments at intervals of not more than five hundred (500) meters (Sec. 17, P.D. 705). The monuments to mark the boundaries of ISF Projects, Land Classification, National Parks and other Protected Areas, Buffer Zones shall be 15x15x50 cm. (DENR Adm. Order Nos. 72 and 72-1, s. 1990). The boundaries shall then be surveyed in accordance with the provisions of the MLSP.

5. Accuracy Specifications of Surveys:

Specifications of survey precision for each kind of survey shall be as prescribed in DENR Adm. Order No. 22, series of 1994.

6. Prioritization of Survey Area:

6.1 Connections or inter-connections shall be made on the following priorities:

6.1.1 Unsurveyed areas or where there are no cadastral surveys

6.1.2 On going project surveys

6.1.3 Surveyed areas

6.2 As CGSD/NAMRIA continues to connect the old triangulation control points to the PRS 92 stations, LMB and NAMRIA shall set the cut-off dates when the areas have complied with 100 percent application of PRS 92 for all surveys and mapping in the area. The province or municipality may be declared. PRS 92 area wherein all surveys shall now be in PRS 92.

7. Network Maintenance and Funding:

7.1 Regional FNSP of the LMS, LMB and CGSD/NAMRIA shall incorporate in their annual budgetary request, funding for:

7.1.1 the densification of the PRS 92 established under NRMDP;

7.1.2 the physical maintenance of the PRS 92 markers and subsequent controls connected thereto;

7.1.3 equipment repair and maintenance and hardware/software acquisition or upgrading of existing items;

7.1.4 the necessary technical staffing pattern.

7.2 The Regional Executive Directors shall re-align portion of their current appropriations for surveys activities to finance the PRS 92 sub-project and shall, for every year hereafter, provide funds to attain a 100% transformation of all reference system pursuant to E.O. No. 45.

7.3 All records of control stations connected to PRS 92, the new monument books, descriptions and computations shall be submitted by the FNSP to the LMB for incorporation into the National Geodetic Data Bank.

9. The Regional Executive Directors shall be responsible for the preparation/revision of the Field Survey Programs in their respective regions in consultation with the CBSD/ NAMRIA and the LMB as well as the staffing of the FNSP.

9. The Regional Executive Directors may authorize their FNSP to operate in adjoining provinces/regions for purposes of completing the connection or interconnection surveys by the year 2000. Additional survey parties may be created if necessary.

To effectively carry out these functions and to comply with the mandate of Executive Order No. 45, the FNSP shall be under the control and supervision of the Regional Technical Director for Lands with the technical assistance of the LMB.

Sec. 3 Repealing Clause. This Order repeals DENR Adm. Order No. 51, series of 1990. All orders and issuance, which are inconsistent herewith, are amended accordingly.

Sec. 4 Effectivity. This Order takes effect fifteen days after its publication in a newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 17, 1998 - page 15

DENR Administrative Order
No. 98 - 53
August 10, 1998

SUBJECT : Transferring the Supervision of the Lands Management Bureau Under the Office of the Assistant Secretary for Legislative and Local Government Affairs.

In the interest of the service and in addition to the regular functions of the Assistant Secretary for Legislative and Local Government Affairs, the supervision of the Lands Management Bureau is hereby transferred from the Office of the Undersecretary for Environment and Programs Development to the said office.

As such, all documents or transaction emanating from the Lands Management Bureau should pass through the Office of the ASEC for Legislative and Local Government Affairs.

This Order takes effect immediately and supersedes all orders inconsistent herewith and remains in force until revoked in writing.

(Sgd.) ANTONIO H. CERILLES
Secretary

MINES

DENR Administrative Order

No. 98 - 02

January 07, 1998

SUBJECT : Renaming Human Resource Development Service to Human Resource Management Service (NRMS) and Transferring the Personnel Division Under the Supervision of HRMS.

1. Declaration of Policy

Pursuant to Section 7 (b) of Executive Order No. 192 dated 10 June 1987 and in order to achieve a more holistic approach in the management of the services for the human resources in the Department, thereby promoting a more sound career management system, further strengthening the merit and rewards system and institutionalizing a management climate conducive to public accountability while at the same time promoting sustainable management of natural resources and protection of the environment, it is hereby declared that henceforth, human resource management instead of human resource development shall be given more emphasis.

2. Functional Realignment

In pursuit of the new policy, the Human Resource Development Service is hereby renamed Human Resource Management Service (HRMS) and the Personnel Division, Administrative Service is hereby transferred to HRMS from Administrative Service. The transfer of Personnel Division to HRMS shall include the functions, appropriations, funds, records, equipment, facilities and personnel thereof, which shall be placed under the direct control and supervision of the HRMS Director.

Furthermore, the HRMS shall continue to perform functions as mandated in DAO No. 95-25 and DAO No. 1, Series of 1988.

Likewise, the Chief, Administrative Divisions of Staff Bureaus and Regional Offices are hereby designated as HR Coordinators.

3. Continuing Support to HRMS

The HRMS shall institutionalize programs that will promote continuous improvement including Human Resource Information System, Job Analysis, Competency Profiling, Performance Appraisal System and other human resource management endeavors thereby ensuring the effective implementation of human resource management programs in the Department.

4. Repealing Clause and Effectivity

This Order hereby amends DAO No. 1, Series of 1988, DAO No. 14, Series of 1992, DAO No. 25-95 and DAO No. 96-01 and all other administrative issuances inconsistent herewith and shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 11
March 11, 1998

SUBJECT : Temporary Lifting of the Ban on Lumber Export.

In order to help stabilize the foreign exchange rate of the Philippine peso which has been adversely affected by the regional economic crisis and in order to get the optimum value of Philippine hardwood while using imported wood for ordinary construction, this Department in consultation with the Department of Trade and Industry (DTI) is temporarily lifting the ban on lumber exports imposed under DENR Administrative Order No. 19, dated 17 March 1989.

The lifting of the ban is, however, subject to the following conditions:

1. Only TLA- and IFMA-holders with approved Integrated Annual Operations Plan (IAOPs) shall qualify for an export permit;
2. Only KD lumber produced and processed locally shall be allowed for export;
3. A floor price shall be established periodically for the lumber to be exported to get the full value of the wood;
4. To ensure that domestic requirement for lumber is not prejudiced by export, the DENR Regional Offices in coordination with the local DTI will determine the domestic lumber requirement of the Region. A certification to this effect will be issued by the RED which will determine the export allocation of KD lumber per region. Such volume should not affect the requirement of lumber for local consumption.

5. Exportation of the lumber processed by qualified TLA-/IFMA-holders will only be allowed upon satisfactory compliance with all the requirements as shown as Annex A.
6. Lumber exports shall be allowed up to December 31, 1998 only, unless earlier terminated by this Office.

This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

(Sad.) VICTOR O. RAMOSE
Secretary

Annex A omitted

Memorandum Order
No. 98 - 01
January 06, 1998

SUBJECT : Moratorium on All Mining and Mining-Related Activities in the Diwalwal Gold Rush Area.

In the light of the recent fatal accident in the Diwalwal Gold Rush Area caused by the collapse of certain underground workings; in view of the grave and irreparable environmental degradation in the area as a consequence of the mining activities conducted therein; and in recognition of the need for an effective determination, documentation and processing of all the necessary procedures, licenses, permits and other requisites mandated under RA 7076, RA 7942 and its Implementing Rules and Regulations, DAO 66, series of 1991, and other pertinent laws, rules and regulations, a **MORATORIUM** on all mining and mining-related activities therein is hereby **ORDERED** until further notice.

In consonance herewith, the following implementing guidelines and instructions are hereby issued:

1. The Regional Director (“RD”) of MGB Regional Office No. XI shall deputize the concerned unit/s of the Philippine National Police for the full implementation of this Order within 48 hours from the effectivity hereof, in coordination with other relevant government agencies and instrumentalities.
2. The MGB Director shall immediately conduct, upon the implementation of this Order and a determination that the area has been effectively secured and there is no movement of extracted ores/stockpiles, a thorough safety inspection and geo-hazard evaluation of the area to determine the safety conditions of the area.

A comprehensive inventory of the extracted ores/stockpiles shall also be conducted by the MGB.

3. The RD in coordination with the Regional Executive Director (“RED”) of DENR Region XI, shall cause the immediate creation of a multi-sectoral committee within 72 hours from the effectivity hereof, who shall primarily assess, determine and undertake the appropriate actions and measures necessary for the mines safety, health and sanitation and the environmental condition of the area, giving special attention to the mercury and cyanide contamination and siltation of the rivers and agricultural lands.

The Committee shall be chaired by the RD, co-chaired by the RED, with membership composed of representatives from the Department of Health, Department of Social Welfare and Development, the relevant local government units, and other concerned sectors.

4. The RED and RD shall, subject to the approval of the Secretary, define the specific functions, duties and responsibilities of the committee pursuant to its stated purpose and objectives. They shall submit to the Secretary within fifteen (15) days from the establishment of the Committee, an Implementing Plan, consistent with this Order, which shall include, among others, the relocation plans, technical assistance and other measures necessary for the effective continuing execution of this Order. Likewise, a weekly status report on the implementation and compliance with this Order shall also be submitted to the MGB and EMB Director and the Secretary.
5. The herein MORATORIUM shall cover all mining and mining-related activities, including but not limited to mining operations and mineral processing as defined in the Mining Act and its Implementing Rules and Regulations.

6. All extracted ore/stockpiles within the Diwalwal Gold Rush Area shall be, in accordance with existing laws, rules and regulations, subject to outright confiscation and forfeiture. Pursuant to such laws, rules, and regulations, the proceeds of such confiscation and forfeiture shall be used as a seed fund for environmental rehabilitation and social amelioration.

This Order shall take effect immediately.

SO ORDERED.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 03
January 30, 1998

SUBJECT : Guidelines in the Issuance of Area Status and Clearance or Consent for Mining Applications.

Pursuant to Section 8 of Republic Act No. 7942, otherwise known as the Philippine Mining Act of 1995 (the "Act") and Section 6 of DENR Administrative Order No. 96-40, the Revised Implementing Rules and Regulations of the Act ("DAO 96-40"), the following guidelines in the issuance of Area Status and Clearance or Consent for Mining Applications are hereby promulgated.

Section 1. Rationale

- a. It is the declared policy that all mineral resources in public and private lands within the territory and exclusive economic zone of the Republic of the Philippines are owned by the State. It shall be the responsibility of the State to promote their rational exploration, development, utilization and conservation through the combined efforts of the Government and private sector in order to enhance national growth in a way that effectively safeguards the environment and protects the rights of affected communities pursuant to the Act and DAO 96-40.
- b. DAO 96-40 provides for Area Status and Clearance or Consent as one of the requirements for processing of Mining Applications, in recognition of existing and subsisting land/surface/or occupation rights, emanating from the Bureau, concerned DENR Sectors and/or concerned Government Office(s).

- c. It is imperative that a standard policy be adopted for the issuance of Area Status and Clearance or Consent, harmonizing existing policies to achieve complementation and coordination among concerned offices in view of the need to facilitate processing of Mining Applications. Such policy shall recognize and protect valid and subsisting land/surface or occupation rights granted by the Concerned Government Offices.

Sec. 2 Objectives

- a. To rationalize existing policies and provide specific procedures in the issuance of Area Status and Clearance or Consent as required under DAO 96-40; and
- b. To recognize and protect existing and subsisting tenurial, land, surface or occupation rights granted and/or authorized by the Concerned Government Office(s), in the course of processing Mining Applications.

Sec. 3 Definition of Terms

For the purpose of this Order, the following terms are accordingly defined:

- a. **Area Clearance** - refers to the document(s) issued by the concerned DENR Sectors, Concerned Government Offices, or the Office of the Undersecretary for Field Operations in cases falling under Section 11 hereof, indicating that the area(s) covered thereby are free and open for the grant of a Mining Application;
- b. **Area Consent** - refers to the document(s) indicating that the concerned or affected private entities, as provided in Section 6 hereof, have given their permission or consent to the grant of a Mining Application.

- c. **Area Status** - refers to the classification of the area covered by a Mining Application, that is, whether it is alienable and disposable land, agricultural land, timber or forest land, public or private land as issued by the concerned DENR Sector(s) or Concerned Government Office(s), and whether or not such lands are covered by valid/existing/expired/abandoned/ cancelled mining rights or claims, as issued by the MGB.
- d. **Bureau** - refers to the Mines and Geosciences Bureau Central Office.
- e. **Concerned Government Office(s)** - refers to government office(s) having obtained legal authority and/or jurisdiction over reservations or certain specified areas.
- f. **DENR Project Areas** - refers to specific portions of land covered by an existing project of the Department such as, but not limited to, Industrial Forest Management Agreement (IFMA) and Community-Based Forest Management Agreement (CBFMA).
- g. **DENR Sectors** - refers to the Forest Management Service, Lands Management Service and Environmental Management and Protected Areas Service.
- h. **MGB** - refers to the Mines and Geosciences Bureau.
- i. **Mining Application** - means any application for mining rights for which Area Status and Clearance or Consent are required under Sections 20,37,54,75,83 and 90 of DAO 96-40;
- j. **Regional Office** - refers to the concerned Regional Office(s) of the Mines and Geosciences Bureau.

Other terms used in this Order shall have their meaning as defined in the Act and DAO 96-40.

Sec. 4 Scope and Limitation

Where applicable, as determined by the succeeding sections, an Area Status and Clearance or Consent shall be issued with respect to areas covered by Mining Applications in order to determine whether or not such areas are open or clear for the same.

The issuance or grant of an Area Status and Clearance or Consent shall not be construed as approval or grant of the Mining Application in relation to which it is issued, but is merely one (1) procedural requirement in the processing and evaluation of such application. Said Mining Application shall still be subject to further processing and evaluation, and if granted, it shall be subject to such other and further requirements under the Act, DAO 96-40 and pertinent laws, rules and regulations such as, but not limited to, the requirement to obtain an Environmental Compliance Certificate prior to development and utilization.

Sec. 5 Areas Closed to Mining Applications

Mining Applications shall not be accepted in the following areas:

1. Areas covered by valid and existing mining rights and Mining Applications subject to the pertinent condition/s stated in Section 6 hereof;
2. Old growth or virgin forests, proclaimed watershed forest reserves, wilderness areas, mangrove forests, mossy forests, national parks, provincial/municipal forests, tree parks, greenbelts, game refuge, bird sanctuaries and areas proclaimed as marine reserves/marine parks and tourist zones as defined by law and identified initial components of the National Integrated Protected Areas System (NIPAS) pursuant to R.A. No. 7586 and such areas expressly prohibited thereunder, as well as under Department Administrative Order No. 25, Series of 1992, and other laws;
3. Areas which the DENR Secretary may exclude based, *inter alia*, on proper assessment of their environmental impacts and

implications on sustainable land uses, such as built-up areas and critical watersheds with appropriate Barangay/Municipal/City/Provincial Sanggunian ordinance specifying therein the location and specific boundary of the concerned area; and

4. Areas expressly prohibited by law.

Mining Applications which may have been accepted over the foregoing areas shall be reviewed and, after due process, such areas may be denied Area Status and Clearance and excluded from said applications.

Sec. 6 Areas Open to Mining Applications but Subject to Area Consent from Private Entities.

Mining Applications shall be accepted over the following areas the approval of which is subject to the conditions set forth hereunder:

- a. In areas covered by an application for a Financial or Technical Assistance Agreement (“FTAA”), the acceptance of a mining application for quarry resources, except sand and gravel applications, shall require the consent of the FTAA Applicant.
- b. In areas covered by Small-Scale Mining Contracts under R.A. 7076 and Small-Scale Mining Permits under Presidential Decree No. 1899, the prior written consent of the small-scale miners, together with an agreement on a royalty payment upon utilization of the minerals to be placed in a Trust Fund for the socio-economic development of the concerned community, pursuant to Section 15(b) of DAO 96-40.
- c. In areas occupied/claimed by Indigenous Cultural Communities, the prior informed consent of the concerned Communities, pursuant to Sections 16 and 17 of the Act and Section 16 of DAO 96-40, and without prejudice to further rules and procedural requirements that may hereafter be

promulgated to implement Republic Act No. 8371, otherwise known as the Indigenous People's Right Act ("IPRA").

Provided, that in the case of Quarry, Sand and Gravel, Gemstone Gathering or Guano Permit applications, the written permission of affected landowner(s) or surface owner(s) shall also be required as a mandatory requirement in the acceptance of such applications.

Provided, further, that in the case of overlapping of claims, conflicts or complaints from landowners, non-government organizations and other concerned stakeholders, the Regional Director, or the Provincial Governor/City Mayor in the case of quarry resources mining applications, shall exert all efforts to resolve the same.

Sec. 7 Areas Open to Mining Applications but Subject to Area Status Clearance.

Mining Applications may be granted over the following areas subject to Area Status and Clearance from the concerned Department Sectors or Concerned Government Office(s) having jurisdiction over the same:

- a. Public and private lands not covered by valid and existing mining rights and Mining Applications;
- b. Lands covered by expired, abandoned or canceled mining rights and Mining Applications;
- c. Mineral reservations;
- d. Timber or forest lands as defined in existing laws, excluding those covered by NIPAS areas;
- e. Military and other Government Reservations outside of the jurisdiction of the DENR, provided that these may only be opened initially for Exploration Permits, pursuant to Section 11 of DAO 96-40;

- f. Areas near or under public or private buildings, cemeteries, archaeological and historic sites, bridges, highways, waterways, railroads, reservoirs, dams or other infrastructure projects, public or private works; including plantations or valuable crops, subject to technical evaluation and validation by the Bureau;
- g. Areas falling under the jurisdiction of DENR which shall consist of the following:
 - 1. Forest reservations;
 - 2. Forest reserves other than critical watershed forest reserves; and
 - 3. Existing DENR Projects Areas within timber or forest lands, reservations and reserves.

Provided, that DENR proposed project and/or protected areas that fall within forest reservations, forest reserve other than critical watershed forest reserves, timber or forest lands and other areas listed under Section 7 hereof are considered open to Mining Application.

Sec. 8 Procedure in Applying for Area Status and Clearance from Concerned Department Sectors.

- a. Requirements - The application for Area Status and Clearance shall be accompanied by two (2) supporting documents, namely:
 - 1. the Transmittal Notice (Annex "A") with a copy of the location map/sketch plan of the area applied for; and
 - 2. a copy of the pertinent environmental measures such as Environmental Work Program (EWP), Environmental Compliance Certificate (ECC) or Environmental Protection and Enhancement Program (EPEP), as the case may be, for applications for Exploration Permits, Mineral Agreements or FTAAAs, or any report/program that shows

the proposed environmental protection measures in the case of Quarry, Sand and Gravel, Guano or Gemstone Gathering Permit application.

b. Commencement of Process

1. Applications for Exploration Permits, Mineral Agreements or FTAAAs - Within fifteen (15) working days from receipt of the application, the concerned Regional Office(s) shall issue the Transmittal Notice with a copy of the location map/sketch plan of the applied area and the EWP, ECC or EPEP, as the case may be, to the pertinent Department Sectors for Area Status and Clearance, copy furnished the concerned municipalities, cities and other relevant offices or agencies of the Government for their information.
2. Applications for Quarry, Sand and Gravel, Guano or Gemstone Gathering Permits - Within fifteen (15) working days from receipt of the application, the concerned Provincial/City Mining Regulatory Board (“P/CMRB”) shall issue the Transmittal Notice with a copy of the location map/sketch plan of the area applied for and environmental protection report/program to the concerned Regional Office(s) and Department Sectors for Area Status and Clearance, copy furnished the concerned municipalities, cities and other relevant offices or agencies of the Government for their information.
2. If the area subject of an application falls within the administration of two (2) or more Regional Offices or PCMRBs, as the case may be, the Regional Office or P/CMRB with jurisdiction over the smaller area shall follow the same procedure directed to the concerned Regional Office(s), Department Sectors, municipalities, cities and other relevant offices or agencies of the Government in the region/s covered by the remaining area.

- c. Responsibility of the Applicant - Upon notification of the applicant by the Regional Office or P/CMRB, as the case may

be, as to the dispatch of the Transmittal Notice with the accompanying location map/sketch plan and other documents, to the concerned offices and agencies, it shall now be the responsibility of the applicant to secure the necessary Area Status and Clearance from the same.

- d. Responsibility of the Concerned Regional Offices and Department Sectors - The concerned sectors and offices shall issue an official response to all request(s) for Area Status and Clearance within thirty (30) working days from receipt of the notice requesting for the same. Failure of said sectors and offices to issue such official response within that prescribed period shall be construed that no objection is being interposed to the request for Area Status and Clearance.

Sec. 9 Issuance of Area Status and Clearance.

If the subject area is found to be open to Mining Applications, the concerned sectors or offices shall approve and issue the corresponding Area Status and Clearance (Annex "B") in the immediately preceding section. Within fifteen (15) days of receipt of such Area Status and Clearance, the Bureau, concerned Regional Office(s) or P/CMRB, as the case may be, shall then issue to the applicant, the following:

- a. Written notice to pay the corresponding clearance fee (pursuant to DAO 97-10) to the concerned Bureau/Regional Office(s); and
- b. Notice of Application for publication, posting and radio announcement.

Sec. 10. Denial of Area Status and Clearance

Denial of Area Status and Clearance by concerned Regional Offices, Department Sectors and Government Offices shall mean that the area subject thereof is closed to Mining Applications.

Any such denial shall be formally issued in writing and clearly supported by legal or technical basis.

In such cases, the concerned Regional Office shall, within fifteen (15) working days from receipt of the denial of Area Clearance, exclude the same from the coverage of the concerned Mining Application, except in cases provided for by the next succeeding section.

Sec. 11 Appeal from Denial of Area Status and Clearance

The denial of Area Status and Clearance by the DENR Sector(s)/Regional Office(s) may be appealable to the Undersecretary for Field Operations within fifteen (15) calendar days from receipt of such denial.

In such cases, the applicant shall file a Notice of Appeal, with the disputed Denial of Area Clearance attached thereto, with the Office of the Undersecretary for Field Operations, copy furnished the concerned Regional Office/s. Exclusion of area/s covered by the disputed Area Status and Clearance shall be held in abeyance pending the decision on the appeal. The concerned Regional Office/s shall forward pertinent records and such other documents to the Office of the Undersecretary thru the MGB Director within five (5) days from receipt of the Order requiring any such records and other documents.

The Office of the Undersecretary for Field Operations shall then issue the final order either affirming or reversing the denial of the concerned Regional Office/s. In the event the denial is affirmed, the concerned Regional Office/s shall exclude the areas covered by said denial from the pertinent Mining Applications within five (5) days from receipt of the final order. In the event the denial is reversed, the Office of the Undersecretary for Field Operations

shall issue the Area Status and Clearance to the applicant, copy furnished the concerned Regional Office/s.

Sec. 12 Institutional Support

The Bureau shall establish a “One-Stop Shop” (OSS) for Mining Applications in its Central and Regional Offices which shall facilitate application processing, provide status update on Mining Applications and coordinate with other offices/agencies with regards to the processing of Mining Applications. In view thereof, all concerned DENR Sectors shall provide the necessary support including personnel to be assigned on a part-time basis to the OSS.

Sec. 13 Separability Clause

Should any provision of this Order or any part thereof be held or declared invalid by a competent court, the other provisions shall remain in full force and effect.

Sec. 14 Repealing and Amending Clause

All Memorandum Orders inconsistent with or contrary to the provisions of these guidelines are hereby repealed or modified accordingly.

Sec. 15 Effectivity

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 06
March 23, 1998

SUBJECT : Moratorium on the Acceptance of All New Applications and the Approval of All Pending Applications for Small-Scale Mining Permits, Quarrying Permits, Mining Contracts/ Agreements, and Corresponding ECCs, in the Municipality of Rodriguez (formerly Montalban), Province of Rizal.

In order to provide adequate protection to the environment as mandated under the Philippine Mining Act of 1995 (R.A. 7942), the Small-scale Mining Laws (P.D. 1899 and R.A. 7076), environmental laws, and other pertinent laws, rules and regulations, and to rationalize current mining/quarrying/crushing operations, a **MORATORIUM** on the acceptance of all new applications, and the approval of pending applications and renewals, for mining/quarrying/crushing in the Municipality of Rodriguez (formerly Montalban), Province of Rizal, is hereby **ORDERED** until further notice.

In consonance thereto, the following implementing guidelines and instructions are hereby issued:

1. This **MORATORIUM** shall cover the acceptance of all new applications for small-scale mining permits, quarry permits, mining contracts/agreements, as well as environmental clearances for mining/quarrying/crushing activities in the Municipality of Rodriguez (formerly Montalban), Province of Rizal;

2. The approval of all pending applications for mining and crushing operations shall temporarily be held in abeyance, pending the results of investigations and submission of report/recommendations by the Multi-Sectoral Committee;
3. The approval of requests for renewal of existing mining rights previously granted through duly approved permits, contracts, or agreements shall also be temporarily held in abeyance until the submission of the report of the Multi-Sectoral Committee on the environmental and community track records of the applicants;
4. There is hereby created a Multi-Sectoral Committee on Mining/Quarrying/Crushing Operations in Rodriguez which shall be chaired by the MGB Regional Director, with membership composed of representatives from the EMB, R.O. IV-EMPAS, PENRO/CENRO, an environmental NGO, and other concerned sectors as may be defined by the Committee;
5. The Committee shall have the following functions, duties and responsibilities:
 - a. Ensure that the Moratorium Order is effectively enforced and adequately monitored;
 - b. Evaluate and assess the current status of mining/quarrying/crushing operations in the area;
 - c. Undertake necessary investigations of complaints and any violation of mining and environmental laws, rules and regulations, and ECC conditionalities;
 - d. Prepare specific recommendations and action plans to appropriate authorities to implement any necessary actions and impositions to adequately address such complaints and/or violations;
 - e. Submit monthly reports on their observations and recommendations to the Undersecretary for Field Operations;

- f. In coordination with the LGUs and the communities, formulate a strategic development plan that would minimize, if not eliminate, adverse environmental impacts of all on-going and future mining/quarrying/crushing operations in the area;
6. The MGB Regional Director/Chairman of the Multi-Sectoral Committee shall, within fifteen (15) days from the issuance hereof, prepare and submit to the Secretary specific action plans and timetables to effectively implement this Order;
7. The Multi-Sectoral Committee shall submit their reports of investigation and specific recommendations to the Secretary within sixty (60) days from the submission and approval of the Action Plan to implement this Order;
8. All expenses to be incurred by members of the Multi-Sectoral Committee shall be charged against the funds of their respective offices, subject to the usual government accounting and auditing rules and regulations.

This Order shall take effect immediately and shall remain in force until the completion of the tasks and accomplishments of all objectives, or otherwise lifted or terminated by the Secretary.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 08
May 07, 1998

SUBJECT : Amending DENR Memorandum Order No. 98-06 Regarding the Moratorium on the Acceptance of All New Applications and the Approval of All Pending Applications for Small-Scale Mining Permits, Quarrying Permits, Mining Contracts, Agreements and Corresponding ECCs in the Municipality of Rodriguez, Province of Rizal.

Consistent with the thrust on environmental protection mandated under the Philippine Mining Act of 1995 and pursuant to the March 27 and March 30, 1998 meetings of the Multi-Sectoral Committee on Mining/Quarrying/Crushing Operations in Rodriguez, Rizal, the following amendments to DENR Memorandum Order No. 98-06 are hereby decreed and instituted.

1. Aside from Rodriguez, the MORATORIUM shall cover the municipality of San Mateo, Province of Rizal.
2. The functions, duties and responsibilities of the Multi-Sectoral Committee on Mining/Quarrying/Crushing Operations shall cover the municipality of San Mateo, Province of Rizal.
3. The quarry operators, small scale mining permittees and crushing plant operators shall assist the Multi-Sectoral Committee by

granting them free entry and access to their quarries, crushing plants and relevant records.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS

Secretary

Memorandum Order

No. 98 - 11

August 11, 1998

SUBJECT : Moratorium On The Acceptance Of All New Application And The Approval Of All Pending Applications For Sand And Gravel Permits Along Lagnas River And Its Tributaries At Sariaya, Quezon.

WHEREAS, after frequent flooding brought about by heavy rains and typhoons, particularly during typhoon “Rosing” which hit Sariaya, Quezon in November 1995, the channels of Lagnas River and its tributaries were deposited with large volume of river bed materials;

WHEREAS, the Sariaya Municipal Government after recognizing the river system to be in critical condition, resolved to institute a flood control program which constitutes primarily the dredging of said channels;

WHEREAS, after a series of dialogues and consultation among the municipal government, Department of Public Works and Highways, Department of Environment and Natural Resources/Mines and Geosciences Bureau and the private crushing plant and sand and gravel operators, a Memorandum of Agreement (MOA) had been initially formulated for the purpose of ensuring the efficient and effective implementation of said Flood Control Projects;

WHEREAS, in view of the unsystematic and haphazard quarrying and extraction of sand and gravel in the area, the Sangguniang Bayan passed Kapasiyahan Blg. 87 on 29 October 1997 requesting for[[the temporary closure to mining location of Lagnas River and

its tributaries until the Flood Control Project has been fully implemented;

WHEREAS, on 23 February 1998, recognizing the need to protect the lives and properties in the locality and in anticipation of the effects of the “**La Nina**” phenomenon, the MGB manifested full support to the flood control program and sustained said Kapasiyahan Blg. 87.

NOW THEREFORE, in view of the foregoing premises, a **MORATORIUM** on the acceptance, of all new applications and the approval of mining permit applications along Lagnas River and its outlying areas is hereby **ORDERED** until further notice.

In consonance thereto, the following implementing guidelines and instructions are hereby issued:

1. The **MORATORIUM** shall cover the acceptance of all new applications for sand and gravel permits along Lagnas River and its outlying areas in the Municipality of Sariaya, Quezon Province.
2. The approval of all pending applications for sand and gravel operations shall be temporarily held in abeyance until the effectivity of said Order have been lifted/revoked.
3. The approval of requests for renewal of existing mining rights previously granted shall also be held in abeyance until the submission of reports/recommendations of the Multi-Sectoral Committee.
4. There is hereby created a Multi-Sectoral Committee on the sand gravel operations in Sariaya, Quezon Province which shall be chaired by the MGB-Regional Director, with membership composed of representatives from the Regional Office No. IV-

EMPAS, PENRO/CENRO, Local Government Unit, DPWH and other concerned sectors as may be defined by the Committee.

5. The Committee shall have the following functions, duties and responsibilities:
 - a. Ensure that the Moratorium Order is effectively enforced and adequately monitored.
 - b. Evaluate and assess the current status of sand and gravel operations in the area in consonance to the implementation of Sariaya Flood Control Program.
 - c. Prepare specific recommendation and action plans to appropriate authorities to adequately address problems arising from sand gravel activities which might affect or delay the rehabilitation of Lagnas River.
 - d. Submit monthly reports on their observations and recommendations to the Undersecretary for Filed Operations.

6. All expenses to be incurred by members of the Multi-Sectoral Committee shall be charged against the funds of their respective offices, subject to the usual government accounting and auditing rules and regulations.

This Order shall take effect immediately and shall remain in force until the implementation of the Sariaya Flood Control Program have been fully accomplished or otherwise lifted or terminated by the Secretary.

SO ORDERED:

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 19
December 02, 1998

SUBJECT : Interim Authority to Transport Ores Already Extracted and not Included in the Writ of Injunction Issued by the Court of Appeals in CA-G.R. SP No. 47293, Entitled Mt. Diwata Upper Ulip Tribal Association, Et Al., Vs. Monkayo Integrated Small-Scale Miner's Association (MISSMA).

WHEREAS, Republic Act No. 7076 (Otherwise known as the People Small-Scale Miner's Act of 1991) enacted on 27 June 1991 declared the segregation and reservation of certain mineral lands as people's small-scale mining areas and the non-dispossession of small-scale miners who have been in actual operation of mineral lands on or before 01 August 1987.

WHEREAS, Administrative Order No. 66 promulgated on December 1991 by the Department of Environment and Natural Resources pursuant to Republic Act No. 7076 declared the seven hundred twenty nine hectares (729) in Mt. Diwata Gold Rush Area in Monkayo, Compostela Valley, as open for small-scale mining;

WHEREAS, Republic Act No. 7942 (Otherwise known as the "mining Act of 1995") enacted on 03 March 1995 gave preferential right to small-scale miners of up to twenty-five per cent (25%) of the country's mineral reservation as provided in Republic Act 7076;

WHEREAS, taking into account the legislative intent of the enactment of Republic Act 7076, the Mines Adjudication Board decision, in MAC-Case No. 005 (XI) dated January 1998, declared

the seven hundred twenty nine hectares (729 has.) in Mt. Diwata Gold Rush Area in Monkayo, Compostela Valley, as excluded from the Southeast Gold Mining Corporation's adverse claim and, thus, open for small-scale mining.

WHEREAS, under Section 79 of Republic Act No. 7942, the decisions of the Mines Adjudication Board (MAB) are final and executory;

WHEREAS, On 23 September 1998, His Excellency Joseph Ejercito Estrada issued a Memorandum Order directing the moratorium and stoppage of all mining activities in the disputed Mt. Diwata Gold Rush Area, Monkayo, Compostela Valley, until after the controversy and conflicting claims have been finally addressed and resolved;

WHEREAS, in line with the aforementioned Memorandum Order dated 23 September 1998, the small-scale miners conducting mining activities in the disputed Mt. Diwata Gold Rush Area numbering around twenty-five thousand individuals, more or less, have faithfully abided therewith and voluntarily desisted from continuing with their mining activities;

WHEREAS, in view of the extremely distressful situation in the Compostela Valley resulting from the short period of time that the mining activities of the small-scale miners were put on moratorium, the entire area was declared under a state of calamity and desolation such that the Department of Welfare and Development conducted the much needed relief operation in order to temporarily alleviate the affected families from their current plight and distress.

WHEREAS, aside from the resultant hardship being experienced by vast citizenry of Compostela Valley, the economy of the area has been widely affected in view of the great loss of revenue being generated by the mining activities being conducted in the Mt. Diwata

Gold Rush Area in the form of local taxation, regulatory permits and licenses and local commercial trade;

WHEREAS, in view of the extreme urgency of the situation necessitating priority concern, the Memorandum Order issued by the Office of the President On 23 September 1998 was supplanted by the creation of Task Force Diwa by the Office of the President, an inter-agency/Cabinet-level work and research group, composed of the DENR, Department of Justice (DOJ), Department of Interior and Local Governments (DILG), and tasked to investigate and assess the on-going dispute in the Mt. Diwata Gold Rush Area and make its findings and recommendation;

WHEREAS, on 22 October 1998, Task Force Diwat issued a resolution declaring the 729 - hectare disputed Gold Rush Are of Mt. Diwata as, delineated, and designated and reserved for small-scale mining activities;

WHEREAS, in the said resolution, the mining activities being conducted by the small-scale miners presently occupying the Mt. Diwata Gold Rush Area was legitimized;

WHEREAS, in the said resolution, the Department of Environment and Natural Resources (DENR), a member of Task Force Diwa, was mandated to commence with the processing of gold ore deposits in the seven hundred twenty-nine hectares (has.) in Mt. Diwata Gold Rush Area in Monkayo, Compostela Valley. The DENR was likewise mandated to ensure that all environmental protection, safeguard and enhancement, including the safe operation of the mining activities by the small-scale miners, are complied with and implemented;

WHEREAS, in the said resolution, the DENR was likewise mandated to enter into an Interim Operating Agreement, through the Natural Resources Development Corporation (NRDC) as the DENR's corporate implementing arm, with the small-scale miners presently

occupying and conducting mining activities in the Mt. Diwata Gold Rush Area for the interim exploration, exploitation, extracting and processing and transport of gold ore deposits prior to the final issuance in favor of the small-scale miners of the appropriate and necessary Exploration, Ore Transport and Mineral Processing Permits and Mineral Trading Registration;

WHEREAS, in the said resolution, the DENR was likewise mandated to facilitate the transport and processing of the extracted gold ores in Mt. Diwata excluded from the Compromise Agreement by and between Monkayo Integrated Small Scale Miners Association and the DENR dated 19 March 1998 and, therefore, excluded from the Preliminary Injunction dated 24 June 1998 issued by the Court of Appeals in CA-G.R. SP No. 47293;

NOW, THEREFORE, pursuant to the premises laid down above, the following Order is hereby issued for the guidance and compliance of those concerned:

1. To ensure the payment of the proper excise taxes in accordance with existing laws, the MGB region director is hereby ordered to conduct an inventory, segregate, and separate the gold ores in the Diwalwal area not subject to the writ of injunction issued in CA-G.R. SP No. 47293, not later than five (5) days from the execution hereof;
2. In accordance with the Task Force Diwa Resolution dated 22 October 1998, the MGB regional director is hereby ordered to cause and monitor the transportation of the extracted gold ores that have been so inventoried, separated, and segregated and excluded from the Compromise Agreement by and between Monkayo Integrated Small Scale Miners Association and the DENR dated 19 March 1998 and subject of the Writ of Injunction issued in CA-G.R. SP No. 47293; To achieve this objective, the Provincial

Mining Regulatory Board of Compostela Valley is hereby ordered to issue the necessary Ore Transport Permits;

3. The MGB regional office shall submit a report on the action conducted under this Order within ten (10) days from receipt hereof;

THIS ORDER SHALL TAKE EFFECT IMMEDIATELY.

(Sgd.) ANTONIO H. CERILLES
Secretary

**Memorandum Order
No. 98 - 20
December 08, 1998**

SUBJECT : Suspending DENR Memorandum Order No. 98-19 and Directing the Enforcement of the Presidential Memorandum of September 23, 1998 for the Stoppage of Illegal Mining Operations in Diwalwal.

WHEREAS, The President of the Philippines has issued the Memorandum of September 23, 1998 directing among others the stoppage of illegal mining and processing operations in Diwalwal;

WHEREAS, The Department of Environment and Natural Resources (DENR) has issued DENR Memorandum Order NO. 98-19 providing for the interim authority to transport ores from Diwalwal , which are not covered by the Writ of Preliminary Injunction in C.A. G.R. SP No. 47293 entitled Mt. Diwata-Upper Ulip Tribal Association, Et. Al., vs. Monkayo Integrated Small-Scale Miners Association (MISSMA);

WHEREAS, A legalization process toward a rational mining operation in Diwalwal is still underway and that the necessary environmental, occupational health and mine safety measures have not been set in place;

WHEREAS, The extraction and processing of ores in Diwalwal without the necessary permits are reported to be continuing in violation of the Memorandum of September 23, 1998 by the President;

WHEREAS, Such unmitigated illegal mining and processing operations in Diwalwal are resulting to the continued pollution of the environment, posing great danger to lives and properties;

WHEREAS, The recent fatal accidents in the Diwalwal mining operations confirm the need to strictly assess the working conditions therein before such operations may be allowed;

WHEREAS, Under no condition can processing plants in the locality be allowed to operate unless these are covered by Environmental Compliance Certificates (ECCs), the waste disposal systems pass the DENR standards for environmental management and the appropriate site for such processing plants are determined by the concerned authorities;

WHEREAS, The re-establishment of public order remains to be the overriding concern of Government in Diwalwal;

NOW, THEREFORE, All the foregoing premises considered, the following Order is hereby issued for the guidance of and compliance by all concerned:

1. DENR Memorandum Order No. 98-19 dated December 2, 1998 is hereby suspended;
2. DENR Region XI and Mines and Geosciences Bureau (MGB) Regional Office No. XI are hereby directed to enforce the Memorandum of September 23, 1998 by the President in coordination with the concerned Philippine National Police Command, regarding the stoppage of a). all mining and processing operations in Diwalwal without the required mining/processing permits/contracts/licenses and ECCs; b) the use of mercury in ore processing; and the apprehension and arrest of all violators pursuant to DENR Administrative Order Nos. 97-38, 97-39, 96-40 and 98-01;

3. Any Ore Transport Permits (OTPs) that may have been issued by the concerned Provincial Mining Regulatory Board (PMRB) under DENR Memorandum Order No. 98-19 shall be revoked and are hereby deemed invalid; and
4. The concerned DENR Regional Executive Director and MGB Regional Director shall submit an initial report about the implementation of this Order within five (5) days upon receipt hereof and thereafter, submit weekly progress reports to the DENR Secretary thru the Undersecretary for Field Operations and MGB Director, copy furnished the Undersecretary for Legal and Legislative Affairs.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

ENVIRONMENT

DENR Administrative Order
No. 98 - 46
June 29, 1998

SUBJECT : 1998 Revised Rules and Regulations for the Prevention, Control and Abatement of Air Pollution from Motor Vehicles

Pursuant to the provisions of the United Nations Framework Convention on Climate Change, Presidential Decree No. 1181, entitled “Providing for the Prevention, Control and Abatement of Air Pollution from Motor Vehicles and for Other Purposed”, and by virtue of Executive Order No. 192, the Department of Environment and Natural Resources hereby adopts and promulgates the following revised Rules and Regulations:

CHAPTER I
General Provisions and Administrative Procedures
GENERAL PROVISIONS

Section 1 Title. - These Rules and Regulations shall be known as the “1998 Revised Rules and Regulations for the Prevention, Control and Abatement of Air Pollution from Motor Vehicles”.

Sec. 2 Scope. - These Rules and Regulations shall govern the implementation and enforcement of Presidential Decree No. 1181 and other related laws, rules and regulations, policy issuances, instructions and circulars, which shall hereafter be referred to as “Motor Vehicle Pollution Control Laws”.

Sec. 3 Definitions. - For the purpose of these Rules, the following terms shall have the meanings:

- (a) “Advance Emission Control Technology” means a high technology standard equipment/accessory for low-emission vehicles to control CO, HC and NO_x pollutants (e.g. three-way catalytic converters and feedback system).
- (b) “Air Pollutants” means any harmful or undesirable matter emitted in the atmosphere, other than oxygen, nitrogen, water vapor, carbon dioxide, and the inert gases in natural or normal concentrations, and includes dust, smoke, soot, cinders, fly ash, solid particles of any kind, undesirable gases, fumes, mists, odors and radioactive substances.
- (c) “Air Pollution” means any alteration of the physical, chemical and biological properties of the atmospheric air, or any discharge thereto of any liquid, gaseous or solid substances that will or is likely to create or to render the air resources of the country harmful, detrimental, or injurious to public health, safety or welfare or which will adversely affect their utilization for domestic, commercial, industrial, agricultural, recreational, or other legitimate purposes.
- (d) “Approved” means duly authorized by the Department of Environment and Natural Resources.
- (e) “Car or Passenger Car” means a four-wheeled motor vehicles used for the carriage of not more than six passengers including the driver and having a gross vehicle mass not exceeding 2,500 kg.
- (f) “Certificate of Conformity” means a certificate issued by the Department to a vehicle manufacturer, assembler or importer certifying that a particular new vehicle or vehicle type meets the emission requirements provided under these Rules.
- (g) “Certificate of Emission Compliance” means a certificate issued by the Department to a registered vehicle owner certifying that a particular in-use vehicle meets the emission requirements of these Rules and Regulations.
- (h) “Compression-Ignition Engine” means an internal combustion engine in which fuel ignition is accomplished by high compression and without the use of spark-plug, e.g., diesel engines.

- (i) “Department” means the Department of Environment and Natural Resources.
- (j) “Emission” means any air contaminant, pollutant, gas stream or unwanted sound from a known source which is passes into the atmosphere.
- (k) “Fuel Evaporative Emission Control System” means a system, which incorporates a particular principle of operation to control or cause the reduction of fuel evaporative emissions.
- (l) “Greenhouse Gases” means those constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation.
- (m) “Gross Vehicle Mass” or “Maximum Vehicle Weight” means the technically permissible maximum mass declared by vehicle manufacturer.
- (n) “Imported Used Vehicle” means vehicle used and/or registered in the country of origin and not yet registered in the Philippines.
- (o) “In-Use Vehicle” means a motor vehicle duly registered with the Land Transportation Office (LTO).
- (p) “Light Duty Vehicles (LDV)” means motor vehicles other than cars, used for the carriage of passengers and/or goods and having a gross vehicle mass not exceeding 3,500 kilograms.
- (q) “Mandatory Periodic Inspection” means the scheduled emission tests and inspection conducted, as a pre-condition among others for the renewal of registration of in-use motor vehicles or initial registration of rebuilt and imported used vehicles in accordance with Section 11 of PD 1181.
- (r) “Manufacturer”, “Assembler” or “Maker” means any person who makes, manufactures or assembles motor vehicles, for eventual use in the Philippines.
- (s) “Medium/Heavy Duty Vehicle” means a motor vehicle used for the carriage of passengers, goods or special purpose ones and having a gross vehicle mass exceeding 3,500 kilograms.

- (t) “Model Life” means the period of time during which a car model does not undergo a major change of the engine and/or of the car body panel.
- (u) “Model Year” or “Production Year” means the manufacturer’s annual production period, which includes January 1 of such calendar year, provided that, if the manufacturer has no annual production period, the term “Model of the Year” shall mean the calendar year.
- (v) “Motor Vehicle” means any vehicle propelled by a gasoline or diesel engine or by any means other than human or animal power, constructed and operated principally for the conveyance of persons or the transporting of property or goods in a public highway or street open to public use.
- (w) “New Vehicle” means any brand new motor vehicle which has never been duly registered with the LTO.
- (x) “Owner or Operator” means any person who owns, leases, controls, or operates a motor vehicle.
- (y) “Person or Persons” include any being natural or juridical, susceptible or rights and obligations or of being the subject of legal relations.
- (z) “Pollution Control Device” means any device or apparatus used to prevent, control or abate the pollution of air caused by emissions from motor vehicles at levels within the air pollution control standards established by these Rules, and other pertinent laws, rules and regulations.
- (aa) “Random Roadside Inspection” means the supportive inspection conducted by duly authorized action teams/units of the Department, local government authorities, LTO or other concerned agencies or organizations for the purpose of identifying non-complying vehicles. The activities include visual and functional checks of engine, fuel filler and exhaust systems with subsequent emission tests, using portable equipments, and to ordering needed maintenance/repair work and/or imposing penalty fines for those that fail the test.

- (bb) “Rebuilt Motor Vehicles” means a vehicle whether locally assembled using new or used engines, major parts or components, individually or backyard-assembled regardless of whether or not the components used were local or foreign-manufactured.
- (cc) “Reference Mass” means the mass of the vehicle in running order with a full fuel tank and including the set of tools and spare wheel, plus 100 kilograms but does not include the mass of the passengers and driver.
- (dd) “Ringelmann Chart” means the chart described in the U.S. Bureau of Mines, Information Circular No. 8333 and No. 7718, and used for measuring smoke density.
- (ee) “Smoke Opacity Meter (or Opacimeter)” means an instrument, which determines the smoke opacity in exhaust gases emitted by the engine system.
- (ff) “Spark-Ignition Engine” means an internal combustion engine in which air/fuel mixture is ignited by spark-plug, e.g. gasoline engines.
- (gg) “Vehicle Type” means a category of power-driven vehicles which do not differ in such essentials as equivalent inertia determined in relation to the reference mass, engine type, number of cylinders, body configuration, manner of transmission, fuel used and similar characteristics.
- (hh) “Visible Smoke Emission” means emission greater than five percent (5%) opacity.

Sec. 4 Administration and Enforcement. These Rules and Regulations shall be administered by the Department and/or by its authorized representative(s) as the primary government agency responsible for the effective administration and enforcement of these Rules. As such, it shall have the following functions, powers and responsibilities:

- a) Establish emission standards after due consultation with the concerned sectors;

- b) Prepare and implement an integrated framework and annual action plans for the management of motor vehicles' emissions;
- c) Update itself on the advanced and modern methods of combating and minimizing air pollution from motor vehicles;
- d) Coordinate with the Department of Science and Technology (DOST) and the Department of Energy (DOE) in finding alternative sources of fuel and transport systems that would rely less on fossil fuel;
- e) Establish a cooperative effort among the national government, local government units, non-governmental organizations (NGOs), people's organizations (POs) and the private sector in order to effectively implement these Rules;
- f) Issue policy guidelines, instructions or procedures, design criteria governing the preparation of plans and specifications for pollution control devices;
- g) Call on the Department of Transportation and Communication (DOTC), Department of Trade and Industry (DTI), DOST, DOE pursuant to section 7 and 9 of PD 1181; and other concerned government agency, corporation, institution, and other instrumentalities, should they approve, for assistance in the form of personnel, facilities, and other resources, as the need arises in the discharge of its functions;
- h) Disseminate information and conduct educational awareness campaigns on the effects of air pollution from motor vehicles on health and the environment, with particular emphasis to the concerns on climate change;
- i) Encourage, participate in, and conduct continuing studies, investigations, researches and demonstrations on the effective means of controlling, preventing and managing air pollution including improvement in the implementation strategy, technology or instrumentation to rationalize the basis emission standards for motor vehicles;
- j) Issue order against any person or entity and impose the appropriate fines, penalties and other administrative or penal sanctions as provided by our motor vehicle pollution control laws to compel

compliance with emission regulations and the provisions of these Rules; and

- k) Exercise such powers and perform such other functions as may be necessary to carry out its duties and responsibilities under PD 1181 and these Rules.

Sec. 5. *Linkage Mechanism.* - The Department shall consult, participate, cooperate and enter into agreement with other government agencies, or with affected nongovernmental organizations (NGOs), or people's organizations (POs), or private enterprises in the furtherance of the objectives of this Rules.

Sec. 6. *Role of Local Government Units.* - Local government units (LGUs) shall share the responsibility in the monitoring and enforcement of these Rules within their territorial jurisdiction. The LGUs may formulate and implement local emission standards which are more stringent than those set by the Department.

The Department may delegate to the LGUs the authority to administer all or some aspects of emission management and regulation, including but not limited to certificate issuance, monitoring and the imposition of administrative fines and penalties, when upon the Department's determination, the LGU has demonstrated the technical and financial capability to undertake such functions. The Department shall provide the LGUs with technical assistance, training's and a continuing capability-building program to prepare them to undertake such responsibilities. The exercise of such delegated authority shall be under the constant supervision and control of the Department.

Sec. 7 *Public Education and Information Campaign.*
- A continuing public information campaign shall be conducted by the Department, DOTC, and the Philippine Information Agency (PIA) which shall include the following:

- a) Promotion of the regular maintenance, adjustment and operation of vehicles by their owners and/or operators, in accordance with the recommendations of the manufacturer's as contained in their duly recognized operating manual;
- b) Entreating of drivers to properly operate the motor vehicles, with particular caution against overloading vehicles or overfuelling the engines when starting from cold or during acceleration;
- c) Information on engine and other modification measures, alternative fuels, processes and operating methods which will result in minimizing air pollution, promote energy-efficiency and conservation and reduce emissions, particularly of the greenhouse gases;
- d) Data on the cost of installation and operation, energy requirements, emission reduction benefits, and environmental impact of the emission control technology;
- e) Such other relevant matters necessary for the effective enforcement and implementation of PD 1181, these Rules and other pertinent motor vehicle pollution control laws.

ENFORCEMENT PROCEDURE

Sec. 8 *Deputation.* - The Department, through the Secretary may depute in writing as many agents as it shall deem necessary for the effective implementation and enforcement of these Rules. The Secretary shall also designate hearing officers to hear and decide cases of violation of the motor vehicle pollution control laws, PD 1181 and the provisions of these Rules.

Sec. 9 *Apprehension and Grounding of Smoke-Belching Diesel-Fueled Vehicles.* - The deputized agent(s) shall, upon seeing any motor vehicle emitting smoke, determine whether it

violates any of these Regulations using Ringelmann Chart and/or portable smokemeter. Upon a finding of *prima facie* evidence of violation, the agents shall forthwith: (a) apprehend the vehicle taking into account the established apprehension procedures and traffic conditions; (b) confiscate the license of the driver/operator of the motor vehicles together with the vehicle's plate; and (c) fill out a charge sheet in three (3) copies furnishing one to the driver for delivery to the owner or operator of the apprehended vehicle and require the driver, owner or operator to submit the vehicle for smoke emission test, if no such test has been made to the nearest test station of the Department or authorized agencies not later than the time specified in the subpoena which shall not exceed seventy-two (72) hours. The test station shall then conduct a smoke emission test on the vehicle and if the vehicle passes the smoke emission test conducted thereon, then the corresponding Certificate of Emission Compliance shall be issued to the driver/ operator/owner of the vehicle without paying any of the fines herein provided. However, results of the smoke emission test conducted on the apprehended vehicle presented after the time specified by the apprehending agent shall not constitute a valid ground for the exculpation of the owner or operator from the payment of fine. The failure of an apprehended driver/owner/ operator to settle his case within fifteen (15) days from the date of apprehension shall be a ground for the suspension/revocation of driver's license and the Certificate of Registration of the motor vehicle. In turn, for the record, the apprehending unit/agency shall inform LTO in writing of every suspension/revocation or unsettled case and turnover the confiscated driver's plate and license thereto for proper disposition, not later than ninety (90) days from the date of apprehension. The Department or other government agency concerned shall not be held liable for any damage to the vehicle during the conduct of the smoke emission test.

Sec. 10 *Apprehension and Grounding of Gasoline-Fueled Motor Vehicles.* Except as provided for in Sections 28 and 29 hereof, the deputized agent(s) may at any time also conduct spot

checking of gasoline-fueled motor vehicles whenever visible smoke emission occurs. The procedures provided in preceding section shall also apply in the apprehension and grounding of motor vehicle with spark-ignition engine except that the procedures to be followed shall be in accordance with the pertinent provisions of Section 29 hereof.

Sec. 11 *Grounded Motor Vehicles Not to be Operated on Public Highway.* - No grounded motor vehicle shall be operated or used in public roads unless it has been issued a Certificate of Emission Compliance and an Order to resume operation.

ACTIONS, PLEADINGS AND HEARING PROCEDURES

Sec. 12 *Nature and Procedure.* - Subject to the basic requirements of due process, the proceedings herein provided shall be summary in nature. The technical rules of evidence obtaining in courts of law shall not bind the Board and the Regional Offices. The Rules of Court shall not apply in proceedings before the Board except in a supplementary character and only whenever applicable.

Sec. 13 *Commencement of Action.* - Action for any violation of any of the motor vehicle pollution control laws and/or these Rules and Regulations may be commenced by any person by filing a written complaint, or by the Department on its own initiative, or by the filing of a charge by any deputized agent of the Department before the hearing officer.

Sec. 14 *Caption and Title.* - In all cases cognizable by the Department, the full name of the parties, as far as they are known, shall be stated in the caption of the original pleadings, motion,

resolution, order or decisions and in all summons, notices and processes to be served upon them. If the action is initiated by any person other than the Department or its deputized agent, the caption shall be as follows:

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
(Office Address of Hearing Officer)

_____ DENR Case No. _____
Complainant,

- versus - For: Violation of PD 1181

_____,
Respondent
-----X

CHARGE, ORDER, DECISION, MOTION, ETC.

If the action is initiated at the instance of the Department or by its deputized agent, the caption shall be as follows:

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
(Office Address of Hearing Officer)
IN THE MATTER OF THE AIR
POLLUTION CASE

_____ DENR Case No. _____
- versus - For: Violation of PD 1181

_____,
Respondent
-----X

CHARGE, ORDER, DECISION, MOTION, ETC.

Sec. 15 *Form and Contents of Complaint and Charge Sheet.* The complaint or charge sheet shall be in writing and drawn in clear and concise language, either in Filipino or in English. It shall recite the ultimate facts constituting the cause(s) of action and/or the violation of the motor vehicle pollution control laws and/or these Rules and Regulations, as well as all information pertinent thereto. It may specify the relief and such further remedies as may be deemed just and equitable, except that the charge sheet shall already include a notice requiring the Respondent to appear and answer the charge of the date, time and place indicated therein which shall not be less than one (1) day nor more than three (3) days from receipt hereof. In the case of a private complaint, the hearing officer shall set the case for hearing and require the Respondent to appear and answer the complaint on the date, time and place indicated in the notice of hearing which shall not be later than five (5) days from receipt thereof.

Sec. 16 *Filing and Service of Complaint and Charge Sheet.* - The complaint or charge sheet shall be filed in two (2) copies before the Hearing Officer whose office covers the territorial jurisdiction where the Respondent was apprehended. The charge sheet shall be filed immediately, but not later than twenty-four (24) hours from knowledge of the violation. Service of the copy upon the driver of the Respondent, shall be deemed service to the Respondent.

Sec. 17 *Hearing Procedures on Apprehended Motor Vehicles.*

- (a) As soon as the parties entered their appearances and manifested their readiness to proceed with the hearing of the case the complainant shall be allowed to present evidence in support of the charge with the testimony of each witness taken under oath. Thereafter, the Respondent shall be allowed to present his evidence.

- (b) If the case is commenced by the Secretary or its deputized agent, the hearing shall proceed directly with the presentation of results of the smoke meter or CO/HC tests as the case may be, and other evidence, after which the Respondent shall present his evidence.
- (c) The Hearing Officer shall admit all evidence relevant or material to the case.

In case of doubt, the Hearing Officer shall admit all the evidence presented, subject to the objections interposed, if there be any.

Sec. 18 *Order/Decision.* If the Respondent admits the charge, the Hearing Officer shall on that same day, issue an order imposing the appropriate fines and directing the grounding of the apprehended motor vehicle.

If the litigation of the case continues, the Hearing Officer shall decide the same within three (3) days from its submission. Said decision shall become final and executory if no appeal is taken therefrom to the Secretary within fifteen (15) days from notice thereof.

Only upon the presentation of the CEC and the official receipt certifying full payment of fines shall the grounded motor vehicle be released upon a written order duly issued by the Hearing Officer. The Hearing Officer shall then issue another order allowing the said motor vehicle to resume operation.

Sec. 19 *Action on the Application for Certificate of Conformity.* - The Department shall, within a reasonable time not to exceed fifteen (15) days, act on the application for Certificate of Conformity either by issuing the corresponding certificate upon a showing of compliance with the requirements of these Rules and Regulations or by denying the application in writing stating the reason/s thereof.

In case the application is denied, the applicant may file a written motion for reconsideration. All evidence presented during the hearing or the motion including such additional tests as may be required by the Hearing Officer, shall form part of the records of the case.

The Hearing Officer shall decide the motion within ten (10) days from submission. Said decision shall become final if no appeal is taken therefrom to the Secretary within fifteen (15) days from notice of the same.

CHAPTER II

Emission Control for New Motor Vehicle Types

Sec. 20 *Scope.* New motor vehicle types to be manufactured, locally assembled or imported into the country, shall be covered by a Certificate of Conformity issued pursuant to the following sections of this Chapter; provided however that, those motor vehicle types already covered by the CEC at the time of the effectivity of these rules and regulations shall not be subject to these provisions unless the Department finds justifiable grounds to suspend, cancel or revoke such a certificate.

Sec. 21 *General Requirements*

- a) Every motor vehicle manufacturer/assembler or importer shall provide, as the case may be, a service manual or written instructions for the proper use and the maintenance of the vehicle, including all relevant service information/ specifications to insure proper functioning of the emission control system and compliance with emission standards.
- b) All newly manufactured gasoline-fueled vehicles, including motorcycles and mopeds to be introduced into the market or imported effective January 1, 1999 shall be designed to operate on unleaded gasoline.
- c) Effective January 1, 2000, all newly manufactured/assembled vehicles, including motorcycles and mopeds shall be equipped with

such emission control system necessary to meet the emission regulations.

Sec. 22 *Application for Certificate of Conformity*

The application for a Certificate of Conformity, as cited in Section 16 hereof, for a vehicle type with regards to the limitation of emission of gases and/or particulate pollutants shall be submitted to the Department by the vehicle manufacturer/assembler, importer or his duly authorized representatives. It shall be accompanied, among others, by the following particulars in triplicate copies:

1. Complete and detailed descriptions of vehicle and/or the engine;
2. Description of the emission control system installed in the vehicle;
3. Details of the fuel feed system;
4. Previous test results of pre-production engine/vehicle type; and
5. Other particulars as referred to in Annex 1 and 2 of Economic Commission of Europe Nos. 15-04, 83-01, 49-01, 49-02 and 40, whenever applicable.

Sec. 23 *Approval*

Upon a determination by the Department that the vehicle type meets the requirements of this chapter, the Secretary or his duly authorized representatives shall issue a Notice of Approval and a Certificate of Conformity.

Sec. 24 *Certificate of Conformity*

- a) The Certificate of Conformity shall cover only new vehicles or new vehicle type which conform, in all material respects, to the design specifications applicable to the particular vehicle type as described in the applications for certification and which are produced during

the validity of the Certificate of Conformity of the said manufacturer/assembler. For purposes of this section, modification in the brake system, steering, air conditioning, suspension and wheel base and interior and exterior trimmings shall not be construed as a change in vehicle type.

- b) The Certificate of Conformity shall be valid for six (6) years from the date of issuance unless sooner revoked or suspended. In cases of suspension, the running of the period of the certificate's effectivity continues.
- c) It shall be a condition of this certificate that the manufacturer/assembler shall consent to all inspections described in this Chapter with regards to vehicle engine and its emission control system specifications.
- d) Failure to comply with any of the requirements of this Chapter shall justify the revocation or suspension of this Certificate.

Sec. 25 *Emission Control Labeling*

The manufacturer, assembler or importer of any motor vehicle or motor vehicle engine, subject to the applicable emission standards prescribed by the Department, shall affix a permanent legible label, and the vehicle identification number (VIN) plate of the type and in a manner described below:

- (a) The label, of durable material, shall be affixed by the manufacturer, assembler or importer in such a manner that it cannot be removed without defacing such label. It shall be affixed in a readily visible position in the engine compartment or any conspicuous area under the hood; and
- (b) The label shall contain the following information lettered in the English language in block letters and number also with a print size

not less than one (1) centimeter, and of a color that contrast with the background of the label:

- (1) The label heading: Vehicle Emission Control Information;
- (2) Full corporate name and trademark;
- (3) Engine type displacement in metric units;
- (4) International emission regulation code; and
- (5) Engine tune-up specification and adjustment as recommended by the manufacturer including but not limited to idle speed(s), ignition timing, the idle air-fuel mixture setting procedure and value (e.g. idle CO, idle air-fuel ratio, idle speed drop), high idle speed, initial injection timing and valve lash (as applicable) as well as other parameters deemed necessary by the manufacturer.

Sec. 26 *Submission of Vehicle Identification Number (VIN)*

The manufacturer, assembler or importer of any new motor vehicle, covered by a Certificate of Conformity under these Rules shall, not later than sixty (60) days after its manufacture or entry into the country, submit to the Department the vehicle engine number, chassis number, engine type, vehicle type and color. Likewise, a sticker with the DENR logo, Certificate of Conformity number and date of issue and a brief statement that the vehicle complies with the provisions of PD 1181 and its rules and regulations, shall be conspicuously displayed in the front windshield of the motor vehicle.

Sec. 27 *Standards for Reduced-Emission Vehicles*

- a) As a condition for the issuance of a Certificate of Conformity, exhaust emissions from new motor vehicle types fueled with leaded gasoline for spark-ignition engine and diesel for compression-ignition engine to be introduced into the market on 01 July 1998 up to 31 December 1999 shall not exceed the following:

1. For cars and light duty motor vehicles equipped with spark-ignition and compression-ignition engines, the limits for emission of gaseous pollutants as a function of given reference mass shall be as provided in Table 1:

Table 1 1998 Exhaust Emission Limits of Gaseous Pollutants for Cars and Light Duty Motor Vehicles

Reference Mass (rw), (kg)	CO (g/test)	HC + NOx (g/test)
< rw ≤ 1020	58	19.0
1020 < rw ≤ 1250	67	20.5
1250 < rw ≤ 1470	76	22.0
1470 < rw 1700	84	23.5
1700 < rw 1930	93	25.0
1930 < rw 2150	101	26.5
2150 < rw	110	28.0

For LDV, HC + NOx limits are those given in the Table 1 above multiplied by a factor of 1.25

2. For medium and heavy duty motor vehicles with compression-ignition engine, the limit for the emission of gaseous pollutant shall be as provided in Table 2:

Table 2 1998 Exhaust Emission Limits of Gaseous Pollutants for Medium and Heavy Duty Motor Vehicles Equipped with Compression-Ignition Engine

CO (g/KWH)	HC (g/KWH)	NOx (g/KWH)
11.2	2.4	14.4

3. Fuel evaporative emission for spark-ignition engines shall not exceed 2.0 grams hydrocarbons per test. Likewise, it shall not

allow any emission of gases from crankcase ventilation system into the atmosphere.

4. For motorcycles, the CO emission shall not exceed 6.0% for all types.

b) Test procedures

1. The test procedures for the determination of gaseous exhaust emissions for cars and light duty motor vehicles shall be in accordance with ECE Regulation 15-04, “Uniform provision concerning the approval of vehicle equipped with positive-ignition engine or with compression-ignition engine with regards to emission of gaseous pollutant by the engine”.
2. The test procedures for the determination of gaseous exhaust emissions for medium and heavy duty motor vehicles with compression-ignition engines shall be in accordance with ECE Regulation 49-01, “Uniform provision concerning the approval of compression ignition (C.I.) engines and vehicle with C.I. engines with regards to the emission of pollutant by the engine.
3. The test procedure for the determination of CO emission shall be at idling speed as provided in Annex 1.

Sec. 28 *Standards for Low-Emission Vehicles*

- a) As a condition for the issuance of Certificate of Conformity, the standards set forth hereunder for motor vehicle types with spark-ignition engines fueled with unleaded gasoline and compression-ignition engines to be introduced into the market on or after January 1, 2000 shall not exceed the following:

1. For cars equipped with spark-ignition and compression-ignition engines, the exhaust emission limits shall be as provided in Table 3:

Table 3 Exhaust Emission Limits of Gaseous Pollutants for Cars Equipped with Spark-Ignition and Compression-Ignition Engines

CO (g/km)	HC + NO _x (g/km)	PM ^a (g/km)
2.72	0.97	0.14

2. For light duty vehicles equipped with spark-ignition and compression engines, the exhaust emission limit as a function of the given reference mass shall be as provided in Table 4:

Table 4 Exhaust Emission Limits of Gaseous Pollutants as a Function of the Given Reference Mass for LDV Equipped with Spark-Ignition and Compression-Ignition Engines

Reference Weight (rw) (kg)	CO (g/km)	HC + NO _x (g/km)	PM ^a (g/km)
Rw 1250	2.72	0.97	0.14
1250 < rw 1700	5.17	1.4	0.19
Rw 1700	6.9	1.70	0.25

a - For compression-ignition engines only

3. For medium and heavy duty motor vehicles equipped with compression-ignition engines, the exhaust emission limits shall be as provided in Table 5;

Table 5 Exhaust Emission Limits of Gaseous Pollutants for Medium and Heavy Duty Vehicles Equipped with Compression-Ignition Engines

CO (g/KWH)	HC (g/KWH)	NO _x (g/KWH)	PM (g/KWH)
4.5	1.10	8.0	0.36

3. Fuel evaporative emission for spark-ignition engines shall not exceed 2.0 grams hydrocarbons per test. Likewise, it shall not allow any emission of gases from crankcase ventilation system into the atmosphere.
4. Durability of pollution control equipment for spark-ignition and compression-engines shall conform with the deterioration factor prescribed in sub-section (b) of this section.
5. The standards set forth in paragraphs 1, 2, 3, 4 and 5 of this section refer to the exhaust emitted over a driving schedule or engine speed, evaporative emission, crankcase ventilation emission and durability of pollution control equipment as set forth in the test procedures indicated below.
7. For motorcycles, the CO emissions shall not exceed 6.0% for all types but shall be equipped with “tamper proof” seals on the carburetor.

b) Test Procedures

1. The test procedures for the determination of exhaust emissions, fuel evaporative emission, emission of crankcase gases and durability of pollution control equipment for cars and light duty motor vehicles shall be in accordance with ECE Regulation 83-01/02, series of amendment approval B and C: “Uniform provision concerning the approval of vehicles with regards to the emission of gaseous pollutants by the engine according to engine fuel requirement”.

- Approval B - Limitation of emission of gaseous pollutant by the engine, evaporative emission, crankcase emission and durability of vehicle fueled with unleaded petrol.
- Approval C - Limitation of emission of gaseous and particulate pollutants, crankcase emission and durability of pollution control devices of motor vehicles fueled with diesel fuel.
2. The test procedures for Medium and Heavy Duty Motor Vehicles with compression-ignition engines shall be in accordance with ECE Regulation 49-02, series of amendment (49/02) “Uniform provision concerning the approval of compression-ignition (C.I.) engines and vehicles equipped with C.I. engine with regards to the emission of pollutants by the engine”.
 3. The test procedure for the determination of CO emission shall be at idling speed as provided by Annex 1.

CHAPTER III

Exhaust Emission Control for In-Use Motor Vehicles

Sec. 29 Scope. This Chapter shall apply to the control of exhaust emissions for in-use motor vehicles and unregistered rebuilt vehicles including imported use vehicles emphasizing regular and proper vehicle maintenance and utilizing appropriate test procedures and equipment. The objective is to bring about significant reduction in exhaust emissions by:

- a) Bringing about the repair of vehicles that fail the tests due to excessive emissions of carbon monoxide, hydrocarbons and visible emissions;
- b) Assisting the LTO and other concerned agencies in the proper inspection and maintenance of vehicles to insure that they conform to prescribed emissions standards; and

- d) Deterring owners/drivers from tampering the adjustment of engine system, pollution control devices and misfuelling of vehicles.

Sec. 30 *Mandatory Periodic Emission Inspection*

- a) Gasoline-Powered Motor Vehicles. The mandatory periodic emission inspection for this type of vehicle shall include the measurement of CO and HC concentration at low idle and raised idle speed in accordance with Annex 1 of these regulation.
- b) Diesel-Powered Motor Vehicles. The mandatory periodic emission inspection of motor vehicles powered by compression ignition engines shall include measurement of smoke opacity by the free acceleration method from low idle speed in accordance with Annex 2.
- c) Schedule of Mandatory Periodic Emission Inspection. The frequency or schedule of mandatory periodic emission inspection is based on the Gross Vehicle Mass and intended use of such motor vehicles, under the basic assumption that for hire, public utility and heavier vehicles should undergo more frequent emission inspection. The following schedule of mandatory emission inspection is hereby adopted:
 - i. For privately owned vehicles and those not for hire and on the considered public utility vehicles such as passenger cars, owner-type jeeps, diplomatic and government vehicles, motor cycles and light duty vehicles of not more than 4.5 T gross vehicle mass, the first emission inspection shall commence on the fourth registration year and subsequently, will be biennial until the twelfth year and annually thereafter. For vehicles that are rebuilt or imported used, the first

emission inspection shall commence on the first registration year; and

- ii. For hire and public utility and other vehicles with gross vehicle mass of more than 4.5T not included in A above, the mandatory emission inspection shall be annually starting from the second to fourth registration year and semi-annually thereafter. For vehicles that are rebuilt or imported used, the first emission inspection shall commence on the first registration year.

Sec. 31 *Random Road Inspections*

- a) The random roadside inspection shall be undertaken when a motor vehicle is emitting visible emission and shall consist of two types:
 - i) Roadside pull-overs with portable emission test equipment. This is applicable to both gasoline and diesel-powered vehicles; and
 - ii) Roadside pull-overs and applicable to diesel-powered vehicles only where no test equipment is available but using only the Ringelmann Chart and/or inspector's expertise for visually determining the smoke density.
- b) Under the type (I) random inspection system, an emission test for CO and HC is conducted using a non-dispersive infra-red (NDIR) instrument (Annex 2) for spark-ignition engines and a duly approved opacimeter or smoke meter for diesel engines (Annex 1) to determine vehicle compliance with the pertinent smoke opacity standards.

After passing the emission test, a Certificate of Emission Compliance sticker issued for attachment to either the front windshield or the glass window at the rear of the driver. If the vehicle fails the test, this shall be deemed as a prima facie evidence of violation and shall

cause the monitoring team/unit to issue a charge and subpoena ticket in accordance with Section 13 of PD 1181.

- c) Similarly under the Type (ii) random inspection system, the inspecting team shall issue an order for emission testing to be done at a duly accredited testing center or repair shop.

If the results of the emission test indicate compliance with the standard, the driver/owner shall be issued a Certificate of Emission Compliance.

However, if the test results indicate non-compliance with the standards, the head of the testing station shall issue a repair order to be undertaken by any accredited repair shop within a period of two weeks, with instructions to the driver/owner to submit the vehicle for a retest at the same station within forty-eight (48) hours after completion of the repair. The said vehicle shall be prohibited from being operated on any public road or highway until issued a Certificate of Emission Compliance. The repair order shall be attached to the front windshield of the vehicle.

Sec. 32 Agencies Authorized to Perform Emission Inspection

The agencies or special units that shall conduct mandatory periodic inspection and random roadside inspection are the following:

- a) For Mandatory Periodical Inspection, Prior to Renewal of Registration
 - Land Transportation Office (LTO), in addition to the inspection of safety and road worthiness, in accordance with RA 4136,
 - Special Testing Centers that may be accredited or authorized by DENR, LTO and DTI, whenever necessary.

- b) For Random Roadside Inspection
- DENR Regional Offices
 - LTO and its Law Enforcement Service Offices
 - Metro Manila Development Authority
 - Local Government Units
 - Philippine National Construction Corporation Special Team for the North and South Expressway
 - Other duly authorized agencies or entities such as Non-Government Organizations

Sec. 33 *Authorized/Accredited Repair Shops*

The repair of motor vehicle engines, exhaust system and pollution control devices shall preferably be done by automotive repair shops or service stations that are duly accredited by the DTI. These facilities shall be equipped with standard automotive repair tools, standard spare parts and pollution test equipment conforming to applicable ECE, ISO or SAE standards. It is also required that these repair shops or service stations shall have highly skilled mechanics and/or technicians who have on-the-job training certificates from DTI, local assemblers and manufacturers of motor vehicles. The DENR, DTI and DOTC shall establish the criteria for accreditation of automotive repair shops and service stations in consultation with motor vehicle assemblers within sixty (60) days from the effectivity of these Rules.

Sec. 34 *Permissible Emission Limits for In-Use Motor Vehicles.*

All in-use motor vehicles shall upon effectivity of these Rules comply with the hereunder emission standards as a pre-requisite for renewal of registration with the LTO.

- a) In-Use Motor Vehicles Powered by Spark-Ignition (gasoline) Engines.

1) Maximum permissible limits for Carbon Monoxide (CO) and Hydrocarbon (HC) for uncontrolled or reduced emission vehicles when measured at low idle speed.

i) Vehicles registered for the first time or with COCs issued on or before 31 December 1996 or those without any COCs:

CO	-- 4.5 vol%
HC (as Hexane)	-- 800 ppm

ii) Vehicles with COCs issued on or after 1 January 1997:

CO	-- 3.5 vol %
HC (as Hexane)	-- 600 ppm

2) Maximum Permissible Limits for Low Emission Vehicles (i.e. exhaust emission controlled by an advanced emission control system such as three-way catalytic converter and feedback system):

For vehicles with COCs issued on or after 1 January 2000, the maximum permissible limits for CO and HC, the concentrations of which are measured by the low idle and raised idle methods shall not exceed the following:

i) At low Idle Speed (refer to manufacturer's specifications):

CO	-- 0.5 vol %
HC	-- 100 ppm

ii) At Raised Idle Speed (at least 2500 rpm)

CO	-- 0.3 vol %
Lambda	-- $1 \pm 0.03^*$

* (or in accordance with manufacturer's specifications)

b) In-Use Motor Vehicles Equipped with Compression-Ignition (Diesel) Engines.

The maximum permissible limit for smoke opacity when measured by the free acceleration method for diesel fueled in-use vehicles shall not exceed the hereunder standards:

- 1) First registration or with COCs issued on or before 31 December 1996 - 2.5 m^{-1} ; provided that for turbo charged engines and for 1,000 meter increase in elevation, the smoke opacity shall be 3.5 m^{-1} and 4.5 m^{-1} respectively.
- 2) For vehicles with COCs issued on or after 1 January 1997 - 1.65 m^{-1} ; provided that for turbo charged engines and for 1,000 meter increase in elevation, the smoke opacity shall be 2.65 m^{-1} and 3.65 m^{-1} , respectively.
- 3) For vehicles with COCs issued on or after 1 January 2000 - 1.2 m^{-1} ; provided that for turbo charged engines and for 1,000 meter increase in elevation, the smoke opacity shall be 2.2 m^{-1} and 3.2 m^{-1} , respectively.

Note: These limits also cover reconditioned engines or vehicles retrofitted with reconditioned diesel engines when applying for the first registration.

c) In-Use Motorcycles Powered by S.I. Engines

The maximum permissible concentration of CO for in-use S.I. powered motorcycles shall not exceed the following when measured by the idle speed.

- 1) First Registration on or after 1 January 1997

2 - stroke and 4 - stroke engine - CO - 6.0 vol%

Sec. 35 *Emission Violations By In-Use Vehicles*

Subject to the provision of Section 35(b), the owner and/or driver of a vehicle shall be liable for the following violations:

- (a) the vehicle fails a re-test and reinspection after an order for repair is issued;
- (b) any vehicle which, if issued a repair order by a testing station or roadside inspection is not submitted for re-test or reinspection within the prescribed period;
- (c) any diesel-powered vehicle which after being issued a test order/ticket by a random roadside inspection team for smoke belching is not submitted for instrument testing within the prescribed period with ticket/order; and
- (d) the full-load stop screw-sealing is removed or tampered with.
- (e) such other acts or omissions contrary to the provisions of PD 1181 and these Rules

Sec. 36 *Test Procedures*

- a) Measurement of Emission for In-Use Spark-Ignition Engines/Motor Vehicle.
 - i) The emission test procedure for in-use passenger and light duty motor vehicles shall follow the procedure described in Annex 1.
 - ii) Carbon monoxide shall be measured by a non-dispersive infra-red spectrophotometer suitably calibrated using single blend of carbon monoxide in nitrogen and checked for response to water vapor and carbon monoxide.
 - iii) Hydrocarbon shall be measured by a non-dispersive infra-red spectrophotometer suitably calibrated using

single blend of propane in clean air and checked for response.

b) Measurement of Smoke Opacity of In-Use Motor Vehicles Powered by Compression-Ignition (Diesel) Engines and Unregistered Diesel Fueled Vehicles with Reconditioned Engines:

- (i) The opacity of smoke emission for in-use motor vehicles powered by compression ignition (diesel) engines, or newly assembled diesel fueled motor vehicles powered by reconditioned engines shall be measured using the free acceleration from low-idle speed method as described in Annex 5 of ECE Regulation No. 24. This method is summarized and attached to these regulations as Annex 2.
- (ii) The test equipment's characteristics and installation for the free acceleration from low-idle speed method shall satisfy the conditions laid down in Annex 8 and 9 of ECE Regulations No. 24.

Sec. 37 Vehicles Eligible for Renewal of Registration

- a. Aside from passing safety and road worthiness inspection by the Land Transportation Office, only motor vehicles that meet the permissible emission limits in Section 32 of these regulations through a valid certificate of test compliance shall be eligible for renewal of motor vehicle registration.
- b. To consider variations in the accuracy of emission testing due to errors in calibration and/or operation of test instruments or in techniques of measurement by technicians, certain motor vehicles whose exhaust emission exceed the emission limits by not more than ten a percent (10%) of the limit numerical value may be eligible for registration renewal.

Sec. 38 Emission Limits for Imported Used and Rebuilt Motor Vehicles

a) For Imported Used Motor Vehicle. For purposes of inspection and testing, prior to the first registration of any imported used and rebuilt motor vehicle with the Land Transportation Office, the appropriate emission standard shall be the basis of action by all concerned agencies; provided that, if the in-use emission standard of the country of origin differs from these standards (maximum limit), the stricter standard shall be the basis of approval and first registration of the used vehicle. For test procedure and equipment, refer to Annexes 1 and 2.

i) Vehicles registered for the first time before 31 December 1999:

CO ^a	--	3.4 vol %
HC ^a	--	500 ppm
Smoke ^b	--	1.65 m ⁻¹

iv) Vehicles registered for the first time on or after 01 January 2000:

CO ^a	--	1.2 vol %
HC ^a	--	200 ppm
Smoke ^b	--	1.2 m ⁻¹

Note:

a - For spark-ignition (gasoline-fueled) motor vehicle

b - For compression-ignition (diesel-fueled) motor vehicle

b) For Rebuilt Motor Vehicles. Prior to first registration of any rebuilt motor vehicles, such vehicles shall comply also with the above limits.

Sec. 39 Fuel Specifications

The specifications for gasoline and diesel fuel to be used by the various types of motor vehicles shall be in accordance with the Philippine National Standards (PNS) for such petroleum products.

Sec. 40 Schedule of Fees. Test conducted shall be paid in accordance with the following schedule:

(a) Pollution control device or gadget	P 110.00
(b) Exhaust emission of registered gasoline/diesel driven vehicles with or without control devices (Idling tests)	P 40.00
(c) Engine test of prototype of non-registered gasoline/diesel driven vehicle (CVS-1973)	P 2,750.00

* - Other fees 10% increase in line with the cabinet approved proposal dated September 27, 1983, pursuant to BP 25.

**CHAPTER IV
Prohibited Acts and Penalties**

Sec. 41 Prohibitions.

- (a) No owner or operator of a vehicle shall be allowed to discharge air pollutants at levels greater than the pollutant concentration standards prescribed in these Rules.
- (b) No owner or operator of a motor vehicle shall use or cause or allow such vehicle to be used unless it meets the emission standards established in these Rules and Regulations.
- (c) No person shall sell, register or operate any new imported or locally manufactured motor vehicle without any certification from

the Department that it meets the emission standards prescribed in these Rules.

(d) No person shall do any other act that is prohibited in these Rules and Regulations.

Sec. 42 *Penalties.* Any person violating PD 1181 and/or any provision of these Rules and Regulations involving the same vehicles shall, for the first offense be liable to a fine of not exceeding P200.00, for the second offense to a fine of not exceeding p 500.00 and for the third and succeeding offense to a fine of not exceeding P 1,000.00 plus the suspension of his vehicle's certificate of registration, until such time as there shall be compliance with the requirements of these Rules.

CHAPTER V

Final Provisions

Sec. 43 *Separability Clause.* If any action or provision of these Rules is declared unconstitutional or invalid by a competent court, other sections or provisions hereof which are not affected thereby, shall continue to be in full force and effect, as if the sections or provisions so annulled had never been incorporated herein.

Sec. 44 *Repealing Clause.* Any provision of these Rules and/or parts inconsistent there of inconsistent with the law, other policy issuances and regulations, are hereby repealed and/or modified accordingly.

Sec. 45 *Amendments.* These Rules shall be accordingly amended and/or modified from time to time by the Department.

Sec. 46 *Effectivity.* These Rules and Regulations shall take effect fifteen (15) days after publication in a newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 13, 1998 - page 06

DENR Administrative Order

No. 98 - 47

June 29, 1998

SUBJECT : Implementing Rules and Regulations (IRR) for Mandating the Phase-Out of Leaded Gasoline as One of the Means of Solving Air Pollution.

Pursuant to Executive Order No. 446, series of 1997, entitled “Mandating the Phase-out of Leaded Gasoline As One of the Means of Solving Air Pollution,” the Department of Environment and Natural Resources hereby adopts and promulgates the following Rules and Regulations:

Chapter I

General Provisions and Administrative Procedures

Section 1. Title - These Rules and Regulations shall be cited as the “Implementing Rules and Regulations Mandating the Phase-Out of Leaded Gasoline as One of the Means of Solving Air Pollution (1998).”

Sec. 2 Scope - These Rules and Regulations shall govern the implementation and enforcement of Executive Order No. 446.

Sec. 3 Definition - For the purpose of these Rules and Regulations, the following terms shall, unless the context otherwise indicates, have the following meanings:

3.1 Bulk Plant/Terminal/Depot - refers to an intermediate gasoline distribution facility where delivery of gasoline to and from the facility

- is solely by trucks, ships, barges, pipes, and other modes of transport.
- 3.2 Department - refers to the Department of Environment and Natural Resources.
 - 3.3 Final distribution facility - refers to the facility where the gasoline will be dispensed to the motor vehicles.
 - 3.4 Gasoline - refers to a volatile mixture of liquid hydrocarbons, generally containing small amounts of additives, suitable for use as a fuel in spark-ignition internal combustion engines.
 - 3.5 Gross Vehicle Mass or “GVM” - refers to the technically permissible maximum mass declared by the vehicle manufacturer.
 - 3.6 Import facility - refers to the facility which first receives the imported gasoline into the country.
 - 3.7 Production facility - refers to a facility that produces gasoline.
 - 3.8 Refiner - refers to any person who owns, leases, operates, controls or supervises a refinery.
 - 3.9 Supply - mean to provide or transfer a product to a physically separate facility, vehicle or transportation system.
 - 3.10 Motor Vehicle - means any vehicle propelled by a gasoline or diesel engine or any other means other than human or animal power, constructed and operated principally for the conveyance of persons on the transporting or property or goods on a public highway or street opened to public use.
 - 3.11 Refinery - refers to a facility which produces liquid fuels by distillation and other processes

Sec. 4 Department of Environment and Natural Resources (DENR) as lead agency. The DENR, through the Environment Management Bureau (EMB) shall take the lead in implementing these rules and regulations, and shall in coordination and consultation with other government agencies, non-government organizations, private entities and institutions, pursuant to Sections 6 of Executive Order No. 446, enter into a Memorandum of Agreement (MOA) and/or other necessary and appropriate legally binding instruments for the effective administration and enforcement of these

Rules and Regulations. Copies of all pertinent reports, researches, studies, surveys, plans, programs and other documents to be submitted under these rules shall be furnished to the EMB-DENR for the centralization of all necessary data.

Sec. 5 Applicability of Standards

5.1 Beginning January 1, 2000, no person shall sell, offer for sale, supply or offer for supply, gasoline from bulk plant or final distribution facility in Metro Manila unless the gasoline complies with the latest issue of the Philippine National Standards (PNS): 1131 “Specifications of Unleaded Motor Gasoline.” Nor shall any person import leaded gasoline and lead-containing fuel additives after December 31, 1999, except those that shall be used in areas outside of Metro Manila.

5.2 Beginning January 1, 2001, no person shall manufacture, sell, offer for sale, dispense, transport or introduce into commerce gasoline unless the gasoline complies with the latest issue of PNS: 1131. However, beginning October 1, 2000, no person shall import leaded gasoline and lead-containing fuel additives.

Chapter II

Fuel and Facilities Quality Standards

Sec. 6 Standards: Fuel Quality Standards

6.1 Scope: Standard for unleaded motor gasoline shall refer to the latest issue of PNS 1131.

6.2 The specifications for unleaded motor gasoline facilities such as but not limited to distribution pipes, storage tanks, dispensing units, shall be in accordance with the PNS for such facilities.

Chapter III

Monitoring, Evaluation and Assessment

Sec. 7 Scope. This Chapter shall cover the provisions on the monitoring, evaluation and assessment of the lead phase-out activities and the corresponding institution to undertake the same.

Sec. 8 Functions, Duties and Responsibilities . In line with section 4 of these Rules and Regulations, and in order to ensure the effective monitoring, evaluation and assessment of these rules and regulations, the following shall be the functions, duties and responsibilities of the various relevant government agencies, which should not exclude however, all other functions, duties and responsibilities that are necessary and incidental to the implementation of these Rules and Regulations.

The DENR shall conduct ambient air sampling activities to determine the level of lead and other fuel-related emissions in the air; conduct statistical evaluation of the results of the ambient air sampling activities; monitor the full and strict compliance of gasoline manufacturers, suppliers, distributors or dealers of their duly approved phase-out programs; and monitor the reduction of greenhouse gases and other toxic gases emissions.

The Department of Energy (DOE) shall monitor compliance with PNS 1131 through periodic random sampling and testing of unleaded gasoline samples from various facilities nationwide such as manufacturers, suppliers, dealers and other sources. It shall also conduct studies on the effects of the phase-out to the relevant sectors but not limited to the gasoline manufacturers, dealers as well as the fuel users.

The Department of Transportation and Communication (DOTC) and the University of the Philippines/National Center for

Transport Studies (UP/NCTS) shall establish estimates on the type of vehicles using lead and unleaded gasoline.

The Department of Health (DOH) shall conduct monitoring activities on the health impacts of the ambient air quality levels.

The National Economic Development Authority (NEDA) shall conduct monitoring activities on the economic impacts of the phase-out of leaded gasoline.

The Department of Trade and Industry (DTI) shall act on complaints related to fuel quality and regulate importation of spare parts designed for leaded gasoline.

Chapter IV

Inspection/Maintenance and Emission Control System

Sec. 9 Scope: This Chapter shall pertain to the control of exhaust emissions for gasoline-fueled motor vehicles emphasizing regular and proper vehicle maintenance and utilizing appropriate test procedures and equipment.

Sec. 10 Mandatory Periodic Inspection. The mandatory periodic emission inspection for this type of vehicle shall be undertaken by the DOTC/Land Transportation Office (DOTC/LTO) in coordination with the DENR under the latter's pertinent rules and regulations.

Sec. 11 The DTI, in coordination with the Chamber of Automotive Manufacturers of the Phil., Inc., (CAMPI) shall ensure that all newly-manufactured/assembled gasoline-fuelled motor vehicles, including motorcycles and mopeds to be introduced into the market or imported effective January 1, 2000 shall be designed to operate on unleaded gasoline.

Sec. 12 Effective January 1, 2000, all newly-manufactured/assembled vehicles, including motorcycles and mopeds shall be equipped with anti-pollution devices necessary to meet the standards on exhaust emission.

Chapter V

Public Information Dissemination

Sec. 13 The following shall be the duties and responsibilities of the various institutions concerned:

The Philippine Information Agency (PIA) shall coordinate the formulation and implementation of an integrated Communications Plan on unleaded gasoline, and produce the necessary information, education and communications materials of such Plan, which shall include but not be limited to the environmental, health, economic and social implications and effects of the lead phase-out, and the phase-out schedules, programs and specific requirements of gasoline manufacturers, suppliers, distributors and dealers. It shall also provide technical assistance in the conceptualization of IEC materials on unleaded gasoline and utilize its regional information centers in the dissemination of information on the environmental, health, economic and social benefits of unleaded gasoline.

The DENR/EMB, Public Affairs Office and the Regional Offices, shall support the Communications Plan implementation by producing IEC materials such as radio and television plugs, brochures giving particular emphasis on the environmental implications and effects of unleaded gasoline.

The Department of Education, Culture and Sports (DECS), the Communication on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA) shall mandate in schools the inclusion of the teaching of the benefits of clean air and

unleaded gasoline in their curricula and teacher training programs. It shall also launch and initiate information dissemination campaigns on unleaded gasoline to the school system, in the formal and non-formal levels.

The Department of Interior and Local Government (DILG) shall support the Communications Plan implementation by producing IEC material on leaded gasoline phase-out.

All concerned agencies shall conduct public information campaigns in support of the Communication Plan on unleaded gasoline phase-out.

Chapter VI

Research and Development

Sec. 14 Emission Control

The DOST, in coordination with the concerned agencies (DOTC/LTO, DENR/EMB, UP/COE, UP/College of Public Health (CPH), DOH and NCTS) shall come up with a research/study on the emission control applicable to the unleaded gasoline. Likewise, in coordination with concerned agencies, it shall undertake research to assess the effectiveness of various air pollution gadgets (e.g. catalytic converter) in reducing greenhouse and toxic gases (carbon monoxide, nitrogen oxides, sulfur oxides, aromatics and benzene) emitted by unleaded gasoline-fed vehicles and assess the resulting environmental and health improvements of these gadgets.

The DOST and DOH shall undertake the quantitative analysis of volatile organics and benzene on ambient air in Metro Manila and appraise the potential health impacts of these substances.

The UP/College of Engineering (COE) shall undertake study on the engine performance (e.g. fuel combustion, accumulation of gasoline residues, etc.) on unleaded gasoline-fed vehicles.

The DOH and UP-CPH shall undertake research on the health impact of unleaded gasoline emissions.

Sec. 15 Fuel Additives

The DOST shall undertake research on the use of other octane-enhancer additives (e.g. methyl tertiary butyl ether etc. for unleaded gasoline); engine performance efficiency using the alternative additives in comparison with the leaded gasoline; and the quality and quantity of gas emitted using the alternative additives.

The DOST, in coordination with DOE and other concerned agencies shall conduct study/research on the alternative fuel additives for unleaded gasoline.

Chapter VII

Prohibited Acts and Penalties

Sec. 16 Prohibitions

16.1 No person shall import, sell, offer for sale, supply, or offer for supply gasoline and lead containing fuel additive, the specifications of which are not in conformity with those indicated in Sections (5) and (6) of these rules and regulations.

16.2 No person shall import, sell, register or operate any new imported or locally manufactured/assembled motor vehicle including motorcycle and moped that is not designed to use unleaded gasoline immediately upon the publication of these Rules and Regulations.

16.3 No person shall do other acts that are prohibited under these Rules and Regulations.

Sec. 17 Penalties

All acts and omissions in violation of the provisions of these rules and regulations shall be subject to the appropriate penalties provided for in the pertinent laws, Rules and Regulations of the concerned government agencies.

Chapter VIII

Final Provisions

Sec. 18 Separability Clause. If any section or provision of these Rules and Regulations or part thereof, is declared unconstitutional or invalid by a competent court, other sections or provisions thereof, which are not thereby affected, shall continue to be in full force and effect as though the sections or provisions so annulled or voided had never been incorporated herein.

Sec. 19 Amendments. These rules and regulations may be amended accordingly whenever deemed necessary and appropriate by the Department.

Sec. 20 Repealing Clause. All other issuances, policies, rules and regulations inconsistent with these rules are hereby revised, amended, modified, and/or superseded accordingly.

Sec. 21 Effectivity. These rules and regulations shall take effect fifteen days after publication in a newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 13, 1998 - page 09

DENR Administrative Order
No. 98 - 49
June 29, 1998

SUBJECT : Technical Guidelines for Municipal Solid Waste Disposal.

WHEREAS, the disposal of municipal solid waste in the Philippines is mostly through open dumps that cause environmental damage and adversely impact on public health;

WHEREAS, the Department of Environment and Natural Resources as the primary government agency in charge of environmental and natural resources management and as Chairman of the Presidential Task Force on Waste Management is tasked with providing appropriate guidelines in all aspects of waste management;

WHEREAS, the Department of Environment and Natural Resources as the primary government agency in charge of environmental and natural resources management and as Chairman of the Presidential Task Force on Waste Management is tasked with providing appropriate guidelines in all aspects of waste management;

WHEREAS, Republic Act 7160, otherwise known as the Philippine Local Government Code devolved the responsibility for the provision of basic services, such as but not limited to general hygiene and sanitation, beautification and solid waste management to local government units (LGUs);

WHEREAS, the DENR recognizes the value of strengthening its coordination and cooperation with the LGUs in the planning and implementation of solid waste management strategies;

WHEREAS, by virtue of Presidential Decree 1152 (the Philippine Environmental Policy), Presidential Decree 984 (the Pollution Control Law) and Administrative Order no. 90, there is a need to improve the present disposal practices of municipal solid waste to make them environmentally-sound;

NOW, THEREFORE, for and in consideration of the above premises, the Department of Environment and Natural Resources hereby adopts and promulgates the following Guidelines:

Section 1. Title. These guidelines shall be known as “The Technical Guidelines for Municipal Solid Waste Disposal”.

Sec. 2. Declaration of Policy. It is hereby declared a policy of the DENR to provide direct technical guidance to the LGUs in order to promote their adoption of environmentally-sound, technically-feasible and economically-sustainable solid waste management options, through standards and guidelines that could be consistently applied to different LGUs throughout the country.

Sec. 3. Scope. These Guidelines shall cover the development of new municipal solid waste disposal sites in the Philippines including a phased schedule for the conversion and upgrading of existing dumpsites into a more sanitary and environmentally acceptable manner.

Sec. 4. Role of the DENR. To ensure the effective implementation of these Guidelines, the DENR shall:

4.1 supervise and monitor the gradual phase out of existing open dumps nationwide in coordination with the Department of Health, the Department of Interior and Local Government, various local government units and other relevant entities; and,

4.2 provide technical assistance in the planning and implementation of the upgrading of existing open dumpsites to environmentally-sound landfills with regards to its adherence to the herein prescribed engineering and environmental standards.

Sec. 5. Role of the Local Government Units. The LGUs shall prepare and implement local action plans and formulate local regulations to facilitate and support the closure and upgrading of existing open dumps.

Sec. 6. Technical Guidelines for Municipal Solid Waste Disposal. The Guidelines including its definition of terms, technical norms, environmental quality requirements and operational performance standards are set out in ANNEX A and shall form an integral part of this Order.

Sec. 7. Timeframe for Implementation. All LGUs are required to fulfill the upgrading plan for existing open dumps as prescribed in ANNEX A in accordance with the following schedule:

7.1 All highly urbanized cities are required to convert/upgrade all their open dumps to controlled dumps within three (3) years from the promulgation of this Order or not later than December 2001; from controlled dumps to sanitary landfill level I no later than December 2008; and, from sanitary landfill level I to sanitary landfill level II by December 2009.

7.2 All independent component, component and first class cities and municipalities are required to convert/upgrade all their existing open dumps to controlled dumps within five (5) years from the promulgation of this Order or no later than December 2003; and from controlled dumps to sanitary landfill level I by December 2009;

- 7.3 All second class cities and municipalities are required to convert/upgrade their existing open dumps into controlled dumps within seven (7) years from the promulgation of this Order or no later than December 2005.
- 7.4 All remaining classes of cities and municipalities are required to convert their existing open dumps to controlled dumps no later than December 2009.

While the above timeframe sets out the deadline for the phased improvements of existing open dumps for different classes of LGUs, all LGUs are encouraged to upgrade their existing disposal facilities to sanitary landfill level as soon as technically and financially feasible.

Sec. 8. Separability Clause. If any section or provision of these guidelines is held or declared unconstitutional or invalid by a competent court, the other sections or provisions hereof shall continue to be in force as if the sections or provisions so annulled or voided have never been incorporated herein.

Sec. 9. Repealing Clause. All pertinent guidelines, rules and regulations or portions thereof inconsistent with these Guidelines are hereby revised, amended and/or modified accordingly.

Sec. 10. Amendments. These Guidelines may be amended/and or modified in whole or parts hereof from time to time by the DENR.

Sec. 11. Effectivity. These Guidelines shall take effect within thirty (30) days after publication in the Official Gazette or in a newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary, DENR
Chairman, Presidential Task Force
on Waste Management

Published at:

TODAY - November 16, 1998 - pages 15-19

DENR Administrative Order
No. 98 - 50
June 29, 1998

SUBJECT : Adopting the Landfill Site Identification and Screening Criteria for Municipal Solid Waste Disposal Facilities.

WHEREAS, the DENR is the government agency responsible for the management and development of the country's environment and natural resources;

WHEREAS, by virtue of a Presidential Memorandum Circular No. 88, Series of 1994, the DENR was made Chairman of Presidential Task Force on Waste Management (PTFWM);

WHEREAS, under Republic Act 7160, otherwise known as the Local Government Code, local government units are responsible for the provision of basic services to their constituents;

WHEREAS, the basic services and facilities; include, but are not limited to general hygiene and sanitation, beautification and solid waste management;

WHEREAS, by virtue of Presidential Decree 1152 and Executive Order No. 192, there is a need to provide technical assistance on municipal solid waste management system in the country;

NOW, THEREFORE, for and in consideration of the above premises and consistent with the provisions of PD 1152, PD 984, the Department of Environment and Natural Resources hereby adopts and promulgates the following guidelines and criteria:

Section 1. Statement of Policy. It is the declared policy of the Department as provided in the "Philippines Environmental Code (PD

1152), and the Pollution Control Decree of 1976 (PD 984)” and their implementing rules and regulations, to adopt a system for a safe and sanitary disposal of waste.

Sec. 2 Definition of Terms. As used in and for the purpose of these guidelines, the following terms and phrases shall have the corresponding meaning herein below stated:

Absolute criteria - this sets the minimum requirement(s) that a site must meet for it to be considered.

Conditional criteria - this indicated that a certain site has met the absolute condition/requirements but is still subject to or dependent upon certain additional conditions that can enhance the site selection process but are not exclusionary.

Confined aquifers - an aquifer located between two relatively impermeable layers.

Generation rate - the amount of waste generated, usually expressed as kg/person/day.

Haul distance - the distance a collection vehicle travels from the service area (collection area) to a treatment and/or to the disposal facility.

Impervious - does not allow passage to, or is impermeable

Leachate - liquid contaminated from contact with decomposing wastes containing bacteria and other materials that drain out of dumpsites and landfills.

Liners - act as a low-permeability barrier to eliminate leakage or minimize the rate at which leachate within the waste facility escape into the surrounding environment. Liners may be clayey soils or

synthetic materials (e.g., high density polyethylene, or a combination of both).

Liquefaction - the process of making or becoming liquid or the state of being liquid.

Perennial - present at all season of the year.

Permeability - the rate at which a substance can penetrate or pass through a medium (e.g. soil).

Recharge area - a highly permeable region or area that serves as a source of water.

Return period - refers to the time interval when an event is expected to recur.

Sanitary Landfill - a waste disposal site designed, constructed, operated and maintained in a manner that exerts engineering control over significant potential environmental impacts arising from the development and operation of the facility.

Seismic - refers to earth movement or vibration

Sinkholes - a hallow or depression in which drainage collects

Transfer station - a place or facility where wastes are transferred from smaller collection vehicles into larger transport vehicles for transport to the final disposal site.

Topography - the physical configuration of a surface detailing the natural and man-made features, showing their relative position and elevations.

Up-gradient - up-slope or upstream

Visual barriers - refers to natural or man-made barriers used to keep a disposal area visually inaccessible.

Waste characteristics - refer to the properties of the waste stream (e.g., type, physical and chemical composition).

Sec. 3 Scope. These guidelines shall apply to all waste disposal sites in the country, be they operated by Local Government Units (LGUs) and/or the private sector.

Sec. 4 Landfill Site Identification and Screening Criteria.

The following criteria shall be used to identify and screen possible site of Sanitary Landfill:

- (1) Area Capability and Availability
- (2) Haul Distance and time
- (3) Proximity to Sensitive Groundwater Resources
- (4) Proximity to Perennial Surface Water
- (5) Occurrence of Flooding
- (6) Proximity to Sensitive Land users
- (7) Local Ecological Conditions
- (8) Current and Future Land Use
- (9) Seismic Condition
- (10) Geologic Condition
- (11) Soil/Land Condition
- (12) Topography
- (13) Proximity to Airports

The attached ANNEX A provides the details of these guidelines and shall form an integral part of this Order.

Sec. 5 Site Identification and Screening Methodology.

The sanitary landfill site identification methodology shall be composed of the following steps:

- a. data acquisition

- b. plotting of excluded areas, identified on the basis of the absolute criteria , in an appropriate map;
- c. identification of candidate areas from the map for field survey;
- d. site survey and evaluation; and,
- e. selection of preferred site(s)

Data can be obtained from existing maps (1:10,000, 1:50,000 or 1:200,000), aerial photographs, site visits and interviews with local officials and residents. The results of the siting process should be presented in the form of an acceptability matrix showing the qualitative evaluation of each site based on the site identification and screening criteria.

The acceptability matrix will aid the local officials in assessing the best site for the proposed landfill and ecological waste management center. The final decision should be approved by the council of elected officials after due public consultation, taking account of both the technical and financial considerations.

Sec. 6 Separability Clause. If any section or provision of these guidelines is held or declared unconstitutional or invalid by a complete court, the other section or provisions hereof shall continue to be in force as if the section or provisions so annulled or voided have never been incorporated herein.

Sec. 7 Repealing Clause. All pertinent guidelines or rules and regulations inconsistent with these guidelines are hereby revised, amended and/or modified accordingly.

Sec. 8 Amendments. These guidelines may be amended and/or modified from time to time by the Department of Environment and Natural Resources.

Sec. 9 Effectivity. These Guidelines shall take effect thirty (30) days after publication in the Official Gazette or in a newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - July 09, 1998 - page 05

DENR Administrative Order
No. 98 - 51
June 29, 1998

SUBJECT : Adoption of the Industrial ECOWATCH System and Providing for Implementing Guidelines Thereof.

WHEREAS, Section 16 Article II of the 1987 Constitution upholds the right of the Filipino people to a balanced and healthful ecology in accord with the rhythm and harmony of nature;

WHEREAS, Section 7, Article III of the same Constitution guarantees the right of the Filipino people to information on matters of public concern;

WHEREAS, Executive Order No. 192, mandates the Department of Environment and Natural Resources (DENR) to protect and promote the right of the people to a wholesome environment, through pertinent laws, rules and regulations, and through the dissemination of information;

WHEREAS, Presidential Decree No. 1586 mandates the DENR to undertake periodic compliance monitoring inspection of these establishments falling within the environmental impact statement system to guarantee that these establishments meet the terms and conditions of their environmental compliance certificate (ECC);

WHEREAS, the Department has adopted a policy of augmenting environmental laws, rules and regulations, including the compliance monitoring system, with non-traditional approaches, in order to expand and strengthen industrial compliance to environmental laws, rules and regulations;

WHEREAS, the Department has commissioned the development of an information and public disclosure-based system that would inform the public of the status of environmental compliance and responsiveness of industrial and commercial firms, called the Industrial ECOWATCH, and initially piloted in the DENR National Capital Region and the Laguna Lake Development Authority (LLDA) jurisdiction area.

WHEREAS, the Department has piloted this system, called Industrial ECOWATCH, in the DENR National Capital Region, resulting in a significant increase in the level of compliance of industrial and commercial establishments that were identified for this pilot;

NOW, THEREFORE, for and in consideration of the above premises and consistent with the provisions of Presidential Decree Nos. 984 and 1586, the Department adopts the Industrial ECOWATCH, as follows

Section 1. STATEMENT OF POLICY. The Industrial ECOWATCH is hereby adopted by the DENR as part of the compliance monitoring system of the Department. The Industrial ECOWATCH is being adopted in order to promote industrial compliance to environmental laws, rules and regulations through public pressure; encourage pollution reduction beyond compliance through public recognition and praise; create incentives for polluters to develop internal environmental management systems; and, develop foundations for international environmental standards such as the ISO 14000 series.

Sec. 2 DEFINITION OF TERMS

1. Biochemical Oxygen Demand (BOD) - A measure of the approximate quantity of dissolved oxygen that will be required by bacteria to stabilize organic matter in wastewater or surface water. It is a semi-quantitative measure of the wastewater organics that

- are oxidizable by bacteria. It is also a standard test in assessing wastewater strength. (As defined under Department Administrative Order (DAO) NO. 35, Series of 1990)
2. Cease-and-Desist Order (CDO) - A decision handed down by the Pollution Adjudication Board (PAB), the DENR Regional Executive Director (RED), or the Laguna Lake Development Authority (LLDA), directing the discontinuance of the emission or discharge which constitutes an immediate threat to life, public health, safety or welfare, or to plant or animal life, or exceeds the allowable DENR standard, or the temporary suspension or cessation of operations of the establishment or firm generating such pollutants.
 3. Chemical Oxygen Demand (COD) - A measure of the approximate quantity of dissolved oxygen equivalent of the organic matter content of a sample that is susceptible to oxidation by a strong chemical oxidant. For samples from a specific source, COD can be related empirically to BOD, organic carbon, or organic matter.
 4. Clean technology - Technology designed from inception to minimize waste, prevent pollution, and reduce demand for natural resource and energy inputs.
 5. Color-coding - System of designating particular colors to particular levels of environmental management characteristics exhibited by an ECOWATCH ratee;
 6. Compliance monitoring - System of regularly monitoring industrial and commercial firms for compliance with applicable environmental standards, rules and regulations, as stipulated by a firm's Environmental Compliance Certificate (ECC), and/or as provided under PD No. 984, the National Pollution Control Decree of 1976.
 7. Industrial ECOWATCH - Information-based system of assessing the environmental responsiveness of an industrial firm, with color-codes for varying levels of assessment, from gold (denoting excellence), all the way to black (very bad performance)

8. ISO 14000 - International Standards Organization accreditation series to assure total environmental quality management by industrial firms.
9. Presidential Decree (PD) No. 984 - National Pollution Control Decree of 1976
10. Presidential Decree (PD) No. 1586 - the decree Establishing an Environmental Impact Statement System, Including Other Environmental Management-Related Measures and for Other Purposes (1978)
11. Pollution prevention - Evaluation of industrial processes and inputs that would reduce, if not eliminate pollution from such processes and inputs.
12. Republic Act (RA) No. 6969 - Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990
13. Resource conservation - Optimized use of natural resources in industrial processes
14. Self-Monitoring Reports (SMRs) - Reports required by the DENR/LLDA on the critical pollution parameters which the firm is being evaluated for. These are prepared by the firm's Pollution Control Officer and are required to be submitted on a quarterly basis, in accordance with DAO No. 26, series of 1992.
1. Toxic and Hazardous Waste (THW) - Substances which are defined under DAO 29, series of 1990, the implementing rules and regulations for Republic Act 6969.
16. Waste minimization - Reduction of wastage of raw materials as well as energy and natural resource inputs that would otherwise add to the waste stream of an industrial process.

Sec. 3 SCOPE. The Industrial ECOWATCH shall be nationwide in scope and shall measure management response of industries to the requirements of environmental laws, rules and regulations. ECOWATCH shall evaluate environmental responsiveness of firms for both wastewater effluent and air emissions.

Sec. 4. RATING CRITERIA AND EQUIVALENT COLOR CODES. In addition to the regular compliance monitoring procedures and activities, rating criteria based on color-codes shall be used in aid of the public disclosure process, as follows:

4.1 BLACK - A firm shall be rated Black (Very Bad) if at least one of these conditions is present:

4.1.1 The firm discharges beyond standard and has no wastewater treatment system and/or applicable air emissions control/abatement system;

4.1.2 The firm discharges toxic and hazardous wastes to the environment beyond the allowable limits set under DAO No. 14 series of 1993 and DAO Nos. 34 and 35, series of 1990;

4.1.3 The firm is under a Cease and Desist Order issued by the DENR RED, the PAB, or the LLDA for violating provisions of PD 984;

4.1.4 There is willful manipulation by the firm of effluent discharge or air emissions, including the conduct of illegal activities such as dilution of discharge, installation and use of by-pass, or direct discharge of untreated air emissions and/or wastewater;

4.1.5 There is verified obstruction of inspection activities of duly certified/assigned personnel of the DENR/LLDA;

4.1.6 There is a legitimate and verified public complaint of pollution against the firm and no effort had been taken or exerted to address this complaint within the rating period

4.2 RED - A firm shall be rated RED (Bad) if the firm has violated applicable wastewater effluent/air emissions standards even with efforts to reduce such discharges/emissions through the installation of fully operational WTP/emissions control or abatement equipment.

4.3 **BLUE** - A firm shall be rated BLUE (Good) if all of these conditions are present:

- 4.3.1 The firm's effluents/emissions are consistently within applicable standards within the rating period of one (1) year;
- 4.3.2 The firm is in full compliance of all other DENR regulatory requirements under PD 984, PD 1586, RA 6969, and DAO 26 series of 1992, which require the submission of self monitoring reports (otherwise known as pollution control officer or PCO reports) from pollution control officers; and,
- 4.3.3 Its wastewater treatment/air emissions control or abatement equipment are all well-maintained.

4.4 **GREEN** - A firm shall be rated GREEN (very good performance) if all these conditions are present:

- 4.4.1 The firm must meet all the requirements for BLUE;
- 4.4.2 The firm must have BOD and COD, and particulate concentration in all samples lower than the standards by 20 per cent;
- 4.4.3 The firm has well-functioning monitoring equipment such as pH meter, flowmeter, smokemeter, etc.;
- 4.4.4 The firm has clean-technology, waste minimization and pollution prevention and/or resource conservation programs in place; and,
- 4.4.5 The firm has discharge points accessible to inspection.

4.5 **GOLD** - A firm shall be rated GOD (excellent performance) if it is GREEN for the third consecutive rating period.

4.6 *Interim ratings*

- 4.6.1 A firm shall be placed UNDER ASSESSMENT if at least one of these conditions is present:

- 4.6.1.1 Not enough reliable data is available to complete a firm's evaluation;
- 4.6.1.2 The improvement of the firm's existing wastewater treatment/air emissions control/ abatement equipment is in process;
- 4.6.1.3 The inspection of DENR's/LLDA's teams shows compliance but self-monitoring reports show violation; and,
- 4.6.1.4 The firm is in compliance for at least one year but is not in full compliance with other regulatory requirements or does not have a well-maintained wastewater treatment or air emissions control/ abatement equipment.
- 4.6.1.5 A firm cannot be UNDER ASSESSMENT for two consecutive rating periods.

4.7 The process diagram of the aforementioned criteria is attached as Annex A.

Sec. 5 DATA EVALUATION. Inputs for evaluation shall be based on the following data about ratee firms:

5.1 Computerized data entry and rating system developed for the Industrial ECOWATCH shall be used. The system is an application of Microsoft Access 97 or higher versions. System requirements for Access 7.0 users include Intel Pentium 200 MHz with MMX Processor (or equivalent Cyrix or AMD processor) or higher, at least 2.5 Gigabyte Hard Disk, and a Super VGA (SVGA) color monitor. Operating system should be at least Windows 95. Additionally, a color scanner should be available in order to scan and input photos of wastewater treatment/air pollution abatement equipment, and a color ink jet printer to print out such files for documentation purposes.

The Office of the Undersecretary for Field Operations shall ensure the availability of at least one (1) computer and necessary peripherals that will meet these minimum specifications per Regional Office. Such computer shall be dedicated to the running of the Industrial ECOWATCH system.

A Manual of electronic data entry, editing and analysis, and report generation developed for the Industrial ECOWATCH and attached as Annex B shall be used.

5.2 Primary data inputs will come from a combination of compliance monitoring inspections/samplings and from SMRs. Analysis of such data will be based on a group of samples within the rating period rather than just one sampling result;

5.3 Data on the history of firms compliance shall also be used to establish a profile of the firms compliance, leading to the upgrading of a firms rating, or its decline in rating;

5.4 Pictures of the wastewater treatment plant/air emissions control or abatement equipment shall be taken and included as part of the data analysis in order to correlate the state of maintenance of the equipment with the claimed pollution reductions, and;

5.5 Tests for accuracy shall be conducted based on a correlation of the treatment process vis-a-vis the firms production process characteristics.

Sec. 6 DATA ENTRY. A Manual for electronic data entry, data editing, data analysis and report generation developed for the Industrial ECOWATCH and attached as Annex B shall be used.

The Manual includes a section on the technical information on the Industrial ECOWATCH computer system, the rating

criteria, the rating process, and the various computer data fields generated by the ECOWATCH computer system. These data fields include data analysis, data editing, report generation, and other data entry components.

Sec. 7 INSTITUTIONAL ARRANGEMENTS FOR THE IMPLEMENTATION OF THE INDUSTRIAL ECOWATCH IN DENR'S REGIONAL OFFICES.

7.1 An ECOWATCH Project Office shall be set up within the Office of the Undersecretary for Field Operations under the direct supervision of the Undersecretary, with a coordinator assigned to provide support on a regular basis.

Additionally, this Project Office would be provided technical support by the Environmental Management Bureau (EMB), which would extend assistance for coordination and progress monitoring on a periodic basis.

The implementation of Industrial ECOWATCH shall be under the day-to-day supervision of the Regional Technical Director (RTD) for Environmental Management and Protected Areas Service (EMPAS) of the DENR Regional Office and shall be carried out by the staff of the EMPAS Environmental Quality Division (EQD).

7.2 The integration of ECOWATCH with the Department's compliance monitoring system shall be reported to the DENR Secretary once every 2 months, to the Undersecretary for Field Operations once a month, and a mid-year review jointly with the Regional Offices.

Sec. 8 DISCLOSURE. The results of the rating will be discussed with the firms concerned within the rating period, but at least two weeks prior to the actual public disclosure to allow the ratee firms sufficient opportunity to validate DENRs findings.

Disclosure will be once a year, with disclosure for GOLD, GREEN, and BLUE firms undertaken at least two (2) weeks ahead of the disclosure for the RED and BLACK firms.

Sec. 9 EFFECTIVITY. This Administrative Order shall take effect fifteen (15) days after publication in two (2) newspapers of general circulation.

APPROVED:

(Sgd.) VICTOR O. RAMOS
Secretary

Published at:

TODAY - August 15, 16 & 17, 1998

DENR Administrative Order

No. 98 - 56

August 17, 1998

SUBJECT : Modifying the Organizational Structure of the Pasig River Rehabilitation Program (PRRP) and the River Rehabilitation Secretariat (RRS).

In the interest of the service and in order to strengthen the Pasig River Rehabilitation Program (PRRP) in support to the Presidential Task Force on Pasig River Rehabilitation (PTF-PRR) and pursuant to SO 98-621; which recalls the River Rehabilitation Secretariat (RRS) funds and support facilities from the National Capital Region to the Central Office under the Office of the Secretary, the organizational structure and functions of the PRRP-RRS is modified as follows:

A. River Rehabilitation Secretariat (RRS)

The RRS shall be composed of the following:

1. A management team headed by a DENR Project Manager under the Direct Supervision of the Secretary
2. Technical Working Groups
3. Technical Support Groups
4. Environmental Health Education Group
5. Administrative Support Group

As such, the RRS shall perform the same functions as described in AO 96-12 and SO 98-621.

B. The Secretary as Project Director

To provide the highest level of coordination and support to the PRRP, the DENR Secretary shall be the Project Director of the PRRP-RRS with the following functions:

1. Oversees the effective coordination and supervision and efficient monitoring and implementation of the program;
2. Has overall responsibility for the activities of the Secretariat;
3. Guides and sets the policy directions for the program and the Secretariat

C. Project Manager

Under the direct supervision of the Secretary as Project Director, the Project Manager shall perform the following main functions:

1. Assumes the functions of the Program Coordinator, as prescribed under AO 96-12;
2. Ensures the smooth implementation of the PRRP work program;
3. Conducts the day-to-day management and administration of the PRRP-RRS;
4. Plans, directs and coordinates the PRRP-RRS, including the efficient allocation, and utilization of physical, manpower, financial and technological resources;

5. Ensures that adequate technical and administrative support is provided to the Presidential Task Force on Pasig River Rehabilitation (PTF-PRR).

D. Assistant Project Manager

Under the direct supervision of the Secretary/Project Director and the Project Manager, the Asst. Project Manager shall perform the following functions:

1. Assists the Project Manager in the day-to-day management for the PRRP-RRS
2. Assists in the formulation of policies and development of strategies for a more effective implementation of PRRP work program
3. Supervise and directs the immediate staff who will compose the environmental health education team as an additional component of PRRP

All expenses that will be incurred thereto shall be charged against the PRRP-RRS funds subject to the usual accounting and auditing rules and procedures.

This Order shall take effect immediately, shall supercede all Orders inconsistent herewith, and shall remain in force until otherwise revoked in writing.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 58
September 08, 1998

SUBJECT : Priority Chemical List.

Pursuant to Section 19, Chapter IV, Title of DENR Administrative Order 29, the Implementing Rules and Regulations of the Republic Act 6969, the Toxic Substances, Hazardous Wastes, and Nuclear Wastes Control Act of 1990 (hereinafter, RA 6969), the Department hereby promulgates the following Priority Chemical List (PCL):

- | | |
|--------------------------------|---|
| 1. 1,1,1, - Trichloroethane | 16. Halons |
| 2. 1,2 Diphenylhydrazine | 17. Hexachlorobenzene |
| 3. Arsenic Compounds | 18. Hexachloroethane |
| 4. Asbestos | 19. Lead Compounds |
| 5. Benzene | 20. Mercury Compounds |
| 6. Beryllium Compounds | 21. Mirex |
| 7. Cadmium Compounds | 22. Polychlorinated
Biphenyls (PCBs) |
| 8. Carbon Tetrachloride | 23. Phosgene |
| 9. Chlorofluoro Carbons (CFCs) | 24. Pentachlorophenol |
| 10. Chloroform | 25. Polybrominated
Biphenyls (PBBs) |
| 11. Chlorinated Ethers | 26. Selenium |
| 12. Chromium Compounds | 27. Tributyltin |
| 13. Cyanide Compounds | 28. Vinyl Chloride |
| 14. Ethylene Dibromide | |
| 15. Ethylene Oxide | |

Users, importers, and manufacturers of these chemicals are hereby required to comply with the following requirements:

1. Completion and submission to the Environmental Quality Division (EQD) of the Environmental Management Bureau (EMB) of a Hazardous Wastes Registration Form;

2. Completion and submission to the EQD, EMB, of the PCL Biennial Report. The First Biennial Report should be submitted from September 1 to December 31, 1998. Subsequent Biennial Reports shall be submitted within fifteen (15) days from the end of each calendar year; and
3. Registration and Biennial Reports must be in a form prescribed by the Department and accompanied with the payment of prescribed fees.

Inquires regarding the Chemical Abstract Service (CAS) numbers of, and the list of synonyms for these priority chemicals shall be directed to Environmental Quality Division, Environmental Management Bureau 99-101 Topaz Building Kamias Rd. Quezon City.

Violations of the provisions of this Order shall result in the imposition of a fine of not less than ten thousand pesos (10,000.00) but not more than fifty thousand pesos (P50,000.00), without prejudice to institution of criminal proceedings against said violators, in accordance with RA 6969.

This Order shall take effect 15 days after its publication in a newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Philippine Daily Inquirer - September 23, 1998 - page 12

DENR Administrative Order

No. 98 - 63

October 05, 1998

SUBJECT : Guidelines for the Designation of DENR Recognized Environmental Laboratories.

Pursuant to the provisions of Presidential Decree No. 984 otherwise known as the “Pollution Control Decree of 1976”, PD No. 1586 establishing the Environmental Impact Statement (EIS) System in the Philippines, and by virtue of Executive Order No. 192, Series of 1987 and Executive Order No. 292 otherwise known as the “Administrative Code of 1987”, the Department of Environment and Natural Resources (DENR), hereby adopts and promulgates the following guidelines for the designation of DENR recognized laboratories.

01. “DENR recognized environmental laboratories” are laboratories that are authorized to generate environmental data in connection with the Environmental Impact Assessment (EIA) System, environmental monitoring, and research activities in support of the formulation and implementation of policies, criteria, guidelines, rules, and regulations, and other activities of the Environmental Management and Protected Areas Sector (EMPAS) of the DENR;
02. DENR “recognition” shall cover the following components:

- a. Laboratories

Laboratories, whether owned and/or operated by local or foreign nationals, that generate environmental data in connection with the EIA System, environmental monitoring, and research activities in support of the formulation and implementation of policies, criteria, guidelines, rules and

regulations, and other activities of the Environmental Management and Protected Areas Sector (EMPAS) of the DENR shall obtain a Certificate of recognition from the DENR;

b. Activities

The analysis of environmental samples for specific parameters like physical-chemical, organics, metals, and bacteriological parameters or for a combination of parameters and sample type conducted by environmental laboratories which may be granted recognition. Specific activities under this scheme are the following:

- (1) Analysis of water (freshwater, groundwater, water for various uses) and wastewater. Parameters and methods are given in Annex A;
- (2) Analysis of ambient air and stack emissions. Parameters and methods are given in Annex B; and
- (3) Analysis of sediments and biota. Parameters and methods are given in Annex C.

c. Duration

The Certificate of Recognition shall have an effectivity of three (3) years.

03. Requirements for recognition

a. Application document

Any person, firm or corporation desiring to establish or operate and maintain an environmental laboratory shall submit to the DENR, through the Environmental Management Bureau

(EMB), an application document containing the following data and information:

- (01) Name of establishment;
- (02) Address of establishment;
- (03) Name, citizenship, and domicile of owner of establishment;
- (04) Name of laboratory;
- (05) Address of laboratory;
- (06) Name, citizenship, and domicile of the head of the laboratory;
- (07) Statement that the applicant has complied with all business requirements under existing laws;
- (08) Tax clearance for the preceding year;
- (09) Scope of the desired recognition;
- (10) Mission statement or overview of the mandate of the establishment and the laboratory;
- (11) Accreditation record of the laboratory;
- (12) Technical and support personnel of the laboratory;
- (13) Scope and nature of work of the laboratory;
- (14) Laboratory test report forms;
- (15) Reference literature available in the laboratory;
- (16) Equipment calibration and maintenance program of the laboratory;
- (17) Quality assurance program of the laboratory;
- (18) Track record of the laboratory;
- (19) Pollution control and waste management practices adopted by the laboratory;
- (20) Floor plan of the laboratory and related facilities (scale = 1:100); and
- (21) Duly accomplished official application form.

b. Personnel

The operation of environmental laboratories shall be under the direction and supervision of a licensed chemist, chemical

engineer or professional in allied fields with at least 5 years experience in laboratory analysis and management.

The minimum staff of the environmental laboratory shall be composed of one licensed professional, one laboratory assistant, and one laboratory aide.

The licensed professional shall have at least 2 years experience and must have analyzed a minimum of 300 relevant environmental samples.

The laboratory assistant shall have at least a baccalaureate degree in natural and applied sciences, undergone 120 hours of training in the analysis of environmental samples, and analyzed a minimum of 100 relevant environmental samples under the supervision of a licensed professional.

The laboratory aide shall have obtained a high school diploma or have completed a laboratory-oriented vocational course.

c. Track record of the laboratory

The laboratory applying for recognition shall have analyzed a minimum of 300 relevant environmental samples.

d. Physical layout

- (1) The laboratory shall be housed in a permanent building constructed of strong materials, preferably, concrete or semi-concrete;
- (2) The laboratory shall have adequate running water supply and regular electric power supply and provision for emergency power source;

- (2) The laboratory shall have adequate drainage, preferably with separate waste lines for domestic sewage and laboratory wastewater;
- (3) Work rooms shall be well ventilated with adequate provisions for either natural or artificial lighting;
- (5) The working space of the laboratory shall correlate with the volume and type of analysis to be undertaken, including provisions for periods of peak work load;
- (6) Working space requirement shall include sufficient bench top area for processing samples, storage space for chemicals, glassware, and portable and fixed equipment, and an adequate appropriate area for cleaning glassware and sterilizing materials;
- (7) There shall be effective separation between neighboring units when the activities therein are incompatible;
- (8) There shall be adequate physical provisions for the safety of laboratory personnel considering exposure to chemicals, inflammable reagents, fires, and similar substances. Safety provisions shall include emergency exit and egress, emergency shower and eyewash, fire extinguishers, first aid kits, fume hoods, and protective personnel equipment.

e. Laboratory procedures

All laboratory procedures adopted by the laboratory shall conform to the DENR approved methods of analysis or other procedures that may be recommended or adopted by the DENR.

f. Reagents

All reagents to be used in the analysis of environmental samples shall be of the highest grade to obtain reliable results, unless otherwise stated in the procedure.

g. Equipment and instruments

All equipments, instruments and consumables shall conform to the requirements of the analytical methods approved, recommended or adopted by the DENR.

h. Quality control

The laboratory shall prepare and adopt a quality assurance program to enhance the quality of the data generated by the laboratory.

The laboratory shall analyze quality control samples to check on the proficiency of its analysts and equipment on a regular basis.

Quality control charts shall be displayed in a conspicuous place in the laboratory.

i. Instrument calibration

The laboratory shall formulate and adopt a system for calibration and maintenance of its laboratory facilities. Certificates of equipment calibration shall be compiled and made available upon request by the DENR.

j. Laboratory waste management

a. Submission of application document

The laboratory seeking to obtain a Certificate of Recognition by the DENR shall prepare and submit the application document, the contents of which are given in Section 3.a of this Administrative Order.

The Secretariat consisting of EMB staff shall be created to coordinate and support activities related to the recognition of environmental laboratories by the DENR. It shall make a preliminary assessment of the completeness of the application document. After the document has been assessed and the relevant data/information has been found to be included in the document, the same shall be forwarded to the members of the Laboratory Inspection and Assessment Team (LIAT).

b. Laboratory inspection and assessment

Within 30 working days upon receipt of the complete application document, the Laboratory Inspection and Assessment Team (LIAT) shall inspect the applicant laboratory and validate the data and information contained in the said document.

The LIAT shall be composed of the following:

- Two (2) External Assessors;
- Two (2) EMB Assessors; and
- One (1) DENR/EMPAS Assessor

The External Assessors shall be designated by the EMB Director in consultation with relevant professional groups. The applicant-laboratory shall be given the right to accept or reject the External Assessors.

The Laboratory Assessment Report, to be prepared by the LIAT in accordance with the format prescribed by the

EMB, shall be consolidated by the Chairperson of the LIAT in accordance with the format prescribed by the EMB, shall be consolidated by the Chairperson of the LIAT and subsequently endorsed to the Technical Advisory Group for Laboratory Recognition (TAG-LR).

The Secretariat shall assist the LIAT in the discharge of its functions.

c. Proficiency testing

The laboratory shall be required to participate in interlaboratory exercises organized by the EMB.

The laboratory shall be required to participate in interlaboratory exercises recommended by the EMB.

The Secretariat shall prepare the report for the proficiency test. Said report shall be forwarded to the TAG-LR for consolidation and review.

d. Consolidation and review of data and information

The Technical Advisory Group for Laboratory Recognition (TAG-LR) shall be created by the DENR Secretary to consist of the following:

- Chairperson of the LIAT;
- Representative of professional chemical associations;
- Technical representative of environmental NGOs;
- Director, EMB; and
- Undersecretary for Environment, DENR.

The TAG-LR shall consolidate and review the laboratory inspection/assessment and proficiency testing reports. From the data and information available, the TAG-LR shall recommend to the DENR Secretary the issuance/non-

issuance of the Certificate of Recognition to the applicant laboratory.

The Secretariat shall assist the TAG-LR in the discharge of its functions.

e. Issuance of the Certificate of Recognition

The Certificate of Recognition shall be issued, signed and approved by the Secretary of the DENR if the laboratory has complied with the documentation, analytical performance, and other requirements, upon recommendation of the Technical Advisory Group.

The Certificate of Recognition shall, among others, contain the following information: name and address of the recognized laboratory, laboratory code number, scope of recognition, persons recognized by the DENR as being responsible for the technical validity of test reports, effectivity and date of expiry of the Certificate of recognition, signature of the Secretary of the DENR, and dry seal of the DENR.

f. Monitoring and reassessment

The EMB, in coordination with the EMPAS, shall institute monitoring mechanisms within the period of effectivity of the Certificate of Recognition to ensure that the recognized laboratory continues to comply with the requirements. These include but are not limited to the following:

- (1) laboratory inspection; and
- (2) provision of quality control/intercomparison samples for analysis by the recognized laboratory.

05. Responsibilities of DENR recognized environmental laboratories

- a. The recognized laboratory shall analyze environmental samples for private companies and individuals, DENR, other government agencies/instrumentalities, NGOs and local government units;
- b. The recognized laboratory shall submit annual reports according to the prescribed format of EMB. Said report should contain, among others, the following: number of samples analyzed, number of determinations made and performance evaluation report on laboratory comparison exercises participated in by the laboratory;
- c. The recognized laboratory shall at all times comply with the relevant stipulations in the application document;
- d. The recognized laboratory shall at all times comply with the relevant stipulations in the application document;
- e. The recognized laboratory shall pay such fees as shall be determined by the DENR;
- f. The recognized laboratory shall not use its recognition in such a manner as to bring the DENR into disrepute and shall not make any statement relevant to its recognition which DENR may consider misleading or unauthorized;
- g. The recognized laboratory shall, upon suspension or withdrawal of its recognition, forthwith discontinue its use of all advertising matter that contains any reference thereto;

- h. The recognized laboratory shall ensure that no Certificate or report nor any part thereof is used in a misleading manner;
- i. The recognized laboratory, in making reference to its status of recognition in communication media such as advertising, brochures or other documents, shall comply with the requirements of the DENR.
- j. The recognized laboratory shall notify DENR of changes in any aspect of its operation affecting its

- (1) legal, commercial or organizational status;
- (2) organization and management, e.g. key managerial staff;
- (3) policies or procedures, where appropriate;
- (4) premises;
- (5) personnel, equipment, facilities, working environment or other resources, where significant;
- (6) authorized signatories;

and such other matters that may affect the laboratory's capability, or scope of relevant activities, or compliance with the requirements or any other relevant criteria of competence specified by DENR; and

- k. The recognized laboratory shall adopt and implement a continuing technical training program for its staff.

06. Grounds for revocation of Certificate of Recognition and reduction of the scope of the recognition.

a. Revocation of Certificate of Recognition

The following constitute the grounds for the revocation of the Certificate of Recognition:

- (1) Non-submission/delay in the submission of the annual reports;
- (2) Refusal to admit the DENR monitoring and reassessment team;
- (3) Deliberate falsification of documents and test results;
- (4) Refusal to analyze quality control and similar samples as required by the DENR;
- (5) Violation of DENR provisions regarding pollution control, waste management, and safety regulations; and
- (6) Misrepresentation/concealment of relevant information in the application document.

b. Reduction in the scope of recognition

Failure to meet the acceptable concentration levels for specific parameter(s) in three (3) consecutive DENR-organized or recommended proficiency tests shall result in the reduction of the scope of recognition for a given laboratory through the suspension of recognition for the specific parameter(s).

07. Reinstatement of the revoked Certificate of Recognition

The Certificate of Recognition shall be reinstated only upon submission of the completed Re-Instated only upon submission of the completed Re-Instatement Application Form and satisfactory compliance with the corrective action.

08. Expiration

The Certificate of Recognition of an environmental laboratory shall expire within three (3) years from the granting of the Certificate unless otherwise revoked.

09. Renewal

Application for renewal shall be filed at least two months before the expiration of the Certificate.

10. Updating of requirements

The requirements for Certification of the environmental laboratory shall be updated from time to time as the need arises.

Effectivity

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

(Sgd.) ANTONIO H. CERILLES

Secretary

Recommending Approval

(Sgd.) RAMON J.P. PAJE

Undersecretary for Field Operations

(Sgd.) ELMER S. MERCADO

Undersecretary for Environment and
Programs Development

(Sgd.) MARLITO L. CARDENAS

Director

Environmental Management Bureau

Published At: TODAY - October 15, 1998 page 15

Memorandum Circular
No. 98 - 05
April 30, 1998

SUBJECT : List of Classified Water Bodies in 1996-1997.

Pursuant to DENR Administrative Order (DAO) No. 34, Series of 1990 which amended Sections 68 and 69, Chapter III of the NPCC Rules and Regulations specifically Section 68 (c) - General Provisions of Water Classification and in accordance with the Manual of Procedure for Water Classification, the following water bodies are hereby officially classified as follows:

Name of River		Location	Region	Class	Year
1. Sinocalan		Pangasinan	I	C	1997
2. Baua	Upper Reach	Cagayan	II	A	1997
	Lower Reach	Cagayan	II	C	1997
3. Pamplona	Upper Reach	Cagayan	II	B	1997
	Lower Reach	Cagayan	II	C	1997
4. Siffu		Mt. Province	CAR	B	1997
5. Lamao	Upper Reach	Bataan	III	A	1997
	Lower Reach	Bataan	III	C	1997
6. Cajimos Bay		Romblon	IV	SC	1997
7. Yawa		Albay	V	C	1997
8. Malogo	Upper Reach	Negros Occ.	VI	A	1997
	Middle Reach	Negros Occ.	VI	B	1997
	Lower Reach	Negros Occ.	VI	B	1997
9. Banica	Upper Reach	Negros Or.	VII	A	1996
	Middle Reach	Negros Or.	VII	B	1996
	Lower Reach	Negros Or.	VII	C	1996
10. Guindarohan	Upper Reach	Cebu	VII	A	1996
	Lower Reach	Cebu	VII	C	1996
11. Manaba	Upper Reach	Bohol	VII	A	1996
	Middle Reach	Bohol	VII	B	1996
	Lower Reach	Bohol	VII	C	1996

12. Ocoy	Upper Reach Lower Reach	Negros Occ. Negros Occ.	VII VII	A B	1996 1996
13. Canamay		Negros Or.	VII	A	1997
14. Cawitan		Negros Or.	VII	A	1997
15. Cotcot		Cebu	VII	A	1997
16. Ginabasan	Upper Reach Lower Reach	Cebu Cebu	VII VII	AA A	1997 1997
17. Ipil		Bohol	VII	A	1997
18. Mananga		Cebu	VII	A	1997
19. Siaton		Negros Or.	VII	A	1997
20. Dupon Bay	Southeast of Bay Southwest of Bay	Leyte Leyte	VIII VIII	SD SC	1997 1997
21. Camotes Sea		Leyte	VIII	SD	1997
22. Matlang Bay	Northwest of Bay Southeast of Bay	Leyte Leyte	VIII VIII	SD SC	1997 1997
23. Ormoc Bay		Leyte	VIII	SC	1997
24. Cabaluay	Upper Reach Lower Reach	Zamboanga Zamboanga	IX IX	B C	1997 1997
25. Dipolog		Zamboanga del Norte	IX	B	1997
26. Manicahan		Zamboanga	IX	B	1997
27. Kabasalan	Upper Reach Lower Reach	Zamboanga del Sur Zamboanga del Sur	IX IX	A C	1997 1997
28. Kipit		Zamboanga del Norte	IX	B	1997
29. Sibuguey	Upper Reach Lower Reach	Zamboanga del Sur Zamboanga del Sur	IX IX	A C	1997 1997
30. Sindangan		Zamboanga	IX	B	1997

		del Norte			
31. Alubijid	Upper Reach	Misamis Or	X	A	1997
	Lower Reach	Misamis Or	X	C	1997
32. Iligan Bay		Cotabato City	XII	SC	1997
33.Lake Lanao		Lanao del Sur	XII	B	1997

Henceforth, all industrial establishments, business, commercial and agricultural firms, political subdivisions, government-owned or controlled corporations and other similar entities and instrumentalities, including persons discharging liquid wastes into the said water bodies are hereby required to observe and comply with the foregoing classification.

This Memorandum Circular shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Circular
No. 98 - 06
May 14, 1998

To : All Regional Executive Directors

SUBJECT : Guidelines in Water Quality Monitoring

To improve the efficiency and effectiveness in the implementation of your respective water quality (WQ) monitoring programs, it is hereby ordered that:

1. Priority shall be given to the bodies of water indicated in the EMB List of Rivers (Appendix A) for WQ monitoring activities, otherwise, requests for approval accompanied by appropriate justification shall be submitted to the EMB Director prior to commencement of activities. The justification shall include factors such as the presence of industries, existence of urban centers and development activities, etc. within its catchment. As a general rule, creeks need not be monitored, however, if monitoring is sufficiently justified, the name of the main river or exit point i.e. lake or sea should be indicated in the report. Important bays and lakes shall be monitored;
2. High priority shall be given to the three (3) big rivers and fourteen (14) major rivers listed in Appendix B. Each region should monitor at least two (2) rivers (one in the rural and another in an urban area). Preference should be given to rivers indicated in Appendix C;
3. Water quality monitoring shall be done on a regular frequency, i.e., every two weeks for rivers and every month for lakes, reservoirs and bays. If minimal variation is observed in the parameters being

monitored, the activity may be done in a less frequent basis. For example, monitoring of a biologically dead river may be done on a monthly basis;

4. Permanent monitoring sites, regular sampling frequency and the same selected parameters shall be strictly observed/maintained in WQ monitoring activities;
5. WQ monitoring parameters shall be relevant to the present/future use or classification of the monitored water body, e.g., coliform bacteria for waters being used for primary contact recreation; toxic and bacteriological parameters for sources of drinking water; presence of salt in water used for irrigation, etc.;
6. Measurement of pH, dissolved oxygen (DO) and temperature shall be taken in the field every time a sample is collected. DO measurements shall be taken between 9:00 AM and 4:00 PM only. The measured DO value shall be checked against standard saturation DO values. The time of DO determination shall be clearly indicated in the report. All other details in WQ monitoring are contained in the "Manual on Water Quality Monitoring" which shall be observed;
7. River flow rate (cubic meters per second) should be measured during the time of sampling. Stream flow data from NWRB, DPWH, NIA and NPC may be used as reference;
8. Data shall be analyzed by the DENR Regional Office-EMPAS as soon as possible or at least before submitting the report to the EMB. Common statistical parameters required in the quarterly report are the mean and standard deviation given in the following formula:

$$\text{Mean} \quad : \quad \bar{X} = \frac{\sum_{i=1}^n x_i}{n}$$

where: x_i = values of the data set

n = number of values in the data set

$$\text{i.e.} \quad : \quad \bar{x} = (x_1 + x_2 + x_3 + \dots + x_n)/n$$

$$\text{Variance} \quad : \quad s^2 = \frac{\sum_{i=1}^n (x_i - \bar{x})^2}{(n-1)}$$

Standard

$$\text{Deviation} \quad : \quad s = [s^2]^{1/2}$$

9. Assessment of monitoring results should be accompanied by a general description of the whole stretch of the river or a similar stretch monitored, e.g. whether or not it meets the water quality criteria for such classification. To do this, each parameter is compared with the applicable set of water quality criteria. The highest classification that matches with the set of criteria for all the parameters monitored in a river shall be adopted as its temporary classification. (For example, for a water body to be classified as Class C, all monitored parameters should pass the Water Quality Criteria for Class C).
10. Submission of reports to EMB shall be on a quarterly basis and shall include the data and information collected and analyzed during the period. The existing water classification should be indicated in the report. The location, description and map of the monitoring stations shall be properly documented and submitted to EMB after every establishment of such stations. Old stations shall also be documented. Numbering of stations should start from downstream (e.g. Sta. 1 at the mouth; Sta. 2, 3, 4 going upstream).
11. Results of monitoring at the regional level shall be one of the bases for appropriate action, such as intensifying industrial pollution

control activities in for a particular river as in where water quality fails to meet the prescribed water quality criteria and/or recommending that the effluent standards in that particular river basin be more stringent than the existing standards.

12. In addition to the compulsory requirement in Item 2, field offices shall also conduct a quarterly observation of the river based on the guideline outlined in Appendix D. The report should follow the format in Appendix E. In this case, observations shall be undertaken by the Regional Offices on at least two (2) rivers for every province and one (1) river for every city of the office's jurisdiction. The PENRO shall submit the field observation data to the Regional Office which in turn shall forward the same together with the water quality monitoring data with their analysis to the Environmental Management Bureau.

The Environmental Management Bureau shall monitor compliance of this memorandum circular and shall recommend appropriate actions in relation thereto.

(Sgd.) VICTOR O. RAMOS
Secretary

Annexes omitted

Memorandum Circular
No. 98 - 15
October 02, 1998

**SUBJECT : Temporary Suspension of the EIA
Preparer Accreditation System
Promulgated in EMB Memorandum
Circular 98-02 Dated June 27, 1998.**

In the interest of public service and in order to simplify the Philippine Environmental Impact Statement (EIS) System, particularly Section 8 of DAO 96-37, the temporary suspension of EIA Preparer Accreditation System promulgated in EMB Memorandum Circular 98-02 dated June 27, 1998 is hereby maintained.

The suspension remains in force until further notice.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 18
November 09, 1998

SUBJECT : Errata to the DENR Administrative Order No. 98-46 (DAO 98-46) Dated 29 June 1998.

In the interest of service and pursuant to Executive Order No. 192, series of 1987, the following revisions be made to some provisions of DAO 98-46, to wit:

1. Section 3: letter j; definition of "*Emission*", line 2, column 1: the word "*passes*" be changed to "passed";
2. Section 10: line 2 and last line, column 2; "*Sections 28 and 29*" and "*Section 29*" be changed to "*Sections 30 and 31*" and "*Section 31*", respectively;
3. Section 22: line 1, column 3: "*Section 16*" be changed to "*Section 19*";
4. Section 30 (c) (11): line 2, column 1: "A" be changed to "I".
5. Section 34 (b) (1): line 3, column: the term "*4.5m*" be changed "*4.5m⁻¹*";
6. Section 35: line 1, column 2: "*Section 35 (b)*" be changed to "*Section 37 (b)*"; and
7. Section 37 (a): line 3, column 2: "*Section 32*" be changed to "*Section 34*".

The above modifications shall be published as required by law prior to implementation.

For immediate compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

**Memorandum Circular
No. 98 - 20
December 02, 1998**

SUBJECT : Designation of the Task Force Air Quality as the Sole Body to Receive, Process and Approve/Disapprove Application for “Certification of Conformity”.

The Task Force Air Quality created by virtue of DENR Special Order No. 98-1240 dated 30 October 1998 is hereby designated as the sole body to receive, process and approve/disapprove applications for “Certificate of Conformity”. The certificate is a DENR requirement pursuant to the provisions of Sections 19, 20, 23 and 24 of the revised Implementing Rules and Regulations of PD 1181.

The Memorandum Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 04
January 30, 1998

TO : **Undersecretaries, Regional Executive Directors, Regional Technical Directors for EMPAS All Bureau Directors**

SUBJECT : **Interim Guidelines for the Implementation of Administrative Order No. 363, Dated October 9, 1997 Issued by the President of the Philippines**

Pursuant to Administrative Order No. 363, "Prescribing Guidelines for the Protection of Areas Non-Negotiable for Conversion and Monitoring Compliance with Section 20 of the Local Government Code," the following clarifications are hereby issued:

1. DENR Administrative Order No. 8, dated March 5, 1991 [Guidelines on the Issuance of Environmental Compliance Certificate (ECC) or Environmental Clearance (EC) for the conversion of Agricultural Lands to Non-Agricultural Uses] shall remain in force except for provisions inconsistent with provisions of Administrative Order 363.
2. Applications for conversion covering Environmentally Critical Areas (ECA) shall be subjected to PD 1586 and implementing rules and regulations.
3. These guidelines shall cover specifically the land classified as "highly restricted for conversion" as defined in Section 1B.2 of Administrative Order 363.

4. The following supporting documents shall be required in securing an Environmental Compliance Certificate for land conversion.
 - 4.1 Certification from the Department of Agriculture that the land has ceased to be economically feasible and sound for agricultural purposes and conversion of such area will not adversely affect a particular production system of an agriculture-based industry.
 - 4.2 Certification of the HLURB Deputized Zoning Administrator in the region concerned or the HLURB in the absence of a Deputy Zoning Administrator that the land use conforms with the approved Comprehensive Land Use Plan; and
 - 4.3 Certification from the PENRO/CENRO whether or not the area falls within an Environmentally Critical Area as defined in Presidential Proclamation 2146 and is not within the protected areas designated under the NIPAS Act or Republic Act No. 7586 (1992);
5. Certificate of Non-Coverage (CNC) shall be issued if the area does not fall under ECA. The CNC shall serve as compliance with the requirement for DAR's Order of Conversion.
6. Processing of the ECC for land use conversion shall be at the DENR Regional Offices and the ECC shall be issued by the REDs. The proponent shall be required to submit the attached Annex A & B of the DAO No. 8, Series of 1991 while Annex C and D shall be used as basis to evaluate the application.
6. Guidelines for AO 363 shall be prepared by the EMB in coordination with concerned agencies and other units of the DENR.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order

No. 98 - 05

March 04, 1998

SUBJECT : Inclusion of Major NIPAS Activities as Key Result Areas (KRAs) of Regional Offices with Jurisdiction over CPPAP Sites.

In view of DENR's commitment to the Global Environment Facility (GEF) - World Bank to pilot-test the NIPAS Law in the 10 IPAS priority sites through the Conservation of Priority Protected Areas Project (CPPAP), some major NIPAS activities are deemed necessary to be included in the Key Result Area (KRAs) for 1998 by the concerned Regional Offices.

These activities are as follows:

1. Attendance to Protected Area Management Board (PAMB) En Banc Meetings
 - at least twice a year.
2. Related Activities Prior to Issuance of Presidential Proclamation
 - Bataan Natural Park: map showing separate boundaries of Bataan and Subic
 - Turtle Islands Wildlife Sanctuary: endorsements of RDCs of Region 9 and ARMM, and PDC of Tawi-tawi
3. Protected Area (PA) Gazetting
 - a. PA Bill drafting
 - b. Working/Review
 - c. Lobbying
 - d. Submission to CPPAP-PCU
4. Management Plan Preparation
 - a. Creation of Interdisciplinary Team
 - b. Orientation/Briefing
 - c. Data gathering

- d. Planning process
- e. Work Documentation
- f. Drafting of management plan
- g. Submission of draft management plan to PAMB
- h. Submission of CPPAP-PCU
 - draft management plan (1998)
 - final management plan (1999)
5. Boundary Delineation, Demarcation and Monumenting (1998-1999)
6. Census and Registration
7. Surveying of farmlots and ancestral domain (1998-1999)
8. Issuance of Tenorial Instrument (1998-1999)
 - Tenorial instruments for tenured migrants
 - Certificate of Ancestral Domain Claim (CADC) for Indigenous Peoples
9. PA Infrastructure (1998-1999)

The Regional Offices shall oversee the accomplishment of the targets/activities by the CPPAP sites. Said activities shall also form part of the Annual General Inspection (AGI).

This Order shall take effect immediately and shall remain enforces until revoked in writing.

(Sgd.) VICTOR O. RAMOS
Secretary

PROTECTED
AREAS
AND
WILDLIFE

DENR Administrative Order

No. 98 - 25

June 03, 1998

**SUBJECT : Declaring the Philippine Centennial
Trees as Protected Trees.**

1. In connection with the celebration of the **Centennial Anniversary of the Philippine Independence** and in recognition of the manifold contributions of trees to the nation's history, culture, and socio-economic development, as well as in environmental and ecological protection, the following trees are hereby declared as "Philippine Centennial Trees", to wit:

Tree Species	Scientific Name	Location
1. Duhat	<u><i>Syzygium cumini</i></u>	Kaligayahan Elem. School Kaligayahan, Novaliches Quezon City
2. Rain Tree	<u><i>Samanea saman</i></u>	Municipal Park, Tayum Abra
3. Rain Tree	<u><i>Samanea saman</i></u>	Carcarmay Elem. School Brgy. Carcarmay, Bacnotan La Union
4. Rain Tree	<u><i>Samanea saman</i></u>	Town Proper, Dupax del Sur Nueva Vizcaya
5. Rain Tree	<u><i>Samanea saman</i></u>	Brgy. San Jose, San Pablo Isabela

6. Rain Tree	<u><i>Samanea saman</i></u>	Brgy. Palacpalac, Victoria Tarlac
7. Rain Tree	<u><i>Samanea saman</i></u>	Bicol University, Daraga Albay
8. Dita	<u><i>Alstonia scholaris</i></u>	Madalag Catholic Cemetery Poblacion, Madalag Aklan
9. Narra	<u><i>Pterocarpus indicus</i></u>	Brgy. Mayana, Jagna Bohol
10. Rain Tree	<u><i>Samanea saman</i></u>	Town Plaza, Malitbog Southern Leyte
11. Baluno	<u><i>Mangifera caesia</i></u>	Brgy. Talisay, Dapitan City Zamboanga del Norte
12. Pili	<u><i>Canarium ovatum</i></u>	Poblacion, Mambajao Camiguin
13. Dao	<u><i>Dracontomelon dao</i></u>	Purok #3, Brgy. Hijo, Maco Davao Province
14. Bitao	<u><i>Calophyllum</i></u> <u><i>inophyllum</i></u>	Caloc-an, Magallanes Agusan del Norte

2. The unnecessary and/or unauthorized destruction, damage or injury to these centennial trees is strictly prohibited. Any person who

cuts, destroys, damages, or injuries a centennial tree shall be punished and/or penalized pursuant to the provisions of applicable laws and regulations, except when the pruning thereof is necessary to enhance beauty or when the tree's health and public safety is threatened; subject to the approval of the duly authorized representative of the DENR Secretary having jurisdiction therein.

3. The DENR Regional Offices shall install appropriate markers and shall tap LGUs, NGOs, Civic Organizations and private entities for the maintenance, protection, and reservation of these trees through a Memorandum of Agreement (MOA) with the DENR.
4. This Order shall take effect fifteen (15) days after its publication in newspaper of general circulation.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 29

June 15, 1998

**SUBJECT : Revised Rates of Charges on
Wildlife Use.**

Pursuant to the provision of Act 2590 as amended, Act 3983, P.D. 705, as amended, Executive Order No. 159, and Section 5 of Executive Order No. 12, the following rates of charges on wildlife (fauna and flora) shall be collected:

1. Wildlife Collector's Permit ----- P 1,000.00
2. Wildlife Farm Permit ----- 1,000.00
3. Local Transport (Wild fauna and propagated flora) -----
50.00/document
4. Inspection and Processing fees for Export/Re-export of wildlife:

A. Fauna (CITES and non-CITES species):

1. Fauna (CITES and non-CITES species):

- a) Captive-bred specimens/progenies and derivatives ----- 10% of export value
- b) By-products ----- 10% of the value of wildlife materials use

2. Flora (Propagated plants/parts/derivatives):

a) CITES species:

First 50 pcs. and below ----- P 250.00
and additional piece 2.00

- b) Non CITES species ----- 100.00/document

B. Non-Commercial Purposes:

Live, derivatives or by-products including specimens covered by Gratuitous/Research Permits:

1. CITES species ----- P 250.00/document
2. Non-CITES species ----- 100.00/document

5. Import Permit

(both for CITES & Non-CITES Species) 300.00/document

6. Re-issuance of expired permit:

a. CITES Permit -----
150.00/document

b. Wildlife Certification ----- 50.00/document

All conservation projects directly being implemented by any Philippine Government agency, office or entity are exempted from payment of charges/fees provided in this Order.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 52

July 27, 1998

**SUBJECT : Amending Item C, Section II of
DAO No. 96, Series of 1988 re:
Policies on the Allocation of Quota
on Wildlife.**

In line with the DENR's thrust of promoting sustainable utilization of wildlife and in consonance with the government's policy on equitable access to natural resources, including wildlife, Item C, Section II of DENR Administrative Order No. 96, Series of 1988, is hereby amended to read as follows:

“Applications for Breeding Farm and Wildlife Collector's Permits may be filed by all interested parties with the Protected Areas and Wildlife Bureau anytime of the year. All permits shall be valid and effective for a period of one (1) year from the date of issuance hereof.”

All other provisions of DENR Administrative Order No. 96, Series of 1988 shall remain unchanged.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

TODAY - August 15, 16 & 17, 1998

DENR Administrative Order
No. 98 - 60
September 25, 1998

SUBJECT : Placing All Integrated Protected Area System (IPAS) Special Projects such as the National Integrated Protected Areas Programme (NIPAP), The Conservation of Priority Protected Areas Project (CPPAP), etc. Under the Supervision of the Protected Areas and Wildlife Bureau (PAWB).

In the interest of the service and pursuant to Executive Order 192 and Republic Act 7586 (NIPAS Act), the direct supervision, monitoring and evaluation of all Integrated Protected Areas System (IPAS) special projects either locally - or foreign- funded shall henceforth be the responsibility of the Protected Areas and Wildlife Bureau (PAWB).

Specifically, PAWB shall perform the following functions:

1. Supervise the overall implementation of all IPAS special projects in coordination with their respective Project Management Offices (PMO);
2. Review and recommend the approval of the Work and Financial Plans of these special projects;
3. Conduct regular monitoring and evaluation of the progress of activities and performances of these special projects in coordination with FASPO;
4. Serve as repository of all reports, documents, technical papers and other relevant data and information generated by the IPAS special

- projects for system-wide planning, technical assistance, coordination and monitoring; and
5. In coordination with the IPAS Technical Coordinating Committee (ITCC), formulate and recommend appropriate courses of action, policies, guidelines and rules and regulations necessary in the smooth implementation (and turn-over) of all IPAS projects.

In the exercise of these functions, the Office of the Undersecretary for Environment and Programs Development shall provide the necessary guidance and direction to PAWB.

This Order shall take effect immediately and shall supersede/amend all other Orders, Memoranda and Circulars inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 64
October 14, 1998

**SUBJECT : General Rules and Regulations on
the Establishment of Crocodile
Farms in the Philippines.**

Consistent with the State's policy of promoting biodiversity conservation and sustainable development and pursuant to the Department's mandate of ensuring equitable sharing of benefits derived from natural resources and in order to promote the socio-economic well-being of rural communities/local folks through the introduction and development of a suitable crocodile farming technology, the following rules and regulations on the establishment of crocodile farms are hereby promulgated for the information and guidance of all concerned.

SECTION 1.
BASIC POLICY

The policy of the State provides that sustainable development of biological resources shall be undertaken primarily to ensure the conservation of biological diversity and that the utilization of which must be consistent with that principle. Further, the State through the DENR encourages and promotes the participation and cooperation of rural communities/local folks in natural resources development, conservation, management and protection and enforcement of laws, rules and regulations for the development of the country's remaining natural resources for the benefit and enjoyment of the present and future generations of Filipinos.

SECTION 2. OBJECTIVE

The establishment of Crocodile Farms has the following objectives:

- 2.1 To promote the crocodile farming industry as the Department's contribution in the upliftment of the socio-economic well-being of local communities.
- 2.2 To develop the local capability on crocodile farming through the transfer of technology generated by the Crocodile Farming Institute particularly on saltwater crocodiles (*Crocodylus porosus*) including skin, processing and marketing of skin derivatives and by-products. The technology is embodied in an Action Plan which forms part of this Order.
- 2.3 To generate support for the conservation of the two species of crocodiles, i.e., *Crocodylus porosus* and *Crocodylus mindorensis*, and for the conduct of researches to further enhance the crocodile rearing technology in the Philippine consistent with the policy of the State on sustainable development of biological resources.

SECTION 3. DEFINITION OF TERMS

- 3.1 **Belly width** - linear measurement taken of skin (after flaying) from the widest portion to include the stomach and proximal 2 rows of hard buttons on flanks;
- 3.2 **CFI** - this stands for Crocodile Farming Institute. This is a government project established in 1986 under the management of DENR whose functions are to conserve the two species of crocodiles i.e., *Crocodylus porosus* and *Crocodylus mindorensis*, and to promote the socio-economic well being of communities through the development and introduction of a suitable rearing technology;

- 3.3 **CITES** - This stands for Convention on International Trade in Endangered Species of Flora and Fauna; this regulates international trade in specimens of species of wild fauna and flora on the basis of a system of permits and certificates, which are issued when certain conditions are met and which have to be presented when consignments of specimens leave or enter a country.
- 3.4 **Cooperator** - any entity (e.g. livestock farmers or livestock cooperatives) under contract agreement with CFI for crocodile rearing;
- 3.5 **Flaying** - The process of removing skin from the carcass;
- 3.6 **Hatchling** - Young crocodiles less than 0.5 m in length;
- 3.7 **Harvest** - Process of obtaining stock reared in farms for slaughter or broodstock purposes;
- 3.8 **Hide** - also raw skin, this includes skin which has been cured for short-term preservation through slating.
- 3.9 **Processing** - procedure by which skin is treated for preservation, tensile strength, fashion until manufacturing stage, and other derivatives are obtained to include hygienic removal and preservation of edible parts for human consumption.

SECTION 4. BASIC CONDITIONS

The implementation of the development program embodied in the Action Plan will be done in accordance with the following conditions:

- 4.1 CFI shall be the sole source of the crocodile, it being the CITES-approved breeding operator;
- 4.2 Reared crocodiles shall be harvested by CFI only;
- 4.3 Stocks dispersed by CFI shall be reared or grown only by qualified Cooperator;
- 4.4 The CFI technology for rearing crocodile shall be tested in at least 8 farms in Palawan. However, if Palawan cannot accommodate

- the initial target number of 8 farms during the first year, other areas of the country shall be accommodated;
- 4.5 Application shall be opened to livestock farmers and livestock cooperatives who shall be selected based on criteria set in **Annex A** (i.e. their willingness to participate, their financial and managerial capabilities, and on the presence of suitable conditions for farming including availability of food supply for crocodiles);
 - 4.6 An agreement (sample as **Annex B**) of DENR or CFI with each Cooperator shall be executed, whereby CFI shall, among others, provide the hatchlings and technical assistance, while the Cooperator shall provide land; feeds, labor and other expenditures for the rearing and maintenance of the stock;
 - 4.7 Trade of crocodile skins, by-products and derivatives shall be done only through accredited government corporations in accordance with the provisions of the agreement executed with these corporations;
 - 4.8 Skin to be traded shall be in processed or finished state only in order to give added value to the resource. The finished or processed skins are those that are ready for manufacture;
 - 4.9 The national and international rules and regulations on handling and trade shall be strictly followed.

SECTION 5. PRE-DISPERSAL PROCEDURES

5.1 Public Notification and Invitation

A public notification shall be made in local/national dailies regarding the selection of potential participants in the farming of *C. porosus*. The invitation to participate in the project shall be limited initially to interested applicants from Palawan. If appropriate, more participants may be invited. The applicants must submit to CFI a letter of intent to rear crocodile.

5.2 Orientation Program and Application

A one-day orientation meeting shall be scheduled and conducted at the CFI to formally inform interested applicants on the basic concepts, requirements (both financial and physical) and strategies of farming crocodiles. The criteria for final selection of cooperators and the contract scheme shall likewise be presented during the orientation program. After the orientation, the interested applicants shall be asked to sign application forms to rear crocodile.

5.3 Submission of Requirements and Screening of Applicants

The qualified applicant shall be required to submit the following for evaluation:

- 5.3.1 Letter of intent to rear crocodiles;
- 5.3.2 Proposal with guidance from the brochure provided by CFI;
- 5.3.3 Barangay clearance specifying the social acceptance of farming at the local site;
- 5.3.4 Location map of proposed area for farming;

An on-site inspection of the proposed site for farming shall be carried out to assess the location's suitability, taking into consideration the site's accessibility, social acceptability of the project and availability of food and water supply.

- 5.3.5 Financial statement and other requirements as may be necessary;
- 5.3.6 Structural Plan as prescribed under Annexes C and D.**

5.4 Final Selection of Cooperators

Initially, eight (8) applicants shall be selected as Cooperators by a Screening Committee composed of CFI technical staff.

The qualifying score for applicants shall be 80% with qualifiers ranked according to their scores. In case of ties, they shall be broken by drawing lots.

5.5 Seminar-Training of Selected Cooperators

Selected cooperators together with one of their staff shall be required to undergo a 2-week seminar-training on the basic concept and techniques of crocodile rearing. Provided that, prior to the training, the cooperators-trainees shall be required to sign a waiver for possible injury or death while on training.

Travel and boarding expenses shall be shouldered by the Cooperator. CFI shall provide accommodation during the training.

After training, a certificate of completion shall be awarded to each participant.

5.6 Signing of the Contract Agreement

A Contract Agreement shall be executed by and among Department of Environment and Natural Resources (DENR) as “*Owner*”, Natural Resources Development Corporation (NRDC) or any DENR-designated and government-owned and/or controlled corporation as “*Partner*” and the selected applicant as “*Cooperator*”.

SECTION 6. DISPERSAL OF HATCHLINGS

6.1 Dispersal Scheme

Eight (8) farms shall be initially identified in Palawan and each farm shall be stocked with 100 hatchling, making a total of 800 hatchling during the first year. A similar number shall be dispersed in the subsequent 2 years of implementation. As more hatchlings are produced, additional farms may be established with increasing stock size levels. The assumption and projection related to financial analysis of 100 head stocking density and the cash flow statements are provided in **Annex E** for the information and reference of Cooperators.

The hatchling that shall be dispersed to farms are approximately 8 to 10 months of age. The hatchlings shall be dispersed in 3 batches. The first batch shall be ready for harvest and marketing by end of third year; the second batch by the end of the 4th year and the third batch by the end of the 5th year.

6.2 Hatchlings to be dispersed by CFI shall be implanted with microchip transponders by authorized CFI personnel. This technique shall ensure that all crocodiles traded or marketed are those of CFI origins;

6.3 Hatchlings shall also be marked with animal tags. Identification sheet shall accompany each batch of hatchlings (**Annex F**). A representative from the Technical Extension Team (TET) as discussed under Section 8.1 shall accompany and assist in the actual delivery and transport of the hatchlings. Said TET representative shall also monitor the health conditions of the hatchlings for a period of five (5) days from receipt of these by the Cooperators. Mortalities from stress, trauma, or mishandling during the said period shall be replaced by CFI upon certification by

concerned TET representative. All mortalities and replacements shall be properly recorded following the format provided in **Annex G**.

6.4 Addition and losses shall be recorded by the MET using the form provided for the purpose (**Annex G**). A separate form (**Annex H**), shall be used to record the mortalities, if any. All of which shall be included in the report prepared by the MET.

SECTION 7. MAINTENANCE OF CROCODILES IN THE FARM

The Cooperator is tasked to take full responsibility of maintaining the crocodiles in the farm, subject to the following conditions, to wit:

- 7.1 Daily feed intake equivalent to 5-10% of the body weight per week,
- 7.2 The CFI shall develop a How-To Manual in the maintenance of Crocodiles for dissemination to and guidance by the Cooperators to his workers. This How-To Manual shall consider, among others, the following: food requirements, feeding frequency, sanitation and hygiene, air and water temperature requirements, diseases screening and monitoring, record keeping, etc. as prescribed in **Annex G**.

SECTION 8 MONITORING

8.1 A Technical Extension Team (TET) from the Research Division of CFI shall be created to provide technical assistance to Cooperators and undertake quarterly farm visits to:

- 8.1.1 monitor health condition of the animals;
- 8.1.2 collect data on growth development/measurements of the dispersed crocodiles;
- 8.1.3 conduct inventory of crocodiles in the farms following the format provided in **Annex “G”**; and,
- 8.1.4 determine progress of rearing activities.

8.2 A Monitoring and Evaluation Team (MET) shall likewise be created to:

- 8.2.1 Monitoring and evaluate the general progress of the farms and rearing activities thereat, as well as the compliance by Cooperators to the terms and conditions of the Contract Agreement they entered into with CFI and to other applicable provisions of this Order.

The MET shall be composed of representatives from CFI (Extension Coordinator and TET), and a representative each from the concerned LGU, PENRO or CENRO, local NGO, and Cooperators' representative, the latter to be selected by the Cooperators themselves. The funds to operationalize the MET, shall come from the respective offices of the members.

SECTION 9. HARVESTING OF CROCODILES

9.1 Harvest of crocodiles shall be done by batches in such a way that the 1st batch of crocodiles dispersed shall be the first to be harvested. Harvesting shall be done within the last quarter of the third year, reckoned from the date the crocodiles were dispersed and received by the Cooperator. The TET shall determine the exact date to harvest the crocodiles;

9.2 Harvesting shall be done by authorized CFI personnel only. CFI reserves the right to select future breeders from the harvest for the

restocking at CFI so as to promote sustainability of crocodile farming. In such case, the Cooperators shall be compensated for the crocodiles taken by CFI based on the prevailing market price of the crocodile.

A 10% premium shall be added on the share of the Cooperator for each crocodile chosen and taken by CFI as breeder;

9.3 Upon harvest, the microchip transponders implanted on the crocodiles shall be verified/cross-checked and tallied with the CFI identification sheet.

SECTION 10. PROCESSING

10.1 Animals for slaughter shall be brought to the DENR-accredited dressing plant or at CFI. The crocodiles shall be flayed properly and preserved by salting evenly until the tanning process is done. The skin shall be tagged according to CITES regulations.

10.2 CFI maintains 2 options in the processing of skin. The first option calls for the participation of the government corporation that shall take charge of processing or tanning until the disposal and marketing of the processed skin. The second option allows CFI to facilitate the processing of the skin and turning over the responsibility of marketing the processed skin to concerned government agencies and corporations, the mechanism of any of the said options shall be elaborated.

10.3 Major tanners in the Philippines shall be tapped to complete the processing of salted skins into a good quality leather ready for manufacturing into finished products.

SECTION 11. MARKETING

- 11.1 The salted raw hide of crocodile including its derivatives and by-products shall be deposited for disposal proceedings by CFI to the Corporation, likewise referring either to the Natural Resources Development Corporation (NRDC) or any DENR-designated and government-owned and/or controlled corporation;
- 11.2 The Corporation shall be tasked to dispose of the raw and/or processed skin including its derivatives and by-products through public bidding.
- 11.3 Once the price of the products has been established, the Corporation shall advance the Cooperator's share so that he can be compensated immediately for his farming efforts. Compensation scheme further includes a 10% premium price over harvested crocodiles chosen as breeders for use of CFI.

SECTION 12. RESEARCH

The Research Division of CFI shall conduct research on crocodiles at the farms. They may coordinate with the MET. Priority research areas include growth and development, feed consumption and feed conversion rate, and health and diseases. The assistance of the Cooperators shall be tapped during the conduct of research, especially in terms of recording necessary data (e.g. **Annex G**) and other aspects that would enhance their capability to rear and manage crocodiles in captivity.

Rearing methods and technological innovations that would be generated during the farming stage shall be properly documented and integrated with the research results for the final packaging of technology on farming *C. porosus*. The analysis of data shall be done by CFI and results shall be published (e.g. scientific journals, bulletin).

SECTION 13. PROFIT SHARING

Once the price of the products has been established and after the cost of hatchlings, transport and freight, microchip transponders and other related expenses have been deducted from the total sales, a profit sharing scheme shall be adopted to wit:

- 13.1 The sharing shall be set after the cost of hatchlings, transport/freight and handling expenses have been deducted from the total sale.
- 13.2 The Cooperator shall receive 60% of the net sales, excluding a 10% premium price over harvested crocodiles chosen as breeders. In addition, the Cooperator also gets the profits and other incentives from sales of crocodiles allotted for the mortality allowances.
- 13.3 The remaining 40% shall go to NRDC or any DENR-designated and government-owned and/or controlled corporation. However, the corporation shall commit, through a MOA with DENR, to allocate a substantial amount from the proceeds to finance and ensure the sustainability of CFI projects including that of crocodile conservation and monitoring the implementation of this Order.

SECTION 14. EFFECTIVITY

This Order takes effect immediately and amends, supersedes or revokes all Orders, Circulars and Memoranda inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

ADMINISTRATIVE

DENR Administrative Order

No. 98 - 02

January 07, 1998

SUBJECT : Renaming Human Resource Development Service to Human Resource Management Service (NRMS) and Transferring the Personnel Division Under the Supervision of HRMS.

1. Declaration of Policy

Pursuant to Section 7 (b) of Executive Order No. 192 dated 10 June 1987 and in order to achieve a more holistic approach in the management of the services for the human resources in the Department, thereby promoting a more sound career management system, further strengthening the merit and rewards system and institutionalizing a management climate conducive to public accountability while at the same time promoting sustainable management of natural resources and protection of the environment, it is hereby declared that henceforth, human resource management instead of human resource development shall be given more emphasis.

2. Functional Realignment

In pursuit of the new policy, the Human Resource Development Service is hereby renamed Human Resource Management Service (HRMS) and the Personnel Division, Administrative Service is hereby transferred to HRMS from Administrative Service. The transfer of Personnel Division to HRMS shall include the functions, appropriations, funds, records, equipment, facilities and personnel thereof, which shall be placed under the direct control and supervision of the HRMS Director.

Furthermore, the HRMS shall continue to perform functions as mandated in DAO No. 95-25 and DAO No. 1, Series of 1988.

Likewise, the Chief, Administrative Divisions of Staff Bureaus and Regional Offices are hereby designated as HR Coordinators.

3. Continuing Support to HRMS

The HRMS shall institutionalize programs that will promote continuous improvement including Human Resource Information System, Job Analysis, Competency Profiling, Performance Appraisal System and other human resource management endeavors thereby ensuring the effective implementation of human resource management programs in the Department.

4. Repealing Clause and Effectivity

This Order hereby amends DAO No. 1, Series of 1988, DAO No. 14, Series of 1992, DAO No. 25-95 and DAO No. 96-01 and all other administrative issuances inconsistent herewith and shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 03
January 12, 1998

SUBJECT : Creation of an Interim Rivers Rehabilitation and Management Division (IRRMD) at the DENR-National Capital Region (NCR) and Initiating Actions to Regularize the Division.

To ensure sustained efforts in rehabilitating the Pasig River and the other river systems in Metro Manila and to continue generating information, technical and organizational approaches and other lessons in river management and protection which can be used in other parts of the country:

1. An interim Rivers Rehabilitation and Management Division is hereby created at the Environmental Management and Protected Areas Service, National Capital Region. The present Pasig River Rehabilitation Program (PRRP) Rehabilitation Secretariat (PRRP-RRS), which has been transferred to the NCR through Special Order No. 98-24, dated January 07, 1998, shall be constituted as the core of the interim division until such time that a regular division is created officially.
2. The Division shall perform the basic functions of river rehabilitation of the Metro Manila river systems; planning and monitoring, public and community relations and mobilization; participating and coordinating for the Department the activities pertaining to Manila Bay, acting as the Secretariat of the Pasig River Rehabilitation Program and all other functions of the River Rehabilitation Secretariat as defined by DENR Administrative Order 96-12, series of 1996, dated 20 March 1996.

3. In addition to the above functions and considering the experiences and lessons gained by the PRRP-RRS, the division shall take the lead in conducting studies and formulating plans, programs and proposals on rivers rehabilitation and management which may be adopted for rivers and other freshwater bodies in other parts of the country. The performance of these functions shall be done in coordination and collaboration with the regional offices concerned.
4. The interim Rivers Rehabilitation and Management Division and the equivalent regular division that may be created officially shall be so structured organizationally in accordance with its basic functions.
5. To carry out this Order, the Regional Executive Director shall:
 - 5.1 organize, through a Regional Special Order, the present River Rehabilitation Secretariat into one Division of the EMPAS;
 - 5.2 define the specific major functions and activities that the sections in the Division will perform, guided by the provisions of this Order and other related orders and in consultation with the PRRP Steering Committee;
 - 5.3 prescribe the working systems and relationships within the Division;
 - 5.4 coordinate with the group that may be created to implement the restructuring of the NCR and with the Assistant Secretary for Management Services to initiate the necessary actions that will lead to the formal creation of a Rivers Rehabilitation and Management Division;
7. The above tasks shall be completed within fifteen (15) days from the issuance of this Order and the Regional Executive Director shall submit to the Undersecretary for Field Operations a status report on the compliance of this Order within fifteen (15) days after completion.

7. In connection with No. 5.4, above, and to ensure the creation of the River Rehabilitation and Management Division as a separate and distinct division within the DENR, the Assistant Secretary for Management Services and International Environmental Affairs and the NCR Regional Executive Director are hereby authorized to work on the creation of the RRMD separately from the proposal to restructure the NCR, provided that this Division will still be part of the over-all organizational plan for the NCR.
8. The Deputy Coordinator of the PRRP/RRS shall act as concurrent head of the division until such time that a full-fledged division is created and its staffing pattern approved and implemented.
9. The interim division shall continue to operate until such time that a regular division is approved through the official budgetary process or until this Order is rescinded by the DENR Secretary or by a higher competent authority
10. To accomplish the objective of regularizing and integrating the river rehabilitation activities within the NCR, the Assistant Secretary for Management Services and International Environmental Affairs and the NCR Regional executive Director are hereby tasked and are directed immediately to:
 - 10.1 study and propose a staffing pattern for a proposed Rivers Rehabilitation and Management Division as part of the NCR EMPAS;
 - 10.2 identify funds in the 1998 budgets of the Office of Secretary, National Capital Region and other related items which may be realigned and recommended to finance the creation of the proposed staffing pattern;
 - 10.3 prepare position paper and justification and conduct discussions with the Department of Budget and Management with the objective of creating a funding a river rehabilitation division and its staffing pattern at the NCR;

- 10.4 include the new division and its staffing pattern in the Department's 1999 appropriations proposals; and
- 10.5 request assistance from the other offices and units of the DENR and from PRRP consultants to carry out these instructions effectively; and
- 10.6 Submit to the Secretary periodic reports on the progress of the above tasks.

The above directives must be accomplished within 60 days from the effectivity of this Order.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 05
February 05, 1998

SUBJECT : Creation of a Committee to Evaluate Claim of Informer's Reward on Confiscated Forest Products.

A committee is hereby created composed of the following:

Asst. Secretary, Legislative and Local - Chairman
Government Affairs Office
Director, Finance Management Services - Member
Director, Special Concerns Office - Member
Representative from the Office of
USEC for Field Operations - Member

who shall be responsible in the evaluation and the awarding of rewards to informers on violation of forestry law, rules and regulations in consonance with Section 68-B of Executive Order No. 277, Series of 1987 and defined in DENR Administrative Order No. 35, Series of 1988.

This Order shall take effect immediately and supersedes previous orders/memoranda inconsistent hereof.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 06
February 18, 1998

SUBJECT : Procedure on the Utilization of the Trust Fund of the Sulu and Celebes Seas.

Pursuant to Proclamation No. 1028 declaring the Sulu and Celebes Seas as Marine and Coastal Integrated Conservation and Development Zone (MCICDZ) and creating the Presidential Commission for the Integrated Conservation and Development of the Sulu and Celebes Seas (PCICDSCS), the Department hereby adopts the following procedure of fund disbursement for the programs/projects/activities for the MCICDZ.

Section 1 Objective. This procedure aims to enhance the delivery of services due to all programs/projects/activities for the MCICDZ.

Sec. 2 Responsibility Centers. The Executive Office organized under the supervision of the lead of the Technical Working Group of the PCICDSCS shall be responsible for the efficient flow of financial transactions for the effective implementation of MCICDZ the programs/projects activities.

For expenses of the programs/projects/activities assigned to the Sub-committees of the TWG, the respective heads shall recommend disbursement of funds and submit corresponding financial document to the Comptroller for the PCICDSCS funds. The Comptroller records the transaction(s) and submits the documents to the Executive Officer of the PCICDSCS-TWG. The latter approves disbursement voucher(s).

For the expenses of the Executive Office of the PCICDSCS-TWG, the Executive Officer recommends disbursement for approval of

the Head of the TWG. The transactions here are likewise recorded by the Comptroller. The Head of the TWG and/or the Executive Officer shall render regular reports on the financial status and project implementation to the Chairperson of the Commission.

Sec. 3 Allowable transactions. Programs/projects/activities that are within the approved Indicative Plan for the MCICDZ and/or corresponding operational plans shall be allowed for funding under the Trust Fund of the Sulu and Celebes Seas. All transactions shall be subject to pertinent accounting and auditing rules and regulations.

Sec. 4 Effectivity. This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Chairperson, Presidential Commission
for the Integrated Conservation and Development
of the Sulu and Celebes Seas (PCICDSCS) and
DENR Secretary

DENR Administrative Order

No. 98 - 07

February 17, 1998

SUBJECT : Declaring the Month of March as Gender and Development Month (GAD Month).

Pursuant to RA 6949 declaring March 8 of every year as National Women's Day, Proclamation No. 227 providing for yearly observance of the Women's role in History, and Executive Order 273 adopting the Philippine Plan for Gender Responsive Development, we hereby declare the month of March as Gender and Development Month.

We will adopt the theme that will be proclaimed by the Office of the President through the National Commission on the Role of Filipino Women or NCRFW. In addition, we shall have our GAD vision as a sub-theme.

All offices of the Department are hereby enjoined to participate in the activities of the GAD Month. The GAD Focal Point System from the national down to the CENRO level shall spearhead the organization of activities. To celebrate the month in unity with other organizations, we shall cooperate with other government agencies and NGOs in our respective areas of jurisdiction.

Heads of offices are hereby instructed to submit after activity reports within the month of April.

(Sgd.) VICTOR O. RAMOS

Secretary

**DENR Administrative Order
No. 98 - 09
February 26, 1998**

SUBJECT : Amending Sections 3, 6, 7 and 10 of DENR Administrative Order No. 41, Series of 1991, Governing the Deputation of Environment and Natural Resources Officers.

To facilitate the involvement of the citizenry particularly at the sitio and barangay levels towards the protection and management of environment and natural resources, Sections 3, 6, 7 and 10 of DENR Administrative Order No. 41, Series of 1991 as amended by DENR No. AO 96-14, is hereby amended as follows:

1. Section 3. Who May Be Deputized.

Section 3.6 and 3.8 shall be integrated as item 3.6 and amended to read as follows:

3.6 Participants of the Community-Based Forest Management Program (CBFMP) and Ancestral Domain Management Program (ADMP);

2. Section 6. Processing of Applications and Approval of Deputation Orders.

6.1 At the Community Environment and Natural Resources Office (CENR Office)

Sections 6.1.1 and 6.1.3 shall be reworded to read as follows:

6.1.1 Receive, check and ensure that applications for deputation is complete satisfy the requirements herein set forth;

6.1.3 Process and forward to the Provincial Environment and Natural Resources Office (PENRO) all applications for deputation bearing the CENRO's categorical comments and recommendations, as follows:

6.1.3.1 For applications of the participants of CBFMP and ADMP: for approval of the PENRO;

6.1.3.2 For all other applications for SDENROs: for approval of the Regional Executive Director;

6.1.3.3 For all other applications for DENROs; for approval of the Secretary;

6.2 At the Provincial and Environment and Natural Resources Office (PENR Office)

Section 6.2.1 and 6.2.2 shall be reworded to read as follows:

6.2.1 Review and approve applications of the participants of CBFMP and ADMP as Deputy Environment and Natural Resources Officers (DENROs).

6.2.2 Endorse to the Regional Executive Director all other applications for deputation as follows:

6.2.2.1 For all other applications for SDENROs: for approval of the Regional Executive Director;

6.2.2.2 For all other applications for DENROs: for approval of the Secretary;

Section 6.4 shall be added as follows:

6.4 Copies of deputation orders shall be furnished by the approving authority to the following: concerned CENRO, the Director of the Forest Management Bureau, the DENR Central Office Records, the Undersecretary for Field Operations, concerned LGUs and the Secretary, as the case maybe.

3. Section 7. **Orientation and Training of DENRO and SDENRO**

The CENRO and PENRO in cooperation with the Regional human Resources and Management Section shall plan and conduct orientation and training of DENRO and SDENRO immediately prior to their assumption of duty. The orientation and training aims to ensure that they can effectively perform their functions.

4. Section 10. **Renewal of Deputation Orders.**

All the provisions of this section remain enforced for all other DENROs and SDENROs. However for DENROs coming from CBFMP and ADMP, the following provisions are hereby added to section 10:

The PENRO is hereby authorized to renew the deputation orders of DENROs from CBFMP and ADMP whose performance have been found to be very satisfactory. Said renewal should be based on the recommendation of the concerned CENRO who must evaluate the performance of DENROs form CBFMP and ADMP. Therefore, such evaluation shall be the basis of the CENRO in recommending to the PENRO the renewal of deputation orders of DENROs form CBFMP and ADMP.

All offices previously furnished with copies of deputation orders shall be furnished with renewal of such orders by the approving authority.

All other provisions of DENR Administrative order No. 41, Series of 1991 as amended by DENR Administrative Order No. 96-14 not amended shall remain enforced and in effect.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 15
May 27, 1998

SUBJECT : Revised Guidelines on the Implementation of Gender and Development (GAD) Activities in the Department of Environment and Natural Resources (DENR) .

Pursuant to Executive Order No. 192, Republic Act 7192 otherwise known as “*Women in Development and Nation Building Act*”, Executive Order 273 adopting the Philippine Plan for Gender-Responsive Development (PPFD) and in order to strengthen the existing DENR GAD Focal Point System, thereby realizing the GAD vision of “*Partnership of Empowered Men and Women for Sustainable Development*”, the following guidelines are hereby promulgated:

Section 1 Statement of Policy and Objectives. It shall be the policy of the DENR to preserve, manage and conserve the environment and natural resources in a sustainable manner by harnessing all sectors of society in the achievement of the goals of the Philippine Strategy for Sustainable Development (PSSD). The DENR also recognizes the role that men and women play in the realization of the vision of Philippine 2000. Towards this end, the DENR joins the entire government in the implementation of GAD activities.

The objectives sought to be achieved herein are as follows:

To integrate gender concerns in the development process through, but not limited to equal participation of men and women in all policies, programs, projects and activities of the DENR;

- 1.2 To ensure that all rules and regulations and procedures are reviewed and revised to remove gender bias therein;
- 1.3 To ensure that sex-disaggregated data and other statistics relative to gender and readily available;
- 1.4 To integrate GAD issues and concerns in all programs and projects of the DENR;
- 1.5 To ensure that a proportionately equal percentage of Official Development Assistance (ODA) funds from foreign government and multilateral agencies and organizations, as well as from the regular budget, is set aside to support policies, programs, projects and activities on to GAD; and
- 1.6 To ensure better sex/gender representation in the DENR GAD Focal Point System.

Sec. 2 Coverage. This Order shall cover both beneficiaries/clientele/customers and implementors of all programs, projects, policies and/or activities under implementation and those to be implemented by DENR in the central and field operations levels.

Sec. 3 Implementation of GAD Program and Activities. To achieve the objectives set forth in Section 1 hereof, the following are hereby reconstituted/created in the DENR:

3.1 In the Central Office

3.1.1 A National GAD Executive Committee (NGADEC) shall be composed of the following:

- | | |
|--|--------------------|
| DENR Secretary | - Chairperson |
| Chairperson, National GAD Focal Point System | - Vice-Chairperson |
| Undersecretaries | - Members |
| Assistant Secretaries | - Members |
| Heads, Attached Agencies | - Members |
| Bureau Directors | - Members |

The NGADEC shall oversee DENR's compliance with RA 7192 and shall act on matters necessitating decisions on to GAD.

3.1.2 A National GAD Focal Point System (NGADFPS) to be headed by the Head Executive Assistant (HEA) of the Office of the Secretary shall be formed to provide support to the NGADEC.

In an effort to mainstream GAD activities with the Department's regular activities, the highest ranking personnel of the major offices and services and the Heads of the GAD Focal Point Systems of the Bureaus, regardless of sex, shall automatically become members of the GAD National GAD Focal Point System. *Provided*, that no member of the existing NGADFPS shall be displaced as a result of this action.

The offices are tasked to handle GAD matters in accordance with their mandates/functions.

The GAD National Focal Point System (NGADFPS) shall ensure that programs, projects, policies and activities of the DENR shall enhance the participation of men and women both as agents and beneficiaries in the development and management of natural resources and in environmental protection, particularly in the technical and managerial aspects.

The NGADFPS shall likewise perform the following functions, viz:

3.1.2.a Coordinate with the National Commission on the Role of Filipino Women (NCRFW) the

- implementation, monitoring, review and updating the PPGD and other plans/programs relative to GAD;
- 3.1.2.b Monitor the implementation of GAD program/projects in the central and field offices;
 - 3.1.2.c Package periodic performance and compliance reports;
 - 3.1.2.d. Serve as advisory body on GAD matters;
 - 3.1.2.e Assess DENR's performance on to GAD;
 - 3.1.2.f Conduct studies on GAD issues as they affect the environment and natural resources sector; and
 - 3.1.2.g Perform such other related functions as may be assigned by the NGADEC.

3.2 In the Bureaus and Attached Agencies

A Bureau Focal Point System or BFPs and Attached Agencies Focal Point System or AAFPS shall be formed in each bureau and attached agencies to be composed of Division Chiefs and the next ranking officer. If the Division Chief is male, the other division representative should be female and vice-versa. *Provided*, however, that no member of the existing BFPS shall be displaced as a result of this action. The Chairperson shall be selected from among the members who shall represent the bureau/attached agency in the NGADFPS.

3.3 In the Regional Offices

- 3.3.1 A Regional GAD Executive Committee (RGADEC) shall be created in the different regional offices of the DENR to be composed of the following:

Regional Executive (RED)/
MGB Regional Director (RD) - Chairperson
Chairperson, Regional Focal Point System -

Vice-Chairperson
Regional Technical Directors (RTDs) - Members
PENROs - Members

In the case of the Mines and Geosciences Bureau (MGB) and pending operationalization of its regional structure, the RD and the RFPS shall transform themselves into the RGADEC. Activities of both the MGB-RGADEC and the DENR-RGADEC should be coordinated through their RFPS Chairpersons.

The RGADEC shall render quarterly compliance reports to the NGADEC.

3.3.1 A Regional Focal Point System (RFPS) shall also be created whose members shall be composed of the highest ranking female and male regional personnel coming from counterpart divisions, units, or offices of the Central Office-based FPS and managers of foreign-assisted projects. The members shall select among themselves a Chairperson who shall then sit in the RGADEC. *Provided*, however, that no member of the existing RFP shall be displaced as a result of this action.

Except for Section 3.1.a, its functions shall be similar to NFP insofar as the regional office is concerned.

3.3.3 A FPS in the PENRO and CENRO shall also be established following the structure and provisions in the creation of RFP in Section 3.3.2.

Sec. 4 Funding Requirements. In accordance with Section 2 of RA 7192, a portion of Official Development Assistance (ODA) funds received from foreign governments and multi-lateral agencies shall be set aside and utilized to support programs and

activities for GAD. All units, bureaus, field offices, programs and projects shall indicate in their budget proposals specific amounts for gender-responsive projects, in accordance with planning and budgeting guidelines.

Sec. 5 Report Submission. The REDs, Bureau Directors, Heads of Attached Agencies shall submit reports on action taken, one (1) month after the issuance of this Order.

Sec. 6 Repealing Clause. This Order supersedes DENR Administrative Order No. 95-07 and modifies, amends and repeals all other orders, memoranda, guidelines and other issuances inconsistent herewith.

Sec. 7 Effectivity Clause. This Order shall take effect immediately.

SIGNED on the occasion of Women's/Gender and Development Month, March 1998.

(Sgd.) **VICTOR O. RAMOS**
Secretary

DENR Administrative Order
No. 98 - 16
April 08, 1998

SUBJECT : Adopting a Performance Appraisal and Individual Development System (PAIDS) in the Department of Environment and Natural Resources.

Pursuant to Section 7 (b) of Executive Order No. 192, Civil Service Commission Memorandum Circular No. 12, S. 1993 and in consonance with Book V of EO 292, the Performance Appraisal and Individual Development Systems (PAIDS) is hereby adopted as DENR's appraisal system and the guidelines for its implementation are hereby issued.

1. OBJECTIVES

The Performance Appraisal and Individual Development System (PAIDS) shall aim to:

- 1.1 Improve individual performance in relation to individual needs and organizational goals;
- 1.2 Provide an objective performance assessment system as the basis for implementation of employee's incentives and rewards programs and other personnel actions and administrative sanctions;
- 1.3 Promote an effective supervisor-subordinate relationship; and
- 1.4 Introduce measures to manage performance below the standard expectation.

2. SCOPE

The PAIDS shall apply to all supervisors and non-supervisors (SG 24 & below) in the first level and second level whether permanent, temporary, casual or contractual in the DENR Central Office, including Program Offices, Regional Offices, Bureaus and Attached Agencies. This shall apply to DENR scholars with one (1) year or more scholarship grant.

3. BASIC POLICIES

- 3.1 The PAIDS is hereby made an integral part of the human resource management system of the DENR;
- 3.2 An employee who obtains at least a “superior” rating for two (2) consecutive semesters may be considered for promotion subject to availability of appropriate vacant positions and other established requirements and criteria;
- 3.3 An employee who obtains “inadequate” rating shall be assisted and be given opportunities to develop his/her skills and talents. However, two (2) consecutive “inadequate” ratings shall be a ground for separation from service;
- 3.4 One (1) “unsatisfactory” rating shall be a ground for separation from the service;
- 3.5 Assessment shall focus on performance outputs rather than activities or processes;
- 3.6 For those who are on scholarship grant for one (1) year or more, the average final academic grades for the year and other provisions of the scholarship contract shall be the basis of the performance ratings;
- 3.7 All performance plans set by the individual employee shall be based on the DENR over-all goals and objectives. All efforts, therefore, shall be directed to achieving one or more of the said goals and objectives;
- 3.8 It shall be the responsibility of the immediate supervisor to regularly motivate, assess and clarify expectations from the employee in terms of performance output;

- 3.9 Reassignment of employee, as much as possible, should coincide with the cut-off date of the performance rating. A reassigned employee shall serve the new assignment for at least six (6) months;
- 3.10 A new employee shall be assisted by his/her immediate supervisor in formulating performance plans after one (1) week from assumption to duty. concerned employee shall demonstrate at least three (3) months performance in the new job prior to being rated;
- 3.11 Any employee who is dissatisfied with the rating given may appeal through the Complaints and Grievance Committee within fifteen (15) days after the receipt of the ratings. Complaints received after the fifteen (15) days prescription period shall not be entertained; and
- 3.12 Sanctions shall be applied against appraisers who use performance appraisal as a means to give due advantage or disadvantage to employee being rated. Likewise, those who fail to comply with the prescribed submission date of performance plan and rating shall also be subject to appropriate sanctions as contained in Omnibus Rules Implementing Book V of E.O. 292 and other pertinent Civil Service Laws.

4. PERFORMANCE MANAGEMENT CYCLE

4.1 Preparation of Individual Performance Plans (PAIDS Form No. 1-A)

The employee and the supervisor shall jointly prepare a Performance Plan every 15th of January and 15th of July which shall be based on the updated job description, work program, strategies, key result areas of the office/division as well as the overall plans/goals of DENR.

It shall contain:

- Actual Duties and Responsibilities

- Performance Indicators/Standards which are directly related to actual duties and responsibilities
- Review Notes of supervisor and employee as records of observations/important agreements during the rating period.

4.2 Preparation of Training and Development Needs (PAIDS Form No. II)

After the completion of the Performance Plan, the assessment of the core competencies of the employee shall be made to determine whether further development is required to enable the employee to achieve the target set. In cases where no further development need is required, discussion shall focus on career aspirations and opportunities for development of other relevant competencies. A summary of individual training and development plan shall be forwarded to Human Resource Management Service so that appropriate training can take place.

4.3 Conduct of Mid-Cycle Review (PAIDS Form No. v)

Feedback on performance is usually informal and ongoing throughout the performance cycle and the review interview may be held more often if necessary. However, the Mid-Cycle Review is a formal part of the Performance Management Cycle and discussion shall include:

- Review of performance against targets/indicators to date
- Check relevance of performance plan and make any modifications if the nature of the job has changed substantially
- Ascertaining training and development needs
- Coaching if necessary

- Career planning

The employees are encouraged to provide his/her immediate supervisors with feedback on how they consider they are being managed.

4.4 The Appraisal

At the end of the appraisal period, a formal one-on-one meeting between employee and his/her immediate supervisor shall be held to discuss and make a final assessment of the work performance. Both of them shall prepare for this event which shall center on completing a self-assessment of the over-all performance and the possible impact of the training and development needs interventions. Evidences shall be necessary for this meeting.

The final assessment of performance at the end of each rating period shall adopt the 5 point rating scale set below:

NUMERICAL RATING	ADJECTIVAL RATING	DESCRIPTION
4.6 - 5	Outstanding	exceeds targets by 50%
3.6 - 4.5	Superior	exceeds targets by 40%
2.6 - 3.5	Effective	meets all targets
1.6 - 2.5	Inadequate	5% of targets not met
1.0 - 1.5	Unsatisfactory	more than 5% of targets not met

There shall be two factors to be rated: the performance (PAIDS Form NO. 1-B) and behavior factors (PAIDS Form No. III A and B) for which the scores of both shall total to the over-all rating (PAIDS Form NO. III-A.1 and III-B.1

5. RESPONSIBILITIES OF THE APPRAISAL PARTICIPANTS

The Appraisee shall:

- Initiate the preparation of the targets based on performance plan and work program of the division/unit and job description;
- Assign the criterion weights most appropriate to the stated areas of responsibility;
- Negotiate and agree on performance expectations with the supervisor;
- Prepare training and development plan and undertake prescribed activities of said plan if necessary;
- Monitor own performance and ensure performance expectations are achieved;
- Identify any performance problems and discuss same with the supervisor;
- Implement/act on agreed solutions;
- Undertake self-assessment on over-all performance at the end of the rating period; and
- Take action if not satisfied with the rating given.

The Appraiser shall:

- Assist the appraisee in the formulation of performance plan;
- Negotiate and agree on performance expectations with appraisee;
- Monitor appraisee's performance to ensure the achievement of performance expectations;
- Discuss performance problems with the appraisee and give guidance on how to resolve said problems;
- Conduct Mid-Cycle Review to ascertain that appraisee is given feedback on performance and to discuss other support/interventions implemented.

The Reviewing Officer (normally the supervisor's supervisor) shall:

- Confirm performance plans and training and development plans;
- Confirm performance rating; and,
- Mediate disputes, if any, between supervisor and employee arising from the performance review and rating process.

6. APPEAL

Employee who feels aggrieved with the rating given shall have the right to appeal following procedures stated earlier under Section 3.12 of Basic Policies.

7. SANCTIONS

Appraisers who use performance appraisal to give due disadvantage or advantage to the employees they rate shall be subjected to appropriate sanctions. Likewise, the appraisee who manipulates the rating shall also be subjected to appropriate sanctions.

8. ACCESS TO THE PERFORMANCE APPRAISAL RECORDS

All documents relative to performance appraisal shall be regarded as confidential and any access shall be done through written request stating the purpose thereof. Approved requests shall be restricted to a maximum of ten (10) working days.

9. PAIDS PRIMER

A PAIDS Primer shall accompany this Order for the guidance of all concerned.

10. REPEALING CLAUSE AND EFFECTIVITY

The PAIDS shall be subject to pilot test/s and the result/s shall be considered in its finalization. As soon as the test and results are completed and integrated said shall replace the Performance Evaluation Systems (PES) as the Department's Performance Appraisal System.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 17

April 13, 1998

SUBJECT : Redefining and Realigning the Functions of the Foreign Assisted and Special Projects Office (FASPO).

Consistent with the mandate, powers and functions entrusted to the Department of Environment and Natural Resources under Executive Order No. 192 dated June 10, 1987, and in line with the Department' thrust to regionalize and institutionalize foreign assisted and special projects per DAO No. 97-19, the functions of the Foreign Assisted and Special Projects Office are hereby redefined and realigned as follows:

1. STATEMENT OF POLICY

It shall be the policy of the Department to strengthen and institutionalize the capability for resource generation, and the design, packaging, implementation, monitoring and evaluation of foreign assisted and special projects. In line with this policy, the DENR shall promote country-driven/field-level initiated projects; develop active partnerships with the international community as well as NGOs, LGUs, local communities and the private sector in the implementation of ENR projects; upgrade efficiency in the allocation of project resources; and assure sustainability of these projects.

2. FUNCTIONS

The FASPO shall oversee, coordinate and facilitate the preparation, implementation and evaluation of the Department's

foreign assisted and special projects in pursuance of these policies. Its oversight functions shall include the following:

- 2.1 Identification and preparation of investment project and program proposals for possible foreign and local assistance in coordination with other DENR operating units and appropriate government agencies;
- 2.2 Preparation of a development framework plan, guidelines and strategies for the prioritization of programs/projects requiring foreign and local assistance;
- 2.3 Initiating and maintaining close relations with national, regional and international organizations/institutions to promote investments in the development, efficient management and conservation of the country's environment and natural resources;
- 2.4 Represent the Department and/or provide technical assistance in negotiations for foreign loans/grant assistance and other forms of assistance for identified priority programs/projects;
- 2.5 Coordinating and/or taking the lead in the conduct of feasibility studies and appraisal of project proposals;
- 2.6 Providing technical assistance and/or staff support in the design, preparation, and implementation of foreign assisted and special projects;
- 2.7 Monitoring and evaluating the performance of foreign assisted and special projects in coordination with representatives of the international community and oversight government agencies;
- 2.8 Documentation and dissemination of lessons learned, experiences gained, and technologies generated from projects;
- 2.9 Other activities related to foreign assisted and special projects which the Secretary may assign.

3. ORGANIZATIONAL STRUCTURE

The FASPO shall be under the Office of the Secretary. It shall be directly supervised by the Secretary or his designated Undersecretary. It shall maintain the two (2) services provided for under DAO No. 1, series of 1988, namely: the Project Design and Packaging Service (PDPS) and the Project Coordination and Management Service (PCMS). Each of the services shall be headed by a Director.

The two divisions under PDPS and the three divisions under PCMS as provided for under DAO No. 1, Series of 1988, are likewise retained, except that their respective functions are defined and realigned. The names of the five Divisions shall therefore be changed to reflect their corresponding realigned functions.

A new unit, the FASPO Information Unit, is hereby created and shall be under the administrative supervision of the Director for PCMS. It shall be responsible for the development and maintenance of a data base and information system for foreign assisted and special projects as well as the maintenance of a mini-library for project documents, in coordination with the Department's MISD and Library.

The functions of the services, divisions and units under FASPO are as follows:

3.1 Project Design and Packaging Service

This Service shall oversee the preparation, prioritization, and appraisal of project proposals for foreign assistance. Specifically, it shall:

- a. Assist the Planning and Policy Studies Office (PPSO) in preparing the agency Investment Program based on the

- sectoral Medium Term Development Plan and Priority Program Thrusts;
- b. Provide technical assistance in the preparation of Regional Development Investment Plan in coordination with PPSO and Field Operations Office;
 - c. Formulate project development and prioritization guidelines and frameworks for study/project proposals for foreign funding/grant assistance;
 - d. Identify funding sources and continuously seek and develop new or non-traditional investment partners for identified priority programs/projects;
 - e. Coordinate and/or take the lead in the identification, design, and packaging of project proposals for foreign assistance;
 - f. Represent the Department and/or provide technical assistance in negotiations for securing funding and technical assistance for proposed FAPs;
 - g. Facilitate the participation of the Department in cooperative arrangements with other countries and international/regional bodies by initiating and maintaining close relations with these institutions/organizations, in coordination with Management and International Environmental Affairs Office.

3.1.1 Multilateral Project Preparation and Appraisal Division

- a. Prepare/disseminate guidelines and provide technical assistance to DENR Bureaus and regional/field offices in the preparation of project proposals for submission to multilateral funding institutions;
- b. In coordination with PPSO and the Bilateral Project Preparation and Appraisal Division, provide assistance in the identification and development of agency and

- regional investment programs/projects for foreign assistance;
- c. Review and evaluate regional/sectoral proposals submitted for consideration of multilateral funding institutions;
 - d. Design and package project proposals for submission to multilateral financing institutions;
 - e. Coordinate/facilitate the conduct of feasibility studies on project proposals submitted to multilateral financing institutions;
 - g. Coordinate/take the lead in the conduct of project appraisal on proposals submitted to multilateral financing institutions.
 - h. Provide assistance to LGUs and NGOs in the formulation and sourcing of financing/support from multilateral financing institutions for programs/projects in the ENR sector;
 - i. Explore and develop non-traditional sources of financing ENR programs and projects;
 - j. Facilitate, coordinate, monitor and assess the Department's participation and cooperative agreements with international and regional institutions and formulate recommendations;
 - k. Provide technical assistance to projects in the procurement of consultancy services and serve as Secretariat to DENR PEVAC; and
 - l. Perform other related functions that may be assigned by the Secretary.

3.1.2 Bilateral Project Preparation and Appraisal Division

- a. Prepare/disseminate guidelines and provide technical assistance to DENR Bureaus and regional/field offices in the preparation of project proposals for submission to bilateral institutions;

- b. In coordination with PPSO and the Multilateral Project Preparation and Appraisal Division, provide assistance in the identification and development of agency and regional investment programs/projects for foreign assistance;
- c. Review and evaluate regional/sectoral proposals for consideration of bilateral funding institutions;
- d. Design and package project proposals for submission to bilateral financing institutions;
- e. Coordinate negotiations with bilateral funding institutions in securing financial/technical assistance for proposed projects;
- f. Coordinate and/or facilitate the conduct of feasibility studies on project proposals submitted to bilateral financing institutions;
- g. Coordinate and/or take the lead in the conduct of project appraisal on proposals submitted to bilateral financing institutions;
- h. Provide assistance to LGUs and NGOs in the formulation and sourcing of financing/support from bilateral funding institutions for programs/projects in the ENR sector;
- i. Explore and develop non-traditional sources of financing ENR programs and projects;
- j. Facilitate, coordinate, monitor and assess the Department's participation and cooperative agreements with foreign governments and specialized agencies/organizations and formulate recommendations;
- k. Coordinate with Management and International Environmental Affairs Office on the proper representation and participation of DENR in international/regional bodies;
- l. Perform other related functions that may be assigned by the Secretary.

3.2 Project Coordination and Management Service

This Service is responsible for overseeing the management and implementation of all foreign assisted and special projects (FASPs). Specifically, it shall:

- a. Facilitate and coordinate the pre-implementation activities for approved foreign assisted and special projects;
- b. Coordinate and liaise with oversight agencies regarding the implementation of foreign assisted and special projects;
- c. Develop and manage the systems and procedures for monitoring and evaluation of foreign assisted and special projects;
- d. Conduct monitoring and evaluation of FASPs in relation to specific terms of reference such as the loan/grant agreement, work and financial plans and other project documents, in coordination with the DENR implementing units, representatives of the international community, and oversight government agencies;
- e. Facilitate financial planning and processing of accounts of FASPs;
- f. Assess the impact of foreign assisted and special projects;
- g. Facilitate the institutionalization of FASPs, including lessons learned and technologies generated, into the DENR system.

3.2.1 Loan Project Division

- a. Coordinate the planning, scheduling and implementation of loan foreign assisted projects

- (FAPs) with other operating units of the Department down to the regional and field levels;
- b. Facilitate the mobilization and setting up of newly approved loan FAPs;
 - c. Review the work and financial plans of loan FAPs in coordination with the designated project manager/staff;
 - d. In coordination with other PCMS divisions and PPSO, assist in the development and updating of the monitoring and evaluation system for FAPs;
 - e. Monitor and evaluate the progress of loan FAPs with respect to operational targets, physical and financial plans and schedules, including Project Benefits Monitoring and Evaluation (PBME);
 - f. Coordinate with local and international financing institutions with respect to the physical and financial performance of ongoing loan FAPs;
 - g. Document lessons learned/experiences gained/technology generated by loan FAPs;
 - h. Initiate public fora/seminars and other IEC strategies to disseminate technology generated from loan FAPs in coordination with project implementors and the Public Affairs Office (PAO);
 - i. Facilitate the procurement of goods and services, including administration of contracts of loan FAPs;
 - j. Perform other related functions concerning loan projects that may be assigned by the Secretary.

3.2.2 Grant Projects Division

- a. Coordinate the planning, budgeting and implementation of grant FAPs with other operating units of DENR down to the regional and field levels;

- b. Facilitate the mobilization and setting-up of newly approved grant FAPs;
- c. Review the work and financial plans of grant FAPs in coordination with the designated project manager/staff;
- d. In coordination with other PCMS divisions and PPSO, assist in the development and updating of the monitoring and evaluation system for FAPs;
- e. Monitor and evaluate the progress of FAPs with respect to operational targets, physical and financial plans and schedules, including project benefit monitoring and evaluation (PBME);
- f. Coordinate with local and international financing institutions with respect to physical and financial performance of ongoing grant FAPs;
- g. Document lessons learned/experiences gained and technology generated from grant FAPs;
- h. Initiate public fora/seminars and other IEC strategies to disseminate technology generated from grant FAPs in coordination with project implementors and PAO;
- i. Initiate and coordinate the conduct of post impact evaluation of foreign assisted and special projects (FASPs) with the participation of other FASPO divisions and DENR units;
- j. Perform other related functions concerning grant projects that may be assigned by the Secretary.

3.2.3 Special Projects Division

- a. Prepare/disseminate guidelines and provide technical assistance in the preparation of project proposals for consideration as special project under the regular budget;
- b. Develop/update guidelines and procedures for screening, prioritization and appraisal of project

- proposals submitted for special funding under the regular budget;
- c. Coordinate the planning, programming and implementation of approved special projects with other units of the DENR;
 - d. Facilitate the mobilization and setting up of newly approved special projects;
 - e. In coordination with other PCMS divisions and PPSO, assist in the development and updating of the monitoring and evaluation system for special projects;
 - f. Monitor and evaluate the progress of special projects in relation to their operational plans, physical and financial targets and schedule, including PBME;
 - g. Document/disseminate lessons learned/ experiences gained and technology generated from special projects;
 - h. Prioritize, program and monitor the utilization of the special projects fund in coordination with other concerned offices/units in the DENR;
 - i. Provide secretariat services to the Project Screening Group/FASPs Coordinating Board;
 - j. Perform other related functions concerning special projects that may be assigned by the Secretary.

3.2.4 FASPO Information Unit

- a. In coordination with MISD-PPSO, develop and implement information systems for FASPs;
- b. Administer the local area network for FASPO;
- c. Maintain the Web-page of FASPO;
- d. Develop GIS applications for all FASPs;
- e. Manage/administer databases and provide technical assistance/support to all computer users in FASPO;

- f. Maintain a mini-library for the safekeeping of basic project documents of all ongoing and completed FASPs.

4. OTHER PROVISIONS

4.1 The performance of these functions shall be undertaken in close coordination with the regional/field offices, sectoral bureaus and Planning and Policy Office in line with their respective roles in the project development cycle as defined under DAO No. 97-19.

4.2 It is understood that the functional realignment of FASPO will not result to any demotion or displacement of personnel, nor the abolition or creation of any positions. A realignment of the staffing pattern among the divisions and units within FASPO may however be undertaken in accordance with their realigned functions.

4.3 The FASPO Directors, in coordination with the FASPO Division/Unit Heads, are hereby instructed to prepare the corresponding staffing requirement as well as the systems and procedures for implementing this Order.

5. REPEALING CLAUSE AND EFFECTIVITY

This Order amends DAO No. 1, series of 1988, and the provisions of other administrative issuances inconsistent herewith.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 18

April 20, 1998

SUBJECT : Prescribing the Standard Operating Procedures in the Preparation of the Agency/Region/ Bureau/Office Work and Financial Plan.

In furtherance of the DENR's decentralization policy and to strengthen the procedures in the preparation of the Agency/Region/Bureau/Office Work and Financial Plan (WFP) in relation to the Agency's Annual Planning and Budgeting System, the following guidelines are hereby issued:

Section 1. Purpose

This Order is issued to further improve the DENR decision-making process and to ensure adherence to and consistency of the Department's plans and programs with the mandates and roles within the overall development framework of the government and priorities stated by the President. It is also intended to provide the Regional Offices, PENROs and CENROs as well as other field implementing units in generating understanding of the annual planning and budgeting system at the DENR.

Sec. 2 Annual Planning and Budgeting Approach

The DENR shall, in the formulation of its WFP, set its annual planning and budgeting activities as scheduled in the DENR Annual Planning and Budgeting Calendar (Annex A). The annual planning shall center on the annual budget cycle which consist of 4 phases (Annex B), namely: *budget preparation; budget legislation; budget execution; and accountability.*

- ***Budget Preparation*** - involves the specification of budget priorities and of available resources and concludes with the submission of the President's budget to the legislature.
- ***Budget Legislation*** - involves the review by the Legislature of the President's budget and the promulgation of the appropriations bill at the Congress and Senate.
- ***Budget Execution*** - requires adjustment of the original proposal in line with the approved budget.
- ***Budget Accountability*** - refers to the tracking and monitoring of actual expenditures, resources, assets and liabilities with respect to the performance of functions and activities.

Sec. 3 Planning and Budgeting Linkage

The WFP shall be formulated as an instrument for the attainment of the Department's development goals and as part of the planning-programming-budgeting continuum (Annex C). The aggregate magnitudes of the budget shall be determined in close consultation among the planning and fiscal offices/units of DENR. Levels of expenditure shall be established in relation to the Department's targets of economic development, availability and sustainability of natural resources, equitable access and proper use of the environment and natural resources. Budgetary priorities shall be given to those activities specified in the approved plans and programs, keeping in mind the capability and performance of the implementing office/units concerned.

Sec. 4 Preparation of the Work Targets and Budget Proposal

The regions/bureaus/offices shall prepare their respective Work Targets and Budget Proposal upon receipt of the budget ceiling issued by the DBM and the Planning and Budget Guidelines issued by the

Central Office. The work targets and budget estimates shall take into full and explicit consideration of the goals, plans and requirements specific to the various regions/bureaus/offices of DENR based on the actual situation of their respective areas of responsibility and in accordance with approved priorities and guidelines. The regional development strategies and plans, including physical framework and resource-use plans, shall be considered in the preparation of the work targets and budget proposal.

Sec. 5 Evaluation/Consolidation of Work Targets and Budget Estimates

The Planning and Programming Division-PPSO and Budget Division-FMS shall consolidate and conduct a review of the budgetary proposal and work targets on programs/projects/ activities of each region, bureau, and office, the result of which shall be the basis for modifying or amending such budgetary requirements and work targets for incorporation in the agency's budget proposal.

The budget proposals shall be reviewed on the basis of their own merits and not on the basis of a given percentage or peso increase or decrease from a prior year's budget level, a given percentage of the aggregate budget level, or other similar rule-of-thumb that is not based on specific justification. Proposed activities, whether new or ongoing, shall be evaluated using a zero-based approach on the basis of (a) relationship with the approved development plan, (b) agency capability as demonstrated by past performance, (c) complementarity with related activities other sectors, and (d) other similar criteria. The consolidated work targets and budget proposal shall be submitted to DBM for consideration and inclusion in the President's budget.

Sec. 6 Preparation of the Work and Financial Plan

In order not to delay the preparation of the Work and Financial Plan a pre-reprogramming shall be done by the bureaus, regions and other offices based on the House/Senate recommendations. Upon release of the General Appropriation Act all regions/bureaus/offices shall finalize their respective Work and Financial Plan and Cash Program based on the approved budget. In the reprogramming of targets and budget, the monthly and quarterly targets shall consider the following:

- Technical capability of the implementing office i.e. availability of trained manpower, required, personnel, equipment and facilities, etc.
- Physical consideration i.e. weather, climatic type, type and scope of work, etc.
- Backlogs and previous year's performance
- Prerequisite activities/performance indicators
- Anticipation of delay of fund releases in the first quarter

Sec. 7 Submission of the Work and Financial Plan

The Regional Executive Directors, Bureau Directors, and Heads of Offices shall, in accordance with the guidelines provided by the Central Office, submit within the prescribed period the Work and Financial Plan and Cash Program of their respective offices to the Planning and Programming Division-PPSO and Budget Division for review and consolidation.

Sec. 8 Evaluation, Revision and Consolidation of the Work and Financial Plans

The Planning and Policy Service Office, Financial Management Service and Field Operations Office shall evaluate, revise and consolidate the Work and Financial Plan of each region, bureau, and office as well as its targets and budget allocated on the activities identified as key result areas (KRAs) to determine its consistency with the pronouncements and commitments of the Secretary and support to the attainment of the national development goals. The consolidated WFP shall then be submitted by the Central Office to the DBM as the approved expenditure program of the agency which shall constitute the basis for fund releases during the fiscal period.

Sec. 9 Failure to Submit the Work and Financial Plan

Failure on the part of Bureau Directors, REDs, RTDs, PENROs, CENROs, planning officers, budget/finance officers, and other responsible officers of bureaus, regional offices, PENR and CENR offices to submit on time the Work and Financial Plan and Cash Program and such other reports that may be necessary and require by DBM shall automatically cause the suspension of payment of their salaries until they have complied with such requirements in accordance with Sec. 63 of P.D. 1177, otherwise known as the Budget Reform Decree of 1977, in addition to any disciplinary action that may be instituted against such erring official and employee as maybe warranted by existing CSC laws, rules and regulations. Furthermore, the budget of the region/bureau/office concerned shall be automatically reprogrammed by the Central Office.

Sec. 10 Repealing Clause

This amends and/or modifies existing Orders, Circulars and Instructions inconsistent herewith.

Sec. 11 Effectivity

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Recommending Approval:

VIRGILIO Q. MARCELO
Undersecretary for Field Operations

DELFIN J. GANAPIN
Undersecretary for Environment and
Program Development

SABADO T. BATCAGAN
Assistant Secretary for Policy and Planning

RAMON J.P. PAJE
Assistant Secretary for Management
and International Environmental Affairs

DENR Administrative Order

No. 98 - 22

May 28, 1998

SUBJECT : Grant of Centennial Anniversary Bonus.

Pursuant to Malacanang Administrative Order No. 322 dated March 20, 1997 and Administrative Order No. 263 dated March 26, 1996 and in accordance with the letter of the Acting Head, PMS dated May 22, 1998, the grant of **Centennial Anniversary Bonus of ₱3,000** per employee is hereby authorized.

The payment of such Centennial Bonus shall be subject to availability of savings from released allotment for operating expenditures, per Section 5 of AO 322.

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order

No. 98 - 23

May 28, 1998

SUBJECT : Grant of Centennial Dress Allowance to DENR Officials and Employees.

Pursuant to Administrative Order No. 322 dated 20 March 1997 of the Office of the President and in view of the centennial celebration of Philippine Independence on June 12, 1998, all officials and employees of the Department, regardless of employment status are enjoined to be in Filipino attire on the said occasion to symbolize the DENR family's oneness with the entire nation during the celebration.

To pursue this objective, each employee of the Department shall be entitled to Centennial Dress Allowance of ONE THOUSAND THREE HUNDRED FIFTY PESOS (₱ 1,350.00) to be used in purchasing said attire, provided however, that they shall continue to serve the agency until June 12, 1998.

The amount of ₱350.00 which was previously used to purchase the centennial attire from GAD funds shall be deducted accordingly.

Funds for this purpose shall be chargeable against DENR funds subject to existing budgeting, accounting and auditing rules and regulations.

For immediate compliance.

(Sgd.) VICTOR O. RAMOS

Secretary

DENR Administrative Order

No. 98 - 24

June 02, 1998

SUBJECT : DENR Manual of Approvals.

A DENR Manual of Approvals is hereby adopted to delegate authorities and delineate functions in the Central and Field Offices.

All Offices of DENR, including its bureaus, attached agencies, foreign-assisted and special projects and programs and field offices shall adhere to the provisions of this Manual which forms part of this Order.

This Order supersedes DENR Administrative Order Nos 38 and 38-a, both series of 1990 and all other inconsistent orders and circulars, involving delegated authority.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

[Click here for the Manual](#)

DENR Administrative Order

No. 98 - 26

June 17, 1998

**SUBJECT : Addendum to Administrative Order
Nos. 98-22 and 98-23 Authorizing
the Payment of Centennial Bonus
and Centennial Dress Allowance.**

Administrative Order Nos 98-22 and 98-23 dated May 28,
1998 is hereby amended as follows:

**Employees who are on detail shall be paid by the office
where the employees are rendering services.**

All other provisions shall remain in force.

(Sgd.) VICTOR O. RAMOS
Secretary

DENR Administrative Order
No. 98 - 28
June 17, 1998

SUBJECT : Adopting “*Inang Kalikasang, Ating Tahanan*”, as the Official DENR Hymn.

In an effort to promote a sense of patriotism and love of nature amongst the DENR personnel and to enhance the strong belief in the DENR as an organization and a family of committed men and women, the song entitled, “*Inang Kalikasan, Ating Tahanan*”, is hereby adopted as the official DENR Hymn.

Section 1 Objectives

The adoption of the DENR official Hymn is aimed to:

1. Instill in the DENR personnel the values of nationalism and environmentalism;
2. Heighten the unity and patriotism among the DENR personnel; and
3. Promote the principles of Sustainable Development.

Sec. 2 Coverage

All officials and employees of the Department are enjoined to learn the song which shall be sung during the following occasions:

1. Flag Ceremony
2. DENR Programs
3. Conferences, seminars, training’s and similar activities
4. Other official activities of respective DENR offices

The Hymn, with its musical arrangement/scoring, is found attached as integral part of this Order.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

**Inang Kalikasan, Ating Tahanan
(Awit ng DENR)**

Musika at Titik ni Joel Navarro

Himig ng lahi

Tinig ng lipi

Sa salinlahi

Nagsasabi:

“Gubat, halaman,

Dagat Nating yaman,

Ating alagaan

Magpakailanman.”

HALINA BAYAN

AT MAGKAPIT-BISIG,

IPAGTALASTASAN

SA BUONG DAIGDIG:

INANG KALIKASAN

LAGI MONG INGATAN,

INANG KALIKASAN

ATING TAHANAN.

Sa kagawaran

Ang aming panata:

Likas-yaman

Ay gawing sagana.

Angking Talino

Ng ating katutubo,

Ating igalang,

Ipagsanggalang.

HALINA BAYAN

AT MAGKAPITBISIG

IPAGTALASTASAN

SA BUONG DAIGDIG:

INANG KALIKASAN

LAGI MONG INGATAN,

INANG KALIKASAN

ATING TAHANAN,

INANG KALIKASAN

ATING TAHANAN.

DENR Administrative Order
No. 98 - 54
August 11, 1998

**SUBJECT : Supervision of Certain Offices/
Programs/Project/Activities.**

The supervision and management of the following offices/programs/project activities are hereby transferred to the Special Concerns Office (SCO).

1. Presidential Task Force on Water Resources Development and Management (PTFWRDM);
2. Gender and Development; and
3. Community Based Forest Management/Tree Farming OSEC Counterpart.

All functions and responsibilities, including personnel and staff; records; equipment and supplies; and Project appropriations are hereby placed under the jurisdiction of SCO.

This Order takes effect immediately and remains in full force unless revoked in writing.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 55
August 11, 1998

SUBJECT : Amending Certain Sections of Administrative Order No. 98-15 on Gender and Development.

To sustain and further move forward the Women in Development and Nation Building Act and the Philippine Plan for Gender-Responsive Development (PPGD) as well as to realize the Partnership of Empowered Men and Women for Sustainable Development, DAO 98-15 is hereby amended as follows:

Section 1. Statement of Policy and Objectives. It shall be the policy of the DENR to preserve, manage and conserve the environment and natural resources in a sustainable manner by harnessing all sectors of society in the achievement of the goals of the Philippine Strategy for Sustainable Development (PSSD). The DENR also recognizes the role that men and women play in meeting sustainable development. Towards this end, the DENR joins the entire government in the implementation of GAD activities.

The objective sought to be achieved herein are as follows:

- 1.1 To integrate gender concerns in the development process through, but not limited to equal participation of men and women in all policies, programs, projects and activities of the DENR;
- 1.2 To ensure that all rules and regulations and procedures are reviewed and revised to remove gender bias therein;
- 1.3 To ensure that sex and age diagggregated data and other statistics relative to gender and development are readily available;
- 1.4 To integrate GAD issues and concerns in all programs and project of the DENR;

15. To ensure that a proportionately equal percentage of Official Development Assistance (ODA) funds from foreign government and multilateral agencies and organizations, as well as from the regular budget, is set aside to support policies, programs, projects and activities to GAD; and
- 1.6 To ensure better sex/gender representation in the DENR GAD Focal Point System.

Sec. 2 Coverage. This Order shall cover both beneficiaries/clientele/customers and implementors of all programs, projects, policies and/or activities under implementation and those to be implemented by DENR in the central and field operations levels.

Sec. 3 Implementation of GAD Program and Activities. To achieve the objectives set forth in Section 1 hereof, the following bodies are hereby reconstituted/created in the DENR:

3.1 In the Central Office

3.1.1 A National GAD Executive Committee is hereby organized to be composed of the following:

Chairperson	-	DENR Secretary
Members	-	Undersecretaries Heads of Attached Agencies
Executive Officer	-	Head, National GAD Focal Point System

3.1.1.1 The NGADEC shall oversee DENR's compliance to the following:

- a. R.A. 7192 (Women in Development and Nation Building Act);
- b. Beijing Platform for Action;
- c. General Appropriation Act; and

- d. Other directives coming from appropriate authorities

3.1.1.2 The NGADEC shall likewise act on matters needing major decisions on GAD.

3.1.2 A National GAD Focal Point System (NGADFPS) is likewise organized to be composed of the following:

Head - Assistant Director, Special Concerns Office

Members - Highest Ranking personnel *apart from* the Head of Office (regardless of sex) of major offices and services, Central Office
- Heads of Bureau Focal Point System

3.1.2.1 All active members of the existing NGADFPS shall remain as such, however, the Head of the NGADFPS shall seek the confirmation of the respective heads of offices.

3.1.2.2 The NGADFPS shall:

- a. provide technical assistance to DENR offices to ensure that GAD concerns are carried by the respective offices of the Department;
- b. ensure that programs, projects, policies and activities of DENR enhance the participation of both men and women as agents and/or beneficiaries of natural resources management;
- c. directly coordinate with the National Commission on the Role of the Filipino Women (NCRFW), other government agencies, and private organizations to effectively implement GAD;
- d. serve as advisory body to the Secretary on matters relative to GAD;

- e. assess DENR's performance on GAD;
- f. conduct studies and action researches on GAD and environment and natural resources; and
- g. perform such other related functions as may be assigned by the Secretary and/or the NGADEC.

3.2 In the Bureau and Attached Agencies

Bureau GAD Focal Point Systems or BGADFPS and Attached Agencies GAD Focal Point Systems or AAGADFPS shall be organized by the Bureau Directors and Heads of Attached Agencies in their respective offices to be composed of Division Chiefs and the next ranking officers. If the Division Chief is male, the other division representative should be female and vice-versa. *Provided*, however, that no member of the existing BGADFPS/AAGADFPS shall be displaced as a result of this action. The Chairperson shall be selected from among the members who shall represent the bureau/attached agency in the NGAADFPS.

3.3 In the Regional Offices

3.3.1 Regional GAD Executive Committees (RGADECs) shall be created in the different regional offices of the DENR to be composed of the following:

- Chairperson - Regional Executive Directors (REDs)/
MGB Regional Directors (RDs)
- Members - Regional Technical Directors (RTDs)
- PENROs

Executive Officer - Chairpersons, Regional Focal Point System

In the case of the Mines and Geosciences Bureau (MGB) and pending operationalization of its regional structure, the REDs and the RDs shall temporarily integrate their efforts. Activities of both

the MGB-RGADEC and the DENR-proper RGADEC should be coordinated through their RGADFPS Chairpersons.

Upon operationalization of the Mines and Geo-Sciences Regional operations, organization of separate RGADFPS for the Mines Sector is hereby authorized. However, close cooperation between the DENR-proper RGADEC and the MGB-RGADEC is expected to effectively implement GAD.

The MGB-RGADEC and DENR-proper RGADEC shall render quarterly compliance reports to the NGADEC through channels.

3.3.2 Regional Focal GAD Point Systems (RGADFPS) shall also be created whose members shall be composed of the highest ranking female and male regional personnel coming from counterpart divisions, units, or offices of the Central Office-based GADFPS and managers of foreign-assisted projects. The members shall select among themselves their Chairpersons who shall then sit in the RGADEC. *Provided*, however, that no member of the existing RGADFPS shall be displaced as a result of this action.

3.3.3 GAFPS in the PENROs and CENROs shall also be established following the structure and provisions in the creation of RGADFPS in Section 3.3.2

Sec. 4 Funding Requirements. Funding for GAD shall be derived from the following:

- 4.1 the regular funds as authorized by General Appropriation Act and in the Guidelines for GAD Budgeting issued by the Secretary as contained in the Memorandum dated January 29, 1998;
- 4.2 Official Development Assistance (ODA) funds received from foreign governments and multi-lateral agencies as authorized by

Section 2 of RA 7192 wherein a portion of shall be set aside and utilized to support programs and activities for GAD.

All units, bureaus, field offices, programs and projects shall indicate in their budget proposals specific amounts for gender-responsive projects, in accordance with pertinent planning and budgeting guidelines.

Sec. 5 Report Submission. The REDs, Bureau Directors, Head of Attached Agencies shall submit reports on action taken, one (1) month after the issuance of this Order.

Sec. 6 Repealing Clause. This Order supersedes DENR Administrative Order No. 95-07, 98-15 and modifies, amends and repeals all other orders, memoranda, guidelines and other issuances inconsistent herewith.

Sec. 7 Effectivity Clause. This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 57
September 08, 1998

**SUBJECT : Relief of Personnel in Areas Where
Illegal Logging is Notorious and
Rampant.**

In consonance with the anti-illegal logging campaign of the current administration, a policy to automatically relieve concerned field personnel in areas where illegal logging has been found to be notorious and rampant, is hereby adopted.

All Regional Executive Director (RED) are hereby directed to identify and report on a monthly basis, all areas with notorious and rampant illegal logging activities to the Secretary through the Undersecretary for Field Operations. The report shall include initiatives/actions taken, volume seized/confiscated, cases filed among others.

For strict compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 98 - 59
September 21, 1998**

SUBJECT : Amending DENR Administrative Order 41, Series of 1991, Which Provided for Guidelines Governing the Deputation of Environment and Natural Resources Officers.

Pursuant to Executive Order 192 and Section 80 of PD 705, as amended, and in cognizance of the leadership skills, idealism and commitment of the Sangguniang Kabataan chairpersons and of the youth in general, Section 4.3 of DAO No. 41, Series of 1991 is hereby amended to read as follows:

“4.3. Not younger than 18 years and not older than 60 years old.”

All other provisions of DAO No. 41, Series of 1991, not inconsistent herewith shall remain in force.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 65
October 21, 1998

**SUBJECT : Amendment to DAO 98-24 Entitled
“Manual of Approvals”.**

In the interest of the service and to further simplify and facilitate transactions and functions regarding administrative and financial matters at the Central Office, Sections II, III, IV, V and VI of the Manual of Approvals under DAO No. 98-24 are hereby amended as follows:

1. Section II - ADMINISTRATIVE (page 18 & 20)

1.1 Training/Scholarship Grants (Foreign) - The recommending official shall only be the Asec for Management Services and the Chair, Scholarship Committee.

1.2 Local Travels

The approving official on all official local travels for thirty (30) days and above shall be the President of the Philippines or official duly authorized by him.

The approving official for local travels that will last for more than seven (7) calendar days but not more than one (1) calendar month is the Assistant Secretary for Management Services. For local travel within seven (7) calendar days and below, the Head of Office (Director - up concerned) shall be the approving official.

2. Section III - FINANCE (page 31, 36 and 40)

2.1 Letter of Advice of Allotment (LAA/Sub-General Allotment Release Order (Sub-GARO)/Sub-Special Allotment Release Order (Sub-SARO)

Transfer of Funds through LAA/Sub-GARO/Sub-SARO from the CO to regions, PENROs and other offices - The recommending official under Foreign Assisted Programs (FAPs) and Other with the Limit of Authority of Up to P5.0 M shall be the Director, FMS instead of Asec for Management Services.

2.2 Salaries and Other Benefits

Central Office - The recommending official shall be the Chief, Personnel Division instead of the HRM Director, while the approving authority shall either be the Director of HRMS/Asec for Management Services for all documents pertaining to salaries and other benefits.

2.3 Disbursement Voucher (Fund 102)

The limits of authority and recommending/approving authorities of disbursement vouchers under FAPs and Others shall be the same with Fund 101.

3. Section IV - MATERIALS MANAGEMENT (page 54)

3.1 Purchase Order (PO)

Under Fund 101, the recommending and approving officials are as follows:

LIMITS OF AUTHORITY	RECOMMENDING APPROVAL	APPROVING AUTHORITY
- Up to P0.5 M	Head of Office (Director - up concerned)	Director, Admin, Service
- Up to P5.0 M	Director, Admin. Service	Asec for Mgt. Services
- Up to P10.0 M	Asec for Mgt. Services	Concerned Usec
- Above 10.0 M	Concerned Usec	Secretary

Under FAPS and Others, the Recommending and approving officials are as follows:

LIMITS OF AUTHORITY	RECOMMENDING APPROVAL	APPROVING AUTHORITY
- Up to P0.5 M	Program/Project Director	FAPs Director
- Up to P5.0 M	FAPs Director	Asec for Mgt. Services
- Up to P10.0 M	Asec for Mgt. Services	Concerned Usec
- Above 10.0 M	Concerned Usec	Secretary

3.2 Requisition Issue Voucher (RIV) - Central Office

Under Fund 101, the recommending and approving officials are as follows:

LIMITS OF AUTHORITY	RECOMMENDING APPROVAL	APPROVING AUTHORITY
- Up to P0.5 M	Requisitioning Officer	Director, Admin. Service
- Up to P5.0 M	Director, Admin. Service	Asec for Mgt. Services
- Up to P10.0 M	Asec for Mgt. Services	Concerned Usec
- Above 10.0 M	Concerned Usec	Secretary

Under FAPs and Others, the recommending and approving officials are as follows:

LIMITS OF AUTHORITY	RECOMMENDING APPROVAL	APPROVING AUTHORITY
- Up to P0.5 M	Requisitioning Officer	FAPs Director
- Up to P5.0 M	FAPs Director	Asec for Mgt. Services
- Up to P10.0 M	Asec for Mgt. Services	Concerned Usec
- Above 10.0 M	Concerned Usec	Secretary

4. SECTION V - INFRASTRUCTURE CONTRACTS (page 59)

Engineering Matters - Replace Director, FMS to Director, Admin. Service as approving official.

5. SECTION VI - NON-INFRASTRUCTURE CONTRACTS (page 68 & 69)

For Janitorial/Security/Utility Contracts and Fuel and Fuel Related Supply Contracts - Replace Directors, FMS to Director, Admin. Service.

This Order take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 68
December 18, 1998

SUBJECT : Transferring the DENR Regional Office No. 12, Cotabato City to Midsayap, North Cotabato.

Pursuant to the provisions of Executive Order No. 192, and in order to ensure efficient and effective delivery of services to its clientele, the office of DENR Region 12 is hereby transferred from Cotabato City to Midsayap, North Cotabato. The said transfer is being made due to the central location of Midsayap in the region lending itself accessible to clients/constituents particularly those coming from the eastern parts of the region. The change in location will enable the DENR to steer and facilitate the environmental protection and development of the region as a whole.

The Regional Office shall maintain and continue to have jurisdiction over all provinces and the management activities within the region. The Region shall continue to coordinate with the Autonomous Region for Muslim Mindanao (ARMM).

The Regional Executive Director of DENR Region 12 is therefore directed to identify the specific site for the regional office; and effect a smooth transfer of personnel, documents, equipment, and other movable DENR properties to the new office.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 98 - 69
December 18, 1998

**SUBJECT : Suspension of the Effectivity of
DAO No. 35 Dated May 06, 1988
Re: Regulations Governing the
Grant of Rewards to Informers on
Violations of Forest Laws, Rules
and Regulations.**

Consistent with our objectives to improve the regulations governing the grant of rewards to informers on violations of forest laws, rules and regulations and prevent the possibility for unscrupulous individuals to use such regulation to defraud and cause loss to the government, the effectivity of Department Administrative Order No. 35 dated May 06, 1988 is hereby suspended effective immediately.

This should not, however, be interpreted as a slack in the Department's effort against illegal logging. All officials and employees are hereby ordered to continue its vigilance and pro-active efforts against illegal logging using the Department's resources.

The Undersecretary for Legal is hereby ordered to cause the review of DAO # 35, dated May 06, 1988 and submit the improved version not later than January 15, 1999.

This Order shall not affect prior claims under review of DENR.

This Order shall take effect immediately and shall remain valid until the issuance of a new regulation concerning this matter.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order

No. 98 - 70
December 29, 1998

SUBJECT : Terminating/Disestablishing the RP-New Zealand Bukidnon Industrial Plantation Project (BIPP) as a DENR Foreign-Assisted Project.

Pursuant to the arrangements contained in the 1993 and 1996 Exchange of Notes between the Governments of the Philippines and New Zealand on the implementation of the Bukidnon Forests Incorporated (BFI) and to effect the smooth transition of the BIPP to BFI, the Bukidnon Industrial Plantation Project (BIPP) is hereby terminated/disestablished as a foreign-assisted project of the Department effective 31 December 1998. The termination/disestablishment of BIPP is necessary to effect the commercialization of BFI and at the same time assume its corporate personality as a GOCC under the Natural Resources Development Corporation (NRDC).

The NRDC shall now oversee the day-to-day management and implementation of the corporate affairs and activities of BFI. On the other hand, the Foreign-Assisted and Special Projects Office (FASPO) in close coordination with NRDC, shall continue to oversee, coordinate and facilitate the monitoring and evaluation of BFI performance in terms of donor and oversight government agencies requirements.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 01
February 03, 1998

SUBJECT : Guidelines for the Continuing Professional Education for the Registered Professional Officials and Employees in the DENR.

Pursuant to Section 7b of Executive Order No. 192 and in order to encourage further career development for all practicing professionals in the Department, and at the same time implement the Continuing Professional Education (CPE) in recognition of the Human Resource Development Service (HRDS) as a Multi-Disciplinary Provider of the Professional Regulation Commission, the following regulations are hereby promulgated for the guidance of all concerned.

1. BASIC POLICY

In the pursuit of a basic policy of the Department to promote the career advancement of all officials and employees, all professionals registered with the Professional Regulation Commission (PRC) shall be encouraged to participate in the CPE. The Department shall, therefore, endeavor to design training programs which are relevant to career advancement and at the same time promote professional growth of all officials and employees.

2. SCOPE/COVERAGE

This Circular shall cover all registered professionals who participate in any training program which are relevant to the mandate of the Department and related to their chosen profession as either participant or a resource person.

3. OBJECTIVES

- 3.1 To provide opportunities for all registered professionals in upgrading their skills and proficiency in their profession brought about by modernization and scientific and technological advances.
- 3.2 To enhance the level of competence of the registered professionals in the sustainable management of resources and protection of the environment.
- 3.3 To recognize and accredit every training program participated in by registered professionals.

4. PROCEDURAL GUIDELINES

- 4.1 The Human Resource Development Service (HRDS), Central Office shall be the central coordinating body to approve the design and conduct of training programs related to CPE.
- 4.2 The required documents to be submitted to HRDS sixty (60) days before the actual date of any training program shall contain the following information:
 - 4.2.1 title of the program
 - 4.2.2 target date
 - 4.2.3 brief description of the program
 - 4.2.4 objectives of the program
 - 4.2.5 number and level of the participants
 - 4.2.6 outline of the program of activities
 - 4.2.7 resume of resource persons and their respective PRC License No., when applicable
- 4.3 HRDS shall assign accredited facilitator/staff in the conduct of training programs.

4.4 A training report shall be submitted within five (5) days from the completion of the training to PRC for accreditation.

5. DENR ROSTER OF PROFESSIONALS

All Offices concerned are hereby directed to submit to HRDS, the names of their registered professionals, with their corresponding PRC License No., date issued and expiry date for reference and future availment of their professional services.

6. EFFECTIVITY

This Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Circular
No. 98 - 03
April 22, 1998

SUBJECT : COMELEC Resolution No. 3019

In accordance with COMELEC Resolution No. 3019 which deputizes the Department for the purpose of utilizing transportation and communication facilities in connection with the May 11, 1998 elections, the following guidelines are hereby promulgated.

1. All Regional Executive Directors shall immediately coordinate with the Regional Director of the COMELEC to provide a list of transportation and communications facilities (base radio) which the latter can use during the election period.
2. As mutually agreed upon by the RED and the COMELEC Regional Director, the vehicle(s) and its driver(s) shall be entrusted to the COMELEC Regional Official for Operations who will acknowledge receipt of the same.
If any radio communications system of the Region/PENRO/CENRO shall be utilized by COMELEC, the same shall remain with its base. The radio operators shall however give priority to messages from the DENR and the COMELEC.
3. Gasoline, oil/lubricants that will be utilized by the vehicles temporarily seconded shall be borne by the COMELEC.

This Order takes effect immediately and shall remain in force until the end of the election period.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Circular
No. 98 - 07
June 18, 1998

SUBJECT : Confirming the Department's Commitment to Support Efforts to Address the Issue of Displacement Caused by Development Projects and Designating the Office of the Undersecretary for Legal and Legislative Affairs and Attached Agencies as Focal Point to Realize Such Commitment.

Under DENR Special Order No. 169, Series of 1998 (SO 98-169), a Study Team was created to address displacement brought about by development projects. The Study Team, pursuant to its mandate, prepared a Report on the result of its displacement studies which was presented in a meeting organized by the Office of the Presidential Adviser on the Peace Process (OPAPP) and the Social Reform Council (SRC) held last 7-9 June 1998.

The Report of the Study Team contained commitments and agreements on appropriate government responses to displacement. The commitments made by DENR consist of long-term and short-term undertakings. Most of the commitments have not been actualized.

In order to expedite and carry out effectively the commitments contained in the aforesaid Report as well as to institutionalize a process by which issues and concerns relating to displacement are to be resolved, the Office of the Undersecretary for Legal and Legislative

Affairs and Attached Agencies is hereby designated as the Focal Point for displacement concerns in the Department.

The Focal Point shall:

- (a) Oversee the implementation of appropriate responses to displacement which were identified in the Report of the Study Team created under SO 98-169;
- (b) Adopt a process/operational framework by which DENR can respond to specific issues on displacement;
- (c) Assist, whenever appropriate, NGOs, POs, IPs and other community organizations in coming up with solutions to specific displacement problems;
- (d) Formulate appropriate government responses to displacement and advise the Secretary for the issuance of relevant policies and mechanisms to prevent displacement or resolve displacement issues;
- (e) Obtain the assistance of, or assign responsibilities to, any office, bureau and attached office or agency of the Department to facilitate compliance with the foregoing tasks; and
- (f) Continue and strengthen the Department's linkage with the OPAPP and the SRC with a view to establishing a pro-active mechanism to prevent, discourage or minimize displacement resulting from any development project, whenever the development project is within the jurisdiction of the DENR.

This Circular shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Circular
No. 98 - 12
July 14, 1998

To : All DENR Officials and Employees

SUBJECT : Prohibition on Dealing Business With Relatives Up to Third Degree of Consanguinity.

In the interest of public service and in order to promote professionalism and a high standard of ethics by setting an example, nobody, from the Secretary down to lowest-ranked employee, shall be allowed to transact business with any relative up to the third degree of consanguinity.

We shall always keep in mind to uphold the public interest over and above our personal interest. All officials and employees should maintain high level of standards in dealing with the public especially the underprivileged.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 13
September 02, 1998

SUBJECT : Guidelines in Entering into Contracts Between Contractors and the DENR.

Pursuant to the provisions of **GENERAL ACCOUNTING AND AUDITING MANUAL (GAAM), VOLUME I** dated **JANUARY 2, 1992, SECTION 74** of **GENERAL APPROPRIATIONS ACT (GAA), FY 1998, IMPLEMENTING RULES AND REGULATIONS (IRR) OF EXECUTIVE ORDER (E.O.) NO. 302** dated **JUNE 17, 1996**, and in order to strengthen the internal control system as well as to promote efficiency and effectiveness in the preparation, processing and approval of contracts in the DENR, its Bureaus, Regional Offices, PENROs, FASPs, and Attached Agencies, the following policies are hereby promulgated/adopted:

A. Section 526, GAAM, Volume I - Appropriation before entering into contract

- i) No contract involving the expenditure of public funds shall be entered into unless there is an appropriation therefor;
- ii) All contracts for capital projects and for supply of commodities and services including equipment maintenance contracts and other agreements requiring payments chargeable to agency current operating or capital expenditure fund, shall be signed by the agency head or his duly authorized representative only when there are available funds;

Henceforth, contracts must first be issued a Certificate of Availability of Funds (CAF) by the Department Chief Accountant, Bureau Accountant, Regional Accountant, PENRO Accountant, Project Accountant, and Attached Agencies Accountant **BEFORE THE SAME SHALL BE SIGNED BY THE AGENCY HEAD OR HIS DULY AUTHORIZED REPRESENTATIVE**, and the CAF shall form an integral part of the contract;

- iii) Likewise, the Department Chief Accountant, Bureau Accountant, Regional Accountant, PENRO Accountant, Project Accountant, and Attached Agencies Accountant shall sign/certify the availability of funds on the contract, and contracts without signature/certification of the Accountant concerned shall be considered **null and void**.

B. Section 5.2, Paragraph 5.2.1, IRR of E.O. 302 - Performing Security

- i) To guarantee the faithful performance of the contract awardee, he shall post a performance security whose form and amount are prescribed below, in favor of the Government within the time specified by the concerned agency **AFTER SIGNING OF CONTRACT**. Subject to the conditions of the contract, the performance security may be released after the issuance of the “Certificate of Acceptance” of goods provided that there are no claims filed against the awardee or the surety company:
 - a. Cash, manager’s check, cashier’s check, irrevocable letter of credit, bank draft - Five percent (5%) of the total contract price;

- b. Bank guarantee - Ten percent (10%) of the total contract price;
- c. Surety bond - Thirty percent (30%) of the total contract price.
- d. Any combination of the above - Proportionate to share of Form with respect to total amount of security

C. Section 574, Paragraph (a) of GAAM, Volume I - Liquidated damages

- i) Where the contractor refuses or fails to satisfactorily complete the work within the specified contract time, plus any time extension duly granted and is thereby in default under the contract, the contractor shall pay the Government for liquidated damages, and not by way of penalty, an amount **TO BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING FORMULA** for each calendar day of delay, until the work is completed and accepted or taken over by the Government:

$$LD = \frac{0.75 \times CP}{CT}$$

WHERE:

LD = Amount of liquidated damages for each calendar day of delay.

CP = Total contract price minus the value of the completed portions of the contract certified by the government office concerned as usable as of the expiration of the contract time, in pesos.

CT = Contract time plus any time extension duly granted to the contractor, in calendar days.

**D. Paragraph 5.10.1, IRR of E.O. NO. 302 (Penalty Clause)
- Delay in the delivery of goods and services.**

- i) Delay in the delivery of goods and services shall be subject to a penalty of **ONE TENTH OF ONE PERCENT (1/10 OF 1%)** for each day of late delivery.

This Order shall take effect immediately and automatically revokes or amends accordingly all other previous issuance's inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 14
September 24, 1998

SUBJECT : Guidelines on Foreign and Local Travels.

In compliance with Malacanang Administrative Order No. 372 dated December 27, 1997, otherwise known as the "Adoption of Economy Measures in Government for FY 1998", Commission on Audit Circular No. 96-004 dated April 19, 1996, and in order not to disrupt official transactions of all officials and employees in carrying out its targets, the following guidelines shall be promulgated/adopted:

A. Foreign Travel

1. International travel shall be restricted to highly necessary and urgent international activities. All travels shall be fully financed by funding foreign donors or counterparts except those authorized by the Office of the President;
2. No travel authority will be issued to officials who have not liquidated and submitted reports on their previous international travel;
3. Attendance to conferences/meetings/conventions shall be limited only to those essential to Philippine commitments in the international field and shall be represented by the Secretary and other officials/employees duly authorized by the Secretary;
4. Travel Authority of the Assistant Secretaries, Undersecretaries and Secretary shall be approved by the Office of the President while those of the Directors and below sponsored by donors/counterparts shall be approved by the

Secretary. Travels of officials/employees wherein expenses shall be borne by the Philippine Government shall be approved by the Office of the President;

5. Representation Allowances shall be paid only after the approval of the travel authority; and
6. Liquidation shall be within sixty (60) days after the completion for the travel and shall be supported by receipts, tickets and other evidences of actual expenditures. Certification or Affidavit of Loss shall not be considered.

B. Local Travel

1. Officials authorized to approve shall ensure the availability of funds allotted for traveling expenses in their respective travel plan;
2. Assignment of five (5) or more employees outside official stations for audit/examinations, investigation, inspections, evaluation and monitoring, verification, research studies installation, coverage and footages, shall be limited for five (5) days, covered by approved Special Orders issued by the respective Assistant Secretary;
3. To minimize travels, the use of communications such as e-mail, fax machine, radiogram, telephone long distance and speed mail is encouraged for purposes of collecting & validating data except on cases of confidential official business matters;
4. Liaison Officers/personnel can only claim actual transportation expenses;

5. Liquidation of travel shall be supported by receipts, tickets and other evidences of actual expenditures. Affidavit of Loss is not acceptable. Liquidation shall be as follows:
 - a. Travel shall be liquidated within thirty (30) days and supported by FMS Travel Order Form No. 34 hereby attached;
 - b. Travel by plane shall be liquidated after ten (10) days supported by used plane tickets, etc. to the Accounting Division, FMS; and
 - c. Unused plane ticket shall be returned to the Management Division, FMS after ten (10) days of the scheduled flight for refund and records purposes.
6. No travel order will be issued to officials who have not liquidated and submitted report on their previous travel;
7. When a trip is cancelled, the amount paid in advance if any, shall be refunded in full;
8. Any deviation in the travel itinerary, the transportation and traveling allowances shall be adjusted and the difference shall be refunded or be paid;
9. In normal situations, all officials/employees on official trips are required to travel by PAL or through its connections in support of the Philippine Air Lines (PAL), our flag carrier and in compliance with Office of the President's Memorandum Circular No. 98 dated August 5, 1994;
10. Travels shall be coordinated with the Undersecretary for Field Operations for travels within the regions and Undersecretary for environment and Programs Development for travels within the Bureaus for review of purposes in order to minimize the number of personnel to travel due to limited financial resources;

11. Granting of cash advance for traveling expenses is prohibited to contractual employees under other services (200-29);
12. Non-OSEC officials/employees and contractual charged to other services (200-29 except when stipulated on the contract) can claim traveling expenses on reimbursement only; and
13. The simplified travel order form (FMS Travel Order No. 34) shall be used in compliance with Memorandum dated July 31, 1998 and shall be coursed through the Personnel Division, HRMS for control/numbering.

This Circular shall take effect immediately and rescinds, amends all other previous issuance's inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 16
October 08, 1998

SUBJECT : Guidelines on Service Contracts Chargeable Against Other Services (200-29).

Pursuant to CSC Memorandum Circular No. 5, Series of 1985, Section 64 LOI No. 505, and other pertinent issuances preparation and signing of contracts of service shall observe the following:

1. All service contracts shall be signed by the following:
 - a. At Central Office and for Central-based projects - Secretary
 - b. At Bureau and for Bureau-based projects - Bureau Directors
 - c. At Regional Offices (CENRO/PENRO)
and for Region-based projects - Regional Executive
Directors/Regional
Directors
2. Contracts of service shall only be entered into with highly specialized and/or technical personnel whose expertise or technical skills are not available in the concerned office as envisioned in the general provisions of the current appropriations Act and other related issuances of the DBM;
3. In no case shall contracts of service be entered into with persons whose duties and functions are clerical or administrative in nature;
4. Persons hired under service contracts shall in no case supervise regular staff;
5. For service contracts with fees or rates which are not identified in the Personal Services Itemization (PSI) and Index of Occupational

Services Position Titles and Salary Grades (IOSPTSG) should be determined by the DBM. Hence, those position nomenclature with corresponding rate and proposed number of persons to be hired at the Central Office, Bureaus and Regions shall be submitted to the Office of the Secretary for submission to and approval by DBM;

6. In so far as legal services are concerned, a written acquiescence of the Office of the Solicitor General (OSG) and the written concurrence of the Commission on Audit should be sought (COA Circular 95-011);
7. Upon determination of the DBM of the appropriate professional or consultants' fee or based on the PSI and the IOSPTSG, respective chiefs of offices shall submit to the Office of the Secretary or Bureau Directors or Regional Executive Directors/Regional Directors, as the case may be, the names of persons to be hired by their offices for approval of the concerned official; provided, however, that corresponding personal data sheets and other supporting documents of the persons shall be attached to the request with a certification of availability of funds; provided further, that for legal services, the approval sought in item no. 4 should be attached to the request for hiring;
8. All contracts shall have a maximum period of 3 months with definite expected outputs, subject to renewal as the exigency of the service demands. The contracts or services shall have a provision that requires the hired person to report for at least eight hours at his/her respective station. As such, for control purposes and as sound personnel management, hired persons shall accomplish daily time record, duly supported by daily time record book, where their time in and out in the morning and afternoon are recorded. The DTRs shall be submitted to the personnel office/section/division in support of payment of services rendered;

9. In case of persons hired to perform activities or outputs that do not necessarily require an eight-hour presence at the office and using their own materials and methods without being subject to the orders of the office in respect to the details thereof, payments of professional or consultant's fee shall be based on the submission of outputs duly accepted by the concerned chief of office (e.g. computer encoders during budget preparation, carpenters or plumbers for emergency jobs);

10. The Secretary or Bureau Directors or Regional Executive Directors/Regional Directors, as the case may be shall sign contracts of services in accordance with the rate determined by the DBM or PSI and the IOSPTSG.

11. All moneys appropriated for functions, activities, projects and programs shall be available solely for the specific purpose for which these are appropriated.

12. Reports on service contracts shall be submitted by the Bureau Directors, REDs/RDs and the Head Executive Assistant to the Assistant Secretary for Management and International Affairs using the format below.

**Report on Service Contracts (200-29)
Covering the Period _____**

Name of Person	Position	Duration of Contract	Expected Output	Remuneration	Source of Fund
Total					

This Circular shall take effect immediately and supersede all other issuances inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Circular
No. 98 - 17
October 30, 1998

SUBJECT : Guidelines for Ecological Destinations Development and Management in the Philippines.

In line with the Department's mandate to promote sustainable development and cognizant of the Philippine's abundance in terms of ecological destinations, guidelines for Ecological Destinations Development and Management in the Philippines are hereby established for the information and guidance of all concerned.

BASIC POLICY

1. It is the policy of the State to ensure sustainable use, development, management, protection and conservation of the country's environment and natural resources for the benefit of the present and future generations.
2. It is likewise the policy of the Government to develop and manage ecological destinations to allow learning through experience thereby improving the quality of life of our people while maintaining the integrity of the environment

OBJECTIVES

1. To promote environmental awareness through ecological study tours
2. To provide income generating activities to communities with identified ecological destinations
3. To provide more opportunities for productive people-nature interaction

SCOPE AND COVERAGE

This circular shall cover the development and management of ecological destinations in the Philippines not covered by eco-tourism program, NIPAS and all other protected areas-related programs.

CRITERIA IN THE DEVELOPMENT AND MANAGEMENT OF ECOLOGICAL DESTINATIONS

Site Consideration

1. The area should have unique natural/cultural features which will provide enjoyment and education to ecology enthusiasts
2. The area should be accessible
3. The area has no peace and order problem
4. The community affected by the development of ecological destinations must approve such development through a resolution
5. The area must not be a natural disaster prone area

Activity/Development Considerations

Ecological Destinations' Study/Observation activities must be:

1. Environmentally sound and low impact development
2. With educational value
3. Accepted by the community
4. Of economic and social value to the community

Economic Considerations/Procedures

1. All ecological enthusiasts must pay the users' fee before access is allowed in identified ecological destinations
2. Income generated from collected users fee shall be primarily for the maintenance of such destinations and a modest

amount shall be returned to the community in the form of livelihood activity

3. Rate on uses' fee shall depend on the target market, the type of destination (aesthetic value, difficulty of access and others)

ACTIVITY		SCHEDULE	OFFICER IN CHARGE
1.	Identify ecological destinations, market others	November 98	CENRO thru the REDs
2.	Formulate the Users' Fee Rates	November 98 to December 98	Central Office (CO)
3.	Allocation of initial budget of Php 200,000 per site	October 98	CO
4.	Identify enhancement needed/ budget	November 98	CENRO-PENRO
5.	Source funds for enhancement	December 98	CO and REDs
6.	Social acceptance activities	December 98	CENRO-PENRO
7.	Enhancement activities	January 99 to May 99	CENRO-PENRO
8.	Regional launching	June 99	RED-PENRO-CENRO
9.	Open to public (operation)	July 99	RED-PENRO-CENRO

EFFECTIVITY

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**Memorandum Circular
No. 98 - 19
December 02, 1998**

**SUBJECT : Temporary Suspension of
Department Administrative Order
(DAO) No. 97-21 Dated July 18,
1997.**

In view of the ongoing review and finalization of the CENR Management Course Curriculum, the post evaluation of graduates and the need to amend certain provisions specified in the Department Administrative Order (DAO) No. 97-21, dated July 18, 1997 the implementation of DAO No. 97-21 is hereby temporarily suspended effective October 06, 1998.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 02
January 30, 1998

SUBJECT : Prescribing the Expense Monitoring Form (EMF) for Community Environment and Natural Resources Office (CENRO) Financial Operating Procedures.

In order to effectively monitor the financial expenditures incurred for each major activity undertaken by the CENRO, an Expense Monitoring form (EMF), marked as annex "A" is hereby prescribed.

The procedures on the preparation, accomplishment and submission of EMF are attached as annexes "B" and "C".

The Regional Executive Directors are hereby directed to release the fund allocations of the PENROs and the CENROs in accordance with approved WORK AND FINANCIAL PLAN (WFP) to expedite the implementation of plans and programs at the CENRO level.

This Order takes effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order

No. 98 - 09

May 26, 1998

TO : All DENR Bureau Directors, Heads of Attached Agencies, Regional Executive Directors, PENROs, CENROs, and DENR Employees Concerned

SUBJECT : Integration of Environmental Intelligence Quotient Scheme (EIQS) in the Civil Service.

Pursuant to the Philippine Agenda 21's call to integrate environmental aptitude in tests administered by the Civil Service Commission (CSC) and Career Executive Service Board (CESB) to ensure that civil service officers and government personnel possess the right level of understanding of issues, concerns and proper values for SD governance; and in order to sustain the efforts following the DENR-NEDA-CSC launching of EIQS in the Civil Service, you are hereby directed to familiarize yourself together with your staff and personnel on the EIQ Scheme.

The DENR being the lead national agency mandated to protect and manage our environment and natural resources should be on the forefront of this EIQ Scheme. You are therefore enjoined to learn about this EIQ Scheme and make sure that you have a copy of the relevant reference materials on EIQS. For your information, attached are the following reference materials on the EIQS:

1. EIQS Brochure
2. Consultant's report on the EIQS
3. Memorandum of Agreement between DENR-NEDA-CSC
4. Reference materials on EIQS

- 4.1 Philippine Agenda 21
- 4.2 Primer on Philippine Agenda 21
- 4.3 Operational Framework on Sustainable Development (OFSD)
- 4.4 OFSD Popular Version (Sustaining Lives on Earth)
- 4.5 Sustainable Development (SD) Perspective
- 4.6 Sourcebook on Sustainable Development Indicators
- 4.7 A Guide to the Economic Valuation of Environmental Impacts
(for Project Development and Appraisal)
- 4.8 Revised DAO 96-37 - Procedural Manual
- 4.9 SD Cases

In this regard, all DENR official and personnel are hereby directed to coordinate and participate in the massive information, education and dissemination campaign on EIQS to sustain this initiative and if necessary undertake collaborative activities with concerned agencies to achieve this end.

This Memorandum Order shall take effect immediately.

(Sgd.) VICTOR O. RAMOS
Secretary

Memorandum Order
No. 98 - 12
August 11, 1998

SUBJECT : Use/Distribution of Landline Phones, Cellular Phones and Pager Units in the DENR Central Office.

Pursuant to the government's economy measures aimed at reducing operational expenditures, the following guidelines are hereby prescribed to rationalize the use/distribution of land line phones, cellular phones and pager units in the Department Proper:

1. Land Line Phones

All offices, divisions and operating units of the Department shall be entitled to the use of land line phones, subject to the following limitations:

- 1.1 National Direct Dialing (**NDD**). Access to NDD shall be limited to only Directors up to the Secretary level;
- 1.2 International Direct Dialing (**IDD**). Access to IDD shall be limited to Assistant Secretaries up to the Secretary level;
- 1.3 All officials granted access to NDD and/or IDD facilities shall see to it that all calls are official in nature. They shall establish internal guidelines to screen and restrict personal calls and transmission of fax messages not official in nature;
- 1.4 All IDD and NDD lines shall be barred from accessing 108 and 109 PLDT services;

1.5 All personal long distance calls shall be coursed through the DENR operator. The operator shall process request duly approved by their respective heads of offices. An authority to deduct from their salary the cost of said calls shall accompany said request. Deductions shall be reflected upon receipt of billing from the PLDT.

2. Cellular Phones/Pager Units

2.1 Authorized Official/Personnel

2.1.1 The Undersecretaries and the Assistant Secretaries are limited to one (1) unit cellular phone and one (1) unit pager. All units issued to the abovementioned officials are entitled to an executive plan with access to International Direct Dialing (IDD) service facility. Their staff shall be allowed one cellular phone and two pagers for dispatch purposes (subject to availability of funds). These units shall be assigned to staffs who are on an errand, attending a meeting or on travel, giving them opportunity to receive instructions or carrying real time reports;

2.1.2 Office/Service Directors, Assistant Directors, HEA and Program/Project Directors/Managers are limited to one cellphone and one pager unit each. Said officials are required to share their cellphone and pager units to their staff. All cellphones issued to the abovementioned officials shall be limited to the Zero (0) Plan;

2.1.3 For other personnel, the Secretary may allow the use of cellphone/pager for security, intelligence and other purposes. They shall be entitled to such unit as deemed necessary but shall be limited to the Zero (0) Plan;

2.2 Distribution/Assignment/Control

2.2.1 The Director, Administrative Service is hereby directed to distribute/redistribute available cell-phones/pagers to the above authorized officials/ personnel;

He is likewise authorized to collect and cancel MRs of cellphones issued to officials/personnel not allowed by this Order or those officials who have exceeded the allowed number of cellular and pager units;

2.2.2 For purposes of control, all distributed/redistributed cellphone/pager units shall be properly covered by a Memorandum Receipt;

2.2.3 All cellphones/pager units presently used by unauthorized personnel shall be turned over to the Director for Administrative Service within three (3) days from the date of issuance of this Order, for redistribution. Failure to comply with this directive shall subject the said official to administrative sanctions;

2.2.4 The Finance Management Service, the General Services Division and the Assistance Secretary for Management and International Affairs shall be furnished with the redistribution list and a copy of all Memorandum Receipt for control purposes, except those which the Secretary may withhold for security purposes;

2.3 Billing/Payments

The Financial Management Service shall see to it that only bills of authorized users shall be processed and paid. Charges over

and above the credit limit of authorized cellphones/pagers shall be charged against their respective users;

2.4 Purchase of Cellular/Pager Units

The program/projects and other offices, which may not be covered by the available cellphone/pager units after this distribution/redistribution, are hereby authorized to purchase/lease these respective units, subject to existing rules and regulations. Thereafter, no purchase/lease shall be allowed unless authorized by the Secretary.

For strict compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order

No. 98 - 13

August 11, 1998

**SUBJECT : Use/Distribution of Vehicles in the
DENR Central Office**

Pursuant to the General Appropriations Act and in order to rationalize the use/distribution of vehicles in the Department Proper, the following guidelines are hereby prescribed:

1. Authorized Officials/Personnel

1.1 The Undersecretaries, Assistant Secretaries, HEA, Service Directors and Program/Project Directors/Managers shall be allowed one service vehicles each.

a. Likewise, they shall be entitled but limited to one (1) staff vehicle each to run errands and service the staff in the performance of officials functions;

1.2 Other Critical Offices/Divisions may be allocated one service vehicle upon the recommendation of the Head of Office/Service and duly approved by the Secretary;

2. Use of Vehicle

2.1 All vehicles shall be used for official function/activities only;

2.2 All vehicles assigned to the rank of Directors and lower are required to park their vehicles within the DENR Compound after every use;

2.3 Proper maintenance of assigned vehicles shall be the sole responsibility of the end-user who shall see to it that their assigned vehicles are always in good running condition;

4. Distribution/Assignment/Control

- 3.1 The Director for Administrative Service is hereby directed to distribute/redistribute available vehicles to the above authorized official/personnel;
- 3.2 For purposes of control, all allocated vehicles in excess of what is allowed by this Order shall be turned over to the General Services Division for safekeeping/repair and maintenance for re-distribution or dispatch;
- 3.3 All Heads of Office shall select which vehicle to retain and inform the General Services Division of their choice for the preparation of the corresponding Memorandum Receipt. Likewise, they shall see to it that all vehicles not authorized by this Order should be properly turned over to the GSD;
- 3.4 The GSD shall issue trip tickets to only vehicles known to be assigned to an authorized official/personnel.

4. Gasoline/Repair

- 4.1 All repair/gasoline and other maintenance cost of vehicles issued to the abovementioned official shall be charged against their respective office fund allotment.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 14
September 02, 1998

**SUBJECT : Establishment of the Environment
Reaction Assistance Post (ERAP
24) in the DENR Central Office.**

In the interest of the service and to improve services to the public, an **Environmental Reaction Assistance Post** is hereby established within the DENR Central Office.

For the purpose of organization/operation, the Post shall be guided by the following:

I. MISSION: The Post shall offer services to the public with the highest degree of moral responsibility, integrity, loyalty, patriotism, justice and efficiency. It shall provide the public with prompt, courteous and effective service 24-hours daily, 7-days a week.

II. ORGANIZATION/STAFFING

1. The Post shall operationally be attached to the Special Concerns Office (SCO) and shall directly report to the Director.
2. The Post shall be composed of personnel to be reassigned and designated by the Secretary.
3. The Post shall be supervised by a Coordinator to be assisted by desk officers.

4. Focal/contact persons for each bureau, service, office/division/project shall be designated by his/her respective Heads of Offices for monitoring and coordination purposes.

III. OPERATIONAL PLAN

1. Reassigned personnel shall hold office at the SCO and shall be required to man the front desk daily on rotation basis.
2. The Post shall operate on 24-hour basis. Rotation of personnel shall be on three (3) shifts, 8-hours each shift.
3. Daily reports shall be submitted, after each shift, to the Director, SCO copy furnished the Office of the Secretary (OSEC).
4. The Post shall be rendering public assistance starting at 6:00 A.M. daily.
5. The personnel reassigned with the unit are mandated to observe strictly the aforementioned mission and to serve the public with utmost courtesy.

IV. THE POST

1. The Post shall be located at the first floor lobby in the main building. The same shall serve as processing and clearing area to facilitate effective delivery of services to the DENR clientele/visitors.
2. The lobby shall be provided with visitor's waiting area, chairs, waiting benches, exhibits/organizational chart, floor directory, reading materials.

The Post is hereby authorized to seek assistance to any official/personnel of the DENR and to avail of any supplies,

equipment/facilities thereof necessary for the expeditious delivery of public service.

This Order shall take effect immediately and shall revoke all orders/issuances inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Memorandum Order
No. 98 - 18
November 06, 1998

SUBJECT : Launching of the All House Clean-Up Contest, Implementing The 5K Program - Kalinisan at Kaayusan ng Kapaligiran Para sa Kagandahan at Kaunlaran.

Pursuant to the National Clean-up Day, a nationwide cleanliness drive which President Joseph Estrada will Launch on November 7, 1998 and in order to promote a conducive working environment for all employees in the Department, an All House Clean-up Contest, a concept of the 5-K (Kalinisan at Kaayusan ng Kapaligiran para sa Kagandahan at Kaunlaran) Program, is hereby implemented. As a matter of policy, all DENR Offices shall be kept clean, presentable and orderly at all times.

A Housekeeping Committee shall be created to monitor the implementation of this Program. Said Committee shall therefore take charge of the search for the cleanest and most orderly Office/Division, as well as the dirtiest and most untidy Office/Division. The winners will be given an award during a appropriate ceremony every six months. The awards for the program shall be promulgated by the Suggestions and Incentive Awards Committee (SIAC).

All Officials are hereby mandated to support the implementation of this program.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

OTHER RELATED ISSUES

**Executive Order
No. 16**

**SUBJECT : Creating the Presidential Air
Quality Commission**

WHEREAS, pursuant to Article II, Sections 15 and 16 of the 1987 Constitution, it is the policy of the State to protect the health of its citizens and ensure the well-being of its people;

WHEREAS, under the Philippine Environmental Policy and the Philippine Environment Code, it is the policy of the State to seek the attainment of an environmental quality conducive to a life of dignity and well-being for the protection of the public health;

WHEREAS, the National Pollution Control Decree of 1976 and Presidential Decree No. 1181 (Providing for the Prevention, Control and Abatement of Air Pollution from Motor Vehicles and Other Purposes) seek to promote these policies through the prevention, control, and abatement of air pollution from both mobile and stationary sources;

WHEREAS, the deterioration of the country's air quality, especially in Metropolitan Manila and other large urban and densely-populated centers, will have serious and long-term effects on the health, productivity, intelligence and general well-being of the people, especially the children;

WHEREAS, there is a need to coordinate the plans and efforts of government agencies and non-government organizations in order to address air pollution in an organized and systematic manner;

WHEREAS, there is a need to create a full-time, inter-agency office to undertake the coordination and systematization of air quality management activities;

WHEREAS, pursuant to Executive Order 192, the Department of Environment and Natural Resources (DENR) is the primary government agency responsible for, *inter alia*, the conservation, management, development and proper use of the country's environment;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Creation of a Presidential Air Quality Commission (PAQC).

There is hereby created a Presidential Air Quality Commission to ensure the coordination and effective implementation of air quality management policies, programs and laws.

SEC. 2 Composition.

The Commission shall have the following members:

Chair: Secretary, Department of Environment and Natural Resources

Vice Chair: Secretary, Department of Transportation and Communication

Members: Director-General, National Economic and Development Authority
Secretary, Department of Health
Secretary, Department of Trade and Industry

Secretary, Department of Interior and Local Government
Secretary, Department of Science and Technology
Chairman, Metropolitan Manila Development Authority
General Manager, Laguna Lake Development Authority
One (1) representative each from the City and Municipal
Mayors League
Representatives of Civil Society, Business and
Environment Sectors, to be chosen by the President upon
the recommendation of recognized business and
environmental non-governmental organizations.
Representation shall follow the ratio of Government to
NGO/Private sector of 10:8.

SEC. 3 Powers and Functions.

The Commission shall serve as an oversight body to ensure the systematic and effective management of air quality. In particular, it shall perform the following functions:

- (a) Recommending possible legislation, policies and programs on air quality management to the President;
- (b) Preparation of an action plan to coordinate and synchronize air quality management programs of its member agencies;
- (c) Establishment of a databank for air quality data;
- (d) Formulating proper mechanisms for the evaluation of air resources and pricing of potential air pollutants;
- (e) Undertaking information, education and communication and research activities relative to air quality management;
- (f) Preparation and adoption of guidelines for the implementation of this Order;
- (g) Creation of such number of sub-commission as may be necessary for the different airsheds of the country which shall be subsequently identified by the DENR, in coordination with the Philippine Atmospheric, Geophysical and Astronomical Services Administration of the DOST; and
- (h) Other functions as may be assigned to it by the President.

The Commission shall assume coordinative/oversight responsibilities in the above listing, initially for a period of three (3) years, in the Metro Manila airshed which consists of Metro Manila, Bulacan, Pampanga, Batangas, Laguna, Cavite, Rizal, and part of Quezon.

SEC. 4 Secretariat.

The Commission shall be supported by a Secretariat, which shall be attached to the Environmental Management Bureau of the DENR.

The Secretariat shall be the repository of the Commission's records. It shall liaise with the different member-agencies in matters concerning air quality management and perform such functions as may be directed by the DENR Secretary or the Commission. The Secretary may call upon the member-agencies of the Commission to provide technical support. Each member-agency shall assign one (1) representative to act as the contact person of the Commission and the Secretariat.

SEC. 5 Report.

The Commission shall submit a quarterly report to the Office of the President on its plans, progress and activities. The Commission shall, not later than one year from the effectivity of this order, publish a report on the progress it has made on the action plan, as well as any revisions or modifications thereto.

SEC. 6 Financial Resources.

An initial amount of One Million Pesos (₱1,000,000.00) is hereby appropriated from the President's Social Fund to cover the initial operating expenses of the Commission. Thereafter, the Commission shall submit annual budget proposals for the approval of

the President. Its funds shall be augmented by such other sources as may be identified.

The Commission may receive donations, grants and other forms of assistance from local and foreign sources to fund the operation of the Commission and its Secretariat.

Revenues derived from permits, fees, air emissions charges, fines and penalties from stationary and mobile sources shall, as authorized by Congress, be utilized to fund the operations of the Commission and its Secretariat.

SEC. 7 Repealing Clause.

All similar issuances, orders and rules inconsistent with this order are hereby repealed, revoked or modified accordingly.

SEC. 8 Effectivity.

This Order shall take effect immediately.

DONE in the City of Manila this 21st day of August in the year of our Lord, Nineteen Hundred and Ninety-Eight.

(Sgd.) JOSEPH EJERCITO ESTRADA
President of the Republic of the Philippines

By the President:

RONALDO B. ZAMORA
Executive Secretary

**Executive Order
No. 52**

SUBJECT : Creating a Youth Environment Corps In All Katipunan to be Known as Green Brigade (GB) to Promote Environmental Awareness and Action Among the Filipino Youth; Mandating the Formulation of the National Youth Environmental Action Plan and for Other Purposes.

WHEREAS, the Constitution recognizes the right of the people to enjoy a healthful ecology in accordance with the rhythm and harmony of nature;

WHEREAS, the Constitution recognizes the youth as having an indispensable role in nation-building, with a primordial stake in addressing present problems relating to environmental quality and healthful ecology;

WHEREAS, it is recognized that the protection and conservation of the environment is best planned and implemented using a community-based approach;

WHEREAS, the present generation has an obligation to ensure that future generations of Filipinos will enjoy a healthful environment;

NOW, THEREFORE, I, JOSEPH EJERCITY ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order that:

SECTION 1 Creation. There is hereby created a youth environmental corps within the Katipunan ng Kabataan in all barangays of the country to be called Green Brigade (GB).

SEC. 2 Composition and Structure.

- (a) The Green Brigade shall be composed of at least twenty-five (25) members of the Katipunan ng Kabataan in each barangay.
- (b) The Sangguniang Kabataan Council members shall elect among themselves the head of the GB of each Barangay. The GB secretary and GB treasurer who shall be elected among the members of the GB shall assist him. Appropriate committees and bodies shall also be constituted.

SEC. 3 Relationship with the Sangguniang Kabataan -

The GB shall be deemed the Committee on Environment of the Sangguniang Kabataan of such barangay for purposes of funding and implementation of environment related projects.

SEC. 4 Funding Source for the Barangay GB. Subject to applicable budgetary laws, rules and regulations, ten percent (10%) of the annual budget of the Sangguniang Kabataan shall be automatically allocated for the operations of the GB. However, the GB may hold fund-raising activities for purposes of augmenting its funds, the proceeds of which shall be deemed as funds raised by the Sangguniang Kabataan under Section 426 (a) of Republic Act No. 7160.

SEC. 5 Powers and Functions of the Barangay GB -

The GB of each barangay shall have the following powers and functions:

- (a) Formulate and implement the local youth environmental action plan which addresses the specific environmental concerns of the barangay. The local plan shall be in consonance with the plans and

programs set forth in the National Youth Environmental Action Plan referred to in Section 10.

- (b) Undertake educational projects which will promote youth partnership in the sustainable development programs in the barangay including but not limited to environmental awareness campaigns, clean-up drives and tree planting activities and establish and maintain links with existing youth groups in the barangay for purposes of coordinated youth action relating to environmental protection and preservation.
- (c) Propose ordinances to Sangguniang Kabataan and/or the sanggunian of the local government unit toward the promotion of sustainable development and environmental protection and natural resources conservation/preservation.
- (d) Such other powers and functions as may hereafter be provided or as may be necessary and incidental for the performance of its mandate.

SEC. 6 Deputation of Barangay Green Brigade –

- (a) There shall be a Deputized Environmental and Natural Resources Officer (DENRO) in every barangay. He/She shall be elected among the GB members provided that he/she is between 18 to 21 years old.
- (b) The Green Brigade DENRO in every barangay shall assist the DENR in monitoring and reporting violations of environmental laws.

SEC. 7 Municipal/City Green Brigade Federations -

- (a) The barangay Green Brigades through their chairpersons shall be organized into Municipal/City Green Brigade Federations. It shall automatically be chaired by the vice president of the Municipal or City SK Federation;
- (b) For purposes of funding and program implementation, the Green Brigade at the municipal/city level shall be deemed as the

permanent Committee on the Environment of the Pedrasyon ng Sangguniang Kabataan shall provide such funds as may be necessary and adequate for the effective performance by the Municipal/City, GB Federation of its functions as hereafter provided.

SEC. 8 Powers and Functions of the Municipality/City Green Brigade Federation - The Municipal/City GB Federation shall have the following powers and functions:

- (a) Formulate the municipal/city youth environmental action plans.
- (b) Enter into cooperative agreements with other youth groups in the area for purposes of coordination in the implementation of youth environmental actions;
- (c) Assist and monitor the activities and programs of Barangay Green Brigade.
- (d) Propose ordinances/resolutions to the Municipal/City Sangguniang Kabataan Federation or Municipal/City Council relations to environmental protection.
- (e) Such other power and functions as may hereafter be provided or as may be necessary or incidental to the performance of the mandate.

SEC. 9 Powers and Functions of the National GB Coordinating Committee

- (a) There shall be a National GB Coordinating Committee (NGBCC) composed of the Chairman of NYC as overall coordinator and one (1) representative each from the DENR and the Department of Interior and Local Governments (DILG) with the rank of assistant secretary, the president of the Pambansang Pederasyon ng mga Sangguniang Kabataan and two (2) youth environmental non-governmental organizations (NGOs) with a good record of community services as members.

- (b) The NGBCC shall be responsible for formulating the National Youth Environmental Action Plan within 60 days after the approval of the Executive Order.

The NGBCC shall also coordinate and monitor the implementation of the NYEAP.

- (c) The National Youth Commission (NYC) shall serve as the secretariat of the NGBCC. It shall likewise provide technical and funding support for the meetings and operations of the NGBCC.

SEC. 10 National Youth Environmental Action Plan -

The National Youth Environmental Action Plan (NYEAP) shall be the basis of local youth environmental action plans in barangays/cities/municipalities. The NYEAP shall include among others the following components:

- (a) Philosophy and Concept of Ecology and Sustainable Development.
- (b) Current State of the Environment of the Philippines.
- (c) Environmental Responsibilities, Functions and Rights of Youth and Youth DENRO.

SEC. 11 Reportorial Requirements -

- (a) All barangay GBs shall submit annual accomplishment and action reports to the Municipal/City GB Federations on or before the second week of December of each year, in time for the celebration of the “National Linggo ng Kabataan” pursuant to Republic Act No. 7160. Copies of these reports should likewise be submitted to the corresponding Sangguniang Kabataan or Pederasyon ng mga Sangguniang Kabataan.
- (b) The Municipal/City GB Federations shall have the responsibility of collating and compiling such reports and attaching these, or executive summaries thereof, to its own report to be submitted to the National Green Brigade Coordinating Committee.

- (c) The NGBCC through its Secretariat shall compile the reports from the Municipal/City GBs. Such reports shall be consolidated into the NGBCC's annual national report that shall be submitted to the President on or before the end of March of the succeeding year.

SEC. 12 Institutional support and implementing rules

- (a) All local government units and national government agencies, most especially the DENR, DILG and the NYC, shall cooperate to provide support for the formation and operations of the Barangays GBs and the Municipal/City GB Federations.
- (b) Pursuant to its powers and functions under Section 9 and 10 of Republic Act 8044, otherwise known as the Youth in Nation-Building Act, the NYC, in coordination and consultation with the DENR, DILG, and the Pambansang Pederasyon ng mga Sangguniang Kabataan, shall promulgate, not later than three (3) months from the effectivity of this Executive Order, the implementing rules to form and institutionalize the barangay GBs and the GB Federations at all levels as part of the Sangguniang Kabataan pursuant to this Executive Order. In the formulation of such implementing rules, the provisions of Book VII, Chapter 2, Section 9(a) of Executive Order No. 292 (1987), otherwise known as the Revised Administrative Code of 1987, shall be fully observed.

SEC. 13 Funding support - The amount of Five Hundred Thousand Pesos (P500,000.00) is hereby set aside for the current year from the savings and reserves of the Office of the President and the Department of Budget and Management (DBM) for the organization, operationalization and institutionalization of the Green Brigades, Green Brigade Federations, and the NGBCC and for the formulation and promulgation of the implementing rules referred to in Section 13 above. Thereafter, the funds necessary to support the operations of the

NGBCC and of the NYC as the NGBCC Secretariat in accordance with this Executive Order shall be included in the annual appropriations of the NYC.

SEC. 14 Repealing clause - All executive issuances, orders, rules and regulations inconsistent with this Executive Order are hereby revoked, amended or modified accordingly.

SEC. 15 Effectivity - This Executive Order takes effect immediately.

DONE in the City of Manila, this 29th day of December, in the year of Our Lord, nineteen hundred and ninety-eight.

(Sgd.) JOSEPH EJERCITO ESTRADA
President of the Republic of the Philippines

By the President:

RAMON ZAMORA
Executive Secretary

**Malacañang Administrative
Order No. 11
July 27, 1998**

SUBJECT : Approving and Directing the Implementation of the Implementing Rules and Regulations of RA 8425 Governing the Creation of the National Anti-Poverty Commission.

WHEREAS, the goal of the Administration is to reduce poverty and improve quality of life of the poor;

WHEREAS, the Social Reform Agenda has laid the foundation for anti-poverty efforts characterized by its multi-dimensional approach to poverty as provided on its three-point agenda namely: a) Access to Quality Basic Services; b) Asset Reform and Access to Economic Opportunities and Sustainable Development of Productive Resources; and, c) Democratizing Governance Decision-Making and Management Practices;

WHEREAS, the Social Reform Agenda has been institutionalized to be a major component of the National Anti-Poverty Action Agenda through the Republic Act No. 8425 or the Social Reform and Poverty Alleviation Act;

WHEREAS, the Social Reform Agenda is being implemented both at the national and local levels; thus, its systems, policies and structures can be the mechanism by which the Administration can efficiently reduce poverty on a sustained basis;

WHEREAS, RA 8425, the Social Reform and Poverty Alleviation Act, mandates the creation of the National Anti-Poverty Commission;

WHEREAS, RA 8425 mandates the National Anti-Poverty Commission to formulate a National Anti-Poverty Action Agenda which shall principally incorporate the goals, programs and strategies of the Social Reform Agenda;

WHEREAS, there is a need to formulate and implement the implementing rules and regulations governing the creation of NAPC to formulate, operationalize and oversee the Government’s National Anti-Poverty Action Agenda;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

1. The Implementing Rules and Regulations Governing the Creation of the NAPC, hereto attached as “Annex A”, is hereby approved, and adopted.

2. The NAPC Lead Convenor is hereby directed to coordinate the formulation of the National Anti-Poverty Action Agenda and the operationalization of the Administration’s Flagship Programs on Anti-Poverty. He shall be responsible for orchestrating and coordinating the implementation of the Flagship Lead Agencies’ activities and efforts for the achievement of the goals and objectives under the Administration’s National Anti-Poverty Action Agenda.

3. The SRA Flagship agencies and all other appropriate government departments and agencies are hereby directed to undertake the following in order to flesh out the Flagship Programs:

a. To review and re-align their respective existing SRA programs and projects and/or identify and commit new programs and projects to operationalize the Flagships;

- b. To commit agency resources in order to operationalize all the programs and projects identified and committed for this purpose; and,
- c. To convene, consult, and confer with appropriate sectoral organizations, and basic sectoral councils to flesh out the different program/project components of the Flagship Program on Anti-Poverty and their geographic areas for implementation.

4. The Lead Convenor shall create a Technical Working Group composed of senior technical representatives from Flagship Agencies and other relevant agencies as well as representatives from the basic sectors to formulate the mechanics for this purpose. The group shall also submit recommendations for fund augmentation and generation both within and outside of the General Appropriation Act, for the implementation of the Flagship Programs.

5. The NAPC Lead Convenor shall submit the recommendations to the Office of the President within sixty (60) days upon the effectivity of this Administrative Order.

Done at Malacanang, Manila, this 27th day of July, in the Year of Our Lord, Nineteen Hundred and Ninety-eight.

(Sgd.) JOSEPH EJERCITO ESTRADA
President of the Republic Philippines

By the President:

RONALDO ZAMORA
Executive Secretary

IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT 8425 OTHERWISE KNOWN AS THE SOCIAL REFORM AND POVERTY ALLEVIATION ACT

RULE I TITLE

Section 1. This document shall be known as the Implementing Rules and Regulations of Republic Act 8425 or the Social Reform and Poverty Alleviation Act.

RULE II THE PHILIPPINE APPROACH TO SOCIAL REFORM AND POVERTY ALLEVIATION

Section 1. As mandated in Sec. 4 of the Act, the National Anti-Poverty Action Agenda shall principally include the core principles and programs of the Social Reform Agenda (SRA).

Section 2. The Multidimensional Approach to Poverty Alleviation. Strategies or programs of Government and the Civil Society shall incorporate the elements that will address each of the four dimensions of the SRA, namely:

- a) **Economic Dimension -- Asset Reforms.** The first and central imperative of the SRA shall be asset reform. Asset reform seeks to address the issue of economic inequity by widening citizen's share of resources, whether natural or manufactures, from which they can earn a living and increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management, and control over such resources. The government shall give priority to the enactment and strict implementation of laws that widen the share of the basic sectors in the resources of society. The government shall likewise undertake budgetary reform to reflect the primacy of Asset Reform.

- b) Social Dimension** -- Access to Quality Basic Services and Protection of the Security of Life, Person, Livelihood, and Indigenous Culture, and Freedom from Violence. These reforms refer to the equitable control and access to social services and facilities especially education, health, housing, and other basic services. These reforms are necessary enable the citizens to meet their basic human needs to live decent lives, and to ensure that the benefits of asset reform are equally shared by all its rightful beneficiaries. The government shall therefore work to eliminate all forms of discrimination which cause women, youth, and children, the elderly and persons with disability to be further marginalized and excluded even within their own economic sectors.
- c) Ecological Dimension** - Sustainable Development of Productive Resources. These reforms ensure the effective and sustainable utilization of the natural and ecological resource base, thus assuring greater social acceptability and increased participation of the basic sectors in environmental and natural resources conservation, management and development;
- d) Governance Dimension** - Equal Representation and Participation. These reforms address the issue of political equity and ensures equal participation in all venues in society especially in decision-making and management processes that affect their rights, interests and welfare. The government shall ensure that sectoral representation is institutionalized in all levels of government, with particular emphasis on the decision-making structures of the different local government units.

Section 3. The Specific Agenda of the Basic Sectors. Asset Reform requires laws and policies that widen the citizens' share of resources, natural and manufactured, from which they can earn a living or increase the fruits of their labor. Such reforms necessarily address existing inequities in the ownership, distribution, management and

control over such resources. Specifically, Asset Reform seeks to obtain for:

- a) **Farmers and landless rural workers:** ownership, access to and control of tillable lands by the tillers, higher productivity, channels for productivity, and fair prices for produce;
- b) **Fisherfolk:** broader access to and control of aquatic resources, rational and sustainable management of fishery resources, wider availability of fishing and post-harvest facilities;
- c) **Urban Poor:** broader access to and security in basic needs, particularly housing and land, and broader opportunities for increased income;
- d) **Indigenous Cultural Communities:** recognition and protection of their ancestral domain rights, basic services, cultural integrity and full participation in the Philippine body politic;
- e) **Workers in the Formal Sector and Migrant Workers:** recognition and protection of their rights to a living wage, humane conditions of work, security of tenure, self-organization and collective bargaining;
- f) **Workers in the Informal Sector:** protection by labor laws, security in their workplace, protection against harassment and abuse, access to programs and services catering to their special needs, and organization into unions, cooperatives and other forms of associations.
- g) **Disadvantaged groups that cut across all sectors, particularly women, youth and students, children, the elderly, and persons with disabilities:** reforms to correct and transform the structures that discriminate against and cause the further

marginalization of these groups in all spheres of life, including within their own economic sectors.

RULE III

THE NATIONAL ANTI-POVERTY COMMISSION

Section 1. As provided in Sec. 5 of the Act, there shall be a National Anti-Poverty Commission, or NAPC, created under the Office of the President, which shall serve as the coordinating and advisory body for the implementation of the SRA. The Presidential Commission to Fight Poverty (PCFP), the Social Reform Council (SRC), and the Presidential Council for Countryside Development (PCCD) are hereby abolished and the NAPC shall exercise the powers and functions of these agencies. The NAPC shall be the successor-in-interest of the three (3) abolished commissions and councils.

The NAPC shall be composed of representatives from both the government and the basic sectors as provided in Sec. 6 of the Act.

As mandated under Section 7 of the Act, the powers and functions of NAPC are to:

- a) Coordinate with different national and local government agencies and the private sector to assure full implementation of social reform and poverty alleviation programs
- b) Coordinate with local government units in the formulation of social reform and poverty alleviation programs for their respective areas in conformity with the National Anti-Poverty Action Agenda
- c) Recommend policy and other measures to ensure the responsive implementation of the commitments under the SRA

- d) Ensure meaningful representation and active participation of Basic Sectors
- e) Oversee, monitor and recommend measures to ensure the effective formulation, implementation and evaluation of policies, programs and resource allocation and management of social reform and poverty alleviation programs;
- f) Advocate for the mobilization of funds by the national and local governments to finance social reform and poverty alleviation programs and capability building activities of people's organizations;
- g) Provide financial and non-financial incentives to local government units with counterpart resources for the implementation of social reform and poverty alleviation programs, and
- h) Submit an annual report to Congress including, but not limited to all aspects of its operations and programs and project implementation, financial status and other relevant data as reflected by the basic reform indicator.

NAPC shall meet *en banc* at least once every quarter, and may meet in special meetings in between regular meetings as the President sees fit or upon the recommendation of any of the Vice-Chairpersons or the Lead Convenor.

Section 2. Appointment of Other Members to the NAPC. The President may appoint persons representing the basic sectors or agencies not listed in this Act into the NAPC as he/she sees fit in order to promote the best interests of the SRA. The selection and appointment of additional persons representing the basic sectors shall follow the process as provided for in Rule IV of this IRR.

Section 3. Executive Committee. An Executive Committee shall be created to oversee the execution of the powers and functions of the NAPC.

The Executive Committee shall be Chaired by the Lead Convenor and shall be composed of the two Vice-Chairpersons, and two other members from the government and basic sectors.

The Executive Committee shall have the following functions:

- a) Set the agenda for the meetings of the Commission;
- b) Oversee the implementation of the NAPC Resolutions concerning the flagship programs;
- c) Preside over grievances;
- d) Recommend disciplinary action against erring commissioners and other government officers involved in the implementation of flagship programs; and,
- e) Have other functions as maybe delegated by NAPC.

RULE IV

FLAGSHIP PROGRAMS

Section 1. Flagship Programs and Lead Agencies. The NAPC shall formulate flagship programs and designate flagship lead agencies for sectoral and multi-sectoral programs which address the specific and cross-sectoral needs of the basic sectors as provided in this Act.

Section 2. Roles and Functions of the Flagship Lead Agencies. The Flagship Lead Agencies shall have the following functions:

- a) Ensure the effective implementation of flagship programs in coordination with other concerned agencies, as they address the needs of the basic sectors; and rural and urban poor communities;

- b) Identify and facilitate resolution of issues and concerns related to the implementation of flagship programs; and
- c) Undertake regular consultations with their counterpart sectoral councils as provided in Rule V of this IRR.

Section 3. Formation of SRA Flagship Teams. The Flagship Champions shall form SRA Teams within their respective agencies to handle the day-to-day implementation of its programs in coordination with other agencies and basic sectors. They shall designate senior technical action officers (TAO) and alternates as SRA focal persons at the national, regional and local levels.

RULE V SECTORAL COUNCILS

Section 1. Sectoral Councils. The Sectoral Councils shall be the venue wherein the Basic Sectors will establish a consensus among themselves in all matters concerning them, to include, but not limited to the nomination and recall of the Sectoral Commissioners in the NAPC.

The Sectoral Council shall be composed of sectoral leaders elected by the representatives of various sectoral organizations. Every Sectoral Commissioner shall be accountable to their respective Sectoral Councils.

Immediately upon the election of the prospective sectoral councils, the SRA Flagship Agencies and appropriate government departments shall convene, consult and confer with them in order to flesh-out the different program/project component on anti-poverty and geographic areas for implementation.

The Sectoral Councils shall convene at least once every quarter to discuss issues and concerns of the sectors with their respective Sectoral Commissioner.

To provide an effective mechanism by which the basic sectors can hold their Sectoral Commissioners accountable for their undertaking, the Sectoral Council shall have the sole authority to initiate the process of recalling the Sectoral Commissioners of the NAPC. To recall an erring Sectoral Commissioner, the Sectoral Council shall file a Petition for Recall with the Office of the President through the Lead Convenor.

Section 2. Preparatory Committee. For the first term of the NAPC Sectoral Commissioners and within Sixty (60) days from the effectivity of this implementing rules and regulations, the Lead Convenor shall organize a preparatory committee of each sector which will in turn organize their respective Sectoral Assemblies.

The Lead Convenor shall convene the preparatory committee of each sector to be composed of the incumbent sectoral representative to the Social Reform Council (SRC), the two alternates, and not more than seven (7) representatives from sectoral organizations. Each preparatory committee will elect a person who will act as the chairperson of their respective Sectoral Assemblies. Such person shall be disqualified from being nominated for the position of Sectoral Commissioner of the NAPC.

The preparatory committee shall have the authority to determine the organizations that will participate in the Sectoral Assembly, and the number of organizations that will be allowed to participate. *Provided*, however, that the preparatory committee must consider the track record of the organizations and as much as possible, choose delegates who come from sectoral federations. *Provided*, further, that the preparatory committee must also consider regional and gender concerns in their process of selection.

The preparatory committee shall have the authority to draft the proposed ground rules to be observed during the Sectoral Assembly. At the commencement of the Sectoral Assembly, the chairperson shall declare the Assembly convened and shall present the draft ground rules, which among others, shall provide for the procedure for discussion, recognition and voting, and other matters related to the Assembly proceedings. The Assembly delegates shall decide on whether said ground rules will be adopted, rejected or modified.

Section 3. Sectoral Assembly. To ensure that a wide range of interests is represented in the formation and function of the Sectoral Councils, a Sectoral Assembly for each sector shall be called within two (2) months from the effectivity of the implementing rules and regulations. The Sectoral Assemblies will determine the composition and powers of their respective Sectoral Councils. Such determination includes, but is not limited to, the following functions:

- a) Determine how many members their respective Sectoral Councils will have;
- b) Set the qualifications required of each member of the Sectoral Council;
- c) Establish the process of electing the members of the Sectoral Councils;
- d) Elect the actual members of their respective Sectoral Councils;
- e) Set the qualifications required of each nominee to the position of Sectoral Commissioner;
- f) Establish the process of selecting the nominees to the position of Sectoral Commissioner; and
- g) Determine the powers and functions of the sectoral councils to include the responsibility of coming up with a consensus on the flagship program and other issues affecting the sector and to assist the sectoral representative in the monitoring of the implementation of the flagship program at the local level.

The Sectoral Assembly shall have the authority to establish the rules governing the formation and operation of the Sectoral Councils and, in the exercise of their powers, shall ensure transparency. The Sectoral Assembly must complete its task of forming the Sectoral Councils not later than four (4) months from the effectivity of these implementing rules and regulations.

The Sectoral Assembly shall have the authority to establish the rules of organization of the succeeding Sectoral Councils and, in the exercise of their powers, shall ensure transparency. The Sectoral Assembly must complete its task of forming the Sectoral Councils not later than four (4) months from the effectivity of these implementing rules and regulations.

The Sectoral Assembly shall have the authority to establish the rules of organization of the succeeding Sectoral Assemblies. Among others, these rules shall provide for the admission of new delegates and the expulsion of incumbent delegates. *Provided*, however, that the Sectoral Assembly must consider the track record of the new delegates, and as much as possible, choose delegates who come from sectoral federations. *Provided*, further, that the Sectoral Assembly must also consider regional and gender concerns in their process of selection.

Not later than four (4) months prior to the end of the term of the Sectoral Commissioner, the Sectoral Council shall organize a succeeding Sectoral Assembly which will select the members of the succeeding Sectoral Council. The succeeding Sectoral Assembly must complete its task of forming the succeeding Sectoral Council not later than two (2) months prior to the end of the term of the Sectoral Commissioner.

Section 4. National Basic Sector Assembly. The National Basic Sector Assembly (NBSA) shall be institutionalized by the basic sectors to ensure the accountability, transparency, integrity, autonomy and

effective participation of the basic sectors in the NAPC. The NBSA shall be composed of all the Sectoral Commissioners and their two alternates. These alternates refer to the two candidates nominated by the Sectoral Councils for Sectoral Commissioners who were not chosen by the President. Membership in the NBSA shall be compulsory.

The NBSA shall have the following powers and functions:

- a) Serve as a mechanism for consensus-building on cross-sectoral agenda and issues affecting them;
- b) Establish its own mechanisms and processes.

RULE VI SEPARABILITY AND EFFECTIVITY

Section 1. Separability Clause. -- In the event that any part or provision of this implementing rules and regulations is declared unconstitutional or invalid, the remaining provisions not affected thereby shall continue in full force and effect.

Section 2. Effectivity Clause. -- This Implementing rules and regulations shall take effect immediately after its publication in at least two (2) national newspapers of general circulation.

APPROVED, this 27th day of July 1998, in the City of Manila.

**Proclamation
No. 32
October 08, 1998**

SUBJECT : Declaring the El Nido Marine Reserve Situated in the Municipality of El Nido, Province of Palawan as a Protected Area Pursuant to Republic Act 7586 (National Integrated Protected Areas System [NIPAS] Act of 1992) to be Known as El Nido Managed Resource Protected Area.

Upon recommendation of the Secretary of Environment and Natural Resources and pursuant to the powers vested upon me by law, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, do hereby set aside and declare EL NIDO MARINE RESERVE, consisting of parcels of land and water situated in the Municipality of El Nido, Province of Palawan as a protected area under the category of Managed Resource Protected Area. As such, it would ensure a long-term protection and maintenance of biological diversity, while providing at the same time a sustainable flow of natural products and services to meet community needs. This proclamation is subject to private rights, including those of the Indigenous Peoples as provided for in Republic Act No. 8371, DENR Administrative Order 93-02 and other related rules and regulations.

The El Nido Managed Resource Protected Area shall have the following technical description, to wit:

Beginning at point marked “1” on DENR NIPAS Map No. 4B-04, at the NW side of Palawan mainland at Yokoton Bay near the

Locaroc Point at latitude 11°19'57.72" and longitude 119°27'11.88",
thence;

(technical description omitted)

containing an area of 89,134.76 hectares, more or less, subject to
actual ground survey.

The El Nido Managed Resource Protected Area shall be under
the administrative jurisdiction of the Department of Environment and
Natural Resources and shall be administered in accordance with
Republic Act No. 7586 and other relevant laws, rules and regulations.

IN WITNESS WHEREOF, I have hereunto set my hand and
caused the seal of the Republic of the Philippines to be affixed.

Done in the City of Manila this 8th day of October in the year
of our Lord Nineteen hundred and ninety-eight.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Joint Memorandum Circular
No. 98-01**

SUBJECT : Manual of Procedures For DENR-DILG-LGU Partnership on Devolved and Other Forest Management Functions.

Pursuant to Republic Act 7160, otherwise known as the Local Government Code of 1991, Presidential Decree 705 as amended, otherwise known as the Forestry Reform Code of the Philippines ; Executive Order No. 192 defining the mandates, organization, and functions of the Department of Environment and Natural Resources (DENR), DENR Administrative Order No. 30, Series of 1992 prescribing the guidelines for the transfer and implementation of DENR functions, the following Manual of Procedures is hereby promulgated to effectively implement devolution of forest management functions and enhance partnership between the LGU's and DENR;

Sec. 1. Basic Policies

Subject to the general policies on devolution as contained in RA 7160 and DENR Administrative Order No. 30, Series of 1992, the following basic policies shall govern the implementation of DENR-DILG-LGU partnership on devolved and other forest management functions;

- 1.1 The Department of Environment and Natural Resources (DENR) shall be the primary government agency responsible for the conservation, management, protection, proper use and sustainable development of the country's environment and natural resources.
- 1.2 The LGUs shall share with DENR the responsibility in the sustainable management and development of the forest

resources within their territorial jurisdiction. Toward this end, the DENR and LGUs shall endeavor to strengthen their collaboration and partnership in forest management.

- 1.3 Comprehensive land use and forest land use plans are important tools in the holistic and efficient management of forest resources, toward this end the DENR and the LGUs together with other government agencies shall undertake forest land use planning as an integral activity of comprehensive land use planning to determine the optimum and balanced use of natural resources to support local, regional and national growth and development.
- 1.4 To fully prepare the LGUs to undertake their shared responsibilities in the sustainable management of forest land resources the DENR in coordination with DILG, shall enhance the capacities of the LGUs in the various aspects of forest management. Initially, the DENR shall coordinate, guide and train the LGUs in the management of the devolved functions. As the LGUs capacity in the forest management is enhanced of the primary tasks in the management of devolved functions shall be performed by the LGUs and the role of the DENR becomes assistive and coordinative.
- 1.5 To further the ends of local autonomy, the DENR in consultation with the LGUs shall devolve additional functions and responsibilities to the local government units, or enter into agreements with them for enlarged forest management and other ENR-related functions.
- 1.6 To seek advocacy, popular support and ultimately help achieve community empowerment, DENR and DILG shall forge the partnership and cooperation of the LGUs and other concerned sectors in seeking and strengthening the participation of local

communities for forest management including enforcement of forestry laws, rules and regulations.

Sec. 2 Objectives

This Manual of Procedures has the following objectives;

- 2.1 Operationalize and make effective the devolution of forest management functions from the DENR to the LGUs as contained in Republic Act 7160 and DENR Administrative Order No. 30, Series of 1992
- 2.2 Strengthen and institutionalize DENR-DILG-LGU partnership and cooperation on devolved other forest management functions.
- 2.3 Serve as reference for the DENR, DILG and the LGUs in the implementation monitoring and evaluation of devolved and other forest management functions.

Sec. 3. Provisions of RA 7160 on Devolved Forest Management Functions from DENR to LGUs

The pertinent provisions of RA 7160 (Local Government Code of 1991) providing for the devolution of forest management functions from the DENR to the LGUs are cited below.

“Sec. 17. Basic Services and Facilities - (a) Local government units shall endeavor to be self-reliant and shall continue exercising the powers and discharging the duties and functions currently vested upon them, they shall also discharge the functions and responsibilities of national agencies and offices devolved to them pursuant to this Code. Local government units shall likewise exercise such other powers and discharge such other functions and responsibilities as are necessary, appropriate, or incidental

to efficient and effective provision of the basic services and facilities enumerated therein.”

“(b) Such basic services and facilities include, but are not limited to the following;

3.1 For a province

“Pursuant to national policies and subject to supervision, control and review of the DENR, enforcement of forestry laws limited to community-based forestry projects, xxx” Sec. 17, (b) (3) (iii)

3.2 For a Municipality

“Extension and on-site research services and facilities related to X X X, and enforcement of fishery laws in municipal waters including the conservation of mangrove” Sec. 17 (b) (2) (i)

“Pursuant to national policies and subject to supervision, control and review of the DENR, implementation of community-based forestry projects, which include integrated social forestry programs and similar projects, management and control of communal forest with an area not exceeding fifty (50) square kilometers, establishment of tree parks greenbelts, and similar forest projects.” Sec. 17 (b) (2) (iii)

3.3 For a City

“All the Services and facilities of the municipality and provinces, XXX .” Sec 17 (b) (4)

The other provisions of the Code that pertain to forest management functions to be performed by the local government units and/or their chief executives are;

3.4 To the Municipal Mayor

“For efficient, effective and economical governance the purpose of which is the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code, the municipal mayor shall: XXX Adopt adequate measures to safeguard and conserve x x x (Sec. 444 (b) (3) (vii)) forest and other resources of the municipality; x x x.” Sec. 444 (b) (3) (vii)

3.5 To the Sangguniang Bayan

“Approve ordinances and pass resolutions necessary for an efficient and effective municipal government, and in this connection shall: x x x Project the environment and impose appropriate penalties for acts which endanger the environment, such as x x x illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming x x x .” Sec. 447 (a) (1) (vi)

“Approve ordinances which shall ensure the efficient and effective delivery of the basic services and facilities as provided for under Section 17 of this Code, and in addition to said services and facilities, shall Provide for the establishment, maintenance, protection, and conservation of communal forests and watersheds, tree parks, greenbelts, mangroves, and other similar forest development projects.” Sec. 447 (a) (5) (I)

3.6 To the City Mayor

“Ensure the delivery of basic services and the provision of adequate facilities as provided for under Section 17 of this Code x x x.” Sec. 455 (b) (4)

3.7 To the Sangguniang Panglungsod

“Approve ordinances and pass resolutions necessary for an efficient and effective city government, and in this connection, shall: x x x Protect the environment and impose appropriate penalties for acts which endanger the environment, such as x x x illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming. x x x.” Sec. 458 (a) (1) (vi)

“Approve ordinances which shall ensure the efficient and effective delivery of basic services and facilities as provided for under Section 17 of this Code, and in addition to said services and facilities, shall: Provide for the establishment, maintenance, protection and conservation of communal forest and watersheds, tree parks, greenbelt, mangroves, and other similar forest development projects” Sec. 459 (a) (5) (i)

3.8 To the Provincial Governor

“For efficient, effective and economical governance the purpose of which is the general welfare of the province and its inhabitants pursuant to Section 16 of this Code, the provincial governor shall;

“Adopt adequate measures to safeguard and conserve x x x, forest and other resources of the province, in coordination with the mayors of component cities and municipalities;” Sec. 465 (b) (3) (v)

“Ensure the delivery of basic services and the provision of adequate facilities as provided for under Section 17 of this Code, x x x ” Sec. 456 (b) (4)

3.9 To the Sangguniang Panlalawigan

“Approve ordinances and pass resolutions necessary for an efficient and effective provincial government and, in this connection, shall; Protect the environment and impose appropriate penalties for acts which endanger the environment, such as x x x illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, x x x” Sec. 468 (a) (1) (vi)

The Local Government Code did not devolve any specific forest management functions to the barangays.

Sec. 4. Definitions

4.1 **Communal Forest** refers to a tract of forest land set aside by the Secretary of the DENR upon the recommendation of the concerned LGU for the use of the residents of a municipality/city. Said residents may cut, collect and remove forest products for their personal use in accordance with existing laws and regulations and subject to the provision that utilization of resources therein shall be in accordance with sustainable development, For this purpose, the concerned LGU with the assistance of the DENR shall prepare sustainable operations plan prior to any utilization.

- 4.2 **Community Environment and Natural Resources Office (CENRO)** refers to the DENR Office, headed by a Community Environment and Natural Resources Officer appointed by the Secretary of DENR, which is responsible for the implementation of DENR policies, programs, projects and activities and the enforcement of ENR laws and regulations in the community level.
- 4.3 **Community Based Forest Management Program** refers to the program involving local communities which integrates and unites the Integrated Social Forestry Program (ISFP), Forestry Sector Program, Forestry Sector Project, Forest Land Management Agreement Program (FLMP), Community Forestry Program (CEP), Ancestral Domains Management Program (ADMP) and other people oriented forestry projects.
- 4.4 **Community Watershed Areas** refers to forestlands set aside by the Secretary of the DENR upon the recommendation of the concerned LGU as sources of water supply for specific local communities subject to the provision that utilization thereof shall be in accordance with sustainable development.
- 4.5 **DENR** refers to the Department of Environment and Natural Resources.
- 4.6 **DENRO** refers to Deputized Environment and Natural Resources Officer with power and

authority as provided for by law and spelled out in the deputation.

4.7 **DILG** refers to the Department of the Interior and Local Government.

4.8 **Devolution** refers to the act by which the national government confers power and authority, upon the various LGUs to perform specific functions and responsibilities.

4.9 **Environment and Natural Resources Officer (ENRO)** refers to the LGU Official who may be appointed by the concerned Local Chief Executive and who shall be directly responsible for the planning and implementation of the devolved DENR functions.

4.10 **Foreign Assisted Projects** refers to DENR projects that are wholly or partially funded from foreign sources.

4.11 **LGU** refers to Local Government Unit either at the barangay, municipal, city or provincial level.

4.12 **Provincial Environment and Natural Resources Office (PENRO)** refers to the DENR office, headed by the Provincial Environment and Natural Resources Officer appointed by the Secretary of the DENR, which is responsible for the implementation of DENR policies, programs and projects in the province.

- 4.13 **Protected Areas** refers to identified portions of land and water set aside by reason of their unique physical and biological significance and are managed to enhance biological diversity and protected against destructive human exploitation as provided for in RA 7586, otherwise known as the National Integrated Protected Areas Systems (NIPAS) Act of 1992.
- 4.14 **Regional Environment and Natural Resources Office (RENRO)** refers to the DENR Office headed by a Regional Executive Director (RED) appointed by the President that is responsible for the coordination and implementation of all policies, programs and conservation of the DENR in the region.
- 4.15 **Regular Reforestation Projects** refers to reforestation activities funded through regular appropriations and implemented by DENR field offices by administration or by contracts of both as distinguished from foreign source funds.

Sec. 5. Forestry Management Programs, Projects and Functions of the DENR which have been Devolved to the Local Government Units

5.1 To the Provinces

- 5.1.1 The enforcement of forest laws, rules and regulations in community based forestry project areas community watershed and communal forests.

5.2 To the Municipalities

- 5.2.1 The implementation, management, development of and the responsibility for the sustainability of the community based forestry projects and activities are now devolved to the municipalities where they are located.
- 5.2.2 The following projects and activities, therefore, are now part of the functions and responsibilities of municipalities to which they have been devolved;
- (a) Integrated Social Forestry Projects, except at least one project per province, which has previously identified as Centers for People Empowerment in the Uplands and/or Community Training Centers, However, notwithstanding such retention by the DENR, the management, implementation and monitoring of the same shall be with the participation of the LGUs with the arm of strengthening the capacity of the LGUs to manage the devolved ISF Projects. When the situation so warrants, the municipalities through MOAs with the LGUs;
 - (b) Establishment of new regular reforestation projects, except in areas located in protected areas and critical watersheds;
 - (c) Completed family and community based contract reforestation projects, whether regularly funded or foreign funded subject to the policies and procedures of the DENR, except in areas located in protected areas and critical watersheds;
 - (d) Management and supervision of areas for forest lands covered by FLMAs;

- (e) Community Forestry Projects, and
- (f) The management, protection, rehabilitation and maintenance of communal forests and community watershed areas that are sources of local water supply.

5.2.2 The conservation of mangroves has been devolved to the municipalities. Pursuant to RA 7161 however the cutting of mangrove species is not allowed. The municipalities therefore should conserve the mangrove areas under the category of protected areas status.

5.3 To the Cities

5.3.1 The functions and responsibility of implementing the forestry projects within the territorial jurisdiction of cities are now devolved to the respective cities. These projects are those listed above as having been devolved to the municipalities.

5.3.2 The functions and responsibility of enforcing forestry laws, rules and regulations within community based project areas community watershed areas and communal forests that are located within the territorial jurisdiction of the cities are now devolved to the respective cities.

5.4 To the Barangays

5.4.1 There are no forest management functions and responsibilities that have been devolved to the barangays.

5.4.2 In spite of the absence of devolved forest management functions to the barangays, barangays play important roles in

protecting the forests as well as in rehabilitating degraded forestlands within or near their territorial coverage.

5.4.3 Barangay officials may be designated or deputized by the DENR as DENROs, subject to specific rules and regulations to perform environmental functions, including forest protection upon prior consultation with the local Chief Executives.

Sec. 6. Institutional Mechanisms for the Supervision and Monitoring of the DENR-DILG-LGU Partnership on Devolved and other Forest Management Functions

6.1 National Steering Committee

There is hereby created a National Steering Committee that shall formulate policies and programs forward strengthening and institutionalizing the DENR-DILG-LGU partnership on devolved and other forest management functions. The National Steering Committee shall be composed of the Secretaries and Assistant Secretaries for Planning of the DENR and DILG, the respective Presidents of the Leagues of Provinces, Cities and Municipalities. The Chair and the Co-Chair of the National Steering Committee shall be the Secretaries of the DENR and DILG, respectively.

The National Steering Committee, which shall meet at least once a year shall be supported by a National Technical Working Group to be composed of the Directors of Forest Management Bureau of Local Government, Development and Supervision of the DILG and Representatives of the Leagues of Provinces, Cities and Municipalities.

The Forest Management Bureau shall act as the Secretariat of the National Technical Working Group. The FMB Director shall chair the NTWG.

The Secretary of DENR shall initiate the first meeting of the National Steering Committee together with the National Technical Working Group within thirty (30) days from the approval of this Manual.

6.2 Regional Steering Committee

There are likewise created in the regional level Regional Steering Committee to oversee and monitor the DENR-DILG-LGU partnership on devolved and other forest management functions. The Regional Steering Committee shall be composed of the Regional Executive Director of the DENR, the Regional Director of the DILG, the RTD for Forestry of the DENR and representatives from the Regional Leagues of Provinces, Cities and Municipalities.

The Regional Executive Director of the DENR shall initiate the first meeting of said Regional Steering Committee. The Chair and Co-Chair of the Committee shall be the Regional Executive Director of DENR and the Regional Director of DILG, respectively.

The Office of the RTD for forestry shall serve as the Secretariat of the Regional Steering Committee.

6.3 Provincial, City and Municipal Working Groups

Provincial, City and Municipal Working Groups may also be created to monitor the implementation of the DENR-DILG-LGU Partnership on devolved and other forest management functions in accordance with Section 7 of this Manual.

Where there are already committees in the provincial, city and municipal levels where the DENR and the LGUs are members such as the Multisectoral Forest Protection Committees (MFPCs), ENR Council Provincial Development Councils, Municipal Development Councils or other similar committees, the functions of the Steering Committees and Working Groups provided above may be lodged in said committees; Provided; a) said committees are fully apprised on this Manual and their responsibilities in carrying out their mandates; b) said committees pass a written resolution resolving to carry out the mandates of this Manual; c) the monitoring of the devolved and partnership functions of the DENR and LGU in forest management be a regular item in every meeting of the committees; and d) said committees come up with a strategy on how to carry out the objectives of this Manual.

The REDs of the DENR shall report to the National Steering Committee progress along this line and recommend such other measures to effectively monitor and evaluate the devolved forest management functions and other devolved functions.

Sec. 7. General Procedures in the DENR-DILG-LGU Partnership on Devolved and Other Forest Management Activities.

7.1 Strategic Planning

Within sixty (60) days from the effectivity of this Manual, the Regional Steering Committee shall convene provincial workshops among Governors, Mayors and their technical assistants, PENROs and CENROs, among others;

- a) Develop a program for information, education and communication campaigns on this Manual.
- b) Prepare a strategic plan on how to strengthen and institutionalize the DENR-DILG-LGU partnership on devolved and other forest management functions.

The strategic plan shall include, among others, joint land use planning, resources sharing, and training for LGU capacitation on forest management.

- c) Creation of Working Groups composed of representatives from DENR, DILG and LGU in the provincial, city and municipal levels to oversee the implementation of devolved and other forest management functions and the strengthening and institutionalizing DENR-DILG-LGU partnership.

At the end of the workshops, the participants shall pass a resolution embodying the various agreements arrived at. Said resolution, strategic plan and other documents shall be submitted to the Regional Steering Committee and the National Steering Committee through the National Technical Working Group for consideration.

7.2 Appointment or Designation of ENRO Officers

To effectively implement the devolved and partnership activities, and to fully capacitate the LGUs in forest management activities, the concerned LGU may appoint or designate an Environment and Natural Resources Officer. The creation of ENR Office in the LGUs shall also be encouraged.

In areas where the LGUs cannot yet afford to hire an ENR Officer , or is not yet ready to appoint or designates an ENR Officer, the LGU concerned may enter into administrative arrangements with the local DENR Office such that the latter may second to the LGU either on full time or part time basis one of its environmental officers who shall act as ENRO for the LGU.

7.3 Provision of Technical Assistance

To ensure LGU capacitation in forest management and other ENR activities, the DENR shall conduct continuous training activities for LGU officials and their respective technical staff.

The Regional Steering Committees and the Provincial, City and Municipal Working Groups shall prepare the necessary training designs and sources of funds for the conduct of training. Upon request of the concerned.

7.4 Documentation of Forest Management Projects and Functions Devolved to the LGUs

Forest management projects and functions devolved from the DENR to the LGUs shall be fully documented. Documentation shall include among others a Memorandum of Agreement on projects and functions devolved personnel, equipment and other resources so transferred from the DENR to the LGU and acceptance of the same by the LGU

The DENR Officer authorized to enter into MOA with the LGU on devolved forest management functions and projects shall be as follows;

for forest areas up to 1,000 has	CENRO	
more than 1,000 has up to 5,000 has	PENRO	
more than 5,000 has up to 15,000 has	RED	
more than 15,000 has up to 30,000 has	Undersecretary	for
	Field Operations	
more than 30,000 has	Secretary	

7.5 Monitoring and Evaluation

The DENR and the concerned DILG office and/or LGU shall conduct periodic monitoring of activities for the DENR-DILG-LGU partnership in devolved and other forest management functions.

Sec. 8 Specific Guidelines and Procedures for the Effective Implementation of Devolved Forest Management Projects and Functions.

8.1 Community Based Forest Management

The Community Based Forest Management Program (CBFMP) integrates all people-oriented forestry programs including the Integrated Social Forestry Program (ISFP), which have been devolved to the LGUs; Community Forestry Program (CFP); Forest Land Management Program (FLMP); Regional Resources Management Program (RRMP); Low Income Upland Community Program (LIUCP); Coastal Environment Program (CEP) and Ancestral Domains/Lands Claims Management Program (ADMP). The CBFM Program shall be strengthened through the partnership of the DENR Program shall be strengthened through the partnership of the DENR and the LGU.

8.1.1 Existing CBFM Projects

Existing CBFM projects shall be reviewed and assessed jointly by the PENRO, Provincial ENRO, representatives of the concerned municipal government, and CENRO having jurisdiction of the said CBFM projects. The assessment/review shall include, but not limited to the following:

- a) Inventory of all CBFM projects within the province, city or municipality;
- b) Provision by DENR to concerned LGUs of copies of pertinent records, documents, maps and other information of all CBFM projects within the LGUs jurisdiction. In the manner, the concerned LGUs shall update DENR on status of projects already devolved to them;
- c) Field assessment of each project to determine present status, major problems and constraints;
- d) Joint formulation of action plan for each project site in coordination with the concerned participants, POs or communities to improve project implementation;
- e) Joint formulation of action plan for turn-over by DENR of projects to concerned LGUs, including the phasing in of their respective responsibilities and resources sharing in the management of the same;
- f) Definition of specific roles and responsibilities of DENR, LGU (provincial, municipal/cities, barangay), communities (or beneficiaries), and other sectors in plan implementation;
- g) Design and implementation of joint monitoring and evaluation system for each CBFM project.

8.1.2 New CBFM Projects

Implementation of new CBFM projects shall be undertaken jointly by DENR and concerned communities/beneficiaries as provided for under DENR DAO 96-29.

- a) DENR through its regional, provincial and community field offices shall consult and coordinate with concerned provincial, municipal or city governments for their

participation in the implementation of CBFM projects in their respective territorial jurisdiction.

- b) Formulation of action plans for CBFM that will include among others:
 - 1) Definition of specific roles/responsibilities of DENR and concerned LGUs consistent with DENR DAO 96-29 and other pertinent rules and regulations;
 - 2) Creation of teams composed of representative from both offices to undertake the various phases of CBFM;
 - 3) Commitments of financial and other resources needed in CBFM implementation;
 - 4) Monitoring and evaluation system;
 - 5) Schedule of activities.

- c) DENR-LGU Phase-Out plan for project management.

8.2 Forest Protection

8.2.1 Forest Protection and Forest Law Enforcement

The DENR and the LGUs shall coordinate closely in forest protection and enforcement of forest laws and regulations.

There shall be created joint DENR-LGU forest protection teams in the regional, provincial, municipal and barangay levels. DENR shall train and deputize LGU officers as DENR officers.

The DENR shall not release any forest product, tool, equipment and other conveyance seized during forest law enforcement operations without the recommendation of the

concerned LGU. The disposition of forest products shall likewise be jointly done by the DENR and the LGU.

8.2.2 Strengthening of the Multisectoral Forest Protection Committees

The various Multisectoral Forest Protection Committees (MFPCs) duly organized shall be strengthened. Their participation in the enforcement of forest laws shall be enjoined.

The DENR shall continuously train the members of the forest protection teams and MFPCs on the various aspects of forest law enforcement to maximize and make effective their participation in forest protection and forest law enforcement.

8.3 Reforestation

Reforestation projects such as new reforestation projects and completed family and community-based contract reforestation projects and regular reforestation projects may be devolved to the LGUs. Such devolution shall be effected by a MOA between the DENR and the concerned LGU.

8.4 Communal Forest

8.4.1 Existing Communal Forest

The devolution to and management of the communal forest by the city and municipal governments shall be governed by the following general procedures:

- a) DENR, through its CENRO, and the concerned LGU shall undertake the actual identification and assessment of existing communal forests. The assessment shall determine the suitability of the existing communal forests.

If these are no longer suitable, then these communal forests may be disestablished. The approval for disestablishment shall be by the RED upon recommendation of the DENR-LGU Assessment Team through the PENRO and the RTD for Forestry;

- b) Existing communal forest which are found and recommended by the DENR-LGU Assessment Team as still suitable to achieve their purposes shall be maintained as such. Thereafter, the Sangguniang Panglungsod or Sangguniang Bayan where the communal forest is located shall pass a resolution requesting the DENR Secretary for the turn over of said communal forest to the city or municipality. Upon receipt of said resolution, the DENR Secretary shall issue an Administrative Order officially transferring said communal forest to the concerned LGU. The DENR RED shall effect the official transfer to the concerned LGU within fifteen (15) days from the issuance of the administrative order;
- c) Within twelve months from the issuance of the Administrative Order and turn over of said communal forest to the city or municipality, the LGU to which the communal forest was transferred shall formulate and submit to the Provincial ENR Council for approval a management plan governing the sustainable development of the communal forest.

For the purpose of formulating the communal forest management plan, DENR shall, in coordination with the concerned LGU, undertake a forest resource inventory and determine the sustainable level of forest resource utilization and provide the LGU technical assistance in all facets of forest management planning to ensure sustainable development. The management plan should

include provision for replanting by the communities and the LGUs of the communal forests to ensure sustainability.

8.4.2 Establishment of New Communal Forests

The establishment of new communal forests shall be governed by the following guidelines:

- a) DENR, through its CENRO, together with the concerned city/municipal LGU shall jointly identify potential communal forest areas within the geographic jurisdiction of the concerned city/municipality;
- b) Communal forests to be established shall be identified through a forest land use planning to be undertaken jointly between the DENR and the concerned LGU. The ensuing forest land use plan shall indicate, among others, the site and location of the communal forests within the production forest categorized as such in the forest land use plan;
- c) Once the forest land use plan has been affirmed, the local chief executive shall initiate the passage by the LGU's sanggunian of a resolution requesting the DENR Secretary to issue an Administrative Order declaring the identified area as a communal forest. The required administrative order shall be issued within sixty (60) days after receipt of the resolution;
- d) Upon acceptance of the responsibility for the communal forest, the city/municipal LGU shall formulate the management plan and submit the same to its ENR Council. The management plan shall include provision for replanting by the communities and the LGUs of the communal forests to ensure sustainability.

The communal forests of each municipality shall in no case exceed a total of 5,000 hectares.

8.5 Establishment and Management of Community Watershed Areas

8.5.1 Identification and Establishment of Community Watersheds

Pursuant to Sec. 447 (a) (5) (i) of RA 7160 mandating the Sangguniang Bayan to provide for the establishment, maintenance, protection and conservation of watersheds in their respective areas as sources of water supply for specific communities, the following guidelines shall be followed:

- a) DENR, through its CENRO, together with the city/municipal LGU shall identify potential watershed areas in the city or municipal territorial jurisdiction that can be sources of water supply for specific communities;
- b) Community Watershed Areas to be established shall be identified through a forestland use planning to be undertaken jointly by the DENR and the concerned LGU. The forestland use plan shall indicate, among others, the site and location of the community watershed;
- c) Once the forestland use plan has been completed, the Local Chief Executive shall initiate the passage by the LGU's sanggunian of a resolution requesting the DENR Secretary to issue an Administrative Order declaring the identified area as Community Watershed as source of water supply for specific communities. The required

administrative order shall be issued within sixty (60) days after receipt of the resolution;

Where there are already existing springs in forest areas in the municipalities being used as water sources by the communities, the community and the LGU shall initiate the passage of the Sangguniang Bayan resolution requesting the DENR Secretary to issue the necessary administrative order;

- d) Upon acceptance of the responsibility for the community watershed, the local chief executive, in consultation with the ENR Council will prepare the Management Plan. Such plan shall be submitted to the Sangguniang Bayan for approval;

For purposes of formulating the community watershed management plan, the DENR shall, in coordination with the concerned LGU, undertake a forest resource inventory and determine the sustainable level of forest and water utilization and provide the LGU technical and other assistance in all aspects of forest management planning to ensure sustainable development.

8.6 Establishment and Management of Forest or Tree parks, Greenbelts and other Tourist Attractions

Pursuant to the mandate of RA 7160 requiring cities and municipalities to provide for the establishment, maintenance, protection, and conservation of tree parks, greenbelts, mangroves and similar forest development projects, the procedures laid down under Sections 8.4 and 8.5 shall be followed where the forest park, tree park, greenbelt and other tourist attraction fall within forestlands.

Sec. 9 Expanded DENR-LGU Partnership on Forest Management Activities

9.1 ForestLand Use Planning

DENR and the concerned LGU shall jointly undertake forestland use planning , the output of which shall become an integral part of the concerned LGU's comprehensive land use plan.

For purposes of this Manual, the following general procedures shall be followed:

- a) DENR Central Office shall issue an order directing the REDs to organize within sixty (60) days from issuance thereof, Forest Land Use Planning (FLUP) teams at the provincial, city and municipal levels in coordination with the concerned local chief executives. Corollarily, the concerned local chief executives shall issue the appropriate orders for their LGUs participation in the FLUP;
- b) The FLUP Teams shall organize their work and undertake FLUP within twelve (12) months from their organization;
- c) The FLUPs thus formulated shall be submitted to the LGU's Sanggunian for endorsement/approval and incorporation of the same to the LGU's comprehensive land use plan;

The Land Evaluation Parties of the DENR Regional Offices shall provide technical assistance to the FLUP teams.

9.2 Joint DENR-LGU Annual Planning and Budgeting for Forest Management

The DENR shall involve the participation of the LGUs in the formulation of annual plans and budgets pertaining to forest management. The LGU shall likewise involve the participation of

the DENR in the preparation of its annual plan particularly in the area of forest management.

9.3 Issuance of Licenses and Permits

To further strengthen DENR-LGU partnership pursuant to the pertinent provisions of RA 7160, henceforth the issuance by the DENR of tenurial instruments in forest lands and for forest products utilization shall be in coordination with the LGUs as follows:

9.3.1 Approval of Operations Plan of Timber License Agreements

The concerned LGU (province, city or municipality) shall sit in the committee created by DENR to deliberate said operations plan. The comments of the LGU in the committee's deliberations shall be recommendatory to the DENR.

9.3.2 Other Tenurial Instruments

After the applicant has submitted his application papers to the DENR, the DENR shall notify the LGU (province, city or municipality) of said pending application to solicit the comments of said LGU. The comments made by the LGU shall be advisory to the DENR for the latter's final action on the application.

Sec. 10 Funding

10.1 Inclusion in DENR Annual Budget and Work Plan

The DENR shall incorporate in its annual appropriations the budgetary requirements for undertaking the tasks under this Circular.

10.2 Inclusion in LGUs' Budget

The LGUs shall endeavor to provide resources to effectively carry out the mandates of this circular.

10.3 Other Assistance to the LGUs

DENR and DILG, in coordination with other concerned government agencies, shall provide assistance to the local government units in seeking technical and financial assistance from other sources in implementing the tasks under this Circular whenever such assistance is sought by the local government units.

Sec. 11 Repealing Clause

Any provision of DENR and DILG Administrative Orders, Memorandum Circulars or other issuances not consistent herewith are hereby repealed or modified accordingly.

Sec. 12 Effectivity

This Joint Memorandum Circular shall take effect immediately.

(Sgd.) VICTOR O. RAMOS (Sgd.) EPIMACO A. VELASCO
Secretary, DENR Secretary, DILG

Joint DENR-DOT Memorandum Circular
No. 98-02
June 29, 1998

Subject : Guidelines Ecotourism Development in The Philippines

In line with the Government's effort to promote sustainable development and cognizant of the importance of tourism in national economic development, guidelines for Ecotourism Development in the Philippines are hereby established for the information and guidance of all concerned.

Sec. 1. Basic Policy

- 1.1 It is the policy of the State to ensure sustainable use, development, management, protection and conservation of the country's environment and natural resources and cultural heritage for the enjoyment of the present and future generations.
- 1.2 It is likewise the policy of the Government to develop and promote sustainable tourism that is designed to improve the quality of life of the people, provide a high quality of life of the integrity of the environment.

Sec. 2. Definition of Terms

The following terms, as used in this Order, shall be construed to mean as:

Ecotourism - a low - impact, environmentally-sound and community-participatory tourism activity in a given natural environment that enhances the conservation of bio-physical and cultural diversity, promotes environmental understanding and education, and yields socio-economic benefits to the concerned community.

- 2.2 Protection** - identified portions of land and water set aside by reason of their unique physical and biological significance, managed to enhance biological diversity and protected against destructive human exploitation;
- 2.3 Carrying Capacity** - the extent of development and maximum number of individuals that accommodated in a given area without adversity affecting the state of the environment, the level of satisfaction of the visitors, and the socio-cultural characteristics of the concerned community;
- 2.4 Sustainable Tourism** - model form of economic development that is designed to improve the quality of life of the host community, provide a high quality of experience for the visitors, and maintain the quality of the environment on which both the community and the visitors depend;
- 2.5 Biodiversity** - the variety and variability among living organisms and the ecological complexes in which said organism occur. It is usually considered at three levels namely-genetic diversity, species diversity, and ecosystem diversity,
- 2.6 Recreation Zones** - areas of high recreational, tourism, educational and/or environmental values where ecotourism could be allowed;
- 2.7 Sustainable Development** - meeting the needs and aspirations of the people without compromising the ability of future generations to meet theirs; and

2.8 Natural Areas - areas that remain relatively undisturbed by human activities and remain in their natural state thus maintaining biodiversity and ecological processes.

Sec. 3. Objectives

- 3.1 To regulate implementation of ecotourism projects to make it a viable tool in sustainable development;
- 3.2 To provide mechanism for the accreditation of developers, investors and other concerned individuals and groups who will engage in the implementation of ecotourism projects; and
- 3.3 To ensure multi-sectoral participation in ecotourism development and implementation.

Sec. 4. Scope and Coverage

This Circular shall cover the development and implementation of ecotourism activities in the Philippines.

Sec. 5. Criteria in the Development and Implementation of Ecotourism Projects

5.1 Site Considerations

- 5.1.1 The area should have unique natural/cultural features which will provide enjoyment and educational benefits to visitors;
- 5.1.2 The area should be accessible;
- 5.1.3 The area should have a stable peace and order condition;
- 5.1.4 There must be a highly receptive and cooperative local community; and
- 5.1.5 In case of NIPAS areas, ecotourism sites should be recreational zones and other appropriate zones.

5.2 Activity/Development Considerations

Ecotourism activities must have all the following attributes;

- 5.2.1 environmentally-sound and low-impact development;
- 5.2.2 with educational value;
- 5.2.3 have community acceptance and participation;
- 5.2.4 provide social and economic benefits to the concerned community thru livelihood undertakings.

Sec. 6. Requirements and Procedures

6.1 The National Ecotourism Committee (NEC) or Regional Ecotourism Committee (REC), created in Sec. 7 hereof, shall review and evaluate all proposed ecotourism development projects.

The following documents must be submitted by the project proponent;

6.1.1 Letter of intent

6.1.2 Ecotourism development project proposal to include the following information;

- a. Title
- b. Objectives
- c. Rationale
- d. Area coverage
- e. Activities to be undertaken
- f. Duration
- g. Cost
- h. Location map
- i. Development maps
- j. Fees to be paid
- k. Other relevant information

- 6.1.3 Duly accomplishment application form
- 6.1.4 Profile of project proponent
- 6.1.5 Initial Environmental Examination/Environmental Impact Assessment, if necessary
- 6.1.6 Application fee
- 6.1.7 Others documents as may be required by relevant agencies

- 6.2 Once the proposal is accepted, a more detailed Ecotourism Management Plan shall be submitted by the proponent. The must be complementary with the Protected Area General Management Plan if the site is within a protected area.
- 6.3 Once approved, NEC or REC shall issue a corresponding document informing the proponent of the approval of the project.

Sec. 7. Organization

7.1 Ecotourism Steering Committee

An Ecotourism Steering Committee (ESC) shall created to serve as the policy making body that will provide the general direction in the over-all development and implementation of ecotourism projects in the Philippines.

7.1.2 Composition of the Ecotourism Steering Committee:

- a. DOT Undersecretary for Planning-Chairman
- b. DENR Undersecretary for Environment & Programs Co-Chairman
- c. Director, PAWB
- d. DOT Director for Planning
- e. Private Sector representative

7.2 A National Ecotourism Committee (NEC) shall be created jointly by the DENR and DOT. Likewise, Regional Ecotourism Committee (REC) shall be created jointly by the same agencies at the field level;

7.2.1 Composition of the National Ecotourism Committee (NEC);

The NEC shall be composed of the following;

- a. Director, Protected Areas and Wildlife Bureau-Chairman;
- b. Director of Product Research Development, Department of Tourism (DOT) – Co-Chairman;
- c. Division Chief, Natural Recreation and Extension Division (NRED) PAWB;
- d. Division Chief, Department of Tourism (DOT);
- e. NGO representative
- f. Director, Department of Interior and Local Government (DILG); and
- g. Private Sector representative.

7.2.2 Composition of the Regional Ecotourism Committees (REC)

The REC shall be composed of the following;

- a. Regional Director, DOT- Chairman
- b. Regional Technical Director, EMPAS-DENR Co-Chairman
- c. Protected Area and Wildlife Division, Chief
- d. NEDA representative
- e. NGO representative
- f. Concerned Local Government Unit representative
- g. Private Sector representative

7.3 Function of National Ecotourism Committee (NEC) and Regional Ecotourism Committee (REC)

- 7.3.1 To review, evaluate and approve major ecotourism project proposals;
- 7.3.2 To formulate and recommend plans and programs on ecotourism;
- 7.3.3 To devise an accreditation and incentives mechanism for ecotourism project proponent.

7.4 Ecotourism of National Monitoring and Evaluation Team (EMET)

A joint Ecotourism Monitoring and Evaluation Team (EMET) shall be created at the field level to monitor and evaluate the implementation of ecotourism projects.

A corresponding monitoring and evaluation strategy shall be formulated to ensure proper review of ecotourism projects. If ecotourism project is within a protected area, the EMET shall coordinate closely with the Protected Area Management Board.

Sec 8. Funding

- 8.1 The Department of Environment and Natural Resources (DENR) and Department of Tourism (DOT) will put up and initial fund to defray the expenses of NEC, REC and EMET to be shared equally, and
- 8.2 The DENR and DOT shall establish a trust account where deposit made by private clientele shall be credited. Amount generated from said deposit shall be used by members of NEC, REC and EMET in rendering special services to the private clientele.

Sec. 9. Effectivity

This Order takes effect 15 days after its publication in two major dailies of national circulation.

(Sgd.)MINA T. GABOR

Secretary

Department of Tourism

(Sgd.) VICTOR O. RAMOS

Secretary

Department of Environment and
Natural Resources

Published at:

Today - July 21

Manila - July 21

& 22, 1998

& 22, 1998

DENR-DAR
JOINT Administrative Order
No. 98 – 03

SUBJECT : Guidelines Governing the Cutting, Removal and Disposition of Timber and Other Forest Products Within DAR Settlement Sites

Pursuant to the government's thrusts of ensuring the sustainable development of the country's environment and natural resources and consistent with the President's Social Reform Agenda and Presidential Decree No.705, as amended, the following guidelines governing the cutting, removal and disposition of timber and other forest products within Department of Agrarian Reform (DAR) settlement areas are hereby promulgated for the information and guidance of all concerned.

Sec. 1. Basic policy. It shall be basic policy of the State to institute the judicious utilization of the country's forest resources and to provide livelihood opportunities to agrarian reform beneficiaries including those situated within DAR settlement areas.

Sec. 2. Timber Cutting/Utilization Within DAR Settlement Areas. A Private Land timber Permit (PLTP) Special Private Land Timber Permit (SPLTP) maybe issued to holders of Certificate of Land Ownership Award (CLOA) within DAR settlement areas in accordance with existing prescribed guidelines in the issuance of such permits Provided, however, that the following application requirements are complied with:

1. Authenticated photocopy of the CLOA by the Register of Deeds/DAR Field Office concerned:

2. Indicative map showing the relative positions of the trees to be cut as prescribed under DENR Memorandum Circular (DMC) NO. 19, Series of 1992; and
3. Comprehensive development plan of the area as prescribed under DMC No. 19, Series of 1992.

However, under no instance shall a PLTP/SPLTP be issued where the subject area is within classified forestlands or within National Integrated Protected Areas System (NIPAS) areas regardless of CLOA issuance, In such instances, the Community Environment and Natural Resources Office (CENRO) concerned shall study the possibility of issuing the appropriate tenurial instrument under the Community-Based Forest Management Program (CBFMP) and be shall communicate his findings to the applicant.

Legitimate holder of CLOA may file their application for a PLTP/SPLTP either at the CENRO or the Provincial Environment and Natural Resources Office (PENRO) concerned which has administrative jurisdiction over the area(s) being applied for.

Sec. 3. Conduct of 100% Timber Inventory. The DENR Regional Office concerned shall 100% timber inventory of the area applied for and to be made a part of the report to be submitted therefor.

Sec. 4. Special Provision on EIA. The pertinent provisions of the policies on the Environmental Impact Assessment (EIA) System, specifically DENR Administrative Order Nos. 96-37 and 97-18, shall apply as pre-condition in the issuance of PLTP/SPLTP within DAR Settlement Areas.

Sec. 5. Restrictions. The cutting of trees covered by PLTP/SPLTP within CLOAs shall be subject to the following restrictions;

1. No cutting of trees along roads unless trees have been determined to pose danger to life and property;
2. No cutting of Almaciga trees pursuant to DENR Administrative Order (DAO) No.74, Series of 1987;
3. No cutting of trees on a strip twenty (20) meters wide on both sides of creeks or rivers bordering or traversing CLOA areas, for streambank protection, Provided, That in case said strip is bereft of trees, the same shall be reforested by the permittee pursuant to DAO No. 86, Series of 1990;
4. No cutting, removal and disposal of timber in commercial quantities shall be allowed in areas where a logging ban is in effect;
5. No cutting of mangrove species, pursuant to Republic Act No. 7161 and DENR Administrative Order No. 15, series of 1990; and
6. That at least ten percent (10%) of the land area shall be devoted for forestry purposes (either through planting of trees or management of existing forest cover).

Sec. 6. Payment of Forest Charges. Pursuant to the provisions of RA 7161 and its implementing guidelines, harvested naturally-grown timber shall be assessed forest charges.

Sec. 7. Repealing Clause. All policies, rules and regulations inconsistent herewith, specifically, joint DENR-DAR Administrative Order No. 16, Series of 1990 and Joint Administrative Order DER No. 3/DENR No. 8, Series of 1988 are hereby amended.

Sec. 8. Penal Provisions. Anyone found violating the provisions of this joint administrative order shall be prosecuted in accordance with existing laws, rules and regulations.

Sec. 9. Effectivity. This joint administrative order shall take effect immediately.

(Sgd.)VICTOR O. RAMOS

Secretary

Department of Environment

And Natural Resources

(Sgd.)ERNESTO GARILAO

Secretary

Department of Agrarian

Reform

DEPARTMENT OF AGRICULTURE

Administrative Order

No. 3

May 8, 1998

**IMPLEMENTING RULES AND REGULATIONS
Pursuant to Republic Act No. 8550: “ AN ACT PROVIDING
FOR THE DEVELOPMENT, MANAGEMENT AND
CONSERVATION OF THE FISHERIES AND AQUATIC
RESOURCES, INTEGRATING ALL LAWS PERTINENT
THERE TO, AND FOR OTHER PURPOSES”**

Sec. 1. Title.- This Act shall be known as “ The Philippine Fisheries Code of 1998.”

Rule 1.1 Title. - These Rules shall be known and cited as the Implementing Rules and Regulations (IRR) of the Philippine Fisheries Code of 1998;

Rule 1.2 Purpose.- These Rules are promulgated to prescribe the procedures and guidelines for the implementation of the Philippine Fisheries Code of 1998 to facilitate compliance therewith and achieve the objectives thereof.

**CHAPTER I
DECLARATION OF POLICY AND DEFINITIONS**

Sec. 2. Declaration of Policy. - It is hereby declared the policy of the State:

a. to achieve food security as the overriding consideration in the utilization, management, development, conservation and protection of fishery resources in order to provide the food needs of the population. A flexible policy towards the attainment of food security shall be adopted in response to

- changes in demographic trends for fish, emerging trends in the trade of fish and other aquatic products in domestic and international markets, and the law of supply and demand;*
- b. to limit access to the fishery and aquatic resources of the Philippines for the exclusive use and enjoyment of Filipino citizens;*
 - a. to ensure the rational and sustainable development, management and conservation of the fishery and aquatic resources in Philippine waters including the Exclusive Economic Zone (EEZ) and in the adjacent high seas, consistent with the primordial objective of maintaining a sound ecological balance, protecting and enhancing the quality of the environment;*
 - d. to protect the rights of fisherfolk, specially of the local communities with priority to municipal fisherfolk, in the preferential use of the municipal waters. Such preferential use, shall be based on, but not limited to, Maximum Sustainable Yield (MSY) or Total Allowable Catch (TAC) on the basis of resources and ecological conditions, and shall be consistent with our commitments under international treaties and agreements;*
 - e. to provide support to the fishery sector, primarily to the municipal fisherfolk, including women and youth sectors, through appropriate technology and research, adequate financial, production, construction of post-harvest facilities, marketing assistance, and other services. The protection of municipal fisherfolk against foreign intrusion shall extend to offshore fishing grounds. Fishworkers shall receive a just share for their labor in the utilization of marine and fishery resources;*
 - f. to manage fishery and aquatic resources, in a manner consistent with the concept of an integrated coastal area management in specific natural fishery management areas, appropriately supported by research, technical services and guidance provided by the State, and*

g. to grant the private sector the privilege to utilize fishery resources under the basic concept that the grantee, licensee or permittee thereof shall not only be a privileged beneficiary of the State but also an active participant and partner of the government in the sustainable development, management, conservation and protection of the fishery and aquatic resources of the country.

The State shall ensure the attainment of the following objectives of the fishery sector:

- 1. Conservation, protection and sustained management of the country's fishery and aquatic resources;*
- 2. Poverty alleviation and the provision of supplementary livelihood among municipal fisherfolk;*
- 3. Improvement of productivity of aquaculture within ecological limits;*
- 4. Optimal utilization of offshore and deep-sea resources; and*
- 5. Upgrading of post-harvest technology.*

Sec. 3. Application of its Provisions. - The provisions of this Code shall be enforced in:

- a. all Philippine waters including other waters over which the Philippines has sovereignty and jurisdiction, and the country's 200 nautical mile Exclusive Economic Zone (EEZ) and continental shelf;*
- b. all aquatic and fishery resources whether inland, coastal or offshore fishing areas, including but not limited to fishponds, fish pens/cages; and*
- c. all lands devoted to aquaculture, or businesses and activities relating to fishery, whether private or public lands.*

Rule 3.1 Jurisdiction. - The Department, through the Bureau of Fisheries and Aquatic Resources (BFAR), in cooperation with concerned national agencies, shall have the responsibility and jurisdiction in the management, conservation,

development, protection, utilization, and disposition of all fisheries and aquatic resources of the country, except municipal waters. However, in municipal waters the DA-BFAR may coordinate with and assist the LGUs, FARMCs, and other government agencies concerned in the development, conservation, protection, utilization and management of fisheries and aquatic resources.

Rule 3.2. The Department and the Department of Environment and Natural Resources (DENR) shall, within one (1) year from the effectivity of this IRR, issue a Joint Memorandum Order to clarify their respective jurisdiction and authority on the management of fisheries resources.

Sec. 4. Definition of Terms. - As used in this Code, the following terms and phrases shall mean as follows:

- 1. Ancillary Industries - firms or companies related to the supply, construction and maintenance of fishing vessels, gears, nets and other fishing paraphernalia; fishery machine shops; and other facilities such as hatcheries, nurseries, feed plants, cold storage, and refrigeration, processing plants and other pre-harvest and post harvest facilities.*
- 2. Appropriate Fishing Technology - adaptable technology, both in fishing and ancillary industries, that is ecologically sound, locally source-based and labor intensive.*
- 3. Aquaculture - fishery operations involving all forms of raising and culturing fish and other fishery species in fresh, brackish and marine areas.*

4. *Aquatic Pollution - the introduction by human or machine, directly or indirectly, of substances or energy to the aquatic environment which result or is likely to result in such deleterious effects as to harm living and non-living aquatic resources, pose potential and/or real hazard to human health, hindrance to aquatic activities such as fishing and navigation, including dumping/disposal of waste and other marine litters, discharge of petroleum or residual products of petroleum or carbonaceous materials/substances and other radioactive, noxious or harmful liquid, gaseous or solid substances, from any water, land or air transport or other human-made structure. Deforestation, unsound agricultural practices such as the use of banned chemicals and excessive use of chemicals, intensive use of artificial fish feed, and wetland conversion, which cause similar hazards and deleterious effects shall also constitute aquatic pollution.*
5. *Aquatic resources - includes fish, all other aquatic flora and fauna and other living resources of the aquatic environment, including but not limited to salt and corals.*
6. *Artificial Reefs - any structure of natural or man-made materials placed on a body of water to serve as shelter and habitat, source of food, breeding areas for fishery species and shoreline protection.*
7. *Catch Ceilings - refer to the annual catch limits allowed to be taken, gathered or harvested from any fishing area in consideration of the need to prevent overfishing and harmful*

depletion of breeding stocks of aquatic organisms.

8. *Closed Season - the period during which the taking of specified fishery species by a specified fishing gear is prohibited in a specified area or areas in Philippine waters.*
9. *Coastal Area/Zone - is a band of dry land and adjacent ocean space (water and submerged land) in which terrestrial processes and uses directly affect oceanic processes and uses, and vice versa; its geographic extent may include areas within a landmark limit of one (1) kilometer from the shoreline at high tide to include mangrove swamps, brackish water ponds, nipa swamps, estuarine rivers, sandy beaches and other areas within a seaward limit of 200 meters isobath to include coral reefs, algal flats, seagrass beds and other soft-bottom areas.*
10. *Commercial Fishing - the taking of fishery species by passive or active gear for trade, business or profit beyond subsistence or sports fishing, to be further classified as:*
 1. *Small scale commercial fishing - fishing with passive or active gear utilizing fishing vessels of 3.1 gross tons (GT) up to twenty (20) GT;*
 2. *Medium scale commercial fishing - fishing utilizing active gears and vessels of 20.1 GT up to one hundred fifty (150) GT; and*
 3. *Large scale commercial fishing - fishing utilizing active gears and vessels of more than one hundred fifty (150) GT.*

11. *Commercial scale* - a scheme of producing a minimum harvest per hectare per year of milkfish or other species including those raised in pens, cages, and tanks to be determined by the Department in consultation with the concerned sectors.
12. *Coral* - the hard calcareous substance made up of the skeleton of marine coelenterate polyps which includes reefs, shelves and atolls or any of the marine coelenterate animals living in colonies where their skeletons form a stony mass. They include: (a) skeletons of anthozoan coelenterates characterized as having a rigid axis of compact calcareous or horny spicules, belonging to the genus corallium as represented by the red, pink, and white corals which are considered precious corals; (b) skeletons of anthozoan coelenterates characterized by thorny, horny axis such as the antipatharians represented by the black corals which are considered semi-precious corals; and (c) ordinary corals which are any kind of corals that are not precious nor semi-precious.
13. *Coral Reef* - a natural aggregation of coral skeleton, with or without living coral polyps, occurring in intertidal and subtidal marine waters.
14. *Demarcated areas* - boundaries defined by markers and assigned exclusively to specific individuals or organizations for certain specified and limited uses such as:
 - a. Aquaculture, sea ranching and sea farming;
 - b. Fish aggregating devices;
 - c. Fixed and passive fishing gears; and
 - d. Fry and fingerling gathering.

15. *Department* - shall mean the Department of Agriculture.
16. *Electrofishing* - the use of electricity generated by batteries, electric generators and other source of electric power to kill, stupefy, disable or render unconscious fishery species, whether or not the same are subsequently recovered.
17. *Endangered, Rare and/or Threatened Species* - aquatic plants, animals including some varieties of corals and sea shells in danger of extinction as provided for in existing fishery laws, rules and regulations or in the Protected Areas and Wildlife Bureau of the Department of Environment and Natural Resources (DENR) and in the Convention of the International Trade of Endangered Species of Flora and Fauna (CITES).
18. *Exclusive Economic Zone (EEZ)* - an area beyond and adjacent to the territorial sea which shall not extend beyond 200 nautical miles from the baselines as defined under existing laws.
19. *FARMC's* - the Fisheries and Aquatic Resources Management Councils.
20. *Farm-to-Market Roads* - shall include roads linking the fisheries production sites, coastal landing points and other post-harvest facilities to major market and arterial roads and highways.
21. *Fine Mesh Nets* - net with mesh size of less than three centimeters (3 cm.) measured between two (2) opposite knots of a full mesh when stretched or as otherwise determined by the appropriate government agency.

22. *Fish and Fishery/Aquatic Products* - include not only finfish but also mollusk, crustaceans, echinoderms, marine mammals, and all other species of aquatic flora and fauna and all other products of aquatic living resources in any form.
23. *Fish cage* - refers to an enclosure which is either stationary or floating made up of nets or screens sewn or fastened together and installed in the water with opening at the surface or covered and held in a place by wooden/bamboo posts or various types of anchors and floats.
24. *Fish Coral or "Baklad"* - a stationary weir or trap devised to intercept and capture fish consisting of rows of bamboo stakes, plastic nets and other materials fenced with split bamboo mattings or wire mattings with one or more enclosures, usually with easy entrance but difficult exit, and with or without leaders to direct the fish to the catching chambers, purse or bags.
25. *Fish Fingerlings* - a stage in the life cycle of the fish measuring to about 6-13 cm. depending on the species.
26. *Fish Fry* - a stage at which a fish has just been hatched usually with sizes from 1-2.5 cm.
27. *Fish pen* - an artificial enclosure constructed within a body of water for culturing fish and fishery/aquatic resources made up of poles closely arranged in an enclosure with wooden materials, screen or nylon netting to prevent escape of fish.
28. *Fisherfolk* - people directly or personally and physically engaged in taking and/or culturing and processing fishery and/or aquatic resources.

29. *Fisherfolk Cooperative* - a duly registered association of fisherfolk with a common bond of interest, who have voluntarily joined together to achieve a lawful common social or economic end, making equitable contribution to the capital requirement and accepting a fair share of the risks and benefits of the undertakings in accordance with universally accepted cooperative principles.
30. *Fisherfolk Organizations* - an organized group, association, federation, alliance or an institution of fisherfolk which has at least fifteen (15) members, a set of officers, a constitution and by-laws, an organizational structure and a program of action.
31. *Fisheries* - refers to all activities relating to the act or business of fishing, culturing, preserving, processing, marketing, developing, conserving and managing aquatic resources and the fishery areas, including the privilege to fish or take aquatic resource thereof.
32. *Fish Pond* - a land-based facility enclosed with earthen or stone material to impound water for growing fish.
33. *Fishing Boat/Gear License* - a permit to operate specific types of fishing boat/gear for specific duration in areas beyond municipal waters for demersal or pelagic fishery resources.
34. *Fishery Management Areas* - a bay, gulf, lake or any other fishery area which may be delineated for fishery resource management purposes.

35. *Fishery Operator* - one who owns and provides the means including land, labor, capital, fishing gears, and vessels, but does not personally, engage in fishery.
36. *Fishery Refuge and Sanctuaries* - a designated area where fishing or other forms of activities which may damage the ecosystem of the area is prohibited and human access may be restricted.
37. *Fishery Reserve* - a designated area where activities are regulated and set aside for educational and research purposes.
38. *Fishery species*- aquatic flora and fauna including, but not restricted to, fish, algae, coelenterates, mollusks, crustaceans, echinoderms and cetaceans.out the use of fishing vessels.
39. *Fishing*- the taking of fishery species from their wild state or habitat, with or without the use of fishing vessels.
40. *Fishing gear* - any instrument or device and its accessories utilized in taking fish and other fishery species.
- a) *Active fishing gear* - is a fishing device characterized by gear movement, and/or the pursuit of the target species by towing, lifting, and pushing the gears, surrounding, covering, dredging, pumping and scaring the target species to impoundments; such as, but not limited to, trawl, purse seines, Danish seines, bag nets, paaling, drift gill net and tuna longline.
- b) *Passive fishing gear* - is characterized by the absence of gear movements and/or the pursuit of the target species; such as, but not

limited to hook and line, fishpots, traps and gill nets across the path of the fish.

- 41. Fishing vessel - any boat, ship or other watercraft equipped to be used for taking of fishery species or aiding or assisting one (1) or more vessels in the performance of any activity relating to fishing, including, but not limited to, preservation, supply, storage, refrigeration, transportation and/or processing.*
- 42. Fishing with Explosives - the use of the dynamite, other explosives or other chemical compounds that contains combustible elements or ingredients which upon ignition by friction, concussion, percussion or detonation of all or parts of the compound, will kill, stupefy, disable or render unconscious any fishery species. It also refers to the use of any other substance and/or device which causes an explosion that is capable of producing the said harmful effects on any fishery species and aquatic resources and capable of damaging and altering the natural habitat.*
- 43. Fishing with Noxious or Poisonous Substances - the use of any substance, plant extracts or juice thereof, sodium cyanide and/or cyanide compounds or other chemicals either in a raw or processed form, harmful or harmless to human beings, which will kill, stupefy, disable or render unconscious any fishery species and aquatic resources and capable of damaging and altering the natural habitat.*
- 44. Fishworker - a person regularly or not regularly employed in commercial fishing and related industries, whose income is either in wage, profit-sharing or stratified sharing basis,*

including those working in fish pens, fish cages, fish corrals/traps, fishponds, prawn farms, sea farms, salt beds, fish ports, fishing boat or trawlers, or fish processing and/or packing plants. Excluded from this category are administrators, security guards and overseers.

- 45. Food Security - refers to any plan, policy or strategy aimed at ensuring adequate supplies of appropriate food at affordable prices. Food security may be achieved through self-sufficiency (i.e. ensuring adequate food supplies from domestic production), through self-reliance (i.e. ensuring adequate food supplies through a combination of domestic production and importation), or through pure importation.*
- 46. Foreshore Land - a string of land margining a body of water, the part of a seashore between the low-water line usually at the seaward margin of a low tide terrace and the upper limit of wave wash at high tide usually marked by a beach scarp or berm.*
- 47. Fully-developed Fishpond Area - a clean leveled area enclosed by dikes, at least one foot higher than the highest floodwater level in the locality and strong enough to resist pressure at the highest flood tide; consists of at least a nursery pond, a transition pond, a rearing pond or a combination of any or all said classes of ponds, and a functional water control system and producing in a commercial scale.*
- 48. Gross Tonnage - includes the underdeck tonnage, permanently enclosed spaces above the tonnage deck, except for certain exemptions. In broad terms, all the vessel's 'closed-in' spaces*

- expressed in volume terms on the bases of one hundred cubic feet (that equals one gross ton).*
49. *Inland Fishery - the freshwater fishery and brackishwater fishponds.*
 50. *Lake - an inland body of water, an expanded part of a river, a reservoir formed by a dam, or a lake basin intermittently or formerly covered by water.*
 51. *Limited Access - a fishery policy by which a system of equitable resource use and allocation is established by law through fishery rights granting and licensing procedure as provided by this Code.*
 52. *Mangroves - a community of intertidal plants including all species of trees, shrubs, vines and herbs found on coasts, swamps, or border of swamps.*
 53. *Maximum Sustainable Yield (MSY) - is the largest average quantity of fish that can be harvested from a fish stocks/resource within a period of time (e.g. one year) on a sustainable basis under existing environmental conditions.*
 54. *Migratory species - refers to any fishery species which in the course of their life could travel from freshwater; to marine water or vice versa, or any marine species which travel over great distances in waters of the ocean as part of their behavioral adaptation for survival and speciation:
 - (a) *Anadromous species - marine fishes which migrate to freshwater areas to spawn;*
 - (b) *Catadromous species - freshwater fishes which migrate to marine areas to spawn.**
 55. *Monitoring, control and surveillance -*

- a) *Monitoring - the requirement of continuously observing: (1) fishing effort which can be expressed by the number of days or hours of fishing, number of fishing gears and number of fisherfolk; (2) characteristics of fishery resources; and (3) resource yields (catch);*
 - b) *Control - the regulatory conditions (legal framework) under which the exploitation, utilization and disposition of the resources may be conducted; and*
 - c). *Surveillance - the degree and types of observations required to maintain compliance with regulations.*
56. *Municipal fisherfolk - persons who are directly or indirectly engaged in municipal fishing and other related fishing activities.*
57. *Municipal fishing - refers to fishing within municipal waters using fishing vessels of three (3) gross tons or less, or fishing not requiring the use of fishing vessels.*
58. *Municipal waters - include not only streams, lakes, inland bodies of water and tidal waters within the municipality which are not included within the protected areas as defined under Republic Act No. 7586 (The NIPAS Law), public forest, timber lands, forest reserves or fishery reserves, but also marine waters included between two (2) lines drawn perpendicular to the general coastline from points where the boundary lines of the municipality touch the sea at low tide and a third line parallel with the general coastline including offshore islands and fifteen (15) kilometers from such coastline. Where two (2) municipalities are so situated on*

opposite shores that there is less than thirty (30) kilometers of marine waters between them, the third line shall be equally distant from opposite shore of the respective municipalities.

59. *Non-governmental organization (NGO) - an agency, institution, a foundation or a group of persons whose purpose is to assist peoples organizations/associations in various ways including, but not limited to, organizing, education, training, research and/or resource accessing.*
60. *Payao - a fish aggregating device consisting of a floating raft anchored by a weighted line with suspended materials such as palm fronds to attract pelagic and schooling species common in deep waters.*
61. *Pearl Farm Lease - public waters leased for the purpose of producing cultured pearls.*
62. *People's Organization - a bona fide association of citizens with demonstrated capacity to promote the public interest and with identifiable leadership, membership and structure. Its members belong to a sector/s voluntarily band themselves together to work for and by themselves for their own upliftment, development and greater good.*
63. *Person - natural or juridical entities such as individuals, associations, partnership, cooperatives or corporations.*
64. *Philippine waters - include all bodies of water within the Philippine territory such as lakes, rivers, streams, creeks, brooks, ponds, swamps, lagoons, gulfs, bays and seas and other bodies of water now existing or which may hereafter exist in the provinces, cities, municipalities, and*

barangays and the waters around, between and connecting the islands of the archipelago regardless of their breadth and dimensions, the territorial sea, the sea beds, the insular shelves, and all other waters over which the Philippines has sovereignty and jurisdiction including the 200-nautical miles Exclusive Economic Zone and the continental shelf.

65. *Post-harvest facilities - these facilities include, but are not limited to, fishport, fishlanding, ice plants and cold storages, fish processing plants.*
66. *Purse Seine - a form of encircling net having a line at the bottom passing through rings attached to the net, which can be drawn or pursed. In general, the net is set from a boat or pair of boats around the school of fish. The bottom of the net is pulled closed with the purse line. The net is then pulled aboard the fishing boat or boats until the fish are concentrated in the bunt or fish bag.*
67. *Resource Rent - the difference between the value of the products produced from harvesting a publicly owned resource less the cost of producing it, where cost includes the normal return to capital and normal return to labor.*
68. *Sea farming - the stocking of natural or hatchery-produced marine plants or animals, under controlled conditions, for purposes of rearing and harvesting, but not limited to commercially-important fishes, mollusks (such as pearl and giant clam culture), including seaweeds and seagrass.*
69. *Sea ranching - the release of the young of fishery species reared in hatcheries and nurseries into natural bodies of water for*

subsequent harvest at maturity or the manipulation of fishery habitat, to encourage the growth of the wild stocks.

70. *Secretary - the Secretary of the Department of Agriculture.*
71. *Superlight - also called magic light, is a type of light using halogen or metal halide bulb which may be located above the sea surface or submerged in the water. It consists of a ballast, regulator, electric cable and socket. The source of energy comes from a generator, battery or dynamo coupled with the main engine.*
72. *Total Allowable Catch (TAC) - the maximum harvest allowed to be taken during a given period of time from any fishery area, or from any fishery species or group of fishery species, or a combination of area and species and normally would not exceed the MSY.*
73. *Trawl - an active fishing gear consisting of a bag shaped net with or without otter boards to open its opening which is dragged or towed along the bottom or through the water column to take fishery species by straining them from the water, including all variations and modifications of trawls (bottom, mid-water, and baby trawls) and tow nets.*

Rule 4.1

Additional Terms.- Additional terms and their definitions as used in this IRR but not included in Section 4 of RA No. 8550 are as follows:

- a. **Coastline - refers to the outline of the mainland shore touching the sea at mean lower low tide.**
- b. **Director - refers to the Director of BFAR.**
- c. **Endangered species - refers to species and sub-species of aquatic organisms whose**

population is in danger of extinction and whose survival is unlikely if the causal factor is not reversed.

- c. Fishing industry -refers to the fisheries sector covering catching, growing, harvesting, processing, marketing, developing, conserving and managing of aquatic resources.**
- e. Foreign Aquatic Species - is further clarified by including any aquatic species not indigenously found in Philippine waters.**
- f. Health hazard - refers to any biological, chemical contamination or physical agent that has adverse effects on humans or aquatic organisms.**
- g. Rare species - refers to species and sub-species of aquatic organisms found in very small number in specialized areas or habitat in the country.**
- h. Threatened species- refers to species and sub-species of aquatic organisms which have reached critical level of depletion and are threatened with extinction.**

CHAPTER II

UTILIZATION, MANAGEMENT, DEVELOPMENT, CONSERVATION AND ALLOCATION SYSTEM OF FISHERIES AND AQUATIC RESOURCES

SEC. 5. Use of Philippine Waters - The use and exploitation of the fishery and aquatic resources in Philippine waters shall be reserved exclusively to Filipinos: Provided, however, That research and survey activities may be allowed under strict

regulations, for purely research, scientific, technological and educational purposes that would also benefit Filipino citizens.

Rule 5.1 Research, Scientific, Technological and Educational Activities.- The Department, through BFAR, shall issue the Fisheries Administrative Order (FAO) on regulations of research, scientific, technological, educational and survey activities that maybe undertaken by non-Filipinos.

SEC. 6. Fees and Other Fishery Charges. - The rentals for fishpond areas covered by the Fishpond Lease Agreement (FLA) and license fees for Commercial Fishing Boat Licenses (CFBL) shall be set at levels that reflect resource rent accruing from the utilization of resources and shall be determined by the Department: Provided, that the Department shall also prescribe fees and other fishery charges and issue the corresponding license or permit for fishing gear, fishing accessories and other fishery activities beyond the municipal waters: Provided, further, that the license fees of fishery activity in municipal waters shall be determined by the Local Government Units (LGUs) in consultation with the FARMCs. The FARMCs may also recommend the appropriate license fees that will be imposed.

The Department, through BFAR, shall:

Rule 6.1 Rentals, License Fees and Other Fishery Charges.- Determine rentals for fishpond areas covered by the Fishpond Lease Agreement (FLA) and license fees for Commercial Fishing Boat License (CFBL) at levels that reflect resource rent accruing to the utilization of resources based on estimates from economic studies or best available evidence of economic rent; fees and other charges for gears, accessories and other

fishery charges shall be based on rates sufficient to cover administrative costs;

- Rule 6.2** **Rentals for Fishpond Areas.** - Issue, within one year from the effectivity of this IRR, the appropriate Fisheries Administrative Order (FAO), prescribing the rental rates for fishpond areas leased from government;
- Rule 6.3** **License Fees for Commercial Fishing Boats.** - Issue within one year from the effectivity of this IRR, the FAO prescribing the license fees for CFBLs;
- Rule 6.4** **Fees and Other Fishery Charges.**- Issue within one year from the effectivity of this IRR, the FAO prescribing the fees and other fishery charges for gears, accessories and other fishery activities;
- Rule 6.5** **Interim Period.**- Continue to charge the present license fees until the FAO described in the preceding rules shall have been issued;
- Rule 6.6** **Technical Assistance.**- Provide technical assistance to Local Government Units (LGUs) regarding local regulations on fees and other fishery charges.

SEC. 7. Access to Fishery Resources. - The Department shall issue such number of licenses and permits for the conduct of fishery activities subject to the limits of the MSY of the resource as determined by scientific studies or best available evidence. Preference shall be given to resource users in the local communities adjacent or nearest to the municipal waters.

The Department, through BFAR, shall:

- Rule 7.1** **Determination of MSY and TAC.- Determine, within three (3) years from the effectivity of this IRR and every three (3) years thereafter, through continuous stock assessment studies an estimate of the MSY and TAC of major fisheries, including but not limited to large pelagic, small pelagic, reef and demersal fisheries, for the entire Philippines and for each major fishing area;**
- Rule 7.2** **Comprehensive Fisheries Information System.- Establish a comprehensive information network system at the national, regional and local levels, in cooperation with other concerned agencies, for collection, storage and retrieval of fisheries data;**
- Rule 7.3** **Coordination with Concerned Agencies.- Coordinate with the Bureau of Agriculture Statistics (BAS), Philippine Fisheries Development Authority (PFDA), LGUs and other agencies to ensure that the catch and effort statistics collected by the said agencies shall be in accordance with the data requirement of BFAR;**
- Rule 7.4** **Inventory of Commercial Fishing Boats. - Conduct and complete within one (1) year from the effectivity of this IRR, an inventory of all commercial fishing boats and gears and their areas of operation;**
- Rule 7.5** **Determination of the Number of Licenses.- Based on the MSY and TAC estimate or best available evidence, determine the number of licenses to be issued for commercial fishing boats for each major**

fisheries, major fishing area, by vessel size categories, and by type of fishing gear and corresponding catch quota for each fishing boat: Provided however, fishing boats used to support fish production such as carriers, skiff boats, lightboats and sonar boats are not included under this limitation;

Rule 7.6 **Priority Rights of Present Licensees.-** Grant priority rights in the allocation of licenses to present Commercial Fishing Boat License (CFBL) holders for renewal of their license, provided that there is no record of violation of the terms and conditions of the license;

Rule 7.7 **Preferential Allocation for Large Vessels.-** Accord preference in the allocation of Commercial Fishing Vessel License (CFVL) to large fishing vessels to encourage fishing in the EEZ and beyond;

Rule 7.8 **Criteria for Licensing of Small and Medium Commercial Fishing Vessels. -** Undertake and complete within two years from the effectivity of this IRR, an extensive evaluation study of the technical capability of small and medium commercial fishing vessels to fish beyond the municipal waters; and based on the findings of such study, define the criteria for granting licenses to these small and medium-sized commercial vessels.

SEC. 8. Catch Ceiling Limitations. - The Secretary may prescribe limitations or quota on the total quantity of fish captured, for a specified period of time and specified area based

on the best available evidence. Such a catch ceiling may be imposed per species of fish whenever necessary and practicable: Provided, however, That in municipal waters and fishery management areas, and waters under the jurisdiction of special agencies, catch ceilings may be established upon the concurrence and approval or recommendation of such special agency and the concerned LGU in consultation with the FARMC for conservation or ecological purposes.

The Secretary, through the Director, may:

Rule 8.1 Catch Ceiling. - Issue the appropriate FAO, based on the findings of stock assessment studies and estimate of MSY, the necessary total catch ceiling limitation for each major fishery and/or specific fishing area;

Rule 8.2 Catch Ceiling in Municipal Waters.- Establish catch ceilings in specified municipal waters or fisheries management areas and waters under the jurisdiction of special agencies through a Joint Memorandum Order between the Department, the concerned special agency or LGU after consultation with the FARMCs including provisions for its enforcement.

SEC. 9. Establishment of Closed Season. - The Secretary may declare, through public notice in at least two (2) newspapers of general circulation or in public service announcements, whichever is applicable, at least (5) days before the declaration, a closed season in any or all Philippine waters outside the boundary of municipal waters and in bays, for conservation and ecological purposes. The Secretary may include waters under the jurisdiction of special agencies, municipal waters and bays, and/or other areas reserved for the use of the municipal fisherfolk in the area to be covered by closed season: Provided, however, That this shall be

done only upon the concurrence and approval or recommendation of such special agency and the concerned LGU and FARMC: Provided, further, That in municipal waters, fishery management areas and other areas reserved for the use of the municipal fisherfolk, closed season may be established by the concerned LGU in consultation with the FARMC for conservation or ecological purposes. The FARMCs may also recommend the establishment of closed seasons in municipal waters, fisheries management and other areas reserved for the use of municipal fisherfolk.

The Secretary, upon the recommendation of the Director, may:

Rule 9.1 **Establishment of Closed Season.** - Issue the appropriate FAO declaring a closed season regulation in a specific area, based on the findings of stock assessment studies, biological studies, other research studies or best available evidence;

Rule 9.2 **Impact Assessment.** - Undertake an impact assessment study upon the expiration of the closed season period to determine appropriate regulation;

Rule 9.3 **Closed Season in Municipal Waters.** - Include closed season regulations in waters under the jurisdiction of special agencies, municipal waters and bays, and/or other areas reserved for the use of the municipal fisherfolk upon the concurrence and approval or recommendation of such special agency and the concerned LGU and FARMC, in which case the concerned LGUs or special agencies shall, through appropriate municipal fisheries ordinance or resolution, cease to issue license/permits for fisheries activities in municipal waters and bays in closed season area.

SEC. 10. Introduction of Foreign Aquatic Species. - No foreign finfish, mollusk, crustacean or aquatic plants shall be introduced in Philippine waters without a sound ecological, biological and environmental justification based on scientific studies subject to the bio-safety standard as provided for by existing laws: Provided, however, That the Department may approve the introduction of foreign aquatic species for scientific/research purposes.

The Department, through BFAR, shall:

Rule 10.1 Regulations. - Issue, within one (1) year from effectivity of this IRR, the appropriate FAO to implement this Section.

SEC. 11. Protection of Rare, Threatened and Endangered Species. - The Department shall declare closed seasons and take conservation and rehabilitation measures for rare, threatened and endangered species, as it may determine, and shall ban the fishing and/or taking of rare, threatened and/or endangered species, including their eggs/offspring as identified by existing laws in concurrence with concerned government agencies.

The Department, through BFAR, shall:

Rule 11.1 Inventory.- Conduct an inventory of rare, endangered and threatened aquatic species starting from the effectivity of this IRR, and thereafter, monitor and keep an updated list of such species;

Rule 11.2 Regulations. - Issue the appropriate FAO declaring closed seasons and management

measures to protect rare, threatened and endangered species.

SEC. 12. Environmental Impact Statement (EIS). - All government agencies as well as private corporations, firms and entities who intend to undertake activities or projects which will affect the quality of the environment shall be required to prepare a detailed Environmental Impact Statement (EIS) prior to undertaking such development activity. The preparation of the EIS shall form an integral part of the entire planning process pursuant to the provisions of Presidential Decree No. 1586 as well as its implementing rules and regulations.

Rule 12.1 Establishment of Environmental Unit in BFAR. - The Department shall establish an Environmental Unit in BFAR to coordinate with concerned agencies in assisting project proponents in preparing Environmental Impact Statement prior to its submission to DENR.

SEC. 13. Environmental Compliance Certificate (ECC). - All Environmental Impact Statements (EIS) shall be submitted to the Department of Environment and Natural Resources (DENR) for review and evaluation. No persons, natural or juridical, shall undertake any development project without first securing an Environmental Compliance Certificate (ECC) from the Secretary of the DENR.

SEC. 14. Monitoring, Control and Surveillance of Philippine Waters. - A monitoring, control and surveillance system shall be established by the Department in coordination with LGUs, FARMCs, the private sector and other agencies concerned to ensure that the fisheries and aquatic resources in Philippine waters are judiciously and wisely utilized and managed on a sustainable

basis and conserved for the benefit and enjoyment exclusively of Filipino citizens.

The Department, through BFAR, shall:

- Rule 14.1** **Establish a Monitoring, Control and Surveillance (MCS) System at the national and regional levels which shall be comprised of the following:**
- a. The Monitoring Component consists of the collection, storage and retrieval of catch and effort data and other relevant information;**
 - b. The Control Component consists of fishery legislation and ordinances, such as but not limited to licensing, catch ceiling, closed season, fish sanctuaries and other regulations provided in this IRR;**
 - c. The Surveillance Component consists of fishery law enforcement activities.**
- Rule 14.2** **Inter-Agency Coordination - The Cabinet Committee on Marine and Ocean Affairs (CABCOM-MOA) Technical Working Group for MCS shall be the coordinating committee to implement the MCS;**
- Rule 14.3** **Operations Centers.- Establish the National MCS Coordinating and Operations Center (NMCSCOC) and Regional MCS Coordinating and Operations Centers (RMCSCOC) in strategic sites;**
- Rule 14.4** **Establish Municipal MCS System in selected municipalities in coordination with FARMCs, Department of Interior and Local Government (DILG), the private sector and other agencies concerned;**

Rule 14.5 Secure budgetary support from the Department of Budget and Management (DBM) for an effective MCS operations.

SEC. 15. Auxiliary Invoices - All fish and fishery products must have an auxiliary invoice to be issued by the LGUs or their duly authorized representatives prior to their transport from their point of origin to their point of destination in the Philippines and/or export purposes upon payment of a fee to be determined by the LGUs to defray administrative costs therefor.

The municipal/city government shall:

Rule 15.1 Restrictions.- Issue auxiliary invoices for the transport of fish and fishery products except those caught in violation of the provisions of this Code or are declared as health hazards as defined in this IRR: Provided, however, that the fish and fishery aquatic product transported and/or unloaded by Philippine Registered fishing vessels and culture pearls are exempted from the issuance of auxiliary invoice;

Rule 15.2 Reports.- Make available to the Provincial Fishery Office (PFO) the monthly summary of auxiliary invoices.

*ARTICLE I
MUNICIPAL FISHERIES*

SEC . 16. Jurisdiction of Municipal/City Governments. - The municipal/city government shall have jurisdiction over municipal waters as defined in this Code. The municipal/city government, in consultation with the FARMC shall be responsible

for the management, conservation, development, protection, utilization, and disposition of all fish and fishery/aquatic resources within their respective municipal waters.

The municipal/city government may, in consultation with the FARMC, enact appropriate ordinances for this purpose and in accordance with the National Fisheries Policy. The ordinances enacted by the municipality and component city shall be reviewed pursuant to Republic Act No. 7160 by the sanggunian of the province which has jurisdiction over the same.

The LGUs shall also enforce all fishery laws, rules and regulations as well as valid fishery ordinances enacted by the municipality/city council.

The management of contiguous fishery resources such as bays which straddle several municipalities, cities or provinces, shall be done in an integrated manner, and shall not be based on political subdivisions of municipal waters in order to facilitate their management as single resource systems. The LGUs which share or border such resources may group themselves and coordinate with each other to achieve the objectives of integrated fishery resource management. The Integrated Fisheries and Aquatic Resources Management Councils (IFARMCs) established under Section 76 of this Code shall serve as the venues for close collaboration among LGUs in the management of contiguous resources.

The municipal/city government :

Rule 16.1 Basic Municipal Fisheries Ordinance.- Shall enact a basic Municipal Fisheries Ordinance (MFO) delineating the boundaries of the municipal waters as defined in this Code and providing the rules and regulations on licensing and permits and other fisheries activities: Provided however, that for

municipalities whose waters are adjacent or contiguous to international borders, the delineation of boundaries of municipal waters shall be done after due consultation with the DFA and other concerned agencies;

Rule 16.2 License Fees.- Shall determine, in consultation with the FARMCs, the license fees of fisheries activities in municipal waters: Provided that the FARMC may also recommend the appropriate license fees that will be imposed;

Rule 16.3 Special Municipal Fisheries Ordinances.- Shall enact, in consultation with BFAR, Special Fisheries Ordinances, such as but not limited to declaring special demarcated fisheries areas, closed season and environmentally critical areas and sanctuaries;

Rule 16.4 Consultation with the FARMCs.- Shall consult the FARMCs in the enactment of municipal fisheries ordinances;

Rule 16.5 Modified Ordinance. - Shall modify or amend existing municipal fisheries ordinances to conform with Republic Act No. 8550;

Rule 16.6 Overlapping Boundaries.- May seek the assistance of the Department, through BFAR, in resolving overlapping boundaries of municipal waters;

Rule 16.7 Unified Fisheries Ordinance.- May formulate with other LGUs having jurisdiction over municipalities bordering bays, lakes and gulfs, a unified

municipal fisheries ordinance for an integrated resource management of the same;

Rule 16.8 Color Coding.- Shall design a color coding system for municipal waters, such color code system to include identifiable markings to be carried by the municipal fishing boats;

Rule 16.9 Enforcement.- Shall enforce fishery laws, rules and regulations and fisheries ordinances in municipal waters.

SEC. 17. Grant of Fishing Privileges in Municipal Waters. - The duly registered fisherfolk organizations/cooperatives shall have preference in the grant of fishery rights by the Municipal/City Council pursuant to Section 149 of the Local Government Code: Provided, That in areas where there are special agencies or offices vested with jurisdiction over municipal waters by virtue of special laws creating these agencies such as, but not limited to, the Laguna Lake Development Authority and the Palawan Council for Sustainable Development, said offices and agencies shall continue to grant permits for proper management and implementation of the aforementioned structures.

SEC. 18. Users of Municipal Waters. - All fishery related activities in municipal waters, as defined in this Code, shall be utilized by municipal fisherfolk and their cooperatives/organizations who are listed as such in the registry of municipal fisherfolk.

The municipal or city government, however, may, through its local chief executive and acting pursuant to an appropriate ordinance, authorize or permit small and medium commercial fishing vessels to operate within the ten point one (10.1) to fifteen (15) kilometer area from the shoreline in municipal waters as defined herein, provided, that all the following are met:

- a. no commercial fishing in municipal waters with depth less than seven (7) fathoms as certified by the appropriate agency;*
- b. fishing activities utilizing methods and gears that are determined to be consistent with national policies set by the Department;*
- c. prior consultation, through public hearing, with the M/CFARMC has been conducted; and*
- d. the applicant vessel as well as the shipowner, employer, captain and crew have been certified by the appropriate agency as not having violated this Code, environmental laws and related laws.*

In no case shall the authorization or permit mentioned above be granted for fishing in bays as determined by the Department to be in an environmentally critical condition and during closed season as provided for in Section 9 of this Code.

Rule 18.1 Guidelines. - The municipal/city government which intend to allow the entry of commercial fishing boats in 10.1 to 15 km. from the coastline:

- a. Establish the boundaries of the allowable areas for commercial fishing; The concerned municipality and city government may seek the assistance of the Department and/or National Mapping and Resource Information Authority (NAMRIA) in establishing the boundaries and isobath depth of waters;**
- b. Conduct a public hearing in consultation with FARMCs to present the following (1) a map showing the area of the municipal waters where small and medium commercial fishing vessels may be allowed to operate (2) the type**

of fishing vessel and gear that may be allowed in such waters (3) the draft municipal fisheries ordinance permitting/allowing such commercial fishing operations;

c. Enact appropriate municipal fisheries ordinance.

SEC. 19. Registry of Municipal Fisherfolk. - The LGU shall maintain a registry of municipal fisherfolk, who are fishing or may desire to fish in municipal waters for the purpose of determining priorities among them, of limiting entry into the municipal waters, and of monitoring fishing activities and/or other related purposes: Provided, That the FARMC shall submit to the LGU the list of priorities for its consideration.

Such list or registry shall be updated annually or as may be necessary, and shall be posted in barangay halls or other strategic locations where it shall be open to public inspection, for the purpose of validating the correctness and completeness of the list. The LGU, in consultation with the FARMCs, shall formulate the necessary mechanisms for inclusion or exclusion procedures that shall be most beneficial to the resident municipal fisherfolk. The FARMCs may likewise recommend such mechanisms.

The LGUs shall also maintain a registry of municipal fishing vessels by type of gear and other boat particulars with the assistance of the FARMC.

Rule 19.1 Standard Registration Form - The Department, through BFAR, in coordination with NFARMC, shall assist the LGUs in developing a standard registration form for municipal fishing vessels, gears and fisherfolk;

Rule 19.2 **Criteria for Registration.- Residency in the municipality/city for at least six (6) months;**

Rule 19.3 **Use of Registry.- The Registry of Municipal Fisherfolk shall serve as basis for the identification of priority municipal fisherfolk who shall be allowed to fish within the municipal waters but registration is not equivalent to a permit to fish.**

SEC. 20. Fisherfolk Organizations and/or Cooperatives. - Fisherfolk organizations/cooperatives whose members are listed in the registry of municipal fisherfolk, may be granted use of demarcated fishery areas to engage in fish capture, mariculture and/or fish farming: Provided, however, That an organization/cooperative member whose household is already in possession of a fishery right other than for fish capture cannot enjoy the fishing rights granted to the organization or cooperative.

SEC. 21. Priority of Resident Municipal Fisherfolk. - Resident municipal Fisherfolk of the municipality concerned and their organizations/cooperatives shall have priority to exploit municipal and demarcated fishery areas of the said municipality.

SEC. 22. Demarcated Fishery Right. - The LGU concerned shall grant demarcated fishery rights to fishery organizations/cooperatives for mariculture operation in specific areas identified by the Department.

Rule 22.1 **Identification of Mariculture Areas.- The Department, through BFAR, in cooperation with the LGUs concerned, shall identify municipal waters suitable for mariculture operations and establish the linear boundaries of the area to be declared as demarcated fishery area.**

SEC. 23. Limited Entry Into Overfished Areas. Whenever it is determined by the LGUs and the Department that a municipal water is overfished based on available data or information or in danger of being overfished, and that there is a need to regenerate the fishery resources in that water, the LGU shall prohibit or limit fishery activities in the said waters.

The Department, through BFAR, shall:

Rule 23.1 Guidelines on Overfishing. - Promulgate and issue within (6) six months from the effectivity of this IRR, the criteria for determining overfished areas and issue the appropriate FAO;

Rule 23.2 Declaration of Overfished Areas in Municipal Waters. - Determine jointly with the LGUs and FARMCs concerned, the boundaries of municipal waters or parts thereof, which are overfished or in danger of being overfished or in need of regeneration: Provided however, that the LGUs shall declare a municipal water or parts thereof as overfished and shall issue the appropriate municipal fisheries ordinance prohibiting or limiting fisheries activities;

Rule 23.3 Impact Assessment. - Undertake an impact assessment of the state of fisheries in the declared overexploited area and accordingly submit its recommendations to the concerned municipalities.

SEC. 24. Support to Municipal Fisherfolk - The Department and the LGUs shall provide support to municipal fisherfolk through appropriate technology and research, credit,

production and marketing assistance and other services such as, but not limited to training for additional/supplementary livelihood.

The Department, through BFAR in collaboration with other concerned agencies, shall:

- Rule 24.1 Technology Transfer. - Transfer technology in aquaculture, post-harvest, fishing and other technologies through training and extension in BFAR's fisheries demonstration farms, National Fisheries Technology Centers, Regional Fishermen Training Centers and Regional Fisheries Outreach Stations;**

- Rule 24.2 Verification Studies. - Conduct technology verification studies and establish pilot demonstration projects in various aspects of fisheries conservation, management and development;**

- Rule 24.3 Marketing Assistance. - Provide production, market and credit information for fish and fishery products;**

- Rule 24.4 Technical Assistance on Feasibility Studies. - Provide technical assistance in the preparation of feasibility studies to facilitate fisherfolk organizations' access to credit;**

- Rule 24.5 Technical Assistance on Fisheries Management. - Provide technical assistance to LGUs, FARMCs and fisherfolk organizations in establishing fisheries management systems in municipal waters;**

- Rule 24.6 Organizing/Strengthening of Local Organizations. - Provide assistance in organizing /strengthening fisherfolk organizations and cooperatives in**

coordination with the Cooperative Development Authority (CDA), Non-Government Organizations (NGOs), People Organizations (POs) and other concerned agencies.

SEC 25. Rights and Privileges of Fishworkers - The fishworkers shall be entitled to the privileges accorded to other workers under the Labor Code, Social Security System and other benefits under other laws or social legislation for workers: Provided, That fishworker on board any fishing vessels engaged in fishing operations are hereby covered by the Philippine Labor Code, as amended.

Rule 25.1 Working Hours of Fishworkers. - Fishworkers on board any fishing vessel engaged in fishing operations shall be classified as field personnel as defined under Section 82 of the Philippine Labor Code, as amended, and shall not be subject to the regulations on normal working hours and overtime.

ARTICLE II COMMERCIAL FISHERIES

SEC. 26. Commercial Fishing Vessel License and Other Licenses. - No person shall operate a commercial fishing vessel, pearl fishing vessel or fishing vessel for scientific, research or educational purposes, or engage in any fishery activity, or seek employment as a fishworker or pearl diver without first securing a license from the Department, the period of which shall be prescribed by the Department: Provided, That no such license shall be required of a fishing vessel engaged in scientific, research or educational purposes within Philippine waters pursuant to an international agreement of which the Philippines is a signatory and which agreement defines the status, privileges and obligations of

said vessel and its crew and the non-Filipino officials of the international agency under which said vessel operates: Provided, further, That members of the crew of a fishing vessel used for commercial fishing except the duly licensed and/or authorized patrons, marine engineers, radio operators and cooks shall be considered as fisherfolk: Provided, furthermore, That all skippers/master fishers shall be required to undertake an orientation training on detection of fish caught by illegal means before they can be issued their fishworker licenses: Provided, finally, That the large commercial fishing vessel license herein authorized to be granted shall allow the licensee to operate only in Philippine waters seven (7) or more fathoms deep, the depth to be certified by the NAMRIA, and subject to the conditions that may be stated therein and the rules and regulations that may be promulgated by the Department.

The Department, through BFAR shall:

- Rule 26.1** **Vessel and Gear Licenses.** - Issue to qualified commercial fishing vessel applicant licenses for fishing vessel and gear for specific or several fishing areas to be used for commercial fishing operation; The license shall be for specific fishing areas provided, however, that the license may be granted for one or several fishing areas;
- Rule 26.2** **Updated Philippine Marine Water Map.** - Organize an Inter-agency Committee to prepare a consolidated map of Philippine waters, delineating municipal water boundaries and depths thereof;
- Rule 26.3** **Number of Commercial Fishing Vessel Licenses (CFVL).** - Issue the corresponding number of CFVL based on MSY as provided in Section 7 of this Code;

Rule 26.4 Skipper's Surveillance Training. - Require skippers to undergo an intensive orientation/training on fishery laws including the detection of fish caught by explosives/obnoxious or poisonous substances and to report sightings of foreign fishing vessels poaching in Philippine waters and other fishery violations.

SEC. 27. Persons Eligible for Commercial Fishing Vessel License. - No commercial fishing vessel license shall be issued except to citizens of the Philippines, partnership or to associations, cooperatives or corporations duly registered in the Philippines at least sixty percent (60%) of the capital stock of which is owned by Filipino citizens. No person to whom a license has been issued shall sell, transfer or assign, directly or indirectly, his stock or interest therein to any person not qualified to hold a license. Any such transfer, sale or assignment shall be null and void and shall not be registered in the books of the association, cooperative or corporation.

For purposes of commercial fishing, fishing vessel owned by citizens of the Philippines, partnerships, corporation, cooperatives or association qualified under this section shall secure Certificates of Philippine Registry and such other documents as are necessary for fishing operations from the concerned agencies: Provided, That the commercial fishing vessel license shall be valid for a period to be determined by the Department

SEC. 28. Commercial Fishing Vessel Registration. - The registration, documentation, inspection and manning of the operation of all types of fishing vessels plying Philippine waters shall be in accordance with existing laws, rules and regulations.

SEC 29. Registration and Licensing of Fishing Gears Used in Commercial Fishing. - Before a commercial fishing vessel holding a commercial fishing vessel license may begin fishing operations in Philippine waters, the fishing gear it will utilize in fishing shall be registered and a license granted therefore. The Department shall promulgate guidelines to implement this provision within sixty (60) days from approval of this Code.

Rule 29.1 Requirements for Licensing. - The Department, through BFAR, shall issue within three (3) months from the effectivity of this IRR, the appropriate FAO to implement this Section.

SEC. 30. Renewal of Commercial Boats License. - The commercial fishing boat license shall be renewed every three (3) years.

The owner/operator of a fishing vessel has a period of sixty (60) days prior to the expiration of the license within which to renew the same.

SEC. 31. Report of Transfer of Ownership. - The owner/operator of a registered fishing vessel shall notify the Department in writing of the transfer of the ownership of the vessel with a copy of such document within ten (10) days after its transfer to another person.

SEC. 32. Fishing by Philippine Commercial Fishing Fleet in International Waters. - Fishing vessels of Philippine registry may operate in international waters or waters of other countries which allow such fishing operations: Provided, That they comply with the safety, manning and other requirements of the Philippine Coast Guard, Maritime Industry Authority and other agencies concerned: Provided, however, That they secure an international fishing permit and certificate of clearance from the Department: Provide, further, That the fish caught by such vessels shall be considered as

caught in Philippine waters and therefore not subject to all import duties and taxes only when the same is landed in duly designated fish landings and fish ports in the Philippines: Provided, furthermore, That landing ports established by canneries, seafood processors and all fish landing sites established prior to the effectivity of this Code shall be considered authorized landing sites: Provided, finally , That fishworkers on board Philippine registered fishing vessels conducting fishing activities beyond the Philippine Exclusive Zone are not considered as overseas Filipino workers.

The Department, through BFAR, shall:

Rule 32.1 Registration of Landing Ports. - Require landing ports established by canneries, seafood processors, and private fish landing sites established prior to the effectivity of this Code to register with BFAR to qualify as authorized landing sites for fish caught in international waters by Philippine commercial fleet;

Rule 32.2 Workers Classification.- Fishermen on board Philippine registered fishing vessels fishing beyond the Exclusive Economic Zone are not considered as overseas Filipino workers, and therefore, are not covered by the Migrant Workers and Overseas Filipino Act of 1995 and its implementing rules and regulations.

Rule 32.3 Exception from Applicable Immigration and Customs Regulations. - Philippine registered fishing vessels engaged in fishing operations in Philippine 200 miles Exclusive Economic Zone and beyond shall be exempted from applicable immigration and custom laws and its implementing rules.

SEC. 33. Importation of Fishing Vessels or Construction of New Fishing Boats. - Prior to the importation of fishing vessels and the construction of new fishing vessels, the approval/clearance of the Department must first be obtained.

The Department, through BFAR, shall :

Rule 33.1 Importation.- Issue, within one (1) year from the effectivity of this IRR, the appropriate FAO on the maximum age and minimum gross tonnage for catcher vessels that may be imported.

SEC. 34. Incentives for Municipal and Small Scale Commercial Fisherfolk. - Municipal and small scale commercial fisherfolk shall be granted incentives which shall include, but are not limited the, the following:

- a. at least ten percent (10%) of the credit and the guarantee funds of government financing institutions shall be made available for post-harvest and marketing projects for the purpose of enhancing our fisherfolk competitiveness by reducing post-harvest losses. Qualified projects shall include, but shall not be limited to, ice plants, cold storage, canning, warehouse, transport and other related infrastructure projects and facilities; and*
- b. the Department shall undertake the following programs:*
 - 1. a capability-building program for targeted parties shall be developed by the Department to promote greater bankability and credit worthiness of municipal and small scale commercial fishers. Such program shall include organizing activities, technology transfer, and skills training related to commercial fishing as well as credit management. Groups and cooperatives organized under*

the program shall have priority access over credit and guarantee funds established under this Code; and

2. *an information campaign shall be conducted to promote the capability-building and credit programs. The campaign shall ensure greater information dissemination and accessibility to targeted fisherfolk.*

Rule 34.1. Inter-Agency Credit Committee. - The Department, shall within three (3) months from the effectivity of this IRR, form an Inter-Agency Committee composed of representatives from Agricultural Credit and Policy Council (ACPC), BFAR, National Credit Council (NCC), Department of Finance (DOF), Small and Medium Business Enterprise Guarantee Fund (SMBEGF), Guarantee Fund for Small and Medium Scale Enterprise (GFSME), Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP) , Quedan and Rural Credit Guarantee Corporation (QUEDANCOR), Guarantee Fund for Small and Medium Scale Enterprises (GFSME) who shall formulate through a participatory process with the beneficiaries the credit guidelines to implement Section 34;

Rule 34.2 The Department, through BFAR, shall develop and implement capability building program for municipal and small scale commercial fishers which shall include those covered by the rules under Section 24.

SEC. 35. Incentives for Commercial Fishers to Fish Farther into the Exclusive Economic Zone (EEZ). - In order to encourage fishing vessel operators to fish farther in the EEZ and beyond, new incentives for improvement of fishing vessels and

acquisition of fishing equipment shall be granted in addition to incentives already available from the Board of Investments (BOI). Such incentives shall be granted subject to exhaustive evaluation of resource and exploitation conditions in the specified areas of fishing operations. The incentive shall include, but not be limited to:

- a. long term loans supported by guarantee facilities to finance the building and acquisition and/or improvement of fishing vessels and equipment;*
- b. commercial fishing vessel operators of Philippine registry shall enjoy a limited period of tax and duty exemptions on the importation of fishing vessels not more than five (5) years old, equipment and paraphernalia, the period of exemption and guidelines shall be fixed by the Department within ninety (90) days from effectivity of this Code.*
- c. commercial fishing operator of Philippine registry engaged in fisheries in the high seas shall be entitled to duty and tax rebates on fuel consumption for commercial fisheries operations. Guidelines shall be promulgated within ninety (90) days from the effectivity of this Code by the Department; and*
- d. all applicable incentives available under the Omnibus Investment Code of 1987: Provided, That the fishing operation project is qualified for registration and is duly registered with the BOI.*

Rule 35.1 **The Department of Agriculture, through BFAR, shall create within one (1) month from the effectivity of this IRR, an Inter-Agency/Sectoral Committee which includes the private sector to formulate guidelines to implement Section 35.**

SEC. 36. Complement of Fishing Vessels. - Every commercial fishing vessel of Philippine registry when actually

operated, shall be manned in accordance with the requirements of the Philippine Merchant Marine rules and regulations.

SEC. 37. Medical Supplies and Life-Saving Devices. - All fishing vessels shall be provided with adequate medical supplies and life-saving devices to be determined by the Occupational Safety and Health Center: Provided, That a fishing vessel of twenty (20) GT or more shall have as a member of its crew a person qualified as a first aider duly certified by the Philippine National Red Cross.

SEC. 38. Reportorial Requirements. - Each commercial fishing vessel shall keep a daily record of fish catch and spoilage, landing points, and quantity and value of fish caught, and off-loaded for transshipment, sale and/or other disposal. Detailed information shall be duly certified by the vessel's captain and transmitted monthly to the officer or representative of the Department, at the nearest designated landing point.

Rule 38.1 Reports. - Each commercial fishing vessel shall provide the Department, through BFAR, the following reports duly certified by the vessel's Captain and transmitted monthly using prescribed logsheet form: (i) a record of daily fish catch by fishing trip and fishing area, such fishing area defined by specific measurement of latitude and longitude positions; (ii) daily record of quantity and value of fish catch, spoilage, landing points, transshipment and/or other means of disposal.

SEC. 39. Report of Meteorological and Other Data. - All vessels and crafts passing navigational lanes or engaged in fisheries activity shall be required to contribute to meteorological and other data, and shall assist the Department in documentation

or reporting of information vital to navigation and the fishing industry.

SEC. 40. Color Code and Radio Frequency. - For administrative efficiency and enforcement of regulations, registered fishing vessels shall bear a color code as may be determined by the Department and may be assigned a radio frequency specific and distinct to its area of operation.

The Department through BFAR, shall:

- Rule 40.1 Implementation of Color Code Licensing System.-**
Require that the licensing of commercial fishing vessels will be for specific or several fishing areas;
- Rule 40.2 Demarcation of Fishing Areas.-** Demarcate the Philippine waters into distinct fishing areas, in coordination with NAMRIA, produce a map of the Philippine waters, each fishing area being designated with a code number;
- Rule 40.3 Color Coding System.-** Design color coding system for fishing areas for commercial fishing vessels;
- Rule 40.4 Regulation.-** Issue the appropriate FAO for such color code licensing system within two (2) years from the effectivity of this IRR;
- Rule 40.5 Assignment of Radio Frequency.-** Coordinate with the National Telecommunication Commission (NTC) on the assignment of radio frequencies for the area of operation of the fishing vessels.

SEC. 41. Passage. - Commercial and other passage not in the regular conduct of fisheries activity shall be made at designated navigational lanes.

SEC. 42. Transshipment. - Foreign fishing vessels wishing to avail of land, air and sea facilities available in the Philippines to transport fishery products which are caught outside Philippine territorial waters to its final destination shall call only at duly designated government-owned or -controlled regional fishport complexes after securing clearance from the Department.

The Department, through BFAR, shall:

Rule 42.1 Guidelines.- Formulate, in cooperation with PFDA, guidelines on transshipment;

Rule 42.2 Transshipment Points. - Designate, in cooperation with PFDA, the regional fishport complexes as authorized transshipment points;

SEC. 43. Operation of Radio Communication Facilities on Board Fishing Vessels. - The Department shall promulgate guidelines in the operation of radio communication facilities on board fishing vessels and the assignment of radio frequencies specific and distinct to area of operation in coordination with the National Telecommunications Commission.

Rule 43.1 Regulation. - The Department, through BFAR, in cooperation with NTC, shall issue, within one (1) year from the effectivity of this IRR, the appropriate FAO on the qualifications of the Fishing Vessel Radio Operators.

SEC. 44. Use of Superlight. - The number and wattage of superlights used in commercial fishing vessels shall be regulated by

the Department: Provided, That the use of superlights is banned within municipal waters and bays.

The Department, through BFAR, shall:

Rule 44.1 Regulations. - Conduct studies to determine superlights to be regulated and issue corresponding FAO, within one (1) year from the effectivity of this IRR on the total wattage and lumens which shall be allowed according to tonnage size of a commercial fishing vessel.

*ARTICLE III
AQUACULTURE*

SEC. 45. Disposition of Public Lands for Fishery Purposes.
- Public lands such as tidal swamps, mangroves, marshes, foreshore lands and ponds suitable for fishery operations shall not be disposed or alienated. Upon effectivity of this Code, FLA may be issued for public lands that may be declared available for fishpond development primarily to qualified fisherfolk cooperatives/associations: Provided, however, That upon the expiration of existing FLAs the current lessees shall be given priority and be entitled to an extension of twenty-five (25) years in the utilization of their respective leased areas. There after, such FLAs shall be granted to any Filipino citizen with preference, primarily to qualified fisherfolk cooperatives/associations as well as small and medium enterprises as defined under Republic Act No. 8289: Provided, further, That the Department shall declare as reservation, portions of available public lands certified as suitable for fishpond purposes for fish sanctuary, conservation, and ecological purposes: Provided , finally, that two (2) years after the approval of this Act, no fish pens or fish cages or fish traps shall be allowed in lakes.

The Department through BFAR, shall:

- Rule 45.1 Declaration of Reserved Areas.- Determine, in coordination with DENR, within six (6) months from the effectivity of this IRR, areas or portions of available public lands certified as suitable for fishpond purposes to be declared as reservation, fish sanctuary /or for conservation, and ecological purposes;**
- Rule 45.2 Preference in the Issuance of New FLAs. - Give preference to qualified fisherfolk cooperatives/ associations in the issuance of new FLAs covering public lands declared available for fishpond development;**
- Rule 45.3 Preference in the Issuance of Expired FLAs. - Give preference primarily to qualified fisherfolk cooperatives/associations as well as small and medium enterprise in the awarding of expired FLAs;**
- Rule 45.4 Regulation. - Issue the FAO, within one (1) year from the effectivity of this IRR on the criteria for the selection of qualified applicants for new and expired FLAs.**

SEC. 46. Lease o f Fishponds.- Fishpond leased to qualified persons and fisherfolk organizations/cooperatives shall be subject to the following conditions:

- a. Areas leased for fishpond purposes shall be no more than 50 hectares for individuals and 250 hectares for corporations or fisherfolk organizations;*
- b. The lease shall be for a period of twenty-five (25) years and renewable for another twenty-five (25) years: Provided, That in case of the death of the lessee, his spouse and/or children, as*

his heirs, shall have preemptive rights to the unexpired term of his Fishpond Lease Agreement subject to the same terms and conditions provided herein provided that the said heirs are qualified;

- c. Lease rates for fishpond areas shall be determined by the Department: Provided, that all fees collected shall be remitted to the National Fisheries Research and Development Institute and other qualified research institutions to be used for aquaculture research development;*
- d. The area leased shall be developed and producing on a commercial scale within three (3) years from the approval of the lease contract: Provided, however, That all areas not fully producing within five (5) years from the date of approval of the lease contract shall automatically revert to the public domain for reforestation;*
- e. The fishpond shall not be subleased, in whole or in part, and failure to comply with this provision shall mean cancellation of FLA;*
- f. The transfer or assignment of rights to FLA shall be allowed only upon prior written approval of the Department;*
- g. The lessee shall undertake reforestation for river banks, bays, streams and seashore fronting the dike of his fishpond subject to the rules and regulations to be promulgated thereon; and*
- h. The lessee shall provide facilities that will minimize environmental pollution, i.e., settling ponds, reservoirs, etc: Provided, That failure to comply with this provision shall mean cancellation of FLA.*

The Department , through BFAR, shall:

Rule 46.1 Lease Rate.- Issue the FAO, within one (1) year from the effectivity of this IRR, the guidelines prescribing fishpond lease rates and other regulations to implement this Section;

Rule 46.2 Reforestation. - In coordination with the DENR, issue the guidelines within one (1) year from the effectivity of this IRR, on the reforestation of river banks, bays, streams and seashores fronting the dike of the fishpond area covered by the FLA.

SEC. 47. Code of Practice for Aquaculture. - The Department shall establish a code of practice for aquaculture that will outline general principles and guidelines for environmentally-sound design and operation to promote the sustainable development of the industry. Such Code shall be developed through a consultative process with the DENR, the fishworkers, FLA holders, fishpond owners, fisherfolk cooperatives, small-scale operators, research institutions and the academe, and other potential stakeholders. The Department may consult with specialized international organizations in the formulation of the code of practice.

Rule 47.1 Drafting of the Code of Practice for Aquaculture. - The Department through BFAR, shall work closely with DENR, Southeast Asian Fisheries Development Center/ Aquaculture Department (SEAFDEC/AQD), International Center for Living and Aquatic Resources Management (ICLARM), other concerned agencies, private sector and FARMCs in drafting the Code of Practice for Aquaculture, to be completed within one (1) year from the effectivity of this IRR, in consonance with the Code of Conduct for Responsible Fisheries.

SEC. 48. Incentives and Disincentives for Sustainable Aquaculture Practices. - The Department shall formulate incentives and disincentives, such as, but not limited to, effluent charges, user fees and negotiable permits, to encourage

compliance with the environmental standards and to promote sustainable management practices.

Rule 48.1 Incentive/Disincentive System. - The Department, through BFAR, shall establish, in coordination with the DENR, within one (1) year from the effectivity of this IRR, disincentive system including but not limited to fines and penalties for pollutants and effluents traceable to the government lease and privately owned fishponds and incentives or awards for compliance with environmental regulation.

SEC. 49. Reversion of All Abandoned, Undeveloped or Underutilized Fishponds. - The DENR, in coordination with the Department, LGUs, other concerned agencies and FARMCs shall determine which abandoned, undeveloped or underutilized fishponds covered by FLAs can be reverted to their original mangrove state and after having made such determination shall take all steps necessary to restore such areas in their original mangrove state.

Rule 49.1 Joint Guidelines.- The Department, through BFAR and the DENR, shall be guided in the implementation of this Section by the Joint DA-DENR General Memorandum Order No. 3, Series of 1991, which shall be reviewed and revised accordingly within six (6) months from the effectivity of this IRR;

Rule 49.2 Identification of Abandoned, Undeveloped, Underutilized Fishponds. - The Department, through BFAR, shall within one (1) year from the effectivity of this IRR, review and update fishpond surveys and identify abandoned, undeveloped or underutilized fishpond which, after due process,

can be given to qualified persons or reverted to forest lands.

SEC. 50. Absentee Fishpond Lease Agreement Holders. - Holders of fishpond lease agreements who have acquired citizenship in another country during the existence of the FLA shall have their lease automatically cancelled and the improvements thereon to be forfeited in favor of the government and disposed of in accordance with rules and regulations promulgated thereon.

Rule 50.1 Proof of Citizenship. - The Department, through BFAR, shall through the appropriate FAO, require all fishpond lease holders to submit proof of citizenship.

SEC. 51. License to Operate Fish Pens, Fish Cages, Fish Traps and Other Structures for the Culture of Fish and Other Fishery Products. - Fish pens, fish cages, fish traps and other structures for the culture of fish and other fishery products shall be constructed and shall operate only within established zones duly designated by LGUs in consultation with the FARMCs concerned consistent with national fisheries policies after the corresponding licenses thereof have been secured. The area to be utilized for this purpose for individual person shall be determined by the LGUs in consultation with the concerned FARMC: Provided, however, That not over ten percent (10%) of the suitable water surface area of all lakes and rivers shall be allotted for aquaculture purposes like fish pens, fish cages and fish traps; and the stocking density and feeding requirement which shall be controlled and determined by its carrying capacity: Provided, further, That fish pens and fish cages located outside municipal waters shall be constructed and operated only within fish pen and fish cage belts designated by the Department and after corresponding licenses therefore have been secured and the fees thereof paid.

Rule 51.1 **Carrying Capacity of Lakes.** - The Department, through BFAR, in coordination with relevant research centers, shall determine within one (1) year from the effectivity of this IRR, the carrying capacity of lakes and inland waters, such information to provide the LGUs with information on suitable water surface area for aquaculture purposes.

SEC. 52. Pearl Farm Leases. - The foregoing provisions not withstanding, existing pearl farm leases shall be respected and allowed to operate under the terms thereof. New leases may be granted to qualified persons who possess the necessary capital and technology, by the LGUs having jurisdiction over the area.

Rule 52.1 **Inventory.** - The Department, through BFAR, shall conduct an inventory of all existing pearl farms;

Rule 52.2 **Regulation.** - The Department, through BFAR, shall prepare a model municipal fisheries ordinance which the LGUs may adopt as basis for their issuance of permits for the operation of pearl farms.

SEC. 53. Grant of Privileges for Operations of Fish Pens, Cages, Corrals/Traps and Similar Structures. - No new concessions, licenses, permits, leases and similar privileges for the establishment or operation of fish pens, fish cages, fish corrals/traps and other similar structures in municipal areas shall be granted except to municipal fisherfolk and their organizations.

SEC. 54. Insurance for Fishponds, Fish Cages, and Fish Pens.- Inland fishponds, fish cages and fish pens shall be covered under the insurance program of the Philippine Crop Insurance

Corporation for losses caused by force majeure and fortuitous events.

Rule 54.1 Guidelines. - The Department, through BFAR, shall coordinate with the Philippine Crop Insurance Corporation (PCIC) on the formulation of the guidelines to implement this Section;

Rule 54.2 Coverage. - The PCIC shall include fishpens, fish cages, seaweed farms and other aquaculture projects and non-agricultural assets such as ice plants, cold storage and other post harvest facilities as eligible for insurance coverage.

SEC. 55. Non-Obstruction to Navigation. - Nothing in the foregoing sections shall be construed as permitting the lessee, licensee, or permittee to undertake any construction which will obstruct the free navigation in any stream, river, lakes, or bays flowing through or adjoining the fish pens, fish cages, fish traps and fishponds, or impede the flow of the tide to and from the area. Any construction made in violation hereof shall be removed upon the order of the Department in coordination with the other government agencies concerned at the expense of the lessee, licensee, or occupants thereof, whenever applicable. The Department shall within thirty (30) days after the effectivity of this Code formulate and implement rules and regulations for the immediate dismantling of existing obstruction to navigation.

Rule 55.1 Regulation. - The Department, through BFAR, in consultation with LGUs and/or other agencies and FARMCs concerned, shall issue within one (1) year from the effectivity of this IRR, appropriate FAO to implement this Section.

SEC. 56. Non-Obstruction to Defined Migration Paths. - Nothing in the foregoing sections shall be construed as permitting the lessee, permittee, or licensee to undertake any construction which will obstruct any defined migration path of migratory fish species such as river mouths and estuaries within a distance determined by the concerned LGUs in consultation with and upon the recommendation of the FARMCs.

Rule 56.1 Regulation. - The Department, through BFAR, in consultation with FARMCs shall issue within one (1) year from the effectivity of this IRR , the appropriate FAO to implement this Section.

SEC. 57. Registration of Fish Hatcheries and Private Fishponds, etc. - All fish hatcheries, fish breeding facilities and private fishponds must be registered with the LGUs which shall prescribe minimum standards for such facilities in consultation with the Department: Provided, That the Department shall conduct a yearly inventory of all fishponds, fish pens and fish cages whether in public or private lands: Provided, further, That all fishpond, fish pen and fish cage operators shall annually report to the Department the type of species and volume of production in areas devoted to aquaculture.

Rule 57.1 Regulation. - The Department, through BFAR, shall issue the appropriate FAO within one (1) year from the effectivity of this IRR, to implement this Section.

*ARTICLE IV
POST-HARVEST FACILITIES, ACTIVITIES
AND TRADES*

SEC. 58. Comprehensive Post-harvest and Ancillary Industries Plan. - The Department shall conduct a regular study of fisheries post-harvest operations and ancillary industries, in the

formulation of a comprehensive plan for post-harvest and ancillary industries. It shall take into account, among others, the following:

- a. detailed and clear guidelines on the distribution, construction maintenance and use of post-harvest infrastructure facilities;*
- b. extension of credit and incentives for post-harvest operations;*
- c. promotion and strengthening of semi-processing, processing and handling;*
- d. development of domestic fishmeal industry;*
- e. development of fisheries ship-building and repair as a viable industry;*
- f. development and strengthening of marketing facilities and activities, including the pricing system, with emphasis on collective marketing and the elimination of middlemen;*
- g. increased participation of cooperatives and non-governmental organizations in post-harvest operations and ancillary industries;*
- h. integration of fisheries post-harvest operations into the national fisheries plan.*

Rule 58.1 Plan. - The Department, through BFAR and PFDA and in consultation with other concerned agencies and the private sector, shall within two (2) years from the effectivity of this IRR, prepare and complete the Comprehensive Post Harvest and Ancillary Industries Plan.

SEC. 59. Establishment of Post-Harvest Facilities for Fishing Communities. - The LGUs shall coordinate with the private sector and other concerned agencies and FARMCs in the establishment of post-harvest facilities for fishing communities such as, but not limited to, municipal fish landing sites, fish ports, ice plants and cold storage and other fish processing establishments to serve primarily the needs of municipal fisherfolk: Provided, That such post-harvest facilities shall be consistent with the Comprehensive Post-harvest and Ancillary Industries Plan.

Rule 59.1 Guidelines. - The Department, through PFDA, shall prepare within six (6) months from the effectivity of this IRR, the guidelines to implement this Section.

SEC. 60. Registration and Licensing of all Post-Harvest Facilities. - All post-harvest facilities such as fish processing plants, ice plants, and cold storage's, fish ports/landings and other fishery business establishments must register with and be licensed by the LGUs which shall prescribe minimum standards for such facilities in consultation with the Department.

Rule 60.1 Standards. - The Department, through BFAR and PFDA, shall establish the minimum operating standards for post harvest facilities in accordance with Hazard Analysis Critical Control Points (HACCP);

Rule 60.2 Guidelines. - The Department, through BFAR, shall coordinate with LGUs in the implementation of these standards in licensing and registration of fish processing plants, ice plants and cold storages, fish ports/landings and other fishery business establishments.

SEC. 61. Importation and Exportation of Fishery Products.

- a. *Export of fishery products shall be regulated whenever such exportation affects domestic food security and production: Provided, that exportation of live fish shall be prohibited except those which are hatched or propagated in accredited hatcheries and ponds.*
- b. *To protect and maintain the local biodiversity or ensure the sufficiency of domestic supply, spawners, breeders, eggs and fry of bangus, prawn and other endemic species, as may be*

determined by the Department, shall not be exported or caused to be exported by any person;

- c. Fishery products may be imported only when the importation has been certified as necessary by the Department, in consultation with the FARMC, and all the requirements of this Code, as well as all existing rules and regulations have been complied with: Provided, That fish imports for canning/processing purposes only may be allowed without the necessary certification, but within the provisions of Section 61 (d) of this Code; and*
- d. No person, shall import and/or export fishery products of whatever size, stage or form for any purpose without securing a permit from the Department.*

The Department in consultation with the FARMC shall promulgate rules and regulations on importation and exportation of fish and fishery/aquatic resources with the Government's export/import simplification procedures.

The Department, through BFAR, shall:

Rule 61.1 Regulations on Importation and Exportation.- Issue within three (3) months from the effectivity of this IRR, the appropriate FAO on the guidelines on exportation and importation of fish and fishery products;

Rule 61.2 Regulations on Exportation of Spawners, Breeders, Eggs and Fry.- Issue within three (3) months from the effectivity of this IRR, the appropriate FAO on the exportation of certain spawners, breeders, eggs, fry of bangus, prawn and other endemic species.

SEC. 62. Instruments of Weights and Measures, and Quality Grades/Standards. - Standards for weights, volume and

other measurements for all fishery transactions shall be set by the Department.

All fish and fishery products for export, import and domestic consumption shall meet the quality grades/standards as determined by the Department.

The LGU concerned shall, by appropriate ordinance, penalize fraudulent practices and unlawful possession or use of instrument of weights and measures.

Rule 62.1 Standards. - The Department, through BFAR, in coordination with other concerned agencies, shall establish, within two (2) years from the implementation of this IRR, quality grades and standards for fishery products in consonance with international standards.

CHAPTER III

RECONSTITUTION OF THE BUREAU OF FISHERIES AND AQUATIC RESOURCES AND CREATION OF FISHERIES AND AQUATIC RESOURCES MANAGEMENT COUNCILS

ARTICLE I

RECONSTITUTION OF THE BUREAU OF FISHERIES AND AQUATIC RESOURCES

SEC. 63. Creation of the Position of Undersecretary for Fisheries and Aquatic Resources. - There is hereby created in the Department of Agriculture the position of Undersecretary for Fisheries and Aquatic Resources, solely for the purpose of attending to the needs of the fishing industry, to be appointed by the President. Such Undersecretary shall have the following functions :

- a. *set policies and formulate standards for the effective, efficient and economical operations of the fishing industry in accordance with the programs of the government;*
- b. *exercise overall supervision over all functions and activities of all offices and instrumentalities and other offices related to fisheries including its officers;*
- c. *establish, with the assistance of the director, such regional, provincial and other fishery officers as may be necessary and appropriate and organize the internal structure of BFAR in such manner as is necessary for the efficient and effective attainment of its objectives and purposes; and*
- d. *perform such other functions as maybe necessary or proper to attain the objectives of this Code.*

Rule 63.1 Undersecretary for Fisheries and Aquatic Resources.- The position of the Undersecretary for Fisheries and Aquatic Resources in the Department is hereby created solely for the purpose of attending to the needs of the fishing industry.

SEC. 64. Reconstitution of the BFAR. - The Bureau of Fisheries and Aquatic Resources (BFAR) is hereby reconstituted as a line bureau under the Department of Agriculture.

Rule 64.1 Reconstitution of the Bureau.-The BFAR is hereby reconstituted as a line bureau under the Department. Its organizational structure shall consist of a head office, regional fisheries offices, provincial fisheries offices and where and when necessary municipal fisheries offices.

SEC. 65. Functions of the Bureau of Fisheries and Aquatic Resources. - As a line bureau, the BFAR shall have the following functions;

- a. *prepare and implement a Comprehensive National Fisheries Industry Development Plan;*
- b. *issue licenses for the operation of commercial fishing vessels;*
- c. *issue identification cards free of charge to fishworkers engaged in commercial fishing;*
- d. *monitor and review joint fishing agreements between Filipino citizens and foreigners who conduct fishing activities in international waters, and ensure that such agreements are not contrary to Philippine commitment under international treaties and convention on fishing in the high seas;*
- e. *formulate and implement a Comprehensive Fishery Research and Development Program, such as, but not limited to, sea farming, sea ranching, tropical/ornamental fish and seaweed culture, aimed at increasing resource productivity, improving resource use efficiency, and ensuring the long-term sustainability of the country's fishery and aquatic resources;*
- f. *establish and maintain a Comprehensive Fishery Information System;*
- g. *provide extensive development support services in all aspect of fisheries production, processing and marketing;*
- h. *provide advisory services and technical assistance on the improvement of quality of fish from the time it is caught (i.e. on board fishing vessel, at landing areas, fish markets, to the processing plants and to the distribution and marketing chain);*
- i. *coordinate efforts relating to fishery production undertaken by the primary fishery producers, LGUs, FARMCs, fishery and organizations/cooperatives;*
- j. *advise and coordinate with LGUs on the maintenance of proper sanitation and hygienic practices in fish markets and fish landing areas;*
- k. *establish a corps of specialists in collaboration with the Department of National Defense, Department of Interior and Local Government, Department of Foreign Affairs for the efficient monitoring, control and surveillance of fishing*

- activities within Philippine territorial waters and provide the necessary facilities, equipment and training therefor;*
- l. implement an inspection system for import and export of fishery/aquatic products and fish processing establishments consistent with international standards to ensure product quality and safety;*
 - m. coordinate with LGUs and other concerned agencies for the establishment of productivity enhancing and market development program in fishing communities to enable women to engage in other fisheries/economics activities and contribute significantly to development efforts;*
 - n. enforce all laws, formulate and enforce all rules and regulations governing the conservation and management of fishery resources, except in municipal waters, and to settle conflicts of resource use and allocation in consultation with the NFARMC, LGUs and local FARMCs;*
 - o. develop value-added fishery-products for domestic consumption and export;*
 - p. recommend measures for the protection/enhancement of the fishery industries;*
 - q. assist the LGUs in developing their technical capability in the development, management, regulation, conservation and protection of the fishery resources;*
 - r. formulate rules and regulations for the conservation and management of straddling fish stocks and highly migratory fish stocks; and*
 - s. perform such other related functions which shall promote the development, conservation, management, protection and utilization of fisheries and aquatic resources.*

SEC. 66. Composition of BFAR. - As a line bureau, the BFAR shall be headed by a Director and assisted by two (2) Assistant Directors who shall supervise the administrative and technical services of the bureau respectively. It shall establish regional, provincial and municipal offices as may be appropriate

and necessary to carry out effectively and efficiently the provisions of this Code.

Rule 66.1 **Composition of BFAR.** - The BFAR , in consultation/coordination with other agencies and private sectors, within three (3) months from the effectivity of this IRR, shall establish the appropriate organizational structure to carry out its functions as mandated in this Code, and to provide services including but not limited to investment financing, information, regulation, fisheries management, fish production, post harvest and market development, training and extension, policy and planning, international relations;

Rule 66.2 **Organizational Structure.** - The BFAR shall be headed by a Director and assisted by an Assistant Director for Administrative Services and an Assistant Director for Technical Services. BFAR shall have the following divisions: Legal Division, Administrative Division, Finance Division, Fisheries Resources Management Division, Fisheries Policy and Economics Division, Fisheries Resource Evaluation and Environment Services Division, Fisheries Regulatory and Quarantine Division, Fishing Technology Division, Fisheries Post Harvest Technology Division, Inland Fisheries and Aquaculture Division and Fisheries Industry Development Support Division. The BFAR shall also have fisheries technology centers, such as but not limited to: National Brackishwater Fisheries Technology Center, National Freshwater Fisheries Technology Center, National Inland Fisheries Technology Center,

National Marine Fisheries Development Center, National Integrated Fisheries Technology and Development Center, National Seaweeds Technology and Development Center, Fisheries Biological Center and Mindanao Freshwater Fisheries Technology Center.

- Rule 66.3 Regional Fisheries Office. - BFAR shall establish Regional Fisheries Office (RFO) in each administrative region which shall be headed by a Fisheries Regional Director and an Assistant Fisheries Regional Director. The RFO shall have functions such as but not limited to extension and training, regulations and monitoring, control and surveillance;**
- Rule 66.4 Provincial and Municipal Fisheries Office. - BFAR shall establish provincial offices and municipal offices, as may be appropriate and necessary;**
- Rule 66.5 Transfer of Assets. - The DA Secretary shall issue an Administrative Order specifying those assets, resources and personnel which shall form the interim Regional Fisheries Offices to take effect not later than July 1, 1998;**
- Rule 66.6 Assistant Regional Director. - The Assistant Regional Director for Fisheries holding the position of Director III shall automatically be appointed as the Regional Fisheries Office Director;**
- Rule 66.7 Regional Fishermen Training Center. - The DA Secretary shall transfer to BFAR all Regional Fishermen Training Center.**

SEC. 67. Fisheries Inspection and Quarantine Service. - For purposes of monitoring and regulating the importation and exportation of fish and fishery/aquatic resources, the Fisheries Inspection and Quarantine Service in the BFAR is hereby strengthened and shall have the following functions:

a. conduct fisheries quarantine and quality inspection of all fish and fishery/aquatic products coming into and going out of the country by air or water transport, to detect the presence of fish pest and diseases and if found to harbor fish pests or diseases shall be confiscated and disposed of in accordance with environmental standards and practices;

b. implement international agreements/commitments on bio-safety and bio-diversity as well as prevent the movement or trade of endemic fishery and aquatic resources to ensure that the same are not taken out of the country;

c. quarantine such aquatic animals and other fishery products determined or suspect to be with fishery pests and diseases and prevent the movement or trade from and/or into the country of these products so prohibited or regulated under existing laws, rules and regulations as well as international agreements of which the Philippines is a State Party;

d. examine all fish and fishery products coming into or going out of the country which may be a source or medium of fish pests or diseases and/or regulated by existing fishery regulations and ensure that the quality of fish import and export meet international standards; and

e. document and authorized the movement or trade of fish and fishery products when found free of fish pest or diseases and collect necessary fees prescribed by law and regulations.

The Department, through BFAR, in coordination with concerned agencies and private sector, shall:

- Rule 67.1** **Safety and Quality Standards.** - Establish and enforce safety and quality standards on aquatic organisms and fishery products for domestic consumption and international trade, consistent with the international trade agreements such as but not limited to: World Trade Organization-General Agreement on Tariff and Trade (WTO-GATT), Sanitary and Phyto-Sanitary (SPS) measures, World Health Organization (WHO) and Food and Agriculture Organization (FAO) Codex Alimentarius Commission;
- Rule 67.2** **Laboratories.** - Establish fisheries laboratories for surveillance, inspection and fish disease diagnosis during handling, transport, manufacturing and storage including but not limited to processing facilities, fish port and landing areas and markets;
- Rule 67.3** **Fish Inspection.** - Establish and implement a HACCP-based fish inspection to include export and import certification system in accordance with established international standards and requirement;
- Rule 67.4** **Laboratory Fees.** - Issue, within three (3) months from the effectivity of this IRR, the appropriate FAO on the collection of charges and fees for laboratory examination of fish and fishery products;
- Rule 67.5** **Transport and Movement of Living Aquatic Organisms.** - Formulate and implement guidelines for the transport and movement of living aquatic organisms consistent with the National Aquatic Animal Health Code and international agreements

with Office International des Epizootics (OIE), International Council for Exploration of the Sea (ICES) and European Inland Fisheries Advisory Commission (EIFAC);

Rule 67.6 **Quarantine and Inspection.** - Establish a Quarantine and Inspection Unit in international and domestic airports and seaports to implement fishery laws, rules and regulations on the transport, movement and trade of fish and fishery products.

ARTICLE II
THE FISHERIES AND AQUATIC RESOURCES
MANAGEMENT COUNCILS (FARMCs)

SEC. 68. Development of Fisheries and Aquatic Resources in Municipal Waters and Bays. - Fisherfolk and their organizations residing within the geographical jurisdiction of the barangays, municipalities or cities with the concerned LGUs shall develop the fishery/aquatic resources in municipal waters and bays.

SEC. 69. Creation of Fisheries and Aquatic Resources Management Councils (FARMCs). - FARMCs shall be established in the national level and in all municipalities/cities abutting municipal waters as defined by this code. The FARMCs shall be formed by fisherfolk organizations/cooperatives and NGOs in the locality and be assisted by the LGUs and other government entities. Before organizing FARMCs, the LGUs, NGOs, fisherfolk, and other concerned POs shall undergo consultation and orientation on the formation of FARMCs.

Rule 69.1 **Creation of FARMCs.** - The Secretary shall create within three (3) months from the effectivity of this IRR, an Inter-Sectoral Committee to

formulate the organizational guidelines on the formation of FARMCs.

SEC. 70. Creation and Composition of the National Fisheries and Aquatic Resources Management Council (NFARMC). - There is hereby created a National Fisheries and Aquatic Resources management Council hereinafter referred to as NFARMC as a advisory/recommendatory body to the Department. The NFARMC shall be composed of fifteen (15) members consisting of:

- a. the Undersecretary of Agriculture, as Chairman;*
- b. the Undersecretary of the Interior and Local Government;*
- c. five (5) members representing the fisherfolk and fishworkers;*
- d. five (5) members representing commercial fishing and aquaculture operators and the processing sectors;*
- e. two (2) members from the academe; and*
- f. one (1) representative of NGOs involved in fisheries.*

The members of the NFARMC, except for the Undersecretary of Agriculture and the Undersecretary of the Interior and Local Government, shall be appointed by the President upon the nomination of their respective organizations.

Rule 70.1 Interim NFARMC. - The Secretary shall issue an Administrative Order, within three (3) months from the effectivity of this IRR, designating interim members of the NFARMC which shall prepare and complete the guidelines for the formation of the NFARMC.

SEC. 71. Terms of Office. - The members of NFARMC, except the Undersecretary of Agriculture and the Undersecretary of the Interior and Local Government, shall serve for a term of three (3) years without reappointment.

SEC. 72. Functions of the NFARMC. - The NFARMC shall be the following functions;

- a. assist in the formulation of national policies for the protection, sustainable development and management of fishery and aquatic resources for the approval of the Secretary;*
- b. assist the Department in the preparation of the National Fisheries and Industry Development Plan; and*
- c. perform such other functions as may be provided by law.*

SEC. 73. The Municipal/City Fisheries and Aquatic Resources Management Councils (M/CFARMCs). - The M/CFARMCs shall be created in each of the municipalities and cities abutting municipal waters. However, the LGU may create the Barangay Fisheries and Aquatic Resources Management Councils (BFARMCs) and the Lakewide Fisheries and Aquatic Resources Management Councils (LFARMCs) whenever necessary. Such BFARMCs and LFARMCs shall serve in an advisory capacity to the LGUs.

SEC. 74. Functions of the M/CFARMCs. - The M/CFARMCs shall exercise the following functions:

- a. assist in the preparation of the Municipal Fishery Development Plan and submit such plan to the Municipal Development Council;*
- b. recommend the enactment of municipal fishery ordinances to the sangguniang bayan/sangguniang panlungsod through its Committee on Fisheries;*
- c. assist in the enforcement of fishery laws, rules and regulations in municipal waters;*
- d. advise the sangguniang bayan/panlungsod on fishery matters through its Committee on Fisheries, if such has been organized; and*
- e. perform such other functions which may be assigned by the sangguniang bayan/panlungsod.*

SEC. 75. Composition of the M/CFARMC. - The regular member of the M/CFARMCs shall be composed of :

- a. Municipal/City Planning Development Officer;*
- b. Chairperson, Agriculture/Fishery Committee of the Sangguniang Bayan/Panlungsod*
- c. representative of the Municipal/City Development Councils;*
- d. representative from the accredited non-government organization;*
- e. representative from the private sector;*
- f. representative from the Department of Agriculture; and*
- g. at least eleven(11) fisherfolk representatives (seven (7) municipal fisherfolk, one (1) fishworker and three (3) commercial fishers) in each municipality/city which include representative from youth and women sector.*

The Council shall adopt rules and regulations necessary to govern its proceedings and election.

SEC. 76. The Integrated Fisheries and Aquatic Resources Management Councils (IFARMCs). - The IFARMCs shall be created in bays, gulfs, lakes, and rivers and dams bounded by two (2) or more municipalities/cities.

SEC. 77. Functions of the IFARMCs. - The IFARMC shall have the following functions:

- a. assist in the preparation of the Integrated Fishery Development Plan and submit such plan to the concerned Municipal Development Councils;*
- b. recommend the enactment of integrated fishery ordinances to the concerned sangguniang bayan/panlungsod through its Committee of Fisheries, if such has been organized;*
- c. assist in the enforcement of fishery laws, rules and regulations in concerned municipal waters;*

- d. *advise the concerned sangguniang bayan/panlungsod on fishery matters through its Committee on Fisheries, if such has been organized; and*
- e. *perform such other functions which may be assigned by the concerned sangguniang bayan/panlungsod.*

SEC. 78. Composition of the IFARMCs. - The regular members of the IFARMCs shall be composed of the following:

- a. *the chairperson of the Committee on Agriculture/Fisheries of the concerned sangguniang bayan/panlungsod;*
- b. *the Municipal/City Fisheries Officers of the concerned municipalities/cities;*
- c. *the Municipal/City Development Officers of the concerned municipalities/cities;*
- d. *one (1) representative from NGO;*
- e. *one (1) representative from private sector; and*
- f. *at least nine (9) representatives from the fisherfolk sector which include representatives from the youth and women sector.*

The Council shall adopt rules and regulations necessary to govern its proceedings and election.

SEC. 79. Source of Funds of the FARMCs. - A separate fund for the NFARMC, IFARMCs and M/CFARMCs shall be established and administered by the Department from the regular annual budgetary appropriations.

CHAPTER IV

FISHERIES RESERVES, REFUGE AND SANCTUARIES

SEC. 80. Fishing Areas Reserves for Exclusive Use of Government.- The Department may designate area or areas in Philippine waters beyond fifteen (15) kilometers from shoreline as

fishery reservation for the exclusive use of the government or any of its political subdivisions, agencies or instrumentalities, for propagation, educational, research and scientific purposes: Provided, That in municipalities or cities, the concerned LGUs in consultation with the FARMCs may recommend to the Department that portion of the municipal waters be declared as fishery reserves for special or limited use, for educational, research, and/or special management purposes. The FARMCs may recommend to the Department portions of the municipal waters which can be declared as fisheries reserves for special or limited use for educational, research and special management purposes.

Rule 80.1 Regulations. - The Department , through BFAR, shall issue the appropriate FAO, through a participatory process with other agencies concerned, designating fishery reservations for the exclusive use of the government or any of its political subdivisions, agencies or instrumentalities, for propagation, educational, research and scientific purposes.

SEC. 81. Fish Refuge and Sanctuaries. - The Department may establish fish refuge and sanctuaries to be administered in the manner to be prescribed by the BFAR at least twenty-five percent (25%) but not more than forty percent (40%) of bays foreshore lands, continental shelf or any fishing ground shall be set aside for the cultivation of mangroves to strengthen the habitat and the spawning grounds of fish. Within these areas no commercial fishing shall be allowed. All marine fishery reserves, fish sanctuaries and mangrove swamp reservations already declared or proclaimed by the President or legislated by the Congress of the Philippines shall be continuously administered and supervised by the concerned agency: Provided, however, That in municipal waters, the concerned LGU in consultation with the FARMCs may establish fishery refuge and sanctuaries: The FARMCs may also recommend fishery refuge and sanctuaries:

Provided. further, That at least fifteen percent (15%) where applicable of the total coastal areas in each municipality shall be identified, based on the best available scientific data and in consultation with the Department, and automatically designated as fish sanctuaries by the LGUs in consultation with the concerned FARMCs

Rule 81.1 Regulations. - The Department, through BFAR, shall within six (6) months from the effectivity of this IRR, call for a participatory process to formulate the policy on prohibitions of fisheries activities including industrial and economic activities in areas declared as fish refuge and sanctuaries and shall issue the appropriate FAO.

*CHAPTER V
FISHERIES RESEARCH AND DEVELOPMENT*

SEC. 82. Creation of a National Fisheries Research and Development Institute (NFRDI) - In recognition of the important role of fisheries research in the development, management, conservation and protection of the country's fisheries and aquatic resources, there is hereby created a National Fisheries Research and Development Institute (NFRDI).

The Institute shall form part of the National Research and Development Network of the Department of Science and Technology (DOST).

The Institute, which shall be attached to the Department, shall serve as the primary research arm of the BFAR. The overall governance of the Institute shall be vested in the Governing Board which shall formulate policy guidelines for its operation. The plans, programs and operational budget shall be passed by the Board. The Board may create such committees as it may deem

necessary for the proper and effective performance of its functions. The composition of the Governing Board shall be as follows:

- a. Undersecretary for Fisheries - Chairman*
- b. BFAR Director - Vice Chairman*
- c. NFRDI Executive Director - Member*
- d. PCAMRD Executive Director - Member*
- e. Representative from the academe - Member*
- f. four (4) representatives from the private sector who shall come from the following subsectors: - Members*
 - Municipal Fisherfolk*
 - Commercial Fishing Operator*
 - Aquaculture Operator*
 - Post Harvest/Processor*

The NFRDI shall have a separate budget specific to its manpower requirements and operations to ensure the independent and objective implementation of its research activities.

Rule 82.1 Organizational Structure. - **The Secretary shall designate, within one (1) month from the effectivity of this IRR, an interim Undersecretary for Fisheries, Executive Director of NFRDI and members of the Governing Board to formulate the organizational structure and policies and guidelines for the operation of NFRDI.**

SEC. 83. Qualification Standard - The Institute shall be headed by an Executive Director to be appointed by the President of the Philippines upon the recommendation of the governing board. The Executive Director shall hold a Doctorate degree in fisheries and or/other related disciplines. The organizational structure and staffing pattern shall be approved by the Department: Provided, however, That the staffing pattern and

remunerations for scientific and technical staff shall be based on the qualification standards for science and technology personnel.

SEC. 84. Research and Development Objectives - Researches to be done by the NFRDI are expected to result in the following:

- a. To raise the income of the fisherfolk and to elevate the Philippines among the top five (5) in the world ranking in the fish productions;*
- b. to make the country's fishing industry in the high seas competitive;*
- c. to conduct social research on fisherfolk families for a better understanding of their conditions and needs; and*
- d. to coordinate with the fisheries schools, LGUs and private sectors regarding the maximum utilization of available technology, including the transfer of such technology to the industry particularly the fisherfolk.*

SEC. 85. Functions of the NFRDI - As a national institute, the NFRDI shall have the following functions:

- a. establish a national infrastructure unit complete with technologically-advanced features and modern scientific equipment, which shall facilitate, monitor, and implement various research needs and activities of the fisheries sector;*
- b. provide a venue for intensive training and development of human resources in the field of fisheries, a repository of all fisheries researches and scientific information;*
- c. provide intensive training and development of human resources in the field of fisheries for the maximum utilization of available technology;*
- d. hasten the realization of the economic potential of the fisheries sector by maximizing developmental research efforts in accordance with the requirements of the national fisheries*

conservation and development programs, also possibly through collaborative effort with international institutions; and

e. formally establish, strengthen and expand the network of fisheries-researching communities through effective communication linkages nationwide.

CHAPTER VI

PROHIBITIONS AND PENALTIES

SEC. 86. Unauthorized Fishing or Engaging in other Unauthorized Fisheries Activities. - No person shall exploit, occupy, produce, breed, culture, capture or gather fish, fry or fingerlings of any fishery species or fishery products, or engage in any fishery activity in Philippine waters without a license, lease or permit.

Discovery of any person in an area where he has no permit or registration papers for a fishing vessel shall constitute a prima facie presumption that the person and/or vessel is engaged in unauthorized fishing: Provided, That fishing for daily food sustenance or for leisure which is not for commercial, occupation or livelihood purposes may be allowed.

It shall be unlawful for any commercial fishing vessel to fish in bays and in such other fishery management areas which may herein after be declared as over-exploited.

Any commercial fishing boat captain or the three (3) highest officers of the boat who commit any of the above prohibited acts upon conviction shall be punished by a fine equivalent to the value of catch or Ten thousand pesos (P10,000.00) whichever is higher, and imprisonment of six (6) months, confiscation of catch and fishing gears, and automatic revocation of license.

It shall be unlawful for any person not listed in the registry of municipal fisherfolk to engage in any commercial fishing activity in municipal waters. Any municipal fisherfolk who commits such violation shall be punished by confiscation of catch and a fine of Five hundred pesos (P500.00).

Rule 86.1 Leisure or Game Fishing. - The Department, through BFAR in coordination with Department of Tourism (DOT) and other concerned agencies, shall issue, within one (1) year from effectivity of this IRR, the appropriate FAO for leisure or game fishing;

SEC. 87. Poaching in Philippine Waters.- It shall be unlawful for any foreign person, corporation or entity to fish or operate any fishing vessel in Philippine waters.

The entry of any foreign fishing vessel in Philippine waters shall constitute a prima facie evidence that the vessel is engaged in fishing in Philippine waters.

Violation of the above shall be punished by a fine of One hundred thousand U.S. Dollars (US\$100,000.00), in addition to the confiscation of its catch, fishing equipment and fishing vessel: Provided, That the Department is empowered to impose an administrative fine of not less than Fifty thousand U.S. Dollars (US\$50,000.00) but not more than Two hundred thousand U.S. Dollars (US\$200,000.00) or its equivalent in the Philippine Currency.

The Department, through BFAR, shall:

Rule 87.1 Regulation. - Coordinate with CABCOM-MOA Technical Working Group and other law enforcement agencies and issue the appropriate

FAO, within six (6) months from the effectivity of this IRR, on poaching in Philippine waters;

Rule 87.2 Reports.- Coordinate with DOTC to require officers of inter-island vessels, skippers and officers of commercial fishing vessels to report sightings of foreign vessels.

SEC. 88. Fishing Through Explosives, Noxious or Poisonous Substance, and/or Electricity.-

(1) It shall be unlawful for any person to catch, take or gather or cause to be caught, taken or gathered, fish or any fishery species in Philippine waters with the use of electricity, explosives, noxious or poisonous substance such as sodium cyanide in the Philippine fishery areas, which will kill, stupefy, disable or render unconscious fish or fishery species: Provided, That the Department, subject to such safeguards and conditions deemed necessary and endorsement from the concerned LGUs, may allow, for research, educational or scientific purposes only, the use of electricity, poisonous or noxious substances to catch, take or gather fish or fishery species: Provided, further, That the use of poisonous or noxious substances to eradicate predators in fishponds in accordance with accepted scientific practices and without causing adverse environmental impact in neighboring waters and grounds shall not be construed as illegal fishing.

It will likewise be unlawful for any person, corporation or entity to possess, deal in, sell or in any manner dispose of, any fish or fishery species which have been illegally caught, taken or gathered.

The discovery of dynamite, other explosives and chemical compounds which contain combustible elements, or noxious or poisonous substances, or equipment or device for electro-fishing in any fishing vessel or in the possession of any fisherfolk, operator,

fishing boat official or fishworker shall constitute a prima facie evidence, that the same was used for fishing in violation of this Code. The discovery in any fishing vessel of fish caught or killed with the use of explosive, noxious or poisonous substances or by electricity shall constitute prima facie evidence that the fisherfolk, operator, boat official or fishworker is fishing with the use thereof.

(2) Mere possession of explosive, noxious or poisonous substances or electrofishing devices for illegal fishing shall be punishable by imprisonment ranging from six (6) months to two (2) years.

(3) Actual use of explosives, noxious or poisonous substances or electrofishing devices for illegal fishing shall be punishable by imprisonment ranging from five (5) years to ten (10) years without prejudice to the filing of separate criminal cases when the use of the same result to physical injury or loss of human life.

(4) Dealing in, selling, or in any manner disposing of, for profit, illegally caught/gathered fisheries species shall be punished by imprisonment ranging from six (6) months to two (2) years.

(5) In all cases enumerated above, the explosives, noxious or poisonous substances and/or electrical devices, as well as the fishing vessels, fishing equipment and catch shall be forfeited.

Rule 88.1 Regulation on Confiscated Catch, Fishing Vessels, Gears and Paraphernalia.- The Department, through BFAR, shall issue, within one (1) year from the effectivity of this IRR, the appropriate FAO on the disposition of confiscated catch and impoundment of fishing vessels, equipment and other fishing paraphernalia.

SEC. 89. Use of Fine Mesh Net. - It shall be unlawful to engage in fishing using nets with mesh smaller than that with which may be fixed by the Department: Provided, That the prohibition on the use of fine mesh net shall not apply to the

gathering of fry, glass eels, elvers, tabios, and alamang and such species which by their nature are small but already mature to be identified in the implementing rules and regulations by the Department.

Violation of the above shall subject the offender to a fine from Two thousand pesos (P2,000.00) to Twenty thousand pesos (P20,000.00) or imprisonment from six (6) months to two (2) years or both such fine and imprisonment at the discretion of the court: Provided, That if the offense is committed by a commercial fishing vessel, the boat captain and the master fisherman shall also be subject to the penalties herein: Provided, further, That the owner/operator of the commercial fishing vessel who violates this provision shall be subjected to the same penalties provided herein: Provided, finally, That the Department is hereby empowered to impose upon the offender an administrative fine and/or cancel his permit or license or both.

The Department, through BFAR, shall:

Rule 89.1 Regulation of Mesh Sizes.- Issue the appropriate FAO, within one (1) year from the effectivity of this IRR on the allowable mesh size for different gears which may serve as guidelines for LGUs in the implementation of this prohibition in municipal waters;

Rule 89.2 Determination of Juvenile Fishes.- Issue the appropriate FAO on fishes considered in juvenile stage and penalizing possession, thereof.

SEC. 90. Use of Active Gear in the Municipal Waters and Bays and Other Fishery Management Areas. - It shall be unlawful to engage in fishing in municipal waters and in all bays as well as

other fishery management areas using active fishing gears as defined in this Code.

Violators of the above prohibitions shall suffer the following penalties:

(1) The boat captain and master fisherman of the vessels who participated in the violation shall suffer the penalty of imprisonment from two (2) years to six (6) years;

(2) The owner/operator of the vessel shall be fined from Two thousand pesos (P2,000.00) to Twenty thousand pesos (P20,000.00) upon the discretion of the court.

If the owner/operator is a corporation, the penalty shall be imposed on the chief executive officer of the Corporation.

If the owner/operator is a partnership the penalty shall be imposed on the managing partner.

(3) The catch shall be confiscated and forfeited.

Rule 90.1 Regulation.- The Department, through BFAR, shall issue, within one (1) year from the effectivity of this IRR, the appropriate FAO to implement this Section.

SEC. 91. Ban on Coral Exploitation and Exportation. - It shall be unlawful for any person or corporation to gather, possess, sell or export ordinary precious and semi-precious corals, whether raw or in processed form, except for scientific or research purposes.

Violations of this provision shall be punished by imprisonment from six (6) months to two (2) years and a fine from

Two thousand pesos (P2,000.00) to Twenty thousand pesos (P20,000.00), or both such fine and imprisonment, at the discretion of the court, and forfeiture of the subject corals, including the vessel and its proper disposition.

The confiscated corals shall either be returned to the sea or donated to schools and museums for educational or scientific purposes or disposed through other means.

Rule 91.1 Regulation.- The Department, through BFAR, shall issue, within one (1) year from effectivity of the IRR, the appropriate FAO to implement this Section;

SEC. 92. Ban on Muro-Ami, Other Methods and Gear Destructive to Coral Reefs and Other Marine Habitat. - It shall be unlawful for any person, natural or juridical, to fish with gear method that destroys coral reefs, seagrass beds, and other fishery marine life habitat as may be determined by the Department. "Muro-Ami" and any of its variation, and such similar gear and methods that require diving, other physical or mechanical acts to pound the coral reefs and other habitat to entrap, gather or catch fish and other fishery species are also prohibited.

The operator, boat captain, master fisherman, and recruiter or organizer of fishworkers who violate this provision shall suffer a penalty of two (2) years to ten (10) years imprisonment and a fine of not less than One hundred thousand pesos (P100,000.00) to Five hundred thousand pesos (P500,000.00) or both such fine and imprisonment, at the discretion of the court. The catch and gear used shall be confiscated.

It shall likewise be unlawful for any person or corporation to gather, sell or export white sand, silica, pebbles and any other substances which make up any marine habitat.

The person or corporation who violates this provision shall suffer a penalty of two (2) years to ten (10) years imprisonment and a fine of not less than One hundred thousand pesos (P100,000.00) to Five hundred thousand pesos (P500,000.00) or both such fine and imprisonment, at the discretion of the court. The substance taken from its marine habitat shall be confiscated.

Rule 92.1 Regulations. - The Department, through BFAR, shall issue within one (1) year from effectivity of this IRR, the appropriate FAO to implement this Section;

Rule 92.2 Regulation by LGUs.- The LGUs, shall enact the appropriate Municipal Fisheries Ordinance prohibiting destructive fishing gears and its variations in accordance with national policies;

Rule 92.3 Regulation.- The LGUs, in consultation with the Bureau of Mines and Geo Sciences shall issue the appropriate Municipal Fisheries Ordinance prohibiting the gathering, selling, mining, exporting of white sand which include coralline and coral sand, silica, and pebbles.

SEC. 93. Illegal Use of Superlights. - It shall be unlawful to engage in fishing with the use of superlights in municipal waters or in violation of the rules and regulations which may be promulgated by the Department on the use of superlights outside municipal waters.

Violations of this provision shall be punished by imprisonment from six (6) months to two (2) years or a fine of Five thousand pesos (P5,000.00) per superlight, or both such fine and imprisonment at the discretion of the courts. The superlight, fishing gears and vessel shall be confiscated.

SEC. 94. Conversion of Mangroves. - It shall be unlawful for any person to convert mangroves into fishponds or for any other purposes.

Violation of the provision of this section shall be punished by imprisonment of six (6) years and one (1) day to twelve (12) years and/or a fine of Eighty thousand pesos (P80,000.00): Provided, That if the area requires rehabilitation or restoration as determined by the court, the offender should also be required to restore or compensate for the restoration of the damage.

SEC. 95. Fishing in Overfished Area and During Closed Season. - It shall be unlawful to fish in overfished area and during closed season.

Violation of the provision of this section shall be punished by imprisonment of six (6) months and one (1) day to six (6) years and/or fine of Six thousand pesos (P6,000.00) and by forfeiture of the catch and cancellation of fishing permit or license.

SEC. 96. Fishing in Fishery Reserves, Refuge and Sanctuaries. - It shall be unlawful to fish in fishery areas declared by the Department as fishery reserves, refuge and sanctuaries.

Violation of the provision of this section shall be punished by imprisonment of two (2) years to six (6) years and/or fine of Two thousand pesos (P2,000.00) to Twenty thousand pesos (P20,000.00) and by forfeiture of the catch and the cancellation of fishing permit or license.

SEC. 97. Fishing or Taking of Rare, Threatened or Endangered Species. - It shall be unlawful to fish or take rare, threatened or endangered species as listed in the CITES and as determined by the Department.

Violation of the provision of this section shall be punished by imprisonment of twelve (12) years to twenty (20) years and/or a fine of One hundred and twenty thousand pesos (P120,000.00) and forfeiture of the catch, and the cancellation of fishing permit.

SEC. 98. Capture of Sabalo and Other Breeders/Spawners. - It shall be unlawful for any person to catch, gather, capture or possess mature milkfish or "sabalo" and such other breeders or spawners of other fishery species as may be determined by the Department: Provided, That catching of "sabalo" and other breeders/spawners for local breeding purposes or scientific or research purposes may be allowed subject to guidelines to be promulgated by the Department.

Violation of the provision of this section shall be punished by imprisonment of six (6) months and one (1) day to eight (8) years and/or a fine of Eighty thousand pesos (P80,000.00) and forfeiture of the catch, and fishing equipment used and revocation of license.

The Department, through BFAR, shall:

Rule 98.1 Regulation.- Issue, within one (1) year upon effectivity of this IRR, the appropriate FAO on the list of breeders or spawners of important fishery species to be included in this ban and when necessary, declare a closed season on important fisheries areas where these spawners are found during known spawning time.

SEC. 99. Exportation of Breeders, Spawners, Eggs or Fry. - Exportation of breeders, spawners, eggs or fry as prohibited in this Code shall be punished by imprisonment of eight (8) years, confiscation of the same or a fine equivalent to double the value of the same, and revocation of the fishing and/or export license/permit.

SEC. 100. Importation or Exportation of Fish or Fishery Species. - Any importation or exportation of fish or fisheries species in violation of this Code shall be punished by eight (8) years of imprisonment, a fine of Eighty thousand pesos (P80,000.00) and destruction of live fishery species or forfeiture of non-lived fishery species in favor of the department for its proper disposition: Provided, That violator of this provision shall be banned from being members or stock holders of companies currently engaged in fisheries or companies to be created in the future, the guidelines for which shall be promulgated by the Department.

SEC. 101. Violation of Catch Ceilings. - It shall be unlawful for any person to fish in violation of catch ceilings as determined by the Department. Violation of the provision of this section shall be punished by imprisonment of six (6) months and one (1) day to six (6) years and/or a fine of Fifty thousand pesos (P50,000.00) and forfeiture of the catch, and fishing equipment used and revocation of license.

SEC. 102. Aquatic Pollution. - Aquatic pollution, as defined in this Code shall be unlawful.

Violation of the provision of this section shall be punished by imprisonment of six (6) years and one (1) day to twelve (12) years and/or a fine of Eighty thousand pesos (P80,000.00) plus an additional fine of Eight thousand pesos (P8,000.00) per day until such violation ceases and the fines paid.

SEC. 103. Other Violations. - The following fisheries activities shall also be considered as a violation of this Code:

a. Failure to Comply with Minimum Safety Standards. - The owner and captain of a commercial fishing vessel engaged in fishing who, upon demand by proper authorities, fails to exhibit or

show proof of compliance with the safety standards provided in this Code, shall be immediately prevented from continuing with his fishing activity and escorted to the nearest port or landing point. The license to operate the commercial fishing vessel shall be suspended until the safety standard has been complied with.

b. Failure to Conduct a Yearly Report on all Fishponds, Fish Pens and Fish Cages. - The FLA of the holder who fails to render a yearly report shall be immediately canceled: Provided, That if the offender be the owner of the fishpond, fish pen or fish cage, he shall be subjected to the following penalties: (1) first offense, a fine of Five hundred pesos (P500.00) per unreported hectare; (2) subsequent offenses, a fine of One thousand pesos (P1,000.00) per unreported hectare.

c. Gathering and Marketing of Shell Fishes. - It shall be unlawful for any person to take, sell, transfer, or have in possession for any purpose any shell fish which is sexually mature or below the minimum size or above the maximum quantities prescribed for the particular species.

d. Obstruction to Navigation or Flow and Ebb of Tide in any Stream, River, Lake or Bay.- It shall be unlawful for any person who causes obstruction to navigation or flow of ebb of tide.

e. Construction and Operation of Fish Corrals/Traps, Fish Pens and Fish Cages. - It shall be unlawful to construct and operate fish corrals/traps, fish pens and fish cages without a license/permit.

Subject to the provision of the subparagraph (b) of this section, violation of the above-enumerated prohibited acts shall subject the offender to a fine ranging from Two thousand pesos (P2,000.00) to Ten thousand pesos (P10,000.00) or imprisonment from one (1) month and one (1) day to six (6) months, or both such fine and imprisonment, upon the discretion of the court: Provided, That the Secretary is hereby empowered to impose upon the offender an administrative fine of not more than Ten thousand pesos (P10,000.00) or to cancel his permit or license, or to impose such fine and to cancel his permit or license, in the discretion of the

Secretary; Provided, further, That the Secretary, or his duly authorized representative, and law enforcement agents are hereby empowered to impound with the assistance of the Philippine Coast Guard, PNP-Maritime Command: Provided, finally, That any person who unlawfully obstructs or delays the inspection and/or movement of fish and fishery/aquatic products when such inspection and/or movement is authorized under this Code, shall be subject to a fine of not more than Ten thousand pesos (P10,000.00) or imprisonment of not more than two (2) years, or both such fine and imprisonment, upon the discretion of the Court.

Every penalty imposed for the commission of an offense shall carry with it the forfeiture of the proceeds of such offense and the instruments or tools with which it was committed.

Such proceeds and instruments or tools shall be confiscated and forfeited in favor of the Government, unless they be the property of a third person not liable for the offense, but those articles which are not subject of lawful commerce shall be destroyed.

SEC. 104. Commercial Fishing Vessel Operators Employing Unlicensed Fisherfolk or Fishworker or Crew. - The owner/operator of a commercial fishing vessel employing unlicensed fisherfolk or fishworker shall be fined Five hundred pesos (P500.00) each for every month that the same has been employed and/or One thousand pesos (P1,000.00) for every month for each unlicensed crew member who has been employed.

Rule 104.1 Fishworker License. - The validity of the license of the fishworker shall be three (3) years from the date of issuance, thereof.

SEC. 105. Obstruction of Defined Migration Paths. - Obstruction of any defined migration paths of anadromous, catadromous and other migratory species, in areas including, but

not limited to river mouths and estuaries within a distance determined by the concerned FARMCs shall be punished by imprisonment of seven (7) years to twelve (12) years or a fine from Fifty thousand pesos (P50,000.00) to One hundred thousand pesos (P100,000.00) or both imprisonment and fine at the discretion of the court, and cancellation of permit/license, if any, and dismantling of obstruction shall be at his own expense and confiscation of same.

SEC. 106. Obstruction to Fishery Law Enforcement Officer. - The boat owner, master or operator or any person acting on his behalf of any fishing vessel who evades, obstructs or hinder any fishery law enforcement officer of the Department to perform his duty, shall be fined Ten thousand pesos (P10,000.00). In addition, the registration, permit and/or license of the vessel including the license of the master fisherman shall be canceled.

Rule 106.1 Regulations. - The Department, through BFAR, shall promulgate the rules to implement this Section consistent with the Revised Penal Code.

SEC. 107. Promulgation of Administrative Orders. - For purposes of fishery regulation or other fishery adjustments, the Department in consultation with the LGUs and local FARMCs, shall issue Fishery Administrative Orders or regulations for the conservation, preservation, management and sustainable development of fishery and aquatic resources

The Department, through BFAR, shall be guided by the following:

Rule 107.1 Issuance of New FAOs.- The FAOs issued to implement this Code shall include pertinent provisions of related existing FAOs;

Rule 107.2 **Effectivity of Existing FAOs.-** Existing FAOs consistent with the provisions of this Code shall remain in force until the same are amended or repealed;

Rule 107.3 **Consultation.-** The NFARMC and concerned FARMCs shall be consulted prior to the issuance of FAO;

Rule 107.4 **Effectivity.-** All FAOs , unless otherwise herein provided, shall take effect fifteen (15) days after their publication in the Official Gazette and/ or in two (2) newspapers of general circulation.

CHAPTER VII.
GENERAL PROVISIONS

SEC. 108. Fisherfolk Settlement Areas. - The Department shall establish and create fisherfolk settlement areas in coordination with concerned agencies of the government, where certain areas of the public domain, specifically near the fishing grounds, shall be reserved for the settlement of the municipal fisherfolk. Nothing in this section shall be construed to vest ownership of any resettlement area to a municipal fisherfolk for whom said areas may have been reserved for or had been actually granted to.

Rule 108.1 **Fisherfolk Settlement Areas. -** The Department, through BFAR in coordination with Department of Agrarian Reform (DAR), DILG and other agencies concerned, shall establish a fisherfolk settlement area that shall be seen in the context of an integrated, holistic and self-reliant community to include alternative source of income.

SEC. 109. Municipal Fisheries Grant Fund. - For the development, management and conservation of the municipal resources, there is hereby created a Fishery Grant Fund to finance fishery projects of the LGUs primarily for the upliftment of the municipal fisherfolk. The amount of One hundred million pesos (P100,000,000.00) is hereby appropriated out of the Department's allocation in the General Appropriations Act (GAA) to support the Grant Fund.

For this purpose, the Department may seek financial assistance from any source and may receive any donations therefore.

The Department, through BFAR, shall:

Rule 109.1 Fisheries Grant Fund. - Secure from the General Appropriations Act and other sources the amount of One Hundred Million Pesos (P100,000,000.00) for the creation of a Municipal Fisheries Grant Fund to finance fisheries projects of the LGUs primarily for the upliftment of the municipal fisherfolk;

Rule 109.2 Implementing Guidelines for the Fisheries Grant Fund. - The Inter-Agency Credit Committee formed under Rule 34.1 shall formulate the guidelines for the implementation of Municipal Fisheries Grant Fund.

SEC. 110. Fishery Loan and Guarantee Fund. - Pursuant to Section 7, Article XIII of the Constitution, there is hereby created Fishery Loan and Guarantee Fund with an initial of One hundred million pesos (P100,000,000.00), which shall be administered by the Land Bank of the Philippines. The fund shall be made available for lending to qualified borrowers to finance the

development of the fishery industry under a program to be prescribed by the Department.

For the same purpose, the Department may seek financial assistance from any source and may receive donation therefrom.

The Department, through BFAR, shall:

Rule 110.1 Fishery Loan and Guarantee Fund. - Secure from the General Appropriations Act and other sources the initial amount of One Hundred Million pesos (P100,000,000.00) under the projects/programs jointly prescribed by the Department and Land Bank of the Philippines;

Rule 110.2 Implementing Guidelines. - The Inter-Agency Committee formed under Rule 34.1 shall prepare the implementing guidelines for the Fishery Loan and Guarantee Fund.

SEC. 111. Fishing Vessels Development Fund. - There is hereby created a Fishing Vessels Development Fund to enhance the building and/or acquisition of fishing vessels. This shall be a long-term loan facility that shall be administered by the Development Bank of the Philippines. The amount of Two hundred and fifty million pesos (P250,000,000.00) per year for five (5) years is hereby appropriated out of the Department's allocation in the GAA to support this Development Fund.

The Department, through BFAR, shall:

Rule 111.1 Fishing Vessels Development Fund.- Secure from the General Appropriations Act and other sources the amount of Two hundred fifty million pesos (P250,000,000.00) annually for the next five years to be placed under the administration of the

Development Bank of the Philippines (DBP) as the fishing vessels development fund which shall be used as a long term loan facility to enhance the building and/or acquisition of fishing vessels;

Rule 111.2 Implementing Guidelines.- The Inter-Agency Committee formed under Rule 34.1 shall prepare the implementing guidelines for the Fishing Vessel Development Fund.

SEC. 112. Special Fisheries Science and Appropishtech Fund. - The Department shall provide subsidy for full technical and financial support to the development of appropriate technology, both in fishery and ancillary industries, that are ecologically sound, locally source-based and labor intensive, based on the requirement and needs of the FARMCs. An initial amount of One hundred million pesos (P100,000,000.00) shall be authorized for the purpose of a Special Fisheries Science and Appropishtech Fund, and thereafter shall be included in the GAA.

SEC. 113. Aquaculture Investment Fund. - An Aquaculture Investment Fund in the minimum amount of Fifty million pesos (P50,000,000.00) shall be established for soft loans which shall be extended to municipal fisherfolk and their organization who will engage in aquaculture, and for the development of underdeveloped or underutilized inland fishponds.

The Department, through BFAR, shall:

Rule 113.1 Aquaculture Investment Fund.- Secure from the General Appropriations Act and other sources the minimum amount of Fifty million pesos (P50,000,000.00) which shall be established as an aquaculture investment fund to be used as soft loans for municipal fisherfolk and their organization who will engage in aquaculture, and

for the development of underdeveloped or underutilized inland fishponds;

Rule 113.2 Implementing Guidelines. - The Inter-Agency Committee formed under Rule 34.1 shall prepare the implementing guidelines on the Aquaculture Investment Fund.

SEC. 114. Other Fisheries Financing Facilities. - In addition to fisheries credit guarantee, grant and other similar facilities granted under this Code, qualified Filipino fisherfolk and fisheries enterprises shall enjoy such other facilities granted them under existing and/or new laws, specially as to rural credit, with preference being given to fisheries cooperatives.

Rule 114.1 Implementing Guidelines. - An Inter-Agency Committee formed under Rule 34.1 shall prepare the implementing guidelines on Other Fisheries Financing Facilities.

SEC. 115. Professionalization of Fisheries Graduates. - There is hereby created a Fisheries Board of Examiners in the Professional Regulation Commission to upgrade the Fisheries Profession: Provided, however, That those who have passed the Civil Service Examination for Fisheries shall automatically be granted eligibility by the Fisheries Board of Examiners: Provided, further, That they have served the industry in either public or private capacity for not less than five (5) years: Provided, finally, That the first Board Examination for B.S. Fisheries Graduates shall be conducted within one (1) year from the approval of this Code.

Rule 115.1 Fisheries Board of Examiners. - The Department, through BFAR, shall coordinate with the Professional Regulation Commission (PRC) and Civil Service Commission (CSC) and other

appropriate agencies on the Creation of Fisheries Board of Examiners to upgrade the Fisheries Profession;

SEC. 116. Upgrading of the State Fisheries Schools/Colleges. - The Department, in coordination with the Commission on Higher Education (CHED), Department of Education, Culture and Sports (DECS), and Technical Education and Skills Development Authority (TESDA), shall upgrade State Fisheries Schools/Colleges which provide both formal and non-formal education : Provided, however, That the CHED shall incorporate Approfishtech in the curricula of fisheries schools/colleges.

The Department and the CHED shall jointly formulate standards to upgrade all fisheries schools/colleges. Fisheries schools/colleges that do not meet minimum standards shall be closed.

Rule 116.1 Implementation. - The Department, through BFAR, shall coordinate with the appropriate agencies to implement this Section.

SEC. 117. Inclusion of Fisheries Conservation Subjects in School Curriculum. - Fisheries conservation subjects shall be incorporated in the curricula of elementary and secondary schools both private and public.

Rule 117.1 The Department, through BFAR, shall coordinate with the Department of Education, Culture and Sports (DECS) to implement this Section.

SEC. 118. Educational Campaign at all levels. - The Department, the CHED, the DECS and the Philippine Information

Agency shall launch and pursue a nationwide educational campaign to:

- a. help realize the policies and implement the provisions of this Code;*
- b. promote the development, management, conservation and proper use of the environment;*
- c. promote the principle of sustainable development; and*
- d. promote the development of truly Filipino-oriented fishing and ancillary industries.*

Rule 118.1 Information Campaign. - The Department, through BFAR, shall launch and sustain an information campaign on sustainable development, fisheries conservation, management and development;

Rule 118.2 The Department, through BFAR, shall conduct directly or through accredited institutions, seminars on fishery laws, guidelines on apprehension of illegal fishing and poaching and trainings on value orientation to the PN, PCG, PNP, PNP-Maritime Command, law enforcement officers of the LGUs and other government enforcement agencies which under Section 124 are authorized to enforce this Code and other fishery laws, rules and regulations.

SEC. 119. Infrastructure Support - The Department in cooperation with concerned agencies shall:

- a. prepare and implement a nationwide plan for the development of municipal fishing ports and markets;*
- b. prioritize the construction of farm-to-market roads linking the fisheries production sites, coastal landing points and*

other post-harvest facilities to major market and arterial roads/highways;

c. identify community infrastructure facilities such as fish landing points, ice plants and cold storage facilities in consultation with fishery cooperatives/associations and prepare plans and designs for their construction that would be consistent with international environmental standards and occupational safety in sanitation and environmental impact;

d. establish and maintain quality laboratories in major fish ports and prescribe the highest standards for the operation and maintenance of such post-harvest facilities;

e. arrange and make representations with appropriate funding institutions to finance such facilities for the use of the fishery cooperatives/associations.

f. develop and strengthen marketing facilities and promote cooperative marketing systems; and

g. promote and strengthen local fisheries ship-building and repair industry.

Rule 119.1 Municipal Fishing Ports Plan. - The Department, through PFDA, in coordination with BFAR and other government agencies, shall prepare and implement a nationwide plan for the development of municipal fishing ports and other infrastructure facilities;

Rule 119.2 Laboratories. - BFAR, in coordination with PFDA, shall establish and maintain quality control laboratories consistent with international standards on safety and sanitation.

SEC. 120. Extension Services. - The Department shall develop cost-effective, practical and efficient extension services on a sustained basis, in addition to those provided by state educational institutions, especially to municipal fisherfolk in undeveloped areas, utilizing practicable and indigenous resources

and government agencies available, and based upon a system of self-reliance and self-help.

Rule 120.1 National Fisheries Extension Program. - The Department, through BFAR, in cooperation with concerned agencies, shall develop and implement within one (1) year from the effectivity of this IRR, a National Fisheries Extension Program to implement this Section.

SEC. 121. Protection of Sensitive Technical Information. - The Department shall take such measures as may be necessary in order to protect trade, industrial and policy information of Filipino fisherfolk, fisheries owners/operators, entrepreneurs, manufacturers and researchers, when disclosure of such information will injure the competitiveness or viability of domestic fisheries.

Rule 121.1 Implementing Guidelines. - The Department, through BFAR, shall coordinate with the Department of Trade and Industry (DTI), DOST and other concerned agencies to implement this Section.

SEC. 122. Assistance in Collecting Information. - The Department, in coordination with other government entities concerned, may require Filipino representatives abroad and foreign-based personnel to assist in the collection of fisheries data and information.

Rule 122.1 Implementing Guidelines. - The Department, through BFAR, shall coordinate with DFA and other concerned agencies to implement this Section.

SEC. 123. Charting of Navigational Lanes and Delineation of Municipal Waters. - The Department shall authorize the National Mapping and Resource Information Authority (NAMRIA) for the designation and charting of navigational lanes in fishery areas and delineation of municipal waters. The Philippine Coast Guard shall exercise control and supervision over such designated navigational lanes.

Rule 123.1 Navigational Lanes. - The Department, through BFAR, shall facilitate the designation and charting of navigational lanes in fishery areas by convening an Inter-agency committee composed of NAMRIA, PN, PCG, MARINA, other concerned agencies and the NFARMC;

Rule 123.2 Mapping. - The Department, through BFAR, in coordination with the NAMRIA and with the participation of local government units concerned shall determine the outer limits of the municipal waters. Overlapping boundaries in municipal waters shall be governed by the Rules embodied in this law and the Local Government Code of 1991;

Rule 123.3 Navigational Charts. - Charts of navigational lane and outer limits of municipal waters shall be produced, published and regularly updated by NAMRIA;

Rule 123.4 Funding. - The Department , through DBM, shall allocate sufficient funds for these purposes.

SEC. 124. Persons and Deputies Authorized to Enforce this Code and Other Fishery Laws, Rules and Regulations. - The law enforcement officers of the Department, the Philippine Navy, the Philippine Coast Guard, Philippine National Police (PNP),

PNP- Maritime Command, law enforcement officers of the LGUs and other government enforcement agencies, are hereby authorized to enforce this Code and other fishery laws, rules and regulations. Other competent government officials and employees, punong barangays and officers and members of fisherfolk associations who have undergone training on law enforcement may be designated in writing by the Department as deputy fish wardens in the enforcement of this Code and other fishery laws, rules and regulations.

Rule 124.1 Enforcement of Fishery Laws in Municipal Waters.- The LGUs shall have authority over municipal waters to enforce all fishery laws, rules and regulations as well as valid fisheries ordinances enacted by the municipality/city council and may seek the assistance of the Department, through the BFAR, in the training of the Bantay Dagat Task Force in fishery laws, apprehension techniques and gathering of evidence;

Rule 124.2 Enforcement of Fishery Laws in Philippine Waters.- The rules in Section 14 shall apply to fishery law enforcement in Philippine waters;

Rule 124.3 Manuals.- The Department, through BFAR in coordination with DOTC-PCG, DND-PN, DFA, DOJ, Bureau of Immigration and Deportation (BID), Bureau of Customs (BC) and other concerned agencies shall formulate and issue manual of procedures for the apprehension, investigation and prosecution of violations of fishery laws.

SEC.125. Strengthening Prosecution and Conviction of Violators of Fishery Laws. - The Department of Justice (DOJ) shall embark on a program to strengthen the prosecution and conviction aspects of fishery law enforcement through augmentation of the current complement of state prosecutors and through their continuous training and reorientation on fishery laws, rules and regulations.

Rule 125.1 Technical Assistance to the Department of Justice (DOJ).- The Department shall assist the DOJ in strengthening the prosecution and conviction aspects of fishery law enforcement by providing technical manuals on the gathering of evidence of illegal fishing and apprehension techniques.

SEC. 126. Foreign Grants and Aids. - All foreign grants, aids, exchange programs, loans, researches and the like shall be evaluated and regulated by the Department to ensure that such are consistent with the Filipinization, democratization and industrialization of fishing industry and the development of the entire country.

Rule 126.1 Implementation. - An Inter-Agency Committee composed of the representatives of the National Economic and Development Authority (NEDA), Board of Investment (BOI), Department of Finance (DOF), DOST, DTI, DFA, DA, NFARMC and other concerned agencies shall be created to implement this Section.

SEC. 127. Mandatory Review. - The Congress of the Philippines shall undertake the mandatory review of this Code at least once every five (5) years and as often as it may deem necessary, to ensure that fisheries policies and guidelines remain responsive to changing circumstances.

Rule 127.1 Implementation. - The Department, through BFAR, shall submit proposed bills to amend certain conflicting and confiscatory provisions of this Code;

*CHAPTER VIII
TRANSITORY PROVISIONS*

SEC. 128. Moratoria.- The Department shall, upon the recommendation of the Bureau, have the power to declare a moratorium on the issuance of licenses for commercial fishing vessels to operate in specified area or areas in Philippine waters in a limited period of time if there are indications of overfishing brought about by a decrease in the volume and sizes of fish caught therein or for conservation or ecological purposes.

No new licenses and similar privileges on exploitation of specific fisheries areas in Philippine waters and aquaculture production areas shall be issued in accordance with this Code. Such moratoria shall not exceed five (5) years from the effectivity of this Code.

Rule 128.1 Implementing Guidelines. - The Department, through BFAR, shall identify area or areas in Philippine waters which are overfished and declare a moratorium on the issuance of licenses for fish catcher vessels which operate in such fishing areas.

SEC. 129. Formulation of Implementing Rules and Regulations. - An Inter-agency Committee is hereby created to formulate rules and regulations for the full implementation of this Code within ninety (90) days of its effectivity: Provided, however, That the formulated rules and regulations shall be submitted to both Houses of Congress for information and guidance. Such rules

and regulations shall take effect upon publication in a newspaper of general-circulation.

The Inter-agency Committee shall be composed of the following:

- a. Secretary of Agriculture as Chairman;*
- b. Secretary of the Interior and Local Government;*
- c. Secretary of Environment and Natural Resources;*
- d. Secretary of Justice;*
- e. Secretary of Finance;*
- f. Secretary of Budget and Management;*
- g. Secretary of Labor and Employment;*
- h. Secretary of National Defense;*
- i. Commissioner of Civil Service Commission;*
- j. Director of BFAR;*
- k. Executive Director of PCAMRD;*
- l. General Manager of PFDA;*
- m. One representative from each of the following:*
 - a.1. The League of Provinces;*
 - a.2. The League of Cities;*
 - a.3. The League of Municipalities;*
 - a.4. The Liga ng mga Barangay;*
- n. Representative of the municipal fisherfolk;*
- o. Representative of the commercial fishers;*
- p. Representative of the non-government organizations involved in fishing concerns; and*
- q. A representative from the academe coming from the specialized fisheries institution .*

Rule 129.1 Creation of Inter-Agency Committee Technical Working Group. - The Department shall create a Technical Working Group under the Inter-Agency Committee to draft the IRR of this Code;

Rule 129.2 Additional Representatives. - Representatives from DFA, DTI, the aquaculture sector including the aquarium fish industry shall be included in the composition of the Inter-Agency Technical Working Group;

Rule 129.3 IRR Copies. - The Department shall furnish both Houses of Congress with copies of this IRR for their information and guidance;

Rule 129.4 Effectivity. - This IRR shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

*CHAPTER IX
FINAL PROVISIONS*

SEC. 130 Appropriation. - The sum necessary to effectively carry out the provisions of this Act during the first year of implementation shall be sourced from the budget of the DA/BFAR and other agencies performing fisheries-related functions: Provided , however, That such amount as may be necessary to carry out the provisions of Sections 79, 109, 110, 111, 112, 113 are hereby appropriated out of the unappropriated funds of the National Treasury. The Congress of the Philippines shall provide for the appropriations of the Department, the NFRDI and the Fisheries Scholarship Program for the succeeding years to be included in the annual GAA.

Rule 130.1 Budgetary Allocation for 1998. - The Secretary shall allocate within three (3) months from the effectivity of this IRR, the budget for BFAR and NFRDI to support the requirements for the implementation of this Code which shall be sourced from the 1998 General Appropriations

Act for DA, BFAR and other agencies performing fisheries-related functions;

Rule 130.2 Budgetary Allocation for 1999. - The DBM shall allocate the budget for 1999 for BFAR and NFRDI to be sourced from the unprogrammed amount of the Department' s budget for 1999;

Rule 130.3 Subsequent Budget. - The budget for subsequent years which shall not be less than the amount of the prior years appropriations shall be submitted by the Department to be included in the annual General Appropriations Act.

Rule 130.4 FARMC Budget. - The Secretary shall allocate budget for FARMC which shall be sourced from its unprogrammed funds of the Department's budget.

SEC. 131. Repealing Clause - Presidential Decree No. 704, as amended by Presidential Decree Nos. 1051 and 1058, Presidential Decree No. 977, as amended, Executive Order No. 967, Series of 1984, Executive Order No. 116, Series of 1987, Executive Order No. 292, Series of 1987, Executive Order No. 473, Series of 1991 and other existing laws except Republic Act No. 7611, decrees, executive orders, and rules and regulations or parts thereof, which are inconsistent with this Code, are hereby repealed or modified accordingly.

Rule 131.1 The following provision of PD No. 704 which are inconsistent with this Code, are hereby amended or modified accordingly:

a) Sec. 3 Definition of Terms

(b) Closed Season

- (c) **Commercial fishing**
 - (d) **Electro-fishing**
 - (f) **Fish and fishery/aquatic products**
 - (g) **Fishing boat**
 - (h) **Fish corrals or baklad**
 - (j) **Fish pen**
 - (l) **Fishing with the use of explosives**
 - (m) **Fishing with the use of obnoxious or poisonous substances**
 - (p) **Municipal waters**
 - (n) **Philippine waters**
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- b) **Sec. 10 Fish Landing Points**
 - c) **Sec.16 License, lease and permits**
 - d) **Sec. 26 Commercial fishing boat license and other licenses**
 - e) **Sec. 18 Permit for importation or Exportation of fish and fishery aquatic products**
 - f) **Sec.19 Development of Fish Meal Industry**
 - g) **Sec. 20 Persons eligible for Commercial Fishing Boat License**
 - h) **Sec.22 Operation of Radio Communication facilities on board fishing boats**
 - i) **Sec.23 Disposition of Public Lands for Fishponds**
 - j) **Sec.24 Lease of fishponds**
 - k) **Sec.25 Size of fishponds**
 - l) **Sec.26 Construction of family size fishponds**
 - m) **Sec.27 License to operate fishpens**
 - n) **Sec.28 No obstruction to navigation**
 - o) **Sec.29 Grant of fishery privileges**
 - p) **Sec. 30 Municipal Concessions and Leases concerning fisheries**

- q) Sec.31 Fishing areas reserved for exclusive use of government s)
- r) Sec.32 Fish Refuges and Sanctuaries
- s) Sec.33 Illegal fishing Dealing in Illegally Caught Fish or Fish/Aquatic products
- t) Sec.37 Pollution of Waters
- u) Sec.38 Penalties
- v) Sec.39 Seizure proceeding
- w) Sec. 40 Persons Authorized to enforce this Decree on Fisheries Rule and Regulations
- y) Sec.42 Fisheries Loan and Guarantee Fund
- z) Sec.43 Loans to the Fishery Industry
- a.1) Sec.44 Financing Municipal and/or Small-Scale Fishing
- a.2) Sec.45 Establishment and Operation of Refrigeration and Cold Storage Plants
- a.3) Sec.46 Exemption of fishermen for Operation of the Blue Sunday Law and Eight Hour Labor Law
- a.4) Sec.47 Appropriations
- a.5) Sec.50 Repealing Clause

Rule 131.2 PD No. 1015 - Amending the 1st paragraph of Sections 17 and 35 of PD No. 704- The President can ban the operation of commercial fishing gears within a distance of 7 km from the shoreline and operation of trawl within 7 km. from the shorelines

Rule 131.3 PD No. 1058 - Increasing penalties for certain forms of illegal fishing

- Rule 131.3.1** Fishing with the use of explosives: a) the penalty from twelve (12) years to twenty five (25) years in case or mere possession intended for illegal fishing.
- Rule 131.3.2** By imprisonment ranging from twenty (20) years to life imprisonment, if the explosive is actually used.
- Rule 131.3.3** If the use of the explosives result in physical injury to any person, the penalty shall be imprisonment for twenty-five (25) years to life imprisonment to death.
- Rule 131.3.4** Dealing in illegally caught fish or fishery/aquatic produces- imprisonment for five (5) years to ten (10) years
- Rule 131.3.5** Trawl Fishing- imprisonment ranging from six (6) months to six (6) years;
- Rule 131.3.6** Jurisdiction of the Military Tribunals for violation of the aforementioned illegal fishing cases.
- Rule 131.4** PD No. 977, as amended by EO 967 s. 1984- Creating the Philippine Fish Marketing Authority; EO 967 repealed Sections 2 and 6 of PD No. 977;

Rule 131.5 E.O. No.116 s. 1987 - Reverted BFAR from a line into a staff Bureau and placed it under the Production Group in the DA with the following functions:

- 1. Formulate plans for the proper management, accelerated development and proper utilization of the country's fishery and aquatic resources.**
- 2. Undertake studies on the economics of the various phases of the fishing industry, which studies shall form the bases for the formulation of policies and programs on fisheries and aquatic resources.**
- 3. Render technical assistance and advisory services in the proper procurement, construction and operation of the fishing vessels as well as determination and designation of fish landing points for all commercial fishing boats;**
- 4. For its own sector, recommend plans, programs, policies, rules and regulations to the Secretary of Agriculture and provide technical assistance in the implementation of the same.**

Rule 131.6 EO No. 292 s. 1987- The Administrative Code of 1987 salient features on agencies performing fisheries related functions.

A. Department of Agriculture - Same as no. 5 Title IV Chapter I and IV

Sec. 22 -BAR - Tap farmers, farmers' organizations and research institutions especially SCUs in the conduct of research in DA and its clientele particularly the farmers, fishermen and land workers. (Underline supplied)

Sec 25 - ATI - No mention of fisheries and fishermen and yet RFTC were placed under it.

Sec 24 - BAS - Same as A (b) yet fisheries statistics were placed under it.

Rule 131.7 B. DENR - Title XIV

a) Section 1 Declaration of Policy - The State shall ensure the exploration, development, judicious disposition, utilization, management, renewal and conservation of the country's forest, mineral, land, waters , fisheries, wildlife and other natural resources xxx

b) Sec 4 Powers and Functions

(8) Issue licenses and permits for activities related to the use and development of aquatic resources, treasure hunting, salvaging of sunken vessels and other similar activities;

(10) Promulgate rules and regulations necessary to:

- a. x**
- b. xx**
- c. xxx**

d. Assure conservation and judicious sustainable development of aquatic resources

- (14) Promulgate rules, regulations and guidelines on the issuance of licenses, permits, concessions, lease agreements and such privileges concerning the development, exploration and utilization of the country's marine, freshwater, and brackishwater and overall aquatic resources of the country and shall continue to oversee, supervise and police our natural resources; cancel or cause to cancel such privileges upon failure and non compliance of any regulations, order and for all other causes which are in furtherance of the conservation of natural resources and supportive of national interest. (Underline supplied)**

Rule 131.8 C. DOST - Title XVIII

Section 10 (4) Philippine Council for Aquatic and Marine Research and Development (PCAMRD), for aquatic and marine resources.

Each of the councils shall be responsible, for its respective sector in the formulation of strategies, policies, plans and programs and projects for science and technology development for programming and allocation of government and; external funds for research and development; for

monitoring of research and development projects and for generation of external funds.

Each council shall have a Secretariat which shall be headed by an Executive Director to be appointed by the President upon the recommendation of the DOST Secretary.

(These functions appear to be inconsistent with Sec 65 (e) and Sec 85 (a) of RA No. 8550, The Philippine Fisheries Code of 1998)

Rule 131.9 D. EO No 473 s. 1991 - Establishment of Sea lanes for Passage of Foreign fishing vessels in Philippine Waters. (Expressly repealed by Sec. 87 of the Fisheries Code);

Rule 131.10 E. Other existing laws; decrees; EOs and rules and regulations or parts thereof which are inconsistent with this Code

- 1. PD Nos. 1216 and 1698 on Corals**
- 2. LO No. 1328 - Prohibiting the Operation of Commercial Trawls and purse Seiners within a Distance of 7 km, from the shorelines of Philippine waters**

3. Others. -

Rule 131.11 F. RA No. 7611 Establishing the Palawan Council for Sustainable Development (PCSD). - It is not covered by the repealing clause and hence the same is neither repealed nor modified by RA No. 8550.

SEC. 132. Separability Clause - If any portion or provision of this Code is declared unconstitutional or invalid, the other portions or provisions hereof, which are not affected thereby, shall continue in full force and effect.

SEC. 133. Effectivity - This Code shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general publication.

This Code took effect on March 23, 1998 after having been published in the Manila Times and Pahayagang Malaya on March 7, 1998.

**APPROVED:
May 21, 1998**

**SALVADOR H. ESCUDERO III
Secretary**

RECOMMENDED BY:

**Director
Bureau of Fisheries and Aquatic Resources**