

FORESTRY SECTOR

**DENR Administrative Order
No. 99-01
January 11, 1999**

**Subject : Adoption of the Watershed and
Ecosystems Planning Framework**

In order to provide a national framework for the sustainable management of the country's natural resources, and in line with Philippine Agenda 21 which contains the essence of what a national strategy for improved watershed resources management should seek to promote, the Watershed and Ecosystems Planning and Management Framework is hereby adopted in the DENR.

The Watershed and Ecosystems Planning and Management Framework refers to the holistic, multiple-use and sustainable management of all the resources within a spatial unit known as the watershed.

As a topographic and hydrologic unit, a watershed can be defined as the area of land from which rainwater can drain, as surface runoff, via a specific stream or river system to a common outlet point which may be a dam, irrigation system or municipal/urban water supply off take point, or where the stream/river discharges into a larger river, lake or sea. The management of these areas should consider not only the physical resources, e.g. soil, water, timber and non-timber resources, etc., but also the management of people living within or are affected in the area.

In this connection, all DENR offices are hereby instructed to review and realign all programs and projects, including their budget, in accordance with the priority watershed areas of the regions.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-11
April 14, 1999**

**SUBJECT : Amending DAO 98 Series of 1988
To Include CBFMP Under the
Coverage of Program D of the
Comprehensive Agrarian Reform
Program (CARP) and the National
Anti Poverty Program.**

Pursuant to RA 6657 or the Comprehensive Agrarian Reform Law, Section 15 of Executive Order No. 229 which provides for the implementation of Program D – Agrarian Reform in Public Lands, and Executive Order 263 which adopted Community Based Forest Management (CBFM) as the national strategy for the sustainable forest development, DAO 98 series of 1988 is hereby amended as follows:

A. Sec. 2 of DAO 98, series of 1988 shall now read as follows:

“Section 2. Components and Coverage of Program D. Under the Program, the Department shall implement the following major component activities, namely:

1. Distribution of public alienable and disposable (A and D) lands suitable to agriculture which involves land transfer through application of free, homestead, and/or sales patents, and
2. Allocation of forestlands to qualified communities under the Community Based Forest Management Strategy.

The coverage of Program D shall include both public A and D lands and forestlands and shall consist of both land transfer and non-transfer (CBFM) schemes achieving agrarian reform in public lands.”

B. Sec. 4 of DAO 98, Series of 1988 shall now read as follows:

“Section 4. Allocation through the CBFM Strategy. This component of Program D which allows local communities management of and access to forest resources, should accelerate the implementation of the CBFM Program. The CBFM Program integrated all community based and people oriented program of the DENR as mandated under DAO 96-30. The procedure for the implementation of the program including site identification, granting of tenurial instruments, formulation and implementation of community management plans shall conform with the provisions of DAO 96-29 and related issuances.”

C. Section 8 of DAO 98 Series of 1988 shall now read as follows:

“Section 8. Management and Administration. The components of Program D being inherent and basic activities of the Department shall be implemented by the regional offices, and with respect to forestlands under the CBFM program be monitored by the CBFM program be monitored by the CBFM Office in the Central Office.

D. This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-12
April 14, 1999**

SUBJECT : Declaring Certain Portions of the Public Forest as Alienable and Disposable for Cropland and Other Purposes Under LC Project Nos. 60-B and 61-B, Municipalities of Borbon and Tabogon, Province of Cebu.

1. Pursuant to Section 13 of PD 705, otherwise known as the Revised Forestry Code of the Philippines, as amended, I hereby declare and certify an area of 102 hectares as alienable and disposable for cropland and other purposes under the Public Land Act, which parcels of land are located in the abovenamed Municipalities and Province and shown and described in Map No. LC _____, which is attached to and forms an integral part of this order, subject to the following conditions:

On the area herein declared as alienable and 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 or if devoid, to restore forest or vegetative cover in line with the government's environmental and natural resources protection program.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Recommended by:

(Sgd.) LIBERATO A. MANUEL
BGEN AFP (RET) MNSA
Administrator

(Sgd.) JOSE D. MALVAS
Director
Forest Management Bureau

**DENR Administrative Order
No. 99-13
May 13, 1999**

SUBJECT : Declaring Certain Portions of the Public Forestlands in Region 13 as the CARAGA Forest Plantation Corridor.

Pursuant to Presidential Decree No. 705, otherwise known as the Revised Forestry Code of the Philippines, as amended, certain portions of the public forestlands in Region 13 are hereby declared as the **Caraga Forest Plantation Corridor (CFPC)**, covering an aggregate gross area of **SIX HUNDRED EIGHTY FOUR THOUSAND FIVE HUNDRED THREE (684,503)** hectares located in the provinces of Agusan del Sur, Agusan del Norte, Surigao del Norte and Surigao del Sur shown in the attached map and described technically hereunder, to wit:

A. AGUSAN DEL NORTE – One (1) Parcel containing a gross area of 130,181 hectares with the following technical description:

Technical description omitted

B. AGUSAN DEL SUR: Ten (10) parcels with a total gross area of 414,793 ha.

Parcel 1 – with a gross area of 88,980 hectares with the following technical description:

Technical description omitted

Parcel 2 – with a gross area of 280,154 hectares with the following technical description:

Technical description omitted

Parcel 3 – with a gross area of 3,676 hectares with the following technical description:

Technical description omitted

Parcel 4 – with a gross area of 3,262 hectares with the following technical description:

Technical description omitted

Parcel 5 – with a gross area of 857 hectares with the following technical description:

Technical description omitted

Parcel 6 – with a gross area of 1,807 hectares with the following technical description:

Technical description omitted

Parcel 7 – with a gross area of 9,827 hectares with the following technical description:

Technical description omitted

Parcel 8 – with a gross area of 419 hectares with the following technical description:

Technical description omitted

Parcel 9 – with a gross area of 22,764 hectares with the following technical description:

Technical description omitted

Parcel 10 – with a gross area of 3,047 hectares with the following technical description:

Technical description omitted

C. SURIGAO DEL NORTE: Three (3) parcels with a total gross area of 25,105 hectares.

Parcel 1 – with a gross area of 6,447 hectares with the following technical description:

Technical description omitted

Parcel 2 – with a gross area of 328 hectares with the following technical description:

Technical description omitted

Parcel 3 – with a gross area of 18,330 hectares with the following technical description:

Technical description omitted

D. SURIGAO DEL SUR: Five (5) parcels with a total gross area of 114,424 hectares.

Parcel 1 – with a gross area of 10,842 hectares with the following technical description:

Technical description omitted

Parcel 2 – with a gross area of 4,413 hectares with the following technical description:

Technical description omitted

Parcel 3 – with a gross area of 75,129 hectares with the following technical description:

Technical description omitted

Parcel 4 – with a gross area of 1,617 hectares with the following technical description:

Technical description omitted

Parcel 5 – with a gross area of 22,423 hectares with the following technical description:

Technical description omitted

1. The area under the CFPC shall be subject to final ground verification and delineation taking into consideration the following:
 - 1.1 The vegetative cover of the area is composed of open/denuded lands, brushlands and degraded second growth forest and under the jurisdiction of the DENR, excluding areas classified as part of the National Integrated Protected Area System (NIPAS), Critical Watershed, Pasture Lease Agreement/Forest Land Grazing Lease Agreement (PLA/FLGLA), Civil/Military Reservation and Timber license Agreement (TLA).
 - 1.2 The CFPC may include any areas covered by Certificates of Ancestral Domain/Land Claims (CADC/CALC) or areas verified as actually occupied by indigenous cultural communities under a claim of time immemorial possession, provided that a prior informed and expressed and written consent is issued by the indigenous cultural communities concerned.
2. The area identified and declared as CFPC area reserved permanent forestland for the production, mainly of timber and non-wood forest products to support forest based processing facilities and/or to supply wood and other forest products requirements, both for the domestic and foreign markets;
3. The disposition and development of suitable areas within the CFPC shall be implemented in accordance with the regulations that shall be prescribed therefor;
4. Areas programmed for forest plantation development under subsisting tenurial instruments, such as Industrial Forest Management Agreement (IFMA), Industrial Tree Plantation Lease Agreement (ITPLA), Socialized Industrial Forest Management Agreement (SIFMA), Agro-Forest Farms Lease Agreement (AFFLA), Community-Based Forest

Management Agreement (CBFMA) and other forest plantation development tenurial instruments within the CFPC may avail of the incentives provided to investors/developers in the Corridor, but only upon written request by the holders thereof and subsequent approval by the Secretary; and

5. This order is issued pursuant to DENR policy to identify, delineate and set-aside suitable areas for forest plantation in consonance with the principles of environmental conservation and protection, suitable management and ecological balance.

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

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Philippine Post – May 08, 1999

**DENR Administrative Order
No. 99-15
May 12, 1999**

SUBJECT : Designating the Forest Management Bureau as the Lead Agency in the Implementation of the Environmental Impact Statement System for Forestry Projects.

Pursuant to Presidential Decree No. 1586 in relation to Sec. 7 of E.O. No. 192 dated June 10, 1987 and Art. VII Sec. 3 (d) and 3 (i) of DAO No. 96-37 and in line with the continuing effort of the DENR to streamline the implementation of the Philippine Environmental Impact Statement (EIS) System, the Forest Management Bureau (FMB) in view of its expertise in the sustainable management of the forest resources is hereby designated as the **lead agency** in the implementation of the EIS System for Forestry Projects.

Section 1 Transfer of Functions. EMB shall relinquish and the FMB shall assume all functions relative to EIS System for Forestry Projects to include the following:

- 1.1 Recommend the simplification of DENR Administrative Order (DAO) No. 96-37;
- 1.2 Develop a system of review of the Environmental Impact Assessment (EIA) documents that is objective, efficient and transparent for consideration/approval of the Secretary;
- 1.3 Exercise supervision over all phases of Forestry Project EIS System implementation;
- 1.4 Coordinate with DENR Field Offices and LGU's in the implementation and monitoring of compliance to the EIS system;

1.5 Develop and maintain an effective database management system for an efficient delivery of services; and

1.6 Submit periodic status report to the Secretary.

Sec. 2 Turn-over of Documents. The EMB Director is directed to turn-over to the FMB Director all IEE, EIS and ECC documents pertaining to Forestry Projects for safe-keeping and/or further appropriate action.

Sec. 3 Creation of EIA Unit. In order to carry out the purposes of this Order, the FMB Director is hereby authorized to create an EIA Unit, including the designation of its personnel component with their corresponding detailed functions.

Sec. 4 Repealing Clause. All Orders and issuances inconsistent herewith are hereby repealed.

Sec. 5 Effectivity - This Order shall take effect immediately.

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

Recommended by:

(Sgd.) **PETER ANTHONY ABAYA**
Director
Environmental Management Bureau

(Sgd.) **JOSE D. MALVAS, JR.**
Director
Forest Management Bureau

DENR Administrative Order
No. 99-21
June 11, 1999

SUBJECT : Superseding DAO No. 97-05 and Prescribing the Revised Guidelines in the Implementation of the Pertinent Provisions of R.A. 1273, P.D. 705 and P.D. 1067 .

A. In response to the clamor of the geodetic engineering profession and in the furtherance of the government's program of biodiversity preservation, the following revised guidelines are hereby promulgated for the strict implementation of the provisions of R.A. No. 1273, Section 16 paragraphs 7 and 8 of P.D. No. 705 and Article 51 of P.D. No. 1067.

Section 1. To insure the preservation of ecological balance and protection of the environment, all concerned shall observe in the processing, verification and approval of isolated and cadastral surveys, the requirements of Section 1 of R.A. No. 1273 which amended Section 90 of C.A. 141 otherwise known as the "Public Land Act", Section 16 of P.D. No. 705 otherwise known as the "Forestry Code" and Article 51 of P.D. No. 1067 otherwise known as "Water Code of the Philippines", are quoted as follows:

- a) "Section 1 (I) That the applicant agrees that a strip of forty meters wide starting from the bank on each side of any river or stream that may be found on the land applied for shall be demarcated and preserved as permanent timberland to be planted exclusively to trees of known economic value, and that he shall not make any clearing thereon or utilize the same for ordinary farming purposes even after patent shall have been issued to him or a contract lease shall have been executive in his favor." (R.A. No. 1273)
- b) "Section 16. Areas needed for forest purposes x x x

- (7) Twenty-meter strips of land along the edge of the normal high waterline of rivers and streams with channels of at least five (5) meters wide;
 - (8) Strips of mangrove or swamplands at least twenty (20) meters wide, along shorelines facing oceans, lakes and other bodies of water and strips of land at least twenty (20) meters facing lakes; x x x ." (P.D. No. 705)
- c) "Article 51. The banks of rivers and streams and the shores of the seas, and throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas, along their margins, are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage x x x " (P.d. NO. 1067)

Section 2. **IMPLEMENTATION**

2.1 Original Surveys:

2.1.a Public Lands:

All alienable and disposable (A and D) lands of the public domain shall be surveyed pursuant to Section 1 Par. (1) of R.A. 1273 whereby a strip of forty (40) meters wide starting from the banks on each side of any river or stream that may be found on the land shall be demarcated and preserved as permanent timberland.

Likewise, to be demarcated are public lands along the banks of rivers and streams and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in

forest area, along their margins which are subject to the easement for public use in the interest of recreation, navigation, floatage, fishing and salvage.

2.1.b Private Lands:

Untitled private lands for registration purposes under P.D. 1529 shall be surveyed in accordance with the Revised Manual of Land Surveying Regulations in the Philippines provided that the easement for bank protection of three (3) meters in urban areas and twenty (20) meters in agricultural areas shall be marked by dotted lines in the survey plan.

The survey of these lands shall proceed only after an investigation shall have been conducted by the CENRO and after it has been ascertained that the survey claimant or his predecessor-in-interest has been in continuous, open, exclusive, notorious possession of the land since time immemorial.

The findings of the CENRO shall form part of the supporting documents of the survey returns to be submitted to the Regional Office for approval.

2.1.c Survey Returns Submitted to the Regional Office Pending Approval:

Survey returns submitted for verification and approval without observing the provisions of items 2.1.a and 2.1.b shall be returned to the Geodetic Engineer concerned for compliance.

2.2 Untitled surveyed Areas:

2.2.a Covered by Public Land Applications:

Lands covered by public land applications which are found to have been surveyed not in accordance with the aforesaid laws shall be amended to conform to the requirements of said laws.

2.2.b Subject to Judicial Land Titling:

Requests for certified copies of survey plans and technical descriptions to be used in original registration proceedings under P.D. 1529 shall be issued only after a comment and recommendation of the CENRO concerned that such lands have been in continuous, notorious and exclusive occupation of the survey claimant or his/her predecessors-in-interest which would entitle him the confirmation of title through judicial proceedings.

In the event that the survey claimant is found to be not qualified to apply for confirmation of title through judicial proceedings on account of the findings of the CENRO, the survey of the land shall be made to conform with the requirements of 2.2.a.

2.3 Survey of Titled Lands:

2.3.1 Administratively Titled Lands:

The provisions of item 2.1.a and 2.1.b shall be observed as the above. However, when these lands are to be subdivided, consolidated or consolidated-subdivided, the strip of three (3) meters which falls within urban areas shall be demarcated and marked on the plan for easement and bank protection.

The purpose of these strips of land shall be noted in the technical description and annotated in the title.

2.3.2 Judicially Titled Lands:

When lands judicially titled are subdivided, consolidated or consolidated-subdivided the strip of three (3) meters in urban areas and twenty (20) meters in agricultural areas shall be demarcated and indicated on the plans using dotted lines.

2.3.3 Complex Subdivision or Consolidation Subdivision Surveys for Housing/Residential, Commercial or Industrial Purposes:

When titled lands are subdivided or consolidated-subdivided into lots for residential, commercial or industrial purposes the segregation of the three (3) meter wide strip along the banks of rivers or streams shall be observed and be made part of the open space requirement pursuant to P.D. 1216.

The strip shall be preserved and shall not be subject to subsequent subdivision.

- B. All orders, circulars, official instruction or parts thereof inconsistent herewith are hereby modified accordingly.
- C. The Order shall take effect fifteen (15) days after publication in the newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

TODAY - July 02, 1999

**DENR Administrative Order
No. 99-28
July 21, 1999**

SUBJECT : Amendment to Certain Provision of DENR Administrative Order No. 12 Series of 1993 entitled “Revised Guidelines Regulating the Implementation and Management of DENR-CARP Activities”.

In support to the smooth implementation and operation of DENR-CARP activities and consistent with the various issuance of the Department which provide for the redefinition of functions and assignments of DENR officials and its administrative units in the central, regional and field offices, as well changes in the Department’s commitment under CARP, the following regulations are hereby promulgated as follows:

I. General Policies

C. DENR Involvement in CARP

4. Allocation of Non-Alienable lands suitable for agroforestry through the implementation of Community-Based Management Program (CBFMP). This includes:
 - a. Perimeter Survey – delineation of the boundaries of the entire CBFM projects as basis in the issuance of Community-Based Forest Management Agreement (CBFMA) to qualified communities in the uplands.
 - b. CBFMA Processing and Issuance – the allocation of non-alienable and disposable lands suitable for

forestry/agroforestry by issuing CBFMA for qualified communities/People's Organization (PO).

5. Provision of Technical Assistance

- a. This activity includes training of Local Government Units to enhance their technical expertise in support to the implementation of CBFM Program.

6. Operational Support

- c. Staff development – training of field personnel shall also include upgrading of technical capabilities of those involved in Program Beneficiary Development.

II. DENR-CARP Organizational Structures

A. The Executive Committee

1. Composition

The Executive Committee shall be composed of the following:

Secretary of the DENR	- Chairman
ASEC for Lands and Legislative Affairs	-Vice-Chairman
ASEC for Administrative Services	- Member
ASEC for Planning and Policy Studies	- Member
Director, Special Concerns Office	- Member
Director, Lands Management Bureau	- Member
Director, Forest Management Bureau	- Member
Director, Ecosystems Research and Development Bureau	-Member

2. Function

The Executive Committee, particularly the Chairman and Vice-Chairman shall continue its tasks and functions as stipulated in Sections II and III of DAO No. 12 Series of 1993.

C. The National Action Officer

1. The Director of DENR-Special Concerns Office (SCO) is designated as the National Action Officer, Head of the DENR-CARP National Secretariat and Chairman of the Technical Working Group (TWG) in concurrent capacity.

2. Function

The Director of DENR-SCO shall assume the tasks and responsibilities inherent to the functions of the National Action officer, Head DENR-CARP National Secretariat and TWG Chairman as stipulated in Sections II and III of DAO No. 12 Series of 1993.

D. Sectoral Coordinators

1. There will be seven (7) sectoral coordinators at the national level. The composition of which are as follows:

- a. Coordinator for Lands – Director, LMB
- b. Coordinator for CBFMP – Director, FMB
- c. Coordinator for Research and Development – Director, ERDB
- d. Coordinator for Public Information, education and Communication – Director, PAO
- e. Coordinator for HRMS – Director, HRMS

- f. Coordinator for Special Concerns – Director, SCO
- g. Coordinator for Finance – Director, Finance Services

F. The National Secretariat

1. To assist the National Executive officer and the National Action Officer, the National Secretariat shall be maintained and shall have two (2) functional units namely: Administrative & Finance and Planning & Technical Units. The Head of each units shall be designated by the National Action Officer and approved by the Chairman of the National Executive Committee.
2. Duties and Responsibilities
The ARED for Operations shall assume the tasks and responsibilities inherent to the functions of the Regional Action Officer, Head of Regional Secretariat and Chairman of the Regional Technical Committee as stipulated in Sections II and III of DAO No. 12 Series of 1993.

H. The Regional Action Officer

1. The Assistant Regional Executive Director (ARED) for Operations shall be designated as the Regional Action Officer, Head of Regional Secretariat and Chairman of the Regional Technical Committee in concurrent capacity.
2. Responsibilities
The ARED for Operations shall assume the tasks and responsibilities inherent to the functions of the Regional Action Officer, Head of Regional Secretariat and Chairman of the Regional Technical Committee as stipulated in Sections II and III of DAO No. 12 Series of 1993.

I. The Regional CARP Coordinators

1. The Regional Sectoral Coordinators shall be renamed as Regional CARP Coordinators and shall be composed of the following in their respective areas of concern, to wit:
 - 1.1 ARED for Operations – all land surveys involving CARPable lands and implementation of Community-Based Forest Management Program in their Region
 - 1.2 ARED for Technical Services – all matters pertaining to land disposition and management of CARPable lands
 - 1.3 ARED for Legal Services and Public Affairs – all matters relative to the implementation of Information, Education and Communication for DENR-CARP and provision of legal services to the Program at the Regional level.
2. Functions
 - 2.1 Shall exercise supervision of CARP implementation in their respective areas of concern;
 - 2.2 Shall prepare and consolidate budget proposals, operational plans relative to their areas of concern;
 - 2.3 Shall administer CARP Funds released to respective units/offices/division under their jurisdiction, and
 - 2.4 Shall assist the Regional Action Officer in the overall supervision of CARP implementation in the Region

J. The Regional Technical Committee

1. Shall compose of the Regional CARP Coordinators with the ARED for Operations as Head.
2. Functions

- 2.1 Shall recommend policies, guidelines, rules and regulations relative to CARP implementation in the Region;
- 2.2 Reviews Regional budgetary proposals and operational plans

K. The Regional Secretariat

1. Composition

In order to ensure the effective and efficient delivery of required activities and outputs of the Region under CARP, the ARED for Operations shall designate his Deputy Head to assist him in undertaking his functions as Regional Action Officer and concurrent Head of the Regional Secretariat. The Regional Secretariat shall be backstaffed by CARP personnel which shall be drawn out from the approved personnel allocation under the Agrarian Reform Fund.

2. Functions

The Regional Secretariat shall perform functions as stipulated in Section II-K.2 of DAO 12, Series of 1993

IV. Planning, Budgeting and Monitoring Procedures

B. Monitoring Procedures

1. Performance Monitoring

- c. The Regional CARP Coordinators shall monitor all CARP related activities under their areas of concern as enumerated in Section II-1.1 of this Order. They shall submit corresponding reports to the Regional Executive officer on physical accomplishment and fund utilization under the Agrarian Reform Fund (ARF). Monitoring of activities shall be done by project.
- d. The Regional Action officer shall monitor all CARP related activities in the Region. The Regional Secretariat through the Deputy Head shall assist the

Regional Action Officer by ensuring that the Regional Planning and Management Division (RPMD) submits monthly physical accomplishment reports not later than the 10th day of the succeeding month to the Planning Service using prescribed reporting forms. The RPMD shall also submit quarterly financial reports to the planning service.

2. Project Monitoring

- d. The Regional CARP Coordinators shall be responsible for monitoring of all CARP related projects consistent with the specified areas of concern as enumerated in Section II-1.1 of this Order. The Regional CARP Coordinators shall submit on specified forms all data required to the Lands Management Bureau (LMB) for Lands Sector Project and to Community-Based Forest Management Office (CBFMO) of the Forest Management Bureau (FMB) for projects related to the Community-Based Forest Management Program. They are likewise required to establish their own data base on all projects in their respective areas of concern. Data shall be derived from the monthly status report to be submitted by the Regional CARP Coordinators. As the need arises, other concerned Sectors at the national level such as the Ecosystems Research and Development Bureau (ERDB), the National Mapping and Resource Information Authority (NAMRIA), the Human Resources Management Service shall maintain their own data based systems. The Regional CARP Secretariat shall submit a consolidated report to the National Secretariat based on the data submitted by the PENROs.
- e. The National level project monitoring shall be the responsibility of the following: LMB for Lands

Sector Project, CBFMO-FMB for CBFM projects and Public Affairs Office (PAO) for CARP-IEC projects. These sectors shall establish their respective data base system from the data derived from the Regional CARP Coordinators. These data shall be placed in specified forms and integrated by the various sectors and submitted to the National Secretariat.

V. Financial Management

C. Regional

3. The AREDs concerned shall exercise control over funds intended for their respective CARP projects as well as monitoring of ARF utilization.

VI. Additional Provisions

The reorganization made under this Order is further explained by the attached Annexes depicting the newly created structures for DENR-CARP at the national and field levels.

VII. Repealing Clause

All other provisions of DENR Administrative Order No. 12 Series of 1993 shall remain the same.

VIII. Effectivity

This Order takes effect immediately and all other issuances, memoranda, rules and regulations inconsistent herewith area hereby repealed/amended.

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

Note: Annexes omitted

**DENR Administrative Order
No. 99-29
July 22, 1999**

SUBJECT : Amendments of DENR A. O. No. 96-29 Which Prescribes the Rules and Regulations for the Implementation of Executive Order No. 263, Otherwise Known as the Community-Based Forest Management Strategy (CBFMS).

Pursuant to Section 12 of Executive Order No. 263 entitled “Adopting Community-Based Forest Management (CBFM) as the National Strategy to Ensure the Sustainable Development of the Country’s Forest Lands Resources and Providing Mechanisms for its Implementation” and to facilitate the implementation of CBFM inline with the President’s thrust to eradicate poverty among the basic sectors of the society, the following guidelines are hereby issued.

1. To simplify the procedures in the processing and approval of CBFMAs, CRMFs, AWP and RUPs, all provisions of DAO No. 96-29 requiring endorsement/affirmation by concerned local government units and other government agencies are hereby repealed. Instead, the concerned LGUs and government agencies shall be provided with copies of approved CBFMs, CRMFs, AWP and RUPs for their reference in assisting the DENR and concerned peoples organization in the implementation of the CBFM Program.
2. The foregoing provision notwithstanding, all REDs, PENROs, and CENROs are hereby directed to continue/enhance their close coordination with concerned local government units and other government agencies to

ensure the successful implementation of the CBFM Program.

3. Provisions of other DENR Administrative Orders, Memorandum Circulars, other official issuances not consistent herewith are hereby repealed or amended accordingly.
4. This Order shall take immediately after its publication in a general newspaper of national circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

TODAY – July 24, 1999

**DENR Administrative Order
No. 99-30
July 26, 1999**

**SUBJECT : Amendments to Administrative
Order No. 99-23.**

In the interest of service and in order to further clarify the functions of the Procurement Coordinating Staff (PCS) created under Administrative Order No. 99-23, the following amendments are hereby adopted:

1. Exclusion of the PBAC (102) Secretariat to the Procurement Coordinating Staff;
2. Functions #3 & # 4 are merged and shall read as follows: Maintain good record-keeping of documents on accreditation, procurement and inspection matters;
3. Function # 6: Consolidate requests for supplies for the Committees/Secretariats and maintain office equipment of PCS; and
4. Function # 8: Encoding of abstract of canvass quotations and shall include posting and distribution to interested *bonafide* suppliers/dealers.

All other provisions of AO No. 99-23 shall remain the same.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order

No. 99-32

July 30, 1999

**SUBJECT : Recalling DENR Administrative
Order No. 99-15.**

Pursuant to Presidential Decrees 1121 and 1586, Section 16 of Executive Order No. 192 dated 10 June 1987, Presidential Proclamation No. 2146 and Article III of DENR Administrative Order No. 37, Series of 1996; the DENR Administrative Order No. 15, Series of 1999, “Designating the Forest Management Bureau (FMB) as the lead agency in the implementation of the EIS System for Forestry Project”, is hereby recalled.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-34
August 10, 1999**

SUBJECT : Rules and Regulations Governing the Administration, Management and Development of Foreshore Areas, Marshy Lands and Other Lands Bordering Bodies of Water.

Pursuant to the provisions of Sections 3, 4 and 5 of the Public Land Act in order to rationalize and regulate the utilization and occupation of foreshore areas, marshy lands and other lands bordering bodies of water, the following rules and regulations are hereby issued for the guidance of all concerned:

Section 1. Policies and Objectives

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

- a) Adhere to the government's policy to tap all resources that can generate income to carry out the developmental programs;
- b) Promote the improvement and sustainable use of our country's foreshore and areas through effective and efficient management schemes and strategies;
- c) Institutionalize a cohesive partnership between the government and foreshore contract holders for the conservation and maintenance of an ecologically balanced environment without compromising the financial benefits to be derived from user's fees and other similar fees;
- d) Provide a generally accepted scheme to ensure its free access to the area for recreation, educational and sports purposes.

Sec. 2 Definition of Terms

The following terms are to be understood and interpreted as follows:

- a) **Foreshore Lands** - the part of the shore which is alternately covered and uncovered by the ebb and flow of the tide.
- b) **Foreshore Lease Application** - the type of application covering foreshore lands, marshy lands and other lands bordering bodies of water for commercial, industrial or other productive purposes other than agriculture.
- c) **Foreshore Lease Contract** - is the agreement between the DENR and the applicant which contains specific terms and conditions.
- d) **Marshy Lands** - a wetland whose soil is permanently or protractedly saturated by water and whose vegetation is dominated by grasses or sedges.

Sec. 3 Scope

This Order covers all foreshore and marshy lands or lands covered with water bordering upon shores or banks of navigable lakes or rivers. All mangrove areas are excluded from the coverage of this Order.

Sec. 4 Maximum Area That May Be Released

Any person, corporation, association or partnership may lease not more than 144 hectares.

Sec. 5 Application for Foreshore Lands

Foreshore Lease Contract shall not be issued or renewed unless an application therefore has been filed and in accordance with previous Order and provided further that an application for renewal shall be filed at least Sixty (60) days prior to its expiration.

Sec. 6 Transfer of Rights

If at any time the applicant may die before the issuance of the Foreshore Lease Contract or during the life of the lease or while the applicant still has obligations pending towards the Government, he/she shall be succeeded in his/her rights and obligations by his/her heirs who shall be entitled to be issued the contract, subject however, to the compliance of certain requirements therefor and the subrogation to all his/her rights and obligations under the law.

Sec. 7 Who May Apply

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

Sec. 8 Form, Contents and Supporting Documents

Application shall be filed in a form to be prescribed by the DENR. The application form shall contain particulars on the nature of the proposed utilization, development or activity, the location and size of the area, the sketch, boundaries and brief description thereof, and such other information that the DENR may require.

An application shall only be accepted if properly subscribed and sworn to by the applicant, or in the case of juridical person, by its president, general manager or duly authorized agent, and accompanied by the following documents:

- a. If the applicant is a government official or employee, whether in the career or non-career service, a written permission from the department head or head of the agency concerned.

- b. If the applicant is a naturalized Filipino citizen, a copy of his certificate of naturalization certified by the duly concerned agency that issued the same. And a certification by the Office of the Solicitor General that it has not filed or taken any action for his denaturalization, or any action that may affect his citizenship.
- c. If the applicant is a corporation, association or cooperative, (1) three copies of its articles of incorporation, (2) three copies of its by-laws, (3) three copies of the minutes of the latest organizational meeting of its stockholders/general assembly, electing the present members of the Board of Directors, (4) three copies of the resolution adopted at said meetings, electing the present members of the Board of Directors certified to by its Secretary, (5) three copies of the minutes of the latest organizational meeting of the Board of Directors, electing the present officers of the corporation, association, or cooperative, certified by its Secretary, (6) three copies of the minutes of the latest organizational meeting of the Board of Directors indicating the authority of the officer to file the application in behalf of the corporation.

The articles of incorporation must show an undertaking that there will be no transfer of stocks/shares that will change the citizenship and capital structure of the corporation, association or cooperative and should there be any transfer of stock/share, it shall not be effected without the approval of the DENR Secretary upon the recommendation of the Regional Executive Director concerned. All the above documents must be certified to be filed with the appropriate government agency and the certification must be signed by the duly authorized officer of said Agency.

- d. If the applicant uses a name, style or trade name, other than the true name, three copies of the certificate of registration of such name, style or trade name with the Department of Trade and Industry (DTI) certified by an authorized officer of said Department. The application must further be accompanied by

three certified copies of the income tax return for the preceding year, if the applicant was already in existence at the time and required to file said return.

Sec. 9 Where to File the Application

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

Sec. 10 When to File the Application

All applications shall be numbered, stamped and recorded in the book provided for the purpose in chronological order showing the number, the date and the time of receipt thereof.

Sec. 11 Application Fees

An application for a new and renewal of FLA shall be accepted only when accompanied by an application fee in the amount of ₱ 100.00 plus documentary stamp. The fee is non-refundable.

Sec. 12 Term of a Foreshore Lease

The Foreshore Lease Agreement (FLA) shall be for a period of twenty five years and renewable for another twenty five years.

Sec. 13 Procedural Steps in Processing

1. Filing of application at the CENRO;
2. Preliminary investigation and appraisal of the land applied for;
3. Survey of the land;

4. Recommendation to the official concerned for the approval of the appraisal and request for authority to lease the land through bidding;
5. Approval of appraisal and grant of authority to lease the land through bidding by the official concerned;
6. Payment of publication expenses if the appraised value of the land is more than ₱240.00;
7. Publication of the notice of right to lease the land applied for in the Official Gazette and/or two newspapers of general circulation (one in English and the other in the local dialect) once a week for six consecutive weeks and posting of the notice for six weeks at the bulletin boards of the following:
 - a) CENRO
 - b) Municipal/City Halls
 - c) Barangay Hall
 - d) On the land itself
8. Public auction and submission of report of bidding, proofs of payment of at least three months user's fee, publication and posting of the notice;
9. Order of Award;
10. Preparation of the Lease Contract upon payment of one user's fee;
11. Letter to the applicant enclosing the lease contract for his/her signature and that of two credible witnesses and for notarization;
12. Letter forwarding the lease contract to the official concerned for his approval and for notarization;
13. Letter to the applicant transmitting the approved Lease Contract.

Sec. 14 Requirements in the Preparation and Execution of Lease Contract

1. Original copy of the Official Receipt of the Application Fee;
2. Approved plan and technical description of the land applied for;
3. Consent of the spouse, if married;
4. Articles of Incorporation and Certificate of Registration from the Securities and Exchange Commission, if a corporation;
5. Certification that the land applied for is not needed for public use from the heads of the following agencies/offices;
 - a) Provincial Tourism Office
 - b) Philippine Ports Authority
 - c) Municipal/District/City Engineer's Office with concurrence of the Regional Director of Public Works and Highways
6. Feasibility study stating among others the financial and technical capability to undertake the project; and
7. Environmental Compliance Certificate (ECC).

Sec. 15 Who are authorize to issue foreshore lease contracts?

Pursuant to DENR AO 98-24 Series of 1998, the following officials are authorized to issue Foreshore Lease Contracts:

1. PENRO (Provincial Environment and Natural Resources Officer) - For areas up to 1,000 square meters.
2. RED (Regional Executive Director) - Areas more than 1,000 square meters up to 30,000 square meters
3. Secretary – Areas more than 30,000 square meters

Sec. 16 Bidding Procedures

The lease shall be made through bidding and adjudication shall be made to the highest bidder. However, where an applicant has made improvement on the land by virtue of a permit issued to

him by competent authority, the lease shall be made by scaled bidding as prescribed in Section 26 of CA 141.

Sec. 17 User Fees

The annual user fee for the land leased shall not be less than three percentum (3%) of the value of the land and one percentum (1%) of the improvements if any there be in accordance with the appraisal and/or re-appraisal made pursuant to DAO 98-20 S. 1998. The area used and the improvement thereon shall be re-appraised every ten (10) years from the date of the approval of the lease contract. In the event however, that new improvements/development have been introduced, immediate appraisal shall be effected.

Sec. 18 Conditions

The lessee shall not assign, encumber or sublet his rights of the lease without prior consent issued by the PENRO/RED/Secretary of the DENR and violation hereof shall void the contract; Provided, further, that nothing contained in this section shall be understood or construed to permit the assignment, encumbrance or subletting of foreshore lands under C.A. 141 or previous Acts to persons, or associations/corporations which under said Act are not authorized to lease such lands. It is essential that the contract does not confer the right to remove timber, if any there be except as provided under the revised Forestry Laws. Violation of these conditions by the lessee shall operate as a forfeiture of his rights and participation stipulated in the lease contract and render him liable to immediate dispossession and suit for damages.

Sec. 19 Administration, Management and Development

The management, administration and development of foreshore areas, marshy lands and other lands bordering bodies of water shall be assigned to the Natural Resources Development Corporation (NRDC) and as such, it may be authorized to collect users fees due on leases of foreshore lands and whatever fees accruing in the usage of foreshore areas and other lands bordering bodies of water, and subject to the approval of the Secretary of the Department of Environment and Natural Resources, may utilize sixty percentum (60%) of such collections for the total protection of coastal resources and environment, advancement of the rights of the people to a balanced and healthful ecology, coastal bio-diversity and such other expenses as may be deemed necessary by the Secretary.

Sec. 20 Expiration of Contracts

Upon final expiration of the lease, or of any extension of the same or cancellation thereof, all buildings and other permanent improvements made by the lessee, his heirs, executors, administrators, successors or assigns shall accrue to the DENR and the NRDC may be allowed to manage and administer said properties in accordance with law.

Sec. 21 Repealing Clause

All orders, rules circulars and other issuances which are inconsistent herewith are hereby revoked, amended or accordingly modified.

Sec. 22 Effectivity

This Order takes effect fifteen (15) days after publication in the Official Gazette and/or any newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:
Today – August 20, 1999

**DENR Administrative Order
No. 99-35
August 10, 1999**

**SUBJECT : Revised Guidelines in the
Implementation of the Resource
Use Permit in Community-Based
Forest Management Program.**

In the interest of the service and to insure the sustainability of the CBFM implementation and consistent with the adoption by the Department of the ecosystem and watershed planning framework, this Administrative Order is hereby promulgated to modify Memorandum dated 22 September 1998 suspending the processing and issuance of resource use permits for CBFM holders and other people-oriented forestry projects and Section 10, 1998 suspending the processing and issuance of resource use permits for CBFM holders and other people-oriented forestry projects and Section 10, Article III of DAO No. 96-29, otherwise known as the “Community-Based Forest Management Program”.

Section 1. Section 10 Article III, DAO 96-29 is hereby amended to read as follows:

SECTION 10. FORMULATION OF RUPs. A management and utilization plan for each resource, e.g. timber, rattan resins, covering a specific area of the CBFMA and time period shall be prepared. The DENR shall conduct resource inventory as a basis for the resource use plan. The accepted resource use plan shall serve as the permit to utilize the resource. Following the land use of the CBFMA areas, the protected and production forests shall be clearly identified and delineated. As a matter of general policy, commercial logging shall be banned in natural forests within CBFMA area, the protected

and production forests shall be clearly identified and delineated. As a matter of general policy, commercial logging shall be banned in natural forests within CBFMA area and logging/harvesting shall be confined only in man-made plantations. The forest management scheme to be applied in both protection and production forests where there is an existing natural forest shall be in accordance with the following:

Forest Management Scheme	Approving Authority
Sanitation Cutting -----	Regional Executive Director
Thinning -----	Regional Executive Director
Cutting/Clearing for Forest	
Fire Prevention -----	Secretary
Other Silvicultural Treatments	
Requiring cutting/ Clearing of vegetation/ Trees-----	Secretary

A detailed plan of the above shall be incorporated in the RUP to insure that adequate safety nets are considered and accountabilities of officials clearly identified.

Sec. 2 Log and Lumber Dealer’s Permit. The affirmed Work Plan shall serve as the PO’s permit to sell logs or lumber only to legitimate buyers of logs or lumber. The permit shall be limited to the volume authorized under the affirmed Work Plan. No separate log or lumber dealer’s permit is required.

Sec. 3 Repealing Clause. This Order amends or repeals any order, circular and memorandum that are inconsistent herewith.

Sec. 4 Effectivity. This Order shall take effect thirty (30) days after its publication in a newspaper of national circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

MALAYA – August 28, 1999 -- page 07

DENR Administrative Order
No. 99-36
August 10, 1999

**SUBJECT : Revised Rules and Regulations
Governing the Administration,
Management, Development and
Disposition of Forest Lands Used
for Grazing Purposes.**

Pursuant to Article 12, Section 2 of the Constitution and Section 9, P.D. 705, as amended, the following revised rules and regulations governing the administration, management and development of forest lands used for grazing purposes are hereby promulgated.

Sec. 1 Policies and Objectives. The Department of Environment and Natural Resources (DENR), shall have the jurisdiction over the administration and management of the grazing lands of the public domain either for grazing purposes and other uses. It shall:

- a) Adhere to its policy to promote the development, improvement and sustainable use of grazing land through appropriate grazing management strategies and grassland improvement schemes.
- b) Promote ecologically sound, technically-feasible, economically-viable and socially-acceptable technologies for the sustainable development and management of grazing lands.
- c) Encourage the private sector, particularly the pasture agreement holders, NGOs and other government agencies in the rehabilitation, improvement and sustainable use of grazing lands.

- d) Ensure equitable access of individuals, associations and communities to benefits derived from grazing lands through co-production sharing scheme.

Sec. 2 Definition of terms. The following terms are to be understood and interpreted as follows for the purposes of the order.

- a) **Animal Unit** - is equivalent to either one (1) mature cow about 300 kg or at least two (2) yearlings.
- b) **Carrying Capacity** – the ability of the grazing land to support a number of animal unit for a certain duration, usually one year, without compromising the sustainability of the area for continuous productive use.
- c) **Community Grazing Lands** - is a portion of land established for grazing of domestic livestock by the residents of a particular municipality for personal purposes.
- d) **Economic Rent** - the difference between gross sales of livestock and other products and all costs (include operating and maintenance costs, capital investments and reasonable returns on investment) incurred in the management of grazing lands on a yearly basis.
- e) **Forest lands** - include the public forests, the permanent forests or forest reserves, and other forest reservations.
- f) **Forest Land Grazing Management Agreement (FLGMA)** - a production sharing agreement between a qualified person, association and/or corporation and the government to develop, manage and utilize grazing lands.
- g) **Grasslands** - portion of the public domain with vegetation dominated by grasses associated with shrubs and/or sparsely scattered woody plants.
- h) **Grazing Land** - refers to that portion of the forestland set aside in view of its topographic and vegetative suitability for the raising of livestock.
- i) **Grazing Capacity** - the maximum number of animal unit that a given grazing land is capable of supporting without

significant damage to soil, vegetation or watershed. It is computed by using the formula:

$$GC = \frac{0.54 (S) \times A \times 10,000}{25,000}$$

where:

GC	=	Grazing capacity
0.54	=	Utilization factor (average of 61% and 46% utilization factors for rainy and dry seasons, respectively)
S	=	Average fresh weight (in kilos) of grasses per square meter in the sample
A	=	Effective grazing area (in ha)
10,000	=	area of one hectare in square meter
25,000	=	Average forage requirement of one a.u. per year in kilogram fresh weight

- j) **Herbage Yield** - the potential forage yield expressed in gms/m² or tons/ha.
- k) **Interim Grazing Privilege** – refers to a six-month privilege granted by the State, prior to the renewal of a forest land grazing management agreement to a person or group to occupy any grazing land in order to undertake any authorized activity therein.

- l) **Secretary** – refers to Secretary of Department of Environment and Natural Resources
- m) **Stocking Rate** – the number of animal unit carried per unit area per year.

Sec. 3 Areas Available for FLGMA. Areas available for FLGMA are as follows:

1. Forestlands sub-classified as grazing lands under the following criteria:
 - (a) Extent – contiguous area of not less than 250 hectares.
 - (b) Topography - at least 75% of the area must have a slope of not more than 50%.
 - (c) Vegetative Cover – the dominant vegetation is grass sufficient to support livestock and minimize soil erosion.
 - (d) Forage Production Capability – at least 500 kilograms, air-dry, forage production per hectare preferably measured during the maximum growth period.
 - (e) Occupancy – are should be free from established private right or claims, forest concessions or other forest licenses or permits, and forest occupancy and other forest management agreement.
2. Forest lands which cannot be sub-classified as grazing lands under the first category but are presently devoted to grazing under a pasture lease agreement or permit may continuously be used therefor, if so warranted after an evaluation thereof. In such an event, a forest land grazing management agreement shall be executed in favor of the existing holder.
3. Expired/cancelled TLA areas which are suitable for grazing.

Sec. 4 Prohibited Areas. FLGMA shall be awarded or renewed within forest lands certified as suitable for grazing purposes except in the following:

- a. Areas covered by existing Timber License Agreements (TLAs), Industrial Forest Management Agreements (IFMA) and other forest land contracts, leases, permits or agreements, except in the following cases:
 - 1) the lessee, permittee or agreement holder executes a waiver in favor of the FLGMA, *Provided*, that when any pre-existing rights expire within three years from the issuance of an FLGMA, no waiver shall be required; or
 - 2) a permit is issued only for the collection or harvesting or minor forest products, in which case no waiver from the permittee shall be required. Upon termination of any pre-existing permit for non-timber forest products, such permits shall not be renewed and any new permit shall be given to the FLGMA holder.
- b. Protected areas except multiple use zones, buffer zones and other areas where utilization activities may be allowed pursuant to the provisions of Republic Act 7586, the National Integrated Protected Areas Act of 1992 (NIPAS) and its implementing rules and regulations;
- c. Forestlands which have been assigned by law under the administration and control of other government agencies, except upon written consent of the concerned government agency;
- d. Certified ancestral lands and domains, except where the Indigenous Cultural Communities/Indigenous People (ICCs/IPs) opt to participate in FLGMA; and
- e. Other areas occupied by ICCs/IPs that are known to be ancestral but are not yet covered by Certificate of Ancestral

Domains Claims (CADCs) or Certificate of Ancestral Lands Claims (CALCs), unless the ICCs/IPs opt to participate in Community-Based Forest Management Program (CBFMP).

Sec. 5 Size of the FLGMA. The area that may be covered by FLGMA shall not be less than 50 hectares but not more than 500 hectares for individual holder, and not more than 2,000 has. For association, cooperative or corporation.

Sec. 6 Areas for Grazing. Grazing under the FLGMA shall always be confined and restricted to those portions of the agreement area under 50% in slope. In arable portions of the agreement area a food production area may be established for the raising of staple crops pursuant to Presidential Decree No. 472; Provided, that the area to be devoted for food production shall be equivalent to ten (10) percent of the agreement area but not less than one hectare nor more than 20 hectares; Provided, further, that improved pasture shall be established equivalent to a minimum of ten (10) percent of the agreement area; Provided, finally, that the agreement holder shall maintain and protect the naturally growing trees. Areas above 50% in slope shall be maintained with forest cover or the production of forage which will be utilized under the cut and carry scheme.

Sec. 7 Rights-of-Way. The DENR reserves the right to permit, if public interest so required, the opening of such portions of the agreement area for rights-of-way which shall not be more than ten (10) meters wide; Provided, that the person or entity granted the rights-of-way shall pay the agreement holder a reasonable compensation for any damages caused on the improvement therein, if any.

Sec. 8 Types of Grazing Lands. With the use of score card system prescribed in this Order, all grazing lands shall

be classified into three (3) major classes based on the respective points gained by each class, as follows:

CLASS A GRAZING LAND 70 – 100 points

CLASS B GRAZING LAND 50 - 69 points

CLASS C GRAZING LANDBELOW 50 points

Stable parameters have been used for classification under this Order and their relative points weights are shown in Annex A.

Sec. 9 Application for Forest Land Grazing Management Agreement. Forest Land Grazing Management Agreement (FLGMA) shall not be issued or renewed, unless an application therefor has been filed and approved in accordance with the provisions of this Order. Provided, that an application for renewal shall be filed at least sixty (60) days prior to its expiration.

Sec. 10 Who May Apply. Only the following persons may file an application for FLGMA:

- a) Citizens of the Philippines who are of legal age at the time of the filing of the application;
- b) Corporations, partnerships, associations and such other juridical persons as may be recognized and registered in accordance with the laws of the Philippines, at least sixty (60) percent of the capital of which is owned, controlled and managed by citizens of the Philippines; and
- c) Financially and technically capable.

Sec. 11 Form, Contents and Supporting Documents. Application shall be filed in a form to be prescribed by DENR. The application form shall contain particulars on the nature of the proposed utilization, development or activity, the location and size of the area, the sketch, boundaries and brief description thereof, and such other information DENR may require.

An application shall only be accepted if properly subscribed and sworn to by the applicant, or in the case of juridical person, by its president, general manager or authorized agent, and accompanied by the following documents:

- a. If the applicant is a government official or employee, whether in the career or non-career service, a written permission from the department head or head of the agency concerned.
- b. If the applicant is a naturalized Filipino citizen, a copy of his certificate of naturalization certified by the duly concerned agency that issued the same, and a certification by the Office of the Solicitor General that it has not filed or taken any action for his denaturalization, or any action that may affect his citizenship.
- c. If the applicant is a corporation, association and cooperative, (1) three copies of its articles of incorporation, (2) three copies of its by-laws, (3) three copies of the minutes of the latest organizational meeting of its stockholders/general assembly, electing the present members of the Board of Directors, (4) three copies of the resolution adopted at said meetings, electing the present members of the Board of Directors certified to by its secretary, (5) three copies of the minutes of the latest organizational meeting of the Board of Directors, electing the present officers of the corporation, association or cooperative, certified by the Board of Directors indicating the authority of the officer to file the application in behalf of the corporation.

The articles of incorporation must show an undertaking that there will be no transfer of stocks/shares that will change the citizenship and capital structure of the corporation, association or cooperative and should there be any transfer of stock/share, it shall not be effected without the approval of the DENR Secretary upon the

recommendation of the Regional Executive Director concerned. All the above documents must be certified to be filed with the appropriate government agency and the certification must be signed by the duly authorized officer of said Agency.

- d. If the applicant uses a name, style or trade name, other than the true name, three copies of the certificate of registration of such name, style or trade name with the Department of Trade and Industry (DTI) certified by an authorized officer of said Department.

The application must further be accompanied by three certified copies of the income tax return for the preceding year, if the applicant was already in existence at the time and required to file said return.

Sec. 12 Where to File the Application. The application for FLGMA or renewal thereof, shall be filed with the Community Environment and Natural Resources Office (CENRO) which has jurisdiction over the area.

Sec. 13 When to File the Application. The applications shall be filed during regular office hours and shall be serially numbered, stamped and recorded in the book provided for the purpose in chronological order showing the number, the date and the time of receipt thereof.

Sec. 14 Application Fees. Any application for new/renewal of FLGMA is only accepted when accompanied by an application fee in the amount of ₱ 10.00 per hectare or fraction thereof. The fee is non-refundable.

Sec. 15 Application Process. The application shall, thereafter, be the:

- a) Subject of a preliminary evaluation to determine the following information from existing records in the CENRO and DENR Regional Office, to wit:
- i) whether or not the area or any portion thereof covered by the application, is covered by an existing license agreement, license or permit;
 - ii) the present status or classification of the aforesaid area, or any portion thereof, particularly on whether it is within the prohibited areas as mentioned in Sec. 5 hereof.
 - iii) the actual conditions of the area as shown and verified from available filed reports or aerial photos thereof.
- b) Action after Preliminary Evaluation. If the whole area covered by the application is vacant, available and suitable for grazing activity, the application shall be given due course, otherwise it shall be rejected outright.

Provided, that, if only a portion of the area covered by the application is available, vacant, and suitable for grazing purposes, the applicant shall be so notified and given a period of 15 days from notice to amend his application so as to cover only the available, vacant and suitable area.

- c) Action and Application Given Due Course. An application given due course shall thereafter be the subject of an evaluation to determine whether the applicant has the financial and technical capability, not only to maximize benefits out of the proposed utilization, development or other activities but more importantly, to undertake the necessary management, protection, conservation, and development as prescribed in this Order.

Provided, that, if there are other applications affecting the same area, or any portion thereof, the best proposal shall further be determined in the evaluation. An application given due course shall not give the applicant the right to utilize, develop or conduct any activities proposed therein in any portion of the are not until the said application shall have been finally approved by proper authority.

Sec. 16 Composition of Assessment/Classification

Team. A team shall be organized by the respective Regional Executive Director (RED) for the assessment of grazing areas in each region. It shall be composed of the following members:

- Range Management Officer (RMO) of
Forestry Management Sector (FMS) ----- Team Leader
- Representative from Environmental Management
And Protected Areas Sector (EMPAS)----- Member
- Representative from Ecosystems Research
Development Sector (ERDS) ----- Member
- Range Management Officer from Concerned
CENRO ----- Member
- Local Government Unit (Barangay
Chairman or his representative) ----- Member
- Representative from Natural Resources
Development Corporation (NRDC) ----- Member
- Livestock Specialist form Department of
Agriculture----- Member

Assessment of grazing area shall be undertaken every five years or prior to the granting/renewal of FLGMA. However, reassessment of the grazing area may be done within the five-year period as per request of the agreement holder; provided, that expenses to be incurred therein shall be shouldered by the holder.

The assessment report shall be submitted to the RED, thru the Assistant Regional Director for Field Operations. Likewise, the FMB shall be furnished with a copy of the assessment report for information and as a basis for formulating policies relative to grazing management.

In some cases, a special team composed of representatives from Forest Management Bureau (FMB), Ecosystems Research Development Bureau (ERDB) and other units of the DENR as the Secretary may warrant shall be organized to check the validity of the assessment and classification. A copy of the report shall be submitted to FMB, ERDB to check the validity of the assessment report.

Sec. 17 Survey and Assessment Fees. No survey and assessment shall be conducted unless a fee is deposited with the CENRO by the applicant(s), in the amount of ₱ 300.00 per hectare or fraction thereof.

Sec. 18 Survey and Assessment Requirements. The perimeter and boundary lines of the area covered by said applications shall be established and marked on the ground during the survey.

The assessment shall be conducted to gather information about the biophysical characteristics of the area to consider the various parameters mentioned in Annex A, as well as the socio-economic information and data concerning the production, management and other relevant information.

Sec. 19 Compilation Map of the Survey Taken. A compilation map with appropriate scale shall be made from the survey, using as reference the 1:50,000 topographic map of the National Mapping and Resource Information Authority (NAMRIA).

The compilation map shall indicate the technical description of the boundary of the area/s covered by the application/s, indicating all the adjoining licenses, communal forests, pastures, forest reserves, protected areas, river systems, roads, areas covered by other tenurial instruments, and blocks of alienable or disposable areas inside or adjoining the surveyed areas.

Sec. 20 Report of Survey and Assessment. The report and the compilation map shall be under oath by the Team Leader and members of the Assessment Team. It shall be accompanied by an affidavit of barangay captains who have political jurisdiction over the area as to the presence or absence of occupants and or claimants thereon. The report shall be submitted within 45 days upon filing of the application for new FLGMA and/or renewal thereof.

Sec. 21 Approval of Application and Issuance of a FLGMA. The application for FLGMA which proposes the best use, as incorporated on its management plan or operational plan/schedule of utilization, development, management, protection, conservation and other activities, consistent with national forestry policies and programs once approved by proper authority, a subsequent FLGMA shall be duly signed both by the applicant and the Secretary.

Provided, that a bond be posted by the applicant in the amount of ₱ 500.00 for every hectare or fraction thereof. The bond should be posted in cash or in surety bond acceptable to DENR.

Sec. 22 Responsibilities of Holder of Agreement and the Government. The responsibilities of the agreement holder and the government shall be indicated in the management plan. It should be emphasized that the agreement holder has the responsibility of protecting developing and maintaining the productivity of the area.

Sec. 23 Duration of the Agreement. The agreement shall cover a period of 25 years, renewable for another 25 years unless terminated for cause by the Secretary. In such an event, a period of ninety (90) days shall be given to the holder to remove and/or dispose of his cattle and improvements from the area. However, he shall be entitled to such compensation only if he has faithfully complied with the terms of the agreement and the provisions of this Order.

Sec. 24 Preparation and Submission of Management Plan. For an FLGMA to be approved, a 25-Year Management Plan and a 5-Year Operation Plan shall be prepared by the applicant with the technical assistance of and duly signed by a registered forester. It shall be submitted to DENR through the CENRO, Provincial Environment and Natural Resource Office (PENRO), and Regional Office concerned prior to the approval of the agreement.

Provided that the submission of an Initial Environmental Examination (IEE)/Environmental Impact Assessment (EIA) by the FLGMA holders and the issuance of an Environmental Compliance Certificate (ECC) by the RED/Secretary are conditions precedent to the approval of FLGMP and 5-Year Operation Plan.

A committee shall be created to be composed of Directors of FMB, ERDB and EMB or their duly designated representatives who shall update/draw the format/guidelines in the preparation of the twenty five (25) year management plan and five (5)-year operating plan. Such guidelines shall be submitted to the Secretary sixty (60) days after the implementation of the Order.

Sec. 25 Evaluation of Management Plan. A committee composed of the following shall evaluate and make recommendation/endorsement for the Secretary's approval of the management plan as follows:

- a. Regional Executive Director – Chair
- b. Assistant Regional Director for Field Operations
- c. Assistant Regional Director for Technical Services
- d. Representative from the Regional Office of Department of Agriculture – Pasture Management Unit
- e. Representative from the private sector (Cattle Raisers’ Associations, etc. – if any)
- f. Representative from LGU
- g. PENRO concerned
- h. CENRO concerned

Sec. 26 Basis of Government Share. Under this Order, a new classification for payment of fees for the use of grazing lands to the government as resource owner shall be classified based on the economic rent formula computation as follows:

$$ER = (TR - TC) - MPR$$

where:

ER	=	Economic Rent/Government Share
TR	=	Total Revenue
TC	=	Total Cost
MPR	=	Margin for Profit and Risks which is 30% of TC

Sec. 27 Forms of Incentives. The computed economic rent or user’s fee as government share based on the above formula shall be applied after the transitory period wherein the co-production sharing scheme as provided in Article 12, Section 2 of 1987 Constitution shall take effect. The scheme contains some forms of incentives which are listed in Annex B. The incentive scheme involves reduction of government share up to 80% depending on the capability of the agreement holder to comply with the specific incentives as provided therein.

Sec. 28 Transitory Period. A five (5)-year transitory period shall be provided to all existing PLAs and FLGLAs after the approval of this Order of which conversion of their tenurial instrument to profit sharing agreements shall be made.

The schedule of payment of user's fee shall be as follows:

Year 1	-	₱ 200.00/ha/yr
Year 2	-	₱ 275.00/ha/yr
Year 3	-	₱ 350.00/ha/yr
Year 4	-	₱ 425.00/ha/yr
Year 5	-	₱ 500.00/ha/yr

Non-grazeable areas shall be reforested at the rate of 10% of the area per year or at least 25% has been reforested at the expiration date which shall be a primary condition for the renewal of the FLGMA. Upon renewal of the FLGMA management plan an automatic adjustment of the user's fee shall be made based in the assessment of the productivity of the grazing land which shall be determined by NRDC in consultation and coordination with the assessment team as prescribed in Section 16. The increase shall not be less than 10% of its last rental.

Sec. 29 Payment of Government Share and Corresponding Penalties. Payment of Government Share for the previous year should be remitted on the first month of the succeeding year. Sixty percent (60%) of the government share shall be remitted to NRDC who shall provide assistance in management and technical services to the agreement holders. Penalties for late remittance shall be imposed at 1% of annual government share per month. Failure to pay the user's fee on time shall mean a penalty of 100% of the user's fee and failure to pay for two (2) consecutive years shall be a ground for automatic cancellation of the FLGMA.

Sec. 30 Submission of a Five (5) – Year Operational Plan. A five-(5) year operational plan shall be submitted indicating plans and programs to be undertaken to attain/accomplish those indicated in the management plan. Such operational plan shall be prepared by the holder with the technical assistance and duly signed by a private practicing registered forester in accordance with the guidelines to be prepared by the Committee created under Sec. 24 hereof. It shall be submitted to the RED for approval, thru the concerned CENRO and PENRO copy furnished the FMB Director, within 60 days from the start of the operational year. Prescribed burning may be conducted as a part of the operational plan in accordance with Memorandum Order No. 98-10.

Sec. 31 Submission of Grazing Report. An annual grazing report shall be required for submission in December of each year attested by a registered forester using the prescribed format to be prepared by a Committee created under Sec. 24 hereof.

All concerned registered foresters whose services have been sought in the preparation of annual grazing reports shall be held accountable/responsible for the validity/truthfulness of the data contained therein. All grazing reports shall be submitted to the RED thru the CENRO and PENRO copy furnished the FMB Director.

Sec. 32 Evaluation of FLGMA Holder. The performance of FLGMA holder shall be reviewed and evaluated annually for a period of three (3) years for new agreement holder and periodic evaluation shall be made every two (2) years thereafter. For agreements renewed or converted to profit sharing scheme, evaluation shall be conducted every two (2) years. This will determine compliance with the requirements of protection and management of the area.

The Secretary, through the FMB director shall be furnished a copy of the evaluation report for monitoring purposes.

Evaluation shall be conducted by an evaluation team created by the RED. The evaluation shall be made in the presence of the agreement holder or his representative and the report shall be submitted to the Assistant regional Director for Field Operations thirty (30) days after the completion of the field inspection. Measures shall be effected on the deficiencies noted during the evaluation to accomplish the objectives and goals set in the approved operational and management plan.

Sec. 33 Renewal and Extension. Application for the renewal or extension of FLGMA shall be filed at least (60) days prior to its expiration. Failure of the agreement holder to file renewal application within the prescribed period shall cause the area to be open to new applicants if the utilization, development or any activities authorized therein is still the best use and may therefore be continued without impairment or with the least injury to other resources; Provided, the new applicant has complied with all the requirement necessary for the processing and approval of the new agreement.

Sec. 34 Issuance of Interim Grazing Privilege. Interim Grazing Privilege shall be issued by the RED for a period of six (6) months for FLGMA being renewed and the necessary document and agreement is under process subject to the following conditions:

- a) the holder shall not introduce additional permanent improvements thereon;
- b) the holder shall protect the area against illegal occupants; and
- c) the holder shall follow the terms and conditions of the previous agreement

Sec. 35 Transfer, Sale or Assignment of FLGMA.

The holder of the FLGMA may transfer, sell or assign any right or interest therein, or any asset used only with prior approval by the Secretary.

Transfer, sale or assignment thereof may be allowed only after three (3) years from approval thereof and only when it is shown that:

- a) the transferor, vendor or assignor has not violated any provision of Presidential Decree No. 705 as amended; of this Order; or of any forestry rules and regulations which may hereinafter be promulgated, or nay of the terms and conditions of the agreement;
- b) the transferor, vendor or assignor has been faithfully complying with the terms and conditions of the agreement;
- c) the transferee, vendee or assignee has all the qualifications and none of the disqualifications to hold an agreement;
- d) the transferee, vendee or assignee is agreeable and capable to assume all the obligations of being such and shall present documentary evidence to prove such capability;
- e) the transfer, sale or assignment is not being made for purposes of speculation.

Sec. 36 Transfer Upon the Death of the Agreement Holder. Upon application filed within sixty (60) days after the death of the holder of an FLGMA, the surviving heirs may succeed thereto; Provided, they are willing to assume the obligation of the deceased and are capable of developing the area.

Sec. 37 Transfer of Stock of Corporation. No stockholder can transfer his/her shares of stocks to any person or entity without any prior written approval of the Secretary. Provided further, that no transfer of stock shall be allowed if it will change the citizenship structure in violation of the Constitution or any national policy on foreign investment; Provided finally, that no

transfer of stock shall be allowed if it will allow the corporation to be owned, controlled or managed by persons or groups of persons disqualified to exercise the privilege therein granted or who are incapable of sound grazing management, protection, conservation and development.

Sec. 38 Grounds for Cancellation. FLGMA shall be cancelled/terminated for the following reasons:

- 1) Violation of any of the provisions specified in the agreement;
- 2) Non-compliance of the approved management and operational plans;
- 3) Failure to submit the annual mandatory grazing report; and
- 4) Failure to pay the users' fee as stipulated under Sec. 29 hereof.

However, in the event of cancellation of the agreement for the violation of the above mentioned conditions, the lessee may ask for reconsideration within fifteen (15) days from receipt of notice of cancellation. Failure to file motion for reconsideration within the aforementioned fifteen (15) days, the cancellation will become final and executory.

In the event of cancellation, all bonds deposited shall be forfeited in favor of the DENR together with all the improvements introduced/constructed therein.

Should there be any misrepresentation or fraud committed by the lessee during the effectivity of the agreement, the lessee expressly acknowledges the right of DENR to file criminal charges under the pertinent provisions of Revised Penal Code.

Sec. 39 Boundary Dispute. In case of boundary dispute and overlapping of claims, the same shall be resolved by the Special Response Committee to be formed by the Regional

Executive director. In the event of boundary dispute covered by two (2) regions, the conflict of claims shall be resolved by another Special Response Committee created by the Secretary. The losing party shall be entitled to file one Motion for Reconsideration with the Office of the Secretary.

Sec. 40 Conversion of Areas Under FLGMA.

Incumbent pasture leaseholders are given the option to convert part or whole of their pasture areas into other tenurial instrument such as IFMA or SIFMA depending on the suitability of the area. However, should they remain under FLGMA, provisions of this order shall apply.

Sec. 41 Cancelled/Abandoned Areas.

The DENR shall automatically takeover all cancelled/abandoned areas which shall be opened for public bidding pursuant to Public Land Act.

Sec. 42 Docket Fee.

Adverse claims and complaints shall be accompanied by a docket fee of one hundred pesos per hectare (₱ 100.00/ha) or any fraction thereof which will be considered as hectarage.

Sec. 43 Suppletory Application of the Rules of Court.

The rules of court shall apply when inconsistent with the provisions of this Order.

Sec. 44 Repealing Clause.

This Order supersedes, in whole or in part, all orders, rules, circulars and memorandum orders which are inconsistent with the above.

Sec. 45 Implementing Rules and Regulations.

An implementing guidelines for this Administrative Order shall be issued by the Department of Environment and Natural Resources (DENR).

Sec. 46 Effectivity. This Order shall take effect fifteen (15) days after publication in the Official Gazette and/or any newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

The Philippine Post - August 31, 1999

DENR Administrative Order
No. 99-40
September 13, 1999

**SUBJECT : Declaring and Setting Aside
 Certain Tracts of Public Forest
 Land for the DENR Employees
 Forest Production Area in Region
 VI.**

Pursuant to Memorandum Circular No. 99-09 dated April 13, 1999, otherwise known as the Guidelines for the implementation of the DENR Forest Production Project, certain parcels of forestland in the five provinces of Region 6, Western Visayas containing an aggregate are of 2,609.17 hectares, more or less, is hereby declared and set aside for the DENR Region VI Employees Forest Production Project Area subject to private rights, if any there be, and subject to further precise actual ground delineation survey, which portions are more particularly described as follows:

REGIONAL OFFICE/PENRO ILOILO EMPLOYEES

Open and denuded areas (Map Sheet No. R6-001) containing a land area of Five hundred seventy (570) hectares situated at Barangays Rizal and Aripdip, Municipality of Barotac Viejo & San Rafael, Province of Iloilo specifically bounded between Longitudes 122 degrees 50 minutes 54.09 seconds and 122 degrees 53 minutes 4.26 seconds; and between Latitudes 11 degrees 06 minutes 54.91 seconds and 11 degrees 08 minutes 30.92 seconds.

PENRO AKLAN EMPLOYEES

Open and denuded areas (Map Sheet No. R6-002) containing a land area of Forty (40) hectares situated at Barangay of Kinalagay Viejo, Municipality of Malinao, Province of Aklan specifically bounded between Longitudes 122 degrees 15 minutes 22.75 seconds and 122 degrees 15 minutes 40.33 seconds; and between Latitudes 11 degrees 37 minutes 26.82 seconds and 11 degrees 38 minutes 7.80 seconds.

PENRO GUIMARAS EMPLOYEES

Open and denuded areas (Map Sheet No. R6-003) containing a land area of Twelve (12) hectares and Forty one (41) areas situated at Barangays of Tanglad, Ayangan and Milan, Municipality of Sibunag, Province of Guimaras specifically bounded between Longitudes 122 degrees 35 minutes 42.97 seconds and 122 degrees 36 minutes 7.59 seconds; and between Latitudes 11 degrees 33 minutes 16.48 seconds and 11 degrees 33 minutes 36.83 seconds.

CENRO CULASI, ANTIQUE EMPLOYEES

Open and denuded areas (Map Sheet No. R6-004) containing a land area of Seventy (70) hectares situated at Barangay Paningayan, Municipality of Culasi, Province of Antique specifically bounded between Longitudes 122 degrees 05 minutes 39.22 seconds and 122 degrees 06 minutes 22.76 seconds; and between Latitudes 11 degrees 27 minutes 10.47 seconds and 11 degrees 27 minutes 54.75 seconds.

PENRO SAN JOSE, ANTIQUE EMPLOYEES

Open and denuded area (Map Sheet No. R6-005) containing a land area of Three Hundred (300) hectares situated at Sitio Luhot Cogon, Barangay of Aningalan,

Municipality of San Remegio, Province of Antique specifically bounded between Longitudes 122 degrees 10 minutes 27 seconds and 122 degrees 11 minutes 41.62 seconds; and between Latitudes 11 degrees 48 minutes 23.87 seconds and 11 degrees 49 minutes 22.46 seconds.

PENRO CAPIZ EMPLOYEES

Open and denuded areas (Map Sheet No. R6-006) containing a land area of 130 hectares situated at Sitio Agtambo, Barangay Canapi-an, Municipality of Maayon, Province of Capiz specifically bounded between Longitudes 122 degrees 55 minutes 51.25 seconds and 122 degrees 56 minutes 51.80 seconds; and between Latitudes 11 degrees 18 minutes 23.91 seconds and 11 degrees 19 minutes 2.31 seconds.

CENRO BAROTAC NUEVO, ILOILO EMPLOYEES

Open and denuded areas (Map Sheet No. R6-007) containing a land area of 10 hectares situated at Barangay Madarag, Municipality of San Enrique, Province of Iloilo specifically bounded between Longitudes 122 degrees 46 minutes 37.27 seconds and 122 degrees 46 minutes 57.58 seconds; and between Latitudes 11 degrees 10 minutes 24.55 seconds and 11 degrees 10 minutes 29.94 seconds.

CENRO BACOLOD CITY EMPLOYEES

Open and denuded areas (Map Sheet No. R6-008) containing a land area of Two hundred forty (240) hectares situated at Barangay Kumaliskis, Municipality of Salvador Benedicto, Province of Negros Occidental specifically bounded between Longitudes 123 degrees 13 minutes 43.94 seconds and 123 degrees 14 minutes 54.30 seconds; and

between Latitudes 10 degrees 35 minutes 7.99 seconds and 10 degrees 50 minutes 3.90 seconds.

CENRO CADIZ CITY EMPLOYEES

Open and denuded areas (Map Sheet No. R6-009 Parcel I) containing a land area of Eighteen (18) hectares and thirty six (36) areas situated at Sitio Dalayapan, Barangay Caduha-an, Cadiz City, Province of Negros Occidental specifically bounded between Longitudes 123 degrees 12 minutes 55.80 seconds and 123 degrees 13 minutes 21.98 seconds and between Latitudes 10 degrees 49 minutes 51.28 seconds and 10 degrees 50 minutes 3.90 seconds.

CENRO CADIZ CITY EMPLOYEES

Open and denuded areas (Map Sheet No. R6-009-A Parcel I) containing a land area of Eighteen (18) hectares and thirty six (36) ares situated at Sitio Dalayapan, Barangay Caduha-an, Cadiz City, Province of Negros Occidental specifically bounded between Longitudes 123 degrees 11 minutes 41.64 seconds and 123 degrees 12 minutes 45.75 seconds; and between Latitudes 10 degrees 50 minutes 2.66 seconds and 10 degrees 50 minutes 42.37 seconds.

CENRO KABANKALAN CITY EMPLOYEES

Open and denuded areas (Map Sheet No. R6-010) containing a land area of Five hundred (570) hectares situated at Sitios Malinong, Alicia, Anahaw, Tigbao and Lanap, Barangay Carabalan, Municipality of Himamaylan, Province of Negros Occidental specifically bounded between Longitudes 122 degrees 58 minutes 36.90 seconds

and 123 degrees 38.42 seconds; and between Latitudes 10 degrees 25.19 seconds and 10 degrees 51.10 seconds.

CENRO SIPALAY EMPLOYEES

Open and denuded area (Map Sheet No. R6-011) containing a land area of Three hundred thirty seven (337) hectares and seventeen (17) areas situated at Sitio Spur 6, Barangay Nabulao, Municipality of Simalay, Province of Negros Occidental specifically bounded between Longitudes 122 degrees 33 minutes 30 seconds and 122 degrees 34 minutes 58.50 seconds; and between Latitudes 9 degrees 40 minutes and 9 degrees 41 minutes 0.54 seconds.

CENRO ILOILO CITY EMPLOYEES

Open and denuded areas (Map Sheet No. R6-012) containing a land area of Sixty five (65) hectares situated at Barangay Igcabugao, Municipality of Igbaras, Province of Iloilo specifically bounded between Longitudes 122 degrees 14 minutes 03 seconds and 122 degrees 14 minutes 10 seconds; and between Latitudes 10 degrees 49 minutes 07 seconds and 10 degrees 49 minutes 16 seconds.

CENRO SARA, ILOILO EMPLOYEES

Open and denuded area (Map Sheet No. R6-013) of two (2) parcels with an aggregate area of Two hundred sixteen (216) hectares twenty three (23) areas situated at Barangays San Dionisio and General Luna, Municipalities of San Rafael and Barotac Viejo, Province of Iloilo respectively. Parcel I lies between Longitudes 122 degrees 52 minutes 24.63 seconds and 122 degrees 53 minutes 18.66 seconds; and between Latitudes 11 degrees 08 minutes 9.27 seconds and 11 degrees 09 minutes 6.88 seconds. Parcel II lies between Longitudes 122 degrees 53

minutes 15.97 seconds and 122 degrees 54 minutes 24 seconds and 11 degrees 10 minutes 12.88 seconds.

The Community Environment and Natural Resources Office shall administer and manage the area consistent with the objectives of the project and pertinent applicable technical provisions of MC No. 99-09 (DEFPA) and Department Administrative Order No. 96-24 (SIFMA). The instrument that shall govern the disposition of parcels of these DENR Personnel Forest Production Areas under this Order shall conform to the format herein enclosed and marked as Annex "A".

Any subsequent rule or guideline that may be issued shall conform or give effect to this Order.

(Sgd.) ANTONIO H. CERILLES
Secretary

Annex omitted

DENR Administrative Order
No. 99-42
October 11, 1999

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Land for the DENR Employees
Forest Production and Eco-Village
Area in CARAGA Region XIII.**

Pursuant to Memorandum Circular No. 99-09 dated April 13, 1999, otherwise known as the guidelines for the implementation of the DENR Forest Production Project, certain parcels of forestland in the four Provinces of Caraga Region XIII, Northern Mindanao containing an aggregate area of 1,403.00 hectares, more less, is hereby declared and set aside for the DENR Region XIII Employees Forest Production and Housing Project Area subject to private rights if any there be, and subject to further precise ground delineation survey, which portions are more particularly describe as follows:

CENRO BAYUGAN AGUSAN DEL SUR EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-01) of two (2) parcels with an aggregate area of seventeen (17) hectares production forest and three (3) hectares housing project situated at Barangay Hamogaway, municipality of Bayugan, Province of Agusan del Sur respectively. Parcel 1 lies by longitude 125 degrees 47 minutes and 56.96 seconds; and latitude 08 degrees 43 minutes and 29.78 seconds. Parcel II lies by longitude 125 degrees 48 minutes and 0.84 seconds; and latitude 08 degrees 43 minutes and 11.59 seconds.

CENRO DAPA SURIGAO DEL NORTE EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-02) containing a land area of one hundred sixty (160) hectares situated at Barangay Sta. Fe and Bitoon, Municipality of Dapa and del Carmen, Province of Surigao del Norte specifically bounded by longitude 125 degrees 01 minute and 57.30 seconds; and latitude 09 degrees 47 minutes and 53.49 seconds.

CENRO TALACOGON AGSAN DEL SUR EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-03) containing a land area of sixty seven (67) hectares Eco-village Project, situated at Barangay Desamparados, Municipality of Talacogon, Province of Agusan del Sur, specifically bounded by longitude 125 degrees 43 minute and 30.89 seconds; and latitude 08 degrees 19 minutes and 52.94 seconds.

CENRO SAN FRANCISCO AGUSAN DEL SUR

Open and denuded area (Map Sheet No. RXIII-04) containing a land area of seventy (70) hectares Housing Project situated at Barangay Poblacion, Municipality of Prosperidad, Province of Agusan del Sur, specifically bounded longitude 125 degrees 54 minutes and 50.55 seconds; and latitude 08 degrees 37 minutes and 07.27 seconds.

CENRO BUNAWAN, AGUSAN DEL SUR EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-05) containing a land area of one hundred (100) hectares Forest Production Project, situated at Barangay Tudela, Municipality of Trento, Province of Agusan del Sur specifically bounded by longitude 125 degrees 07 minute and 13.49 seconds; and latitude 08 degrees 02 minutes and 50.88 seconds.

CENRO BISLIG, SURIGAO DEL SUR EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-06) of two (2) parcels with an aggregate area of one hundred sixty (160) hectares Production Forest six (6) hectares Housing Project, situated at Barangay Maharlika, Municipality of Bislig, Province of Surigao del Sur, respectively. Parcel I lies by longitude 126 degrees 15 minutes and 58.45 seconds; and latitude 08 degrees 15 minutes and 11.95 seconds. Parcel II lies by longitude 126 degrees 16 minutes and 30.36 seconds; and latitude 08 degrees 15 minutes and 06.25 seconds.

CENRO SURIGAO CITY SURIGAO DEL NORTE EMPLOYEES

Open and Swampy area (Map Sheet No. RXIII-07) containing a land area of twenty (20) hectares Eco-village Project, situated at Barangay Lipata, City of Surigao, Province of Surigao del Norte specifically bounded by longitude 125 degrees 28 minute and 25.06 seconds; and latitude 09 degrees 47 minutes and 57.00 seconds.

PENRO SURIGAO CITY SURIGAO DEL NORTE EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-08) containing a land area of two hundred fifty (250) hectares situated at Forest Production Project, situated at Barangay Mahanub, Municipality of Gigagit, Province of Surigao del Norte specifically bounded by longitude 125 degrees 40 minutes and 58.39 seconds; and latitude 09 degrees 29 minutes and 50.23 seconds.

PENRO/CENRO TANDAG SURIGAO DEL SUR EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-09) containing a land area of three hundred (300) hectares Forest Production Project, situated at Barangay San Jose, Municipality of Tandag, Province of Surigao del Sur specifically bounded by longitude 126 degrees 05 minute and 06.00 seconds; and latitude 09 degrees 02 minutes and 05.00 seconds.

REGIONAL OFFICE EMPLOYEES

Open and denuded area (Map Sheet No. RXIII-10) containing a land area of two hundred fifty (250) hectares Forest Production Project, situated at Barangay Dumalagan, City of Butuan, Province of Agusan del Norte specifically bounded by longitude 125 degrees 30 minute and 44.52 seconds; and latitude 08 degrees 53 minutes and 01.63 seconds.

The Community Environment and Natural Resources Office shall administer and manage the area consistent with the objectives of the project and pertinent applicable technical provisions of MC No. 99-09 (DEFPA) and Department Administrative Order No. 96-24 (SIFMA). The instrument that shall govern the disposition of parcels of these DENR personnel Forest Production & Eco-village/Housing areas under this Order shall conform to the format herein enclosed and marked as Annex "A".

Any subsequent rule or guideline that may be issued shall conform or give effect to this order.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annex A omitted

DENR Administrative Order
No. 99-43
October 13, 1999

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Land For Usufruct Rights in Tree
Farming of DENR-10 Employees.**

Pursuant to Memorandum Order No. 99-29 dated September 15, 1999, otherwise known as the guidelines in the implementation of USUFRUCT Rights in Tree Farming within forestlands where occupation is not allowed, six (6) parcels of forestland within Region 10 containing an aggregate area of 3,108,31 hectares is hereby declared and set aside for the purpose, subject to private and/or prior rights, if there be any, and subject to further precise actual ground delineation survey, which parcels are particularly described as follows:

PARCEL I – Regional Office Employees

Open and denuded forestland containing an area of 1,220.00 hectares classified as Timberland under Project No. 19-B per L.C. Map No. 3254, certified on July 24, 1984. It is geographically located within latitude 8°21'10" to 8°24'13" and longitude 124°26' 00" to 124°29' 08" situated at Barangays Tingalan and Nangka-on, Municipality of Opol, Province of Misamis Oriental (Map Sheet No. R-10-001).

**PARCEL II – PENRO Misamis Oriental and CENRO Initao,
Misamis Oriental Employees**

Open and denuded forestland containing an area of 227.49 hectares classified as Timberland under Project No. 18-D per L.C. Map No. 2768, certified on November 20, 1972. It is geographically located within latitude 8°26'55" to 8°28'19" and

longitude 124°29'03" to 124°29'52" situated at Barangay Awang, Municipality of Opol, Province of Misamis Oriental (Map Sheet No. R-10-002).

PARCEL III AND IV – PENRO Bukidnon, CENRO Malaybalay City and BFI Employees

Open and denuded forestland containing an aggregate area of 403.72 hectares situated at Sitio Naticd-asan, Barangay 9 and Sitio Tigbawan, Barangay Can-ayan, all of Malaybalay City, Province of Bukidnon. It is bounded between longitude 124°59'53" to 125°01'03" and between latitude 8°06'56" to 8°07'59" and longitude 125°08'53" to 125°09'50" and latitude 8°08'54" to 8°10'03" respectively (Map Sheet Nos. R-10-003 and R-10-004).

PARCEL V – CENRO Manolo Fortich, Bukidnon Employees

Open and denuded forestland containing an area of 1,195.00 hectares classified as Timberland under Project No. 1-D per LC Map No. 702 certified on December 10, 1927. It is geographically located within longitude 124°50'35" to 124°55'35" and latitude 8°29'00" to 8°31'50" situated at Sitio Magawa, Barangay Sampiano, Municipality of Malitbog, Province of Bukidnon. (Map Sheet No. R-10-005).

PARCEL VI AND VII – CENRO Talakag, Bukidnon Employees

Open and denuded forestland containing an aggregate area of 62.10 hectares situated at Barangay Kiliog, Municipality of Libona and Barangay Kalilangan, Municipality of Baungon, Province of Bukidnon. It is bounded between longitude 124°42'10" to 124°42'30" and between latitude 8°21'20" to 8°21'38" and longitude 124°40'04" to 124°41'10" and latitude

8°11'55" to 8°12'15" respectively (Map Sheet Nos. R-10-006 and R-10-007).

The Community Environment and Natural Resources Office concerned shall administer and manage the area consistent with the objective of the project and pertinent applicable technical provisions of Memorandum Order No. 99-29

Any subsequent rule or guidelines that may be issued shall conform or give effect to this Order.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-44
October 19, 1999**

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Land Within the Marikina
Watershed Reservation, Province
of Rizal for the DENR Employees
Forest Production Area.**

Pursuant to Memorandum Circular No. 99-09 dated April 13, 1999, otherwise known as the Guidelines for the Implementation of the DENR Forest Production Project and Memorandum Order No. 99-29 dated September 15, 1999 otherwise known as Guidelines in the Implementation of Usufruct Rights in Tree Farming within Forest lands certain parcels of forest land within Marikina Watershed Reservation Project, Province of Rizal containing an aggregate area of 3,269 hectares, more or less, is hereby declared and set aside for the DENR Employees Forest Production Project Area subject to private rights, if any there be; and subject to further precise actual ground delineation survey, which portions are more particularly described as follows:

CENTRAL OFFICE EMPLOYEES

Open and denuded areas (Map Sheet No. 7272 III) containing a land area of THREE HUNDRED FIFTEEN (315) hectares situated at Brgy. Pintong Bocaue, Municipality of San Mateo, Province of Rizal with geographic positions of 14 42' 00"/121 11' 00", 12 42' 00", 12 42' 00"/121 12' 00", 14 43' 00"/121 11' 00" and 14 43' 00"/121 12' 00".

**REGIONAL OFFICE (R-VI), CENRO AND PENRO-RIZAL
EMPLOYEES (BLK. I & BLK. VII)**

1. Open and denuded areas (Map Sheet No. 72727 III) containing a land area of THREE HUNDRED NINETY THREE (393) hectares situated at Brgy. Pintong Bocaue, Municipality of San Mateo, Province of Rizal with geographic positions of 14 40' 00"/121 15' 00", 14 40 00"/121 16' 00", 14 40' 00"/121 17' 00", 14 41' 00"/121 15' 00" and 14 41' 00"/121 16' 00".

2. Open and denuded area (Map Sheet No. 7272 II) containing a land area of FOUR HUNDRED FORTY FIVE (445) hectares situated at So. San Joseph, Brgy. San Jose, City of Antipolo, Province of Rizal with geographic positions of 14 40' 00"/121 15' 00", 14 41' 00"/121 15' 00", 14 40' 00"/121 16' 00", 14 41' 00"/121 16' 00" and 14 40' 00"/121 17' 00".

**FOREST MANAGEMENT BUREAU EMPLOYEES (FMB)
BLK. III**

Open and denuded areas (Map Sheet No. 7272 II) containing a land area of FOUR HUNDRED NINETY (490) hectares situated at Brgy. Puray, Municipality of Montalban, Province of Rizal with geographic positions of 12 42' 00"/121 12' 00", 14 42' 00"/121 12' 00", 14 43 00"/121 13' 00", 14 43' 00"/121 14' 00" and 14 44' 00"/121 14' 00".

**NATIONAL CAPITAL REGION EMPLOYEES (NCR) BLK.
VI**

Open and denuded areas (Map Sheet No. 7272 II) containing a land area of FOUR HUNDRED SIXTY SIX (466) hectares situated at So. Apia, Brgy. Calawis, City of Antipolo, Province of Rizal with geographic positions of 14 41' 00"/121 14' 00", 14 42' 00"/121 14'00"/121 15' 00", 14 42' 00"/121 15' 00", 14 41' 00"/121 16' 00" and 14 42' 00"/121 16' 00".

**MINES AND GEO-SCIENCES BUREAU (MGB)
PROTECTED AREAS AND WILDLIFE BUREAU (PAWB)
ENVIRONMENTAL MANAGEMENT BUREAU (EMB)
BLK. V.**

Open and denuded areas (Map Sheet No. 7272 II) containing a land area of SEVEN HUNDRED TWO (702) hectares situated at Brgy. Puray, Municipality of Montalban, Province of Rizal with geographic positions of 14 44' 00"/121 13' 00", 14 45' 00"/121 13' 00", 14 46' 00"/121 13' 00", 14 44' 00"/121 14' 00" /121 14' 00"/121 14' 00" and 14 46' 00"/121 14' 00".

**LAND MANAGEMENT BUREAU (LMB) & ECOSYSTEM
RESEARCH AND DEVELOPMENT BUREAU (ERDB)
EMPLOYEES BLK. IV.**

Open and denuded areas (Map Sheet No. 7272 II) containing a land area of FOUR HUNDRED EIGHTY (480) hectares situated at Brgy. Puray, Municipality of Montalban, Province of Rizal with geographic positions of 14 42' 00"/121 12' 00", 14 43' 00"/121 11' 00", 14 43' 00"/121 12' 00", 14 44' 00"/121 12' 00", 14 43' 00"/121 13' 00", and 14 44' 00"/121 13' 00".

The Provincial Environment and Natural Resources Office, Rizal and Community Environment and Natural Resources Office, Antipolo City shall administer and manage the area consistent with the objectives of the project and pertinent applicable technical provisions of MC No. 99-09 (DEFPA) Department Administrative Order No. 96-24 (SIFMA) and Department Memorandum Order No. 99-29 (Implementation of Usufruct Rights). The instrument that shall govern the disposition of parcels of these DENR Personnel Forest Production areas under this Order shall conform to the format herein enclosed and marked as Annex "A".

Any subsequent rule or guideline that may be issued shall conform or give effect to this Order.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-46
November 10, 1999

SUBJECT : Revised Regulations Governing the Entry and Disposition of Imported Logs, Lumber, Veneer, Plywood, Other Wood Based Panels, Poles and Piles, Pulpwood and Wood Chips.

Pursuant to Executive Order No. 192, dated June 10, 1987 and in order to provide a mechanism to effectively monitor the importation, entry, processing and disposition of logs, lumber, veneer, plywood, other wood based panels, poles and piles, plywood and wood chips, herein referred to as imported wood materials, alongside with the existing functions of the Bureau of Customs (BOC) and the Bureau of Plant Industry's Plant Quarantine Office (BPI-PQO) and consistent with the Memorandum of Agreement entered into by and between the Philippine Wood Producers Association (PWPA) and this Department pertaining to the policy on wood industry rationalization and development, the following regulations and guidelines are hereby promulgated for the guidance of all concerned.

Section 1 - Basic Policy. It is the policy of the government to sustainably manage the country's forest resources and to rationalize the development of the wood-based industries in order to continuously provide the wood supply need of the country in its efforts towards economic growth.

Sec. 2 - Objectives. In consonance with the above stated laws, the following objectives relative to the importation of logs, lumber, veneer, plywood, other wood based panels, poles and

piles, pulpwood, and wood chips (hereinafter referred to as imported wood materials) are hereby setforth:

1. To secure uninterrupted supply of affordable finished wood materials for the domestic market;
2. To import wood materials, as a stop-gap measure, until such time that local supply from natural and plantation forest can adequately meet the local needs towards economic growth, and to augment indigenous sources in order to utilize existing wood processing plant capacities;
3. To enable wood-based industries including the furniture and other downstream wood products export industries, generate employment and foreign exchange earnings.

Sec. 3 - Who may Import Wood Materials. A holder of Timber License Agreement (TLA), Industrial Forest Management Agreement (IFMA), Wood Processing Plant Permit (WPP) or Certificate of Registration (CR) as wood furniture manufacturer, agent, contractor, or dealer of logs/poles and piles/lumber issued by the DENR, may import wood materials; **provided**, that, before availing the privilege to import, the holder of the TLA, IFMA, and/or WPP shall first have his current local Log, commercial Poles and Piles and/or Lumber Dealer's permit recorded or registered with the PWPA and then or subsequently stamped by the Office of the Regional Executive Director (RED) concerned as a valid Authority to Import wood materials; Provided further an existing wood furniture manufacturer, agent, contractor, or dealer who is not a holder of a TLA, IFMA or WPP shall first secure the registration requirements specified under Section 8 herein.

Sec. 4 - Ports of Entry. Until such time that the Secretary of Environment and Natural Resources has designated other ports, the following shall be the entry of imported wood materials:

1. For Luzon, the ports of:

- Poro Point, San Fernando, La Union
- Sta-Ana, Cagayan
- Mariveles, Bataan
- Legaspi City
- South Harbor, Manila
- Batangas City

2. For the Visayas, the ports of:

- Iloilo City
- Cebu City
- Bacolod City

3. For Mindanao, the ports of:

- Cagayan City
- Butuan City
- Davao City
- Zamboanga City
- Parang, Maguindanao
- General Santos City

Sec. 5 - Entry and Discharge Requirements for Imported Wood Products. The entry and discharge of imported wood materials shall be in accordance with the requirements and procedures of the BOC and BPI-PQO; **provided**, that the Customs District Collector or his authorized agents shall require the importer or his authorized representatives to submit a copy of the Authority to Import (currently stamped Log, Commercial Poles and Piles or Lumber Dealer's Permit) pursuant to Sec. 3 hereof or a Certificate of Registration validly issued by the DENR pursuant to Sec. 8 hereof, and the Plant Quarantine Officer concerned shall require the owner or agent of the carrier, or said importer of his authorized representatives to submit the Phytosanitary Certificate

pertaining to the imported wood materials issued by the country of origin as vital document in the issuance of his inspection report; **provided further**, that the service of qualified DENR-designated technical personnel shall be made available to BOC and/or BPI-PQO, when officially requested by the latter.

Sec. 6 - Transport Documents for Imported Wood Products. The aforesaid Authority to Import or Certificate of Registration to Import wood materials granted by the DENR and the clearance of the imported commodities issued by BOC, shall be sufficient documents for the imported wood materials to be moved out of, and/or transported from, the port of entry to the point of destination, i.e. to his premise(s), consignee(s), or consignor(s); **provided**, that, the importer or his authorized representatives shall, upon the arrival of the shipment at the point of destination, provided the CENRO concerned with photostatic copies of the following documents: (1) an Authority to Import or a Certificate of Registration to Import wood materials; (2) the Phytosanitary Certificate issued by the country of origin indicating therein the kind of quarantine treatment requested and/or applied, if any; (3) the Bill of lading; and (4) the Summary of the Packing List.

One week after the end of each month, the CENRO concerned, through its Regional Office (RENRO), shall submit to the Director of Forest Management Bureau (FMB) a monthly report on importation of aforesaid wood materials furnishing PWPA a copy thereof.

Sec. 7 - Storage, Processing and Disposition of Imported Wood Products. The storage, processing and disposition of imported wood materials and reportorial procedures required thereof shall be as follows:

The importer who is qualified under Sec. 3 hereof may dispose of the imported wood materials or the processed or finished wood products; **provided**, that their transport form the

storage area or mill site to any point of consignments or sales within a given defined areas allowed under existing regulations or within the region itself shall be accompanied with pertinent sales invoice and/or delivery receipts only; **provided further**, that, the transport of said wood materials outside the defined area or region shall be accompanied, in addition to the corresponding sales invoice and/or delivery receipts, with photocopies of the Phytosanitary Certificate and corresponding sales invoice and/or delivery receipts, with photocopies of the Phytosanitary Certificate and corresponding inspection Report of the Quarantine Officer concerned, the Bill of lading, and the Summary of Packing List duly authenticated by the CENRO concerned and/or his authorized representatives.

Sec. 8 - Registration Requirements of agents, Contractors, and Dealers of Imported Wood Materials.

8.1 **Registration Requirements.** In order that an application may be considered as duly filed, the following basic documents shall accompany the application of an agent, contractor, or a dealer for a Certificate of Registration to Import Wood Materials:

- a.) An authenticated photostatic copy of registration as single proprietorship, partnership or corporation from the Department of Trade and Industry and/or Securities and Exchange Commission;
- b.) An authenticated photostatic copy of a written agreement or contract between the agent, contractor or dealer and the local principal authorizing the former to procure, sell or supply the latter with imported wood materials at least for one (1) year;
- c.) A copy of sale/supply contract between the agent, contractor or dealer and the foreign exporter of wood material; at least for one (1) year, duly authenticated by the Philippine commercial

attache/embassy at the country of origin of the wood materials.

- d.) A certificate from the Philippine Wood Producers Association that the type or kind and volume of a particular wood material(s) the agent, contractor, or dealer intends to import within a current year are well within the importation rationalization program of total “allowable capacity measure”.

8.2 **Schedule of Fees and Bonds.** For every application for a new or renewal of a Certificate of Registration issued in consonance herewith, the following shall be collected:

- a.) Application fee - ₱500.00
- b.) Registration Fee - ₱400.00
- c.) Cash Bond - ₱10,000.00 (In case of surety bond, the cash bond shall be increased by at least 25%)

8.3 **Validity.** A Certificate of Registration issued in consonance with this Order shall be valid for a period not exceeding one (1) year, subject to renewal for a similar period upon application and proper compliance with existing DENR rules and regulations.

8.4 **Responsibility of Registered Agents, Contractors or Dealers.** Holder of Certificates of Registration shall:

- a.) Display the Certificate of Registration within the establishment’s premises exposed to public view;
- b.) Submit to the DENR a monthly report on imported wood materials not later than the fifth (5th) day of the succeeding month to include, among others, the following information:
 - b.1) Balance of previous months ;

- b.2) Purchase(s) made during the month under report;
 - b.3) Total volume/quantity handled;
 - b.4) Volume processed/sold; and
 - b.5) Balance at end of the month.
- c.) Provide from the RED concerned or his authorized representative the required written authority to import before disposing through sales the imported wood materials;
- d.) Allow authorized DENR personnel to inspect the premises where the imported wood materials are stored and to examine records concerning withdrawals or disposition of same; and
- e.) Provide such other related informations as may be required by the Secretary or his authorized representative.

8.5 **Definition of Terms.** For purposes of this Order, the following terms shall be construed to mean as defined hereunder:

- a.) Agent - a person authorized in writing by another person to act for and in behalf of the principal, for the production, procurement, sale or other means of disposal of imported wood materials.
- b.) Contractor - a person who enters into a written contract or agreement with another for whom he undertakes to produce, procure, furnish or sell imported wood materials.

- c.) Commercial poles and piles - large stakes or pieces of timber for foundation or harbor works.
- d.) Dealer - a person, who, for himself or on commission, sells or offers for sale imported wood materials.

Sec. 9 Creation of DENR Forest Quarantine Coordinating Committee (DFOCC) There shall be a DENR Forest Quarantine Coordinating Committee to be created with the FMB Director and the ERDB Director shall act as chairman and co-chairman, respectively, to represent the DENR in formulating and thereupon monitor the implementation of a joint DENR-Department of Agriculture Administrative Order defining forest quarantine procedures and conditions for the importation of wood materials.

Sec. 10 Penalty Clause. A person found to have in his possession imported wood materials which have entered the country contrary to the provisions of this Order shall in addition to the penalties imposable under existing laws, rules and regulations, be penalized by the immediate suspension and/or cancellation of his permits or certificate, the confiscation of the imported wood materials and/or finished wood products derived therefrom and forfeiture of the required bond.

Sec. 11 Repealing Clause. This Order repeals DAO No. 94-17, DAO No. 97-08, and DAO No. 97-35 and all existing orders, circulars, and instructions inconsistent herewith.

Sec. 12 Separability Clause. If any provision of this order is declared void and illegal, the remaining provisions thereof, not affected thereby, shall remain in full force and effect.

Sec. 13 Effectivity. This order shall take effect immediately upon the acknowledgement by the UP Law Center and after publication in 15 days from the date of at least two (2) newspaper of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Philippine Star - Nov. 19, 1999

Malaya - Nov. 19, 1999

DENR Administrative Order
No. 99-50
October 08, 1999

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Land for the DENR Employees
Forest Production Area for the
Province of Misamis Occidental.**

Pursuant to Memorandum Circular No. 99-09 dated April 13, 1999, otherwise known as the Guidelines for the implementation of the DENR Forest Production Project, certain parcels of land in the province of Misamis Occidental containing an aggregate area of 585 hectares, more or less, is hereby declared and set aside for the DENR Province of Misamis Occidental Employees Forest Production Project Area subject to private rights, if any there be, and subject for further precise actual ground delineation survey, which portions are more particularly described as follows:

Open and denuded areas (see attached map) containing an area of 200 hectares for the first parcel of land situated at Sitio Silangit, barangay Manamong, Aloran, Misamis Occidental specifically located between Longitudes 123 degrees, 41 minutes, 33 seconds and 123 degrees, 42 minutes 50 seconds and Latitude 8 degrees, 20 minutes, 47 seconds; and 8 degrees 21 minutes 49 seconds; and 385 hectares for the second parcel of land situated at barangays Lampasan and Tuno, Don Victoriano, Misamis Occidental specifically located between Longitudes 123 degrees 35 minutes 10 seconds and 123 degrees 36 minutes 8 seconds and Latitude 8 degrees 14 minutes 39 seconds and 8 degrees, 12 minutes, 9 seconds.

The Community Environment and Natural Resources Office that has jurisdiction on the area designated shall administer

and manage the area consistent with the objectives of the project and pertinent applicable technical provisions of MC No. 99-09 (DEFPA). The instrument that shall govern the disposition of parcels of these DENR Personnel Forest Production Areas under this Order shall conform with the format attached to DENR AO No. 99-40.

Any subsequent rule or guidelines that may be issued shall conform or give effect to this Order.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-53
December 23, 1999

SUBJECT : Regulations Governing the Integrated Forest Management Program (IFMP)

Pursuant to PD 705 of 1975, as amended, EO 725 dated September 9, 1981, EO 278 dated July 25, `1987, EO 192 dated June 10, 1987 and EO 927 dated July 25, 1987 and Sec. 2, Art. XII of the 1987 Constitution, the following regulations governing the Integrated Forest Management Program (IFMP), are hereby promulgated.

CHAPTER I

TITLE, POLICIES, OBJECTIVES AND DEFINITION OF TERMS

Section 1. Title. This Administrative Order shall be known as the “Regulation on the Integrated Forest Management Program”.

Sec. 2 Policies and Objectives. These regulations are in pursuance of the **policies** of the State which are:

- (a) The protection and advancement of the right of people to a balanced and healthful environment;
- (b) The equitable distribution of opportunities, income and wealth, sustained increase in the amount of goods and services produced by the nation for the benefit of the people, and an expanding productivity from natural resources as keys to uplift the quality of life; and
- (c) The promotion of industrialization and creation of employment opportunities based on sound resource development through

industries that make full and efficient use of human and natural resources.

The **objectives** of these regulations are:

- (a) To attain a balanced, productive, and efficiently functioning forest ecosystem through the sustainable management of forests and the rehabilitation of degraded forestlands;
- (b) To ensure a continuous supply of wood and non-wood products for the country by encouraging all sectors to engage in the development of industrial forest plantations;
- (c) To improve the economic well-being of upland people and communities dependent on forest resources by ensuring equitable opportunities and access to forest resources.

Sec. 3 *Definition of Terms.* The following terms are to be understood and interpreted, as follows:

- (a) **Ancestral Domain** - subject to property rights existing and/or vested upon effectivity of the Indigenous Peoples rights Act of 1997, refers to areas generally belonging to indigenous cultural communities/indigenous peoples comprising lands, inland waters, coastal areas, and natural resources therein, held under a claim of ownership, occupied or possessed by them, by themselves or through their ancestors, communally or individually, since time immemorial, continuously to the present except when interrupted by war, force majeure, or displaced by force, deceit or stealth or as a consequence of government projects or any other voluntary dealings between the government and private individuals/corporations.
- (b) **Annual Allowable Harvest** - refers to the amount or volume of materials, whether of timber, non-timber or other forest products, authorized by the government to be harvested within each year from the forests.

- (c) **Basal Area** - the sum of the outside bark cross-sectional area at breast height or above buttress, as the case may be, of all trees in a given forest area.
- (d) **Brushlands** - refers to areas characterized by discontinuous cover of shrubby and non-wood vegetation including grasses usually as a result of repeated clearing and burning of the then forest cover.
- (e) **Buffer Strips** - refer to areas with a specified width usually of natural vegetation serving as protective borders of streams or bodies of water or as boundaries between management units (blocks or compartments) of the forest plantations.
- (f) **CENRO** – refers to Community Environment and Natural Resources Office
- (g) **Commercial Species** – refer to all tree species in the categories of Premium, Common, Construction and Furniture and Light Hardwoods, and Softwoods.
- (h) **Comprehensive Development and Management Plan (CDMP)** – a long-term plan prepared and submitted by an IFMA holder to, and for the approval by, the DENR which, among others, indicates the series of sequential or simultaneous undertakings and their schedules, in developing and managing the IFMA area, including the harvesting and utilization of the products thereof.
- (i) **Degraded Residual Natural Forest** – refers to a severely disturbed natural forest of whatever cause with a basal area of less than five (5) square meters per hectare of all commercial tree species, with dbh/dab of less than 65 centimeters.
- (j) **DENR** – refers to the Department of Environment and Natural Resources.
- (k) **Ecosystem or ecological system** – refers to the community of living organisms and the non-living environment dynamically and harmoniously functioning together in a given area.
- (l) **Environmental Compliance Certificate (ECC)** – refers to the document issued by the Department certifying that a proposed project or undertaking in an environmentally critical or non-critical area, as evaluated through the processes of an EIA or

IEE, will not bring about an unacceptable environmental impact and that the proponent has complied with the requirements of the environmental impact statement (EIS) system.

- (m) **Environmental Impact Assessment (EIA)** – refers to the process of predicting the likely environmental consequences of implementing a project or undertaking and designing the appropriate preventive, mitigating or enhancement measures.
- (n) **FMB** – refers to the Forest Management Bureau
- (o) **Forest** – refers to either natural vegetation or plantation of crops mainly of trees, or both, occupying a definable, uninterrupted or contiguous area exceeding but not less than one hectare with tree crown covering at least ten percent (10%) of the areas, exclusive of the associated seedlings, saplings, palms, bamboos and other undercover vegetation. A natural forest is a stand dominated by trees whose structure, functions and dynamics have been largely the result of natural succession process. A natural forest is classified as either 1) primary or virgin forest which has not never been subjected to significant human disturbance, or has not been significantly affected by the gathering of forest products such that its natural structure, functions and dynamics have not undergone any major ecological change; or 2) secondary or residual forest that may be classified into either degraded or productive type.
- (p) **Forestlands** – refer to lands of the public domain which have been classified as such and all unclassified lands of public domain.
- (q) **IFMA Area** – refers to a specified and delineated area of forestland subject of or covered by an IFMA.
- (r) **Indigenous Cultural Communities (ICC)/Indigenous People (IP)** – refers to a group of people or homogenous societies identified by self-ascription and ascription by others, who have continuously lived as an organized community on communally bounded and defined territory, and who have, under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language,

customs, traditions and other distinctive cultural traits, or who have, through resistance to political, social and cultural inroads of colonization, non-indigenous religions and cultures, became historically differentiated from majority of the Filipinos. Indigenous cultural community (ICC) is synonymous with indigenous people (IP).

- (s) **Industrial Forest Plantation (IFP)** – refers to any tract of land planted mainly to timber producing tree species, including rubber, and/or non-timber species such as rattan and bamboo, primarily to supply the raw material requirements of forest-based industries, among others.
- (t) **Initial Environment Examination (IEE)** - refers to the document required of a proponent describing the environmental impact of, and mitigation and enhancement measures for, a project or undertaking located in an Environmentally Critical Area.
- (u) **Integrated Forest Management Agreement (IFMA)** – a production-sharing contract entered into by and between the DENR and a qualified applicant wherein the DENR grants to the latter the exclusive right to develop, manage, protect and utilize a specified area of forestland and forest resource therein for a period of 25 years and may be renewed for another 25-year period, consistent with the principle of sustainable development and in accordance with an approved CDMP, and under which both parties share in its produce.
- (v) **LGU** – refers to the local government unit, such as province, city, municipality and barangay.
- (w) **Managed Forest** – refers to a forest under a deliberate system of protection, rehabilitation and development which may include utilization of resources, to ensure the sustainable production of desired products and services and the conservation of soil, water, wildlife and other natural resources therein for the benefit of present and future generations.
- (x) **National Integrated Protected Area Systems (NIPAS)** – refers to the classification and administration of all designated protected areas to maintain essential ecological processes and

life-support systems, to preserve genetic diversity, to ensure sustainable use of resources found therein and to maintain their natural conditions to the greatest extent possible.

- (y) **Open and Denuded Lands** – refers to the lands that has been depleted of its natural forest cover and is predominantly covered by grasses, herbs, or otherwise bare of any soil cover.
- (z) **Operations Plan** – In accordance with the approved CDMP, a one year written plan detailing the activities in the natural productive residual forest, if any, or a five (5) year written plan detailing the developmental activities in the open, denuded, brushed and degraded residual natural forest.
- (aa) **PENRO** – refers to Provincial Environment and Natural Resources office.
- (bb) **Production Forest** - refers to forestlands designated as such for the sustainable production of timber and/or non-wood forest products.
- (cc) **Production Residual Natural Forest** - refers to a natural forest with a basal area of five (5) square meters per hectare or more and to be properly managed as a sustainable and economic source of natural-grown timber.
- (dd) **Protection Forest** - refers to forestlands not the subject of commercial or industrial activities that include all areas under NIPAS and such other areas the Secretary may designate.
- (ee) **RED** – refers to Regional Executive Director
- (ff) **RENRO** - refers to the Regional Environment and Natural Resources Officer
- (gg) **Rotation** -refers to the number of years between the initial establishment of a plantation and the time when it is considered ready for harvesting.
- (hh) **Secretary** - refers to the Secretary of the Department of Environment and Natural Resources.
- (ii) **Sustainable Development** - means meeting the needs of the present generation without compromising the ability of the future generation to meet their own needs.
- (jj) **Timber License Agreement (TLA)** – refers to a privilege granted by the State to a person to utilize forest resources

within a forestland with the right of possession and occupation thereof, to the exclusion of others, except the Government, but with the corresponding obligation to develop, protect and rehabilitate the same in accordance with the terms and conditions set forth in the said agreement.

CHAPTER II

IFMP AREAS

Sec. 4 *Areas Available for IFMP.* – Except areas enumerated in Sec. 5 herein, IFMAs may cover all lands of the public domain under the jurisdiction of the DENR, such as:

- (a) Open and denuded lands, brushlands, degraded residual natural forests;
- (b) Areas covered by cancelled/expired Forest Land Grazing Agreement or pasture permits or leases;
- (c) Government reforestation projects or portions thereof found to be more suitable or can be better developed as IFP in terms of public interest and benefits to surrounding communities;
- (d) Production residual natural forest that may be best included in any of the aforementioned areas and be a part of the managed forest under the IFMA;
- (e) Areas under cancelled and expired TLAs; **provided**, areas under existing TLAs may be allowed for conversion to IFMA by the holder thereof pursuant to Sections 6, 9 and 12 herein.

Sec. 5 *Areas Prohibited for IFMA.* In no case shall IFMAs be awarded in the following:

- (a) Areas or lands of the public domain established under the NIPAS within the classification of national park as provided for in the Constitution and/or those proclaimed, designed or set aside pursuant to a law, presidential decree, presidential proclamation or executive order as well as those the Secretary

shall propose for inclusion in the initial component of the System except when such areas fall within the buffer zone;

- (b) Areas or lands subject of Certificates of Ancestral Domain/Certificate of Land Claims (CADC/CALC) or of any other tenurial instruments issued by the DENR under the Integrated Social Forestry Program, Community Forest Program, and other people-oriented forestry programs and other licenses, permits or lease unless with prior informed consent of the holder.
- (c) Those areas with pending applications CADC/CALC or those areas verified by the DENR to be actually occupied by indigenous cultural communities under a claim of immemorial possession unless after due notice and hearing in accordance with existing rules and regulations same shall be denied or rejected.

Sec. 6 *Size of IFMA Area.* – The **minimum** size of the area that may be covered by an IFMA shall be five hundred (500) hectares and the **maximum** size may depend upon the capability of the applicant to develop and manage into productive condition as well as the requirements of him processing plant(s) existing or to be installed in the area/region; **provided**, that it shall not exceed forty thousand (40,000) hectares, preferably but not necessarily of one single block of an area; **provided, however**, that where a TLA is converted into IFMA, the size of the IFMA area may extend up to the size of the TLA area at the time of the conversion.

For purposes of effective management, economic scale or economies of scale, holders of adjoining or economically-distanced small-sized IFMA areas may be allowed to integrate into cooperative, a federation of cooperatives, or corporation the aggregate area of which shall not exceed 40,000 hectares.

Sec. 7 *Evaluation, Delineation and Approval of Potential IFMA Areas.* The DENR shall determine the land use

and vegetative cover of the identified areas for forest plantation development taking into consideration major watershed divide as boundaries, if possible with the application of the latest forest resource and other baseline data as well as modern methods such as aerial photography and remote sensing techniques.

7.1 Areas so delineated shall be validated on the ground, particularly the extent of each of the forest cover types, such as open/denuded lands, brushlands, residual natural forest and with the assistance of the LGU, dependent communities shall be consulted about the delineation of the area for IFMA purposes; and

7.2 The delineated areas for IFMA purposes shall be prepared either through the conventional and/or geographic information system (GIS) in scale 1:50 000 or an appropriate scale indicating thereon the extent in hectares of each forest cover types and such other relevant information. Same shall be duly indorsed by the LGU concerned through Board/Council Resolution, and approved by the Regional Executive Director concerned, the original copy of which, together with all pertinent documents shall be forwarded to the FMB Director for safekeeping, updating and reference.

Sec. 8 *Registry of Available IFMA Areas.* The FMB, RED, PENRO, and CENRO shall maintain a **Registry** containing the location, description and status of all delineated IFMP areas and approved IFMAs which shall be made accessible to local communities, LGUs and other stakeholders as a matter of their rights which shall not be impaired.

CHAPTER III

APPLICATION FOR THE APPROVAL OF THE IFMA

Sec. 9 *Qualifications of Applicants.* The Applicants for IFMA shall be:

- (a) A Filipino citizen of legal age; or,
- (b) Partnership, cooperative or corporation whether public or private, duly registered under Philippine laws.

However, in the case of application for conversion of TLA into IFMA, an automatic conversion after proper evaluation shall be allowed, **provided** the TLA holder shall have signified such intention prior to the expiry of the TLA, **PROVIDED further**, that the TLA holder has showed satisfactory performance and have complied in the terms of condition of the TLA and pertinent rules and regulations.

Sec. 10 Requirements for Application. Applicants shall submit through the CENRO concerned, the following documents, together with the duly accomplished application form shown in Annex “A” and the sketch map of the area applied for:

- 10.1 Certified copy of Certificate of Registration issued by the Securities and Exchange Commission (SEC) and/or Cooperative Development Authority (CDA) or Articles of Incorporation and By-Laws and list of the current officers and stockholders duly certified by the Board Secretary;
- 10.2 Audited financial statements for the last two (2) preceding years, if the applicant was already in existence;
- 10.3 Proof of financial and technical capability to undertake initial activities in forest plantation establishment and development such as credit lines from financial institutions, collateralable properties, or good past performance or track records in forest development and management as TLA or IFMA Holder and other DENR tenurial instruments;
- 10.4 Application fee in the amount of P0.50 per hectare or fraction thereof and survey fee of P50.00/ha plus the actual transport cost of the survey team from the official station to the site in consonance with the provisions of DAO 93-18 subject for adjustment upon review by the DENR.

10.5 Board resolution authorizing any of the officers to file the application in behalf of the corporation, cooperative and/or partnership, duly certified by the Board Secretary.

Sec. 11 *Procedures in Processing of Applications and Approval of IFMA* The following procedures shall be observed in the processing of IFMA applications:

- 11.1 **At the CENRO** - Except in the case of conversion of TLA into IFMA as provided for in Section 9 herein, the CENRO concerned shall accept and process the IFMA application on a first-come-first-served basis taking into consideration, the qualifications of the applicant, the completeness of the documents submitted, and if the area applied for is included in the approved IFMA site and still available for application per the Registry. Thereafter, the area applied for shall be inspected on the ground based on the form as shown in “Annex B”, after which the CENRO shall within 10 working days after the completion of the field inspection, prepare the IFMA in the form shown in Annex “C” hereof. The CENRO shall then endorse the application documents to the PENRO with his recommendation for approval; otherwise, same shall be returned by him to the applicant concerned with his comments.
- 11.2 **At the PENRO** - Upon receipt of the application documents, the PENRO concerned shall within five (5) working days from the receipt thereof evaluate/review the same. If all are found in order, the PENRO shall endorse the application documents to the RED concerned with his recommendations for approval; otherwise, same shall be returned with his comments to the CENRO concerned for further action.
- 11.3 **At the RENRO** – the RED concerned shall evaluate/review within five (5) working days from the receipt thereof the application documents. If all are found in order, the RED shall forward the IFMA, together with all application documents and his recommendation for approval to the

Secretary; through the FMB Director; otherwise, same shall be returned by the RED with his comments to the CENRO concerned through the PENRO for further action.

- 11.4 **At the FMB** – Upon receipt of the IFMA together with all application documents, the FMB Director shall evaluate and review within five (5) working days thereof. If all are found in order, the Director shall recommend to the Secretary the approval of the IFMA; otherwise, same shall be returned by the FMB Director with his comments to the concerned RED, copy furnished the Secretary.
- 11.5 **At the OSEC** - the Secretary may approve or disapprove the IFMA after which the notice of approval shall be sent to applicant, copy furnished the FMB, RENRO, PENRO, CENRO and the LGUs concerned.

Sec. 12 *Initial Environmental Examination (IEE) and Environmental Clearance Certificate (ECC)*. After an IFMA has been awarded, and in order to identify the environmental impacts that have to be addressed in the development of the industrial forest plantation, the holder thereof shall submit an Initial Environmental Examination (IEE) in a checklist to be prepared therefor which shall at least include the following:

- 12.1 A brief description of the project and its process of operations;
- 12.2 Description of the environmental setting and receiving environment including the primary and secondary impact areas;
- 12.3 Description of the environmental and socio-economic impacts of the project;
- 12.4 Matrix of the mitigation/enhancement measures;
- 12.5 Consultation and discussion with upland communities and indigenous peoples within the IFMA area about the socio-economic, political and cultural impacts of the project;

- 12.6 Documentation on gender issues with significant impact on women, including their roles/participation in project implementation; and
- 12.7 Discussion on gender issues with significant impact on women, including their roles/participation in project implementation; and
- 12.8 Accountability statements of the proponents and preparers.

Pursuant to the provision of DAO 96-37, the RED may either grant or deny the issuance of the ECC or decide that an EIS be further required taking into account the social and environmental cost implication relative to the judicious utilization, development and conservation of the country's natural resources.

CHAPTER IV

TERMS AND CONDITIONS OF THE IFMA

Sec. 13 *Duration of the IFMA.* An IFMA shall have a duration of twenty five (25) years and may be renewed for another twenty five (25) years, **provided**, that all the conditions of the IFMA, pertinent laws, rules and regulations have been complied by the holder thereof:

Sec. 14 *Responsibilities of the IFMA Holders.* All IFMAs shall include the following conditions and/or responsibilities the holders thereof shall comply with:

- 14.1 Under the supervision of the DENR, reckoned from the date the IFMA was awarded, conduct the delineation and marking on the ground of the perimeter boundaries of the IFMA area based on the land classification standard and establish control points on the ground following the Universal Transverse Mercator (UTM) including the conduct of timber inventory at 5% intensity to determine the extent of the natural forest

cover and the forest plantation as TLA reforestation compliance therein, if applicable.

- 14.2 Submit within one (1) year from the date the IFMA was awarded, a Comprehensive Development and Management Plan (CDMP) in the form shown in Annex “D” and an Initial Environmental Examination (IEE) as basis for approval by the Secretary on the former and the issuance by the RED of an Environmental Compliance Certificate (ECC) on the latter;
- 14.3 Submit within one (1) year from the date of the award of the IFMA and every five years thereafter to the FMB up-to-date aerial photos or landsat imageries including their interpretation map covering the entire IFMA area in consonance with DAO No. 92-17; **provided**, that this condition shall be waived if such aerial photos and/or imageries were procured by the DENR, or if the IFMA area has no natural forest, or if the area regardless of vegetative cover is less than 5,000 hectares;
- 14.4 Implement the mitigation/enhancement measures stipulated in the IEE and comply with the conditionalities of the ECC;
- 14.5 Plant principally timber-producing species compatible with the ecological and biophysical characteristics of the area, but not excluding rubber, durian and/or non-timber species like rattan and bamboo; **provided**, that a suitable area of at most ten percent (10%) therein may be used for agricultural purposes; **provided, further** that these endeavors are included and scheduled in the approved CDMP; **provided, finally** that the total plantable area shall be planted based on the rotation period of the plantation species but not exceeding 12 years;
- 14.6 If included in the CDMP, convert the degraded residual natural forest within the IFMA area into a productive state by one or more of the following methods:
 - 14.6.1 enrichment planting, timber stand improvement and assisted natural regeneration;

- 14.6.2 establishing plantations of rattan or other suitable non-timber species; and/or
- 14.6.3 clearing natural vegetation from degraded residual natural forest and establishing industrial forest plantation (IFP); **provided**, that:
 - 14.6.3.1 the timing, location, extent, methods of harvest, expected volume and value of salvaged wood and the environmental impact of any clearing carried out for such conversion shall be stated in the approved CDMP, OP, and IEE;
 - 14.6.3.2 buffer strips of natural vegetation at least 50 meters in width, following to the extent possible natural boundaries, between compartments which shall not exceed 100 hectares each, and at least 20 meters on both sides of major rivers or streams shall be retained and shall be subject of enrichment planting or shall be used for rattan or bamboo plantation;
 - 14.6.3.3 all extraction of commercial timber carried out in connection with conversion of degraded natural residual forest to IFP shall be indicated in the operations plan approved by the RED and shall be subject to forest charges provided for in RA 7161; and
 - 14.6.3.4 planting the entire area cleared shall be undertaken within six (6) months of clearing.
- 14.7 Manage and protect production residual natural forest in accordance with laws and regulations governing thereto and if authorized in the approved CDMP, harvest and utilized naturally grown trees therein on a sustainable basis and in accordance with the Operations Plan (OP) duly approved by the concerned RED, PROVIDED that should there be old

growth (virgin) and protection forest within the IFMA area, same shall be protected and no cutting shall be allowed therein.

- 14.8 Reforest open/denuded lands found within areas classified as protection forestlands and within twenty (20)-meter strips from both sides of river banks which shall be kept permanently under forest cover;
- 14.9 Protect and conserve unique, rare and endangered flora and fauna found within the IFMA area;
- 14.10 Not cut trees found in protection forestlands, in all areas with 50% and over in slope and with elevation above 1000 meters above sea level, or within twenty (20) meters strips from both sides of river/stream banks;
- 14.11 Construct permanent structures and roads within the IFMA Area only in accordance with the approved CDMP and OP;
- 14.12 Employ as many experienced registered foresters as may be required in major aspects of forest management, development, protection, etc. including the appointment of one of them as Forest Operations Manager or in any top level management position; otherwise, hire a DENR-accredited Forest Services Organization such as a forestry consulting firm to undertake similar activities on a continuing basis; and
- 14.13 Submit to the DENR Annual Accomplishment Report in the form prescribed in Annex “E” of this Order.

Sec. 15 *Responsibilities of the DENR.* The DENR shall undertake and/or observe the following conditions in respect of all IFMAs:

- 15.1 Make available upon request to the IFMA holder existing information on the status of the land, resources thereon and dependent communities within or adjacent to the IFMA areas;
- 15.2 Ensure that the activities indicated in the approved CDMP, mitigation/enhancement measures stated in the in the IEE

conditionalities prescribed in the ECC, pertinent provisions stipulated in this Order and other applicable laws, rules and regulations are complied with by the IFMA holder;

- 15.3 Assist the IFMA holder and host communities in the development and implementation of mutually beneficial agreements;
- 15.4 Not alter or modify the boundaries or legal status of any IFMA Area, once established; **provided**, that amicable settlement shall be undertaken by the DENR in the event of boundary conflict with adjacent IFMA area(s), or with licensed, leased and vested rights areas as well as Ancestral Land/Domain areas; and
- 15.5 Promote and/or approve joint venture, financing and/or securitization schemes recommended by the IFMA Holder designed to support the development of the IFMA Area in an orderly and expeditious manner.

Sec. 16 *Compensation*

- 16.1 **Compensation to the IFMA Holder.** The IFMA Holder shall be entitled to receive from the Government compensation for the fair market value of permanent improvements introduced, including plantation forest crops remaining in his IFMA are under the following circumstances;
 - 16.1.1 expiration of the IFMA;
 - 16.1.2 termination of the IFMA when public interest demands; or
 - 16.1.3 reduction of the IFMA area for right-of-way or when the public interest demands.
- 16.2 If the Government retracts, for reasons other than cause, an IFMA holder's rights to carry out harvests, in accordance with the approved CDMP, in residual natural forest or in any portion thereof, the Government shall compensate the IFMA holder for cost incurred in maintaining, improving and

protecting said forest up to the time such rights were retracted.

- 16.3 **Appraisal for Improvements for Compensation.** The fair market value of permanent improvements shall be decided upon by a committee comprising of representatives for the DENR, the IFMA holder and a qualified independent appraiser whose appointment shall be mutually agreed upon by the DENR and the IFMA holder. The DENR and the IFMA holder shall bear equally the cost of such appraisal.

Sec. 17 Warranties.

- 17.1 **Modifications.** No IFMA shall be amended in any way except by written instrument signed and agreed to by the duly authorized representatives for the DENR and the IFMA Holder.
- 17.2 **Notice of Breach.** In the event of any default or breach of any of the provisions of an IFMA by either party, the other party may, by notice to the party in default or breach, specify such default or breach and require the same to be remedied within thirty (30) days after service of the notice.
- 17.3 **Arbitration.** In the event of dispute between the DENR and an IFMA Holder that cannot be settled by mutual accord, the dispute shall be referred to arbitration which shall be held in accordance with the rules provided in RA No. 876 and the decision arising from which shall be binding to both DENR and IFMA Holder.

Sec. 18 Transfers. An IFMA Holder may transfer, exchange, sell or convey the IFMA or any rights therein or any assets used in connection therewith, if authorized by the Secretary, and if:

- 18.1 The IFMA has been in existence for at least three (3) years;

- 18.2 The IFMA Holder has been faithfully complying with the terms and conditions of the IFMA, including implementation for the Comprehensive Development and Management Plan;
- 18.3 The transferee is qualified to hold an IFMA;
- 18.4 There is no evidence that such transfer or conveyance is being made for purposes of speculation;
- 18.5 The transferee shall assume all the obligations of the transferor specified in the IFMA, CDMP, and ECC;
- 18.6 For IFMA Areas in which development is being financed by loan funds, the consent of involved financing institutions has been obtained; and
- 18.7 Consultation has been held and agreement has been reached with all certified Ancestral Domain or Ancestral Land Claimants; if applicable.

Sec. 19 *Encumbrances.* An IFMA Holder shall not offer as security, mortgage or otherwise encumber the IFMA or any rights therein or any assets used in connection therewith, unless authorized by the Secretary.

CHAPTER V

INCENTIVES AND PROFIT SHARING

Sec. 20 *Incentives.* The IFMA Holder shall be entitled to the following incentives:

- 20.1 Interplant secondary crops between trees within areas designated for IFP.
- 20.2 All planted trees and other crops established pursuant to an IFMA belong to the IFMA Holder who shall have the right to harvest, sell and utilize such trees and crops in whatever marketable form(s) and in whatever legal manner(s).
- 20.3 Allow without restriction the IFMA Holder to export logs, lumber and other forest products derived from IFMA Area; **provided**, that logs harvested or obtained from naturally

- growing trees (not planted) in the IFMA Area and the lumber manufactured from such logs will not be exported.
- 20.4 All plantation products derived from an IFMA Area shall be exempted from forest charges; **provided**, that logs derived from trees growing naturally (not planted) and/or other forest products naturally growing trees (not planted also) in an IFMA Area as well as logs from trees planted in compliance with TLA reforestation obligations of TLAs shall be subject to forest charges stipulated in RA 7161.
 - 20.5 Entitlement to all relevant incentives provided for under the Omnibus Investment Code and to all applicable incentives enumerated under Section 36 of PD 705, as amended.
 - 20.6 Transfer developed plantations that are at least three (3) years old to a cooperative upon fair compensation or payment thereof by the cooperative itself or through a financing institution or to open up public investment in accordance with Section 15.5 herein.
 - 20.7 Use stable plantation crops that are at least three (3) years old as collateral or security for loans offered by government development banks, financial institutions, or government-owned and controlled corporations.
 - 20.8 An IFMA holder who has satisfactorily complied with the terms and conditions of this IFMA based on performance evaluation by the DENR may be allowed either a) an additional area to the existing IFMA Area, **provided**, that the resulting aggregate size of the IFMA Area shall not exceed 40,000 hectares; or b) a new or another IFMA the maximum area of which shall not exceed 40,000 hectares.

Sec. 21 Profit Sharing. The sharing of the profit arising from an IFMA between the holder thereof and the Government shall be negotiated between the said holder and the DENR immediately following the approval of the CDMP and the grant of ECC, taking into consideration, among others, the following cost factors;

- 21.1 Plantation establishment, protection, management, infrastructure and harvesting cost as well as mitigating measures;
- 21.2 Fixed assets, equipment and machineries directly related to the plantation development and harvest;
- 21.3 Kind and volume of products that shall be harvested and prevailing fair market prices thereof;
- 21.4 Variation in rates of interest and foreign exchange for financial investment;
- 21.5 Expenses incurred in indirect activities such as community development, etc;
- 21.6 Forest charges and taxes paid; and
- 21.7 Reasonable margin for profit and risks.

The profit sharing agreed upon shall form part of the IFMA.

CHAPTER VI

MONITORING AND CONTROL

Sec. 22 *Program Management* The program shall be managed and implemented through the various DENR Offices as follows:

- 22.1 FMB shall be the National Program Coordinating Office tasked to formulate policies, rules and regulations pertinent to forest plantation development and management, establish linkages with concerned agencies both government and non-government to ensure the success of the program implementation, continuously monitor and assist the Secretary in the supervision of the program, provide the Secretary and other concerned authority with periodic reports on program accomplishments and other relevant information and keep updated and orderly files of all issued IFMAs including relevant documents of the program.

- 22.2 **RENRO** - The RED, assisted by the ARED concerned shall be responsible for the efficient and effective implementation of the program in the region. The RENRO shall keep copy of the records of all IFMAs within the jurisdiction of the region. The RED shall submit to the Secretary thru the FMB periodic reports on the accomplishments, issues and problems with recommendation regarding the implementation of the program.
- 22.3 **PENRO AND CENRO** – The PENRO and the CENRO shall be directly responsible in the implementation of the program. The PENRO shall maintain a database of all IFMAs in the province, while the CENRO shall likewise maintain information of all IFMAs under its jurisdiction, including periodic monitoring and evaluation of IFMA holder’s accomplishments for submission to the DENR authority.

Sec. 23 *Suspension of an IFMA.* In the event of any alleged violation committed by the IFMA holder against any of the provisions of the IFMA, the RED concerned or the Secretary himself shall initiate an investigation into the violation in accordance with the warranties provided herein and, depending on the gravity for the violation, may either issue a Notice of Breach or Notice of Suspension of Operations. The notice of suspension shall indicate the actions/activities that shall be done by the IFMA holder in order to facilitate the lifting of the suspension including the admonition that non-compliance thereto shall result to the cancellation of the IFMA. If any development activity pursuant to the IFMA is being financed by loan funds or if any improvement within the IFMA Area is encumbered by a third party, the DENR shall notify the bank or the other party involved about any of the preceding notices. The IFMA Holder shall within thirty (30) days from receipt of any of such notices, file an answer, a motion for reconsideration, or an appeal, as the case may be, with the Office of the Secretary.

Sec. 24 ***Grounds for Cancellation of IFMA.*** The following violations shall be sufficient grounds for cancellation of the IFMA:

- 24.1 If the IFMA was obtained through fraud, misrepresentation or omission of material facts existing at the time of the filing of the application;
- 24.2 Failure of an IFMA Holder to settle any forestry account, such as forest charges, when they become due and upon prior notice to the IFMA Holder.
- 24.3 Violation of any of the terms and conditions of, or failure to comply with, or perform the obligations imposed in, the IFMA, and of other pertinent laws, or policies affecting the exercise of the IFMA;
- 24.4 Failure to submit a CDMP and IEE within one (1) year from the date the IFMA is entered into;
- 24.5 Failure to submit aerial photographs or satellite imageries for the IFMA area, when required and every five years thereafter;
- 24.6 Failure to carry out a inventory resource inventory for areas containing any natural forest, in case such inventory has not been undertaken prior to the issuance of the IFMA;
- 24.7 Failure to implement, without due and reasonable cause explained in writing, the approved CDMP, OP and/or the conditions of IEE and ECC;
- 24.8 Conducting any operations in violation of the approved CDMP or OP, or engaging in activities outside the IFMA Area without the expressed consent or authority of the Secretary.
- 24.9 Failure to protect the IFMA Area except as a result(s) of force majeure, where the IFMA Holder has no control over; and
- 24.10 Abandonment of the IFMA Area as evidence by absence of the IFMA Holder, whether actual or constructive, for any given period of one (1) year.

Sec. 25 *Finality and Execution of Orders of Cancellation.* Any decision by the Secretary to cancel an IFMA shall become final and executory after thirty (30) days from receipt thereof by the IFMA Holder, unless the latter, prior to the expiry of said thirty-day period, files a motion for reconsideration or an appeal with the Office of the Secretary.

Sec. 26 *Forfeiture of Rights to Compensation.* Upon cancellation of an IFMA for any of the reasons specified herein, all permanent improvements introduced into the IFMA area, including forest plantations, shall become the property of the Government without there being any obligation to compensate the IFMA Holder.

CHAPTER VII

MISCELLANEOUS PROVISIONS

Sec. 27 *Previously Issued IFMAs.* The terms and conditions of any IFMA entered into prior to this Order remain valid unless modifications are agreed to by the DENR and the IFMA Holder in accordance with the provisions hereof, without prejudice to whatever action that the office may take after a performance evaluation thereof has been undertaken in the area.

Sec. 28 *Repealing Clause.* This Order repeals DAO 91-42, DAO 93-60 and DAO 97-04 and Orders, Memoranda, Circulars, and other issuances which are inconsistent herewith.

Sec. 29 *Effectivity.* This Order shall take effect fifteen (15) days after its publication in the Official Gazette or in a

newspaper of general circulation and upon acknowledgement by the UP Law Center.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:
Malaya - December 30, 1999

**DENR Administrative Order
No. 99-58
November 19, 1999**

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Lands for the DENR Employees
Forest Production Area in Region
XI.**

Pursuant to Memorandum Order No. 99-09, dated April 13, 1999, otherwise known as the Guidelines in the Implementation of DENR Forest Production Project, certain parcels of Forestlands in the Four (4) Provinces of Region XI, Southern Mindanao containing an aggregate area of Eight Thousand Eight Hundred Seventy Nine (8,879) hectares, more or less, is hereby declared and set aside for the DENR Region XI Employees Forest Production Project Area subject to prior rights, if any there be, and subject to further precise actual ground delineation survey, which portions are more particularly described as follows:

**DENR XI Regional Office, PENRO Digos, Davao del Sur,
CENRO Chavez and CENRO Bangkal Employees**

Open and denuded forestland (Map Sheet No. RXI-S-001) containing an area of Two Thousand Four Hundred Twenty Five (2,425) hectares classified as Timberland per L.C. Map No. 3277 in six (6) Parcels, to wit:

Parcel I - Area – 2,000 hectares within the grid squares of 7° 25' 20" latitude and 125° 25" 30" longitude within Sitios Malimkongkong and Upian, Marilog District, Davao City

Parcel II - Area – 110 hectares located within the grid squares of $7^{\circ} 26' 40''$ latitude and $125^{\circ} 16' 50''$ to $125^{\circ} 17' 30''$ longitude within Sitio Namnam, Marilog District, Davao City

Parcel III – Area – 115 hectares located within the grid of $7^{\circ} 27' 30''$ to $7^{\circ} 28' 15''$ latitude and $125^{\circ} 13' 10''$ to $125^{\circ} 14' 15''$ longitude within Sitios Ipol, Baganihan, Marilog District, Davao City

Parcel IV - Area – 30 hectares located within the grid squares of $7^{\circ} 24' 50''$ to $7^{\circ} 25' 10''$ latitude and $125^{\circ} 14' 40''$ longitude within Sitios Ladian, Marahan, Marilog District, Davao City.

Parcel V - Area – 70 hectares located within the grid of $7^{\circ} 28' 30''$ to $7^{\circ} 29' 10''$ latitude and $125^{\circ} 14' 35''$ to $125^{\circ} 15' 10''$ longitude within Barangay Baganihan, Marilog District, Davao City

Parcel VI - Area – 100 hectares located within the grid of $7^{\circ} 30' 30''$ to $7^{\circ} 31' 40''$ latitude and $125^{\circ} 13' 40''$ longitude within Barangay Buda, Marilog District, Davao City

PENRO and CENRO Mati, Davao Oriental Employees

Open and denuded forestland (Map Sheet No. RXI-S-002) containing an area of Five Hundred (500) hectares classified as Timberland under Project No. 9-1 L.C. Map No. 2687. It is geographically bounded between latitude $7^{\circ} 01' 59.02''$ to $7^{\circ} 04' 04.72''$ and between longitude $126^{\circ} 08' 58.37''$, situated at Sitio Malig, Barangay Don Mariano Marcos, Municipality of Lupon, Province of Davao Oriental.

CENRO Manay, Davao Oriental Employees

Open and denuded area (Map Sheet No. RXI-S-003) containing an area of One Hundred Fifty (150) hectares classified as Timberland under Project No. 10, L.C. Map No. 2633 , certified on October 9, 1968. It is geographically bounded between longitude $126^{\circ} 26' 03.56''$ to $126^{\circ} 29' 00.66''$ and between latitude $7^{\circ} 23' 14.02''$ and $7^{\circ} 23' 23.99''$, situated at Sitio Batolinao, Barangay Palma Gil, Municipality of Caraga, Province of Davao Oriental.

CENRO Lupon, Davao Oriental Employees

Open and denuded area (Map Sheet No. RXI-S-004) containing an area of Five Hundred (500) hectares classified as Timberland under Project No. 7-D, L.C. Map No. 2560, certified on March 19, 1965. It is geographically bounded between latitude $7^{\circ} 04' 16.28''$ to $7^{\circ} 05' 39.06''$ and between longitude $125^{\circ} 58' 42.32''$ and $126^{\circ} 00' 00.00''$, situated at Barangay Pintatagan, Municipality of Banaybanay, Province of Davao Oriental.

CENRO Baganga, Davao Oriental Employees

Open and denuded area (Map Sheet No. RXI-S-005) containing an area of Three Hundred (300) hectares classified as Timberland situated at Sitio Anahawan, Barangay Binondo, Municipality of Baganga, Province of Davao Oriental, specifically bounded between longitude $126^{\circ} 24' 05.37''$ to $126^{\circ} 25' 12.82''$ and latitude $7^{\circ} 27' 33.00''$ to $7^{\circ} 28' 21.80''$.

PENRO Davao del Norte and CENRO Tagum City Employees

Open and denuded area (Map Sheet No. RXI-S-006) containing an area of Three Hundred Four (304) hectares classified as Timberland situated at Barangay Binancion, Municipality of Asuncion, Province of Davao del Norte specifically located between longitude $125^{\circ} 53' 10.42''$ and between latitude to $7^{\circ} 45' 06.51''$

CENRO Panabo, Davao del Norte Employees

Open and denuded area (Map Sheet No. RXI-S-007) containing an area of One Hundred (100) hectares classified as Timberland under Project No. 18-Q, Block B L.C. Map No. 3101, approved on November 3, 1983. It is geographically bounded between latitudes $7^{\circ} 34' 50.39''$ to $7^{\circ} 35' 12.532''$ and between longitudes $125^{\circ} 37' 01.63''$ to $125^{\circ} 38' 11.387''$, situated at Barangay Sua-on, Municipality of Kapalong, Province of Davao del Norte.

PENRO Comval and CENRO Monkayo Employees

Open and denuded areas (Map Sheet No. RXI-S-008) containing an area of Four Thousand Six Hundred (4,600) hectares classified as Timberland under Project No. 17-H, L.C. Map Nos. 1806, 1552 & 2468. It is geographically bounded between latitudes $7^{\circ} 51' 41.17''$ to $7^{\circ} 58' 53.26''$ and between longitude $126^{\circ} 05' 15.65''$ and $126^{\circ} 08' 44.59''$, situated at Barangays Rizal, Pasian, Baylo and Salvacion, Municipality of Monkayo, Province of Compostela Valley.

The Community Environment and Natural Resources Office (CENRO) shall administer and manage the area consistent with the objectives of the project and pertinent applicable technical provisions of MC No. 99-09 (DEFPA) under this Order shall conform to the format herein enclosed and marked as Annex "A".

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annex A omitted

**DENR Administrative Order
No. 99-59
November 19, 1999**

**SUBJECT : Declaring and Setting Aside
Certain Tracts of Public Forest
Lands for USUFRUCT Rights in
Tree Farming of DENR-XI
Employees.**

Pursuant to Memorandum Order No. 99-29, dated September 15, 1999, otherwise known as the Guidelines in the Implementation of USUFRUCT Rights in Tree Farming within Forestlands where occupation is not allowed, four (4) parcels of forestland within Region XI containing an aggregate area of Four Thousand Five Hundred Ninety Five (4,595) hectares is hereby declared and set aside for the purpose, subject to prior rights, if there be any, and subject to further precise actual ground delineation survey, which parcels are particularly described as follows:

PARCEL I – DENR XI Regional Office Employees

Open and denuded forestland containing an area of One Thousand Eight Hundred Twenty Five (1,825) hectares classified as Mt. Apo Natural Park under Proclamation No. 882, approved on September 16, 1996. It is geographically bounded within latitude 6 degrees 59 minutes 17 seconds to 7 degrees 01 minute 03.00 seconds and longitude 125 degrees 18 minutes 44.00 seconds to 125 degrees 22 minutes, situated at Sitio Colorado, Barangay Sibulan, Toril District, Davao City (Map Sheet No. RXI-U-001)

**PARCEL II – PENRO and CENRO Digos, Davao del Sur
Employees**

Open and denuded forestland containing an aggregate area of One Thousand Twenty (1,020) hectares classified as Mt. Apo Natural Park under Proclamation No. 882, approved on September 16, 1996. It is geographically bounded within latitude 06 degrees 51 minutes 39.35 seconds to 6 degrees 54 minutes 17.00 seconds and longitude 125 degrees 15 minutes 163 seconds to 125 degrees 17 minutes 28.53 seconds, situated at Sitio Balaguhon, Barangay Managa, Municipality of Bansalan, Province of Davao del Sur. (Map Sheet No. RXI-U-002)

PARCEL III – CENRO Davao City West (Bangkal), Davao del Sur Employees

Open and denuded forestland containing an aggregate area of One Thousand Six Hundred (1,600) hectares classified as Multiple-Use and Restoration Zone of the Mt. Apo Natural Park under Proclamation No. 882, approved on September 16, 1996. It is geographically bounded within latitude 7 degrees 02 minutes to 7 degrees 5 minutes 45.00 seconds and longitude 125 degrees 17 minutes 28.00 seconds to 125 degrees 20 minutes and 45 seconds, situated at Barangay Upper Tamayong, Calinan District, Davao City. (Map Sheet No. RXI-U-003)

PENRO IV – PENRO Comval, CENROs Nabunturan and Monkayo Employees

Open and denuded forestland containing an area of One hundred fifty (150) hectares classified as Mainit Hot Spring National Park, under Proclamation No. 466, approved on December 12, 1957. It is geographically bounded within latitude 7 degrees 29 minutes 54 seconds to 7 degrees 29 minutes 64 seconds and longitude 126 degrees 01 minutes 25 seconds to 126 degrees 02 minutes 38 seconds, situated

at Barangay Bukal, Municipality of Nabunturan, Province of Compostela Valley. (Map Sheet No. RXI-U-004)

The concerned DENR Offices shall administer and manage their respective areas consistent with the objectives of the project and pertinent applicable technical provision of MC 99-09 (DEFPA) and Department Administrative order No. 96-24 (SIFMA). This instrument shall govern the disposition of parcels of areas under this Order and shall conform to the format herein enclosed and marked as Annex “A”.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annex A omitted

DENR Memorandum Circular
No. 99-03
February 18, 1999

**SUBJECT : Disposition of Excess Seedlings
Produced Under the ADB Forestry
Sector Project.**

Pursuant to DENR Administrative Order No. 31, Series of 1991, seedling production is one of the activities of Comprehensive Site Development. The seedlings produced will be used for the plantation establishment of the people's organization's approved area. Corollary to this, the Memorandum of Understanding (MOU) agreed to by the DENR and the Asian Development Bank dated November 1998 indicated that all excess seedlings produced by the People's Organizations (POs) shall be planted in the CBFMA areas or turned-over to DENR for disposition.

SECTION 1.0 BASIC POLICY

It is the government's policy to properly manage its resources and properties and to assure the utilization of all excess seedlings paid for by the government through the Forestry Sector Project. Likewise, excess seedlings shall be properly disposed and prioritized to support the overall reforestation effort of the national government.

SECTION 2.0 OBJECTIVES

The objectives of the guidelines are as follows:

- 2.1 To utilize all the excess seedlings paid for by the government (DENR);
- 2.2 To monitor the disposition of these seedlings; and

2.3 To ensure the production of quality planting materials and establishment of additional plantations.

SECTION 3.0 PROCEDURES OF SEEDLING DISPOSITION

Prior to the disposition of the excess seedlings, the following activities shall be undertaken by the CENRO to guarantee the proper disposition of these seedlings:

- 3.1 Inventory of all excess seedlings by species and age;
- 3.2 Proper documentation and accounting in the PO's record book; and
- 3.3 Ensure that these seedlings were paid for.

If all of the above are undertaken and all are in order, the seedlings are ready for disposition.

SECTION 4.0 DISPOSITION OF SEEDLINGS

The following is the order of priority for the disposition of excess seedlings:

- 4.1 Plant within the subproject/CBFMA area awarded.
 - 4.1.a If the PO of the subproject is willing to plant the excess seedlings within the subproject/CBFMA area, it should have a plan and map of the area where these seedlings were planted to segregate it from the fully funded area.
 - 4.1.b It shall also be made clear that the maintenance and protection of these areas shall be to the account of the PO.

The CENRO shall determine the number of seedlings that are not needed for the above purpose. The CENRO, then, shall announce the availability of these seedlings for the other possible areas.

4.2 Priority watershed areas within the region.

4.3 The DENR can also use the excess seedlings for the following:

4.3.a Other reforestation projects

4.3.b FLMA areas under Loan I

4.3.c New Plantations

4.4 Other Subproject Sites

Except for OECF sites, the excess seedlings may be distributed to the POs of other subproject sites. The interested POs should submit a formal request to the CENRO. The CENRO, then shall approve the request based on the following:

4.4.a The subproject has been verified to have no excess seedlings.

4.4.b The seedlings will be used for planting of new sites.

Just like under item 4.1, the same requirements shall apply for monitoring and recording purposes.

4.5 The excess seedlings may also be made available to the following:

4.5.a Local Government Units (LGUs)

4.5.b Other Government Agencies (OGAs)

4.5.c State Colleges/Universities/schools

4.6 The POs can also use the excess seedlings in their farms or in their backyards.

4.7 Private Institutions and Organizations

4.7.a Civic/Religious Organizations

4.7.b Private Colleges/Universities/schools

4.7.c Private individuals

In all cases, proper documentation and monitoring and evaluation shall be undertaken by the CENRO and report shall be regularly submitted to the RED for record purposes.

SECTION 5.0 OPTION FOR LIVELIHOOD ENTERPRISE

The CENRO may develop a scheme for the disposition of seedlings as an option for livelihood enterprise. He/she shall prepare a plan to be approved by the RED.

SECTION 6.0 MONITORING AND SUPERVISION OF DISPOSITION

6.1 The site coordinators shall be responsible for the monitoring and supervision of the proper disposal of seedlings within the subproject area, the PO's farm and backyards. He/she shall see to it that proper documentation including the necessary maps of the area planted with the excess seedlings is prepared.

6.2 The CENRO shall be accountable for the areas planted outside the subproject area. He shall also ensure that all seedling withdrawals are properly recorded. The CENRO shall prepare plans for these seedlings and properly monitored by the Regional Executive Directors (REDs) through the Regional Technical Directors for Forestry (RTDs-F).

6.3 The REDs through the RTDs-F shall be responsible and accountable for seedlings that were disposed and left undisposed.

6.4 Seedlings damaged by typhoons and other natural calamities shall be duly recorded and reported to the NFDO.

6.5 The vehicles provided by the project shall be used to haul the seedlings from the subproject to its point of destination.

SECTION 7.0 SUPPLEMENTAAL GUIDELINES

The Regional Executive Directors may promulgate supplemental rules and regulations that shall apply to peculiar conditions prevailing in and appropriate for the region. **Provided that**, such rules and regulations shall be in accordance to and/or consistent with this Order and other related Orders/policies of the office. **Provided further**, that the Office of the Secretary through channels shall be furnished with a copy for information and reference.

SECTION 8.0 EFFECTIVITY

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular

No. 99-04

February 18, 1999

SUBJECT : Extension of the Community Organizing Contract Under the Forestry Sector Project Loan II.

SECTION 1.0 BASIC POLICY

Pursuant to MC 20 Series of 1992 and MC 97-01 Series of 1997 and in order to carry out the objectives of the long-term development and management of the forest resources, Assisting Organizations (AOs) are being organized and tapped by the DENR to undertake Community Organizing activities. Likewise, Executive Order (E.O.) 263 officially adopted the Community-Based Forest Management as a national strategy requiring people-oriented forestry programs/projects to be managed to ensure sustainable management of forest resources. The need, therefore, for effective community organizing activities to prepare the people's organization cannot be overemphasized and the following guidelines are hereby promulgated for the guidance of all concerned:

SECTION 2.0 OBJECTIVES

The objectives of the extension of the Community Organizing contract are as follows:

2.1 To further develop the knowledge and awareness as well as the leadership and membership capabilities of the People's Organization towards the attainment of the objectives of the subprojects;

- 2.2 To address significant gap as indicated in the assessment of subproject sites and ensure continuity of project implementation.
- 2.3 To fully organize the community in preparation for the implementation of the long-term community-based resource management program of the Department.

SECTION 3.0 REQUISITES FOR EXTENDING THE CONTRACT

The following requisites for extending the contract must be complied with:

- 3.1 No additional cost shall be incurred and availability of funds for the purpose is assured;
- 3.2 Submission of letter of intent by the Assisting Organization expressing its interest to continue the community organizing activities;
- 3.3 Submission of Board Resolution by the PO expressing the need for extending the community organizing activities by the AO; and
- 3.4 Result of the performance evaluation of the AOs. The evaluation will be carried out with due consideration on the following:

The CENR Office, preferably the CENRO Inspection Committee (CIC), shall conduct the assessment/evaluation of the performance to be submitted to the Regional Office thru the PENRO. The Regional Inspection Team (RIT) may revalidate the recommendation of the CENRO for concurrence and approval of the RED;

Likewise, the overall assessment for the accomplishment of the AOs for OECF subprojects shall be monitored and evaluated by the Regional Office which shall be headed by the NFDO, following the recommendation of the Special Assistance for Project Implementation (SAPI) in determining possible extension of the contract.

SECTION 4.0 MAJOR ACTIVITIES TO BE COVERED BY THE EXTENSION

In addition to the community organizing activities not completed by the AOs, the following activities, pursuant to MC 97-01 Series of 1997, shall be prioritized and conducted within the extension period:

<u>Activities</u>		<u>Expected Output</u>
1.0	Preparation and approval of feasibility studies on livelihood projects+	Approved Feasibility Studies Report
2.0	Linkages with other institutions	MOA between PO and other institutions
3.0	Training on and actual implementation of financial management system by the PO including capital build-up (CBUs) and CFDF	Written Book of Accounts/Financial reports CBU and CFDF scheme
4.0	Assistance in the development, Presentation and approval of the Community-based Resource Management Framework (CBRMF)	Affirmed CRMF
5.0	Assistance in the awarding of Community-based Forest	CBFM Agreement between DENR and PO

	Management Agreement (CBFMA)	
6.0	Preparation and submission of CO phase-out Plan	CO Phase-out Plan
7.0	Preparation and submission of CO terminal report	CO Terminal Report

If there are other activities which are not included in the above priority list, but considered critical/prerequisites to the process of project implementation, the same shall be considered after due consultation with the parties concerned.

SECTION 5.0 MONITORING AND EVALUATION OF THE COMMUNITY ORGANIZING

All activities shall be monitored by the CENRO with due consideration to the impact of the accomplished activities in the performance of the PO pursuant to MC 97-03 using the provided manual for the purpose.

SECTION 6.0 DURATION OF THE EXTENSION OF THE CONTRACT

The extension period shall be based on the extent of activities (upon evaluation of the performance of the PO and AO by the CENRO or, if documents are available for evaluation, consultation with the AO/PO by the CENRO) needed to be undertaken in the community.

For ADB-funded subprojects, the extension shall not be beyond December 31, 1999.

For OECF subprojects, the extension shall cover a maximum of one (1) year, but not beyond year 2000.

There shall be no second extension of the contract except on extreme cases upon the discretion of the RED.

SECTION 7.0 PREPARATION OF NEW/ SUPPLEMENTAL CONTRACTS

7.1 For those CO contracts which will expire in 1999, amendment or supplemental contract shall be prepared by the CENRO and shall be indorsed for approval of the Regional Executive Director or whatever signed the original contract.

7.2 For those CO contracts that already expired, new agreement/contract shall be made at no additional cost on the part of the DENR. This shall be prepared by the CENRO and approved by the RED.

7.3 For CO contract that already expired with no available funds, a MOA should be entered into by and between the DENR and the AO provided that all of the requisites for extension except Section 3.4 hereof are fully complied with by the AO.

SECTION 8.0 SUPPLEMENTAL RULES AND REGULATIONS

The Regional Executive Director may promulgate supplemental rules and regulations which shall apply to peculiar conditions prevailing in and appropriate for the region. **Provided that**, such rules and regulations shall be in accordance to and/or consistent with this order and other related orders/policies of the office. **Provided further**, that the office of the Secretary thru channels shall be furnished with the copy for information and reference.

SECTION 9.0 EFFECTIVITY

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-06
April 05, 1999

SUBJECT : Implementation of the Common Sustainable Rural Development Framework in the Convergence Model Sites.

1. Consistent with the Joint Memorandum Circular No. 1, Series of 1999 of the Department of Agriculture (DA), Department of Agrarian Reform (DAR) and Department of Environment and Natural Resources (DENR) signed last 26 January 1999 and approved by His Excellency, President Joseph Ejercito Estrada, all concerned officials/personnel of this Department are hereby directed to:
 - a. Synergize efforts in the identified Convergence Model Sites with their DA and DAR counterpart officials and personnel in order to optimize resources and create impact in the short term and for purposes of model building across ecosystems, production systems and rural poverty sectors/small producers.
 - b. Plan, formulate and implement their programs/projects in the convergence sites consistent with the SRD Framework.
2. Pursuant to this framework, the following have been jointly chosen as the Convergence Model Sites:

LUZON

- a. Cagayan Valley River System
(Cagayan, Isabela and Nueva Vizcaya)

- b. Central Luzon
- c. Bicol River Basin System
(Camarines Norte and Sur, Quezon)

VISAYAS

- a. Negros Island
- b. Panay Island
- c. Bohol

MINDANAO

- a. Zamboanga Peninsula
(Zamboanga del Norte/Sur)
- b. Caraga
(Surigao del Norte/Sur, Agusan del Norte/Sur)
- c. Dava del Norte/Oriental

- 3. Copies of the above-mentioned Joint Memorandum Circular No. 1, Series of 1999, the document entitled Convergence Toward Sustainable Development Framework, the criteria and definition of Convergence Model Site are attached hereto for your information and guidance.

FOR STRICT COMPLIANCE.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular

No. 99 - 07

April 12, 1999

SUBJECT : Guidelines for Regional and Provincial Offices for Sustainable Rural Development (SRD) Planning in Convergence Model Sites.

I. Background:

For the past months, the Departments of Agrarian Reform, Agriculture and Environment and Natural Resources have held several consultation meetings to come up with a common framework on Sustainable Rural Development. On January 26, 1999, Joint Memorandum Circular No. 1, Series of 1999 creating an “Inter-departmental Steering Committee and Technical Working Group for the Application and Monitoring of A Common Sustainable Rural Development SRD Framework” was signed by the 3 Secretaries with the approval of Pres. Joseph E. Estrada at Malacanang Palace. This formalized the coordinative mechanism among the three (3) departments in the form of a Steering Committee and a Technical Working Group to oversee and ensure that the SRD framework receive official approval and recognition within the three (3) departments and their respective planning, policy and operations personnel adhere to the said framework in the formulation and implementation of their respective programs. An Addendum to Joint Memorandum Circular No. 1 also identified 9 Convergence Model Sites where the initiative is to be piloted.

On February 16, 1999, Resolution No. 1, Series of 1999 was signed by the three (3) Secretaries operationalizing the Convergence Towards Sustainable Rural Development initiative. Among others, it states that there is a need to undertake area based planning in the nine (9) Convergence Model Sites to align

departmental efforts in the identified site; to develop an operational framework for working with LGUs, other governmental agencies, civil society organizations and other stakeholders; and to define a basis for mobilizing strategic support and resources from ODA donors and the business community for the joint effort.

Resolution No. 1 authorized the DAR to act in behalf of the 3 departments in contracting the services of the Foundation for Rural Economic Enterprise and Development (FREED) represented by Prof. Eduardo Morato to facilitate the preparation of SRD Plans for the nine (9) Convergence Model Sites. The said resolution also designated DAR as Secretariat for the planning process, authorizing the same to invite representatives from LGUs and civil society, represented by the Conference Against Poverty to participate in the planning process. While DAR shall act as Secretariat in all 9 sites, the three departments shall share equally in presiding over the planning process, i.e. each department shall preside in 3 sites.

On March 8, 1999, a Memorandum of Agreement was signed between DAR and FREED to implement Resolution No. 1 defining the terms of reference for the SRD Planning process in the 9 Convergence Model Sites.

This Circular being issued to provide guidelines to DENR officers and staff regarding DENR's role in the planning process, taking into consideration all agreements between the 3 departments.

II. Regions and Provinces Covered;

The 9 convergence Model Sites covers the following regions across 28 provinces. These are:

Region II: Cagayan, Isabela, Nueva Vizcaya (Cagayan Valley River System)

- Region III: Bulacan, Pampanga, Tarlac, Zambales, Bataan, Nueva Ecija (Central Luzon)
- Region IV: Quezon (Bicol River Basin)
- Region V: Camarines Sur, Camarines Norte, Albay (Bicol River Basin)
- Region VI: Negros Occidental (Negros Island); Iloilo, Antique, Capiz, Aklan (Panay Island)
- Region VII: Negros Oriental (Negros Island); Bohol
- Region IX: Zamboanga del Sur and del Norte (Zamboanga Peninsula)
- Region XI: Davao Oriental and Davao del Norte
- Region XIII: Agusan del Norte and Sur; Surigao del Norte and Surigao del Sur (CARAGA)

The SRD planning processes shall involve officers, staff, partners and stakeholders from these regions covering the specified provinces numbering 28. However, their participation shall be governed by processes aimed towards coming up with SRD Plans for the following 9 Convergence Model Sites chosen according to the criteria set by the 3 departments: Cagayan Valley River System, Central Luzon, Bicol River Basin, Panay Island, Negros Island, Bohol, Zamboanga Peninsula, Davao and CARAGA.

III. Composition of Local Planning Teams:

Local Planning Teams shall be set up in each of the 9 Convergence Model Sites. They shall involve the following:

- ❖ DA : Regional Director and Planning Officer of the Regional Field Units
- ❖ DENR : Regional Executive Director, Regional Technical Director for Forestry and CBFM Coordinator at the regional level; PENRO, Forestry Specialist and CENRO at the provincial level

- ❖ DAR : Regional Director, ARDO, Operations CARPO and SSD CARPO at the regional level; PARO, PARSSO, BDCD CARPO and Operations CARPO at the provincial level
- ❖ Representative(s) of the Conference Against Poverty jointly agreed upon between CAP and DAR acting in behalf of the 3 departments
- ❖ Representative(s) of LGUs at least at the provincial level (at the minimum the Provincial Planning and Development Officer and the Provincial Agriculturist)
- ❖ Others as may be agreed upon by the DA, DENR and DAR at the site level.

IV DAR's Roles as Planning Secretariat

DAR shall play the role of Secretariat at the national level and in the 9 Convergence Model Sites with the support of an area-based FREED Team. As such, DAR, with the support of FREED shall be responsible for the following:

- Organizing the local planning teams composed of DA, DENR, and DAR with representatives from CAP and LGUs;
- Organizing the orientation/priming workshop, the strategic planning workshop and the investment plan validation workshop;
- Networking with relevant key informants to get their inputs for the planning process and their feedback on emerging outputs;
- Holding of local planning team meetings every two weeks to monitor the process of the SRD Planning Process; and
- Provision of administrative, logistical and technical support to the FREED Team who shall be responsible for the preparation of the Environmental Assessment, Strategic and Investment Plan and Preparatory Project Studies.

The DENR, on its part, shall identify overall lead persons and secretariat staff in each of the 9 Convergence Model Sites. The DENR lead persons and secretariat staff shall coordinate with the

Planning Secretariat in the development of a work plan with assistance from the FREED consultants assigned to each Convergence Model Sites.

V. DAR, DA and DENR Assignments in Presiding Over the Planning Process

The three departments shall equally share in the task of presiding over the local planning team in each Convergence Model Site. The following departmental assignments have been agreed upon at the level of the Technical Working Group;

- DA: Davao, Bohol, Cagayan Valley River System
- DENR: Zamboang Peninsula, Bicol River Basin, Panay Island
- DAR: CARAGA, Negros Island, Central Luzon

These departments shall host the orientational, strategic planning and investment plan validation workshops in each of the sites specified graced at the minimum by the Secretary or Undersecretary and a Technical Working Group representative of the assigned department.

The departments concerned shall be responsible for designating the Presiding Officer for the site where they are the presiding department.

VI. Indicative Time Frame of the Main Activities:

The following time frame shall guide the conduct of activities during the planning process which shall make place from March to May 1999.

March:

- ❖ Internal meetings within departments

- ❖ Issuance of Memorandum Circulars and Special Orders per department to implement Resolution No. 1 and Technical Working Group agreements
- ❖ Composition of FREED Team per site
- ❖ Organization of local planning teams (site and provincial level)
- ❖ Identification of key informants per site/province
- ❖ Setting of dates and planning of workshops
- ❖ Secondary data collection

April:

- ❖ Implementation of site level activities with an orientational/priming workshop at the site level during the first to second week
- ❖ Submission of site-level work plans (by the site level planning teams) to the Technical Working Group (before the orientation/priming workshop)

May:

- ❖ Site level strategic planning workshop during the first week
- ❖ Site level investment planning workshop during the last week
- ❖ Completion of outputs

June:

- ❖ First week - turnover of outputs to the three Secretaries with the DOF Secretary, NEDA Director General and President as guests.

This Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-08
April 13, 1999

SUBJECT : Preparation and Evaluation of the Phase Out plan of the Assisting Organizations for the Forestry Sector Project.

Pursuant to Department Administrative Order 97-01 entitled Implementing Guidelines on the Conduct of Community Organizing (CO) under the Forestry Sector Project (FSP), CO was employed as a strategy for mobilizing and facilitating people's participation for sustainability in FSP subprojects. Under the Project, CO aimed at mobilizing communities and developing/strengthening their capabilities to implement subproject activities and become long-term forest resource managers using the community-based approach. To ensure that the People's Organizations (POs) are capable of this, these guidelines are hereby promulgated.

SECTION 1.0 BASIC POLICY

Consistent with the government's policy of sustainable project implementation and to facilitate the gradual phasing out of the Assisting Organizations (AOs) and to assure that all activities are considered in the phase out plan, AOs are required to prepare phase out plan. The DENR shall be responsible in the evaluation of these plans. The preparation and the evaluation of the phase out plan shall be in accordance with these guidelines.

SECTION 2.0 OBJECTIVE

These guidelines are promulgated toward the attainment of the following objectives:

- 2.1 Assure the effective and efficient phasing out of the Assisting Organizations;
- 2.2 Proper turn-over of all activities, equipment and pertinent documents from the AOs to the People's Organizations (POs); and
- 2.3 Ensure that the PO shall be capable of managing resources using the community-based approach.

SECTION 3.0 THE PAHSE-OUT PLAN

For the purpose of these guidelines, the outline of the Plan is attached as Annex A. It shall be prepared by the AOs in consultation with the POs. It shall include major information, such as:

- 3.1 Brief highlights of the overall accomplishments of the AOs, its assessment and the problems and issues encountered in the implementation of the project, actions taken and recommendations to resolve such issues; and
- 3.2 Plans and strategies to be undertaken for the smooth turn-over of the project in consideration of the following areas:
 - 3.2.a Organization and Management
 - 3.2.b Project Development
 - 3.2.c Financial Management System
 - 3.2.d Continuing Education and Training
 - 3.2.e Advocacy and Linkages
 - 3.2.f Livelihood
 - 3.2.g PO's monitoring and evaluation system
 - 3.2.h Transitory activities for both PO and AO

The AO, in consultation with the PO and the Site Coordinator, may include other necessary information specifically on sustaining mechanisms/activities not enumerated above which it deemed appropriate to ensure the success of the phase out plan.

SECTION 4.0 EVALUATION OF THE PHASE-OUT PLAN

- 4.1 The Plan shall be submitted to the RED thru channels.
- 4.2 The DENR through the FRDD/CBFMO/SFD and FSP focal person shall evaluate the phase-out plan submitted by the AOs. The evaluation of the Plan shall consider the different indicators set by the AOs. In the evaluation of the key indicators, they shall not only consider the quantitative indicators but most importantly, the qualitative indicators, also.
- 4.3 In the evaluation process, it is desired that the PO and the AO shall set down together with the DENR to insure stakeholder involvement and assure clear understanding and secure commitment of POs and AOs to the plan.
- 4.4 The evaluators shall make sure that all strategies and plans for the activities included in the extension of the CO contract shall form part of the Plan.
- 4.5 The phase out plan shall be affirmed by the Regional Executive Director after the necessary corrections/modifications shall have been made.

Attached as Annex B are the activities that the AO shall accomplish in their two-year contract. This shall be one of the bases for the evaluation of the Plan.

SECTION 5.0 SUPPLEMENTAL GUIDELINES

The Regional Executive Director may include other activities to effect a smooth phase-out of the AO which shall apply to peculiar conditions prevailing in and appropriate for the region. **Provided that**, such shall be in accordance to and/or consistent with this order and other related orders/policies of the office. **Provided, further**, that the office of the Secretary through channels shall be furnished with the copy for information and reference.

SECTION 6.0 APPLICABILITY

These guidelines shall be applicable only to the Forestry Sector Project.

SECTION 7.0 EFFECTIVITY

This Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annex A & B omitted

DENR Memorandum Circular

No. 99 - 09

April 13, 1999

**SUBJECT : Guidelines For The
Implementation Of The DENR
Forest Production Project**

Pursuant to Presidential Decree 705, otherwise known as the Revised Forestry Code of the Philippines, as amended, and in line with the policy of the government to ensure the sustainable development and management of forest land resources, provide a healthy environment and encourage the active participation of DENR personnel in reforestation denuded and degraded forestlands and in support to the Food Security Program of the President, the following guidelines for the DENR Forest Production Project (DFPP) is hereby promulgated for the guidance of all concerned:

Section 1. BASIC POLICY

Consistent with the Forestation Program of the government to enhance forestland productivity and sustain a wholesome and livable environment, it is the policy of the DENR, among others, to establish, manage and conserve forest plantations nationwide. In addition to the People's Organizations (POs), the local government units (LGUs) and other sectors of society, DENR employees shall be tapped to enhance overall forestation effort as well as provide opportunities for them to improve their economic condition.

Sec. 2. OBJECTIVES

The objectives of the forest production project, are as follows:

- a) Develop at least 10 hectares of forestlands into production forest in each CENRO;
- b) Support raw material requirement of forest-based industries and local consumption;

- c) Serve as model of establishing production forest in the CENRO to demonstrate appropriate technologies in the development of production forest; and
- d) Provide additional income to DENR employees.

Sec. 3. DEFINITION OF TERMS

As used in and for purposes of this Order, the following terms shall mean:

- a) **Associations/Cooperative** - DENR employees who have grouped themselves and willing to participate in this program.
- b) **Contract of Undertaking** - a legal agreement between the CENRO and the staff of worker containing the Terms of Reference for the activities to be undertaken in the establishment, protection and maintenance of plantations.
- c) **DENR Employees** - includes all DENR regular, casual and contractual employees covered by a plantilla regardless of length of service.
- d) **Development Plan** - refers to a plan which includes target, quantities and quality of work to be performed, schedule and cost estimates.
- e) **Forest development and management** - refers to the process of establishing, tending, caring and managing Forest plantations to produce goods and services on a sustainable basis.
- f) **Forest Plantation** - tree plantations established by the CENRO staff and workers advancing the principles and practices of systems approach to sustainable forest development and management.
- g) **Forestland Production Forest** - the capacity of forestland to produce productive, protective and amenity values.
- h) **Manual of Approvals** - a manual which defines the limits of authority at various levels of management from the Secretary to the lowest levels of supervision.

- i) **Primary resources** - refers specifically to planting materials only and include which include technical assistance/service provided by DENR.
- j) **Selective cutting** - the systematic removal of the mature/overmature and defective trees in such a manner as to leave adequate number and volume of healthy residual trees of the preferred species necessary to ensure a future crop of timber and forest cover for the protection and conservation of soil, water and wildlife.

Sec. 4. QUALIFIED PARTICIPANTS

All DENR employees can participate in the following manner:

- 4.1 All DENR plantilla employees, whether regular, contractual or casuals, can participate in this program **as an individual.**
- 4.2 The employees may also group themselves into **a cooperative, an association or an organization.**

Sec. 5. IMPLEMENTING OFFICE OF THE DENR

The CENRO shall be the implementing office of this project. The CENR Officer or his/her representative shall identify the areas available for this purpose in their jurisdiction. He/she shall be responsible for the monitoring and supervision of the established plantations. He/she shall also ensure that proper documentation is undertaken.

Sec. 6 APPLICATION REQUIREMENTS

Interested DENR employees shall submit the following requirements:

- 6.1 Duly accomplished application form to the CENRO for evaluation,
- 6.2 Development plan for approval of concerned authority pursuant to the Manual of Approvals (MOA), as amended;
- 6.3 For individuals
 - 6.3.a Community Tax Certificate,
 - 6.3.b Certification from the Barangay Captain or Municipal Mayor where the area is located that he/she is a resident of the area
- 6.4 For cooperatives, associations and/or organizations
 - 6.4. a Certified true copy or the Certificate of Registration with authorized office/agency;
 - 6.4.b list of duly elected officers and members and their addresses, duly certified by the Board Secretary; and
 - 6.4.c Resolution/minutes of meeting, duly certified by the Board Secretary, indicating their interest in the program.

The CENRO shall evaluate these documents and if found in order shall prepare a Memorandum of Agreement to be approved by the concerned authority pursuant to the Manual of Approvals, is amended.

Sec. 7 SIZE OF AREA

The area that may be awarded under this program is as follows:

- 7.1 For individuals - maximum of 5 hectares
- 7.2 For association/
cooperative/
organization - a minimum of 10 hectares

Sec. 8 PROVISIONS FOR FUNDING

- 8.1 The DENR shall provide the primary resources only in the form of seedlings and technical assistance for the establishment of these plantations. For this purpose, the DENR shall also endeavor to source funds from any savings generated out of the Forestry Sector Program or Loan 1, FSP II and/or other special and foreign assisted projects.
- 8.2 The DENR shall ensure that funds for this purpose is available and properly documented in accordance with the accounting and auditing rules and regulations.
- 8.3 Individuals and groups shall also be encouraged to source funds from other available funding institutions outside of the DENR for the establishment and development of their respective areas.

Sec. 9 COVERAGE

All areas identified for SIFMA shall also be available for this Purpose. However, the inclusion of any project site shall be done in consultation and close coordination with the concerned Local Government Units (LGUs) in accordance with the pertinent provisions of RA 7160. The site/area for development shall be consistent with the forest land use plan/physical framework plan of the of the municipality.

Sec. 10 SITE SELECTION CRITERIA

The project site shall be identified based on the following criteria:

- 10.1 Accessible, preferably, two to three kilometers from the nearest barangay road.
- 10.2 With a net plantable area of not less than 10 hectares.

- 10.3 As much as practicable should be contiguous/solid;
- 10.4 The plantations should be economically feasible, socially acceptable and environmentally sound; and
- 10.5 Free from any adverse claim.

Sec. 11 TENURIAL AGREEMENT

Appropriate tenurial agreement over and above the Memorandum of Agreement (MOA) which include the profit sharing scheme shall be issued to ensure sustainability and feasibility of the project. Meanwhile, the SIFMA can serve as an appropriate tenurial instrument until such time that a new tenurial instrument shall have been developed for the purpose.

Sec. 12 CHOICE OF SPECIES

To attain the major objective of the project which is to develop production forests in all the CENROs nationwide, it is imperative that a priority species must be considered in the plan notwithstanding the other technical requirements.

Priority species are listed hereunder:

- 12.1 Forest plantation species appropriate for the site selected.
- 12.2 High value permanent crops like fruit trees and other horticultural crops.
- 12.3 Indigenous/endemic species that have high potential in the market, as well as medicinal value.
- 12.4 All other appropriate species or combinations thereof as long as the minimum inputs of production is met and appropriate soil and water conservation measures are incorporated in the plan.

Sec. 13 RECORD MANAGEMENT

The CENRO shall keep a complete record of the Project and financial support and arrangements shall be properly documented in accordance with accounting and auditing rules and regulations.

Lessons learned and practices found most practicable shall also be properly documented in order to improve project implementation and for purposes of replicating them in other regions of the country.

Sec. 14 MANUAL OF OPERATIONS

The program shall be carried out pursuant to the provisions contained in the Manual of Operations, as amended, for the implementation of the DFPP.

Sec. 15 SUPPLEMENTAL RULES

The Regional Executive Director may promulgate supplemental rules and regulations which shall apply to peculiar conditions prevailing in and appropriate for the region. **Provided that**, such rules and regulations shall be in accordance to and/or consistent with this order and other related orders/policies of the office. **Provided further**, that the office of the Secretary thru channels shall be furnished with the copy for information and reference.

Sec. 16 EFFECTIVITY

This Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Circular
No. 99-16
May 28, 1999**

SUBJECT : Amending Certain Provisions of MC No. 97-03 Regarding Guidelines and Procedures in the Processing of Payments for Community Organizing and Comprehensive Site Development of Subprojects Under the Forestry Sector Project.

Pursuant to the thrust of the DENR to provide assistance to the Assisting Organization (AOs) and People's Organizations (POs) to facilitate the inspection and validation; and the processing of payments to maximize fund utilization in the community organizing and comprehensive site development of subprojects under the Forestry Sector Project, Memorandum Circular No. 97-03 is hereby amended as follows:

SECTION 1. AMENDMENT

Section 5 of MC 97-03 is amended and shall now read as follows:

“Section 5. Composite Inspection Committee (CIC). For the purpose of inspecting and validating the accomplishments at the subproject sites, the CENRO shall create a Composite Inspection Committee (CIC) which shall be composed of three (3) technically competent CENRO personnel with at least two (2) alternates. The CENRO shall always coordinate with the municipal and provincial government units to make sure that a fourth member of the CIC from the LGU is always available. The

team shall be headed by the most senior CENRO representative. In cases that a subproject is located under the jurisdiction of two (2) provinces, the CIC of the CENRO who has the bigger share of the area shall be the one to inspect.

However, in cases where the subproject has not been inspected within fifteen (15) days of the request of the site coordinator, the AO or the PO and to avoid any unnecessary delay in the payment of billings, the Regional Office, through the Assistant Regional Executive Director for Operations, shall create a Regional Inspection Committee (RIC). The committee shall be composed of three (3) competent technical personnel and two alternates from the regional office. However, technical personnel from the PENR and CENR offices may be tapped as members of the RIC, if the situation so requires. It shall be headed by the most senior Regional Office representative. The committee shall perform on an on-call basis and shall be activated only upon the explicit instructions of the Regional Executive Director (RED). It shall cease to function once the subproject has been inspected.”

SECTION 2 APPLICABILITY

All other provisions of MC 97-03 shall remain valid and existing.

SECTION 3 EFFECTIVITY

This Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-17
June 02, 1999

SUBJECT : Guidelines on the Conduct of Monitoring and Evaluation (M & E) of Forestry Sector Projects Under Loan II.

Pursuant to the provisions of Executive Order No. 263 and DENR Administrative Order No. 96-29, the Department shall adopt and implement community-based forest management (CBFM) strategy to ensure the sustainable development of the country's forest lands. One of the Programs under CBFM is the Forestry Sector Project (FSP) being implemented by the Department through Loan Agreements between the Asian Development Bank (ADB) and the Overseas Economic Cooperation Fund of Japan (OECF) and the Government of the Republic of the Philippines. Pursuant to these Agreements, the following guidelines are hereby adopted for the conduct of Monitoring and Evaluation (M & E) of the community-based Forestry Sector Projects:

Section 1 BASIC POLICY

It is the policy of the government to enlist the broadest spectrum of participants in the development, conservation, management and utilization of forests and forest resources. Likewise, the agreement under the FSP is to engage the services of Non-government Organizations (NGOs) in the monitoring and evaluation of the accomplishments and benefits of the project. This is also to provide greater sectoral participation and independent outlook towards implementation efficiency and impacts of the projects.

Sec. 2 OBJECTIVES

The following are the objectives of these guidelines:

- a. To verify the actual accomplishments of the project;
- b. To monitor project benefits and impacts;
- c. To provide independent analysis of overall project implementation efficiency; and
- d. To provide valuable inputs and recommendations towards policy formulation, project planning and needed improvement of project implementation.

Sec. 3 DEFINITION OF TERMS

To provide consistent interpretation of terms and acronyms used in this Memorandum Circular, the following words are hereby defined:

- a. Assisting Organization (AO) – refers to a non-government organization (NGO) contracted by DENR to conduct community organizing in Forestry Sector project (FSP) sites.
- b. Cooperative Development Authority (CDA) – refers to a government agency that handles organizational, recognition and development of cooperatives
- c. CENRO – refers to the Community Environment and Natural Resources Office
- d. CO – Community Organizing
- e. CONTRACT – refers to the agreement entered into by and between the DENR and another party for the conduct of M & E contract by the Department
- f. CONTRACTOR - - an NGO which has been awarded an M & E contract by the Department
- g. CSD – refers to the Comprehensive Site Development activities generally contracted to the POs. This covers the development of the approved area through reforestation, agroforestry, assisted natural regeneration, etc.

- h. DEPARTMENT OR DENR – refers to the Department of Environment and Natural Resources
- i. DOLE – Department of Labor and Employment
- j. FSP – the Forestry Sector Project funded by the Asian Development Bank (ADB) and the Overseas Economic Cooperation Fund (OECF) of Japan
- k. LGU – Local Government Unit
- l. M & E – refers to the monitoring and evaluation
- m. NFDO – the National Forestation Development Office based at DENR Central Office in charged of coordinating the activities of all FSP subproject sites, nationwide
- n. NGO – refers to a private non-profit and voluntary organization which are committed to the task of socio-economic development and established primarily for services
- o. PENRO – refers to the Provincial Environment and Natural Resources Office
- p. POs – refers to People’s Organization established primarily to conduct CSD activities in approved FSP subproject sites and who shall be the beneficiaries of CBFM projects and manage them in the long term
- q. RED – refers to the Regional Executive Director
- r. RTD – refers to the Regional Technical Director for Forestry
- s. SEC – Securities and Exchange Commission
- t. SECRETARY – Secretary of DENR
- u. TECHNICAL CAPABILITY – refers to the competence of a prospective contractor to handle and sustain contracted activities as reflected in their track record, current manpower and financial liquidity
- v. UNDERSECRETARY OR USEC – the Undersecretary for Field Operations

Sec. 4 QUALIFIED CONTRACTORS

The following entities are qualified to apply as contractors for monitoring and evaluation of subproject sites under the FSP:

4.1 An NGO with juridical status which is registered under the SEC, DOLE and/or the CDA and are classified under the following:

- a. Academe-Based Organization
- b. Professional organization
- c. PO-based cooperatives
- d. Other non-profit organizations concerned with environmental and social issues

4.2 Known to be with integrity and commitment to environmental, social and community development issues.

4.3 Accredited by the DENR Regional Office concerned.

4.4 NGOs based in the region where the project site is located is preferred especially with the added good track record as an organization in similar or related projects; having adequately-trained manpower and with sufficient financial resources; and

4.5 Technical capable in implementing the M & E requirements.

Sec. 5 M & E NOTICE OF BIDDING

The concerned Regional Office shall publish a notice of bidding or invitation for M & E services for particular subproject areas under its jurisdiction for three (3) consecutive days in at least three (3) newspapers with regional circulation (may include papers with national circulation). This shall be accompanied by announcements posted in conspicuous places within the Regional and DENR field office premises, and the municipalities where the subprojects are located.

Sec. 6 REQUIREMENTS FOR APPLICATION

The following are required when applying for an M & E contract:

- 6.1 An application letter for M & E of a particular project site shall be submitted to the Regional Executive Director (RED), attention The Regional Selection Committee, not later than two (2) weeks after the last publication date of the bidding notice;
- 6.2 NGO profile to include SEC Registration, name and address of organization, name of officers, board members and stockholders, financial statement, statement of its track record in implementing similar or related projects, and list and *curriculum vitae* of current technical and other support staff who will implement the M & E.
- 6.3 Certifications of good community standing from at least two of the following:
 - 6.3.1 Head of local religious organization
 - 6.3.2 LGU officials such as, the mayor, governor, etc.
 - 6.3.3 Head of local civic group
 - 6.3.4 Head of academic/research institutions

The NGO shall get the certification from an organization different in category from their own.

- 6.4 Other information/documents which may help the NGO show proof of their capability or relative advantage in handling the project (Optional).

Sec. 7 SELECTION AND AWARDING OF M & E CONTRACTS

Consistent with the existing policies and guidelines on awarding service contracts as stipulated in Section 6.0 of MC No. 20, Series of 1992, the following additional specific procedures shall be observed in selecting the NGOs for M & E contract activities:

- 7.1 The Regional Selection Committee which shall be composed of the following:

Chairperson - Regional Technical Director
Members - PENRO Concerned
 CBFM Head or FRDD Head
 CENRO Concerned
 Regional NGO Desk Officer
 PO Representative

Shall evaluate the applications and notify the **top three (3) qualifier**. The top three qualifiers shall be invited to visit the site and shall submit detailed project proposal not later than 15 days after the site visits.

7.2 The committee shall evaluate the proposals and select the most qualified NGO.

7.3 The committee shall notify the selected NGO for contract signing.

Sec. 8 PREPARATION AND SIGNING OF CONTRACT

The RED shall prepare an M & E contract within three (3) working days after having notified the chosen NGO. This shall be reviewed by the NGO and referred to the Office of the RED within three (3) working days. The RED, as the representative of the DENR, shall approve all M & E contracts. A pro-forma contract is provided in **Annex A** of this Order.

Sec. 9 DURATION OF M & E CONTRACTS

Under the OECF-funded component of the FSP, the contract shall be valid for a maximum of one and half (1 ½) years while for the ADB funded component, the contract shall be valid for a maximum of three (3) months only. The contractors are required to submit their M & E report three (3) months after receipt of notice to proceed and every quarter, thereafter. For ADB sites, all reports shall be submitted not later than October 30, 1999.

Sec. 10 NOTICE TO PROCEED

The RTD, as authorized by the RED, shall issue a notice to proceed within five (5) working days after signing have been completed.

Sec. 11 THE MONITORING AND EVALUATION SYSTEM

For FSP-subproject areas, the DENR adopts a new M & E System described as follows:

- 11.1 The Contractor shall locate and verify on the ground the project boundaries, UTMs and corner/block markers.
- 11.2 The Contractor shall conduct a 10% systematic sampling (strip sampling method) of all developments accomplished by the PO. The sampling design is shown in **Annex B** of this Memorandum Circular.
- 11.3 A 10% sampling intensity for seedling height evaluation of all tree-based project components shall be conducted.
- 11.4 Other physical accomplishments, such as, graded trails, bunkhouses, fire look-out towers and other structures shall also be inspected and evaluated with respect to DENR standards.
- 11.5 The Contractor shall conduct a monitoring and evaluation survey of various environmental and socio-economic impacts of the subproject based on **Annex C** of this Memorandum Circular.
- 11.6 The Contractor shall analyse the project organization, budget flow and the financial management systems and correlate these with the efficiency of overall project implementation.
- 11.7 The Contractor shall submit a comprehensive and detailed report of its M & E activities and a financial report of its overall findings and evaluation at the end of the contract period. The outline of the report is provided in **Annex D**.

11.8 The Contractor shall field adequately-trained technical personnel during the peak survey periods to accomplish the data gathering requirement. Among the technical manpower needed in these surveys are:

- a. licensed geodetic or civil engineer;
- b. licensed forester;
- c. livelihood and community/household economics specialist;
- d. social forestry/community development specialist
- e. trained enumerators

11.9 The PO and the DENR representative shall accompany the M & E Team during the actual field works. The Contractor shall initially present the results of the evaluation of the DENR, PO and AO (if its contract is still in force) to validate/review its findings before the report is finalized. The PO and DENR representatives shall sign the report to confirm their participation whenever they join the team. (PO and DENR representative's expenses shall be charges to their respective offices).

Sec. 12 ORIENTATION AND TRAINING

The NFDO shall conduct orientation and training on the new M & E System for concerned DENR personnel and members of prospective NGO Contractors in coordination with the DENR Regional Offices. The prospective NGOs shall provide the funds for the cost required for training their personnel.

Sec. 13 COST OF M & E ACTIVITIES

13.1 The cost ceiling for monitoring and evaluation of FSP-OECF Subproject is ₱ 1,045.00 per hectare with a maximum of three passes (based on the actual area developed) broken down as follows:

13.1.1 Physical Accomplishments	- ₱ 745.00
a. Verification of Boundaries, UTM Monuments and Block Corner Post -	15.00
b. Seedling Production Inventory/ Analysis -	25.00
c. 10% systematic sampling (3 passes, ₱ 200/pass) -	600.00
d. Height Measurement (3 passes, ₱10/pass) -	30.00
e. Other Activities (Inspection of Infrastructures and other support activities) (3 passes, ₱ 25/pass) -	75.00
 13.1.2 Organizational/Institutional/ Financial Analyses and Economic And Environmental Impacts	 - 200.00
 13.1.3 Project Management (Analysis and Report Writing)	 - 100.00
 T O T A L	 - ₱1,045.00

13.2 For ADB funded FSP subprojects, the ceiling cost for monitoring and evaluation is ₱ 445.00 per hectare for one pass (based on final target), broken down as follows:

13.2.1 Physical Accomplishments	- ₱ 300.00
a. Verification of Boundaries, UTM Monuments and Block Corner Posts -	25.00
b. Seedling Production Inventory/ Analysis -	200.00
c. 10% systematic sampling (one pass at ₱ 200) -	200.00

- d. Height Measurement (one pass at ₱25) - 25.00
- e. Other Activities (Inspection of Infrastructures and other support Activities) (one pass, ₱ 25) - 25.00

13.2.2 Organizational/Institutional/ Financial Analyses and Economic And Environmental Impacts - 75.00

13.2.3 Project Management (Analysis and Report Writing) - 70.00

T O T A L - ₱ 445.00

13.3 For ADB subprojects, the contractor may monitor a number of separate individual small subprojects up to a maximum total area of 1,000 hectares.

13.4 In the event that there are no bidders for the M & E of ADB subprojects, the region shall undertake the M & E by administration following the same technical procedure. This will serve as the final validation of the subprojects. The NFDO shall be informed of this development for the necessary realignment of funds.

Sec. 14 MOBILIZATION FUND

The Contractor shall be provided a mobilization fee (MF) of not more than fifteen (15) percent of the first year cost of OECF funded subprojects while for ADB, the MF shall not be more than fifteen (15) percent of the total contract cost upon signing of the contract. This shall be deducted from the Contractor’s periodic payments the amount of which shall be proportionate to the progress payments.

Sec. 15 SCHEDULE OF M & E

- 15.1 The first monitoring and evaluation of each subproject shall be conducted not later than 2 years before the expiration of the CSD contract. The second M & E shall be conducted not later than 15 months before the expiration of the CSD contract and the final M & E shall be conducted not later than six months before the expiration of the CSD contract.
- 15.2 In cases where the CSD contract has been completed more than two (2) years earlier, the frequency of undertaking the M & E activities shall be reduced, accordingly.

Sec. 16 RETENTION FEE

Fifteen (15) percent of the total contract cost shall be retained as Retention Fee. This shall be paid upon completion of the requirements under Section 18 of this Circular stipulating Schedule of Payments.

Sec. 17 SCHEDULE OF PAYMENTS

The following schedules shall be observed for billing and payment purposes:

17.1 OECF – Funded Subprojects

- 17.1.1 First Payment – upon submission and acceptance of the First Report
- 17.1.2 Second Payment – upon submission and acceptance of the Second Payment
- 17.1.3 Final Payment – upon submission and acceptance of the Final Report
- 17.1.4 The Retention Fee shall be paid after the contractor has submitted a comprehensive report of the over-all findings on the implementation of the subproject.

17.2 ADB – Funded Subprojects

17.2.1 The single payment shall be made upon the submission and acceptance of the Final Report.

17.2.2 The Retention Fee shall be paid after the contractor has submitted the comprehensive report of the overall findings on the implementation of the subproject.

Sec. 21 SUPPLEMENTAL RULES AND REGULATIONS

The Undersecretary, on his own initiative or upon the recommendation of the Program Director of NFDO and/or the RED, shall formulate supplemental rules and regulations as may be necessary, to effectively carry out the objectives of this Memorandum Circular.

Sec. 22 TECHNICAL AND OTHER ASSISTANCE

The concerned Regional Office shall provide the Contractor the necessary technical assistance and relevant information for the smooth conduct of monitoring and evaluation. Moreover, the AO and the PO shall provide relevant reports and other information as may be required by the M & E Team for the objective evaluation of the progress of the project.

Sec. 23 REPEALING CLAUSE

The provisions of any administrative order, memorandum, circular and related DENR issuances which are inconsistent with this order are hereby repealed or are amended, accordingly.

Sec. 24 EFFECTIVITY

This order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annexes omitted

DENR Memorandum Order
No. 99-20
July 29, 1999

SUBJECT : Supplemental Guidelines Governing the Registration, Harvesting, Transport and Marketing of Timber By-Products Coming From Private Plantations Within Private Lands or Tax Declared Alienable or Disposable Lands.

In consonance with the existing DENR laws, rules and regulations providing for the deregulation of planted tree species within private lands and tax declared A & D lands and in order to expedite processing of transport documents, the following guidelines are hereby promulgated for the guidance and compliance of all concerned.

Section 1. Registration

All private plantation within titled or tax declared A&D lands should be registered in the CENRO having jurisdiction over the area. Such registration shall be done following the hereunder procedures, to wit:

- a. The Forest Resources Conservation Division, upon effectivity of this circular shall design a registration from capturing all the pertinent information from the plantation owner up to the plantation itself.
- b. The CENRO shall tap all possible linkages and networks to inform and encourage all private plantations owners to register their plantations using the form provided for the purpose, be it newly established, already established or mature plantation.

- c. The CENROs shall maintain permanent Registry book to reflect all the information contained in the registration form to serve as data base on the extent of private plantations within its AOR. To form part of this permanent record is a certified and verified photo copy of the land title or tax declaration.
- d. The CENROs, immediately upon receipt of the duly accomplished registration form and upon ground verification/validation of the information contained therein shall issue to the plantation owner the corresponding CERTIFICATE OF TREE PLANTATION OWNERSHIP.

Sec. 2 Harvesting

Cutting permit shall no longer be required from the plantation owner in harvesting his mature plantation. However, for planted narra which is a premium species, a Special Private Land Timber Permit (SPLTP) shall be required pursuant to Section 4 of DENR Administrative Order No. 58 dated September 30, 1993. The minimum allowable cut the PENRO may grant to the permittee is five (5) cubic meters while the RED is authorized not exceeding then (10) cubic meters.

Sec. 3 Transport of Harvested Timber

The transport of harvested timber shall be governed by the following procedures:

- a. The Plantation owner shall secure and accomplish a “Self Monitoring Form” (SMF) from the CENRO Office concerned, indicating all the information required therein.
- b. The CENROs shall assign control number on his form in the following manner:

Example: CYN - 030199-02

where: CYN - CENRO Cauayan
 03 - Month
 01 - Date
 99 - Year
 02 - the 2nd SMF issued for that day.
 In the case of other CENROs, the following is their respective assigned letter code:

Bay - Bayombong	Dpx - Dupax
Ato - Aritao	Dfn - Diffun
Ntn - Nagtipunan	Sid - San Isidro
Ign - Ilagan	Rxs - Roxas
Cbn - Cabagan	Tug - Tuguegarao
Pln - Palanan	Ala - Alcala
Api - Aparri	Mir - Sanchez Mira
Sln - Solana	

After assigning the control number, the CENRO shall provide the plantation owner three copies thereof the distribution of which is as follows:

- Original copy (white) – Owner to accompany the transport
- Duplicate copy (pink) - CENRO file
- Triplicate copy (blue) - Owner file

The CENRO will dispatch personnel to conduct verification of on board product covered by issued SMF.

- c. The accompanying transport documents shall be limited to the following:
 1. Original copy of the dully accomplished SMF.
 2. Certified photo copy of the Certificate of Registration
 3. Special Power of Attorney in cases where the person transporting the forest product is not the owner himself.
- d. DENR checkpoints shall undertake the following activities:

1. Enter in the logbook every SMF accompanying the transport.
2. Strictly validate the load and examine whether these are really planted species and if such species are the same as indicated in the Certificate of Registration.
3. Stamp “Check and Verified” the SMF to indicate that it is already used.
4. Effect seizure of the products in cases where there are observed discrepancy/ies.

Sec. 5 Marketing

To allow the elements of an open market to play naturally for the benefit of the plantation owners, there shall be no restriction, in whatever manner, on the disposition/marketing of plantation species. Provided, it is supplied/delivered to legitimate buyers. To his effect, the following shall be observed:

- a. The CENRO of Origin shall inform the CENRO of destination, thru fastest means about the incoming shipment.
- b. Log Supply contract shall no longer be required but the concerned personnel of the CENRO of destination shall accomplish the Arrival Confirmation Report (ACR) which shall be sent back to the CENRO of Origin upon arrival.
- c. Disposition of processed products shall be continuously covered by the usual documents adopted with the duly approved Arrival Confirmation Report.
- d. Repetitious verification at different office levels shall be avoided, except on cases where it is deemed necessary.

Sec. 5 Penal Provision

All persons found to have violated this Circular shall be administratively and criminally liable. Any DENR personnel who willfully or negligently allowed passage of illegally documented

forest products or acted in cahoots with illegal transporters of the illegal forest products shall be dealt with accordingly.

Sec. 6 Effectivity

This Memorandum Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Circular
No. 99-24
November 15, 1999**

SUBJECT : Memorandum of Agreement (MOA) Between the Department of Environment and Natural Resources (DENR) and Philippine wood Producers Association (PWPA).

1. For the information, guidance and compliance of all concerned, quoted hereunder is the MOA between the DENR and PWPA spelling out their responsibilities to carry out cooperative undertakings generally directed at and supportive of the administration, management development, and use of forest resources on a managed and sustainable basis and of the development of the wood-based industry on a rationalization basis:

“MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement is entered into this 18th day of October 1999 in Quezon City, by and between:

The DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, a government agency existing under the laws of the Republic of the Philippines with office address at Visayas Avenue, Diliman Quezon City, represented herein by the Honorable Secretary, ANTONIO H. CERILLES, hereinafter referred to as the “DENR”;

and-

The PHILIPPINE WOOD PRODUCERS ASSOCIATION, a corporation duly registered and existing under the laws of the Philippines, with office address at 3F LTA Building, Perea St., Legaspi Village, Makati City, herein represented by its President, Mr. FERNANDO A. LU, hereinafter to as “PWPA”;

WITNESSETH: THAT

WHEREAS, the *DENR* is the government agency primarily responsible for the conservation, management, development, administration, control and proper use of the country’s natural resources;

WHEREAS, the *PWPA* is national association of corporations, partnerships, and individuals involved in natural forest management, forest plantation development and manufacture of lumber, veneer and plywood, pulp and paper and other wood products as well as in the import or export and dealership of these products.

WHEREAS, the common key objectives of the *DENR* and *PWPA* are as follows:

1. To promote efficiency in the management of the natural forests in order to bring about their conservation, protection, sustainable development and wise utilization;
2. To encourage the accelerated development of forest tree plantations in order to assure consumers of a continuous supply of wood products and to help to maintain the ecological balance of the country;
3. To enhance the productivity of forest-based industries and to make their products competitive in the global market in order that they (industries) will continue to serve their economic and social purposes; and

4. To make the public appreciate and support the value of conserving and sustainably managing and wisely using forest resources as means to help to develop the national economy and uplift the social, economic and ecological progress of communities in and around forests.

WHEREAS, it will be to their mutual advantage that they cooperate very closely to pursue and to achieve said objectives;

WHEREAS, said objectives are in accord with the basic programs of the present administration;

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenant hereafter contained, the parties hereto have agreed as follows:

1. DENR OBLIGATIONS AND RESPONSIBILITIES:

- 1.1 The DENR shall extend moral support to PWPA: (a) at policing its own ranks; (b) at ensuring that obligations of its members to the conditions of their licenses, agreements or permits and pertinent implementing rules and regulations of the DENR are monitored and/or complied with; and (c) at enabling it to meet certain responsibilities assigned to it by lawful orders or instructions.

To these ends and in order to attain unity of actions by PWPA, the DENR shall require that before it and/or its field offices concerned will act on any application or request of any individual or corporation engaged in logging; industrial tree plantation development; wood processing such as sawmilling, veneer and plywood making; importing and or exporting of wood products such as logs, lumber, veneer and plywood as well as in the dealership of the same, he or it shall first submit with the DENR and/or its field offices concerned an updated

Certificate of Good Membership Standing issued by PWPA.

- 1.2 The DENR shall suspend or cancel any license, agreement or permit issued to any individual or corporation only under the due process of law except when demanded by the national interest.

To this end, the DENR may call upon the PWPA to attend any and all hearings thereof in order to help to protect the interest of said member(s).

- 1.3 The DENR shall formulate and implement policies and/or implementing rules and regulations deemed at making competitive, viable and stable the wood-based industry sector.

To the end, the DENR may create an industry desk, a task force or a technical/policy group composed of representatives from the DENR and PWPA who shall recommend or formulate appropriate policies or IRRs for the consideration of the Secretary.

2. PWPA OBLIGATIONS AND RESPONSIBILITIES:

- 2.1 The PWPA shall be responsible in informing all its members or all concerned about this Memorandum of Agreement and about the required Certificate of Good Membership Standing herein aforementioned.
- 2.2 The PWPA shall assist the DENR to monitor and evaluate the performance of PWPA members relative to the terms and conditions of relevant IRRs with end and view of recommending adjustments, if any, in their operations necessary to keep them on proper course.

To this end, the DENR shall prescribe reportorial frameworks that PWPA members shall regularly accomplish and submit to the DENR through PWPA;

- 2.3 Henceforth, the PWPA shall continue to exercise certain delegated responsibilities such as: (a) the reforestation compliance or obligations of its members under DENR DAO 63, series of 1988, as amended; and (b) the conduct and submission of aerial photography – as the coordinating body for all TLA and TPSA holders-mandated under DENR DAO 17, series of 1992, and other relevant regulations on the matter.

To these ends, no management or operations plan shall be acted upon by the DENR or its field offices concerned without the certification by PWPA, by way of its issuance of a Certificate of Good Membership Standing, that conditions therein prescribed have been satisfied by concerned members.

- 2.4 The PWPA shall ensure that the manufacture or production and sale of wood products, such as logs, lumber, veneer and plywood by its members or by other parties concerned conform to relevant national and/or international grades or standards.

To this end, the PWPA shall coordinate the monitoring of all sale of wood products in market outlets with the DENR and/or the Bureau of Products Standards of the Department of Trade and Industry.

- 2.5 The PWPA shall by its own, or in coordination with the DENR, disseminate relevant information and help in the transfer of technology involving forestry and the wood industry as it shall continue to represent the country in

meetings of international wood industry associations to which it is a member or an observer.

To these ends, consultation on strategies and programs shall be coordinated and effected between the DENR and the PWPA.

IN WITNESS WHEREOF, the parties hereto have signed and executed this instrument at the place and date first above written.

**DEPARTMENT OF
ENVIRONMENT AND
NATURAL
RESOURCES**

**PHILIPPINE
WOOD
PRODUCERS
ASSOCIATION**

By:

By:

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

**(SIGNED)
FERNANDO A. LU
President**

SIGNED IN THE PRESENCE OF:

**(SIGNED)
ROSELLER S. DE LA PEÑA**

**(SIGNED)
ANTONIO G. BERNAS"**

2. In support of the objectives of the aforecited MOA, more specifically for monitoring and evaluation purposes, every CENRO shall submit to RED concerned a PENRO-validated list and/or profile of all those involved in timber extraction or harvesting, wood processing, manufacturing, import-export, and dealership for which agreements, licenses, permits and/or certificates of registration are required and issued by the DENR and together with said list, a photostatic copy of their individual/respective Certificate of Good Membership

Standing issued by the PWPA. Each RED concerned shall in turn consolidate and submit aforementioned documents to the Secretary through the Forest Management Bureau within one (1) month from the date of approval of this Memorandum Circular. Henceforth, Items/Sections 1.1 and 2.3 of the aforesaid MOA shall be strictly complied with by all concerned.

3. This Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-29
December 21, 1999

SUBJECT : Prescribing Guidelines For the Orderly Closure and Phasing in of the ENR-SECAL Program in Regions 1, CAR, 2, 9, 10, CARAGA & in the Central Office.

Consistent with DENR Memorandum Circular Nos. 35 and 36 both dated September 30, 1994 relative to the preparation of Project Completion Report and Phase-in/Phase-out Plan, and the need for an orderly closure of the ENR-SECAL Program, the following guidelines and procedures are hereby reiterated and prescribed, to wit:

A. Project Performance Records

The Regional Program Management Offices (RPMOs) together with the Watershed Management Units (WMUs) and Barangay Development Units (BDUs) staff shall ensure the completion and orderly transfer, of the following to the Regional CBFMO:

1. Completion of remaining target activities and consolidated physical accomplishments (1992-1999) and reports by site;
2. Documentation of project profiles and relevant maps per site;
3. Documentation of lessons learned from project implementation of sub-component activities; and
4. Codification of all project reports, management systems and other databases and outputs developed under the project.

B. Project Financial Records

The Regional and PENRO Finance Officers shall be responsible for the following:

1. Prepare the Financial Statement of project releases, disbursements, and submission of the remaining statements of expenditures for liquidation /replenishment to PMO;
2. Ensure the payment of completed project works on or before December 31, 1999;
3. Consolidate all unutilized funds at the PENROs and LGUs and ensure immediate return of said funds to the PMO; and
4. Ensure that advances by the LGUs must be reimbursed, on or before the project's closing date.

The concerned Finance Officers are reminded that all endorsements to the OSEC regarding request for NCA releases and funding checks under the loan proceeds for accounts payable shall be coursed through the PMO and that there shall be no subsequent cash releases to the PENROs and LGUs until 75% of their total unliquidated releases are properly reported and submitted to the PMO.

C. Administrative Matters

The Regional Personnel and Property Division in coordination with the Regional Program Management Office and the LGU/WMU staff shall:

1. Complete the inventory of project properties and assets by December 31, 1999;
2. Document the transfer and maintenance of all project assets and projects assets and properties to

- LGUs, communities and DENR field units, as per project design;
3. Recommend to DENR management the systems and appropriate mechanics of disposition and Management of other assets yet to be turned over by the DENR units to LGUs; and
 4. Recommend options regarding staff absorption into the DENR regular units and LGUs, including requirements for staff clearances, benefits, and any other remaining liabilities of project staff.

D. Preparation of Phase-in/Phase-out Plan and Project Completion Report

The Regional Program Directors, through their respective Regional Program Management Offices (RPMOs) are hereby mandated to comply with the requirements of the above-mentioned Memorandum Circular Nos. 35 & 36 (Preparation of Phase-in/Phase-out Plan and Project Completion Report) issued by this Department. In like manner, the Program Management Office of ENR-SECAL shall integrate/consolidate the Phase-in/Phase-out Plans and PCR of the RPMOs for submission to the Secretary and concerned offices such as, Forest Management Bureau/Community Based Forest Management Office (FMB/CBFMO), Foreign Assisted and Special Projects Office (FASPO) and Planning and Policy Study Office (PPSO) for review and approval.

For strict compliance by all concerned.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-09
March 09, 1999**

SUBJECT : Allowing Lumber Permittee To Participate From The NRDC Public Bidding Of Confisacted Logs And To Process Bidded Logs.

In consonance with the Memorandum dated August 18, 1998 to donate all confiscated forest and mineral products without court cases to NRDC, it appears that certain limitation clauses from DENR Memorandum Circular No. 36 series of 1988 as amended by Memorandum Circular No. 19, Series of 1990, hinders the fast-tracking of the disposition of confiscated round logs,

DENR Memorandum Circular 36, Series of 1988 as amended by DENR MC 19, Series of 1990, states that bidder of logs and other unprocessed forest products should be any of the following;

- a) a duly registered Log Dealer,
- b) Sawmill Operator,
- c) Furniture Manufacturer; or
- d) Operators of NACIDA Registered Cooperative.

In order to prevent degradation of confiscated logs and to salvage its economic value, all DENR Regional offices are ordered to allow Lumber Dealer permittee to participate in the bidding of round logs and process the same utilizing their DENR approved resaw permit. Provided, however that said logs were bidded from NRDC. Consequently, all public bidding conducted by NRDC

upon implementation of DENR Memorandum dated 18 August 1998 shall be covered by this order.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99 –12
April 14, 1999**

**SUBJECT : Suspension Of The Issuance Of
Cutting Permit In Private Lands
Covered By Private Forest
Development Agreement (PFDA).**

Pursuant to the provisions of Executive Order No. 192 and in line with the policy of the Department of Environment and Natural Resources to promulgate and implement rules and regulations that will effectively promote the protection, conservation and sustainable development and management of the country's forest resources, the provision of DENR Administrative Order No. 16, Series of 1992, authorizing Regional Executive Directors to issue Cutting Permit for the utilization of naturally growing timber within private lands covered by PFDA is hereby suspended pending review of policies and regulations governing issuance of tree cutting permits in private lands.

In the meantime, all applications for cutting permit for the utilization of naturally growing trees in private lands covered by PFDA shall be forwarded to the DENR Central Office for evaluation, processing and approval. Cutting permits issued by the Field Offices after October 30, 1998 which are still subsisting are hereby ordered terminated or withdrawn.

All other Orders or instructions inconsistent herewith are hereby repealed or amended accordingly.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-15
May 06, 1999**

SUBJECT : Delegating to the Director, Forest Management Bureau the Function of Referring to the Concerned DENR Regional Offices Documents Such as Court Notices, Order and Letters of Land Registration Cases Forwarded for Appropriate Action

In the interest of the service and in order to speed up the transmittal of the above cited documents pertaining to land registration cases, the Director, Forest Management Bureau is hereby authorized to transient said documents to concerned DENR regional offices.

This order takes effect immediately.

(Sgd). ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No 99-16
May 17, 1999

SUBJECT : Special Task Force On Priority Programs And Economic Affairs Action Plan For The Rerabilitation, Development, Protection And Maintenance Of The Marikina Watershed Reservation And The Marikina Wawa River Basin; The Creation Of Task Force Marikina Watershed Development Center And Providing Funds For The Purpose

Pursuant to the provision of PD 705 as amended, LOI 917 and 917-B and Department Order No. 6, Series of 1980 and in order to manage more effectively the Marikina Watershed and the Marikina Wawa River Basin for national welfare towards the complementation of land, air and water use, the following policy guidelines are hereby promulgated.

1. Forestland within the area shall be preserved, adequately protected and closely managed, in accordance with the multiple-use management concept with the objective of ensuring continuous, adequate and quality supply of water in its main river system, tributaries, and/or effectively minimizing soil erosion and excessive run-off.
2. Marikina River Watershed shall be thoroughly evaluated to determine its conditions and rehabilitation requirements. Priority for evaluation shall be conducted to determine its existing land uses particularly the critically denuded catchment area and channels of rivers/creeks.

3. The effective hydrologic function of the watershed that has been greatly impaired shall be the priority for rehabilitation or restoration;
4. All resources and development projects found within the area shall provide for the improvement and maintenance of the Marikina River Watershed;
5. Determine the total Environmental Impact of the watershed development program and its effect on water management and flood prevention in the immediate vicinity of the Marikina Watershed encompassing Antipolo, San Mateo and Montalban, Rizal;
6. Forest Occupancy found existing in the Marikina Watershed shall be supervised, regulated and managed. Any occupancy in these areas which will result in the sedimentation, erosion, reduction of water yield and impairment of other resources to the detriment of community and public interest shall be restricted. A full scale reforestation program shall be immediately implemented with preference to species with high water yielding and holding capacity.
7. Small-Scale Mining/Quarrying and other industrial and private economic activities in these areas shall be regulated and/or stopped with full emphasis to the protection of soil, air, water and other surface resources, prospecting shall be strictly prohibited.
8. The Marikina Wawa River Basin full rehabilitation shall immediately be implemented and funds for this purpose shall immediately be provided.

In the promulgation of this Order, the Creation of a Special Task Force to oversee the preparation/operation of a thorough

Marikina Rehabilitation Management Program is deemed necessary in order to establish permanent functional structure to implement and manage the proposed project most appropriate to the Marikina Watershed and its River Basin

Task Force members shall be organized for the purpose and prepare appropriate plans and programs. It shall likewise provide one (1) functional office under its direct supervision.

In the formulation of plans and programs, the Task Force shall prepare a 5-Year/Annual Development Action Plan for Marikina Watershed and its River Basin and conduct/prepare preliminary Budgetary Estimates for the operational activities earmarked for CY 1999-2007.

The projected cost for the rehabilitation as may be identified later on shall be determined and course through the Secretary for his approval. The Task Force shall also create a permanent operational staff, development designate officer, subject for additional personnel and Special Order when necessary. With the concurrence of the Secretary, the Task Force Marikina Watershed Development Center shall likewise draft additional Guidelines, if necessary in order to effectively, implement program of activities.

All expenses to be incurred by the Task Force shall be charged to the Special Project Fund of the Secretary, Contingency Fund and such other fund may be identified by the Special Task Force, subject to pertinent accounting, auditing rules and regulations.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99-24
June 11, 1999

SUBJECT : Guidelines Concerning the Transport of Timber and Timber Products from the Autonomous Region of Muslim Mindanao (ARMM) to the DENR Administrative Regions 9, 10, 11 & 12.

In line with the policy of the Department of Environment and Natural Resources to effectively promote the protection, conservation and management of the country's forest resources and to provide a mechanism to properly and effectively monitor the transport of timber and timber products in the Autonomous Region of Muslim Mindanao (ARMM) and in consideration of the appeals of the DENR-ARMM concerning the transport of timber and timber products, the following procedural guidelines are hereby instituted:

1. The ARMM shall submit an advice of shipment using official DENR-ARMM radio communications (fax machine or through courier using sealed official envelope) to the concerned DENR Regional Offices five (5) working days prior to the expected transport of timber and timber products to include the following information:
 - a. Name of Licensee/Permittee and their corresponding License/Permit Number
 - b. Transport route and exact destination/consignee
 - c. Source/specific origin (exact location: barangay, municipality and province)
 - d. Volume, Number of pieces and species

- e. Copy of CTO (Certificate of Timber Origin)/CLO (Certificate of Lumber Origin) auxiliary invoice, commercial invoice or official receipt, Certificate of Transport Agreement (CTA) and Approved Logs and Lumber Supply Contract (LSC) between the shipper and the consignee
2. Type/Description of Conveyance and its corresponding plate/vessel number shall clearly be typed on the CTO accompanying each hauling.
 3. In coordination with ARMM, DENR Regions 9, 10, 11 and 12, shall establish their respective Joint Monitor Teams to include representatives from the DENR, DENR-ARMM, LGUs, NGOs, media and other interested groups/stakeholders. Said monitoring teams shall strictly monitor the transport of timber and other timber products from ARMM to respective Administrative regions.
 4. DENR Regions 9, 10, 11 & 12 shall establish checkpoints in coordination with ARMM at all exit points along the routes agreed upon by the DENR and DENR-ARMM.

Said checkpoints shall be manned by DENR and DENR-ARMM representatives, together with the representatives from the Joint Monitoring Team.

5. All timber or timber products to be transported shall be color coded at the end of each log as follows:
 - a. TIPI Green
 - b. CTCI Red
 - c. VICMAR (IFMA) Yellow
 - d. MACUD MARUHOM (PLTP) Orange
 - e. HADJI ALI CALAUTO LANTONG (PFDA) Blue

6. That DENR-ARMM should use CTO/CLO/CMFPO Forms printed by the Central Bank with DENR-ARMM letterhead,
7. That all approved CLOs/CTOs should bear the signatures and notation of the DENR-ARMM Secretary at the upper left corner of the document as proof of authenticity of the document. Forest products shipped from ARMM accompanied with only certification issued by CENRO/PENRO and/or any of its authorized field officials without the approval or concurrence of the Regional Secretary is considered illegal and therefore, subject for confiscation and/or apprehension by DENR at the point of the destination.
8. DENR-ARMM Secretary to provide recipient regions the names of the authorized officials together with their specimen signature to include alternate signatures if the principal is out.
9. Permittees/Licensees without their own processing plant must enter into Log Supply Agreements with duly Licensed Wood Processing plants. All timber production of said Permittees/Licensees must only be delivered to the said licensed Wood Processing plant.
10. All trucks and other land conveyances used by licensees/permittees in the transport of timber and timber products shall bear billboards on both sides of the conveyance indicating the following information:
 - a. Name of licensee/permittee and their corresponding license/permit number;
 - b. Transport route and exact destination/consignee;
 - c. Volume, number of pieces and species;
 - d. Type/description of conveyance and their corresponding plate/vessel number clearly indicated on the CTO;

- e. Copy of CTO/CLO and auxiliary invoice, official receipts, CTA and Approved LSC between the Shipper and the Consignee;
 - f. Source/specific origin (exact location; barangay, municipality and province)
11. All timber and timber products shall bear hatchet and other markings consistent with DENR existing rules and regulations.
 12. Consignee/recipient region to inform/acknowledge DENR-ARMM on the arrival of the shipment indicating actual volume and species thru fax or radio messages within five (5) working days.

Lumber shipped through containerized van from ARMM should indicate the following information:
 - Common Carrier
 - Voyage Number and schedule of shipment
 - Van Number and Volume
 13. The mode of scaling shall be in accordance with DAO No. 80, Series of 1987. A five (5) percent difference in the volume, in cases of logs/timber or two (2) percent in cases of lumber may be allowed and allowed as allowable error in scaling.
 14. All wood processing plants and consignees shall submit on a monthly basis their corresponding wood utilization vis-a-vis their supply contract.
 15. Recipient regions shall submit to DENR-ARMM periodic reports of all transport/movement of forest products on a monthly basis for reconciliation purposes.

In addition to the foregoing guidelines, the ARMM, as agreed in the May 24, 1998 meeting in Cagayan de Oro shall

submit to the DENR Secretary a copy of their logs/lumber supply contracts, issued permits and their corresponding allowable cut every year, which serve as basis in the monitoring of timber and timber products from ARMM.

Likewise, the DENR together with the ARMM shall jointly conduct ground verification of cutting areas of all licensees/permittees. They shall also endeavor in coordination with the military to develop aerial photos of ARMM watershed, particularly the cutting areas of all licensees/permittees.

Finally, no direct transport of timber and timber products shall be allowed to other DENR Administrative Regions without prior clearance from Regions 9, 10, 11 and 12. All direct transport of timber and timber products from ARMM to other DENR Administrative regions without prior clearance from Regions 9, 10, 11 and 12 shall be considered illegal and therefore subject to immediate seizure and confiscation.

This Order shall take effect immediately and shall supersede all Orders inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order

No. 99-28

August 26, 1999

SUBJECT : Dis-allowing The Entry Of Forest Products Emanating From Lanao Del Sur

It appears that so many sectors do not agree with to joint of DENR and DENR-AMM on the logging activities inside the Autonomous Region in Muslim Mindanao (ARMM) which prompted the undersigned to allow the transport of logs outside of the said area.

Considering the seriousness of the allegations, the Lake Lanao Watershed Protection and Development Council (LLWPDC) is hereby activated with the following designated as advisers to the Chairman, to wit:

- Provincial Governor of Lanao del Norte
- Provincial Governor of Lanao del Sur
- Provincial Governor of Bukidnon
- Provincial Governor of Misamis Oriental
- City Mayor of Iligan
- City Mayor of Cagayan de Oro City
- City Mayor of Marawi
- City Mayor of Malaybalay
- PNP Provincial Directors of the provinces of Lanao del Norte, Lanao del Sur, Misamis Oriental and Bukidnon
- Commander, Southern Command representing the Armed Forces of the Philippines (AFP)

The Lake Lanao Watershed Protection and Development Council shall conduct a, thorough validation of all logging activities around the Lake Lanao watershed areas.

Meanwhile, this Office **DIS-ALLOWS** the entry of forest products emanating from Lanao del Sur.

This Order will be strictly enforced until revoked.

SO ORDERED.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-29
September 15, 1999**

**SUBJECT : Guidelines In The Implementation
Of Usufruct Rights In Tree
Farming Within Forestlands
Where Occupation Is Not Allowed**

Pursuant to the provision of Section 16. Article II of the 1987 Constitution, Executive Order No. 192 dated June 10, 1987 and Presidential Decree No. 705, dated May 1975, as amended, which provides for the protection and advancement of the right of the Filipino people to a healthful and balanced environment and in line with the policy of the government to ensure the effective protection and conservation of watersheds against environmental degradation, as well as provide support to the Food Security Program of the President, the following guidelines for the implementation of tree farming within certain portions of the forestlands is hereby promulgated for the guidance of all concerned.

BASIC POLICY

Consistent with the Forestation Program of the government to enhance forestlands productivity and sustain a wholesome and healthy environment, it is the policy of the DENR to, among others to establish, manage and conserve tree farming within the forestlands where occupation is not allowed. The DENR employees shall lead in this forestation efforts, which in the long-run will redound to their economic benefit.

OBJECTIVES

The objectives of this forestation program are as follows:

- a. To increase forest cover of forestlands/watersheds where occupation is not allowed by planting economically beneficial trees other than for timber;
- b. To enhance the hydrologic condition of watersheds;
- c. To augment the food security program of the government;
- d. To serve as model to demonstrate appropriate methods and technologies in the development and establishment of tree farms other than for timber production, and
- e. To provide additional income to DENR employees.

DEFINITION OF TERMS

As used in and for purposes of this memorandum, the following terms shall mean;

- a. Association - DENR. employees who have grouped themselves and willing to participate in the program.
- b. Contract of Usufruct - a legal agreement between the DENR employee and the Secretary or his duly authorized representative containing the terms of reference, conditions, limitations for the activities to be undertaken in the establishment, protection and maintenance of tree farms; where the usufructuary is given a right to enjoy the property with an obligation to preserve its form and substance and without the right of occupation.
- c. DENR employees - includes DENR personnel of Regional Offices, Central Office, Bureaus and attached agencies either regular, casual and contractual employees covered by a plantilla regardless of length of service.
- d. Development Plan - refers to a plan which includes target, quantities and qualities of work to be performed, schedule and cost estimates.
- e. Tree Farms - a plantation established by the program participants advancing the principles and practices of systems approach to sustainable tree farm management.

QUALIFIED PARTICIPANTS

All DENR personnel are qualified to participate in the following manner:

- a. As an individual.
- b. As an association or an organization

APPLICATION REQUIREMENTS

For Individual DENR employees:

- a. Duly accomplished application form for evaluation of the CENRO;
- b. Development plan for approval of concerned authority per standing policies; and
- c. Community Tax Certificate

For Associations:

- a. Certified true copy of the Certificate of Registration with authorized office;
- b. List of duly elected officers and members and their addresses, duly certified by the Board Secretary;
- c. Resolution/minutes of meeting, duly certified by the Board Secretary, indicating their interest in the program; and
- d. Development plan for approval of concerned authority per standing policies

The CENRO shall evaluate these documents and if found in order shall prepare a Contract of Usufruct to be approved by the Secretary.

SIZE OF THE AREA

The area that may be awarded under this program is as follows:

- a. For individuals - maximum of 5 hectares
- b. For association - minimum of 5 hectares and not more than 150 hectares

COVERAGE

Forestlands where occupation is not allowed (e.g. critical watersheds, buffer zones/multiple-use zone of protected areas, etc.) shall be made available for this program. However, the inclusion of any site shall be done in coordination with the concerned Local Government Unit and PAMB in accordance with the pertinent provisions of RA 7160 NIPAS Act, as the case maybe.

TECHNICAL AND FINANCIAL SUPPORT

- a. The DENR's input shall be limited to the provision of technical assistance for the establishment of tree farms;
- b. Individuals and groups shall be encouraged to source funds from other available funding institutions outside of the DENR for the establishment and development of their respective areas.

IMPLEMENTING OFFICE

The concerned CENRO shall be the implementing office of this program. The CENR Officer or his/her representative shall identify the areas within their respective jurisdiction that will be made available for this purpose. He shall be responsible for the monitoring and supervision of the established tree farms. He shall also ensure that proper documentation and mapping of such areas are undertaken.

SITE SELECTION CRITERIA

The sites shall be identified based on the following criteria;

- a. accessible to the nearest barangay road

- b. a net plantable area of not less than 5 hectares
- c. as much as practicable, should be contiguous
- d. should be economically feasible, socially acceptable and environmentally sound; and
- c. preferably free from adverse claim and occupants.

TENURIAL AGREEMENT

Appropriate tenurial agreement is the Contract of Usufruct which include the profit sharing scheme with the government. In no way does this contract give the participant acquisitive right or ownership over the land.

CHOICE OF SPECIES

To attain the objectives of the program, only economically beneficial non-timber shall be planted.

Where site is above 50% slope and or above 1,000 above sea level indigenous forest trees should be planted. These areas could be subject to improvement cuttings only.

RECORD MANAGEMENT

The CENRO shall keep a complete record of the Project and financial support and arrangements shall be properly documented in accordance with accounting rules and regulations.

Lessons learned and practices found most practicable shall also be properly documented in order to improve program implementation and for purposes of replicating them in other regions of the country.

SUPPLEMENTAL RULES

The Regional Executive Director may promulgate supplemental rules and regulations which shall apply to peculiar conditions prevailing and appropriate for their respective jurisdictions. Provided that such rules and regulations shall be in accordance with this Order and with existing laws, rules and regulations.

EFFECTIVITY

This Memorandum Order shall take effect immediate.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order

No. 99 – 30

October 20, 1999

SUBJECT : Authority To Approve PLTP Applications

In view of the persistent clamor from private landowners for the expeditious processing of their applications for permit to cut and utilize naturally growing trees that are currently forwarded to the DENR Central Office for evaluation and approval, the authority to process and approve Private Land Timber Permit (PLTP) applications is hereby restored to the Regional Executive Directors (REDs), subject to the following conditions:

- a. The authority shall only cover individual applications of twenty-five (25) cubic meters (cu. m.)/applicant/year and below;
- b. All the requirements and/or pertinent guidelines shall be strictly complied with;
- c. Adequate safeguards shall be instituted to avoid abuses and/or violations of existing PLTP guidelines and/or the terms and conditions of the permit; and
- d. Monthly consolidated reports together with the individual permits issued shall be submitted to this office through the Director, Forest Management Bureau.

Authority to approve applications covering volumes over 25 cu. m. shall remain vested with the undersigned. Such applications, therefore, together with the corresponding reports and recommendations shall be forwarded to the DENR Central Office for processing. The restored authority likewise does not cover applications for permit to cut and utilize naturally growing trees

within private lands covered by Private Forest Development Agreements (PFDAS) and Special Private Land Timber Permits (SPLTPs).

All other orders/instructions inconsistent herewith are hereby repealed or amended accordingly.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99- 31
October 26, 1999**

**SUBJECT : Allowing The Transport Of Logs
Outside The Autonomous Region
Of Muslim Mindanao**

In support to Resolution No. 2 dated October 9, 1999 of the Lake Lanao Watershed Protection and Development Council (LLWPDC), the transport of inventoried cut logs from the ARMM to point of destination is hereby allowed, subject to the following terms and condition:

1. Only the inventoried cut logs jointly certified by the Secretaries of DENR National and DENR ARMM or their duly authorized representative shall be imported;
2. The transport of inventoried cut logs shall be for a period of sixty (60) days effective upon signing of this Order; and
3. During the sixty (60) days period, there shall be no cutting. of logs by any person or entity in the areas and violation hereof shall subject the person or entity to criminal prosecution and cancellation of permit or license.

In addition, affected persons shall be identified and constituted into a cooperative for reforestation using fruit bearing trees to be funded by logging companies out of the reforestation fund deposit of licenses and permittees and other sources, and, for the purpose, DENR National and DENR ARMM shall prioritize them in their reforestation projects.

This Order amends the provision of DMO 99-28 disallowing the entry of forest products emanating from Lanao del Sur.

This Order will be strictly enforced.

SO ORDERED.

(Sgd.) ANTONIO H. CERILLES
Secretary

LANDS SECTOR

DENR Memorandum Circular
No. 99-13
May 17, 1999

SUBJECT : Preparation of Land Use Maps.

This is a reiteration of DENR Memorandum Circular No. 37 dated September 3, 1994 with further instructions to use the 1-6 volumes "Guidebooks on Sustainable Land Use Planning and Management of 1997." The Regional Offices were furnished each this six volume set of guidebooks last March-April 1999. Governors were also furnished a set.

CENROs are therefore instructed to update their land use maps within the next two (2) weeks as agreed during the REDs meeting last 11-12 May 1999 in Tacloban City. Thereafter, all CENROs should be ready to present them in a two-day workshop which shall be scheduled for the major island groups of Luzon, Mindanao and Visayas.

FOR STRICT COMPLIANCE.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-22
August 04, 1999

**SUBJECT : DENR Jurisdiction Over All
Alienable and Disposable (A & D)
Lands of the Public Domain.**

Section Three (3) of the Public Land Act (*Commonwealth Act Number 141, as amended*) provides that the Secretary of the Department of Environment and Natural Resources (DENR) shall be the Executive Officer charged with the carrying of the provisions of the said Act, through the Director of Lands, who shall act under his immediate control. Subject to said control, the Director of Lands shall have direct executive control of the survey, classification, lease, sale or any form of concession or disposition and management of the lands of the public domain, and in his decisions as to questions of facts shall be conclusive when approved by the Secretary of the Environment and Natural Resources (*Section 4*).

This jurisdiction of the DENR over Alienable and Disposable lands was never removed nor repealed by Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL) of 1998. The Department of Agrarian Reform (DAR) acquires jurisdiction over A & D lands only when the same is turned-over by the DENR to other agencies.

Henceforth, all Regional Executive Directors are hereby directed to strictly exercise jurisdiction over all Alienable and Disposable lands of the public domain, including those lands not specifically placed under the jurisdiction of other government

agencies as mandated in the Revised Administrative Code of the Philippines and prepare the same for disposition to qualified and legitimate recipients under the People's Alliance for the Rehabilitation of Environment of the Office of the Secretary.

(Sgd.) ANTONIO H. CERILLES
Secretary

MINES SECTOR

DENR Administrative Order

No. 99-03

January 28, 1999

Subject : Guidelines Governing the Utilization and Disposition of the Sand and Lahar Materials in the Areas Declared as Mineral Reservation Established Under Proclamation No. 66 and Other Lahar-Affected Areas in the Provinces of Pampanga, Tarlac and Zambales.

Pursuant to Section 5 and 8 of Republic Act (R.A.) No. 7942 and Proclamation No. 66, the following are hereby promulgated:

Section 1. Title. This Administrative Order shall be known as the “Guidelines in the Utilization and Disposition of Sand and Lahar Materials in the Mineral Reservation and Other Lahar-Affected Areas in the Provinces of Pampanga, Tarlac and Zambales.”

Section 2. Policies and Objectives. The policies and objectives of the Government in the lahar-affected areas of the Provinces of Pampanga, Tarlac and Zambales shall be:

- a. To rationalize quarrying operations;
- b. To adequately protect the dikes and other infrastructure for flood protection and risk mitigation;
- c. To ensure adequate environmental protection and the imposition of strict mine rehabilitation measures;
- d. To ensure the quarrying activities complement government priority programs and projects to desilt clogged river systems; and

- e. To ensure that the benefits derived from quarrying shall accrue to the Government, the rightful operators and other legitimate stakeholders.

Section 3. Scope. This Administrative Order covers the regulation of all mining and quarrying applications and operations within the Mineral Reservation established under Proclamation No. 66 and other lahar-affected areas in the Provinces of Pampanga, Tarlac and Zambales.

Section 4. Definition of Terms. As used in and for purposes of these Guidelines, the following terms shall mean:

- 4.1 “Embankment” refers to the elevated strip of land adjoining rivers and waterways measuring five (5) meters in urban areas, twenty (20) meters in agricultural areas, and forty (40) meters in forest areas.
- 4.2 “Natural Resources Development Corporation (NRDC)” refers to the government corporation of that name established as a corporate arm of the Department of Environment and Natural Resources (DENR) pursuant to Executive Order No. 786 of March 19, 1982.
- 4.3 “Mining Permit” refers to Quarry Permit and Sand and Gravel Permit.
- 4.4 “Mining/Quarrying Applications” means any application for mining permit.
- 4.5 “Mining/Quarrying Operation” means mining or quarrying activities involving exploration, development and utilization of sand and lahar materials.
- 4.6 “Lahar Materials” shall include the sand, gravel, pebbles boulders and other pyroclastic components of the lahar

deposits, that had been deposited prior to and during the Mt. Pinatubo eruption in 1991.

All other terms herein shall mean as defined in the Department of Environment and Natural Resources Administrative Order (DAO) No. 96-40 or the Revised Implementing Rules and Regulations of the Philippine Mining Act of 1995.

Section 5. Identification of Quarry Zones. The NRDC, in coordination with the Mines and Geosciences Bureau (MGB), DENR Region III and the Department of Public Works and Highways (DPWH) Region III and the concerned Provincial Mining Regulatory Board (PMRB), shall identify and delineate lahar-affected areas within and outside the Mineral Reservation where quarrying of sand and lahar materials may be allowed. It shall mainly take into account technical and environmental considerations in identifying such zones.

The conduct of the programmatic Environmental Impact Assessment (EIA) and the preparation of the pertinent report for the Quarry Zone shall be undertaken by the NRDC in coordination with DENR Region III and MGB.

Only such Quarry Zones identified and delineated may be opened for mining permit application for sand and lahar deposits. Further, any mining permit that may be issued within these zones shall include as an obligation, in addition to those prescribed by law, strict compliance with the terms and conditions of the Quarry Zone. For this purpose, the NRDC, in coordination with MGB, DENR Region III, Department of Agriculture (DA) Region III and DPWH Region III, shall formulate such terms and conditions of the Quarry Zone.

Any mining permit for sand and lahar materials from lahar-affected areas which may henceforth be issued outside of such Quarry Zones shall be deemed null and void.

Section 6. Permitting. Any modes of utilization and disposition of sand and lahar materials in the Provinces of Pampanga, Tarlac and Zambales shall be allowed only upon the issuance of the necessary permits by the MGB pursuant to R.A. No. 7942 and DAO No. 96-40 for mining/quarrying operations within the Mineral Reservation, or the concerned Local Government Units (LGUs) or MGB Regional Office for mining/quarrying operations outside of the Mineral Reservation, and compliance with all other requirements of law including the Environmental Clearance Certificates (ECC's) that shall be issued by the DENR.

Section 7. Rehabilitation of Agricultural Lands Outside the Mineral Reservation. In the case of extraction of lahar materials for the purpose of agricultural land rehabilitation, such extraction shall be authorized by the concerned LGU subject to the following conditions:

- a. Certification from DA Region III that the subject agricultural land needs to be stripped of lahar to bring it back to the original productive condition;
- b. That such agricultural land be declared as Quarry Zone; and
- c. That the authority shall be valid for a maximum period of sixty (60) days or until the lahar materials covering the agricultural land and been stripped. However, in case of commercial disposition of the stripped lahar materials, it shall be covered by NRDC Official Receipt as provided under Section 8 of this Order.

Section 8. Transport of Sand and Lahar Materials. The transportation of sand and lahar materials from lahar-affected areas for commercial purposes under the appropriate mining permit shall be managed by NRDC and shall be covered by an Official Receipt,

in lieu of the Delivery Receipt or Ore Transport Permit, duly issued by the NRDC. The absence of an Official Receipt shall be sufficient ground for the sand and lahar materials being transported to be apprehended/confiscated in favor of the government, and disposed in accordance with existing laws, rules and regulations.

Section 9. Enforcement of Quarrying Plan and Environmental Compliance Certificate (ECC). NRDC, in coordination with the MGB and DENR Region III, shall strictly enforce the implementation of the Quarrying Plan and ECC of mining permittees and shall be responsible for ensuring that the appropriate environmental protection and remedial measures are implemented by the said permittees. Should there be any violation of the conditions set forth in the mining permit, Environmental Compliance Certificate, or the applicable laws, rules and regulations, the President of NRDC may recommend the suspension of quarry operation to the concerned authority.

Further, NRDC as lead agency, DPWH Region III and the concerned LGUs shall be responsible for undertaking the appropriate environmental protection and remediation measures of areas within and along river channels but outside of the mining permit areas, for purposes of protecting the integrity of dikes, bridges and other infrastructures that may otherwise be threatened by lahar flows and flooding.

Section 10. Confiscation/Seizure of illegally Sourced Sand and Lahar Materials and Apprehension of violators. NRDC is empowered to confiscate, seize and dispose in favor of the Government illegally sourced sand and lahar materials, apprehend the violators in accordance with existing laws, and rules and regulations and file the appropriate charges in the proper court if warranted.

Section 11. Service Fee. The NRDC is authorized to collect a Service Fee fully covered by Official Receipts which shall

comprise of the Quarry/Extraction Fee pursuant to Section 138 of the Local Government Code in areas outside the Mineral Reservation and Royalty and Excise Tax as provided under R.A. No. 7942 and R.A. No. 7729 as amended, respectively, on areas inside the Mineral Reservation plus a reasonable Service Fee.

Section 12. Power to Levy Tax. With the promulgation of Proclamation No. 66, the power/authority of the LGU to levy tax for the extracted lahar materials in the Mineral Reservation in the Provinces of Pampanga, Tarlac and Zambales ceases, and said authority/power is now exclusively vested upon the National Government and DENR in accordance with applicable laws.

Section 13. Remittance of Fee. As a gesture of benevolence, the DENR/NRDC shall remit an amount to the concerned agencies equivalent to the appropriate fees as provided by law.

Section 14. Establishment of NRDC Field Office. In order to facilitate the transactions, the NRDC shall establish as many Field Offices as it may deem practicable in the Provinces of Pampanga, Tarlac and Zambales.

Section 15. Establishment and Manning of Control Points. To regulate against illegally transported sand and lahar materials, the NRDC shall establish and man control points in strategic places. All existing check points previously established either by civilian or military authorities for the purpose of checking the delivery of sand and lahar materials shall be dismantled immediately.

Section 16. Transitory Provisions. All mining permits issued in accordance with the existing laws, rules and regulations shall be respected until their termination or expiration. All pending mining permit applications shall be covered by this Administrative Order.

Section 17. Seperability Clause. If any part or section of this Order is declared unconstitutional or invalid by a competent court, such declaration shall not affect the other part or Section of this Order.

Section 18. Repealing Clause. All orders, rules and regulations inconsistent with this Order are deemed repealed or modified accordingly.

Section 19. Effectivity. This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-07
March 03, 1999**

**SUBJECT : Amendment to Item No. 1.0 of
DAO No. 97-10 re: Standard
Costs and Fees for Various
Services of the Mines and
Geosciences Bureau relative to
Mining Rights.**

Pursuant to Executive Order No. 192 and Memorandum Circular No. 121 of the Office of the President, Item No. 1.0 of DENR Administrative Order No. 97-10 concerning the standard costs and fees for various services rendered by the Mines and Geosciences Bureau (MGB) relative to Mining Rights are hereby revised and/or updated:

FEES AND CHARGES

(In Philippine Pesos, unless otherwise provided which shall not be refundable)

I. MINING RIGHTS

A. Application for Approved Exploration Permit (EP), Mineral Agreement (MA), Financial or Technical Assistance Agreement (FTAA) and Special Mines Permit

- | | |
|--|---------------------------|
| 1. Filing Fee ----- | 10.00/hectare |
| P.D. 1856, as amended ----- | 20.00 |
| 2. Clearance Fee----- | 1,000.00/application |
| 3. Registration of EP, MA or FTAA-- | 1,000.00/permit agreement |
| 4. Occupational Fee | |
| For areas within Mineral Reservation --- | 100.00/hectare/year |
| For Non-Mineral Reservation ----- | 50.00/hectare/year |
| 5. Conversion Fee from MA to FTAA | |
| or vice versa ----- | 100.00/hectare |

6. Transfer/Assignment Fee
 - a. Approved Contract/Permit ----- 10.00/hectare
 - b. Application ----- 5.00/hectare
7. Evaluation of Feasibility Study Report ----10,000.00/study report
8. Amendment of MA/FTAA
 - Application ----- 10,000.00/application
9. Request for Evaluation of EPEP ----- 5,000.00/EPEP
10. Request for Certificate of Environmental Management and Community Relations Record ----- 1,000.00/certificate
11. Application for Amendment of Contract (MA/FTAA) ----- 10,000.00/contract

B. Application for approved Industrial Sand and Gravel and Other Mining Permits under MGB Jurisdiction

1. Filing Fee ----- 100.00/hectare
P.D. 1856, as amended ----- 20.00
2. Registration ----- 1,000.00/permit
P.D. 1856, as amended ----- 20.00
3. Request for Evaluation of EPEP --- 1,000.00/EPEP
4. Renewal Fee ----- 1,000.00/permit

C. Application for Small-Scale Mining Permit

1. Filing Fee ----- 10.00/hectare
P.D. 1856, as amended ----- 20.00

D. Application for Mineral Processing Permit

1. Filing and Processing Fee ----- 5,000.00/application
P.D. 1856, as amended ----- 20.00
2. Renewal Fee ----- 2,000.00/permit

E. Application for Ore Transport Permit

1. Application Fee ----- 100.00/Application
2. Verification Fee ----- 5,000.00/Verification

F. Application for Accreditation of Traders, Dealers and Retailers in the Trading of Minerals/Mineral Products/By-Products

- | | |
|------------------------------------|----------------------|
| 1. Filing and Processing Fee ----- | 5,000.00/application |
| P.D. 1856, as amended ----- | 20.00 |
| 2. Renewal Fee per Permit ----- | 2,500.00/renewal |
| P.D. 1856, as amended ----- | 20.00 |

G. Registration of Miscellaneous Documents
And Related Services

- | | |
|---|------------------------------------|
| 1. Power of Attorney ----- | 200.00/Power of Attorney |
| 2. Other Forms of Assignments/Transfers - | 1,000.00/assignment or
Transfer |
| 3. All other Instruments Affecting Mining
Rights ----- | 1,000.00/instrument |
| P.D. 1856, as amended (if applicable)--- | 20.00 |
| 4. Letter-Request for Certification ----- | 40.00/certification |
| 5. Request for Certified True/Xerox Copy | 40.00/doc. Plus
2.00/page |

H. Docketing Charges with Panel of Arbitrators/
Mines Adjudication Board

- | | |
|--|--|
| 1. For Filing Ordinary Protest, Adverse-
Claim, Opposition or any other Petitions -- | 2,000.00/protest, etc. |
| 2. For Filing Protest Coupled with Damages ---- | 10% of the total
damage claimed shall be the basis for the docket fee |
| 3. For Filing Counter-Claim, Counter-Protest
Or Counter-Operation ----- | 2,000.00/counter-claim, etc. |
| 4. For filing Counter-Claim, Counter-protest
Or Counter-Opposition coupled with Damages – | 10% of the total
Damage claimed shall be the basis for the docket fees. |
| 5. Intervenor's Fee ----- | 2,000.00/intervenor |
| 6. Appeal Fee ----- | 2,010.00/appeal |

NOTE: Each of the above charges shall be
subject to PD 1856, as amended -- 20.00

I. Docketing Charges with MGB

- | | |
|---|-----------------|
| 1. For Filing an Action with
MGB Regional Office ----- | 2,000.00/action |
| 2. For filing an Appeal ----- | 2,000.00/appeal |

NOTE: Each of the above charges shall be subject

to PD 1856, as amended ----- 20.00

All other fees and charges provided in DAO No. 97-10 shall remain valid and in effect.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

The Philippine Post - April 08, 1999

**DENR Administrative Order
No. 99-56
December 27, 1999**

SUBJECT : Guidelines Establishing the Fiscal Regime of Financial or Technical Assistance Agreements.

Pursuant to Section 81 and other pertinent provisions of Republic Act No. 7942, otherwise known as the Philippine Mining Act of 1995 (the "Mining Act"), the following guidelines establishing the fiscal regime of Financial or Technical Assistance Agreements (FTAA) are hereby promulgated.

Section 1. Scope

This Administrative Order is promulgated to:

- a. Establish the fiscal regime for FTAA's which the Government and the FTAA Contractors shall adopt for the large-scale exploration, development and commercial utilization of mineral resources in the country; and
- b. Provide for the formulation of a Pro Forma FTAA embodying the fiscal regime established herein and such other terms and conditions as provided in the Mining Act and the Implementing Rules and Regulations (IRR) of the Mining Act.

Sec. 2 Objectives

The objectives of this Administrative Order are:

- a. To achieve an equitable sharing among the Government, both National and Local, the FTAA Contractor and the concerned communities of the benefits derived from mineral resources to ensure sustainable mineral resources development; and

- b. To ensure a fair, equitable, competitive and stable investment regime for the large scale exploration, development and commercial utilization of minerals.

Sec. 3 Fiscal Regime of a Financial or Technical Assistance Agreement

The Financial or Technical Assistance Agreement which the Government and the FTAA Contractor shall enter into shall have a Fiscal Regime embodying the following provisions:

- a. General Principles. The Government Share derived from Mining Operations after the Date of Commencement of Commercial Production shall be determined in accordance with this Section.
- b. Occupation Fees. Prior to or upon registration of the FTAA and on the same date every year thereafter, the Contractor shall pay to the concerned Treasurer of the municipality(ies) or city(ies) the required Occupation Fee over the Contract Area at the rate provided for by existing laws, rules and regulations.
- c. Deductible Expenses. Allowable deductible expenses shall include all the expenses incurred by the Contractor directly, reasonably and necessarily related to the Mining Operations in the Contract Area in a Calendar Year during the Operating Phase. Allowable deductible expenses shall include the following:
 - 1. Mining, milling, transport and handling expenses together with smelting and refining costs other than smelting and refining costs paid to third parties;
 - 2. General and administrative expenses actually incurred by the Contractor in the Philippines;
 - 3. Consulting fees:
 - a) incurred within the Philippines for work related to the project

- b) incurred outside the Philippines for work related to the project: *provided*, That such fees are justifiable and subject to the approval of the Director.
4. Environmental expenses of the Contractor including such expenses necessary to fully comply with its environmental obligations as stipulated in the environmental protection provision of the FTAA and in the IRR;
5. Expenses for the development of hosts and neighboring communities and for the development of geoscience and mining technology as stipulated in the FTAA and in the IRR together with the training costs and expenses referred to in the FTAA;
6. Royalty payments to Claimowners or surface land owners relating to the Contract Area during the Operating Phase;
7. Continuing exploration and mine development expenses within the Contract Area after the pre-operating period;
8. Interest expenses charged on loans or such other financing-related expenses incurred by the Contractor subject to the financing requirement in the FTAA, which shall not be more than the prevailing international rates charged for similar types of transactions at the time the financing was arranged, and where such loans are necessary for the operations; and
9. Government taxes, duties and fees.

Ongoing Capital expenditures shall be considered as capital expenses subject to Depreciation Charges.

“Ongoing Capital Expenditures” shall mean expenses for approved acquisitions of equipment and approved construction of buildings necessary for the Mining Operations as provided in its approved Mining Project Feasibility Study.

“Depreciation Charges” means the annual non-cash deduction from the Operating Income for the use of fixed assets that are

subject to exhaustion, wear and tear and obsolescence during their employment in a Mining Operation. Its applicability and computation are regulated by existing taxation laws, the Mining Act and the IRR. Incentives relating to depreciation allowance shall be in accordance to the provisions of the mining Act and the IRR.

“Operating Income” means the Gross Output less deductible Expenses, while “Gross Output” has the meaning ascribed to it in the National Internal Revenue Code.

- d. Payment of Government Taxes and Fees. The Contractor shall promptly pay all the taxes and fees required by the Government in carrying out the activities covered in the FTAA and in such amount, venue, procedure and time as stipulated by the particular law and implementing rules and regulations governing such taxes and fees subject to all rights of objection or review as provided for in relevant laws, rules and regulations. In case of non-collection as covered by Clause 3-g-1 of this Section, the Contractor shall follow the prevailing procedures for availment of such non-collection in accordance with pertinent laws, rules and regulations. Where prevailing orders, rules and regulations do not fully recognize and implement the provisions covered by Clause 3-g-1 of this Section, the Government shall exert its best efforts to ensure that all such orders, rules and regulations are revised or modified accordingly.
- e. Recovery of Pre-Operating Expenses. Considering the high risk, high cost and long term nature of Mining Operations, the Contractor is given the opportunity to recover its Pre-Operating Expenses incurred during the pre-operating period, after which the Government shall receive its rightful share of the national patrimony. The Recovery Period, which refers to the period allowed to the Contractor to recover its Pre-Operating Expenses as provided in the Mining Act and the IRR, shall be

for a maximum of five (5) years or at a date when the aggregate of the Net Cash Flows from the Mining Operations is equal to the aggregate of its Pre-operating Expenses, reckoned from the Date of Commencement of Commercial Production, whichever comes first. The basis for determining the Recovery Period shall be the actual Net Cash Flows from Mining Operations and actual Pre-Operating Expenses converted into its US dollar equivalent at the time the expenditure was incurred.

“Net Cash Flow” means the Gross Output less Deductible Expenses, Pre-Operating Expenses, Ongoing Capital Expenditures and Working Capital charges.

- f. Recoverable Pre-Operating Expenses. Pre-Operating Expenses for recovery which shall be approved by the Secretary upon recommendation of the Director shall consist of actual expenses and capital expenditures relating to the following:
1. Acquisition, maintenance and administration of any mining or exploration tenements or agreements covered by the FTAA;
 2. Exploration, evaluation, feasibility and environmental studies, production, mining, milling, processing and rehabilitation;
 3. Stockpiling, handling, transport services, utilities and marketing of minerals and mineral products;
 4. Development within the Contract Area relating to the Mining Operations;
 5. All Government taxes and fees;
 6. Payments made to local Governments and infrastructure contributions;
 7. Payments to landowners, surface rights holders, Claimowners, including the Indigenous Cultural Communities, if any;

8. Expenses incurred in fulfilling the Contractor's obligations to contribute to national development and training of Philippine personnel;
9. Consulting fees incurred inside and outside the Philippines for Work related directly to the Mining Operations;
10. The establishment and administration of field and regional offices including administrative overheads incurred within the Philippines which are properly allocatable to the Mining Operations and directly related to the performance of the Contractor's obligations and exercise of its rights under the FTAA;
11. Costs incurred in financial development, including interest on loans payable within or outside the Philippines, subject to the financing requirements required in the FTAA and to a limit on debt-equity ratio of 5:1 for investments equivalent to 200 Million US Dollars or less, or for the first 200 Million US Dollars of investments in excess of 200 Million US Dollars; or 8:1 for that part of the investment which exceeds 200 Million US Dollars: *Provided*, That the interests shall not be more than the prevailing international rates charged for similar types of transaction at the time the financing was arranged;
12. All costs of constructing and developing the mine incurred before the Date of Commencement of Commercial Production, including capital and property as hereinafter defined irrespective as to their means of financing, subject to the limitations defined by Clause 3-f-11 hereof, and inclusive of the principal obligation and the interests arising from any Contractor's leasing, hiring, purchasing or similar financing arrangements including all payments made to Government, both National and Local; and
13. General and administrative expenses actually incurred by the Contractor for the benefit of the Contract Area.

The foregoing recoverable Pre-Operating Expenses shall be subject to verification of its actual expenditure by an

independent audit recognized by the Government and chargeable against the Contractor.

g. Government Share

1. Basic Government Share. The following taxes, fees and other such charges shall constitute the Basic Government Share:

- a) Excise tax on minerals;
- b) Contractor's income tax;
- c) Customs duties and fees on imported capital equipment;
- d) Value added tax on the purchase of imported equipment, goods and services;
- e) Withholding tax on interest payments on foreign loans;
- f) Withholding tax on dividends to foreign stockholders;
- g) Royalties due the Government on Mineral Reservations;
- h) Documentary stamps taxes;
- i) Capital gains tax;
- j) Local business tax;
- k) Real property tax;
- l) Community tax;
- m) Occupation fees;
- n) All other local Government taxes, fees and imports as of the effective date of the FTAA;
- o) Special Allowance, as defined in the Mining Act; and
- p) Royalty payments to any Indigenous People(s)/Indigenous Cultural community(ies).

From the Effective Date, the foregoing taxes, fees and other such charges constituting the Basic Government Share, if applicable, shall be paid by the Contractor: *Provided*, That above items (a) to (g) shall not be collected from the Contractor upon the date of approval of the Mining Project Feasibility Study up to the end of the Recovery Period.

Any taxes, fees, royalties, allowances or other imposts, which should not be collected by the Government, but nevertheless paid by the Contractor and are not refunded by the Government before the end of the next taxable year, shall be included in the Government Share in the next taxable year. Any Value-Added Tax refunded or credited shall not form part of Government Share.

2. Additional Government Share. Prior to the commencement of Development and Construction Phase, the Contractor may select one of the formula for calculating the Additional government Share set out below which the Contractor wishes to apply to all of its Mining Operations and notify the Government in writing of that selection. Upon the issuance of such notice, the formula so selected shall thereafter apply to all of the Contractor's Mining Operations.

- a) Fifty-Fifty Sharing of the Cumulative Present Value of Cash Flows. The Government shall collect an Additional Government Share from the Contractor equivalent to an amount which when aggregated with the cumulative present value of Government Share during the previous Contract Years and the Basic Government Share for the current Contract year is equivalent to a minimum of fifty percent (50%) of the Cumulative Present Value of Project Cash Flow before financing for the current Contract Year, as defined below.

Computation. The computation of the Additional Government Share shall commence immediately after the Recovery Period. If the computation covers a period of less than one year, the Additional Government Share corresponding to this period shall be computed *prorata* wherein the Additional Government

Share during the year shall be multiplied by the fraction of the year after recovery. The Additional Government Share shall be computed as follows:

Project Cash Flow Before Financing and Tax (“CF”) for a taxable year shall be calculated as follows:

$$CF = GO - DE + I - PE - OC$$

Cumulative Present Value of Project Cash Flow (“CP”) shall be the sum of the present value of the cumulative present value of project cash flow during the previous year ($CP_{i-1} \times 1.10$) and the Project Cash Flow Before Financing and Tax for the current year (“CF”), and shall be calculated as follows:

$$CP = (CP_{i-1} \times 1.10) + CF$$

Cumulative Present Value of Total Government Share Before Additional Government Share (“CGB”) shall be the sum of the present value of the cumulative present value of the Total Government Share during the previous year ($CGA_{i-1} \times 1.10$), and the Basic Government Share for the current year (BGS), and shall be calculated as follows:

$$CGB = (CGA_{i-1} \times 1.10) + BGS$$

The Additional Government Share (“AGS”) shall be:

$$\text{If: } CGB \geq CP \times 0.5 \text{ then } AGS = 0$$

$$\text{If: } CGB < CP \times 0.5 \text{ then } AGS = [CP \times 0.5] - CGB$$

Cumulative Present Value of Total Government Share (CGA):

$$CGA = CGB + AGS$$

where:

- BGS = Basic Government Share shall have the meaning as described in Clause 3-g-1 hereof;
- GO = Gross Output shall have the same meaning as defined in the National Internal Revenue Code;
- DE = Deductible Expenses shall have the meaning as described in Clause 3-c hereof;
- I = Interest payments on loans included in the Deductible Expenses shall be equivalent to those referred to in Clause 3-c-8 hereof;
- PE = unrecovered Pre-Operating Expenses;
- OC = On-going Capital Expenditures as defined in Clause 3-c hereof;
- CP_{i-1} = cumulative present value of project cash flow during the previous year; and
- CGA_{i-1} = cumulative present value of total Government Share during the previous year.

- b) Profit Related Additional Government Share. The Government shall collect an Additional Government Share from the Contractor based on twenty-five percent (25%) of the additional profits once the arithmetic average of the ratio of Net Income After Tax To Gross Output as defined in the National Internal Revenue Code, for the current and previous taxable year is 0.40 or higher rounded off to the nearest two decimal places.

Computation The computation of the Additional Government Share from additional profit shall commence immediately after the Recovery Period. If the computation covers a period of less than a year, the additional profit corresponding to this period shall be computed *prorata* wherein the total additional profit during the year shall be multiplied by the fraction of the year after recovery.

The additional profit shall be derived from the following formula:

If the computed average ratio as derived from above is less than 0.40:

$$\text{Additional Profit} = 0$$

If the computed average ratio is 0.40 or higher:

$$\text{Additional Profit} = \frac{[\text{NIAT} - (0.40 \times \text{GO})]}{(1 - \text{ITR})}$$

The Additional Government Share from the additional profit is computed using the following formula:

Additional Government Share

$$\text{From Additional Profit} = 25\% \times \text{Additional Profit}$$

Where:

NIAT = Net Income After Tax for the particular taxable year under consideration.

- GO = Gross Output from operations during the same taxable year
- ITR = Income Tax Rate applied by the Bureau of Internal Revenue in computing the income tax of the Contractor during the taxable year.

c) Additional Share Based from the Cumulative Net Mining Revenue. The Additional Government Share for a given taxable year shall be calculated as follows:

- (i) Fifty percent (50%) of cumulative Net Mining Revenue from the end of the Recovery Period to the end of that taxable year;

LESS

- (ii) Cumulative Basic Government Share for that period as calculated under Clause 3-g-1 hereof;

AND LESS (if applicable)

- (iii) Cumulative Additional Government Share in respect of the period commencing at the end of the Recovery Period and expiring at the end of the taxable year immediately preceding the taxable year in question.

“Net Mining Revenue” means the Gross Output from Mining Operations during a Calendar year less Deductible Expenses, plus Government taxes, duties and fees included as part of Deductible Expenses.

3. Failure to Notify. If the Contractor does not notify the Government within the time contemplated by Clause 3-g-2 of the formula for calculating the Additional Government

Share which the Contractor wishes to apply to all of its Mining Operations, the Government shall select and inform the Contractor which option will apply to the latter.

4. Filing and Payment of Additional Government Share. Payment of the Additional Government Share shall commence after the Recovery Period. The Additional Government Share shall be computed, filed and paid to the MGB within fifteen (15) days after the filing and payment of the final income tax return during the taxable year to the Bureau of Internal Revenue. Late filing and payment of the Additional Government Share shall be subject to the same penalties applicable to late filing of income tax returns. The Contractor shall furnish the Director a copy of its income tax return not later than fifteen (15) days after the date of filing.

A record of all transactions relating to the computation of the Additional Government Share shall be maintained by the Contractor and shall be made available to the Secretary or his/her authorized representative for audit.

- h. Sales and Exportation – The Contractor shall endeavor to dispose of the minerals and by-products produced in the Contract Area at the highest commercially achievable market price and lowest commercially achievable commissions and related fees in the circumstances then prevailing and to negotiate for sales terms and conditions compatible with world market conditions. The Contractor may enter into long term sales and marketing contracts or foreign exchange and commodity hedging contracts which the Government acknowledges to be acceptable notwithstanding that the sale price of minerals may from time to time be lower, or that the terms and conditions of sales are less favorable, than those available elsewhere.

The Government shall be informed by the Contractor when it enters into a marketing agreement with both foreign and local buyers. The Contractor shall provide the Government a copy of the final marketing agreement entered into with buyers subject to the confidentiality clause of the FTAA.

The Government shall be entitled to check and inspect all sales and exportation of minerals and/or mineral products including the terms and conditions of all sales commitments.

Sales commitments with affiliates, if any, shall be made only at prices based on or equivalent to arm's length sales and in accordance with such terms and conditions at which such agreement would be made if the parties had not been affiliated, with due allowance for normal selling discounts or commissions. Such discounts or commissions allowed the affiliates must be no greater than the prevailing rate so that such discounts or commissions will not reduce the net proceeds of sales to the Contractor below those which it would have received if the parties had not been affiliated. The Contractor shall, subject to confidentiality clause of the FTAA, submit to the Government evidence of the correctness of the figures used in computing the prices, discounts and commissions, and a copy of the sales contract.

The Contractor undertakes that any mining, processing or treatment of Ore by the Contractor shall be conducted in accordance with such generally accepted international standards as are economically and technically feasible, and in accordance with such standards the Contractor undertakes to use all reasonable efforts to optimize the mining recovery of Ore from proven reserves and metallurgical recovery of minerals from the Ore: *Provided*, That it is economically and technically feasible to do so.

For purposes of this Clause 3-h, an affiliate of an affiliated company means:

- a) any company in which the Contractor holds fifty percent (50%) or more of the shares;
- b) any company which holds fifty percent (50%) or more of the Contractor's shares;
- c) any company affiliated by the same definition in (a) or (b) to an affiliated company for purposes of the FTAA;
- d) any company which, directly or indirectly, is controlled by or controls, or is under common control by the Contractor;
- e) any shareholder or group of shareholders of the Contractor or of an affiliated company; or
- f) any individual or group of individuals in the employment of the Contractor or of any affiliated company.

Control means the power exercisable, directly or indirectly, to direct or cause the direction of the management and policies of a company exercised by any other company and shall include the right to exercise control or power to acquire control directly or indirectly, over the company's affairs and the power to acquire not less than fifty percent (50%) of the share capital or voting power of the Contractor. For this purpose, a creditor who lends, directly or indirectly, to the Contractor, unless he has lent money to the Contractor in the ordinary course of money-lending business, may be deemed to be a Person with power to acquire not less than fifty percent (50%) of the share capital or voting power of the Contractor if the amount of the total of its loan is to less than fifty percent (50%) of the total loan capital of the company.

If a person ("x") would not be an affiliate of an affiliated company ("y") on the basis of the above definition but would be an affiliate if each reference in that definition to "fifty percent (50%)" was read as a reference to "forty percent (40%)" and the Government has reasonable grounds for

believing that “x” otherwise controls “y” or “x” is otherwise controlled by “y”, then, upon the contractor being notified in writing by the Government of that belief and the grounds therefore, “x” and “y” shall be deemed to be affiliates unless the Contractor is able to produce reasonable evidence to the contrary.

1. Price or Cost Transfer. The Contractor commits itself not to engage in transactions involving price or cost transfers in the sale of minerals or mineral products and in the purchase of input goods and services resulting either in the illegitimate loss or reduction of Government Share or illegitimate increase in Contractor’s share. If the Contractor engages affiliates or an affiliated company in the sale of its mineral products or in providing goods, services, loans or other forms of financing hereunder, it shall do so on terms no less than would be the case with unrelated persons in arms-length transactions.

Sec. 4 Pro Forma FTAA Contract

The fiscal regime provided herein, and the terms and conditions provided in the Mining Act and IRR shall be embodied in a Pro Forma FTAA Contract to be prepared by the Department of Environment and Natural Resources. The Pro Forma FTAA Contract shall also incorporate such other provisions as the DENR may formulate as a result of consultations or negotiations conducted for that purpose with concerned entities.

The Pro Forma FTAA Contract shall be used by the DENR, the Negotiating Panel and the mining applicant for negotiation of the terms and conditions of the FTAA. *Provided*, That the terms and conditions provided in the Pro Forma FTAA Contract shall be incorporated in each and every FTAA.

Sec. 5 Status of Existing FTAA

All FTAA's approved prior to the effectivity of this Administrative Order shall remain valid and be recognized by the Government: *Provided*, That should a Contractor desires to amend its FTAA, it shall do so by filing a Letter of Intent (LOI) to the Secretary thru the Director: *Provided, further*, That if the Contractor desires to amend the fiscal regime of its FTAA, it may do so by seeking for the amendment of its FTAA's whole fiscal regime by adopting the fiscal regime provided hereof: *Provided, finally*, That any amendment of an FTAA other than the provision on fiscal regime shall require the negotiation with the Negotiating Panel and the recommendation of the Secretary for approval of the President of the Republic of the Philippines.

Sec. 6 Repealing Clause

All orders and circulars or parts thereof inconsistent with or contrary to the provisions of this Order are hereby repealed, amended or modified accordingly.

Sec. 7 Effectivity

This Order shall take effect fifteen (15) days upon its complete publication in newspaper of general circulation and fifteen (15) days after registration with the Office of the National Administrative Register.

Quezon City, Philippines,

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Malaya – December 29, 1999

**DENR Administrative Order
No. 99-57
December 27, 1999**

SUBJECT : Amendments To Department Administrative Order No. 96-40 or the “Revised Implementing Rules and Regulations of Republic Act No. 7942, Otherwise Known as the ‘Philippine Mining Act of 1995’”

Pursuant to Section 8 of Republic Act No. 7942, otherwise known as the “Philippine Mining Act of 1995” and Section 275 of Department Administrative Order (DAO) No. 96-40 entitled “Revised Implementing Rules and Regulations of Republic Act No. 7942, Otherwise Known as the ‘Philippine Mining Act of 1995’ ”, and in line with the policy of the Government to continuously provide for a responsive regulatory framework, DAO No. 96-40 is further revised as follows:

Section 1. Clause b.3 of Section 15 (Areas Closed to Mining Applications) is hereby amended, allowing the acceptance of Sand and Gravel Permit Applications without the consent of prior mining applicants except within Mineral Agreement (MA) applications for sand, gravel and alluvial gold, to read as follows:

“x x x.

3. Areas covered by FTAA applications which shall be opened for quarry resources mining applications pursuant to Section 53 hereof upon the written consent of the FTAA applicants: *Provided, That sand and gravel permit applications shall not require consent from the FTAA, Exploration Permit or Mineral Agreement applicant, except for Mineral Agreement*

or Exploration Permit applications covering sand, gravel and/or alluvial gold: Provided, further, That the Director shall formulate the necessary guidelines to govern this provision;

x x x.”

Section 2. **Section 18 (Term/Maximum Areas Allowed under an Exploration Permit) is hereby amended to provide for a maximum term of six (6) years for nonmetallic minerals exploration and eight (8) years for metallic minerals exploration, to read as follows:**

“The term of an Exploration Permit shall be for a period of two (2) years from date of issuance thereof, renewable for like periods but not to exceed a total term of six (6) years *for nonmetallic minerals exploration or eight (8) years for metallic minerals exploration: Provided, That no renewal of Permit shall be allowed unless the Permittee has complied with all the terms and conditions of the Permit, and has not been found guilty of violation of any provision of the Act and these implementing rules and regulations: Provided, further, That in cases where further exploration is warranted and on condition that the Permittee has substantially implemented the Exploration and Environmental Work Programs as verified by the Bureau/concerned Regional Office, the Secretary may further grant renewal of the Exploration Permit: Provided, furthermore, That the Permittee shall be required to set up a performance surety equivalent to the expenditure requirement of the Exploration and Environmental Work Programs: Provided, finally, That the conduct of feasibility studies shall be included during the term of the Exploration Permit.*

x x x.”

Section 3. A new Section is hereby added to allow the transfer of Exploration Permit Applications, to read as follows:

Section 19-A. Transfer or Assignment of Exploration Permit Application

Transfer or assignment of Exploration Permit applications shall be allowed subject to the approval of the Director/concerned Regional Director taking into account the national interest and public welfare: Provided, That such transfer or assignment shall be subject to eligibility requirements and shall not be allowed in cases involving speculation.”

Section 4. Section 22 (Terms and Conditions of an Exploration Permit) is hereby amended to conform with the amendments of Section 18, to read as follows:

“An Exploration Permit shall contain the following terms and conditions:

- a. x x x
- b. x x x
- c. The term of the Permit shall be for a period of two (2) years from date of issuance thereof, renewable for like periods but not to exceed a total term of six (6) years ***for nonmetallic minerals exploration or eight (8) years for metallic minerals exploration: Provided, That no renewal of Permit shall be allowed unless the Permittee has complied with the terms and conditions of the Permit and has not been found guilty of violation of any provision of the Act and these implementing rules and regulations: provided, further, That in cases where further exploration is warranted and on conditions that the Permittee has substantially implemented the***

Exploration and Environmental Work Programs as verified by the Bureau/concerned Regional Office, the Secretary may further grant renewal of the Exploration Permit: Provided, furthermore, That the Permittee shall be required to set up a performance surety equivalent to the expenditure requirement of the Exploration and Environmental Work Programs: Provided, finally, That the conduct of feasibility studies shall be included during the terms of the Exploration Permit:

d. x x x
x x x.”

Section 5. A new Section is hereby added to allow the conversion of Exploration Permit to an MA or FTAA

“Section 23-A. Conversion of Exploration Permit to Mineral Agreement or Financial or Technical Assistance Agreement

A Permittee who has conducted preliminary exploration activities may, at its option, convert totally or partially its Exploration Permit to a Mineral Agreement or FTAA by filing a Letter of Intent with the Bureau prior to the expiration of the Exploration Permit, copy furnished the concerned Regional Office. Said Letter shall also provide therein its intention over the area that may not be covered by the conversion to a Mineral Agreement or FTAA: Provided, That the MA or FTAA application shall be filed with the concerned Regional Office within thirty (30) days upon filing of the Letter of Intent: Provided, further, That the failure of the Permittee to file the MA or FTAA application within the prescribed period shall be construed that the Permittee

elects to continue operation until the expiration of the Exploration Permit.

Upon compliance by the Permittee with all the mandatory requirements and upon payment of the required conversion fee, the application for conversion shall be evaluated and approved subject to Chapter VI and Chapter VII of DAO No. 96-40 and all the other applicable provisions of the Act and DAO No. 96-40; Provided, That the term of the Exploration Permit shall be deducted from the terms of the Exploration/Pre-Feasibility Study/Feasibility Study Period of the Mineral Agreement or FTAA.”

Section 6. Section 39 (Terms and Conditions of a Mineral Agreement) is hereby amended, to read as follows:

“The following terms and conditions shall be incorporated in the Mineral Agreement, namely:

- a. x x x
- b. Representations and warranties that the Contractor has, or has access to, all the financing and technical capability and technology required to promptly and effectively carry out the objectives of the Agreement with the understanding to timely utilize these resources under its supervision pursuant to the periodic work programs and related budgets, and when proper, providing an exploration period up to two (2) years from date of issuance thereof, renewable for like periods but not to exceed a total term of six (6) years *for nonmetallic minerals exploration or eight (8) years for metallic minerals exploration*, subject to annual review *and approval* by the Director in accordance with these implementing rules and regulations: *Provided, That in cases where further exploration is warranted and on condition that the Contractor*

has substantially implemented the Exploration and Environmental Work Programs as verified by the Bureau/concerned Regional Office, the Secretary may further grant renewal of the Exploration Period: Provided, further, That the Contractor shall be required to set up a performance surety equivalent tot he expenditure requirement of the Exploration and Environmental Work Programs: Provided, finally, That the conduct of feasibility studies shall be included during the term of the Exploration Period;

c. x x x

d. x x x After the exploration period and prior to or upon approval of Declaration of Mining Project Feasibility *by the Director*, the Contractor shall finally relinquish to the Government any position of the x x x

x x x.”

Section 7. A new Section is hereby added to allow the conversion of Mineral Agreement to Exploration Permit Applications

“Section 40-A. Conversion of a Mineral Agreement Application into Exploration Permit Application.

An applicant for a Mineral Agreement may, at its option, convert totally or partially its Mineral Agreement application into an Exploration Permit application by filing a Letter of Intent with the Director/concerned Regional Director without losing its priority rights over the area. Said Letter shall also provide therein its intention over the area that may not be covered by the conversion to an EP application.

Upon compliance by the applicant with all the mandatory requirements and upon payment of the required conversion fee, the application for conversion shall be evaluated and approved subject to Chapter V of DAO No. 96-40 and all other applicable provisions of the Act and DAO No. 96-40: Provided, That the date of filing of the Exploration Permit application shall be reckoned from the date when the Mineral Agreement application was filed.”

Section 8. Section 42 (Temporary Exploration Permit) is hereby amended, to read as follows:

*“Upon the initial evaluation by the Bureau of the Mineral Agreement application, taking into account Area Status and Clearance, financial and technical capability, Exploration and Environmental Work Programs, proof of consultation with the concerned community(ies), and absence of any adverse claim, protest or opposition as certified by the concerned Panel of Arbitrator/Mines Adjudication Board, the Director may, upon the request of the applicant, issue a one-time non-renewable Temporary Exploration Permit (TEP) with a term not exceeding one (1) year to undertake exploration subject to the applicable provisions of Chapter V of these implementing rules and regulations: *Provided*, that the term of the TEP shall be deducted from the exploration period of the Mineral Agreement: *Provided, further*, That in the event that the Mineral Agreement application is disapproved by the Secretary, the TEP is deemed automatically cancelled.*

Upon approval of the TEP, the Director shall cause the registration of the same with the Bureau/concerned Regional Office after payment of the required fees.”

Section 9. Section 48 (Issuance of Special Mines Permit) is hereby amended, to read as follows:

*“An applicant for mineral Agreement whose application is valid and existing, has been granted an Area Status and Clearance, NCIP Precondition Certification and endorsement from the concerned Sanggunian, and has no pending mining dispute/conflict as certified by the concerned Panel of Arbitrators/Mines Adjudication Board, may file an application for Special Mines Permit with the Bureau/concerned Regional Office. A Special Mines Permit (SMP) may be issued by the Director upon clearance by the Secretary. **The SMP shall be for a period of one (1) year renewable once: *Provided, That the SMP may be further renewed depending upon the nature of the deposit, the propriety of the mining operation, the environmental and community relations track record of the applicant, faithful compliance with the terms and conditions of the SMP and diligence of the applicant in pursuing the Mineral Agreement application, subject to the approval of the Secretary.****

In cases where public welfare so requires, the Secretary may, after verification and evaluation of the Bureau, grant other form/s of Special Mines Permit so as to address the specific conditions in the area concerned.

The SMP shall be granted, subject to the following conditions and requirements:

- a. That the applicant is already operating or has completed the development/construction stage and is ready to begin operations *or has a readily available ore for mining* subject to verification by the Bureau;
- b. That the applicant x x x
x x x.”

Section 10. Section 53 (Filing of FTAA Applications/Mandatory Requirements) is hereby amended primarily to include a new paragraph, to read as follows:

“x x x

a. x x x

b. x x x

c. x x x

d. Prior to construction, development and/or utilization –

1. *Mining Project* Feasibility Study;

2. *Development/Construction/Utilization Work Program;*

3. Approved Survey Plan of the mining area;

4. Environmental Compliance Certificate; and

5. Environmental Protection and Enhancement Program. Provided, That any application x x x

In the approval of the Mining Project Feasibility Study, the Director shall take into consideration, among others, the expected life of mine, grade management, mining sequence, conversation measures and the capability of the Project to contribute the Government Share and to absorb the environmental and social costs.

Section 11. A new Section is hereby added to allow the conversion of FTAA Applications to Exploration Permit Applications, to read as follows:

“Section 57-A. Conversion of a FTAA Application into Exploration Permit Application

An application for a FTAA may, at its option, convert totally or partially its FTAA Application into a Exploration Permit Application by filing a Letter of Intent with the Director/concerned Regional Director without losing its priority rights over the applied area. Said Letter

shall also provide therein its intention over the area that may not be covered by the conversion to an EP application.

Upon compliance by the applicant with all the mandatory requirements and upon payment of the required conversion fee, the application for conversion shall be evaluated and approved subject to Chapter V of DAO No. 96-40 and all other applicable provisions of the Act and DAO No. 96-40: Provided, That the date of filing of the Exploration Permit application shall be reckoned from the date when the FTAA application was filed.”

Section 12. Section 69 (General Provisions) is hereby amended, to read as follows:

“Quarry, sand and gravel, guano and gemstone resources in private and/or public lands may be extracted, removed, disposed and/or utilized: *Provided*, That in large-scale quarry operations involving cement raw materials, marble, granite and sand and gravel **and construction aggregates**, any Qualified Person may apply for a Mineral Agreement subject to *the applicable provisions of* Chapter VI of these implementing rules and regulations: *Provided, further, That large-scale quarry operations, including sand and gravel and lahar operations, shall involve a mechanized operation and an area not exceeding the following:*

<i>For sand and Gravel, including Lahar</i>	<i>Individual - Twenty (20) hectares</i>
	<i>Corporation/ Partnership/ Association/ Cooperative</i>
<i>For marble, gravel and construction aggregates</i>	<i>Individual - Fifty (50) hectares</i>
	<i>Corporation/ - One hundred (100)</i>

	<i>Partnership/ hectares</i>
	<i>Association/</i>
	<i>Cooperative</i>
<i>For cement raw materials such as limestone, shale and limestone</i>	<i>Individual - Five hundred (500) hectares</i>
	<i>Corporation/ - One Thousand</i>
	<i>Partnership/ (1,000) hectares</i>
	<i>Association/</i>
	<i>Cooperative</i>

Section 13. Section 71 (Quarry Permit) is hereby amended to provide for further qualifications in the approval of a Quarry Permit, to read as follows:

“Any Qualified Person may apply for a Quarry Permit with the Provincial Governor/City Mayor through the Provincial/City Mining Regulatory Board for the extraction, removal and disposition of quarry resources covering an area of not more than five (5) hectares, ***and a production rate of not more than fifty thousand (50,000) tons annually and/or whose project cost is not more than Ten Million Pesos (₱ 10,000,000.00)***, for a term of five (5) years from the date of issuance thereof, renewable for like period but not to exceed a total term of twenty-five (25) years: *Provided*, That application for renewal shall be filed before the expiry date of the Permit: *Provided, further*, That the Permit Holder has complied with all the terms and conditions of the Permit as provided herein and has not been found guilty of violation of any provision of the Act and these implementing rules and regulations: *Provided, furthermore*, That no Quarry Permit shall be issued or granted on any area covered by a Mineral Agreement or FTAA, except on areas where a written consent is granted by the Mineral Agreement or FTAA Contractor: *Provided, finally*, ***That existing Quarry Permit at the effectivity of this Order under which the***

production rate is more than fifty thousand (50,000) tons annually and/or whose project cost is more than Ten Million (₱ 10,000,000.00) shall not be renewed but shall be given preferential right to a Mineral Agreement application which shall be evaluated and approved in accordance with Chapter VI of DA No. 96-40 and the pertinent provisions of this Order.”

Section 14. Section 118 (Basis of Arrests and Confiscation/Seizures) is hereby amended to require Permittees/Contractors/Permit Holders to police their Permit/Contract areas from illegal mining

“x x x . If it is found that the minerals/mineral products seized have been mined, extracted or removed without any permit or authority under existing mining laws, rules and regulations, final confiscation can be effected to be followed by the filing of the compliant for theft of minerals. The Bureau officers which include the Regional Director and other Bureau personnel, duly authorized by the Director, DENR personnel duly authorized by the Secretary, *Permittee, Contractor, Permit Holder and other duly deputized personnel* shall have authority to arrest offenders, and confiscate/seize illegally-sourced minerals/mineral products and the tools, equipment and conveyance used in the commission of offense.

It shall be the primary responsibility of the Permittee, Contractor, or Permit Holder to police the permit/contract area from any illegal mining operations.”

Section 15. Section 122 (Filing of Complaint) is hereby amended to conform with Section 118 as amended, to read as follows:

“The concerned Regional Office, *Permittee, Contractor, or Permit Holder and/or other duly deputized*

personnel shall file the complaint with the proper court for violation of Section 103 of the act (Theft of Minerals).

x x x.”

Section 16. Section 270 (Reporting Requirements) is hereby amended to include the submission of Marketing Contract(s)/Sales Agreement(s), to read as follows:

“x x x

r. Marketing Contract(s)/Sales Agreement/s

The Contractor/Permit Holder shall submit to the Director, a copy of its existing and future marketing contract(s)/sales agreement(s) for registration, copy furnished the concerned Regional Director, before any sale and/or shipment of mineral product is made, subject to the confidentiality clause. At the same time, the Contractor/Permit Holder shall regularly inform the Director in writing of any revisions, changes or additions in said contract(s)/arrangement(s). The Contractor/Permit Holder shall reflect in its Monthly/Quarterly Report on Production, sales and Inventory of Minerals, as well as in the Integrated Annual Report, the corresponding registration number(s) of the marketing contract(s)/sales agreements(s) governing the export or sale of minerals.

s. Other reports as may be required by the Director.

x x x.”

Section 17. Section 271 (Fines) is hereby amended to include two (2) paragraphs to read as follows:

“x x x.

Late or non-submission of any of the reports mentioned in Section 270 hereof shall be a ground for the withholding, upon due notice, or other pending transactions or the processing of other mining

applications of the Permittee/Contractor/Permit Holder with the Bureau and/or concerned Regional Office.

In case of renewal applications, Permittees/Contractors/Permit Holders shall secure a written Certification from the concerned PMRB/Regional Director/Director as to the timely and complete submission of the required reports. Non-submission of said reports shall be a ground for denial of the renewal application.

In addition, the following fines shall be imposed:

- a. x x x
x x x.”

Section 18. Repealing Clause

All existing orders, rules and regulations, memorandum circulars, directives or part thereof, contrary or inconsistent with the provisions of this Administrative Order, are hereby repealed, amended and/or modified accordingly.

Section 19. Effectivity

This Order shall take effect fifteen (15) days after its complete publication in a newspaper of general circulation and fifteen (15) days after registration with the Office of the National Administrative Register.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Malaya – December 29, 1999

**DENR Memorandum Order
No. 99-03
February 19, 1999**

SUBJECT : Procedural Guidelines in the Processing and Issuance of Special Quarry Permit to Extract Sand and Lahar Materials in the Mineral Reservation Established and Declared Under Proclamation No. 66 and Other Lahar-Affected Areas in the Provinces of Pampanga, Tarlac, and Zambales.

In order to provide a mechanism in the proper and effective implementation of Presidential Proclamation No. 66 and its implementing rules and regulations, Department Administrative Order (DAO) 99-03, in consonance with Republic Act No. 7942 and its implementing rules and regulations, DAO 96-40, and so as not to hamper government infrastructure projects including desilting activities in lahar-affected river channels, and to alleviate the economic condition of the people affected by sand and lahar materials, the following guidelines for the processing and issuance for permit are hereby promulgated for the guidance of all concerned:

Section 1. Eligibility of Special Quarry or Sand and Gravel Permit Applicant.

Any Filipino individual, with legal capacity to enter into contract, cooperative, partnership and corporation duly organized and registered with the Securities and Exchange Commission (SEC) and other appropriate government agency for the purpose of engaging in mining/quarrying may apply for Special Quarry Permit within the mineral reservation and Sand and Gravel Permit outside of the mineral reservation but within the quarry zone.

Sec. 2 Maximum Area per Application

The maximum area that an applicant may apply or hold at any one (1) time in any one (1) province shall be as follows:

- a. Special Quarry Permit filed with the Mines and Geosciences Bureau Regional Office No. III (Regional Office) – One (1) meridional block of five seconds (5”) longitude and ten seconds (10”) latitude or approximately four and one half (4.5) hectares more or less.
- b. Industrial Sand and Gravel Permit filed with the Regional Office-Four (4) meridional blocks or eighteen (18) hectares more or less but shall not be less than two (2) meridional blocks or nine (9) hectares more or less.
- c. Commercial Sand and Gravel Permit filed with the Local Government Units (LGU) Five (5) hectares or its meridional block equivalent.

Provided, that in cases of application for Commercial Sand and Gravel Permit covering the applicant’s titled property where the applied area is impractical to conform with the meridional blocks then the boundaries of the applied area shall be defined by specific technical descriptions in geographical coordinates. Provided, that it will not exceed the maximum area allowed under this guidelines. Provided further, that in the survey plan, the applied area should be indicated on what meridian block/s of 5” longitude and 10” latitude it falls.

Sec. 3 Acceptance of Application.

An application for Special Quarry Permit or Industrial Sand and Gravel Permit shall be filed with the Regional Office in five (5) sets upon payment of the following fees:

- a. Filing fee – ₱ 10.00
- b. Processing fee – ₱ 500.00
- c. P.D. 1856, as amended for a and b - ₱ 20.00

The Secretary is authorized to increase the above fees when the national interest and public welfare so require, upon recommendation of the Director.

An application for Commercial Sand and Gravel Permit shall be filed with the Provincial/City Provincial Mining Regulatory Board (P/CMRB) upon payment of fees to be prescribed by the said Board.

Sec. 4 Mandatory Requirements for Permit Application.

The application for Special Quarry Permit (MGB Form No. ___) shall be filed with the Regional Office either personally or through its duly authorized representative, accompanied by the following mandatory requirements.

- a. Survey Plan of the applied area, prepared and signed by a licensed Geodetic Engineer;
- b. Area Clearance from the concerned Government agencies/LGU(s) that maybe affected by the permit application or written permission from the landowner(s) and surface owner(s) of the applied area;
- c. Certification from the Natural Resources Development Corporation (NRDC) that the applied area is within the identified and delineated Quarry Zone as provided under Section 5 of DAO 99-03 and the same is free of any conflict;
- d. Quarry Operational Plan prepared by a licensed Mining Engineer or Geologist and duly approved by the NRDC;
- e. Environmental Compliance Certificate (ECC) issued by the Department of Environment and Natural Resources Regional Office No. III (DENR Regional Office) or a commitment to submit an ECC prior to the approval of permit in the absence of programmatic Environmental Impact Statement (EIA);

- f. Proof of technical competence of the personnel who shall undertake the activities in accordance with the submitted and approved Work Program/Quarry Operational Plan;
- g. Photocopy of Articles of Incorporation/Partnership/Cooperation, By-Laws and Certificate of Registration, duly certified by the SEC or concerned authorized Government agency(ies), for corporations/partnerships/cooperatives; and
- h. Other supporting papers as the Regional Office may require or the applicant may submit.

Save in Section 4a, 4d and 4g hereof, all the foregoing mandatory requirements shall be complied with by the applicants for Industrial and Commercial Sand and Gravel Permits in addition to the following:

- 1) Location map/sketch plan of the proposed permit area showing its geographic coordinates/meridional block(s) and boundaries in relation to major environmental features and other projects using NAMRIA topographic map in a scale of 1:50,000 duly prepared, signed and sealed by a Licensed Geodetic Engineer;
- 2) Work Program (MGB Form No. 5-4 or MGB Form No. 6-2) duly prepared, signed and sealed by a licensed Mining Engineer or Geologist or Quarry Operational Plan prepared by a licensed Mining Engineer or Geologist and duly approved by the NRDC; and
- 3) Other supporting papers as the concerned Regional Office/Provincial/City Mining Regulatory Board (P/CMRB) may require or the applicant may submit.

No application, however, shall be accepted unless all the requirements heretofore stated shall have been complied by the applicant.

Sec. 5 Processing and Area Clearance of Permit Application.

Within fifteen (15) working days from receipt of the permit application, the concerned Regional Office/P/CMRB shall transmit a copy of the location map sketch plan of the applied area to the concerned Regional Office/pertinent Department sector(s) affected by the permit application for area status, copy furnished the concerned municipality(ies)/city(ies) and other relevant offices or agencies of the Government for their information. Upon notification of the applicant by the concerned Regional Office/P/CMRB as to transmittal of said document to the concerned Regional Office(s)/Department sector(s)/Government agency(ies), it shall be the responsibility of the same applicant to secure the necessary area status/consent/clearance from said Regional Office(s) Department sector(s)/Government agency(ies). The concerned Regional Office(s)/Department sector(s) must submit the area status/consent/clearance on the proposed permit area within thirty (30) working days from receipt of the notice: *Provided*, That the concerned Department sector(s) can not unreasonably deny area clearance/consent without legal and/or technical basis: *Provided, further*, That if the area applied for falls within the administration of two (2) or more Regional Offices/P/CMRB, the concerned Regional Office(s)/P/CMRB which has/have jurisdiction over the lesser area(s) of the application shall follow the same procedure.

In reservations/reserves/project areas under the jurisdiction of the Department/Bureau/Regional Office(s) where consent/clearance is denied, the applicant may appeal the same of the Office of the Secretary.

Within fifteen (15) working days from receipt of the permit application, the concerned Regional Office(s) shall check in the control maps if the area is free/open for mining applications.

If the proposed permit area is open for mining applications, the concerned Regional Office(s) shall give written notice to the applicant to pay the corresponding Regional Office(s) clearance

fee (Annex 5-A of DAO 96-40); *Provided*, That if a portion of the area applied for is not open for mining applications, the concerned Regional Office shall, within fifteen (15) working days from receipt of said written notice, exclude the same from the coverage of permit application: *Provided, further*, That in cases of overlapping of claims/conflicts/complaints from landowners, NGOs, LGUs and other concerned stakeholders, the concerned Regional Director/Provincial Governor/City Mayor shall exert all efforts to resolve the same.

Applications within the mineral reservation, however, shall be exempt from the requirement of this section.

Sec. 6 Posting of Permit Application.

Within fifteen (15) working days from receipt of the application by the Regional Office, it shall issue to the applicant the Notice of Application for permit for posting, which shall be done within fifteen (15) working days from receipt of Notice. The Notice must contain, among others, the name and complete address of the applicant, duration of the permit applied for, extent of operation to be undertaken, area location, geographical coordinates/meridional block(s) of the proposed permit area and location map/sketch plan with index map relative to major environmental features and projects and to the nearest municipalities.

The Regional Office shall cause the posting of two (2) consecutive weeks of the Notice on its bulletin boards as well as in the concerned PENRO(s), CENRO(s), province(s) and municipality(ies), copy furnished the barangay(s) where the proposed permit area is located. Where necessary, the Notice shall be in a language generally understood in the concerned locality where it is posted.

Within thirty (30) calendar days from the last date of posting, the authorized officer(s) of the concerned office(s) shall issue a certification(s) that the posting have been complied with. Any adverse claim, protest or opposition shall be filed directly, within thirty (30) calendar days from the last date of posting, with the Regional Office or through any concerned PENRO and CENRO for filing in the concerned Regional Office for purposes of its resolution by the Panel of Arbitrators pursuant to the provisions of RA 7942 and its Implementing Rules and Regulations. Upon final resolution of any adverse claim, protest or opposition, the Panel of Arbitrators shall issue a Certification to that effect within five (5) working days from the date of finality of resolution thereof. Where no adverse claim, protest or opposition, the Panel of Arbitrators shall likewise issue a Certification to that effect within five (5) working days therefrom.

No permit shall be approved unless the requirements under this Section are fully complied with and any adverse claim/protest/opposition thereto is finally resolved by the Panel of Arbitrators.

Sec. 7 Field Verification

After payment of ₱ 1,000/man/day at the Regional Office, its technical personnel shall conduct field verification so as to confirm that the area contains sufficient volume of quarry materials and that the area applied for has been actually surveyed. Provided, that the minimum verification charge shall be ₱ 3,000.

Sec. 8 Approval, Registration and Issuance of a Permit.

Upon evaluation that all the terms and conditions of the Special Quarry Permit application are in order and that the subject/has been cleared from any conflict, the Regional Office shall forward the Special Quarry Permit to the Mines and

Geosciences Bureau Central Office for final evaluation and approval within thirty (30) calendar days from such evaluation and shall notify the Permit Holder to cause the registration of the same within fifteen (15) working days from receipt of written notice at the Regional Office. Registration is effective only upon payment of filing fee in the amount of ₱ 100.00 and ~~₱~~10.00 for P.D. 1856, as amended. The Regional Office shall officially release the permit to the Permit Holder after registration.

Approval of Sand and Gravel Permit application by the Regional Office/concerned Provincial Governor/City Mayor thru the P/CMRB as well as registration and issuance shall be governed by Section 77 of DAO 96-40.

Failure of the Permit Holder to cause the registration its Permit within the prescribed period shall be sufficient ground for the cancellation of the same.

Sec. 9 Temporary Special Quarry/Sand and Gravel Permit.

To give opportunity for the applicant to operate immediately, the Regional office is hereby authorized to issue Temporary Special Quarry/Sand and Gravel Permit covering sand and lahar materials to applicant whose permit application could not be approved due to lack of ECC or the Notice of Application is yet to be posted. Provided however, that all other requirements relative to the approval of such application have already been complied with and that the necessary surety bond to be determined by the Regional Office to guarantee payment of damages to third parties, if any, has been posted by the applicant.

The Temporary Special Quarry/Sand and Gravel Permit shall be issued for a period not exceeding three (3) months and renewable for similar period until such time that the regular permit has been granted.

Sec. 10 Separability Clause.

If any part of this Order is declared unconstitutional or invalid by a competent court, such declaration shall not affect the other part of this Order.

Sec. 11 Effectivity.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-08
March 03, 1999**

**SUBJECT : Rationalization Of The Mining/
Quarrying Operations In
Rodriguez And San Mateo,
Province Of Rizal**

Pursuant to the pertinent provisions of Executive Order No.192, Republic Act No. 7942 and Republic Act No. 7160, the following guidelines for mining/quarrying operations in the Municipalities of Rodriguez and San Mateo, Province of Rizal are hereby issued for the guidance and compliance of all concerned:

1. Permanent Stoppage of Mining/Quarrying Operations within the Marikina Watershed Reservation

The area covered by the Marikina Watershed Reservation established under Executive Order No. 14 dated February 19, 1915 as amended, is closed to mining/quarrying pursuant to Section 19 (f) of Republic Act No. 7942. Any mining/quarrying operations therein shall not be allowed and any mining/quarrying permit/contract issued therefor shall be revoked immediately.

2. Mining/Quarrying Operations within the National Park, Wildlife Sanctuary and Game Preserve

The area covered by Proclamation No. 1636 issued on April 18, 1977 establishing the National Park, Wildlife Sanctuary and Game Preserve but outside of the Marikina Watershed Reservation is closed to mining/quarrying pursuant to Section 19 (f) of Republic Act No. 7942, subject to private rights and the operations of previously issued proclamations reserving portions thereof for specific purposes.

As such, any mining/quarrying operations therein within land titles secured after the issuance of the Proclamation shall not be allowed and any mining permit/contract issued therefor shall be revoked immediately. On the other hand, mining/quarrying operations therein within valid and existing land titles secured prior to the issuance of the same Proclamation and with valid and existing mining/ quarrying permits/contracts may be allowed to continue under the following conditions:

- a. Strict compliance with the Environmental Compliance Certificate (ECC) conditionalities and the applicable mining and environmental laws, and rules and regulations;
- b. Submission and securing approval of an Environmental Protection and Enhancement Program (EPEP) including a Final Progressive Mine/Quarry Rehabilitation and Decommissioning Plan consistent with the final land use of the mine/quarry-affected area;
- c. Establishment of the Contingent Liability and Rehabilitation Fund (CLRF) for the operationalization of the EPEP;
- d. Performance of Best Practice in environmental management;
- e. Completion by the permittee/contractor of environmental protection/ rehabilitation measures to address the current problems on siltation and erosion, as determined by the Mines and Geosciences Bureau (MGB), prior to commencement/resumption of operations;
- f. Submission of clearance from the concerned Local Government Units viz compliance with the full payment of applicable taxes and fees due; and

- g. Orderly phasing out of the mining/quarrying operations in accordance with the approved Final Progressive Mine/Quarry Rehabilitation and Decommissioning Plan, within 3 to 5 years depending on the quality of environmental protection measures implemented, as determined by the MGB; Provided, that such phasing-out provision shall be subject to review by the concerned Protected Area Management Board (PAMB) based on its study to be conducted on the environmental impact of the mining/quarrying operations, relevance to the present boundaries of Proclamation No. 1636 and the legal implication of private rights granted prior to the issuance of the said Proclamation

3. Conditions on Mining/Quarring Operations within the Lungsod Silangan Townsite Reservation.

Consistent with Section 19 (a) of Republic Act No. 7942, mining/quarrying in areas covered by Proclamation No. 1637 establishing the Lungsod Silangan Townsite Reservation may be allowed only upon the issuance of clearances from the RIZLAQUE Commission, and other concerned agencies, and the full compliance with applicable mining and environmental laws, and rules and regulations.

4. Conditions on Mining/Quarrying Operations in the San Isidro-Lukutan areas in Rodriguez, Rizal.

Due to the very thick soil overburden and the attendant difficulties in mitigating erosion and siltation problems, mining/quarrying operations within the San Isidro-Lukutan areas in Rodriguez, Rizal shall not be allowed to resume operations unless the following conditions have been complied with by the concerned mining/quarrying permittees/contractors/operators:

- a. Conduct of full profiling of soil overburden and submission of the pertinent report to the MGB for validation;
- b. Submission to the MGB of a mining/quarrying plan integrating containment measures in the handling/stockpiling of stripped soil overburden and in stabilizing slopes, for evaluation and approval,
- c. Establishment of appropriate waste disposal systems, containment and drainage system, and clean-up of spillages in the mining/quarrying areas and the vicinity thereof; and,
- d. Full compliance with the ECC conditionalities, and the EPEP and CLRF requirements.

The above-mentioned conditions shall be in addition to other applicable provisions of this Order.

5. Regulation of Crushing Operations

Only crushing plants covered by the appropriate permits including processing permits, ECCs and EPEPS, located outside the Marikina Watershed Reservation, and in accordance with the concerned municipal zoning plan that allows the operation of such facilities, may be allowed to operate.

6. Regulations for Renewal and New Mining/Quarrying Applications.

There shall be no more acceptance of new mining/quarrying applications within areas covered by the Marikina Watershed Reservation and Proclamation No. 1636.

Renewal mining/quarrying applications may be granted only for purposes of allowing the concerned mining/quarrying

permittee(s)/contractor(s) to complete the phasing out period provided for in Item No. 2 hereof.

Only pending mining/quarrying permit/contract applications in the advanced stage of processing and, therefore, have established inchoate/possessory rights (i.e. applications that have secured the necessary Area Clearances, completed the publication/posting/radio announcement requirements, and are free from adverse claims/protests/oppositions), may be given due course, subject to the phasing-out provision under Item 2 hereof.

7. Operationalization of the CLRF Requirements

The concerned agencies/parties shall ensure that the pertinent provisions of Department Administrative Order No. 96-40 regarding the establishment of the CLRF per mining/quarrying project site shall be fully enforced, specially:

- a. To constitute the CLRF, setting up of a Rehabilitation Cash Fund (RCF) equivalent to Five Million Pesos (P 5,000,000.00) or ten per cent (10%) of the total amount needed to implement the EPEP, whichever is lower, to be replenished annually so as to maintain such amount, to ensure compliance with the approved rehabilitation measures for the mine/quarry; and a Monitoring Trust Fund (MTF) that shall not be less than Fifty Thousand Pesos, to be replenished monthly, to be allotted for the monitoring of the mining/quarrying operations; and
- b. Creating the Multipartite Monitoring Team (MMT) to be composed of representatives from/of the MGB Regional Office No. IV, Department of Environment and Natural Resources (DENR) Regional Office No. IV, mining/quarrying permittees/contractors, affected communities and environmental Non-Government Organization (NGO), to serve as monitoring arm of the

Mine Rehabilitation Fund (MRF) Committee in ensuring that the conditions of the EPEP are fully complied with

8. Memorandum of Agreement (MOA) for Strict Monitoring and Law Enforcement

To strictly enforce the provisions of this Memorandum Order, as well as other existing mining and environmental laws, rules and regulations, a Memorandum of Agreement (MOA) shall be entered into among the DENR, the Provincial Government of Rizal, and the Philippine National Police (PNP) Rizal Provincial Office.

9. Repealing Clause

All memorandum orders and circulars, and official instructions or parts thereof inconsistent with the provisions of this Order are hereby repealed or modified accordingly.

10. Effectivity Clause

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-10
March 10, 1999**

SUBJECT : Guidelines in the Determination of Qualified Persons for Mining Applications and Mining Rights.

Pursuant to the pertinent provisions of Republic Act No. 7942, otherwise known as the Philippine Mining Act of 1995 (the "Act") and Department Administrative Order No. 96-40 known as the Revised Implementing Rules and Regulations of the Act (the "IRR"), the specific policy and guidelines in the determination of a Qualified Person with respect to Mining Applications and the grant of Mining Rights are hereby promulgated.

Section 1. Rationale

1. It is the declared policy that the State shall promote the rational and equitable distribution, exploration, development, utilization and conservation of all mineral resources, through the combined efforts of the Government and the private sector in order to enhance national growth in a way that effectively safeguards the environment and protects the rights of affected communities.
2. Pursuant to the Act, the State may grant Exploration Permits ("EP") and enter into Mineral Agreements ("MA") and Financial or Technical Assistance Agreements ("FTAA") with Qualified Persons for the exploration, development and utilization of mineral resources. The Act further provides for the maximum areas that a Qualified Person may hold at any one time or be granted under an EP, MA or FTAA.
3. The Act and the IRR further provide that a corporation, partnership, association or cooperative shall be deemed a Qualified Person if it is organized or authorized for the purpose

of engaging in mining and duly registered in accordance with law, having the technical and financial capability to undertake mineral resources development.

4. In order to implement the expressed intent of the Act to limit the areas that may be held or granted to a single Qualified Person, the guidelines are herein provided to determine whether or not two or more mining applicants are deemed as one and the same Qualified Person for purposes of applying for and being granted EPs, MAs or FTAAAs.

Section 2. Definition of Terms

As used in this Order, the following terms, whether singular or plural, shall mean:

1. “Qualified Person” means any Filipino citizen of legal age and with capacity to contract; or a corporation, partnership, association or cooperative organized or authorized for the purpose of engaging in mining, with technical and financial capability to undertake mineral resources development and duly registered in accordance with law, at least sixty percent (60%) of the capital of which is owned by Filipino citizens: Provided, That a legally organized Foreign-owned Corporation shall be deemed a Qualified Person for purposes of granting an Exploration Permit, FTAA or Mineral Processing Permit only.
2. “Foreign-owned Corporation” means any corporation, partnership, association or cooperative duly registered in accordance with law in which less than fifty percent (50%) of the capital is owned by Filipino citizens.
3. “Juridical Persons” means a corporation, partnership or association for private interests or purposes to which the law grants a juridical personality, separate and distinct from that of each shareholder, position or member.

All other terms used in this Order shall be consistent with and have their meaning as defined in Section 3 of the Act and Section 5 of the IRR.

Section 3. Maximum Areas Per Qualified Person

As provided in the Act and the IRR, each Qualified Person shall be entitled to hold or apply for the maximum at any one time for each of the following mining rights:

- a. Exploration Permit
 1. Onshore, in any one province
 - 1.1 For an individual - twenty (20) blocks or approximately one thousand six hundred twenty (1,620) hectares and
 - 1.2 For a corporation, partnership, association or cooperative - two hundred (200) blocks or approximately sixteen thousand two hundred (16,200) hectares.
 2. Onshore, in the entire Philippines
 - 2.1 For an individual - forty (40) blocks or approximately three thousand two hundred forty (3,240) hectares and
 - 2.2 For a corporation, partnership, association or cooperative - four hundred (400) blocks or approximately thirty-two thousand four hundred (32,400) hectares.
 3. Offshore, in the entire Philippines, beyond five hundred meters (500 m) from the mean low tide level
 - 3.1 For an individual - one hundred (100) blocks or approximately eight thousand one hundred (8,100) hectares and

3.2 For a corporation, partnership, association or cooperative - one thousand (1,000) blocks or approximately eighty-one thousand (81,000) hectares.

b. Mineral Agreements

1. Onshore, in any one province
 - 1.1 For an individual - ten (10) blocks or approximately eight hundred ten (810) hectares and
 - 1.2 For a corporation, partnership, association or cooperative - one hundred (100) blocks or approximately eight thousand one hundred (8,100) hectares.
2. Onshore, in the entire Philippines
 - 2.1 For individual - twenty (20) blocks or approximately one thousand six hundred twenty (1,620) hectares and
 - 2.2 For a corporation, partnership, association or cooperative - two hundred (200) blocks or approximately sixteen thousand two hundred (16,200) hectares.
3. Offshore, in the entire Philippines, beyond five hundred meters (500 m) from the mean low tide level
 - 3.1 For an individual - fifty (50) blocks or approximately four thousand fifty (4,050) hectares,
 - 3.2 For a corporation, partnership, association or cooperative - five hundred (500) blocks or approximately forty thousand five hundred (40,500) hectares and
4. For the Exclusive Economic Zone – a larger area to be determined by the Secretary upon the recommendation of the Director.

The determination of the total area that a mining applicant/Contractor may apply for or holds under a Mineral Agreement shall not include mining/quarry areas under operating agreements between the mining applicant/Contractor and a claimowner/Lessee/Permittee/Licensee entered into under P.D. No. 463.

c. Financial or Technical Assistance Agreement

1. One thousand (1,000) meridional blocks or approximately eighty-one thousand (81,000) hectares onshore,
2. Four thousand (4,000) meridional blocks or approximately three hundred twenty-four thousand (324,000) hectares offshore or
3. Combination of one thousand (1,000) meridional blocks onshore and four thousand (4,000) meridional blocks offshore.

Section 4. Guidelines in the Determination of a Qualified Person

In line with the principle of a rational and equitable distribution and utilization of mineral resources, the total aggregate area that may be held by or granted to a single Qualified Person an EP, MA or FTAA at any one time is limited to the maximum areas provided in the Act and the IRR.

In the case of Juridical Persons duly registered in the Philippines in accordance with law, a mining applicant shall be deemed to be one and the same in relation to other mining applicant(s)/Contractor(s)/Permittee(s) if more than seventy percent (70%) of their authorized capital stock are held by the same stockholders, and limited to the maximum area that may be applied or granted for an EP, MA or FTAA.

For the above purposes, the mining applicant shall execute and submit an Affidavit (*see Annex "A "*) declaring therein:

1. The list of all mining applications he/she/it has filed and the mining permit(s)/Contract(s) granted to it including the corresponding hectarage and location of the areas, disaggregated on a per province basis; and
2. The list of other applicant(s)/Contractor(s)/Permittee(s) in which more than seventy percent (70%) of the authorized capital stock is held by stockholders of the applicant, including the corresponding hectarage and location of the area, disaggregated on a per province basis.

Such Affidavit shall be an additional mandatory requirement in the acceptance of a Mining Application.

Each Qualified Person must have the financial and technical capability to undertake the submitted Exploration/Development/Utilization Work Program and the Environmental Work Program/Environmental Protection and Enhancement Program under the EP, MA or FTAA. As further mandatory requirement in the acceptance of the Mining Application, the mining applicant for an EP, MA and FTAA shall be required to have a minimum authorized capital stock of Ten Million Pesos (PhP10,000,000.00) and a minimum paid-up capital of Two Million Five Hundred Thousand Pesos (PhP 2,500,000.00) as further proof of its financial capability; Provided, That in case of applicants for FTAA, they shall be required to have a minimum authorized capital stock of Four Million US Dollars (US\$ 4,000,000.00) or its Philippine Peso equivalent, after approval of the President of the Republic of the Philippines and prior to registration of the FTAA as provided in the IRR.

The submission of curricula vitae and track records in mining operations and environmental management of the technical

personnel who shall undertake the activities in the submitted Work Programs shall be strictly required as provided in the IRR.

The determination of a mining applicant for an EP, MA or FTAA as a single and separate Qualified Person shall not be construed as approval or grant of its Mining Application, but is merely one (1) procedural requirement in the evaluation of such application. Said application is still subject to further processing and evaluation, and if granted, it shall be subject to such other and further requirements under the Act, IRR and other pertinent laws, rules and regulations.

Section 5. Transitory Provision

All mining applicants with pending applications for EPs, MAs and FTAA's shall be required to comply with this Order within a period of nine (9) months from the effectivity hereof; Provided, That the mining applicant shall submit a Letter notifying the Bureau/Regional Office of his/her/its intent to comply with the provisions of this Order: Provided further; That failure to comply with this Order shall cause the denial/rejection of the EP, MA or FTAA application(s) as deemed appropriate by the Bureau/ Regional Office.

Section 6. Effectivity

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

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-11
April 06, 1999**

**SUBJECT : Amending Section 4d Of
Memorandum Order No. 99-03
“The Procedural Guidelines In
The Processing And Issuance Of
Special Quarry Permit And Sand
And Gravel Permit To Extract
Sand And Lahar Materials In The
Mineral Reservation Established
And Declared Under Proclamation
No. 66 And Other Lahar-Affected
Areas In The Provinces Of
Pampanga, Tarlac And
Zambales”.**

To avoid undue difficulties for applicants to acquire Special Quarry Permit and Industrial Sand and Gravel Permit to comply with the requirements under Section 4 of Memorandum Order No. 99-03 and February 9, 1999 and to alleviate the scarcity of Mining Engineer, Geologist and practitioner who will prepare the Operational Plan as provided under said Memorandum Order, Section 4d is hereby amended to include civil engineer to read as follows:

- d. Quarry Operational Plan prepared by a licensed Mining Engineer/Geologist or Civil Engineer and to be approved by the NRDC.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99 – 34
December 27, 1999**

SUBJECT : Clarificatory Guidelines In The Implementation Of DENR Administrative Order No. 96-40 Or "Revised Implementing Rules And Regulations Of Republic Act No. 7942 Otherwise Known As The 'Philippine Mining Act Of 1995' ”

In order to achieve a consistent implementation of DENR Administrative Order No. 96-40 or the Revised Implementing Rules and Regulations of Republic Act No. 7942, the following clarificatory guidelines are hereby promulgated:

Section 1. Area Status and Clearance of Applications for Exploration Permit, Mineral Agreement and Financial or Technical Assistance Agreement

Before securing the Area Status and Clearance from the pertinent DENR Sectors, the Bureau/concerned Regional Office(s) shall first check in its control maps if the area is free/open for mining applications. Only cleared mining applications shall be forwarded to the pertinent DENR Sectors for Area Status and Clearance in accordance with DENR Memorandum Order No. 98 - 03.

Section 2 "Duly Authorized Representative" of Permittee

Under the terms and conditions of an Exploration Permit, the duly authorized

representative of a Permittee refers to entities/service contractors to whom the Permittee has entered into an operating agreement or other similar forms of agreement duly approved by the Secretary.

Section 3 Renewal of Exploration Permit

The failure of a Permittee to apply for a renewal of the Exploration Permit within the prescribed period shall automatically open the area to mining applications upon the expiration of the said Permit.

Section 4 Mandatory Requirements by a Permittee for an Application for MA/FTAA (Section 30)

The Exploration and Environmental Work Programs are not applicable as mandatory requirements for an application for a Mineral Agreement or Financial or Technical Assistance Agreement by a Permittee, hence, these documents shall not be required in the filing of said application.

Section 5 Mandatory Requirements for Mineral Agreement Application

Mineral Agreement applications going directly into the development/operating phase shall be required to submit a Three (3)-Year Development/Utilization Work Program, instead of a Two (2)-Year Exploration Work Program. The Development/Utilization Work Program shall be accompanied by an appropriate Mining Project Feasibility Study (MGB Form No. 5-3) duly prepared, signed and sealed by a licensed Mining Engineer, Geologist or Metallurgical Engineer and the pertinent Declaration of Mining Project Feasibility duly signed by the applicant.

Section 6. Registration of Mineral Agreement

In the registration of the Mineral Agreement, it shall be first forwarded to the Bureau for numbering upon approval of the Secretary, thence, to the concerned Regional Office for registration, for areas outside Mineral Reservations. The Director/concerned Regional Director shall notify the Contractor to cause the registration of its Mineral Agreement with the Bureau for areas inside Mineral Reservations or with the concerned Regional Office for areas outside Mineral Reservations within fifteen (15) working days from receipt of the written notice.

Section 7. Availment of Multiphase Activities under the FTAA

Any two (2) or more of the periods (Exploration, Pre-Feasibility Study, Feasibility Study) provided- in Section 52 of the DENR Administrative Order No. 96-40 may be simultaneously undertaken in one approved contract area, as the need of the Contractor may arise, subject to the pertinent provisions of Section 60 of the same Administrative Order: *Provided*, That the Contractor shall file a Notice to the concerned Regional Office, copy furnished the Bureau. of its intention to avail of the renewal of the Exploration Period or to advance to/avail of the Pre-Feasibility Study/Feasibility Study/Development and Construction /Operating Period, as deemed applicable, either in the whole or a portion of the Contract Area, subject to the approval of the Director.

Failure of the Contractor to file the Notice to avail of the renewal of the Exploration Period or to advance to/avail of the Pre-Feasibility Study/ Feasibility Study Period shall mean that the said periods shall not be availed of by the Contractor.

Section 8. Three (3) Letters-Notice Policy

The Mines and Geosciences Bureau shall adopt the Three (3) Letters-Notice policy in exacting compliance of mining applicants with all requirements to support mining applications. Thus, each Letter-Notice shall give the mining applicant fifteen (15) to thirty (30) days upon receipt of the Letter-Notice to comply with the pertinent requirements: *Provided*, That an interval of no more than thirty (30) days between deadlines shall be observed in sending the Letters-Notice.

The failure of the mining applicant to fully comply with the requirement as embodied in the Letters-Notice shall be a ground for denial of the mining application.

Section 9. Authorized Capitalization

The minimum authorized capital of Ten Million Pesos (₱ 10,000,000.00) and paid-up capital of Two Million Five Hundred Thousand Pesos (P 2,500,000.00) required for a corporation/association/cooperative/ partnership under DENR Memorandum Order No. 99-10 shall apply to the principal applicant whether or not this applicant is supported by an operator or service contractor thru an operating agreement or other similar forms of agreement: *Provided*, That in the case of a mining application with two (2) or more applicants as co-applicants, the minimum authorized capital of P 10 Million and paid-up capital of ₱2.5 Million may be required from just one (1) of the co-applicants.

In the case of a mining application by an individual, the minimum amount of Two Million Five Hundred Thousand Pesos (₱2,500,000.00) shall be required as proof of financial capability, which shall be in the form of a bank deposit or credit line.

Consistent with the provisions of DENR Memorandum Order No. 99-10, the foregoing, requirements shall be mandatory in the acceptance of a mining application.

Section 10. Prior Approval by the Sanggunian

Prior approval or endorsement by any two (2) of the concerned Sanggunian (Panlalawigan, Bayan and Barangay) shall be required in support of mining applications intended for development and/or utilization purposes. In the case of mining applications intended for exploration, a proof of consultation with/project presentation to any two (2) of the concerned Sanggunian shall be required.

In either case, the proof of prior approval, endorsement, consultation and/or project presentation shall be in the form of a formal Resolution or Certification by the concerned Sanggunian.

Section 11. Approval of Memorandum of Agreement/Option Agreement/ Operating Agreement and other similar forms of Agreement under Mining Rights/Applications

Memorandum of Agreement(s)/Option Agreement(s)/ Operating Agreement(s) and other similar forms of Agreements under a mining application shall be registered with the Bureau/concerned Regional Office and shall form part of the supporting document of a mining application, subject to the evaluation of the Bureau/Regional Office. Such agreement shall be deemed approved upon approval of the mining application.

Memorandum of Agreement(s)/Option Agreement(s)/ Operation Agreement or other similar forms of Agreement entered into under a mining permit/contract shall be registered with the Bureau/concerned Regional Office and shall be subject to the approval of the Secretary upon evaluation and recommendation by

the Director. Any of such Agreement that is not duly registered and/or approved by the DENR Secretary shall be deemed void in so far as the Department is concerned.

Section 12. Effectivity

This Order shall take effect fifteen (15) days after its complete publication in a newspaper of general circulation and fifteen (15) days after registration with the Office of the National Administrative Register,

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

MALAYA December 29,1999

ENVIRONMENT SECTOR

**DENR Administrative Order
No. 99-08
March 09, 1999**

SUBJECT : Amending DENR Administrative Order No. 98-67.

Pursuant to Section 6, paragraph d, of Republic Act No. 8172, and to ensure the sustainable production of salt, Department Administrative Order No. 98-67 is hereby amended as follows:

1. Section 4, Item c shall read as:

“c. Water Quality

The salinity of water for salt production should be at least 25 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.”

2. The title of Section 6 shall read as:

“Section 6. Application Procedure for Salt Production Sharing Agreement (SPSA)”

3. Section 6, Item 1.b shall read as:

“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.”

4. The paragraph under Section 11 or Payment of Application Fee shall read as:

“Application fee shall be ₱ 500.00 per application.”

5. Items 2.a and 2.b of Section 15 (on Responsibility of SPSA holder) shall read as:

“a. Socio-economic profile (SEP) of the affected communities;”

“b. Rapid rural appraisal (RRA); and”

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at: Today – March 15, 1999

**DENR Administrative Order
No. 99-17
May 27, 1999**

SUBJECT : Updating Department Administrative Order No. 35, S. 1990 Otherwise Known as the Revised Effluent Regulations of 1990, Revising and Amending the Effluent Regulations of 1982.

In conjunction with DENR Administrative Order No. 35 (DAO 35), Series of 1990, the quality of Philippine waters shall be maintained in a safe and satisfactory condition according to their best use. For this purpose, Sections 4 and 5 of DAO 35 are hereby amended as follows:

Sections 4 and 5. The following footnote shall be added to (a) Table 1, Section 4 and (b) Tables 2A and 2B, Section 5:

“For other inland and coastal waters not yet classified, the effluent standards shall be based according to the best use of these waters. This refers to the current best beneficial use that is expected to last, at least 10 to 20 years, as determined by the DENR in consultation with the concerned LGU, government agency, NGOs, academe, industry, and stakeholders. In special cases when dictated by political, economic, social, public health, environmental and other considerations, certain waters may be classified according to the intended or future beneficial use (DAO 34, S. 1990 – Revised Water Usage and Classification/Water Quality Criteria Amending Section Nos. 68 and 69, Chapter III of the 1978 NPCC Rules and Regulations).”

Section 5, Table 2B. The column heading “Class SD and Other Coastal Waters Not Classified” is modified to “Class SD.”

This Order shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

The Philippine Star - June 23, 1999
Today - June 23, 1999

DENR Administrative Order

No. 99-37

August 23, 1999

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

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

Section 1 Title

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

Sec. 2 Policies and Objectives

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

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

Sec. 3 Coverage

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

Sec. 4 Fund Management

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

4.1 Fund Utilization

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

4.2 Fund Auditing and Reporting

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

4.2.1 Fund Recording and Deposit

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

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

4.2.2 Fund Reporting

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

4.2.3 Fund Disbursement

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

Sec. 5 Separability Clause

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

Sec. 6 Repealing Clause

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

Sec. 7 Effectivity

This Administrative Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-10
April 08, 1999

**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 the Executive Order No. 192, series of 1987, the following revisions be made to some provisions of DAO 98-46, due to typographical errors, to wit:

Chapter I – General Provisions and Administrative Procedures

- 1) Section 3. Definitions: letter (j): definition of “Emission”, line 2, column 1: the word “passes” be changed to “passed”; and
letter (t): definition of “Model life”, lines 1 & 2, column 1: the word “car” shall be changed to “vehicle”;
- 2) Section 4. Administration and Enforcement: line 1, column 1: letter (g) the phrase “on the” shall be deleted; and letter (i), line 4, column 2, the word “of” shall be inserted between the words “basis” and “emission”;
- 3) Section 9. Apprehension and Grounding of Smoke-Belching Diesel-Fueled Vehicles: line 17, column 2: the word “apprehend” be changed to “apprehended”;
- 4) Section 10. Apprehension and Grounding of Gasoline-Fueled Vehicles: line 2 and last line, column 2: “Sections 28 and 29” and “Section 29” be changed to “Sections 30 and 31” and “Sections 31”, respectively;
- 5) Section 15. Form and Contents of Complaint and Charge Sheet: line 8, column 2: the word “of” shall be changed to “on”;
- 6) Section 17. Hearing Procedures on Apprehended Motor Vehicles (a): line 2, column 3: the word “complain” be changed to “complainant”;

Chapter 20 – Emission Control for New Motor Vehicle Types

- 7) Section 20. Scope: line 4, column 3; the acronym “CEC” shall be changed to “COC”;
- 8) Section 22. Application for Certificate of Conformity: line 1, column 3: “Section 16 be changed to “Section 19”;
- 9) Section 25. Emission Control Labelling: lines 2 & 3, column 3: (b) the phrase “with a print size not less than one (1) centimeter and” shall be changed to “which shall be”;

Chapter III – Exhaust Emission Control for In-use Motor Vehicles

- 10) Section 30. Mandatory Periodic Emission Inspection: (c)(ii): line 2. Column 1: “A” be changed to “i”;
- 11) Section 31. Random Road Inspection: the word “road” shall be changed to “roadside” in the title of this section; (b) line 3, column 1, “Annex 2” shall be changed to “Annex 1” while “Annex 1” shall be changed to “Annex 2” in line 4, column 1;
- 12) Section 34. Permissible Emission Limits for In-use Motor Vehicles: (b)(1): line 3, column: the term “4.5m” be changed “4.5 m⁻¹”;
- 13) Section 35. Emission Violations by In-use Vehicles: line 1, column 2: “Section 35(b) be changed to “Section 37 (b)”;
- 14) Section 37. Vehicles Eligible for Renewal of Registration: (a): line 3, column 2: “Section 32” be changed to “Section 34”; and
- 15) Section 41. Prohibitions: (a) line 1, column 3, the word “allow” shall be deleted;

The above modifications shall be published as required by law prior to implementation.

For immediate compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

TODAY – June 24, 1999

**DENR Memorandum Circular
No. 99-18
June 11, 1999**

SUBJECT : List of Classified Water Bodies in 1998.

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
1.	Silag-Sta Maria	Upstream	Ilocos Sur	1	A
		Downstream	Ilocos Sur	1	B
2.	Mallig	Upstream	Mountain Province	CAR	B
3.	Palawig	Upstream	Cagayan	2	A
		Downstream	Cagayan	2	C
4.	Talisay	Upstream	Bataan	3	B
		Downstream	Bataan	3	C
5.	Malampaya Sound		Palawan	4	SA
6.	Kilbay-Katabanagan		Camarines Sur	5	B
7.	Ragay		Camarines Sur	5	B
8.	Tinalmud		Camarines Sur	5	A
9.	Sipocot		Camarines Sur	5	A
10.	Tambang-Tinambac		Camarines Sur	5	A
11.	Viga		Catanduanes	5	A
12.	Bato		Catanduanes	5	A
13.	Pajo		Catanduanes	5	A
14.	Lanang		Masbate	5	A
15.	Napayawan		Masbate	5	B

16.	Mandaon		Masbate	5	B
17.	Asid		Masbate	5	A
18.	Malbug		Masbate	5	A
19.	Guiom		Masbate	5	B
20.	Nainday		Masbate	5	C
21.	Daraga		Masbate	5	B
22.	Aguada/Nauco		Masbate	5	A
23.	Baleno		Masbate	5	A
24.	Donsol		Sorsogon	5	A
25.	Ogod		Sorsogon	5	A
26.	Putiao		Sorsogon	5	B
27.	Cadacan		Sorsogon	5	A
28.	Banuang Doan		Sorsogon	5	A
29.	Fabrica		Sorsogon	5	A
30.	Matnog		Sorsogon	5	A
31.	Imbang	Upstream	Negros Occidental	6	A
		Downstream	Negros Occidental	6	C
32.	Malisbog	Upstream	Negros Occidental	6	B
		Downstream	Negros Occidental	6	C
33.	Inabanga	Upstream	Bohol	7	A
		Downstream	Bohol	7	C
34.	Matul-id		Bohol	7	A
35.	Bayawan	Upstream	Negros Oriental	7	A
		Downstream	Negros Oriental	7	B
36.	Sicopong	Upstream	Negros Oriental	7	A
		Downstream	Negros Oriental	7	B
37.	Tanjay	Upstream	Negros Oriental	7	A
		Downstream	Negros Oriental	7	B
38.	La Libertad		Negros Oriental	7	A
39.	Pagatban		Negros Oriental	7	B
40.	Tyabanan		Negros Oriental	7	B
41.	Bao		Leyte	8	C
42.	Saaz	Upstream	Zamboanga City	9	A
		Downstream	Zamboanga City	9	B
43.	Sinunuc	Upstream	Zamboanga City	9	A
		Downstream	Zamboanga City	9	B
44.	Bubunawan		Bukidnon	10	A
45.	Agusan		Davao	11	C
46.	Ilang		Davao City	11	C

47.	Lipadas	Upstream (Mt. Apo Nat'l Park to Barangay Baracayo)	Davao City	11	AA
		Midstream (Barangay Baracayo to Barangay Bangkas)	Davao City	11	A
		Midstream (Barangay Bangkas to Barangay Alambre)	Davao City	11	B
		Downstream (Barangay Alambre to confluence of Davao Gulf)	Davao City	11	C
48.	Mandulog		Iligan City	12	D
49.	Tubod		Iligan City	12	C

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 forgoing classification.

This Memorandum Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**PROTECTED
AREAS AND
WILDLIFE
SECTOR**

DENR Administrative Order

No. 99-02

January 26, 1999

Subject : Transfer of the Tamaraw Conservation Program From DENR-Region IV to Protected Areas and Wildlife Bureau (PAWB)

In accordance with Section 18 of Executive Order No. 192 or 1987, the supervision, operations and management of the Tamaraw Conservation Program (TCP) is hereby transferred from DENR-Region IV to the Protected Areas and Wildlife Bureau (PAWB) effective 01 January 1999.

All functions and responsibilities, records; equipment and supplies; and Project personnel and staff, excluding Region 4 personnel, are included in the transfer. The disbursement of the remaining Project appropriations for the current year and succeeding yearly appropriations shall likewise be administered by PAWB.

In view of this transfer, all the concerned DENR-Region 4 personnel are hereby instructed to clear themselves of all their responsibilities and accountabilities associated with TCP supervision, operations and management not later than the effectivity date of this Order.

This Order takes effect on 01 January 1999 and remains in full force unless revoked in writing. DENR Administrative Order No. 97-42 and all other orders, memoranda and issuances from this Office which are inconsistent herewith are deemed automatically revoked.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-24
July 06, 1999

SUBJECT : Addendum to Section 19 (h) of Department Administrative Order (DAO) No. 25, Series of 1992 re: Composition of the Protected Area Management Board (PAMB)

In order to ensure the effective management and operation of the Protected Area Management Board (PAMB) within the coastal and marine protected areas, Section 19 (h) of DAO 25, Series of 1992 is hereby amended:

Section 19. Composition of the Board.

- (h) One representative if necessary, from other department or national government agencies involved in protected area management. In situations wherein two or more such departments are involved, the representative shall be chosen by and among themselves.

In cases of marine/coastal protected areas, the Department of Agriculture (DA) through the Bureau of Fisheries and Aquatic Resources (BFAR) shall be prioritized in the selection of PAMB membership to represent other department or national government agencies.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-31
July 30, 1999**

SUBJECT : Ecological Destination Development Guidelines for Turtle Islands, Tawi-Tawi .

Pursuant to Executive Order No. 192 giving mandate to the Department of Environment and Natural Resources to protect and manage the country's biological resources; Republic Act 6734, creating the Autonomous Region of Muslim Mindanao (ARMM); Executive Order No. 542 as the government's response to conserve our endangered marine turtle resources; Memorandum Circular No. 83, a Philippine government initiative creating the Brunei-Indonesia-Malaysia-Philippines East Asian Growth Area (BIMP-EAGA) to encourage economic and social development in the sub-region; Joint DENR-DOT Memorandum Circular No. 98-02, providing guidelines for ecotourism development in the Philippines to promote sustainable development through tourism; and the recent Bilateral Agreement between the Governments of the Philippines and Malaysia establishing the Turtle Islands Heritage Protected Area (TIHPA) towards the conservation of the only major remaining green turtle nesting rookery in the ASEAN Region, the following guidelines are hereby promulgated.

**ARTICLE I
BASIC POLICY, OBJECTIVES AND DEFINITION OF
TERMS**

Section 1. Basic Policy

It is the policy of the state to attain and maintain a national and orderly balance between environmental protection and socio-economic growth through the sustainable use, development, management, renewal, and conservation of the country's natural

resources, including the protection and enhancement of the quality of the environment for the present and future generations.

Sec. 2 Objectives

This Administrative Order shall have the following objectives:

- a. Ensure that environmental considerations are incorporated at the earliest possible stage of any development within the Turtle Islands; and
- b. Protect the species biodiversity and environment of the Turtle Islands while assuring the socio-economic benefit for the community through appreciation of the ecological destination.

Sec. 3 Definition of Terms

For purposes of this Order, the following terms shall mean as defined hereunder:

- a. ***Carrying Capacity*** is the extent of development and maximum number of individuals that can be accommodated in an area without adversely affecting the state of the environment, the level of satisfaction of the visitor, and the social culture of the host community.
- b. ***Ecological destination*** refers to an environmentally sound activity in a given ecosystem enhancing the natural and cultural diversity conservation and addressing the socio-economic needs of the communities.
- c. ***Environmental Impact Assessment (EIA)*** is the process of predicting the likely environmental consequences of implementing projects or undertakings and designing appropriate preventive, mitigating and enhancement measures.
- d. ***Indigenous Cultural Community/Indigenous Peoples (ICCs/IPs)*** refers to a group of people or homogenous societies identified by self-ascription and ascription by others, who have

continuously lived as organized community on communally bounded and defined territory, and who have under claims of ownership since time immemorial, occupied, possessed and utilized such territories, sharing common bonds of language, customs, traditions and other distinctive cultural traits, or who have, through resistance to political, social and cultural of colonization, non-indigenous religions and cultures, became historically differentiated from the majority of the Filipinos (RA 8371 or the Indigenous Peoples' Rights Act of 1997).

- e. ***Local inhabitants*** refer to bonafide residents of the municipality for at least one year and a qualified voter of the same municipality.
- f. ***Manual on the Ecological Destination Development in the Turtle Islands***, refers to the herewith attached Manual which shall serve as reference for tourism developers and other stakeholders in the implementation of ecological destination related activities as specified in this guideline. It aims to clarify in detail the steps and procedures required to implement the various provisions of this Order.
- g. ***Sustainable Development*** is a process of development in which the use of resources, direction of investments, orientation of technological development, and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspiration (Philippine National Biodiversity Study, 1997).

ARTICLE II

SCOPE AND COVERAGE OF THE ECOLOGICAL DESTINATION GUIDELINES

Sec. 4 Scope and Coverage

This Administrative Order covers the ecological destination activities that have direct impacts of the environment and on the different life stages of marine turtles and shall not adversely affect

existing traditional activities and livelihood of the communities therein.

The guidelines prescribed herein shall be applicable only in the Turtle Islands, Tawi-Tawi, composing of the islands of Taganak, Great Bakkungan, Boan, Langaan, and Lihiman. Baguan island is both a sanctuary and a strict zone; therefore, excluded in the coverage of the guidelines.

Sec. 5 Ecological Destination Zones

For purposes of ecological destination development in the Turtle Islands, the islands are categorized into zones according to their significance to marine turtles and other marine resources. The zones are as follows:

- a. *Strict Protection Zone*** - The Baguan Island Marine Turtle Sanctuary and 5 kilometers radius from the lowest low tide shall be designated as a Strict Protection Zone. As such, the island and surrounding waters shall remain a restricted area not subject to any commercial development and will only be limited to scientific research and strict bio-diversity and habitat conservation.
- b. *Habitat Management Zone*** - The islands of Langaan, Lihiman, portions of Taganak (Pallang Beach and nesting area on the north western side extending to the mangrove vegetation in Bakkao) and mangroves of Boan shall be designated as Habitat Protection Zone. These areas are designated as such since they support important marine habitats (coral reefs, mangrove vegetation and nesting grounds for marine turtles). Infrastructure development in these areas shall be restricted.
- c. *Recreation Zone*** - Great Bakkungan and portions of Taganak and Boan not managed as Habitat Management Zone shall be designated as Recreation Zone. This shall be the least restricted area and shall allow for a range of activities with low impacts on the environment and on marine turtles.

The allowable ecotourism activities and infrastructure development shall be as listed in Annex 1.

ARTICLE III GENERAL GUIDELINES

Sec. 6 Project Evaluation and Assessment

- a. Interested ecological destination operators/investors/developers are required to under a full-blown Environmental Impact Assessment (EIA) as prescribed in DENR Administrative Order 96-37. Further, no activity shall be allowed without an Environmental Compliance Certificate (ECC).
- b. Notwithstanding DAO 96-37, all Environmental Impact Assessments for projects or activities in the Turtle Islands shall be evaluated by the Environmental Management Bureau (EMB) and the ECC shall be issued only by the DENR Secretary.
- c. The National Ecotourism Committee (NEC) shall review and evaluate all proposed ecotourism development projects in the Turtle Islands upon submission of all necessary requirements, in accordance with the provisions of the Joint DENR-DOT Memorandum Circular No. 98-02.
- d. An endorsement from the NEC shall be a requirement in the processing of the ECC application of any developer.

Sec. 7 Carrying Capacity

Ecological destination development activities and projects must work within the prescribed carrying capacity of the islands and its marine ecosystem as indicated in the Turtle Islands Management Plan based on the following parameters, among others:

- a. Availability of water
- b. Spatial considerations

- c. Social considerations
- d. Biological capacity
- e. Ecological thresholds
- f. Economic/environmental sustainability

Sec. 8 Socio-cultural Consideration

All development activities and projects shall conform to the socio-cultural considerations prescribed in Part II the Manual attached hereto which form part of this Order, such as but not limited to employment, relocation, traditional values and beliefs, and indigenous peoples/local inhabitants.

Sec. 9 Ecological Destination Operation and Visitor Management

Ecological destination operation and visitor conduct shall be in accordance with the guidelines as prescribed in Part III of the Manual. This may include but not limited to turtle watching and SCUBA/snorkelling etiquette, code of ethics of visitors, tourist awareness programs, and tourist protection and safety.

ARTICLE IV ECOLOGICAL DESTINATION DEVELOPMENT GUIDELINES

Sec. 10 Strict Protection Zone

Ecological destination activities shall not be allowed except for scientific research and monitoring.

Sec. 11 Habitat Management Zone

- 1) All restrictions in Section 12 shall apply.
- 2) Ecological destination activities and infrastructure projects in the Habitat Protection Zone shall be limited only for day use.

- 3) Allowable ecological destination activities are listed in Annex 1. Some activities are restricted due to the sensitivity/importance of the area for some natural resources.

Sec. 12 Recreation Zone

To ensure that the ecological destination activities complement conservation, the following restrictions are prescribed. Details are provided in the Manual. It is also provided that the Ecological Destination Masterplan for Turtle Islands, Tawi-Tawi shall incorporate provisions of this Order.

12.1 Wildlife and habitat management

All ecological destination development and tourist activities shall be implemented in accordance to the provisions set forth Part IV of the Manual.

12.2 Physical development and Land Use

The behavioral patterns, i.e., feeding, nesting, internesting, of marine turtles shall be respected by all tourism developers. Tourist facilities shall conform to the natural behavior of marine turtles and other faunal species in the area. Specific guidelines are provided in Part V of the Manual.

12.2.1 Beachfront easement

A mandatory beachfront easement along coastal areas shall be not less than 50 meters from the highest high tide mark and an additional 10 meters inland as buffer zone where no permanent structures shall be built.

12.2.2 Development density

The maximum allowable density in the Multiple Use Zone shall be 4 guests/hectare. However, only 50% of the total land area of the islands designated as Recreation Zone shall be developed for ecotourism.

12.2.3 Architectural Restrictions

Because of the extreme sensitivity of the turtles to artificial lights, only single level clustered or single-detached villas shall be allowed. Areas subject to landscaping shall only be allowed in the following:

- a. open areas of lots already developed
- b. flower beds of all types
- c. pathways and divider strips
- d. common public areas

12.3 Water resource and waste management and pollution control

The developers shall adopt a water resource and waste management and pollution control plan provided in Part VI of the Manual.

ARTICLE V PROHIBITED ACTS AND PENALTIES

Sec. 13 Prohibited Acts

In addition to the restriction in the preceding sections and Manual, the following are prohibited acts in the Turtle Islands:

- a. Gathering, storing, processing, selling and buying of turtles or any wild plant and animal or their components except only for scientific research in accordance with E.O. 247 (Bioprospecting Law);

- b. Hunting, destroying, disturbing or mere possession of any wild plant and animal or products derived therefrom without a permit from the DENR.
- c. Dumping/dispersing of any waste products detrimental to the environment, plants and animals or inhabitants therein;
- d. Mutilating or defacing objects of natural beauty or other objects belonging to the cultural communities;
- e. Mineral exploration and/or extraction;
- f. Constructing or maintaining any kind of structure, fence or enclosures and conducting business enterprise without a permit.
- g. Construction and/or operation of casinos, high rise hotels, tenement/apartment type facilities, golf courses, swimming pools;
- h. Extraction of sand, gravel, pebbles or any stone or mineral products for construction purposes;
- i. Use of the following vehicles such as jet skis, buggies, motorcycles, watercycles, all-terrain vehicles; and
- j. Introduction of exotic species.

Sec. 14 Penalty

Violators of these acts shall be penalized in accordance with applicable laws, rules and regulations. Any form of violation shall be the basis for the cancellation of the permits to develop and operate.

ARTICLE VI GENERAL PROVISIONS

Sec. 15 Monitoring

A multisectoral body shall monitor all activities of developers and resort owners. The body shall be composed of the following agencies: Protected Areas and Wildlife Bureau (PAWB), DENR Region 9, DENR-ARMM, Local Government

and one Non-government Organization. The multisectoral body shall be chaired by PAWB.

Sec. 16 Repealing clause

All previous orders/memo/circulars and other issuance inconsistent herewith are hereby repealed, amended or modified accordingly.

Sec. 17 Effectivity

This Order shall take effect 15 days after its publication in newspapers of general circulation.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Annex 1 omitted

Published at:

Today – September 01, 1999

DENR Administrative Order
No. 99-39
September 01, 1999

SUBJECT : Guidelines for the Development and Management of Ecological Destinations in the Philippines.

In line with the Department's mandate to promote sustainable development, and cognizant of the Philippines' abundance in ecological destinations, the guidelines for Ecological Destinations Development and Management in the Philippines are hereby promulgated as follows.

Section 1 Basic Policy

1. It is the policy of the State to ensure sustainable development, management, protection and conservation of 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; and
3. It is the policy of the Department to establish/create multi-dynamic movement and convenient access to ecological destinations through environmental roads and environmental rest areas.

Sec. 2 Objectives

1. To promote environmental awareness through ecological study tours;

2. To allow ecological enthusiasts to use and benefit from environmental intangibles such as the priceless outdoor experience of isolation in nature; and
3. To provide income generating activities to communities with identified ecological destinations.

Sec. 3 Definition of Terms

1. **Ecological Enthusiast** – a person who is interested in natural landscapes or environment.
2. **Environmental Intangibles** – all the benefits derived from ecological sites except those of material value.
3. **Ecological Destination** - a site that shows a unique natural feature(s) of a landscape that benefit people because of its aesthetic, recreational and scientific value.
4. **Environmental Road** - road developed in harmony with nature leading to the ecological destination.
5. **Environmental Rest Area Park** - area with basic amenities such as comfort rooms, coffee shops, lodging rooms along the environmental road.
6. **Cost Recovery Scheme** - plan to recover investment made and earn a reasonable profit.
7. **Ecological User's Fee** - payment received/collected for the use of facilities and basic amenities of the ecological destination and rest area.

Sec. 4 Scope and Coverage

This order shall cover the development and management of sites of ecological uniqueness and importance, excluding sites already covered by the eco-tourism program, and those areas under the jurisdiction of other government agencies.

Sec. 5 Strategy

Development and management of ecological destination uses the holistic approach. Activities include, among others, development of the site itself, greening and construction/improvement of the access road leading to the identified ecological destination and installation of amenities in rest areas. The development of the site must be environmentally sound, and with minimum disturbances in the area.

Low impact activities should be confined to the periphery of the site. Provision for an effective waste management and disposal shall also be undertaken.

The program shall utilize the in-house investment and marketing expertise of the DENR through the Natural Resources Development Corporation (NRDC). NRDC shall formulate and implement the cost and recovery scheme of this program.

The assessment team specified in Section 8 shall provide the necessary guidelines and formulate specific activities that could be allowed in the area, together with the plan, design and specifications of the infrastructures to be constructed therein.

NRDC shall take charge of the implementation of the plan in coordination with the Community Environment and Natural Resources Office (CENRO) who has jurisdiction over the ecological destination.

Sec. 6 Criteria on the Development and Management of the Ecological Destinations

6.1 Site Selection

The following criteria shall be considered/used in the selection of an ecological destination:

1. The area should have unique natural/endemic features which will provide enjoyment and education to ecological enthusiasts;
2. The area should be accessible;
3. The area has no peace and order problem;
4. The development of ecological destinations must be supported by Local Government Units (LGUs) and accepted by the community affected by such development;
5. The area must not be a natural disaster prone area;
6. The area must be near necessary amenities for the convenience of the ecological enthusiasts; and
7. The area must be outside the ancestral domain, reservation, private land or with pending land claim.

6.2 Developmental Activity Considerations

The following criteria shall be considered in planning, development and management of ecological destinations:

1. The activities must be environmentally sound with low impact and with minimum disturbances on the landscape or natural feature of the site;
2. The activities must be ecological, scientific and of educational value;
3. The activities are in accordance with the community's norms and cultural values; and
4. The activities must provide economic and social benefit to the ecological enthusiasts and the community in general.

Sec. 7 Criteria on the Development and Management of the Environmental Roads and Rest Area Parks (ERAP)

1. The road must lead to an ecological destination;

2. The roadside and site for rest area must not be under the jurisdiction of the Department of Public works and Highways (DPWH) or other government agencies;
3. Developmental activities along the road must be limited to environmental enhancement, landscape improvement and construction of rest houses, coffee shops and public toilets;
4. The design and type of proposed facilities should be in harmony with the natural settings of the area; and
5. Development of the road should include the establishment of greenbelt areas by planting of endemic trees and other vegetation.

Sec. 8 Identification of Sites for Ecological Destinations and Environmental Roads and Rest Area Parks

DENR Regional Offices shall conduct the pre-selection and identification of the sites for ecological destinations, environmental roads and rest area parks in their respective region.

An assessment team shall validate an identified site as to its suitability as an ecological destination, environmental roads and rest area parks and should prepare the necessary recommendation for the proclamation of the Secretary as such. The team shall be headed by a representative from the Protected Areas and Wildlife Bureau (PAWB) and its members shall be composed of the following:

1. Representative from NRDC
2. Representative from Special Concerns Office (SCO)
3. Representative from the Regional Office concerned
4. Representative from the CENRO concerned
5. Representative from the community/ies in the area
6. Representative from concerned government agency/office

Sec. 9 Economic Considerations/Procedures

1. All ecological enthusiasts must pay the ecological user's fee before access is allowed in the identified ecological destinations and rest area.
2. Rate of users' fee shall depend on the target market, the type of destination (ecological uniqueness), the size of the site, and the initial investment, required which will be determined by the assessment team; and
3. Income generated from collected fees shall be administered by NRDC, which shall primarily be used for the maintenance of such destinations/rest area, and a modest amount shall be returned to the community in the form of livelihood activity.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-45
November 05, 1999

SUBJECT : Rules and Regulations on the Sale and Farming of Saltwater Crocodile (*Crocodylus porosus*).

Pursuant to the provisions of Executive Order No. 192 of 1987, in compliance with the Government's commitments to the Convention in International Trade on Endangered Species of Flora and Fauna (CITES) and the Convention of Biological Diversity (CBD), in pursuit of the DENR's mandate to promote the socio-economic wellbeing of the Filipino people through the introduction of crocodile farming industry and transfer of related technologies, and in order to ensure equitable-sharing of benefits derived from the country's biological resources particularly from crocodiles, the following rules and regulations on the sale and farming of Saltwater Crocodiles (*Crocodylus porosus*) from Crocodile Farming Institute (CFI) are hereby promulgated for the information and guidance of all concerned.

SECTION 1.
OBJECTIVES

This Administrative Order shall have the following objectives:

- 1.1 To promote the crocodile farming industry in the country as the Department's contribution to the upliftment of the socio-economic well-being of the Filipino people;
- 1.2 To develop local capability on Saltwater Crocodile farming through the transfer of technology generated by the CFI especially on Saltwater Crocodile;

- 1.3 To promote conservation and sustainable use of Saltwater Crocodile and ensure equitable-sharing of benefits derived from said resource; and,
- 1.4 To generate revenues that will help sustain all activities of CFI towards the conservation of the two species of crocodiles namely, *Crocodylus mindorensis* and *Crocodylus porosus* and enhancement of crocodile farming technology in the Philippines.

SECTION 2. DEFINITION OF TERMS

For the purpose of this Order, the following terms shall be construed to mean as:

- a. BFAD – Bureau of Food and Drugs
- b. By-product or derivative – any part taken or substance extracted from crocodile, in raw or processed form. This includes stuffed crocodile.
- c. CFI – Crocodile Farming Institute located at Puerto Princesa City, Palawan. This is a DENR-managed project established in 1986 whose functions are to conserve the two species of crocodiles (i.e. *Crocodylus porosus* and *Crocodylus mindorensis*) and to promote socio-economic well being of Filipino communities through the development and introduction of suitable crocodile farming technology.
- d. CITES – Convention on International Trade in Endangered Species of Flora and Fauna; a treaty among countries, including the Philippines, that regulates the international trade of wild flora and fauna 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 CITES-member country;
- e. Cooperator – an individual of Filipino citizenship or entity, company or organization owned by Filipinos who has been

- pre-qualified and selected to acquire, thru sale, captive-bred saltwater crocodiles from CFI; authorized to use crocodiles purchased from or registered with CFI commercially; and has executed a Crocodile Sale and Farming Agreement with the DENR thru CFI and NRDC;
- f. Crocodile Breeding – propagating or producing crocodiles in captivity through the technology developed by CFI;
 - g. Crocodile Sale and Farming Agreement – an agreement entered into by and between the DENR, thru CFI and NRDC, and the Cooperator covering the sale and farming of *Crocodylus porosus* from CFI.
 - h. Culled breeder – a non-performing or uproductive breeder;
 - i. DENR – Department of Environment and Natural Resources created by virtue of Executive Order No. 192 of 1987;
 - j. DIT – Department of Trade and Industries
 - k. Farm – an area, including the facilities thereat developed by a Cooperator for rearing, breeding and maintenance of Saltwater Crocodiles in captivity;
 - l. Farming – rearing and breeding of Saltwater Crocodiles for commercial uses and other puposes;
 - m. Hatching – young crocodile of less than 0.5 in length;
 - n. Harvest – process or act of gathering and taking the crocodiles from their enclosure for slaughter and leather production purposes;
 - o. NMIC – National Meat Inspection Commission;
 - p. NRDC – Natural Resources Development Corporation, a government owned and controlled Corporation, attached to the DENR and chartered under Executive Order No. 786;
 - q. PAWB – Protected Areas and Wildlife Bureau, a staff bureau of the DENR mandated to manage and conserve the biological diversity of the Philippines;
 - r. Processing – procedure by which skin is treated for preservation, tensile strength and fashion until manufacturing stage and other derivatives are obtained to include hygienic removal and preservation of edible parts of human consumption;

- s. Progeny – the crocodile produced in the Farm through breeding operations;
- t. Sale – the act of selling *Crocodylus porosus* for an agreed price.
- u. Sustainable utilization/sustainable use – the use/utilization of a biological resource in a way and at a rate that does not lead to the long-term decline of such resource, thereby maintaining its potential to meet the needs and aspirations of present and future generations.

SECTION 3. BASIC CONDITIONS

The sale and farming of *Crocodylus porosus* from CFI shall be governed by the following conditions:

- 3.1 CFI shall sell only captive-bred hatchlings of Saltwater Crocodile (*Crocodylus porosus*);
- 3.2 Sale shall be limited to Cooperators who met the requirements and undergone the screening process specified under Section 4 hereof;
- 3.3 The sale shall only be effected upon execution of a Crocodile Sale and Farming Agreement by and between the DENR (through CFI and NRDC) and the Cooperator;
- 3.4 The price per crocodile shall be determined by CFI based on the prevailing rate in the international market and cost incurred in the maintenance of the crocodiles for sale;
- 3.5 All Cooperators shall be encouraged to breed crocodiles to sustain the crocodile farming industry. This undertaking shall be subject to conditions stipulated under Section 7 hereof;
- 3.6 Proceeds of sale shall be administered by NRDC in accordance with Section 9 of this Order;
- 3.7 The handling, transport and trade of *Crocodylus porosus* and/or by-products or derivatives therefrom shall be subject to national and international policies, rules and regulations.

SECTION 4. GENERAL REQUIREMENTS AND PROCEDURES

4.1 Public Notification and Invitation

The CFI shall, through mass media, issue a public notification on the availability of *Crocodylus porosus* for sale and farming purposes. Such notification must include an invitation to interested parties to submit, on set deadline, the requirements enumerated in Section 4.2

4.2 Submission of Requirements

Interested parties must submit a Letter of Intent to the DENR through CFI, together with the following documents:

- 4.2.a A detailed proposal based on the guidelines prepared by CFI. The proposal must include the Site Development Plan and Location Map of the proposed farm, indicating among others, the access road, source of water and feed, and nearest landmark;
- 4.2.b Municipal and Barangay/City Clearances stating the approval of said Local Government Units in the establishment and operation of a crocodile farm in their area;
- 4.2.c Proof of lease or ownership of the land ;
- 4.2.d Certified true copies of the latest Income Tax Return (ITR) and Assets and Liabilities;
- 4.2.e SEC Registration and Articles of Incorporation and By-laws for Corporation; or Certificate from the Cooperative Development Authority (CDA) for Cooperative; or Articles of Partnership for Business Partners; or Community Residence Certificate for individual applicant;
- 4.2.f Annual Local Weather Report from PAGASA for the last five (5) years; and,

- 4.2.g Environmental Compliance Certificate or ECC (to be submitted by applicants who have passed the final screening process)

4.3 Initial Screening of Applications

The CFI and PAWB shall undertake initial screening of applications to determine if the applicant(s) has/have satisfied the requirements stipulated under Section 4.2. The screening shall include inspection of the proposed farm site to assess its suitability, taking into consideration the site's accessibility and location of food and water sources.

Initial screening must be done within thirty (30) days after the deadline for submission of applications. Thereafter, the CFI shall prepare a list of pre-qualified applicants for deliberation and final selection of Cooperators.

4.4 Final Screening and Selection of Cooperators

The CFI and PAWB shall undertake final screening of applications based on the selection criteria developed by CFI (Annex "A"). The final screening process shall be limited to pre-qualified applicants as determined under Section 4.3.

The applicant must have a minimum score of 80% to qualify as Cooperator. Qualifiers shall be ranked according to their scores. In case of tie, lots will be drawn to break the tie. The applicant who has previously qualified as Cooperator but had not been considered as a result of the lots drawn shall be given priority in the next selling period/batch. All Cooperators shall be notified in writing by CFI immediately after the selection process is completed.

4.5 Seminar-Training of Cooperators

The Cooperators and one of their technical staff shall be required to undergo a 2-week seminar-training on crocodile handling, rearing, breeding and maintenance, at the cost of the Cooperators. Provided that, prior to the training, the trainees shall sign a waiver relieving the DENR-CFI from any liability in case of injury and/or death of the trainees, and/or damage and/or loss of personal property of the trainees during their stay at CFI.

A Certificate of Completion shall be awarded to each participant.

4.6 Submission of Environmental Compliance Certificate (ECC)

The Cooperator shall submit to CFI the Environmental Compliance Certificate (ECC) obtained in accordance with the existing policies, rules and regulations.

4.7 Farm Inspection and Acceptance

The CFI shall undertake farm inspection to determine if the facilities constructed thereat are in accordance with the designs, specifications and standards set by CFI. If said facilities are found in order, a Certificate of Acceptance shall be issued by CFI to the Cooperator. Otherwise, the Cooperator must undertake necessary modifications/renovations based on CFI's findings.

4.8 Execution of the Crocodile Sales and Farming Agreement

The Cooperator shall execute a Crocodile Sale and Farming Agreement with the DENR, thru CFI and NRDC, upon compliance with all requirements and payment of the full amount due in cash or managers check for the purchase of the

crocodiles. The said Agreement must include all applicable and appropriate provisions of this Order (Annex “B”).

SECTION 5. DISPERSAL OF CROCODILES

Dispersion of crocodiles to the Cooperators shall be governed by the following:

- 5.1 CFI shall be the sole source of crocodiles, it being the only CITES-registered commercial breeding facility for crocodiles in the country;
- 5.2 Each Cooperator can avail of a minimum of 50 and a maximum of 200 hatchlings per year, depending on the availability of stock at CFI and capability of the Cooperator;
- 5.3 Hatchling to be dispersed shall be implanted with microchip transponders only by CFI;
- 5.4 Transport of crocodiles from CFI, Puerto Princesa City, Palawan to the Cooperator’s Farm shall be accompanied by the following:
 - 5.4.1 A copy of the Crocodile Sales and Farming Agreement together with the Official receipt from the NRDC endorsing payment of the crocodiles purchased;
 - 5.4.2 Health Certification issued by the Bureau of Animal Industry thru its Provincial Quarantine Office in Puerto Princesa City, Palawan; and
 - 5.4.3 Wildlife Transport Permit issued by the PENRO or CENRO of Puerto Princesa City, Palawan.
- 5.5 Crates for the transport of crocodiles shall be provided by the Cooperator at CFI compound at least three (3) days before the transport of crocodiles;
- 5.6 A CFI representative shall accompany and assist in the actual transport of the hatchlings. Said CFI representative shall stay in the Farm for five (5) days to monitor the health condition of

- the hatchlings. All mortalities incurred within the said period not attributed to the negligence of the Cooperator, as attested by the CFI representative, shall be replaced by CFI. Subject to availability of stock, replacement should be made within ten (10) days upon receipt of mortality report by CFI;
- 5.7 All deliveries, including replacements, should be properly recorded and acknowledged by the Cooperator/duly authorized representative;
- 5.8 All expenses to be incurred in connection with the transport of crocodiles, including board and lodging but excluding travelling expenses and per diems of the CFI representative who accompanied and assisted in the transport, shall be borne by the Cooperator.

SECTION 6. MAINTENANCE OF CROCODILES

- 6.1 The Cooperator shall assume full responsibility in the maintenance of crocodiles acquired from CFI. Such responsibility shall start immediately upon receipt of crocodiles by the Cooperator at the Farm;
- 6.2 The Cooperator shall also assume full responsibility in case of intentional release or accidental escape of crocodile from the Farm. In case of such incident, the Cooperator shall immediately inform CFI and exert all efforts to locate and retrieve the missing crocodile;
- 6.3 The CFI shall develop and distribute to the Cooperators a Manual on the maintenance of the crocodiles in captivity for guidance. This Manual shall include guidelines on food requirements, feeding frequency, sanitation and hygiene, air and water temperature requirements and management, disease screening and monitoring, record keeping, handling, and rearing, among others;
- 6.4 The CFI shall also provide crocodile husbandry forms to the Cooperator for proper record management.

SECTION 7. BREEDING OF CROCODILES

Breeding of Saltwater Crocodiles by the Cooperator shall be governed by the following:

- 7.1 The cooperator/duly authorized representative must undergo training on crocodile breeding at CFI. The training shall include aspects on breeder management, crocodile nutrition, egg collection, incubation of the eggs, hatchling care, water management, among others. A Certificate of Completion shall be awarded by CFI after the training program has been completed by the Cooperator;
- 7.2 The breeding operation shall be subject to a Wildlife Farm Permit to be issued by PAWB upon submission by the Cooperator of the following:
 - 7.2.a Duly accomplished and notarized Application Form (sample attached as Annex “C”); and,
 - 7.2.b True copy of the Crocodile Sales and Farming Agreement.
- 7.3 The Cooperator has the option to sell crocodile progenies produced in the Farm to other accredited Cooperator(s), or utilize the same for leather production purposes, or other purposes, upon prior written clearance by the DENR thru PAWB. Provided that, the Cooperator shall retain not less 5% of its stock as breeder stock for at least 2 consecutive breeding season;
- 7.4 All progenies to be produced by the Cooperator must be registered with CFI. For this purpose, the Cooperator shall, within one (1) month after each breeding season, submit Production Reports following the form prescribed by CFI;
- 7.5 The Cooperator shall, upon hatching, clip tail scutes in accordance with the CFI-prescribed tail tagging system;

- 7.6 The CFI shall implant microchip transponders to all surviving progenies within one (1) year from the date of hatching, at the cost of the Cooperator. It shall maintain a record/list of crocodiles and their corresponding microchip transponder numbers, and provide the Cooperator with a copy of said list for information, reference and monitoring purposes;
- 7.7 Sale/disposition of progenies shall also be in accordance with existing national and international regulations;
- 7.8 Culling of the breeders shall be first approved by CFI. Culled breeders may be used as display, slaughtered or sold to DENR-accredited institutions following approval from CFI and PAWB.

SECTION 8. HARVEST OF CROCODILES

- 8.1 Harvest of crocodiles shall be done by batches in such a way that the 1st batch of dispersed crocodiles shall be the first to be harvested;
- 8.2 Harvesting shall be done within the last quarter of the third year, reckoned from the date of actual dispersal of the crocodiles to the Cooperators;
- 8.3 The crocodiles shall only be harvested by the Cooperator in the presence of authorized personnel/representative of CFI with PAWB and/or concerned DENR Regional Office.
- 8.4 Harvested crocodiles shall only be slaughtered in Government-accredited dressing plant. The Cooperator must submit to the DENR, thru CFI, the proof of Government accreditation of said dressing plant at least thirty (30) days prior to harvest. Slaughter of crocodiles shall be done only by CFI-trained butchers;
- 8.5 Once slaughtered, the microchip transponder implants shall be retrieved by CFI for cross-checking with CFI identification records;

- 8.6 Crocodiles skins shall be marked by PAWB using CITES tags. PAWB shall maintain a record of marked skins and their corresponding CITES tags, copy furnished CFI;
- 8.7 Commercial traders/buyers of skin, meat and other by-products or derivatives from slaughtered crocodiles must possess proper permits issued by the concerned Philippine Government agency(ies), i.e., BFAD, DIT, and NMIC;
- 8.8 Meat and other by-products shall be packed in containers individually labelled, with the following data provided: corresponding CITES tag number, source of crocodile (i.e. name of farm where harvested), and date of harvest.
- 8.9 A representative from CFI and/or other DENR-authorized representative shall be allowed to monitor the processing and sale of the crocodile skin and other by-products or derivatives;
- 8.10 After each harvest and disposal of crocodile skin and other by-products or derivatives, the CFI, in coordination with the Cooperator shall submit to DENR-PAWB a report containing the following information, among others:
 - i) Exact number and identification of crocodiles harvested.
 - ii) Name, address and owner of the slaughter house and tannery used by the Cooperator;
 - iii) Volume/quantity of skin processed and meat produced;
 - iv) Volume/quantity of skin and meat disposed/sold; and,
 - v) Name and address of buyer(s)/traders and kind of products & quantity bought by each buyer.
- 8.11 The PAWB and/or concerned DENR Regional Offices shall maintain a record of all permits/clearances granted to the Cooperator in connection with the sale of crocodile, its skin and other by-products or derivatives, copy furnished CFI.

SECTION 9.
ADMINISTRATION OF PROCEEDS OF SALE

- 9.1 Proceeds of sale of crocodile for CFI shall be deposited in a special account to be established by NRDC. The fund shall be designated as the “Crocodile Development and Management Account fund”. This Fund shall be administered by the NRDC in trusts for CFI;
- 9.2 NRDC shall receive ten percent (10%) of the total revenues generated from the sale of crocodile by CFI. The remaining ninety percent (90%) shall be used to finance development and conservation activities of CFI for *Crocodylus mindorensis* and *Crocodylus porosus*;
- 9.3 A Memorandum of Agreement shall be executed by and between the DENR and NRDC to establish the sharing, custody and disbursement of funds provided in this Section.

SECTION 10.
MONITORING

- 10.1 A Technical Extension Team (TET) shall be created to undertake the following:
- 10.1.1 Monitor health condition of the crocodiles quarterly.
 - 10.1.2 Collect data on the growth development/measurements as often as necessary;
 - 10.1.3 Conduct quarterly inventory of crocodiles in the farms;
 - 10.1.4 Monitor/supervise the harvest of crocodiles;
 - 10.1.5 Whenever practicable, monitor also the processing of skin and disposal of processed skin, meat and other crocodile parts or by-products;
 - 10.1.6 Provide technical assistance as may be requested by the Cooperator.

- 10.2 The TET shall be composed of representatives from CFI, PAWB and concerned DENR Regional/Field Offices;
- 10.3 The TET shall submit monitoring reports to the CFI and PAWB Directors within ten (10) days after each monitoring trip;
- 10.4 All expenses incurred by the TET members shall be chargeable against the fund of their respective offices.

SECTION 11. RESEARCH

As part of the continuing research and development, the CFI thru its Research Division shall conduct researches on crocodiles at the farm sites after prior notice to the Cooperator. Priority research areas include growth and development, feed consumption and conversion rate, and health aspects. The Cooperator shall assist in the conduct of research, particularly in terms of recording necessary data, and other aspects that would enhance their capability to rear and manage crocodiles in captivity. Innovations to be introduced by Cooperators must have prior clearance from CFI.

Reading methods and technological innovations that will be generated during the farming operations shall be properly documented and integrated with the research results for the improvement of farming technology on *Crocodylus porosus*. The analysis of data shall be done by the CFI and results may be published in scientific journals and bulletins. Co-authorship on published materials shall be shared by CFI with the Cooperators that provided assistance in generating the data.

SECTION 12.
LIMITATIONS/RESTRICTIONS

- 12.1 Sale or transfer of ownership or location of crocodiles by the Cooperator shall not be made without proper notification and clearance from the DENR thru CFI;
- 12.2 Sale of live crocodiles by the Cooperator, unless in accordance with Section 8 of this Order, is strictly prohibited;
- 12.3 Any biological or genetic specimens, parts, by-products or derivatives from Saltwater Crocodiles purchased from CFI or bred in the Cooperator's Farm, shall not be shipped out of the country without prior clearance from the DENR thru PAWB and CFI;
- 12.4 Cooperators are not allowed to collect from the wild or acquire crocodiles from any other sources or through any other means, except as provided for in this Order.

SECTION 13.
PENALTY CLAUSE

Violation of any of the terms and conditions in this Order by the Cooperator shall result to automatic cancellation of the Crocodile Sales and Farming Agreement as well as the Wildlife Farm Permit and confiscation of the crocodiles in favor of the Philippine Government without prejudice to the application of other appropriate measures as provided for under Customs Laws, Executive Order No. 247 and other applicable laws.

SECTION 14.
EFFECTIVITY

This Order takes effect fifteen (15) days after one publication in two dailies of national circulation. This Order revokes DAO 98-64 dated 14 October 1998 and other Orders, Circulars, Memoranda or portions thereof, inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Published at:

Manila Standard – November 10, 1999
Philippine Star – November 10, 1999

**DENR Administrative Order
No. 99-49
November 24, 1999**

SUBJECT : Guidelines in the Identification, Development and Implementation of Livelihood Activities and Opportunities for Qualified Protected Area Occupants.

Pursuant to Sections 9 and 10(a) and (b) of RA 7586 otherwise known as NIPAS Act of 1992 and Sections 6, 8, 10 and 53 of DAO 25, series of 1992, the Implementing Rules and Regulations, providing for the protection of rights of protected area occupants as prescribed under the management planning strategy and prescribing permissible human activities for livelihood activities and opportunities based on sustainable resource utilization within protected areas, the following guidelines are hereby promulgated.

Section 1. Title. This Administrative Order shall be known as the “Guidelines in the identification, development and implementation of livelihood activities and opportunities for qualified protected area occupants”.

Sec. 2 Policy. It is the policy of the government to conserve biodiversity and sustain the use of its components within protected areas through the promotion of active partnership between the government and local communities in PA management.

Sec. 3 Objectives. The following are the objectives of this Order:

- 3.1 To strengthen the protection and management of the protected areas through the active and informed participation of the local communities.
- 3.2 To identify permissible human activities for livelihood opportunities based on sustainable resource utilization.
- 3.3 To provide a system for identification, development, and implementation of livelihood activities and opportunities.

Sec. 4 Scope and Coverage

This Order shall cover sustainable livelihood activities/opportunities initiated by the government, private organizations and institutions, and organized communities within the buffer zones and organized protected area occupants in multiple use zones of protected areas. The activities that would be identified herein shall be within the scope of the management plan for protected areas or the initial protected area plan as provided in DAO 94-34 and DENR Circular 93-03. The subject communities of this Order shall be those qualified protected area occupants who have been organized to manage and protect the biodiversity & natural features of the protected area.

Sec. 5 Definition of terms: For purposes of this Order the following terms shall mean as follows:

Buffer zones - areas outside the protected area but adjoining it that are established by law, to be managed to provide social fence to prevent encroachment into the protected area by outsiders and under the control of the DENR.

Multiple Use Zones - areas where settlement, traditional and/or sustainable land use, including agriculture, agroforestry, extraction activities and other income generating or livelihood activities, may be allowed to the extent prescribed in the management plan.

Organized community - a group of people, which may be an association, cooperative, federation or other legal entity,

established to undertake collective action to address their concerns and needs and mutually share the benefits from their endeavor.

Protected Area Sustainability Assessment (PASA) - an activity undertaken to evaluate the suitability or unsuitability of each area for inclusion in the NIPAS under one or more categories provided in the R.A. 7586.

Qualified Protected Area Occupants - refer to organized migrants/communities who have actually and continuously occupied, portion of the protected area for at least 5 years before the designation of the same as PA and are solely dependent therein for subsistence; this shall also apply to indigenous people of the protected area.

Rapid Rural Systems Appraisal (RRSA)/Participatory Rural Appraisal (PRA) - is a rapid and participatory method of site assessment through systematic use of direct observation, semi-structured interview, and other non-formal techniques to collect timely and relevant data.

Resource Basic Inventory (RBI) - an activity designed to inventory and assess abundance, composition and distribution of the natural resources in the protected areas.

Survey and Registration of Protected Area Occupants (SRPAO) - an activity undertaken as requirement for the establishment of the protected area. The activity is aimed to establish basic demographic data, ethnographic and tenure status of protected area occupants as well as provide a basis for planning buffer zones and alternative livelihood activities.

Sustainable resource utilization - is the use of resources in a way and at a rate that would maintain their potential to meet the needs and aspirations of the present and future Filipino generations.

Sustainable livelihood activities/opportunities - are means of support for living that are conservation-friendly.

Sec. 6 Considerations and principles in the development of livelihood activities/opportunities:

- 6.1 The provision of alternative livelihood opportunities is a vital tool in community development
- 6.2 It should consider social acceptability, economic viability and ecological soundness.
- 6.3 Promotion of wholesome and active participation among community members.

Sec. 7 General steps in the identification, development and implementation of livelihood activities and opportunities.

7.1 Identification of livelihood activities and opportunities:

- 7.1.1 Gathering of information on existing livelihood and developmental activities within the protected area
- 7.1.2 Analysis of existing livelihood and developmental activities in order to identify compatible and incompatible activities in relation to biodiversity conservation and sustainable development

7.1.3 Community consultations and dialogues

Community consultation and dialogue shall be conducted to present results of 7.1.1 and 7.1.2 to allow a bigger part of the community to share their views regarding issues and problems in their area related to their livelihood.

7.1.4 Diagnostic stage and planning with communities:

The results of Protected Area Suitability Assessment (PASA), Resource Basic Inventory (RBI) and the Survey and Registration of Protected Area Occupants (SRPAO) shall be considered in the planning process.

The planning may be undertaken through Rapid Rural System Appraisal (RRSA)/Participatory Rural Appraisal (PRA) and shall be aimed to:

- 7.1.4.1 Identify needs and resources of community including human resources.
- 7.1.4.2 Gap analysis and develop list of proposed livelihood activities/opportunities (list of livelihood activities/projects are provided in Annex A.)
- 7.1.4.3 Identify on-going and proposed support from government agencies, private organizations and institutions
- 7.1.4.4 Identify possible markets
- 7.1.4.5 Prioritize livelihood activities

7.2 Development and implementation of livelihood activities/opportunities.

- 7.2.1 Preparation of proposal for livelihood activities/opportunities. This shall be undertaken by the community with the support of Protected Area Superintendent (PASu), private organizations or institutions or interested individuals.
The proposal should present both its economic and ecological viability.
- 7.2.2 Review of proposals by the Protected Area Superintendent (PASu) and Protected Area Management Bureau (PAMB).
- 7.2.3 Endorsement of project/activity by PAMB to IPAF-GB and other institutions for financing assistance.
- 7.2.4 Implementation of the project/activity – The community shall submit bi-annual report to Department of Environment and Natural Resources (DENR) through the Protected Areas and Wildlife Bureau

(PAWB) and as may be prescribed by the funding institution.

7.2.5 Monitoring and Evaluation (M & E) – The Department of Environment and Natural Resources (DENR) through the Protected Areas and Wildlife Bureau (PAWB) shall conduct periodic M & E with the participation of the PAMB, community and financing institution.

Sec. 8 Source of Funding. The IPAF both Central and PA sub-fund may be accessed to finance livelihood projects as provided for in DAO 96-22. The proponent may also seek financial support from local and foreign institutions/organizations.

Sec. 9 Penalty

Violators of the provisions of this order shall be penalized in accordance with applicable laws, rules and regulations.

Sec. 10 Effectivity. This Order shall take effect immediately.

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

Note: Annex omitted

**DENR Administrative Order
No. 99-51
December 14, 1999**

SUBJECT : Transfer of the Crocodile Farming Institute Project from the Office of the Undersecretary for Policy and Technical Services to the Protected Areas and Wildlife Bureau.

In pursuit of Section 18 of Executive Order No. 192 of 1987, the supervision, operations and management of the Crocodile Farming Institute Project (CFI) is hereby transferred from the Office of the Undersecretary for Policy and Technical Services, DENR-Central Office to the Protected Areas and Wildlife Bureau (PAWB).

All Project documents, records, equipment, supplies and materials, personnel/staff and remaining Project appropriations for the current year are included in the transfer. Likewise, all functions and responsibilities pertaining to CFI operations previously delegated to the Undersecretary for Environment and Programs Development under DAO 97-31 are hereby transferred to the PAWB Director.

This Order amends DAO 97-31 and revokes all orders, memoranda, circulars and issuances from this Office, which are inconsistent herewith.

This Order takes effect immediately and shall remain in full force and effect unless revoked in writing.

(Sgd.) ANTONIO H. CERILLES
Secretary

ADMINISTRATIVE SECTOR

DENR Administrative Order
No. 99-04
February 01, 1999

Subject : Strengthening and Expanding the Functions of the Management Division.

In the interest of the service, and to strengthen the systems and procedures that would ascertain adequate and effective internal control, the functions of the Management Division is hereby expanded to include the following:

1. Review and evaluate the reliability and integrity of financial and operational systems.
2. Design a system to be used in identification, measurement and classification of reports.
3. Review the existing systems and procedures in evaluation and monitoring processes;
4. Ascertain the observance of and compliance with existing government/agency rules and regulations;
5. Conduct audit of reports of irregularities in management, administration and operations;
6. Perform other related functions as maybe assigned by higher authority.

This Order takes effect immediately and supersedes all previous Orders/Instructions inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order

No. 99-06

February 23, 1999

SUBJECT : Deputation of Green Brigade-Deputized Environment and Natural Resources Officer (GB-DENRO)

Pursuant to Executive Order No. 52 dated 29 December 1998 creating a youth environmental corps in all Katipunan ng mga Kabataan to be known as Green Brigade and in recognition of the role of the youth in addressing the present problems relating to environment and natural resources, there shall be a Green Brigade - Deputized Environment and Natural Resources Officer (GB-DENRO) in every barangay who shall be elected among the green brigade members.

The Regional Executive Directors concerned is hereby given the authority to approve the deputation order of the GB-DENRO within their area of jurisdiction. The deputation is subject however to the applicable provisions of Department Administrative Order No. 41, Series of 1991, as amended.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-09
March 09, 1999

SUBJECT : Adopting Revised Statistical Reporting Forms and Amending Certain Sections of DAO 10, Series of 1994.

In line with the need for the Department to improve the flow of its statistical reporting system and to incorporate the concerns of the Philippine Economic Environment and Natural Resources Accounting (PEENRA) and Gender and Development (GAD) concerns in the statistical reporting forms, this administrative order is hereby promulgated.

Section 1. Revised Statistical Reporting Forms.

The revised statistical reporting forms which were prepared by the sectoral bureaus and attached agencies are hereby officially adopted for use by the field offices effective January 1999. These forms are attached as Annexes 1 to 7.

Section 2. Deadlines for Submission of Forms.

The deadlines for submission of accomplished forms from one office to another-monthly, quarterly or semi-annually, as the case may be-is likewise revised as follows:

CENRO to PENRO - every 15th day of the following month after the month, quarter or semester reported

Example For the month of Jan. - Feb. 15
 For the 1st quarter - April 15
 For the semester - July 15

PENRO to Region - the consolidated PENRO report, every 20th day of the said month (Example Feb. 20, April 20 or July 20)

Region to Bureaus and Attached Agencies – the consolidated regional report, every end of the said month (Example Feb. 28, April 30 or July 30).

The Sectoral Bureaus and Attached Agencies shall submit a consolidated sectoral report every semester fifteen days (15) after the deadline of the regional offices to submit to the bureaus and attached agencies the consolidated regional reports (e.g. August 15 and March 15) to the Planning and Policy Studies Office, Attention: Chief, Research and Statistics Division.

The cut-off day for the inclusion of statistic is at the end of the month, of the quarter or semester covered.

Section 3. Revision Forms. The Bureaus and attached agencies are hereby authorized to revise, amend or change their respective statistical forms. However, before such are adopted by the field offices, the same must be endorsed to the Secretary who shall then issue instruction to the field offices.

Section 4. Submission of SRS Forms as Key Result Area. The provision of Department Administrative Order No. 32, Series of 1999 which included submission of the revised forms as Key Result Area (KRA) of the regional offices, bureaus and attached agencies is hereby reiterated. Timeliness of submission and the quality of data submitted shall be criteria to be used in the year-end Rating Award System of the RED's.

Section 5. Repealing Clause. This administrative issuance effectively amends Sections 2,3 and 4 of Department Administrative Order No. 10 Series of 1994.

Section 6. Effectivity. The revised statistical forms shall be adopted immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99 – 10
March 11, 1999

SUBJECT : Revising DAO No. 64, Series of 1991 Re: DENR Information Resources Management (IRM) Program

A. Purpose

This order revises the DENR Information Resources Management (IRM) Program which is aimed at enhancing the DENR's performance through the effective and efficient acquisition of data and information and promoting coordinated and integrated information management functions.

B. Policy Statement

It is the Policy of the DENR to:

1. Improve the quality of information vital to operations and decision-making especially in terms of availability, reliability and timeliness;
2. Ensure the effective and efficient acquisition and allocation of information resources;
3. Develop and implement an integrated information systems to effectively and efficiently share and disseminate data/information within the DENR at various levels of its organization and with related organizations in government;
4. Actively participate in multi-agency information management programs that will reduce redundancies, promote compatibility of related databases and minimize

costs of system development, create commonly-required databases and maintain the same;

5. Promote application of information technology in the development of environment and natural resources information systems;
6. Create awareness and develop organizational capability on IRM and Information Technology (IT) concepts and practices;
7. Institutionalize IRM as a vital function in the DENR organization;
8. Increase public access and use of environmental and natural resource data/information;
9. Reduce paperwork burden on the public and various components of the organization; and
10. Generate and mobilize resources necessary to support an effective, efficient and appropriate integrated shared management information system and structure.

C. Applicability and Scope

1. This Order applies to the DENR Central office, Bureaus, Regional Offices, Attached Agencies and Program and Project Offices.
2. This order's provisions cover the data and information management activities; including, but not limited to access, security, collection, processing, storage, communication, dissemination and application/use. They likewise cover concerns on technology, standards, organization and training in the management of all forms of data and

information handled or used in the DENR such as statistical forms, reports and records, maps and other geographic information and other information products without regard to their sources.

3. The IRM Program covers and provides information to all locally funded IRM initiatives as well as those funded from grants and loans from foreign and local sources.

D. Definition of Terms

For purposes of this Order, the following definitions are hereby adopted:

1. **Data** - is a collection of raw facts in isolation which convey meaning but generally are not useful by themselves.
2. **Data collection** - is the obtaining or soliciting of facts or opinions through the use of remote sensing, written reports, application forms, questionnaires, reporting and record keeping requirements or other similar methods.
3. **Information** - is data that has been processed to become useful and meaningful.
4. **Information system** - is the arrangement of people, activities, data and technology that are integrated for the purpose of supporting information needs of the management and users (both internal and external) and the organization.
5. **Information dissemination** - includes the packaging, communication, distribution of processed data in any form or media.

6. **Information Technology (IT)** - consists of such technical resources as computer data processing, automated cartography, image processing, desktop publishing, presentation systems, telecommunications, micrographics and office automation systems used to address problems in information handling, use, processing, storage, communication, management and dissemination
7. **Information Resources** - include all facilities, equipment and other machinery personnel, supplies, system processes and procedures needed to collect, store, handle and disseminate data/information and knowledge that organization uses.
8. **Information Resources Management (IRM)** - consists of policies, actions, processes and procedures concerning the use information and information resources to serve the overall current and future needs of the organization. IRM covers the full range of management activities necessary to ensure that information is available in order to conduct business and to make decisions. It includes all types of data, numbers, text, images and voice made available using many different information and communication technologies.
9. **DENR IRM Component** - refers to the DENR Central Office, bureaus, attached agencies and Regional Offices. The DENR Central Office and each bureau, attached agency, regional office, program office and project office shall be considered as an IRM Component.
10. **Component Information Systems Plan (CISP)** - is the framework or scheme for identifying how each DENR IRM Component will operationalize its IRM to achieve its mission.

11. **DENR Information Systems Plan (DENR-ISP)** - is a comprehensive plan on how the Department will operationalize its IRM to achieve its goals. It is an integration of the various CISPs.

E. IRM Program Framework Plan

The DENR ISP shall serve as the framework for all IRM components and IT Projects and activities. All on-going and proposed initiatives will be tied to the DENR ISP which shall be updated continually to respond to the needs of the DENR's IRM various components.

F. Program Organization and Management

The following organizational structure and functions is hereby adopted for the effective implementation of the DENR Integrated ISP and the pursuit of the IRM objectives:

1. **IRM Steering Committee**

The IRM Steering Committee shall provide the policy direction on IRM. It shall be composed of the Undersecretary for Environment and Programs Development as the Chair and Undersecretary for Field Operations as the Co-Chair with the other Undersecretaries and Assistant Secretaries, the Head Executive Assistant (HEA), Bureau Directors and Heads of Attached Agencies as members of the committee.

The Steering Committee shall have the following functions:

- a. Provide guidance and direction to IRM policies, strategic planning, plan implementation and updating;

- b. Prioritize systems for development;
- c. Allocate resources to the various components of the plan;
- d. Evaluate performance of plan implementation; and
- e. Develop and implement mechanisms for mobilizing and generating resources, including but not limited to grants, FAPs, donations, fees, etc.

The Chair/Co-chair shall issue orders as necessary to effect the intents of this Order for and in behalf of the undersigned.

2. IRM Technical Committee

The Technical Committee shall be the clearing house for all matters to be acted upon by the IRM Steering Committee.

The IRM Technical Committee shall be composed of the Director of the Planning and Policy Service (PPS) as the Chair and the Chief of the Management Information System Division (MISD), PPS as the Vice Chair and representatives from the Offices of Undersecretaries, Offices of the Assistant Secretaries, Office of the HEA, Bureaus, Attached Agencies (AA), DENR National Capital Region (NCR) and Region 4A and B as members. The representatives shall be the heads of the respective DENR IRM Component Group.

The IRM Technical Committee shall have the following functions:

- a. Review and evaluate proposals and outputs of the organizational
- b. units that require action of the Steering Committee;
- c. Assess all current efforts and perceived needs on information management in the DENR including policies, orders and other issuances, and new projects; and propose to the Steering Committee required amendments or improvements consistent with stated IRM policies;
- d. Develop and recommend policies, guidelines and projects that will be consistent with the IRM policies; and
- e. Act on other matters delegated to the Committee.

3. **IRM Secretariat**

The MISD shall act/perform as the Secretariat which shall provide administrative and technical support to the IRM Steering and Technical Committee. Its functions include:

- a. Facilitate the conduct of Technical and Steering Committee meetings including the preparation of agenda, recording of minutes, etc;
- b. Provide technical and other support services that the Committees may require in the execution of its functions;
- c. Prepare and compile regular reports on status progress of work of committees; and

- d. Perform other functions as may be assigned.

4. **DENR IRM Component Group**

Each DENR IRM Component shall have an IRM Component Group. The Group shall be responsible for the formulation, planning and implementation of their respective ISP's which shall be in accordance with the general policies and guidelines and consistent with the DENR ISP. It shall be chaired by the unit/division mandated to undertake management information system functions with representatives of divisions/units dealing with the collection of data and information, processing, analysis, dissemination and utilization as members.

The IRM Component Committees shall:

- a. Formulate, plan and coordinate the implementation of the CISP;
- b. Require and pinpoint responsibility and accountability for managing data/information that is generated by the CISP;
- c. Control and approve the acquisition of information technology resources consistent with ISP approved by the Steering Committee;
- d. Review, evaluate and assess IRM activities, within the organizational unit and use the results to improve information management processes and information quality;
- e. Plan for future IRM activities by identifying initiatives, programs and new options which will further enhance

the effectiveness and productivity of operations of the organizational unit;

- f. Inform the IRM Technical Committee of opportunities which exist for program improvement;
- g. Support management processes for reviewing and evaluating IRM policies, procedures and information holdings;
- h. Provide regular activity status reports to the IRM Steering Committee through the IRM Technical Committee; and
- i. Perform other functions as may be assigned.

5. **Internal Audit Team**

The Internal Audit Team shall be composed of hardware specialist, software development specialist, accountant with vast knowledge of I.T., Internet Management specialist, and users.

The team shall regularly check on the following:

- a. Security and controls are in place
- b. Use of I.T. resources are optimized and are used as intended;
- c. Outputs of the systems developed are consistent, reliable and accurate

G. Operating Guidelines

Each IRM Group Component shall establish their respective operating procedures and prepare work plans to achieve the outputs required from each of them based on general guidelines and procedures to be issued by the Steering Committee through the Technical Committee.

H. Dissemination of Information on the IRMP

To facilitate program implementation, communication of IRMP activities' progress, and provision of advice and date and information on various information technology concerns, an in-house IRMP bulletin shall be issued regularly throughout the technical committee. The IRM Technical Committee shall ensure that all DENR IRM Component groups and the secretariat shall continually update the steering committee on their activities, outputs and other developments through the bulletin.

The organization of an Information Technology Users (ITU) forum will also be encouraged to provide a vehicle for exchange of information and experiences by ITU in DENR and generate recommendation for further strengthening of the IRMP.

I. Transitory Provisions

Orders and other issuances on DENR statistical concerns, records management, reporting systems, data standardization, map standardization, information systems and other information management functions and activities shall be reviewed by the IRM Steering Committee and updated for consistency with this Order.

All new initiatives are hereby covered by this Order.

J. Repealing Clause

All related orders inconsistent to this issuance are hereby revoked or amended accordingly.

K. Effectivity

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-14
May 05, 1999

SUBJECT : Providing for the Redefinition of Functions and Realignment of Administrative Units in the Regional and Field Offices.

Pursuant to Executive Order No. 192, dated June 10, 1987 and as an interim administrative arrangement to improve the efficiency and effectiveness of the Department of Environment and Natural Resources (DENR) in delivering its services pending approval of the government-wide reorganization by congress, the following redefinition of functions and realignment of administrative units in the regional and field offices are hereby promulgated.

Section 1. Realignment of Administrative Units

The DENR hereby adopts a policy to establish at least one Community Environment and Natural Resources Office (CENRO) or Administrative Unit per Congressional District, except in the Autonomous Region of Muslim Mindanao (ARMM) and the National Capital Region (NCR). The Regional Executive Directors (REDs) are hereby authorized to realign/relocate existing CENROs and implement this policy in accordance with the attached distribution list per Region, which forms part of this Order. Likewise, the following realignment and administrative arrangements are hereby adopted:

- 1.1 Administratively, Region IV shall be divided into Region IV-A and Region IV-B. **Region IV-A** shall be composed of the Provinces of Cavite, Laguna, Batangas and Quezon (CALABAZON) while **Region IV-B** shall be composed of the Province of Rizal and the Island Provinces, namely: Mindoros

Occidental and Oriental, Marinduque, Romblon and Palawan (MIMAROPA).

- 1.2 The DENR's operations, programs and projects in the NCR shall be supervised by the Undersecretary for Policy and Technical Services who shall be assisted by the Sectoral Bureaus.
- 1.3 The Secretary shall issue a separate implementing guidelines for the operationalization of Region IV-A and Region IV-B and the administrative arrangement for NCR, within 30 days from the date of this Order.
- 1.4 The supervision of the Province of Aurora shall be transferred from Region IV to Region III;
- 1.5 The supervision of the Province of Lanao Norte and Marawi City shall be transferred from Region XII to Region X;
- 1.6 The supervision of the Province of South Cotabato and Sarangani shall be transferred from Region XI to Region XII;
- 1.7 The newly created Province of Compostela Valley shall be under the supervision of Region XI which shall be assisted by a PENR and CENR offices to be created for the said province.

Sec. 2 Redefinition of Functions

The Regional Technical Directors (RTDs) shall be designated as Assistant Regional Executive Directors (ARED) and shall provide operational, technical, administrative, legal and other assistance/support to the RED in managing/supervising the DENR Field Offices. Their functions shall be redefined as follows:

2.1 Assistant Regional Executive Director for Operations

The Assistant Regional Executive Director (ARED) for Operations shall assist the RED in supervising the frontline offices (PENRO, CENRO and Sub-stations). Specifically, the ARED for Operations shall supervise the following divisions/units:

- a) Forest Resources Development Division (FRDD), which shall assume the law enforcement functions of the Forest Resources Conservation Division;
- b) Environmental Quality Division (EQD);
- c) Surveys Division (SD), which shall also assume the Land Evaluation Party, Field Network Survey Party, and the survey verification functions;
- d) Protected Areas Division (PAD), except the wildlife conservation functions of the PAWD which shall be transferred to the ARED for Technical Services); and
- e) Community-Based Forest Management and Coastal Environment Programs

2.2 Assistant Regional Executive Director for Technical Services

The Assistant Regional Executive Director (ARED) for Technical Services shall provide technical support services to the RED and field offices, Specifically, the ARED for Technical Services shall supervise the following divisions/units:

- a) Land Management Division (LMD), except the claims and conflicts resolution functions which shall be transferred to the Legal Division;
- b) Forest Resources Conservation Division (FRCD), including the technical functions of FRDD and the wildlife conservation functions of the PAWD;
- c) Technology Transfer Division (TTD);
- d) Ecosystems Research and Development Division (ERDD);
- e) Planning and Management Division (PMD); and
- f) The Interim Environmental Impact Assessment Division (EIAD)

2.3 Assistant Regional Executive Director for Administrative Services

The Assistant Regional Executive Director (ARED) for Administrative Services shall assist the RED and the field offices concerning financial, personnel, human resource development and other administrative matters. It shall supervise the following divisions/units:

- a) Administrative Division;
- b) Finance Division; and
- c) Human Resource Development Unit

2.4 Assistant Regional Executive Director for Legal Services and Public Affairs

The Assistant Regional Executive Director (ARED) for Legal Services and Public Affairs shall assist the RED and the field offices concerning legal matters and public affairs including advocacy campaigns and coordination with Local Government Units (LGUs). The ARED for Legal Services and Public Affairs shall directly supervise the following division/units:

- a) Legal Division (LD) which shall also assume the claims and conflict resolution functions of the LMD;
- b) Regional Public Affairs Office (RPAO); and
- c) Local Government and Congressional Liaison Unit, which is hereby created.

Sec. 3 Transitional Administrative Arrangements

In order to avoid disruption of services, the following transitional administrative arrangements, subject to existing rules and regulations, are hereby promulgated:

- 3.1 Whenever appropriate, the REDs and other concerned DENR officials, are hereby directed to enter into Memorandum of Understanding (MOU) concerning movement of personnel, transfer of funds, records, materials, functions and other matters pertinent to the implementation of this Order, before December 31, 1999.
- 3.2 All concerned Sectoral Bureaus and Offices (ASO, Legal, PAO, etc.) are hereby directed to submit a detailed definition of functions of their concerned Regional Divisions as realigned under the respective AREDS, within 30 days from the date of this Order.

Sec. 4 Amendments of the Manual of Approvals

For consistency, and in order to clearly define the delegation of authorities within the Department, the Administrative Services Office, in consultation with all concerned offices, is hereby instructed to submit a draft amendment of the Manual of Approvals (DAO 98-24) within 30 days from the date of this Order.

Sec. 5 Budget Realignment

The Administrative Service Office and the Planning and Policy Studies Office are hereby instructed to realign the DENR CY 2000 budget proposal to reflect all the administrative changes promulgated in this Order.

Sec. 6 Personnel Review Committee

Upon approval of this Order, the Secretary shall create an adhoc Personnel Review Committee to review the competencies of qualified personnel/officials to be designated as ARED, PENRO, CENRO and for other designation/positions consistent with the implementation of this Order. Said Committee shall submit its

report/recommendation within 15 days from the date of its creation.

Sec. 7 Repealing Clause

All Department Orders, Circulars or Instructions inconsistent herewith are hereby repealed or amended accordingly.

Sec. 8 Effectivity

This Order shall take effect immediately and shall be fully implemented not later than 01 July 1999.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note:

Distribution of Field Offices per Congressional District not included.

**DENR Administrative Order
No. 99-16
May 17, 1999**

**SUBJECT : Amending Certain Provisions of
DENR Administrative Order No.
98-17 Functions of the Foreign-
Assisted and Special Projects
Office (FASPO).**

In line with the streamlining efforts of the Department and 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, the organizational structure of the Foreign-Assisted and Special Projects Office (FASPO), as provided in DAO 98-17, is hereby amended as follows:

1. ORGANIZATIONAL STRUCTURE

The FASPO shall be under the Office of the Secretary and shall be directly supervised by an Undersecretary. The FASPO shall maintain two (2) services namely: the Investment Programming and International Cooperation Service (IPICS) and the Project Coordination and Management Service (PCMS), each of which shall be headed by a Service Director.

The Investment Programming and International Cooperation Service (IPICS), formerly PDPS, shall maintain two (2) divisions namely: the FAPs Programming and Preparation Division (PPD), formerly MPPAD, and the Project Appraisal and Foreign Negotiations Division (PAD), formerly BPPAD, each to be headed by a Division Chief. While the Project and Coordination and Management Service (PCMS) shall maintain three (3)

divisions namely: FAPs Monitoring and Evaluation Division (FAPMED), formerly LPD, the Project Impact Assessment Division (PIAD), formerly GPD, and the Special Projects Division (SPD), each to be headed by a Division Chief.

A new unit, the Research and Evaluation Unit (REU), is hereby created which shall be under the administrative supervision of the Undersecretary (USEC) for International Commitment and Local Government Affairs. The unit shall provide technical assistance and recommendations to the USEC and shall cause the procurement of project goods and services. The said unit shall have the supervision over the FASPO Central Administrative Group and the Management Information System Group (MISG)

The services, divisions and units under FASPO shall have the following functions:

1.1 INVESTMENT PROGRAMMING & INTERNATIONAL COOPERATION SERVICE (IPICS)

The IPICS shall be responsible for identifying and preparing investment programs and projects in the environment and natural resources sector and for coordinating and facilitating cooperative agreements with other countries, international and regional institutions and other donor organizations. Specifically, the IPICS shall have the following functions:

- 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. Identifying 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 propose 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 Environment Affairs Office; and
- h. Provide and maintain feed-forward information mechanisms in the conduct of pre and post implementation of FAPS.

1.1.1 FAPS Programming and Preparation Division (PPD)

- a. Formulate and update project development and prioritization guidelines and frameworks for study/project proposals for foreign funding/assistance and circulate the same to potential project proponents;
- b. Compile and conduct an analysis of overseas development policies, priority areas and thrusts specific to ODA and other non-conventional technical and financial assistance sources to determine eligibility and acceptability of the Department's project proposals

- leading to development and refinement of project programming and preparations systems;
- c. Provide assistance to regional offices, bureaus and other potential project proponents in project identification;
 - d. Review and evaluate project proposals submitted by other DENR units for foreign funding to, among others, ascertain consistency with the DENR and national priority thrusts, avoid duplication and identify potential funding institutions to assist the project (GOP-Donor Matching);
 - e. Regularly review and assist in the update of the Medium Term Investment Program and the Priority Investment List of the ENR Sector and conduct gap analysis to determine which priority areas need additional funding/technical assistance;
 - f. Conceptualize and design packages of study/project proposals for foreign assistance;
 - g. Coordinate/undertake pre-feasibility/feasibility studies of project proposals; and
 - h. Provide and maintain feed-forward information mechanisms particularly with the PIAD-PCMS and other offices in the conduct of pre and post implementation activities of FAPs.

1.1.2 Project Appraisal and Foreign Negotiations Division (PAD)

- a. Coordinate and facilitate the conduct of appraisal of projects considered for funding by bilateral and multilateral funding institutions;
- b. Conduct detailed appraisal of project proposals recommended for foreign funding, particularly projects submitted for grant assistance;
- c. Coordinate with national oversight agencies and funding institutions regarding the eligibility of project proposals in the ENR Investment Portfolio;

- d. Coordinate the final negotiations with the identified financing institutions in securing financial and technical assistance for the proposed projects in coordination with national oversight agencies;
- e. Coordinate the pre-implementation activities of projects negotiated for technical and financial assistance;
- f. Coordinate the participation of the Department in regional/international and specialized agencies and organizations and review the progress of cooperation arrangements in consultation with the different Offices, Bureaus, and Agencies to ensure that commitments are met; and
- g. Initiate and maintain close relations with national, regional and international agencies and organizations to promote programs of the Department, through among others, participation in country programming meetings and coordination of Donor's Meetings/Consultations.

1.2 PROJECT COODINATION AND MANAGEMENT SERVICE (PCMS)

The PCMS shall be responsible for coordinating the planning, budgeting and implementation of foreign-assisted and special projects, and the monitoring, evaluation and impact assessment of these projects.

1.2.1 FAPs Monitoring and Evaluation Division (FAPMED)

- a. Coordinate the planning, budgeting and implementation of FAPs with other operating units of DENR;
- b. Coordinate and review the preparation of the work and financial plans of FAPs;
- c. Develop monitoring and financial control systems and procedures for ongoing FAPs;

- d. Monitor and evaluate the progress of FAPs with respect to operational targets, plans, schedules and absorptive capacity;
- e. Coordinate with oversight agencies, other Government agencies and donor institutions with respect to the implementation of ongoing FAPs;
- f. Facilitate in the approval of annual FAPs budget in coordination with the Financial Management Service; and
- g. Review and control of loan availment/grant disbursement.

1.2.2 Project Impact Assessment Division (PIAD)

- a. Conduct Impact Assessment/Studies (mid-project life, end of project and post project) of foreign-assisted and special projects;
- b. Participate in the conduct of Donor/Mission Project Evaluation;
- c. Document/compile strategies applied/lessons learned/experiences gained and technology generated from FASPs implementation;
- d. Recommend to management the strategies/technologies that can be adopted for nationwide and sectoral applications;
- e. Conduct assessment of the implementation of strategies/technologies generated and of the capability of the regular units for further absorb FASPs;
- f. Coordinate with concerned FASPs the preparation of manuscripts of reports on the lessons and technology generated from FASPs for publication and dissemination;
- g. Initiate public fora/seminars and other IEC strategies to effectively disseminate lessons learned/technologies generated;

- h. Coordinate with the Investment Programming and International Cooperation Service and the Special Projects Division for the synthesis of such lessons learned/milestones/experiences gained, to include the results of technology assessment, for incorporation to the formulation of project development and prioritization guidelines for project proposals for foreign and local assistance; and
- i. Identify and maintain a pool of prospective Project Directors/Managers.

1.2.3 Special Projects Division (SPD)

- a. Develop guidelines and procedures for evaluating project proposals for special funding under the regular budget;
- b. Review and pre-screen project proposals submitted for special funding;
- c. Coordinate the appraisal, planning, programming and implementation of special projects with other units of the DENR;
- d. Develop systems and procedures for monitoring and evaluation of ongoing special projects;
- e. Monitor and evaluate the progress of special projects in relation to their operational plans, targets and schedule; and
- f. Prioritize, program and monitor the utilization of the special projects fund in coordination with other concerned offices/units in the DENR.

2.1 Other Provisions

In line with the above functions, all DENR Offices negotiating and implementing foreign-assisted and special projects shall coordinate with FASPO.

The functional realignment of FASPO in pursuance to the provisions of this DAO shall not result to any demotion or displacement of personnel, nor the abolition or creation of any new positions. A realignment of the staffing pattern among the services, divisions and the units within the FASPO may however be undertaken in accordance with their realigned functions and upon the approval of the Service Director and Division Chief concerned.

3.0 Repealing Clause and Effectivity

This Order amends DAO No. 98-17 and the provisions of other administrative issuance inconsistent herewith.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-18
June 04, 1999

SUBJECT : Creation of Functional Units Under the Field Operations Office, OSEC-DENR and Their Respective Functions and Areas of Responsibilities.

In the interest of the service and pursuant to objectives of Memorandum Circular No. 99-12, the hereunder listed units are hereby created and their corresponding functions and areas of responsibilities are also hereby defined. These include:

OFFICE OF THE DIRECTOR, SPECIAL CONCERNS OFFICE

In addition to its existing duties and responsibilities, the Director of the Special Concerns Office shall:

1. Assist the Secretary in the management of the day to day affairs of the Field Operations Office.
2. Supervise the implementation of DENR-CARP
3. Provide leadership in implementing the responsibilities assigned to the Office.

Directorate For Regional Operations And Technical Services

1. Provides support to regional offices of the DENR.
2. Monitors and evaluates operational activities of Regional Offices.
3. Prepares operational plans in support of ENR activities in the regions.

4. Maintains liaison work with other government agencies concerned with field implementation of DENR activities.
5. Performs other functions as maybe assigned to the Office.

Directorate for Socio-Political and Economic Affairs

1. Implements/Coordinates all programs and projects currently implemented by the Special Concerns Office.
2. Performs other functions as maybe assigned to the Unit.

Directorate for Intelligence and Special Tasks

1. Supervise the intelligence collection of the Department.
2. Production and dissemination of intelligence reports to support DENR mission.
3. Undertakes Anti-illegal logging activities and other activities requiring immediate actions.
4. Oversee the activities and operations of the DENR Helicopter.
5. Performs other functions as maybe assigned to the unit.

Directorate for Sepcial Projects on Water and Integrated Ecosystems Management and Development

1. Spearhead the implementation of activities leading to the maintenance, conservation and development of biodiversity.
2. Supervise the implementation of programs/projects/Offices like the ASEAN Regional Center for Biodiversity Conservation (ARCBC), Coastal Environment Program Coordinating Office (CEPCO), Presidential Task Force on Water Resources Development and Management, Presidential Commission for the Integrated Conservation and Development of Sulu and Celebes Seas and other related programs and projects that may be assigned later by the Secretary.
3. Oversee the activities and operations of MV DENR Sulu-Celebes Biodiversity and Water Quality Police.
4. Performs other functions assigned to the unit.

OFFICE OF THE SECRETARY

In addition to the existing units under the Office of the Secretary, the hereunder listed unit is hereby created to perform the following functions:

Decision Support System

The Decision Support System (DSS) Unit shall absorb the functions of DENR MIS and other Offices/Units that may be identified later. The DSS shall be directly responsible in accomplishing the following tasks:

1. Develop a management information system,
2. Develop a monitoring information system and
3. Operationalize a GIS-based data-management system for ENR
4. Perform other functions assigned to the unit

This Order takes effect immediately and supersedes all orders or instructions inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-19
June 10, 1999

SUBJECT : Administrative Arrangements for the DENR National Capital Region.

In pursuance with the pertinent provisions of DENR Administrative Order No. 99-14 dated May 05, 1999 and for a more efficient and effective delivery of services, the following redefinition of functions and administrative arrangements for the DENR National Capital Region (NCR) are hereby promulgated.

Section 1. Administrative Arrangements

- 1.1 The DENR's operations, programs and projects in the Region shall be implemented by the Regional Executive Director (RED) to be supervised by the Undersecretary for Policy and Technical Services who shall be assisted by the Sectoral Bureaus.
- 1.2 In lieu of the Three (3) CENROs in NCR, the RED shall create multi-sectoral teams to implement the programs of NCR.
- 1.3 The function of Protected Areas and Wildlife Division shall be transferred to the Protected Areas and Wildlife Bureau.
- 1.4 The RED is also authorized to realign/relocate the CENROs/ Divisions and NCR personnel to other Regions/Bureaus.

Sec. 2 Redefinition of Functions

The Regional Technical Directors (RTDs) shall be designated as Assistant Regional Executive Directors (AREDs) and shall provide operational, technical, administrative, legal and other assistance/support to the RED in managing/supervising the DENR National Capital Region. The Divisions/Units/Programs under the respective AREDS are as follows:

2.1 Assistant Regional Executive Director for Operations

The Assistant Regional Executive Director (ARED) for Operations shall assist the RED in supervising the frontline offices. Specifically the ARED for Operations shall supervise the following divisions/units/programs:

- a) Urban Forestry and Law Enforcement Division (UFLED);
- b) Environmental Quality Division (EQD);
- c) Land Surveys Division (LSD);
- d) Cadastral Survey Program (CSP); and
- e) Coastal Environment Program (CEP) and other Urban Community-based Programs

2.2 Assistant Regional Executive Director for Technical Services

The Assistant Regional Executive Director (ARED) for Technical Services shall provide technical support services to the RED. Specifically, the ARED for Technical Services shall supervise the following divisions/units;

- a) Land Management Division (LMD); including a Field Investigation and Contract Compliance Monitoring Section;
- b) Urban Ecosystems Research Division (UERD) in lieu of the Ecosystems Research and Development Division;
- c) Management Information System and Extension Division (MISED) in lieu of the Technology Transfer Division (TTD);
- d) Planning and Management Division (PMD) including a Project Packaging and Special Projects Section (PPSPS); and
- e) The Interim Environmental Impact Assessment Division (EIAD)

2.3 Assistant Regional Executive Director for Administrative Services

The Assistant Regional Executive Director (ARED) for Administrative Services shall assist the RED concerning financial, personnel, human resource development and other administrative matters. The ARED shall supervise the following divisions/units:

- a) Administrative Division (AD) including a Human Resources Development Section;
- b) Finance Division (FD);
- c) Interim Internal Audit Division; and
- d) Special Concerns Unit

2.4 Assistant Regional Executive Director (ARED) for Legal Services and Public Affairs

The Assistant Regional Executive Director (ARED) for Legal Services and Public Affairs shall assist the RED concerning legal matters and public affairs including advocacy campaigns and coordination with Local Government Units (LGUs). The ARED for Legal Services and Public Affairs shall directly supervise the following divisions/units:

- a) Legal Division (LD)
- b) Regional Public Affairs Office (RPAO); and
- c) Local Government and Congressional Liaison Unit

Sec. 3 Manual of Approval

For consistency, and in order to clearly define the delegation of authorities, the DENR-NCR will adopt the amended DENR Manual of Approvals which shall be approved by the Secretary.

Sec. 4 Budget Realignment

The DENR Administrative Office in coordination with the NCR Planning and Management Division and Finance Division are hereby instructed to realign the NCR CY 2000 budget proposal to reflect all the administrative changes promulgated in this Order.

Sec. 5 Transitional Administrative Arrangements

5.1 The RED shall enter into Memorandum of Understanding (MOU) with Bureaus and/or Region IV concerning movement of CENR Offices and other NCR personnel, transfer of funds, records, materials, functions and other matters pertinent to the implementation of this Order, before December 31, 1999.

Sec. 6 Repealing Clause

All Department Orders, Circulars or Instructions inconsistent herewith are hereby repealed or amended accordingly.

Sec. 7 Effectivity

This Order shall take effect immediately and shall be fully implemented not later than 01 July 1999.

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

**DENR Administrative Order
No. 99-20
June 11, 1999**

SUBJECT : Establishing the Center for Integrated Ecosystems Management and Biodiversity Conservation and Development at Guipos, Zamboanga Del Sur and Designating Dr. Dante Oporto as Its Center Director.

In the interest of the service and to operationalize the concept of biodiversity and integrated ecosystems management at the ground level, the CENTER FOR INTEGRATED ECOSYSTEMS MANAGEMENT AND BIODIVERSITY CONSERVATION AND DEVELOPMENT is hereby established at Guipos, Zamboanga del Sur and Dr. Dante Oporto is likewise designated as its Center Director.

The Center Director is directly under the supervision of the Director for Special Projects on Water Integrated Ecosystems Management and Development, Field Operation – Special Concerns Office and shall have the following functions and responsibilities:

1. Spearhead the conduct of research and development activities that shall contribute to the development of integrated ecosystem management concept at the operational level;
2. Undertake activities that shall result to integrated conservation and development of biodiversity in forest, coastal and marine ecosystems;
3. Conduct experiments and/or researches which shall determine appropriate technologies, methodologies and approaches that shall lead to the attainment of aforestated functions and responsibilities;

4. Recommend appropriate technologies, methodologies and approaches for replication in order applicable areas/sites; and
5. Disseminate mature appropriate technologies

As Center Director, Dr. Oporto shall assume full responsibility in attaining the goals and objectives of said Center. He shall supervise the day to day operations of the Office including established experimental and research sites.

To operationalize said Center, Dr. Oporto is hereby instructed to prepare the Work and Financial Plan of the for immediate submission to the Office of the Secretary attention: Director, Special Projects on Water and Integrated Ecosystems Management and Development.

The Regional Executive Director of DENR Region IX, hereby authorized to reassign or detail personnel/staff to the Center to provide administrative and technical support to Dr. Oporto.

This Order takes effect immediately and supercedes/cancels orders or instructions inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-22
June 11, 1999

SUBJECT : Redefining the Functions and Structure of the Human Resource Management Service and Transferring the Personnel Division Under the Supervision of the Administrative Service.

1. Declaration of Policy

Pursuant to DAO 99-14 dated 05 May 1999, providing for the redefinition of functions and realignment of administrative units in the regional and field offices, and to facilitate the operationalization of current administrative realignment, it is hereby declared that the effective implementation of training programs and career management systems to support the changes in both organizational and functional structure of the Department shall be given priority.

2. Functional Requirement

In pursuit of the new policy, the Human Resource Management Service (HRMS) shall give precedence to and intensify the implementation of training programs and career development schemes to facilitate the transition ensuing the realignment of functions.

In view thereof, the Personnel Division shall be transferred under the supervision of the Administrative Service Director which shall likewise attune personnel actions with policies and standards promulgated by the

Administrative Service, thereby ensuring a coordinated and more efficient implementation of said policies and standards. Such transfer shall include the transfer of functions, appropriations, funds, records, equipment, facilities, and personnel, which shall be placed under the direct control and supervision of the Administrative Service Director.

3. Repealing Clause

This Order hereby amends DAO No. 02, Series of 1998 and revokes all other orders and administrative issuances inconsistent herewith.

4. Effectivity

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-23
July 01, 1999

SUBJECT : Creation of a Procurement Coordinating Staff.

In the interest of the service and in order to have an effective and efficient coordination, database information and assistance to different Committees and Secretariats on procurement of goods and services under Fund 101 and 102, a Procurement Coordinating Staff is hereby created.

The Procurement Coordination Staff shall have the following functions:

1. Receive inquiries/request for referral to various Committee Chairperson;
2. Maintain coordination with various Committees on procurement;
3. Provide updated information to the Chairpersons of various procurement Committees and Secretariats' activities;
4. Maintain accreditation, procurement and inspection documents;
5. Coordinate the Committees/Secretariats in convening meetings;
6. Consolidate requests for supplies for the Committees/Secretariats and maintain office equipment for efficient functioning;
7. Receiving and releasing of inspection and pre-repair requests and post repair and inspection reports for the Inspection and Pre-Acceptance Committee;
8. Abstracting of canvass quotations;
9. Prepare reports as required by the Assistant Secretary for Administrative Services;

10. Maintain confidentiality to all documents and activities of the various Committees/Secretariats; and
11. Provide administrative/clerical support and perform other functions as may be assigned.

The Procurement Coordinating Staff shall be supervised by the Assistant Secretary for Administrative Services. As such, the Assistant Secretary for Administrative Services shall identify the composition of the Staff and issue Special Order to this effect. Further, the Staff shall be housed at the Administrative Services Conference Room.

All expenses of the Procurement Coordinating Staff and supplies and materials of Committees/Secretariats shall be charged to the General Administrative Fund, subject to the usual accounting and auditing rules and regulations.

This Order shall take effect immediately and supersedes all Orders inconsistent herewith.

(Sgd.) TEODORO B. PISON
Acting Secretary

DENR Administrative Order
No. 99-25
July 06, 1999

SUBJECT : Establishing a Memorabilia Gallery and Requiring Returning Grantees to Donate Symbolic Items From Countries Visited.

In the interest of the service and to enable this office to establish a Memorabilia Gallery, all DENR returning foreign scholarship/training grantees are hereby enjoined to bring home souvenirs/tokens depicting the culture or symbolizing the country visited. Such items shall be turned over to the Head Secretariat of the Scholarship Committee, Human Resource Management Service (HRMS) which shall manage the Gallery.

All expenses to be incurred in the establishment of the Memorabilia gallery including carpentry work, construction materials & supplies shall be chargeable against the funds of HRMS, subject to the usual accounting and auditing rules and regulations.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order

No. 99-26

July 26, 1999

SUBJECT : Declaring All DENR Office Building As No-Smoking/Smoke-Free Areas.

Pursuant to Civil Service Commission Resolution No. 983023 dated November 14, 1998 and CSC MC No. 07, s. 1999 and in line with the need to guarantee a smoke-free environment and healthy workforce, the DENR adopts and promulgates the policy of NO SMOKING inside office buildings at all times and smoking may be allowed only in places clearly designated as smoking areas.

To ensure strict implementation of the above policy, the following shall be observed:

1. Declare all DENR buildings and offices as strictly NO SMOKING areas. The prohibition covers carrying of lighted cigarettes, cigars, pipes and other smoking paraphernalia whether or not it is being puffed, inhaled or smoked.
2. Designate a smoking area outside building offices and provide cigarette bins for proper disposal of cigarette butts/empty packs.
3. Dispose of all ashtrays in all work areas, wash rooms and hallways.
4. Conduct a survey/study to identify smokers in all offices and devise a program or an information/education campaign that will encourage and assist said smokers to control and eventually give up smoking.
5. Coordinate with other government offices such as DOH, PIA and others for information materials in an all-out campaign against smoking.

6. Posting on conspicuous places and entrances of buildings signs like “No Smoking”, “This is a smoke-free agency”, “Thank you for not smoking”, that will serve as reminder to visitors and clients about the prohibition.
7. Imposition of penalties to those caught violating the order.

	<u>Employees</u>	<u>Visitors</u>
First Offense	Warning	Warning
Second Offense	1 day suspension	₱ 50.00
Third Offense	3 days suspension	₱ 100.00

8. All detailed Security Guards on duty are hereby instructed to monitor and submit report to the Administrative Director for proper action.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-27
July 19, 1999

**SUBJECT : Amending Certain Provisions of
DAO 98-55 on the Implementation
of Gender and Development in the
DENR.**

Pursuant to Executive Order No. 192, Republic Act No. 7192 otherwise known as “Women in Development and Nation Building Act,” Executive Order No. 273 adopting the Philippine Plan for Gender-Responsive Development (PPGD) an in order to strengthen the Department’s GAD Focal Point System to realize its vision of “Partnership of Empowered Men and Women for Sustainable Development”, Department Administrative Order No. 98-55 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 the realization of the vision of the Medium Term GAD Plan of the Estrada Administration. Toward this end, the DENR joins the entire government in the implementation of GAD activities.

The objectives 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 review and revise all rules, regulations and procedures to remove gender biases therein;
- 1.3 To maintain a database of sex and age disaggregated data and other statistics relative to gender and development;
- 1.4 To integrate GAD issues and concerns in all programs and projects of the DENR;
- 1.5 To allocate funds from the regular budget and a proportionately equal percentage of Official Development Assistance (ODA) funds from foreign government and multilateral agencies and organizations to support policies, programs, projects and activities on GAD; and
- 1.6 To ensure better 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, and activities under implementation and those to be implemented by DENR in the central and filed levels.

Sec. 3 Implementation of GAD Programs and Activities. To achieve the objectives set forth in Section 1, the following bodies are hereby created/reconstituted in the DENR.

3.1 Central Office

3.1.1 A National GAD Executive Committee (NGADEC) shall be composed of the following:

DENR Secretary	-	Chairperson
Chairperson, NGADFPS	-	Vice-chairperson
Undersecretaries	-	Members
Asst. Secretaries	-	Members

Bureau Directors - Members
Heads of attached Agencies - Members

The NGADEC shall oversee the DENR's compliance with RA 7192 and shall act on matters requiring decisions on GAD.

3.1.2 A National GAD Focal Point System (NGADFPS) shall be composed of the following:

Director, PAO - Chairperson
Designated representatives - Members
Of major offices/services (Central Office)
Chairpersons, Bureau/Agency - Members
GAD Focal Point System

3.1.2.1 All active members of the existing NGADFPS shall remain as such, provided that the Chairperson of NGADFPS shall seek the confirmation of their respective heads of offices.

3.1.2.2 The NGADFPS shall:

- a. Provide technical assistance to various DENR offices in the implementation of their GAD programs and projects;
- b. Ensure that programs, projects, policies and activities of DENR enhance the participation of both men and women as agents and/or beneficiaries of development;
- c. Coordinate with the National Commission on the Role of Filipino women (NCRFW), other government agencies and non-government organizations for the effective implementation and monitoring of GAD programs and projects;

- d. Monitor and evaluate the implementation of GAD programs and projects, both in the central and filed offices;
- e. Package periodic performance and compliance reports;
- f. Serve as advisory body to the Secretary on GAD matters;
- g. Conduct studies on GAD issues as they effect the environment and natural resources sector; and
- h. Perform other functions as may be assigned by the NGADEC.

3.2 Bureaus and Attached Agencies

A Bureau/Agency GAD Focal Point System shall be organized in each bureau and attached agency of DENR to be composed of Division Chiefs and the next ranking personnel. If the Division Chief is a male, the other division representative must be a female and vice-versa. Provided, however, that no member of the existing B/AGADFPS 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 Regional Offices

A Regional GAD Executive Committee (RGADEC) shall be created in all regional offices of DENR to be composed of the following:

RED - Chairperson
 Chairperson, Regional GAD

Focal Point System	-	Vice-chairperson
All AREDS	-	Members
All PENROs	-	Members

3.4 MGB Regional Offices

A Regional GAD Executive Committee (RGADEC) shall be created in all regional offices of Mines and Geo-Sciences Bureau to be composed of the following:

Regional Director	-	Chairperson
Chairperson, Regional GAD		
Focal Point System	-	Vice-chairperson
All Division Chiefs	-	Members

3.5 Regional GAD Focal Point System

A Regional GAD Focal Point System (RGADFPS) shall be created in all regional offices of DENR to be composed of Division Chiefs and managers of foreign-assisted and special projects. The members shall select from among themselves a Chairperson who shall serve as Vice-chairperson of the RGADEC. Provided, however, that no member of the existing RGADFPS shall be displaced as a result of this action.

In the case of MGB, the RGADFPS shall be composed of Section/Unit chiefs who shall select from among themselves a Chairperson that will serve as Vice-chairperson of MGB-RGADEC.

Except for 3.1.2.2.a, the functions of RGADFPS shall be similar to NGADFPS but on a regional level.

3.6 PENRO and CENRO Focal Point System

A PENRO and CENRO Focal Point System shall be created in all PENROs and CENROs following the structure and provisions in the creation of RGADFPS.

Sec. 4 Funding Requirements. In accordance with Section 2 of RA 7192, a portion of ODA funds received from foreign governments and multi-lateral agencies shall be set aside and utilized to support GAD programs and activities. All major offices (DENR Proper), bureaus, attached agencies, field offices, programs and projects shall allocate funds for gender-responsive projects, in accordance with planning and budgeting guidelines.

Sec. 5 Submission of Reports. The Chairpersons of Bureau/Agency/Regional GAD Focal Point System shall submit a compliance report to the Secretary, through the Chairperson, NGADFPS, one (1) month after the issuance of this Order.

They shall also submit quarterly reports on GAD activities to the Secretary, through the NGADFPS.

Sec. 6 Repealing Clause. This Order supersedes, amends and/or repeals all 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. 99-38
August 28, 1999

SUBJECT : Revision of the Standard Operating Procedure (SOP) for Performance Monitoring Prescribed Under DAO 33 Series of 1992.

In the interest of the service and to further strengthen the existing performance reporting system of the Department, the revision of the Standard Operating Procedure (SOP) for Performance Monitoring under DAO No. 33, Series of 1992 is deemed necessary. With the revision, an improved monitoring and evaluation system that will ensure better performance, higher efficiency and efficacy in program implementation and consequently, greater project/program returns, is envisaged.

The Standard Operating Procedures (SOP) for Performance Monitoring shall continue to serve as the principal guide in the gathering, consolidation and reporting of Performance Monitoring data. Minor changes as enumerated below are introduced to further improve the system.

Stages of Monitoring

1. Identification of Key Result Areas (KRA). KRAs and indicators are defined by the planning group in consultation with the operating or field officers and sectoral bureaus and approved by top management. In addition to the KRAs, top management shall also determine the Presidential Commitments. These KRAs and commitments may vary each year depending on the thrusts, priorities and activities that will be undertaken as determined by the management echelon.

2. Measurement and reporting of actual performance. Operating units shall regularly report the outputs of all programs/projects including those with funding source other than the regular funds such as Congressional Development Fund, Congressional Initiative Allocation, Poverty Alleviation Fund (PAF), CARP and others.
3. Field validation of reported accomplishments. Designated validators shall inspect and verify in the field the reported outputs of variously operating units.

Reporting Format

Based on the SOP for Performance Monitoring, the following basic forms must be accomplished by the field offices and all concerned:

Form 06 (R) - Unit Physical Accomplishment Report
 (Reports the physical accomplishment of all operating Units/CENRO/PENRO/Division/Service /Region/Bureau/Attached Agency)

Frequency - Monthly
 Responsibility - Unit Head

Form 07 (R) - Sectoral Physical Accomplishment Report
 Breakdown by PENRO and by CENRO
 (Reports the sectoral physical performance of the PENROs and CENROs)

Frequency - Semi-Annually and Annually
 Responsibility - PMD, RO

Narrative Report Year-End Report shall be submitted not later than the 3^d week of January consisting of narrative report, tables of accomplishment

(by PENRO/CENRO) and necessary annexes.

Transmittal of Reports

Reports to Central Office may be sent by postal mail or electronic mail (E-mail) to reach PPSO on or before the prescribed cut-off dates.

Reporting Flow

1. Cut-off date of accomplishment reports is 25th day of the current month.
2. CENRO shall consolidate the unit reports of field implementors and project managers using Form – 06 (R). These reports shall be submitted to reach the PENRO not later than the 27th day of the current month.
3. PENRO and CENROs' accomplishments shall be submitted to reach the regional office not later than the 30th day of the current month. The CENRO's accomplishments should be attached to the accomplishments of the PENR Office to facilitate consolidation by PMD, RO. PENRO may consolidate its CENROs' accomplishments for their own use/purpose.
4. Regional reports shall be submitted to reach the PPSO, Central Office not later than the 10th day of the ensuing month. Accomplishment reports may be sent through Electronic Mail or E-Mail, however, a hard copy shall be sent immediately after.
5. Sectoral bureaus, including the line Bureaus, and attached agencies shall submit monthly accomplishment reports using Form-06 (R) to reach PPSO not later than the 10th day of the following month.
6. PPSO shall consolidate and analyze regional reports and submit to the Secretary a summarized report not later than

the 15th day of the ensuing month, furnishing the sectoral bureaus a copy of the report.

Responsibilities

The heads of the operating units shall see to it that the reports submitted are as accurate as possible and must be on time. As the final recipient of the regional and sectoral reports, the Project Development and Evaluation Division of the Planning and Policy Studies Office shall consolidate all these reports and analyze their performance against the targets set. It shall also spearhead the evaluation of the projects/programs with respect to their sustainability and lasting effect/impact on the intended beneficiaries in coordination with the different sectoral bureaus and operating units.

The validation of regional reports shall be conducted annually. PDED shall coordinate its implementation and designated validators shall include representatives of sectoral Bureaus. Validation of the previous year's accomplishment shall be undertaken not later than the first quarter of the ensuing year.

Effectivity

All provisions of this Order shall take effect immediately upon approval and supersede all other Orders inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-41
September 28, 1999

**SUBJECT : Amending Sections 22 and 25 of
DAO No. 96-02 to Include the
CENRO Concerned as
Chairperson of PAMB and Its
Executive Committee**

In the interest of the service and in order to ensure the effective management and operation of PAMB and its Executive Committee and for the concerned CENRO to actively participate in the management of protected areas thru the Board, Sections 22 and 25 of DAO No. 96-02 are hereby amended to read as follows:

“Section 22. Executive Committee. In view of the large size of the management board expected in some NIPAS sites, the PAMB may create an Executive Committee to be composed of the Regional Technical Director or the PENRO **or CENRO** concerned as the Chairperson, one (1) representative from the autonomous regional government, if applicable; at least two (2) representatives from the Local Government Unit (LGU); two (2) representatives from Non-Government Organizations (NGOs)/People’s Organizations (POs)/Cooperatives; three (3) representatives from Indigenous Cultural Communities, if applicable; one (1) representative from other Government Unit, as members. The Board shall determine the authorities to be delegated to the Executive Committee.”

“Section 25. Authority of the RED to delegate the PAMB Chairmanship. The Secretary shall authorize, as he hereby authorizes, the RED to designate his RTD or PENRO **or CENRO** concerned, as the case may be, to

represent him as Chairperson of the PAMB whenever the RED cannot personally attend Board meetings.”

“In the event, however, that a specific protected area falls within the jurisdiction of more than one PENR Office or CENR Office, the PENRO or CENRO who has the management jurisdiction over the larger portion of the said protected area shall be designated.”

This Order takes effect immediately and supersedes all other orders and issuances inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-47
November 11, 1999

SUBJECT : DENR LIKAS: The Lingkod Kalikasan Award System for Outstanding DENR Officials.

I. BASIC POLICY

In the interest of the service and in accordance with the objective of the DENR to recognize and reward its officials who have demonstrated exemplary managerial and administrative skills, and have achieved excellent accomplishments in pursuing the DENR's goals and objectives, an award system for DENR officials is hereby instituted.

II. OBJECTIVES

- a. To give due recognition to deserving DENR officials who have demonstrated exemplary managerial and administrative skills in the performance of their duties.
- b. To identify the benchmark for DENR LIKAS awardee.
- c. To develop a new system of reward for outstanding DENR officials in order to elevate the DENR's level of service to the public.
- d. To enlist public support to the DENR's mandates by highlighting exemplary deeds and accomplishments of outstanding officials to inspire others.

III. TITLE OF AWARD

The title for outstanding DENR officials shall be called:

“DENR LIKAS”

LIKAS that is the acronym shall stand for *Lingkod Kalikasan Award System*, meant to elevate the outstanding DENR official award to a more meaningful and prestigious level. This shall reflect the Department's objectives of sustainable management, protection, and conservation of the natural environment. Further, the award should introduce a new meaning and vigor that will not only bestow to the awardees the honor and distinction of receiving the award but enable them also to implement an environmental project of their choice. The recognition of the awardees' contribution and service to the environment shall then be exceptional, innovative and memorable.

IV. SCOPE

The award system introduced in this Administrative Order shall include all Bureau Directors, Assistant Bureau Directors, Regional Executive Directors (REDs), Heads of Attached Agencies and their Deputies, Regional Technical Directors (RTDs), MGB Regional Directors, Service Directors in the Central Office, Division Heads in the Central Office, Bureaus and all Regional Offices, Provincial Environment and Natural Resources Officers (PENROs) and Community Environment and Natural Resources Officers (CENROs).

This award system for outstanding DENR officials is different from that prescribed under Memorandum Order No. 99-19 (Selection of the DENR Model Employee), and shall likewise replace the "Eagle" award.

V. REWARD/INCENTIVE

The Planning and Policy Studies office is hereby directed to create and finalize, within twenty (20) days upon approval of this Order, the members of the selection process and criteria that will be used by the National and Regional Selection Committees.

The broader scope of the “Likas” award compared to the “Eagle” award necessitates the revision of the guidelines of DAO 97-20 [Annual General Inspection (AGI) of Regional key officers] based on the following format:

- A. At the national level, six (6) classifications of “DENR Likas” award shall be given annually:
 - A.1 Likas Award for Outstanding Community Environment and Natural Resources Officer
 - A.2 Likas Award for Outstanding Provincial Environment and Natural Resources
 - A.3 Likas Award for Outstanding Regional Technical Director, MGB Regional Director, Assistant Bureau Director, and Deputy Heads of Attached Agencies
 - A.4 Likas Award for Outstanding Regional Executive Director, Bureau Director, and Head of Attached Agency
 - A.5 Likas Award for Outstanding Service Director
 - A.6 Likas Award for Outstanding Division Chief (This will include all heads of technical or administrative divisions at the DENR central office, staff and line bureaus, attached agencies, and in all regional offices).

For this purpose, a National Selection Committee shall be created.

- B. At the regional level, only two (2) “Likas” awards shall be given annually, to highlight the important role of the DENR Likas Awardees frontline project implementors for:
 - B.1 Outstanding Community Environment and Natural Resources Officer; and
 - B.2 Outstanding Provincial Environment and Natural Resource Officer.

For this purpose, a Regional Evaluation Committee shall be created.

- C. Only the PENRO and CENRO “DENR Likas” Awardees in the Regional Offices shall be considered as nominees for national selection.

VI. EFFECTIVITY

This Order shall take effect immediately and shall supersede all other orders inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-48
November 24, 1999

SUBJECT : Creation of an Office Management Staff for the Natural Resources Management Program (OMS-NRMP).

In the interest of the service and in view of the need to ensure timely administrative, financial and planning support to the various components of the Natural Resources Management Program namely, the Forest Resources Management (FRM), Coastal Resource Management (CRM) and the Industrial Initiative for a Sustainable Environment (IISE), an Office Management Staff for NRMP (OMS-NRMP) is hereby created to consist of the staff previously supporting FRM. The OMS-NRMP shall be composed of three groups, (1) the Planning and Documentation Group (2) Financial Management Group and (3) Administrative Management Group set up as per attached structure. It shall perform the following responsibilities:

1. Provide administrative, financial and planning support to all the three NRMP components;
2. Coordinate the preparation of budget proposals, work and financial plans and other budget related activities of all NRMP components;
3. Coordinate and consolidate the preparation of necessary reports as required by the management, oversight and donor agencies;
4. Prepare quarterly financial disbursement report for all components;
5. Ensure timely release of funds for field projects and monitor financial disbursement;
6. Facilitate the hiring of personnel for the different components;
7. Responsible for the procurement of supplies, materials and equipment needed by the program;

8. Responsible for the procurement of supplies, materials and equipment needed by the program;
9. Ensure orderly, accurate and systematic files and records of program documents and materials;
10. Develop and implement office systems and procedures as well as formulation of control systems and procedures;
11. Ensure smooth flow of internal and external communications;
12. Liaise with the various NRMP program management offices to ensure good communication and activities are well coordinated.
13. Serve as the Secretariat to the NRMP-Steering Committee and the Executive Management Committee;

The project management offices of the various components will be responsible for the technical aspects of the implementation. They are required to submit the necessary technical reports to the Office Management Staff (OMS) for consolidation. They shall work and coordinate closely with the OMS for the financial, administrative and planning support.

The OMS shall be headed by an Office Manager who shall report directly to the NRMP Program Director.

This Order takes effect immediately and amends or supersedes all Orders inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-52
December 15, 1999

SUBJECT : Prescribing a Detailed Definition of Functions for the Realigned Regional Division.

In the interest of the service and consistent with Section 2 of Department Administrative Order No. 99-14, Series of 1999, providing for the redefinition of functions and realignment of administrative units in the Regional and Field Offices, prescribed herewith is the realignment of the various divisions and other units in the regional offices with their corresponding redefined functions as supervised by the following Assistant Regional Executive Directors (AREDs):

I. Assistant Regional Executive Director (ARED) for Operations

A. Forest Resources Development Division (FRDD)

1. Prepare regional plans and programs related to forest protection and law enforcement, log control and monitoring, reforestation including urban forestry and tree plantation development (IFMA-SIFMA, Timber Corridor, Usufruct on forest lands), watershed management, range management, and forest utilization;
2. Assist in monitoring and evaluation of programs and projects on forest resources development including community-based forest management;
3. Recommend policies and guidelines on forest resources development including community-based forest management; and

4. Coordinate related programs and projects such as ISF/CPEU, FSP, CFP and other related regional-based programs and projects.

B. Environmental Quality Division (EQD)

1. Formulate and recommend policies and guidelines on the enforcement of the effluent and emission standards on air and water pollution control and on the management and control of toxic substances and hazardous wastes;
2. Formulate environmental surveillance and monitoring programs on air and water quality and on the management and control of toxic substances and hazardous wastes;
3. Provide technical assistance to the field offices on the review and evaluation of pollution control facilities, management and control of toxic substances and hazardous wastes including technical assistance to LGUs on solid waste management;
4. Conduct annual environmental quality assessment of the region;
5. Provide assistance in the enforcement of various pollution control laws, rules and regulation including PD 984, RA 6969 and RA 8749; and
6. Process and recommend the issuance of pollution permits, clearances and accreditation of Pollution Control Officers (PCOs).

C. Surveys Division (SD)

1. Verify cadastral, public land subdivisions, control and other extensive surveys/mapping projects, original and isolated surveys;
2. Prepare topographic and special maps in the region;

3. Recommend survey standards, techniques methods and procedures;
4. Provide technical assistance in the supervision of survey parties and contract surveys projects;
5. Recommend actions for approval, disapproval or cancellation of survey contracts, survey inspections, and survey-related activities;
6. Establish project control points, densify network control points and conduct political boundary surveys in accordance with PRS 92 and the Manual for Land Surveying Regulations in the Philippines; and
7. Conduct surveys and mapping of ISF/CBFMA, MSA areas, buffer zones, reservations, parks, and other protected areas in accordance with existing rules and regulations.

D. Protected Areas and Wildlife Division (PAWD)

1. Recommend policies, guidelines, plans, programs and project proposals on the establishment and management of NIPAS areas;
2. Provide technical assistance of PAMBs, LGUs, OGAs and the private sectors in the management and protection of protected areas;
3. Recommend sites for disestablishment and/or inclusions in the NIPAS;
4. Prepare up-to-date listing of Philippine flora and fauna including rare, endemic and endangered species and recommend a program for the conservation and propagation of the same including the management of related programs and projects;
5. Provide technical assistance and coordinate the implementation of special projects and programs on protected area management and biodiversity conservation;

6. Recommend policies and guidelines on wildlife conservation and management;
7. Coordinate enforcement of regulations on wildlife trade in collaboration with local offices/agencies of national and LGUs as well as the private sector;
8. Coordinate conduct of comprehensive wildlife resources assessment and inventory for policy formulation and programs development;
9. Coordinate implementation of EO 247 regarding prospecting or biological and genetic resources of the country; and
10. Coordinate implementation of CEP program and other related regional-based programs and projects.

II. Assistant Regional Executive Director for Technical Services

A. Land Management Division (LMD)

1. Review and evaluate all activities related to enforcement of policies, rules and regulations for the sound management and disposition of all alienable and disposable public lands including guidelines on land classification, processing of all kinds of public land application, and preparation of contracts not placed under the control of any agency;
2. Recommend actions for the approval and decision of the Regional Executive Director on routinary land management matters, except on land cases falling under ARED for Legal; and
3. Recommend actions for the approval and decision of the RED regarding public land applications, appraisal, re-appraisal, order of awards, deeds, special permits and other land management activities.

B. Forest Resources Conservation Division (FRCD)

1. Process permits, leases, agreements, and other instruments pertaining to forest resources utilization, conservation, processing and manufacturing, including validation and evaluation of performance reports submitted by PENR/CENR offices; and
2. Recommend policies and guidelines and provide technical assistance/training to PENR/CENR offices on forest protection and conservation.

C. Technology Transfer and Information Division (TTID)

1. Formulate and recommend implementation of regional information and technology transfer program;
2. Package mature technologies which are products of ENR researches using tri-media approaches;
3. Facilitate the adoption of mature technologies in cooperation with other regional offices/units and various research institutions;
4. Promote the marketing of mature technologies on environment and natural resources protection, conservation and management ; and
5. Develop and manage environmental and natural resources database and the regional information and technology system.

D. Ecosystems Research and Development Division (ERDD)

1. Formulate and implement regional R & D programs on various ecosystems in accordance with the national R & D framework;
2. Develop and recommend technologies for packaging and transfer for effective DENR program implementation for the sustainable development of the ecosystems;

3. Develop and manage, in collaboration with ERDB and Field Operation Units, regional experimental forests, research stations including other field laboratories; and
4. Undertake linking and networking with other government agencies, non-government organizations and international research institutions.

E. Interim Environmental Impact Assessment Division (EIAD)

1. Recommend programs and policies for the effective implementation of Environmental Impact Assessment System (PD 1586) and its implementing rules and regulations with emphasis on streamlining and simplifying the System;
2. Formulate and implement strategies for the effective enforcement of EIA compliance monitoring system;
3. Review and evaluate EIS documents and recommend issuance/denial of ECCs; and
4. Provide technical assistance to field offices in the conduct of EIA review, processing and monitoring.

III. Assistant Regional Executive Director for Administrative Services

A. Administrative Division

1. Provide assistance and services on the promulgation of office orders, rules and regulations related to economic, efficient and effective administrative services;
2. Establish policies and standards including personnel management, general services, communications, logistics, property, safety, record management and documentation;
3. Recommend rules and regulations on pre-qualification bids and awards;

4. Recommend procurement of supplies, equipment and services; and
5. Maintain regional assets and facilities.

B. Human Resources Management Division (HRMD)

1. Act as Chairman of the Scholarship Committee;
2. Recommend the approval of training and scholarship grants;
3. Evaluate and recommend training proposals for implementation in the region;
4. Recommend conduct of training needs analysis;
5. Coordinate HRM activities with the other services in the region;
6. Oversee all training programs being implemented region-wide;
7. Prepare reports on all HRM activities conducted in the region;
8. Evolve a responsive employee career development program;
9. Process and recommend the approval of appointments to regular, casual and contractual positions and approval of payroll of all manpower complement in the region;
10. Recommend the approval of incentives and benefits for employees welfare, such as health care, merit increase, awards, credits, magna carta, and other benefits and the authority to render overtime services;
11. Recommend the approval of travel authority and leave of absence of regional personnel; and
12. Establish and maintain effective human resource management information system.

IV. Assistant Regional Executive Director for Legal Services and Public Affairs

A. Legal Division

1. Supervise the regional legal operations;
2. Review agreements and contracts involving natural resources and the environment prior to the approval of the RED;
3. Appear and act as counsel of the Region; and
4. Investigate, hear and recommend decisions/orders on regional ENR cases.

B. Regional Public Affairs Office

1. Serve as the public information and quick response arm of the Region;
2. Manage the IEC program and maintain an effective and efficient media relations in the Region;
3. Coordinate and supervise the implementation of national-based IEC programs at the regional level;
4. Develop and maintain a database on the region's media, communication and IEC network;
5. Develop and recommend policies on public relations; and
6. Provide library services to DENR personnel, students and other researchers on environment, natural resources and allied projects.

C. Congressional/Local Government Liaison Unit

Coordinate/liaise with Members of Congress and local government units regarding legislation, and effective and efficient implementation of ENR policies, plans and programs.

The Environmental Quality Division (EQD) and the Interim Environmental Impact Assessment Division (EIAD) shall be automatically transferred to the Regional Office of the Environmental Management Bureau (EMB) upon the designation of the EMB Regional Director, pursuant to Republic Act No. 8749.

The Land Evaluation Party (LEP) and Field Network Survey Party (FNSP) shall be integrated under the Surveys Division.

The Planning and Management Division (PMD) shall maintain its original functions and shall continue to be under the Office of the Regional Executive Director (ORED). Likewise, the Finance Division shall be under the direct supervision of the ORED with the following functions:

1. Process and review all financial transactions prior to approval of the RED;
2. Supervise cashiering activities of the Regional Office; and
3. Recommend the approval of Order of Payment of collection of government fees;

Fifteen (15) days from the effectivity of this Order, all designated/full pledged AREDS/RDs shall recommend and submit to the Regional Executive Director (RED) the personnel complement, budget to include the functional chart and work flow, and other requirements in their respective areas of concern for approval.

If the personnel recommended is not considered by the RED, the same shall be elevated to the Office of the Secretary for approval.

The Regional Executive Directors (REDs) may realign the functions of the various divisions and other units as defined in this Order as needed, depending on the demands and workloads of their

respective regions. In all instances, the approval of the Secretary is mandatory. However, the RED may assign additional functions to the AREDs/regional divisions and units as the need arises.

This Order shall take effect immediately and shall repeal/amend all Department Orders, Circulars or Instructions inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Administrative Order
No. 99-54
December 23, 1999

SUBJECT : Officials Authorized to Recommend and Approve Transfer of Funds (Letter Advice of Allotment) from the Central Office.

In the interest of the service, and in view of expected budgetary cuts, the Department needs to institute closer monitoring of funds. In this regards, all transfer of funds, regardless of amount, from the Central Office to the Field Offices and Bureaus/Attached Agencies, shall be made only with the prior approval of the following officials:

Regular Funds (Funds 101)

Assistant Secretary for Management as
Recommending Official
Secretary as Approving Official

FAPs Funds (Fund 102)

Undersecretary for International Commitment and
Local Government Affairs as Recommending
Official
Secretary as Approving Official

This Order shall be effective immediately and supersedes all Orders, Memoranda, Circular inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Administrative Order
No. 99-55
December 23, 1999**

SUBJECT : Creation of Functional Groups Under the Decision Support Systems (DSS) Office of the Establishment of DSS Units at the Bureaus and Field Offices.

In the interest of the service and in order to strengthen the information resource management function of the DENR and pursuant to the objectives of the pertinent sections of Administrative Order No. 99-18 dated 04 June 1999, the following shall define the role and function of the Decision Support Systems Office:

1. Act as an enabler, catalyst and facilitator to empower each Central Office unit to develop the necessary capabilities in information generation, processing, sharing and dissemination.
2. Initiate and strengthen the capabilities of bureaus, attached agencies and field offices in managing and making available information across all sectors for decision making at their respective levels as well as for top-level management and strategic purposes.
3. Manage the information technology infrastructure with which information processing, sharing and dissemination shall take place and to rationalize information access. Ownership, management and validation of information shall remain with the respective units.

To accomplish the above mandate, the following units are hereby created under the Decision Support System Office (DSSO), with the corresponding functions also hereby defined (see attached table of organization):

Environmental Telemetry Unit

1. Design, fabricate and install environmental telemetry systems for streamflow and groundwater, marine environment, and air quality monitoring, wildlife tracking, micro-climate and other environmental variables monitoring.
2. Formulate various computer programs needed to analyze and synthesize the collected data and store them in appropriate databases that can easily interphase with different analytical models and spatial systems.
3. Develop a decision support system for water and air quantity and quality forecasting, flood and weather prediction and other natural disaster phenomena mitigation.

Systems Design and Development Unit

1. Identify, recommend, design and/or facilitate the development of the appropriate types of information systems and the corresponding software applications in support of strategic and operational thrusts of the Department, including support for the Philippine Environmental and Natural Resources Accounting function.
2. Formulate standards policies and coordinate implementation of approved standards pertaining to data and information management. Coordinate with DENR bureaus, attached agencies and field offices on matters involving data standards.
3. Develop systems and procedures for the management, enhancement and upgrading of the Department's data architecture, software resources.

Geographic Information Systems Unit

Develop and operationalize an integrated GIS-based data management information system for environment and natural resources including, but not limited to, the following activities:

1. Identification of proposed users and their functional and data requirements.
2. Assessment of existing systems and the examination of data sources.
3. Definition of spatial data sets and data base design
4. Determination of software and hardware requirements.
5. System pilot study to finalize estimates and test systems.
6. Collection of necessary data for input
7. Facilitate the purchase of hardware and software
8. Staff training
9. System implementation and data conversion

IT Infrastructure Unit

1. Maintain and enhance the local area network and Internet access facilities of the DENR Central Office, to reduce/minimize network downtime.
2. Perform the necessary functions for database management and providing network/data communication services.
3. Coordinate with DENR bureaus, attached agencies and field offices on matters involving network interconnection, ensuring interoperability and data sharing.
4. Develop systems and procedures and recommendations and plans for the repair, upgrade and enhancement of computers and network hardware components, peripherals and supplies. Conduct periodic inventory of the Department's computers and other IT resources for this purpose. Coordinate with equipment suppliers regarding enforceable service warranties.

Support Staff

1. Provide administrative and logistical support to the different line units subject to the approval, instructions and/or guidelines of the Director, Decision Support Systems Unit.
2. Perform other related functions as assigned by the Head, DSSO.

DSS Units at the Bureaus, Attached Agencies and Field Offices

All bureaus, attached agencies and field offices at the regional, provincial and community level are hereby directed to create units or identify existing units, which shall:

- Perform information and data management functions within their respective jurisdiction, and
- Coordinate with the DSSO at the Central Office on matters relating to the establishment and implementation of generating and disseminating information for decision support.

For this purpose, the existing statistical reporting units established pursuant to DAO 133 (1989) shall be initially tapped to perform the above functions. Final implementing guidelines shall be developed and implemented after further deliberations.

This Order takes effect immediately and supersedes all orders or instructions inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note: Organizational Chart of DSSO omitted

**DENR Memorandum Circular
No. 99-01
January 27, 1999**

**SUBJECT : Guidelines for Granting of
Honorarium for Resource
Person's Services.**

Pursuant to Memorandum Circular No. 43, Series of 1993 issued by the Civil Service Commission on the Streamlining and Deregulating Human Resources Development Functions, the guidelines for the granting of honorarium for services rendered by resource persons are hereby set as follows:

1. The Resource Person must be properly invited to deliver the lecture/service. Agreement/confirmation of the Resource Person shall be indicated.
 - A. Lecturer - A resource person who prepares instructional materials, delivers lecture, guides discussion and provides master copy of handouts.
 - B. Member of Panel - A resource person who provides guidance, advice and direction on specific topic. No instructional materials are provided.
2. Services rendered by a Resource Person shall be certified as to topic and duration by the facilitator/manager of the given course.
3. The rate of honorarium shall be as follows and the payee should meet either one of the qualifications stated under each category:

LECTURER

MEMBER OF PANEL

Category A. ₱600.00/hour ₱500.00/hour

- a. Doctorate degree with more than five (5) years experience in appropriate field.
- b. Undersecretary/Assistant Secretary

Category B. ₱500.00/hour ₱400.00/hour

- a. Doctorate degree with more than three (3) years but not less than two (2) years experience in the field.
- b. Master's degree with at least five (5) years experience in the field.
- c. Regional Executive Director or equivalent
- d. Well known practitioner

Category C. ₱400.00/hour ₱300.00/hour

- a. Doctorate degree with less than one (1) year experience in the field
- b. Service/Bureau Director
- c. Master's degree with at least two (2) years experience in the field
- d. Bachelors degree with more than five (5) years experience in the field

Category D. ₱300.00/hour ₱250.00/hour

- a. Bachelors degree with at least (3) years experience in the field
4. Officials and employees of the DENR included in the pool of resource persons shall be prioritized over resource persons from other agencies.

5. The grant of such honorarium shall be subject to the usual accounting and auditing rules and regulations.
6. This Circular shall take effect in January 1999 and supersedes previous memoranda, circulars and other issuances inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-02
February 17, 1999

**SUBJECT : Activation of the La Niña Special
Task Action Group (STAG).**

In line with the DENR's La Niña preparation and mitigation activities, all REDs are hereby instructed to immediately activate their respective Regional, PENRO and CENRO STAGs in anticipation of the tropical storm "bebeng" based on the advisory bulletin issued by PAG-ASA. The STAGs shall continue to identify, survey, and monitor geo-hazard sites in their respective areas. They shall coordinate with and provide the local disaster coordinating council with relevant information on the status of the said sites. They shall also regularly provide the Office of the Secretary, copy furnished the DENR La Niña Task Force with updated reports.

For strict compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-05
March 08, 1999

SUBJECT : Processing of Documents for Decision-Making.

In order to strengthen Completed Staff Work (CSW) and to promote efficiency and effectiveness in the processing of documents, the following guidelines must be strictly observed:

1. Documents for comments and/or recommendations to reviewing line offices shall not be altered unilaterally. The reviewing line office shall only categorically indicate approval or disapproval of the basic report or of particular items therein. Such indorsement shall be addressed to the Office which sought the review of the document. A basic memorandum report must not be forwarded or returned by another memorandum. Such practice can cause the omission or change of specific comments and/or recommendations. To avoid this, the “indorsement” format shall be used and followed.
2. Necessary alterations shall only be done after most, if not all, of the comments from reviewing line offices shall have been received and taken into consideration by the final approving authority/office.

This system and procedure shall therefore pinpoint credit or responsibility for the final document.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-11
April 30, 1999

SUBJECT : Communications from Field Offices.

In order to facilitate the flow of communications within the Department and to expedite an effective networking system among the regional offices, you are hereby instructed to send all written communications addressed to the Central Office through the Office of the Secretary, which shall direct them through proper channels.

This Circular takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-12
April 30, 1999

SUBJECT : Transfer of Functions of the Field Operations Office to the Office of the Secretary.

Pursuant to the realignment of functions to attain efficiency and effectiveness in the delivery of service, the Office of the Secretary shall assume the functions of the then office of USEC for Field Operations.

The Special Concerns Office shall coordinate programs and activities and provide technical support concerning field operations.

All Field Operations Office personnel shall be recalled to their mother unit or reassigned to other units of the Department where their service/expertise are needed. The appropriations, vehicles, equipment and other facilities are hereby transferred for use of the Office of the Secretary.

The Human Resources Management Service is hereby tasked to prepare the Special Order on the reassignments of the concerned Field Operations personnel within fifteen (15) days upon the approval of this circular.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Circular
No. 99-14
May 27, 1999**

**SUBJECT : DENR Physical Fitness and Sports
Program for CY 1999.**

In order to enhance personnel efficiency in the government service through the maintenance of the physical and mental well being of the employees, and in line with the national policy of “Sports for All” as adopted under Executive Order No. 64 within the decade of Physical Fitness and Sports, 1990-2000, and in accordance with CSC MC No. 38, S. 1992, known as the “Physical and Mental Fitness Program for Government Personnel”, the Department shall henceforth pursue, the following athletic activities:

**ACTIVITY I. Inter-Service/Bureau/Attached Agencies/
Regional Office Athletic Competition
from June 1 to 30 1999.**

Corollary to the celebration of the DENR Anniversary there will be an Inter-Bureau/Service/Regional Office Athletic Competition. The following (Men and Women) team events shall be given priority during the celebration:

Basketball	Volleyball	Bowling
Table/Lawn Tennis	Chess	Darts

**ACTIVITY II. Participation in the National/Regional
Tournament DENR-Wide (Regional
Offices)**

To allow competent and qualified (Men and Women) players to join the National Competition to boost the morale of

players and to represent their respective offices in the DENR Regional Tournament, the Committee created under S.O. No. 99-274 dated March 16, 1999 will prepare a synchronized calendar of sports events for guidance. Both Activity I & II shall be handled by the said Committee.

To intensify the Sports Development and Physical Fitness Program of the Department, all Bureau Directors, Service Directors, Regional Executive Directors, Assistant Secretaries, Undersecretaries and other officials concerned are hereby enjoined to give their full support and cooperation to ensure the successful implementation of this Program.

Funds for this purpose will be charged against the respective Agency/office savings.

This Memorandum Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

Recommending Approval:

(Sgd.) ADRIANO B. NAVA, JR.
Assistant Secretary for Administrative Service

DENR Memorandum Circular

No. 99-15

May 27, 1999

SUBJECT : Authentication of the Previous Test Results of Pre-Production Engine/Vehicle Type by the Philippine Embassy/Consulate of the Country of Origin/Design.

In view of the present incapability of this Office to confirm test results of new motor vehicles due to the absence of testing facilities, all emission test results of pre-production engine/vehicle type to be submitted to the Task Force Air Quality of the DENR as one of the requirements for the application of Certificate of Conformity shall be authenticated by the Philippine Embassy/Consulate where the engine/vehicle was designed/manufactured.

This Memorandum Circular shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-19
July 27, 1999

SUBJECT : Submission of Inventory of Data Holdings.

In line with the full operations of the Directorate for Support Systems as embodied in Administrative Order 99-18 and Special Order 99-619, you are advised to identify a Focal Person preferably the Office Planning Officer to conduct an inventory of available data holdings, the list of which shall be submitted to the Office of the Secretary within 15 days upon issuance of this Circular.

Such Focal Person will automatically liaise with the DSS unit to provide technical assistance in the relation to the integration of environment and ecosystems mega databases.

For your strict compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular

No. 99-21

July 29, 1999

SUBJECT : Cooperation of All the Training and Development Activities With the Human Resource Management Service.

To afford a holistic approach in effectively addressing the developmental needs of the Department, you are hereby required to coordinate with the Human Resource Management Service (HRMS) all the training programs, seminars, workshops and other human resource development activities to be implemented by your respective offices.

Henceforth, the conduct of all relevant endeavors shall be reviewed by the HRMS for comments/recommendations. In concurrence thereto, the HRMS Director/Division Chief concerned shall affix his/her initials/signature.

Proper coordination will certainly avert overlapping of schedules and duplication of activities and shall further save quality time, money and effort.

This Circular shall take effect immediately for the strict compliance of all concerned.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-23
October 25, 1999**

**SUBJECT : Coordination of All Request for
Travel Authorities With The
Human Resource Management
Service.**

To strengthen the Department's human resource management system and evolve a responsive foreign scholarship program, all requests for travel authorities for scholarships, training programs, fellowships, meetings, conferences, study grants and all other foreign travels shall be prepared only by the Human Resource Management Service (HRMS), Management Service Office.

Henceforth, this Office shall exercise its authority to deny request for any travel authority if it does not pass through/process by HRMS.

This Circular shall take effect immediately for strict compliance of all concerned.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-25
November 24, 1999

SUBJECT : Maintaining the Research and Statistics Division (RSD), Planning and Policy Studies Office (PPSO) as the Central Repository of all Environment and Natural Resources Statistical Data and as Official Reference of DENR Statistics.

Pursuant to Executive Order No. 192 Series of 1987 and Executive Order No. 121, Reorganizing and strengthening the Philippine Statistical System and to ensure a unified environment and natural resources data through collection and dissemination, following are hereby adopted for the guidance of all concerned:

A. DENR Administrative Order # 133 S. 1989 section 7.0

The Planning, Policy Studies Office (PPSO) shall serve as the Central Repository of DENR statistical data. The OSEC, Staff Bureaus and Attached agencies shall regularly provide the Regional Offices with statistical data/information and publications and other information of regional programs/projects.

B. DAO # 32 S. 1993

Inclusion of the submission of statistical reports as a Key Result Area for regional offices as a criterion under the Rating and Award system for Regional Executive Directors.

C. DAO # 31 S. 1993

Submission of statistical data and information by all Foreign Assisted Projects to the Research and Statistical Division, Planning, Policy Studies Office.

D. DAO # 99-09 s. 1999

Adopting revised statistical reporting forms and amending deadlines for submission of statistical forms to improve the flow of statistical system and to incorporate the concerns of Philippine Economic Environment and Natural Resources Accounting (PEENRA) and Gender and Development (GAD) concerns on the statistical reporting forms.

In order to expedite and carry out effectively the timely and accurate delivery of Statistical data/information, all Bureaus, Regional Offices and Attached Agencies are hereby directed to submit all pertinent statistical data to the Research and Statistics Division, PPSO as the Central Repository and official reference of DENR statistics.

This memorandum circular shall take effect immediately and amends all other issuance's inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular

No. 99-26

November 24, 1999

**SUBJECT : Prescribing New Guidelines and
Procedural Manual in the
Implementation of DAO 99-36.**

In view of the issuance of DENR Administrative Order No. 99-36 Re: Revised Rules and Regulations Governing the Administration, Management, Development and Disposition of Forest Lands Used for Grazing Purposes, the procedural manual for the implementation of DAO 99-36 is hereby promulgated for the guidance of all concerned.

For strict compliance.

(Sgd.) ANTONIO H. CERILLES
Secretary

Note:

DAO 99-36 Procedural Manual content omitted for separate printing.

Published at:

Malaya – November 29, 1999

**DENR Memorandum Circular
No. 99-27
November 24, 1999**

**SUBJECT : Guidelines in the Monetization of
Leave Credits.**

Pursuant to CSC-DBM Joint Circular No. 2-97 dated June 25, 1997 relative to the above subject, the following rules and regulations are being promulgated and adopted to amend Rules IV and VI of Joint CSC-DBM Circular No. 1, S-1991, governing the monetization of leave credits of government officials and employees:

**RULE VI. MONETIZATION OF LEAVE/ SERVICE
CREDITS**

Section 1. All DENR officials and employees in the career and non-career service, whether permanent, provisional, temporary or casual, shall be allowed to monetize a maximum of thirty (30) days vacation leave/service credits subject to the following conditions:

1. There shall remain five (5) days vacation leave/service credits after monetization; and
2. Said official and employee has accumulated no less than fifteen (15) days vacation leave/service credits in which case he can monetize no more than ten (10) days.

Sec. 2 The monetization of leave credits shall be availed of only once a year.

Sec. 3 An official or employee who availed of this privilege shall still go on five (5) days forced leave, subject to the provisions of Executive Order No. 1077 dated January 9, 1986 and its implementing rules and regulations.

RULE VI. FUNDING AND EFFECTIVITY

Section 1 Funding - The implementation of the monetization of vacation leave/service credits shall be charged against the savings of the respective offices subject to the existing accounting auditing rules and regulations.

Sec. 2 Effectivity - This Memorandum shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Circular
No. 99-28
November 24, 1999

**SUBJECT : Guidelines in the Payment of
Accounts Payable.**

Pursuant to the provisions of the Department of Budget and Management (DBM) Circular Letter (CL) Nos. 99-2 dated January 15, 1999, 99-9 dated August 23, 1999 and 9-11 dated September 8, 1999, General Appropriations Act (GAA) FY 1999, Government Accounting and Auditing Manual (GAAM) Volume 1 and Executive Order (EO) Nos. 248 dated May 29, 1995 and 248-A dated August 14, 1995, hereunder are the guidelines to expedite and provide conformity in the processing of Accounts Payable for all funds of the DENR Central Office, Bureaus, Regional Offices and Attached Agencies:

1. Authorized activities are those covered with corresponding allotment. Expenditure and payment shall cover only operations pursuant to the Work and Financial Plan (WFP), thus, all allotment shall be used solely for specific functions, activities, projects and programs during the given appropriated year (GAA).
2. Disbursements on activities without corresponding allotment are prohibited and shall be the liability of the concerned employee and official.
3. As mandated under 2.0 of DBM Circular 99-2 dated January 15, 1999, the DENR is required to open and maintain a separate Modified Disbursing Scheme (MDS) account by fund for Accounts Payable (A/Ps) for the prior years recorded unpaid obligations for specific creditors who have rendered and/or delivered goods and services.

4. All offices concerned shall prepare a segregated internal and external creditors' List of Due and Demandable Accounts Payable, certified correct by the Chief Accountant and approved by the Agency Head per provisions of CL No. 99-9. The additional supporting documents for the list of Due and Demandable Accounts Payable are the following: Updated Monthly Trial Balance, Monthly Statement of Charges to Accounts Payables (BAF 305) covering the immediate/preceding month when the request was submitted. Accounts Payable submitted after March 31 of each year required reports are as follows: Preliminary and Final Trial balance and Master List of Accounts Payable (BAF 304) which should tally with the payable account per Final Trial Balance.
5. The payments schemes which shall take effect in January 1, 2000 are as follows:

- 5.1 Internal Creditors

- 5.1.1 Internal creditors shall be issued MDS checks as stated in 4.2.3 provision of DBM Circular 99-2.

- 5.2 External Creditors

- 5.2.1 External creditors shall be paid thru Direct Remittance to their accounts. Under 2.2 stipulation of DBM Circular 99-11 dated September 8, 1999, all external creditors shall open a Current Account or Savings Account (CA/SA) with any branch of the MDS-Servicing Bank (MDS-SB). Concerned paying offices shall provide their external creditors a letter of introduction to the MDS-SB, sample form or Annex A attached, which is a requirement for external

creditors in opening a CA/SA. The external creditors shall furnish the concerned agency with their bank and current account numbers to which the amount shall be credited.

This Order shall take effect immediately and supersedes all other issuances inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order

No. 99 –01

January 12, 1999

**SUBJECT : Formulation, Coordination,
Evaluation And Monitoring
Management Of All Foreign
Assisted And Special Projects
Under The Foreign-Assisted And
Special Projects Office**

In order to promote a coordinated preparation of investment programs and project proposals for both foreign and special projects of the Department it is hereby directed that the formulation, coordination, evaluation and monitoring management shall be under the Foreign-Assisted and Special Projects Office (FASPO), headed by an Assistant Secretary.

FASPO shall prepare the necessary guidelines and issuances to implement this Order.

This Memorandum Order shall take effect immediately and supercedes all Orders and Memorandum inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99 – 04
February 23, 1999

Subject : Bureau and Regional Reporting

In the interest of the service and to streamline department-wide operations, all staff bureau and regional offices are hereby instructed to report directly and regularly to the Office of the Secretary.

All reports, memoranda and other documents requiring immediate action from the Office of the Secretary shall be submitted directly to said office.

The Undersecretary for Environment and Program Development shall continue supervision of all foreign-assisted and special projects and department policy formulation related to the environment. The Undersecretary for Field Operations shall continue supervision of all monitoring efforts and enforcement of policies in regional, provincial and community offices.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order

No. 99-05

February 23, 1999

**SUBJECT : Guidelines In The Issuance Of
Fuel Allocation To All Officials In
The DENR**

In the interest of the service and in order to effect cost-saving measures in fuel consumption and further improve the delivery of transportation needs of the officials and employees in the Department Proper, the following guidelines are hereby prescribed for implementation and observance of all concerned:

The General Services Division (GSD) shall be responsible in the monthly issuance of fuel allocation and assign control numbers, as follows:

CONTROL NO.	TITLE OF OFFICIAL	MONTHLY ALLOCATION
001	Undersecretaries	300 liters per month
002	Assistant Secretaries	240 liters per month
003	Service Directors	200 liters per month
004	Division Chiefs	200 liters per month
005	Central-based FAPs Project Directors	200 liters per month
006	Central-based APs Project Managers	200 liters per month
007	General Dispatch	200 liters per month

- i) All officials with permanently assigned vehicles shall be allocated number of liters of fuel per month as indicated opposite their names. No additional request for gasoline will be issued by GSD, unless made in writing and duly approved by the Assistant Secretary for Management Services;

- ii) Request for additional allocation of gasoline for provincial trips shall be subject for approval by the Assistant Secretary for Management Services and supported with a duly approved Travel Order;
- iii) Provisions of fuel, parts, repairs and maintenance of any government vehicle shall not be allowed if not permanently marked "***For Official Use Only***" (3 inches), on each side, with the name or logo of the agency or if not supported by properly accomplished and approved serially numbered Driver's Trip Tickets (Provisions of Section 15 ©, R. A. No. 8522). When there is no sufficient space on each side, the mark should appear at the back and on the front just below the windshield on the motor vehicle (COA Circular No. 77-61 dated September 26, 1977);
- iv) The GSD shall issue fuel coupons with denominations of 10, 12, and 15 liters for each month to the end-users and shall vary in color for control purposes, as follows:

January	May	September	Orange
February	June	October	Red
March	July	November	Yellow
April	August	December	Green

- v) Issuance of gas coupon for General Dispatch vehicles shall be on a per trip basis as follows:

a) Within Metro Manila	15 liters per day
b) Provincial Trips	Depends on the distance of the points of destination and to be supported by an approved Travel Order

- v) Withdrawal of fuel shall be made only from contracted gasoline stations by the DENR;

- vi) GSD in coordination with the Accounting Division shall ensure that only serviceable vehicles entered in the Inventory Reports with assigned Property Numbers and taken up in the Book of Accounts shall be authorized in the issuance of fuel;
- vii) At the end of the month, used and unused coupons shall be surrendered to the GSD immediately. Coupons not used during the month shall be forfeited and non-submission of coupons shall automatically disqualify the end-user for issuance of another set for the succeeding month;
- viii) To prevent/avoid indiscriminate assignment of vehicles, only officials appointed or designated Division Chief and above shall be authorized to sign Memorandum Receipt for the said vehicles. **UPON ASSIGNMENT OF THE VEHICLE, THE TRANSPORTATION ALLOWANCE OF SAID OFFICIAL SHALL BE AUTOMATICALLY FORFEITED;**
- ix) All other vehicles not permanently assigned to any official shall be pooled at the General Services Division as general dispatch vehicles;
- x) All requests with the GSD shall be made on a "**FIRST COME FIRST SERVE BASIS**". However, emergency requests shall be given priority;
- xi) The GSD shall prepare a **SUMMARY OF MONTHLY GASOLINE CONSUMPTION REPORT** and copy furnished the Management Division for monitoring and reporting purposes;
- xii) The attached Fuel Allocation for Motor Vehicle and Gas Coupon Forms shall form an integral part of this Order.

This Order shall take effect immediately and supersedes all other Orders/memoranda inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99 – 06
February 26, 1999

SUBJECT : Requiring All PENROS And CENROS To Put Up And Maintain Projection Or Base/Control Maps In Their Offices

Analysis of data reported by various field office of the Department revealed that more than 90% of the cases of fake and illegal titling involves forest lands and other inalienable lands such as foreshore areas and lands within established reservations and the like. We tried to determine the root of the problem and it turned out that illegal titling is apparently due to lack or absence of efficient and effective monitoring mechanism and safeguards on the land titling activity.

In order to prevent the further titling of forest areas and other inalienable lands. and in the interest of the general welfare, every PENROS and CENROS of every province/district is hereby directed to put up a projection of, base/control maps with the standard scale of 1:4000, as the case maybe, in their respective office within the period of sixty (60) days from the date of this Order.

The provincial or base/control maps shall among others, reflect the following:

- a. The forests and other reserved areas like wildlife, birds and other sanctuaries
- b. Areas, subject of the NIPAS Act (R.A. No. 75386);
- c. Foreshores and marshy land and lands adjoining bodies of water; and
- d. Alienable and disposable areas with indication of the parts which had been titled and those still available for titling.

The various kinds of lands to be reflected in the projection or base/control maps shall be assigned the following colors:

- a. Forest land and other reserved lands - GREEN
- b. NIPAS areas - YELLOW
- c. Foreshore, marshy and lands adjoining bodies of water - BLUE
- d. A & D lands - BROWN

In the titling of A & D land, no public land application shall be accepted until after the land subject of the application shall have been projected in the projection map of the PENR Office or in the control/base maps of the CENR Office, as the case may be. In the event that the land applied for is unapplied, the application shall be accepted, indexed and assigned its number. Thereafter, the application shall be processed until patent is issued. At this point, the issuing officers shall ensure that the correct judicial form is used; that the technical description appearing in the patent corresponds to what exist in the ground; and, that the area covered by the patent is within his signing authority. All patents issued shall be projected in the Projection Map or Base/Control Map.

This Order is for the strict observance of all PENROs/CENROs. Failure on the part of any PENRO or CENRO to comply with the putting up of projection or base/control map shall subject him to the penalty of removal from office,

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No- 99- 13
April 14, 1999

SUBJECT : Guidelines On Cell Phone Distribution And Use To Reduce Subscriptions

In compliance with the government’s economy measures, Commission on Audits CY 1998 Annual Audit findings and the limited budget for communications (03), it is imperative to reduce bills by limiting the distribution and minimizing the use of cell phones. Hereunder are the guidelines:

1. Authorized Officials/Staff, number of units and limit of billings:

		Number Cell Phone	Billing for Each Unit/Mo
1.1	Secretary	3	No limit
1.2	Secretary's Staff	2	2,000
1.3	USECs	3@	5,000
1.4	ASECs/Service Directors	2@	4,000
1.5	Project Dirs/Managers	2@	2,000
1.6	Others Authorized by the Secretary	1@	1,500

2. Only cell phones entered in the Inventory Reports with assigned property numbers, taken up in the Books of Accounts, duly received by officials/staff concerned as evidenced by Memorandum Receipts shall be authorized for subscription payments. However, billings exceeding the allowable amount shall be paid personally by the accountable official/staff.

3. Copy furnished the Assistant Secretary for Management Services, Resident Auditor, Financial and Management Director and the concerned officials/staff on excess billings.
4. Observe economy by refraining from using cell phones in office-based calls and instead use landline phones.
5. Telephone numbers called shall be checked/verified when necessary by the Task Force on Communications and the offices concerned to validate if calls are personal in nature.
6. All offices concerned in the processing of papers shall be furnished with Memorandum Receipts to facilitate the processing of monthly bill payments.
7. Officials/staff with more than the authorized number of units shall turn over the excess units to the General Services Division, Administrative Service.
8. Payments of cell phone billings that are not in accordance with the above guidelines will not be processed by the General Services, Budget and Accounting Divisions.

This Order takes effect immediately and supersedes all issuance's inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No- 99-14
April 30, 1999**

**SUBJECT : Amending Memorandum Order
No. 99-13 Dated April 14, 1999,
Prescribing The Guidelines On
Cell Phone Distribution And Use
To Reduce Subscriptions**

Pursuant to the prescribed guidelines on the above-mentioned subject, the following are hereby amended to read as follows:

1 Authorized Officials/Staff, number of units and limit of billings-.

		Number Cell Phone	Billing for Each Unit/Mo
1.2	Secretary's Staff	2	3,000
1.5	Project Dirs/Managers	2@	3,000
1.6	Others Authorized by the Secretary	1@	2,000

All other provisions of Memorandum Order No. 99-13 dated April 14, 1999 not inconsistent herewith shall remain in force.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99-17
May 25, 1999

SUBJECT : Guidelines To Reduce Subscriptions On Cell Phones

In order to observe restraint and economy in the use of cell phones, hereunder are the prescribed guidelines limiting the distribution and minimizing use:

- 1 . Officials and authorized staff are entitled to one cell phone each.
2. Limited spare cell phones of selected carriers are stored at the Communications Unit, General Services Division (GSD) that can be temporarily used whenever there is no cell site on the destination of travel. The use of spare cell phone shall be authorized only upon submission of duly approved travel order (xerox copy). Release and return of spare cell phones shall be properly documented for billing and record purposes.
3. Only cell phones entered in the Inventory Reports with assigned property numbers, taken up in the Books of Accounts, duly received by officials/staff concerned as evidenced by Memorandum Receipts shall be authorized for subscription payments. However, billings exceeding the allowable amount shall be paid personally by the accountable official/staff.
4. Billing per unit shall be within the carriers approved plan/s. Copy furnished the Assistant Secretary for Administrative Services, Resident Auditor, Financial Management Director and the concerned official/staff on excess billing.

5. Observe economy by refraining from using cell phones in office-based calls and instead use landline phones.
6. Telephone numbers called shall be checked/verified when necessary by the Task Force on Communications and the offices concerned to validate if calls are personal in nature.
7. All offices concerned in the processing of papers shall be furnished with Memorandum Receipts to facilitate the processing of monthly bill payments.
8. Officials/staff with more than the authorized number of units shall turn over the excess units to the General Services Division, Administrative Service. Billings on cell phone units not surrendered shall be borne by the accountable officer and explain in writing why the unit/s are not returned.
9. Payments of cell phone billings that are not in accordance with the above guidelines will not be processed by the General Services, Budget and Accounting Divisions.

This Order takes effect immediately and supercedes all issuance's inconsistent herewith.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-18
May 31, 1999**

**SUBJECT : Guidelines In The Implementation
Of The DENR Physical Fitness
And Sports Development Program
For 1999**

For the information and guidance of all concerned the following guidelines are hereby adopted for effective and efficient implementation of the DENR Physical Fitness and Sports Development Program for 1999. The Calendar of Events at this regard is attached:

General Ground Rules

To institutionalize a nationwide structure in promoting the policy of "Sports-for-All", bonafide DENR Official and Employees are authorized to participate in the DENR Sports Program.

I. Eligibility and Decorum

- a. A bonafide DENR employee is either a Permanent, Temporary, Casual, Contractual (PS) Official or Employee with at least Six (6) months period of employment from issuance of this Order,
- b. A participant/player should play within the Unit/Division or Office/Bureau/Attached Agencies where his Appointment/Plantilla belong or present place of assignment covered by Special Order;
- c. A participant/player should be in official sports uniform and shall be allowed to participate only in

one event (DENR Proper) and a maximum of two events in the Bureau and Attached Agencies;

- d. Players should abide by the rules of every event and by the decision of the respective referee/umpire,
- e. Each player should be physically fit as certified by a Doctor/Physician.

II. Number of Players

Strictly follow the number of players in each event as follows:

<u>Events</u>	<u>Number of Players</u>
Basketball (Men)	Twelve (12) Regulars Three (3) Alternates
Volleyball (Men)	Twelve (12)
Volleyball (Women)	Twelve (12)
Chess	Four (4) Regulars Two (2) Alternate
Table Tennis	Eight (4M) & (4W)
Lawn Tennis	Four (2M) & (2W)
Bowling Mix	Twelve (7M & 5W)
Darts	Seven (7)

III. Rules and Regulations

- a. Under this Order, it is emphasized that all participants/players and officials shall strictly observe the rules and regulations formulated in their respective events.

IV. Activity I

- A. Inter-Bureau/Attached Agencies from June 1-30, 1999
- B. Regional Athletic Competition Groupings
 - B.1 Luzon Elimination (Regions 1-5 & CAR)
 - B.2 Visayas/Mindanao Elimination
(Region 6-12 & CARAGA)

All Regional Events shall be conducted before the National Championship

V. Activity II

- A. National Championship

All top Two (2) Winners in each event of the Inter-Bureau/Regional Tournament will compete in the 1999 DENR National Championship to be held on the first week of December 1999.

This Order shall take effect immediately.

(Sgd.) ADRIANO B. NAVA, JR.
Assistant Secretary for Administrative Services
Chairman, Steering Committee

DENR Memorandum Order
No. 99-19
June 02, 1999

**SUBJECT : Guidelines In The Selection Of
DENR Model Employee Awardees
And The Grant Of Cash Incentive
Per Awardee**

Pursuant to the Civil Service Law and Rules, Book V of Executive Order 292, specifically Chapter 5, Sec. 35 and in the celebration of Environment Month and the DENR Anniversary in June 1999, all Bureaus, Regional Offices and the Central Office through respective office's Suggestion Incentives Awards Committee (SIAC) are authorized to select and award "DENR Model Employee Award" to technical and non-technical employees and the grant of cash incentive in the amount of ₱ 5,000.00 per awardee chargeable to respective office's fund.

I. COVERAGE

The selection shall only be limited to cover all permanent employees with Salary Grade 22 and below. There shall be only one (1) awardee from the technical group and one (1) awardee from the non-technical group in each- region, bureau and in the Central Office.

II. SELECTION PROCEDURE AND CRITERIA

1. Nomination/endorsement shall be submitted to the Bureau/Regional SIAC for its respective final selection.
2. Names and pertinent documents relative to the selection of the awardees from the regional offices and bureaus shall be submitted to the Chairman, DENR Central Office SIAC on or before June 15, 1999 for final

selection of DENR-Wide Model Employee Awardee which shall be selected from among the awardees from the bureaus, regional offices and in the Central Office. The Plaque of Recognition of all awardees shall be prepared by the Central Office.

3. Awardees from the Bureaus/Regional Offices shall receive their plaque of recognition from the Secretary during the culmination of the Environment Month Celebration on June 30, 1999 at the Protected Areas and Wildlife Bureau (PAWB) in Quezon City. The cash award for awardees shall be given not later than June 30, 1999. The Awardees shall be accommodated at PAWB Cottages.
4. Awardees must meet the following criteria/requirements:

<u>CRITERIA</u>	<u>PERCENTAGE</u>
Introduced an innovation that enhanced office operation in relation to technical/policy concerns (technical awardee) and administrative concerns (non-technical awardee)	30%
outstanding performance ratings for two (2) consecutive rating periods	30%
Harmonious working relationship with fellow workers per nomination/endorsement from officemates	20%

No pending administrative/ 10%
civil/criminal cases

At least five (5) years 10%
continuous service in the DENR

III. FUNDING SOURCE

The cash incentive herein authorized and other expenses to be incurred by the awardees' attendance to the awarding ceremony to be held at PAWB shall be charged strictly to the respective funds of each Bureau/Regional Offices.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99-20
June 04, 1999

**SUBJECT : Detail Of Vehicles For Official Use
By The Special Concerns Office**

In the interest of the service and pursuant to Memorandum Circular No. 99-12 dated April 30 and DENR Special Order No. 473 series of 1999 tasking the Special Concerns Office as coordinator of the Department's programs and activities and provide technical support concerning field operations, the following vehicles are hereby detailed and assigned to the following units under the Special Concerns Office:

1. MITS. L-200 SED 432 Directorate for
Intelligence
and Special Tasks
2. ISUZU SPACE CAB SED 141 Directorate for Special
Projects on Bio-diversity
Conservation and Devt.
3. NISSAN PATROL OEV 18678 Directorate for Regional
Operations and Technical
Services
4. MITS. GALANT' TLD 203 Directorate for- Socio-
Political and Economic
Affairs

Repair, Gasoline and Maintenance cost of the above mentioned vehicle which shall be charged against DENR's Mandatory accounts and or savings.

This Order takes effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99-21
June 07, 1999

SUBJECT : Implementation Of Ecological Waste Management In The Department

In the interest of the service and in view of the implementation of **MMDA Regulation No. 99-004 - Regulation Governing Proper Refuse Management at Source in MM and for Other Purposes**, Ecological Waste Management is hereby implemented in the Department. All divisions/office within the DENR compound are hereby directed to appoint two (2) "BIOnc" officers to be members of the core group to ensure proper implementation of the program.

The core group shall have the following functions for their specific division/office:

1. Be responsible for information campaign;
2. Be responsible for the implementation of the program, which includes but not limited to proper segregation of wastes;
3. Shall coordinate with the overall coordinators any matter pertaining to the said implementation; and
4. Shall meet regularly (at least once a month) to update members of the status of the project.

The following personnel are designated as overall coordinators for the program:

1. Dr. Oscar Calim
2. Jaime Jacobo
3. Joey Salamania
4. Rachel de Guzman
5. Marilou Alonzo

The said overall coordinators shall have the following functions:

1. Shall oversee strict implementation of the program;
2. Shall monitor the Ecology Center;
3. Shall coordinate with the core group any matter pertaining to the implementation of the project;

The Environmental Management Bureau through the Project Management Office of the Presidential Task Force on Waste Management shall act as advisor to the program.

This order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-23
June 11, 1999**

SUBJECT : Convergence of Agency Services and Interventions on the Identified Target Beneficiaries of the "Erap Para sa Mahirap" or Poverty Eradication Program

Republic Act No 8425, otherwise known as the "Social Reform and Poverty Alleviation Act" provides the overall policy framework to provide support, security and an environment conducive to the upliftment of the poor and the disadvantaged. To operationalize this, the "Erap Para sa Mahirap" or Poverty Eradication Program was envisioned as the President's commitment to uplift the socio-economic condition of the poor. Within this premise, government agencies, basic sectors, business and private sector groups and the local government units shall put their coordinated efforts that impact on the poverty alleviation.

The Estrada Administration adopts the Minimum Basic Needs (MBN) approach as the core strategy in identifying the priority areas and family at the local level and area-based approach, where coordinated and integrated delivery of services would create an impact on development.

In line with this, the Department of Environment and Natural Resources has been, given the responsibility as *Champion for the Indigenous Peoples* to ensure the representation of this sector in the National Anti-Poverty, Commission. It shall also focus its plans and programs to harmonize with the convergence of agency services and interventions for the identified target program beneficiaries the 100 poorest families of depressed barangays in every province and city; the priority barangays critical to the peace

process; and the basic sectors, in coordination with the concerned agencies. The lists of the identified target beneficiaries will be sent to you soonest.

As part of our commitment as a member-agency of the National Anti-Poverty Commission (NAPC), all Bureau Directors, Regional Executive Directors and Program Directors are hereby enjoined to facilitate implementation of agency programs and projects in conformity with the National Anti-Poverty Action.

This Order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**DENR Memorandum Order
No. 99-26
July 06, 1999**

**SUBJECT : Amending Certain Provisions Of
Memorandum Order No. 96-04
Re: Publication And Submission
To The Up Law Center Of Rules
And Regulations Adopted By The
Department**

In the interest of the service and in order to ensure proper coordination among offices, bureaus and attached agencies of the Department of Environment and Natural Resources with regard to the publication and submission to the UP Law Center of rules and regulations adopted by the Department, Memorandum Order No. 96-04, dated January 30, 1996, is hereby amended as follows:

1. Publication

Existing jurisprudence provides guidance on which administrative rules and regulations require publication as a condition for effectivity.

Administrative rules and regulations that seek to enforce or implement existing law pursuant to a valid delegation must be published. On the other hand, interpretative regulations and those merely internal in nature, regulating only the personnel of the administrative agency and not the public need not be published. Neither is publication required of the instructions issued by administrative superiors concerning rules and regulations or guidelines to be followed by their subordinates in the performance of their duties.

To ensure effective, efficient and economical promulgation of DENR Rules and Regulations, all offices drafting rules and regulations which would:

- a) enforce or implement existing law, and/or
- b) affect the public,

shall expressly include in the effectivity section of the draft rules and regulations or guidelines a provision that it shall be endorsed for publication by the Public Affairs Office (PAO).

2. Filing at UP Law Center

The Records Management and Documents Division (RMDD) of DENR shall be the functionary designated to carry out the requirements provided under Section 3 (2) Book VII of the 1987 Administrative Code. The RMDD, through the Director, Administrative Service, shall be responsible for the filing with the UP Law Center three (3) certified copies of every Rule and Regulation adopted by the Department.

In this connection, all DENR issuances such as Department Administrative Orders, Memorandum Orders and the like must be submitted to the UP Law Center, except those concerning internal guidelines to be followed by DENR personnel only.

All bureaus and attached agencies are likewise instructed to submit to the RMDD, for submission to the UP Law Center, copies of all rules and regulations promulgated prior to the Department's reorganization that:

- a) establish an offense;
- b) define an act which, pursuant to law, is punishable as a crime or subject to a penalty; or
- c) may be used as basis for any sanction against any person.

However, orders, memoranda and other issuances that have already been submitted to the UP Law Center prior to this memorandum order need not be submitted again.

Please be guided accordingly.

(Sgd.) ANTONIO H. CERILLES
Secretary

DENR Memorandum Order
No. 99 – 27
July 30, 1999

**SUBJECT : Strengthening Internal Linkages
With Respect To DENR Regional
Operations**

Pursuant to the continuing effort of the DENR to further improve the delivery of services and response to issues with respect to its regional operations, the linkage between the Regional Office of the MGB and the rest of the offices of the DENR at the regional level, shall be strengthened in accordance with the following guidelines:

A. On Administrative Matters

1. The MGB Regional Director (RD) shall:

- a. Periodically provide the Regional Executive Director (RED) with a copy of reports concerning critical issues being addressed and major activities undertaken, including the schedule of important events to be participated in or attended to;
- b. Regularly conduct briefings and orientations for DENR Regional personnel, including the PENROs and CENROs, regarding policy issuances current issues on mining, and other activities of the MGB;
- c. Clear with the DENR Secretary/MGB Director the issuance of all types of mining permits/contracts, prior to their approval;

- d. Provide regular updates to the RED concerning the approval of mining permits and contracts and policy issuances on mining; and
- c. Regularly participate in the staff meetings of the DENR Regional Office to harmonize and coordinate activities and major decisions with the RED.

2. The DENR Regional Executive Director (RED) shall:

- a. Be the official representative of all sectors of the DENR Regional Office, including the MGB Regional Office, in inter-agency fora/councils/committees such as the Regional Development Council (RDC), the Regional Disaster Coordinating Council (RDCC), and the like;
- b. Assume coordinative supervision over the MGB Regional Office in the conduct of DENR-wide special programs and activities, and in times of disaster and other emergency situations; and
- c. Provide full support and assistance to the implementation of policies, programs and activities for the sustainable development of the mining industry at the regional level.

B. On the Issuance of Cease-and-Desist-Orders (CDO)

In cases where a mining Contractor/Permittee/Permit Holder violates the terms and conditions of the Environmental Compliance Certificate (ECC) and/or other anti-pollution laws and regulations which, in any instance, poses imminent danger to life or property, the RD, upon the concurrence of the RED, shall issue a Cease-and-Desist Order (CDO) until the danger is removed or

appropriate measures are taken by the same mining Contractor/Permittee/Permit Holder.

This order shall take effect immediately.

(Sgd.) ANTONIO H. CERILLES
Secretary

**OTHER
RELATED
ISSUES**

**Executive Order
No. 69
February 17, 1999**

SUBJECT : Declaring and Placing Portions of the Waters in Manila Bay and Its Foreshore Area as a Special Tourist Zone, Under the Administration, Control, Management, Preservation, Development and Supervision of the Philippine Tourism Authority.

WHEREAS, the Manila Bay is known for its spectacular and breathtaking sunset view;

WHEREAS, there is a need to effect the preservation of certain portions in the waters of Manila Bay and its foreshore area thereof and to introduce and maintain suitable and appropriate facilities to conserve and maximize the site's tourism potential;

WHEREAS, the Philippine Tourism Authority (PTA) under Presidential Decree No. 564 s. 1973 is the government agency mandated by law to develop and preserve areas with tourism potential, or those devoted or currently in use as a tourism facility;

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. Subject to the terms and conditions of this Order, a portion of the Manila Bay and its foreshore area thereof, which is more particularly described as follows, is hereby declared as a Special Tourist Zone.

(technical description omitted)

Section 2. As a Special Tourism Zone, the administration, control, management, preservation, development and supervision of the above-mentioned portions of the Manila Bay and its foreshore area thereof is placed upon the **Philippine Tourism Authority (PTA)**. The PTA shall within sixty (60) days from effectivity of this Order submit to the Office of the President its comprehensive plan on the development, preservation and management of the above-mentioned Special Tourism Zone, with its metes and bounds.

Section 3. All executive issuances inconsistent with the provision of this Order are hereby revoked, modified or amended accordingly.

Section 4. This Order shall take effect immediately upon its issuance.

DONE in the City of Manila this 17th day of February in the year of our Lord nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RAMON B. ZAMORA
Executive Secretary

**Executive Order
No. 95
April 28, 1999**

SUBJECT : Ensuring Effective Operational Processes and Structural Arrangements for Budgeting and Management Functions.

WHEREAS, the Department of Budget and Management (DBM) is the primary government agency mandated to prepare and implement the national budget and pursue fiscal and management reforms in the operation of the bureaucracy;

WHEREAS, instituting improvements in public expenditure management has been a priority concern of the Department, which could be achieved, among others, by putting in place a three-year plan which could contain agency program priorities and implementation strategies, devolving to agency heads the authority to utilize budget, and to operate a performance evaluation and monitoring system among agencies;

WHEREAS, the Department is gearing towards a fully computerized budgeting system through the Budget Execution and Accountability Tracking (B.E.A.T.) System that will computerize the budget execution and accountability phases of the budget process and streamline budget release procedures to enable the prompt provision of funds to agencies;

WHEREAS, in view of these budgetary innovations a refocusing in the functions of the different organizational units, as well as the operational strategies in the Department, should be effected to make its organizational setup and operational processes more responsive to the requirements of the improvements in public expenditure management;

WHEREAS, under Section 20, Chapter 7, Title I, Book III of Executive Order No. 292 (Administrative Code of 1987), the President of the Philippines is empowered to exercise such powers and functions vested in him which are provided for under the laws;

WHEREAS, under Section 77 of the General Provisions of Republic Act No. 8745 (FY 1999 General Appropriation Act), the President may direct changes in the organization and key positions in any department, bureau or agency; and

WHEREAS, Section 79 of the General Provisions of RA 8745, directs heads of departments, bureaus and agencies to scale down, phase out or abolish activities no longer essential in the delivery of public services, and provides that savings generated from the abolition, phasing out or scaling down of unnecessary activities may be used by the departments, bureaus and agencies concerned for the augmentation of their respective programs, projects and activities.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1 *Functional Focus*. In the light of the efforts to shift public expenditure management from cost-based to performance-based, the Department of Budget and Management shall accordingly, effect policy, organizational, functional and operational refocusing strategies that will address the following priority concerns:

- a. Adoption of a medium-term expenditure framework that would consider a level of expenditures not only for the budget year but for subsequent years, as well, and would enable a more predictable planning environment for agencies;

- b. Adoption of measures to enhance efficiency in allowing and utilizing resources through, among others, the grant of more authority and flexibility to agencies in budget utilization and provision of performance incentives; and
- c. Development and implementation of a performance monitoring and evaluation system that would be related to resource allocation.

Sec. 2 *Organizational and Operational Adjustments in the DBM.* To ensure that the above priority concerns will be effectively undertaken, the Secretary of the Department of Budget and Management shall review its existing operational processes, systems and setup, and determine appropriate mechanisms and strategies, subject to existing organizational and staffing guidelines and standards. In compliance with these requirements, the following considerations should be taken:

- 1. Ensuring the conduct of policy researches/studies and standard-setting on budgeting and management;
- 2. Integration of related/homogeneous activities in the Department along three major functional categories: policy and management services, budget operations, and internal administrative and support services;
- 3. Strengthening of the functions of the budget operation units from those on fund releasing/realignment to agency performance assessment and monitoring of budget utilization;
- 4. Delegation of more responsibilities to the Regional Offices; and
- 5. Strengthening of the coordinative/integrative and monitoring activities between and among the units in the Central Office and the Regional Offices.

As part of the DMB's continuing efforts to institute budgeting and management reforms, the Secretary of Budget and Management is further authorized to make operational/structural adjustments in the Department, as necessary, to achieve effectiveness and efficiency in accomplishing its mandates.

Sec. 3 *Redeployment of Personnel.* As necessary, the existing personnel of the DBM shall be redeployed in accordance with the requirements of the revised organization structure and staffing pattern and civil service rules and regulations. Such redeployment shall not result in the diminution in rank and compensation of affected personnel.

Sec. 4 *Funding.* The financial resources required to implement the revised staffing pattern shall be taken from funds available in the DBM, provided that the necessary organizational and staffing modifications shall not entail additional funds for Personal Services.

Sec. 5 *Effectivity.* This Executive Order shall take effect immediately.

DONE in the City of Manila, this 28th day of April, in the year of our Lord, nineteen hundred and ninety-nine

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Executive Order
No. 111
June 17, 1999**

SUBJECT : Establishing the Guidelines for Ecotourism Development in the Philippines.

WHEREAS, it is the policy of the State to develop and promote sustainable tourism while enjoining the participation of the Filipino people in enhancing the growth and competitiveness of the Philippine economy;

WHEREAS, it is the policy of the state to ensure the sustainable use, development, management, protection and conversion of the country's environment and natural resources and cultural heritage for the enjoyment of the present and future generations;

WHEREAS, the development and promotion of ecotourism in the Philippines are viable and sustainable activities that will promote the protection of our environment while contributing at the same time to the growth to the economy;

WHEREAS, there is a need to establish an integrating system that shall warrant and focus government effort to sustain the viability of ecotourism development in the country; and

WHEREAS, the Department of Tourism (DOT) and the Department of Environment and Natural Resources (DENR) have issued a joint Memorandum Circular for the development of ecotourism in the Philippines.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. National Ecotourism Development

Council. There is hereby created a National Ecotourism Development Council (NEDC) to be composed of the secretaries of the following departments: Tourism, Environment and Natural Resources, Interior and Local Government, Trade and Industry, Finance, National Economic and Development Authority, and Education, Culture and Sports and representatives from the private sector and non-government organizations. The Chairperson may invite other sectoral representatives in the NEDC. The NEDC, which shall serve as the policy-making body for ecotourism, shall be chaired by the Department of Tourism and co-chaired by the Department of Environment and Natural Resources.

The NEDC shall have a National Ecotourism Steering Committee (NESC) and Regional Ecotourism Committees (REC) to effectively implement the programs and activities approved by the Council. The NESC shall have the following composition:

DOT Undersecretary for Planning - Chairperson
DENR Undersecretary for Environment - Co-chairperson
Director, DENR-Protected Areas and Wildlife Bureau
Director, DOT-Office of Tourism Development Planning
Director, DOT-Office of Product Research and Development
Director, DOT-Office of Tourism Standard
Director, Department of Interior and Local Government
Private Sector Representative/s
Non-Government Organization/s

The REC, on the other hand, shall be composed of the following:

Regional Director, DOT - Chairperson
Regional Executive Director, DENR - Co-Chairperson
Regional Technical Director for Environmental Management
And Protected Area Sector (EMPAS), DENR
NEDA-PCSD
Private Sector Representative

NGO Representative

Concerned Local Government Unit Representative

The Chairmanship of the Council and its committees shall have a term of three (3) years and shall be held on rotation basis by DOT and DENR.

Sec. 2 Functions and Responsibilities of the Ecotourism Committees.

The NESC shall be responsible for the following:

- a) Formulate and develop a national ecotourism strategy and program for the promotion and development of ecotourism in the country;
- b) Formulate and recommend policies, guidelines and programs relevant to the development and promotion of ecotourism in the country;
- c) Review, evaluate and approve major ecotourism project proposals;
- d) Devise an accreditation and incentive mechanism for ecotourism projects;
- e) Conduct consultation with the local population to be affected by ecotourism development to integrate their cultural values and beliefs in ecotourism plans and programs which may be formulated through their own initiative;
- f) Provide technical and financial assistance to communities which are included in the network of ecotourism sites to be established by the Council.
- g) Supervise and monitor the implementation of policies, guidelines ecotourism programs/projects/activities in the country; and
- h) Perform such other activities as may be necessary to carry out the objectives of the Order.

The REC shall have the following functions:

- a) Review, evaluate, approve and monitor ecotourism projects in their region;
- b) Implement policies, guidelines, programs, projects and activities formulated by the Council;
- c) Identify network of ecotourism sites in the region;
- d) Recommend plans and programs for ecotourism; and
- e) Perform such other activities as may be prescribed by the council.

Sec. 3. Secretariat Support. The NEDC shall establish an Ecotourism Technical Working Group to provide technical and administrative support to the NEDC and NESC in the implementation of the Order. The NEDC may also request the services and support of other government agencies necessary in the development and implementation of ecotourism programs in the country.

Sec. 4 Formulation of a National Ecotourism Strategy. A National Ecotourism Strategy shall be prepared by the Council to provide an integrated management plan which shall warrant a comprehensive direction for the future of ecotourism in the country by recognizing issues and problems for its sustainable development and recommend feasible approaches in addressing these issues. The Strategy shall be formulated in consultation with concerned stakeholders in the environment and tourism sectors including indigenous peoples and local communities to be affected by ecotourism development.

Sec. 5 National Ecotourism Program. To complement and support the aforementioned Strategy, a set of National Ecotourism Programs shall be developed. The program shall encompass the major aspects of ecotourism, which are:1) development, management and protection of identified ecotourism

sites; 2) product enhance and development; 3) environmental education and information campaign; 4) support programs for community stewardship and livelihood development.

Sec. 6 Operational Budget. The Department of Environment and Natural Resources (DENR) and Department of Tourism (DOT) shall allocate funds from their respective regular budgets which shall be used for the operations of the NEDC. The NEDC is also empowered to generate funds through an appropriate financial mechanism and to receive aids, grants and/or donations. The funds generated from this mechanism shall be placed in an Ecotourism Fund to finance the various ecotourism programs and activities pursuant to the mandate of the NEDC.

Sec. 7 Repealing Clause. All executive orders, circulars, rules and regulations or parts thereof contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 8 Separability Clause. If any portion of this Act is declared unconstitutional or invalid, any provision not affected thereby shall remain in full force and effect.

Sec. 9 Effectivity Clause. This order shall take effect immediately.

DONE in the City of Manila, this 17th day of June, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:
(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Executive Order
No. 129
July 24, 1999**

SUBJECT : Creating An Inter-Agency Coordinating Committee to Prepare and Coordinate Implementation of a Land Administration and Management Program.

WHEREAS, the rational administration and management of the country's land resources are vital to the optimum allocation and utilization thereof as resources of sustainable economic development;

WHEREAS, there is a recognition of the constraints that hamper the effective allocation and utilization of the country's land resources;

WHEREAS, prudent land management and administration is vital in fighting poverty, promoting economic growth and managing resources sustainability;

WHEREAS, it is necessary that the efforts of different government agencies be coordinated and consolidated in one body in order to address the problems associated with management and administration of the country's land resources;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. There is hereby created an Inter-Agency Coordinating Committee (IACC) to prepare and coordinate

implementation of a Land Administration and Management Program (LAMP) to be composed of:

1. The Department of Environment and Natural Resources (DENR) - Chairman
 - Land Management Bureau
 - Forest Management Bureau
 - Mines and GeoSciences Bureau
 - Protected Areas and Wildlife Bureau
 - Environmental Management Bureau
 - Ecosystems Research and Management Bureau
 - National Mapping and Resource Information Authority
2. The Department of Justice (DOJ) - Vice-Chairman
 - Land Registration Authority
 - Commission on the Settlements of Land Problems
3. The Department of Budget and Management (DBM) – Member
4. The Department of Finance (DOF)
 - Bureau of Local Government Finance
 - Bureau of Internal Revenue
5. The Department of Agrarian Reform (DAR) - Member
6. The Department of Agriculture (DA) - Member
 - Bureau of Soil and Water Management
7. The Department of Interior and Local Government (DILG) - Member
8. The National Economic and Development Authority (NEDA) - Member
9. The Housing and Urban Development Coordinating Council (HUDCC) - Member

- Housing and Land Use Regulatory Board
 - National Housing Authority
10. The Public Estates Authority (PEA) - Member
 11. The League of Cities - Member
 12. The League of Provinces - Member
 13. The League of Municipalities - Member

The afore-named members shall be represented by at least an Undersecretary with respect to the Departments and the head of agency with respect to the bureaus and agencies concerned.

Sec. 2 The IACC-LAMP shall have the following functions and duties:

1. Coordinate and monitor all government actions and responses on management and administration of land resources with respect to the preparation and implementation of a long term program of action on land management and administration;
2. Identify specific issues relating to management and administration of the said lands and formulate policies, recommendations and plans of actions to address the same;
3. Coordinate with other government agencies in providing immediate action to problems brought to their attention;
4. Report to the President the actions taken to address specific issues on the management and administration of the country's land resources;
5. Create working groups as may be deemed necessary and call on representatives from other sectors to tackle specific issues; and
6. Prepare and adopt implementing/operating guidelines as may be necessary to ensure smooth operations of the committee and implementation of this Executive Order.
7. Perform such other functions and duties as may be necessary to achieve the objective of the committee.

Sec. 3. The Committee shall be provided with an initial budget of Twenty Million Pesos (₱20,000,000.00), or such amount as may be allotted and approved by the President, upon the recommendation of the Committee Chairman, subject to the usual accounting and auditing requirements. Appropriation for the succeeding years shall be incorporated in the budget proposals of the Office of the President.

Sec. 4 An IACC Secretariat, to provide administrative and technical support to the Committee, shall be created at the Land Management Bureau to be headed by its director.

Sec. 5 The Executive Order shall take effect immediately.

DONE in the City of Manila, this 24th day of July, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Malacañang Administrative Order

No. 55

February 24, 1999

SUBJECT : Amending Administrative Order No. 392 Dated 4 May 1998, Which Enjoins All Departments, Government-owned And Controlled Corporations, Government Financial Institutions, Local Government Units and Other Agencies to Promote And Encourage Participation In The Philippine Centennial Exposition 1998 Or EXPO Pilipino, Including Its “EXPO Pilipino Family Day” Program .

WHEREAS, Administrative Order No. 392, series of 1998, requires all heads of departments, bureaus, government-owned and/or controlled corporations (GOCC's), government financial institutions (GFIs), local government units (LGUs) and other government agencies to promote and encourage participation in the Philippine Centennial exposition 1998 or Expo Pilipino program;

WHEREAS, pursuant to the above-mentioned Administrative Order, the Civil Service Commission (CSC) issued Memorandum Circular No. 17, series of 1998, granting government employees the privilege of visiting Expo Pilipino on official time for a maximum of three days anytime from 6 June 1998 to 15 June 1999;

WHEREAS, the initial implementation of the said program has not been successful due to the poor participation of

government workers which may be attributed to the limitation on the choice of the place to visit (confined to Expo Pilipino), as well as funding limitation for travelling expenses, especially for employees in the Visayas and Mindanao areas;

WHEREAS, since one of the objectives of Administrative Order No. 392 is to instill and enhance the sense of patriotism and national pride among public servants in time for the National Centennial Celebration, it is imperative to modify the program in order to ensure their participation thereat.

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order;

SECTION 1 Paragraph 1, Section 1 of Administrative Order No. 392 is hereby amended to read as follows:

“Section 1. The Civil Service Commission shall initiate, implement and undertake appropriate measures to enable all government workers in the country to avail of a special three-day Centennial Leave with pay at any time from 6 June 1998 through 15 June 1999, to allow them and their families to take part in the Centennial Exposition, or visit any historical place in the country.”

Sec. 2 Section 2 of the same Administrative Order is hereby amended as follows:

“Section 2. The Department of Education, Culture and sports (DECS), the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA) shall implement, initiate and undertake parallel programs to enable all students in the country to likewise avail of and

be entitled to a three-day Centennial Educational Credit at any time from 6 June 1998 through 15 June 1999 to allow them and their families to take part in the Centennial Exposition or visit other historical places in the country.”

Sec. 3 Section 3 of the same Administrative Order in hereby amended as follows:

“Section 3. In case the privilege will be availed of by visiting the Centennial Exposition, all departments, bureaus, GOCCs, GFIs, and Lgus concerned shall coordinate directly with the Expo Pilipino corporation (EPC) for details and scheduling of the “Expo Pilipino Family Day” Program.”

Sec. 4 As used under this Administrative Order, “historical place” shall refer to any site, area, or locality in the country that has historical significance, which shall include, but not be limited to national shrines, historical landmarks and structures, and official sites of historical events, as identified by the National Centennial Commission and the National Historical Institute.

Sec. 5 The Civil Service Commission shall effect the appropriate amendatory measures to enable all government employees in the country to avail of the privilege mentioned in Section 1 hereof.

Sec. 6 The provisions of Administrative Order No. 392 are hereby modified and amended to conform to this Order.

Sec. 7 This Administrative Order shall take effect immediately.

Done in the City of Manila, this 24th day of February, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Malacañang Administrative Order

No. 90

October 06, 1999

SUBJECT : Constituting a Cabinet Oversight Committee on Peacekeeping and Development Operations.

WHEREAS, during the Cabinet meeting of 29 September 1999, the President decided, with favorable indorsement from the Cabinet, that the “Strategy of Total Approach” shall serve as the overall strategy to effectively address armed conflicts/insurgencies in the country;

WHEREAS, the “Strategy of Total Approach,” as presented during the above-mentioned Cabinet meeting, consists of a security component, a political component, and a socio-economic component to address armed conflicts/insurgencies.

WHEREAS, military action by itself is not a sufficient solution to deter and resolve armed conflicts/insurgencies, therefore, government must implement a package of policies and programs that effectively and simultaneously address the socio-economic, the political and the security aspects of the situation;

WHEREAS, there is a need for effective coordination and orchestration of peace and development operations, under a strong and unified leadership;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by virtue of the powers vested in me by law and the Constitution, do hereby order:

SECTION 1. CREATION OF A CABINET OVERSIGHT COMMITTEE ON PEACEKEEPING AND

DEVELOPMENT OPERATIONS. A Cabinet Oversight Committee is hereby constituted to provide direction and supervision in the implementation of the “Strategy of Total Approach” to affectively address armed conflicts/insurgencies in the country.

Sec. 2 COMPOSITION OF THE CABINET OVERSIGHT COMMITTEE. The Cabinet Oversight Committee shall be headed by the Executive Secretary as Chairman and the Secretary of National Defense as Vice-Chairman with the following members:

- a. Secretary of Interior and Local Government (DILG);
- b. Secretary of Justice (DOJ);
- c. Secretary of Agriculture (DA);
- d. Secretary of Environment and Natural Resources (DENR);
- e. Secretary of Agrarian Reform (DAR); and
- f. Director-General, National Economic and Development Authority (NEDA); and
- g. National Security Adviser, as secretary to the committee.

Sec. 3 RESOURCE PERSONS OF THE CABINET OVERSIGHT COMMITTEE. The Cabinet Oversight Committee may call upon the following to serve as resource persons to assist the Committee in its functions:

- a. Presidential Adviser on the Peace Process;
- b. Chief of Staff AFP;
- c. Chief PNP;
- d. Director-General, NICA; and
- e. Heads of other concerned departments/agencies as needed.

Sec. 4 FUNCTIONS OF THE CABINET OVERSIGHT COMMITTEE. The Cabinet Oversight Committee, on behalf of the President, shall have the following functions:

- a. Provide over-all guidance and supervision in the implementation of the “Strategy of Total Approach” so that there will be a strong and unified authority and focus in addressing armed conflicts/insurgencies;
- b. Monitor and coordinate, with concerned Cabinet departments and agencies, the implementation of various development programs to help address armed conflicts/insurgencies in specific areas of the country; and
- c. Encourage active participation of local government units, the private sector, and civil society, in the implementation of programs to help address armed conflicts/insurgencies in their respective jurisdictions.

Sec. 5 TASKS OF DEPARTMENTS AND AGENCIES. Concerned departments and agencies shall pursue the following tasks:

- a. DND-AFP shall be the lead department/agency that shall orchestrate the security component of the strategy, closely supported and complemented by the socio-economic clusters and political-security clusters of the Cabinet.
- b. AFP shall draw up the implementing military strategy, in close coordination with, and with the support of the PNP.
- c. Cabinet Departments and agencies concerned shall adopt programs and projects that complement and support DND/AFP in the pursuit of the national strategy.
- d. Local government units (LGUs), under the supervision of the DILG, shall be made to actively participate and implement programs to help address armed conflict/insurgency in their respective jurisdictions.

Sec. 6 SECRETARIAT. The Office of the National Security Adviser and Director-General, National Security Council, shall provide staff coordination and secretariat support to the Committee.

Sec. 7 EFFECTIVITY. This Administrative Order shall take effect immediately.

Done in the City of Manila, this 06th day of October, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Malacañang Memorandum Circular
No. 43
September 23, 1999**

SUBJECT : Authorizing the Participation of Environmental Planning Practitioners in Government in the National Convention of the Philippine Institute of Environmental Planners.

The Philippine Institute of Environmental Planners (PIEP) will hold its Annual Convention on October 15-16, 1999 with the theme, **HEALTHY TOWNS AND CITIES IN THE NEW MILLENNIUM**, at the Manila Midtown Hotel, Pedro Gil Street corner Adriatico Street, Malate, Manila.

In support of the government's efforts towards developing healthy and environment-friendly human habitats and enhancing planning and development capabilities of government environmental planning practitioners, city, municipal, and provincial planning and development officers as well as urban and regional planners in national government agencies, are hereby authorized to attend the abovementioned convention on official time, with entitlement to reasonable expenses for registration and transportation expenses, chargeable against the funds of their respective offices, subject to the availability thereof, and to accounting and auditing rules.

Within thirty (30) days thereafter, participants shall submit a report on the Convention outputs, action plans and recommendations to the Office of their respective Department Secretaries and Head of Agencies. Likewise, the PIEP shall

furnish the Civil Service Commission of the convention outcome and list of attendees.

By the President of the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Malacañang Memorandum Circular

No. 46

September 30, 1999

SUBJECT : Encouraging All National Government Agencies, Provincial Governors, City Mayors, Municipal Mayors and Other Concerned To Attend the International Forum On Indigenous Ageing: A Global Challenge In The Next Millennium.

WHEREAS, in commemoration of the International Year of Older Persons (IYOP 99) the Coalition of NGOs in Resource Dynamics for Social Development (COAL), in partnership with the Local Government Units, will hold an International Forum in Puerto Princesa City on 18-20 November 1999;

WHEREAS, this forum is designed to advance the cause of Older People in general, and Indigenous Older People in particular, in the field of Health, Social, Economic, and Policy issues affecting this sector of society having as its theme “Towards A Society for All Ages... And of All Indigenous People”;

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 All heads of agencies, offices, departments, local government units, government owned and/or controlled corporations and their subsidiaries, government financial institutions, and state universities and colleges are hereby enjoined to support the Palawan International Forum on Indigenous

People's Ageing at the Asiaworld by sending representatives to attend and participate in the said activity.

Sec. 2 Consider the participation of various representatives on official time subject to the availability of funds and the usual accounting and auditing rules and regulations.

Sec. 3 This Memorandum Circular shall take effect immediately.

DONE in the City of Manila, this 30th day of September, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Malacañang Memorandum Order

No. 47

May 29, 1999

SUBJECT : Strengthening The Operationalization And Localization Of Philippine Agenda 21 And Monitoring Its Implementation

WHEREAS, the Philippine government formally adopted the principles of sustainable development embodied in the Rio Declaration adopted by the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil in 1992.

WHEREAS, the Philippine Council for Sustainable Development (PCSD) was created by virtue of Executive Order (EO) No. 15 s. 1992 to initiate the formulation of Philippine Agenda (PA) 21 and was further mandated to catalyze the formation and institutionalization of local councils for sustainable development through EO No. 370, s. 1996;

WHEREAS, the PA 21 was formulated after an extensive and intensive process of coordination, cooperation, counterparting and consensus-building among the various stakeholders of society to provide the overall direction and serve as enabling mechanism to achieve sustainable development;

WHEREAS, the localization and adaptation of PA 21 is deemed the appropriate mechanism to address area-specific concerns pertaining to sustainable development;

WHEREAS, cognizant of the role of the Local Government Units (LGUs) in the localization process, there is a need for them to formulate sustainable integrated area development plans for PA 21;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Republic of the Philippines, by the powers vested in me by law, do hereby order the following:

Section 1. Strengthening the Localization of PA 21. The LGUs are hereby directed to formulate and implement their respective sustainable integrated area development plans or Local Agenda 21 using existing structures and mechanisms. In this regard, the national Economic and Development Authority (NEDA), the Office of the Presidential Assistant on Poverty eradication, the Department of the Interior and Local Government (DILG), and other concerned government agencies are directed to assist the LGUs in the formulation of the said plans. LGUs are also directed to coordinate closely with Nongovernmental Organizations and People's Organizations in the formulation of the Local Agenda 21.

Section 2. Overall Monitoring. The PCSD shall continue to oversee and monitor the overall operationalization of PA 21. Pursuant to Memorandum Order No. 399, s. 1996, the DILG shall monitor the localization of PA 21 and shall provide the coordinating and monitoring mechanisms for its implementation. As such, it shall mobilize coordinating bodies including the Regional Development Councils, the local councils for sustainable development, and other similar existing units organized and managed by other agencies and institutions.

Section 3. Funding. The DILG, in coordination with the Department of Finance, Department of Budget and Management, PCSD, and NEDA, shall assist, where appropriate, the LGUs in developing a local government budgeting framework that will ensure support to Local Agenda 21 plans and in identifying funding sources for the localization of PA 21.

Section 4. Reporting System. The LGUs shall submit semestral reports to the DILG on their activities and

accomplishments relative to their Local Agenda 21. The DILG shall submit a consolidated report on the status of LGU formulation and implementation of Local Agenda 21 to the PCSD.

Section 5. Separability Clause. If any of the provisions of this Order shall be declared unconstitutional, the other provisions of this Order shall remain valid.

Section 6. Effectivity. This Memorandum Order shall take effect immediately.

Done in the City of Manila 28th day of January in the year of our Lord, Nineteen Hundred and Ninety Nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Malacañang Memorandum Order
No. 55
March 03, 1999**

SUBJECT : Authorizing All Government Agencies and Instrumentalities to Extend Support and Participation in the Conduct of the KABISIG Service Information Exhibit to be Held in Key Cities of Mindanao in 1999.

The KABISIG People's Movement (KABISIG) Program is a program created by virtue of Proclamation No. 650 to facilitate, coordinate and monitor the implementation of government programs and projects and provide linkages between and among the private sector groups and the government agencies and instrumentalities for the purpose.

In pursuit of the above mandate, KABISIG, through the Kabisig Mindanao Foundation, Inc. is spearheading the 'KABISIG SERVICE INFORMATION EXHIBITS '99' in key cities of six regions in Mindanao. The project will feature the profiles, accomplishments, service facilities of Mindanao – based government line departments and attached agencies, local government units and non-government organizations. This is an opportunity to promote public awareness and understanding of this information.

In this connection, all heads of government departments; agencies, government owned or controlled corporations and other government instrumentalities are enjoined to extend support and participation to said exhibit.

All agencies extended invitation to participate in said exhibits may authorize the participation of their respective offices

with the corresponding participation fee and other incidental expenses chargeable against the appropriations of each office, subject to the availability of funds and usual accounting and auditing rules.

By authority of the President

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Malacañang Memorandum Order
No. 62**

SUBJECT : Designating the Office of the Executive Secretary as Clearing House for the Executive Position on all Proposed Legislations.

In order to ensure a coordinated approach by the Executive Branch on the legislative initiatives of Congress, thereby promoting consistency and reliability of the direction of the Estrada Administration, all positions and/or major policy statements of the Executive Branch on proposed legislations, shall henceforth be formally submitted and cleared with the Office of the Executive Secretary.

This Memorandum Order shall take effect immediately.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Malacañang Memorandum
August 27, 1999

**SUBJECT : Reiteration of Previous Directive
Not To Entertain Persons Who
Claim Closeness to the President.**

It has come to my attention that a number of people, including close friends and relatives, continue to use my name or claim closeness to me in order to seek favors from government offices.

I hereby reiterate my previous directive not to entertain these people or accede to their requests. Government officials are warned not to base their decisions and actions on the alleged influence of those claiming closeness to the President. Any and all forms of influence peddling, name-dropping, intimidation, coercion and the like are strictly prohibited.

You are hereby instructed to ensure that your respective officials and staff are properly advised on this matter.

For strict compliance.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

Malacañang Memorandum
February 19, 1999

SUBJECT : Splitting of Contracts.

Pursuant to Presidential Memorandum dated 25 August 1998 wherein all government contracts in the amount of FIFTY MILLION (₱50,000,000.00) PESOS and above are to be submitted for Presidential approval, you are hereby directed not to recourse to splitting of contracts to avoid or evade Presidential Review of the same.

By splitting of contracts, we mean, dividing or breaking up of contracts into different parts or portions in order not to reach the amount of FIFTY MILLION (₱50,000,000.00) PESOS. Within the scope of government procurement, splitting is associated with requisitions, purchase orders, deliveries and payments.

For strict compliance.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

Certified copy:

(Sgd.) AURORA T. AQUINO
Director IV
Malacañang Records Office

Malacañang Memorandum
April 16, 1999

SUBJECT : Lifting of Suspension on the Issuance of Land Use Conversion Clearances.

1. In a Memorandum dated March 30, 1999, the Secretary of Agrarian Reform has informed the President that the Department of Agrarian Reform has already promulgated the “Revised Rules and Regulations on the Conversion of Agricultural Lands to Non-Agricultural Uses” (DAR Administrative Order No. 1, Series of 1999). The Revised Rules took effect on April 10, 1999.
2. With the promulgation of the revised rules on land use conversion, and in accordance with the President’s Memorandum dated December 28, 1998, this Office hereby confirms that the temporary suspension on the issuance of land use conversion clearances is lifted as of April 10, 1999.
3. Henceforth, DAR Administrative Order No. 1, Series of 1999 shall serve as the primary guidelines on the conversion of agricultural lands to non-agricultural uses, and the Department of Agrarian Reform, Department of Agriculture, Department of Environment and Natural Resources, and all other concerned government agencies are enjoined to strictly comply with the provisions thereof.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

**Proclamation
No. 79
February 24, 1999**

**SUBJECT : Declaring June 4 to 10 of Every
Year as Philippine Eagle Week.**

WHEREAS, the Philippine Eagle, the country's national bird, is nationally and internationally recognized as a critically endangered bird;

WHEREAS, despite this national and international recognition of its dire conservation status, the Philippine Eagle continues to be caught for illicit trade and as a prize catch;

WHEREAS, there is a need to instill into the minds of the Filipino people the importance of the Philippine Eagle as a biological indicator of the forest ecosystems, as a national symbol, and as a unique heritage;

WHEREAS, a unified and concerted efforts among all sectors of the society is needed to ensure the protection and perpetuation of the species;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, , do hereby declare June 4 to 10 of every year as Philippine Eagle Week.

Pursuant thereto, all government offices, agencies and instrumentalities are hereby urged to implement certain activities focusing on the Philippine Eagle and its habitat at least during the celebration of the Philippine Eagle Week (PEW). All non-government organizations, private companies or corporations, people's organizations, academic and scientific institutions and all

other interested parties are also encouraged to participate in the yearly celebration of the PEW.

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 24th day of February, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 84
February 24, 1999**

SUBJECT : Declaring Siocon Watershed Forest Reserve Situated in the Municipality of Siocon, Province of Zamboanga Del Norte as Protected Area and Its Peripheral Areas as Buffer Zone Pursuant to Republic Act No. 7586 (NIPAS Act of 1992), and Shall Be Known as Siocon Resource Reserve.

Upon the 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 **Siocon Watershed Forest Reserve** situated in the Municipality of **Siocon**, Province of **Zamboanga del Norte**, as a **Protected Area** under the category of Resource Reserve and its peripheral areas as Buffer Zone, subject to private rights, if any, as described in the DENR NIPAS Map No. R09-07.

TECHNICAL DESCRIPTIONS

The Siocon Resource Reserve begins at a point marked "1" on the map which is identical to corner 235, project 17 A & D, Block V, LC Map No. 943, Zamboanga del Norte;
(technical descriptions omitted)

the point of beginning containing an area of SEVEN HUNDRED NINETY THREE (793.741) HECTARES, more or less.

The Buffer Zone begins at a point marked "I" on the map is identical to corner 52 of Siocon Resource Reserve;

(technical description omitted)

the point of beginning containing an area of ONE HUNDRED EIGHTY SIX (186.660) HECTARES, more or less.

The technical descriptions of Siocon Resource Reserve and its Buffer Zone shall be subject to actual ground survey.

The areas shall be under the management jurisdiction of the Department of Environment and Natural Resources and shall be administered in accordance with the provisions of the NIPAS Act of 1992.

IN WITNESS WHEREOF, I have hereunto set my hands and caused the seal of the Republic of the Philippines to be affixed.

Done in the City of Manila, this 24th day of February in the year of our Lord Nineteen Hundred and Ninety Nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 106
May 06, 1999**

SUBJECT : Declaring Aliquay Island Situated in the City of Dapitan, province of Zamboanga Del Norte as Protected Area and its Peripheral Areas as Buffer Zone Pursuant to Republic Act No. 7586 (NIPAS Act of 1992), and Shall be Known as Aliquay Island Protected Landscape and Seascape.

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 Philippines, do hereby set aside and declare Aliquay Island situated in the City of Dapitan, Province of Zamboanga del Norte as a Protected Area under the category of Protected Landscape and Seascape and its peripheral areas as Buffer Zone, subject to private rights, if any, as described in the DENR NIPAS Map No. R09-06.

(technical description omitted)

The technical descriptions of Aliquay Island Protected Landscape and Seascape and its Buffer Zone shall be subject to actual ground survey.

These areas shall be under the management jurisdiction of the Department of Environment and Natural Resources (DENR) and shall be administered in accordance with the provisions of the NIPAS act of 1992.

IN WITNESS WEREOF, 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 06th day of May, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJECITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 131
July 05, 1999**

SUBJECT : Declaring the Talibon Group of Islands Wilderness Area Covering the Four (4) Islands of Banbanon, Bansahan, Saag and Tambu Including its Surrounding Waters Situated in the Municipality of Talibon, Province of Bohol as a Protected Area Pursuant to Republic Act 7586 (NIPAS Act of 1992) and Shall Be Known as Talibon Group of Islands Protected Landscape/Seascape.

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 Philippines, do hereby set aside and declare Talibon Group of Islands Wilderness Area covering the Islands of Banbanon, Bansahan, Saag and Tambu, including its surrounding waters, situated in the Municipality of Talibon, Province of Bohol as Protected Area under the category of Protected Landscape/Seascape, subject to private rights and without prejudice to the rights of the Indigenous People as provided for in Republic Act 8371, DENR Administrative Order No. 93-02 and other related rules and regulations, if any, as described in DENR NIPAS Map R07-16:

Tambu and Banbanon Islands begin at corner marked "1" on the plan being N 50°30' W; 5,180.00 m from BLLM#1 of Talibon, Bohol,

(technical description omitted)

Containing an approximate area of **Six Thousand Four Hundred Fifty-Five and 87/100 (6,455.87) Hectares**, subject to actual ground survey.

The protected area covered by this proclamation shall be under the administrative jurisdiction of the Department of Environment and Natural Resources and shall be administered in accordance with the provisions of the NIPAS Act.

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 05th day of July, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 132
July 05, 1999**

SUBJECT : Declaring the Pasonanca Watershed Forest Reserve Situated in the City of Zamboanga as Protected Area and Its Peripheral Areas as Buffer Zone Pursuant to Republic Act No. 7586 (NIPAS Act of 1992), and Shall be Known as Pasonanca Natural Park.

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 Philippines, do hereby set aside and declare Pasonanca Watershed Forest Reserve situated in the City of Zamboanga as a Protected Area under the category of Natural Park and its peripheral areas as Buffer Zone, subject to private rights and without prejudice to the rights of the Indigenous People of provided for in R. A. No. 8371, DENR Administrative Order No. 93-02 and other related rules and regulations, if any, as described in DENR NIPAS Map No. NO9-08.

The Pasonanca Natural Park begins at a point marked '1' on the map which is S 11°27' W at 1,904.88 meters from FNSP-ZS ASHTECH POINT MONUMENT;

(technical description omitted)

of beginning, containing an area of **Twelve Thousand One Hundred Seven (12,107) Hectares**, more or less.

The Buffer Zone Parcel 1 begins at a point marked “1” on the which is identical to Perimeter Corner No. 8 of Pasonanca Natural Park;

(technical description omitted)

of beginning, containing an area of **Six Hundred Eighty One (681) Hectares**, more or less.

The Buffer Zone Parcel 2 begins at a point marked “1” which is identical to Perimeter Corner No. 97 of Pasonanca Natural Park;

(technical description omitted)

of beginning, containing an area of **Four Thousand Six Hundred Twenty Six (4,626) Hectares**, more or less.

The technical descriptions of Psonanca Natural Park and its Buffer Zone shall be subject to actual ground survey.

These areas shall be under the management jurisdiction of the Department of Environment and Natural Resources and shall be administered in accordance with the provisions of the NIPAS Act of 1992.

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 05th day of July, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 134**

SUBJECT : Declaring the Mimbilisan Watershed Forest Reserve Situated in the Municipalities of Balingoan and Talisayan, Province of Misamis Oriental, as a Protected Area Pursuant to Republic Act 7586 (NIPAS Act of 1992) and Shall be Known as Mimbilisan Protected Landscape.

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 Philippines, do hereby set aside and declare the **Mimbilisan Watershed Forest Reserve** situated in the Municipalities of Talisayan and Balingoan, Province of Misamis Oriental as Protected Area under the category of Protected Landscape, subject to private rights and without prejudice to the rights of the indigenous peoples as provided for in R.A. No. 8371, DENR Administrative Order No. 93-02 and other related rules and regulations, if any, as described in DENR NIPAS Map No. R-10-04.

The Mimbilisan Protected Landscape begins at a point marked "1" on the map which is S 37° W, approximately 6,200 m. from MBM Municipality of Talisayan, Misamis Oriental;

(technical descriptions omitted)

the point of beginning containing an area of Sixty-Six (66) Hectares, more or less, subject to actual ground survey. The Mimbilisan Protected Landscape shall be under the management jurisdiction of the Department of Environment and Natural

Resources (DENR) and shall be administered in accordance with the provisions of the NIPAS Act of 1992.

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 5th day of July, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

**Proclamation
No. 191
October 06, 1999**

SUBJECT : Creating and Designating Certain Lands of the Private Domain Situated in Bagumbayan, Quezon City as an Information Technology (IT) Park Pursuant to Republic Act No. 7916 as Amended by Republic Act No. 8748.

Pursuant to the powers vested in me under Republic Act No. 7916, otherwise known as the Special Economic Zone Act of 1995 as amended by Republic Act No. 8748 and upon recommendation of the Board of Directors of the Philippine Economic Zone Authority, **I, JOSEPH EJERCITO ESTRADA**, President of the Philippines, do hereby create and designate as an Information Technology Park, subject to the provision of the Republic Act No. 7916 as amended by R.A. 8748, its Implementing Rules and Regulation, and Resolution No. 99-136 dated 09 June 1999 of the Board of Directors of the Philippine Economic Zone Authority, an area located in Bagumbayan, Quezon City, henceforth to be known as **Eastwood City CyberPark**, consisting of **132,893.5 square meters**, more or less, as defined by the following technical descriptions:

(technical description of Pcs-00-007917 omitted)

(technical description of Psd-00-38053 omitted)

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 06th day of October, in the year of Our Lord, nineteen hundred and ninety nine.

(Sgd.) JOSEPH EJERCITO ESTRADA
President

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

REPUBLIC ACT NO. 8749

AN ACT PROVIDING FOR A COMPREHENSIVE AIR POLLUTION CONTROL POLICY AND FOR OTHER PURPOSES

*Be in enacted by the Senate and House of Representative of the
Philippines in Congress assembled:*

CHAPTER I GENERAL PROVISIONS

ARTICLE ONE BASIC AIR QUALITY POLICIES

SECTION 1. *Short Title.* This Act shall be known as the
“Philippine Clean Air Act of 1999.”

SEC. 2. *Declaration of Principle.* The State shall protect
and advance the right of the people to a balanced and healthful
ecology in accord with the rhythm and harmony of nature.

The State shall promote and protect the global environment
to attain sustainable development while recognizing the primary
responsibility of local government units to deal with
environmental problems.

The State recognizes that the responsibility of cleaning the
habitat and environment is primarily area-based.

The State also recognizes the principle that "polluters must
pay".

Finally, the State recognizes that a clean and healthy
environment is for the good of all and should therefore be the
concern of all.

SEC. 3. *Declaration of Policies.* - The State shall pursue a policy of balancing development and environmental protection. To achieve this end, the framework for sustainable development shall be pursued. It shall be the policy of the State to:

- a) Formulate a holistic national program of air pollution management that shall be implemented by the government through proper delegation and effective coordination of functions and activities;
- b) Encourage cooperation and self-regulation among citizens and industries through the application of market-based instruments;
- c) Focus primarily on pollution prevention rather than on control and provide for a comprehensive management program for air pollution;
- d) Promote public information and education and to encourage the participation of an informed and active public in air quality planning and monitoring; and
- e) Formulate and enforce a system of accountability for short and long-term adverse environment of a project, program or activity. This shall include the setting up of a funding or guarantee mechanism for clean-up and environmental rehabilitation and compensation for personal damages.

SEC. 4. *Recognition of Rights.* - Pursuant to the above-declared principles, the following rights of citizens are hereby sought to be recognized and the State shall seek to guarantee their enjoyment:

- a) The right to breathe clean air;
- b) The right to utilize and enjoy all natural resources according to the principle of sustainable development;
- c) The right to participate in the formulation, planning, implementation and monitoring of environmental policies and programs and in the decision-making process;

- d) The right to participate in the decision-making process concerning development policies, plans and programs projects or activities that may have adverse impact on the environment and public health;
- e) The right to be informed of the nature and extent of the potential hazard on any activity, or project and to be served timely notice of any significant rise in the level of pollution and the accidental or deliberate release into the atmosphere of harmful or hazardous substances;
- f) The right of access to public records which a citizen may need to exercise his or her rights effectively under this Act;
- g) The right to bring action in court or quasi-judicial bodies to enjoin all activities in violation of environmental laws and regulations, to compel the rehabilitation and cleanup of affected area, and to seek the imposition of penal sanctions against, violators of environmental laws; and
- h) The right to bring action in court for compensation of personal damages resulting from the adverse environmental and public health impact of a project of activity.

ARTICLE TWO DEFINITION OF TERMS

SEC. 5. *Definitions.* - As used in this Act:

- a) "**Air pollutant**" any matter found in the atmosphere other than oxygen, nitrogen, water vapor, carbon dioxide, and the inert gases in their natural or normal concentrations, that is detrimental to health or the environment, which includes but not limited to smoke, dust, soot, cinders, fly ash, solid particles of any kind, gases, fumes, chemical mists, steam and radioactive substances;
- b) "**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;

- c) "**Ambient air quality guideline values**" means the concentration of air over specified periods classified as short-term and long-term which are intended to serve as goals or objectives for the protection of health and/or public welfare. These values shall be used for air quality management purposes such as determining time trends, evaluating stages of deterioration or enhancement of the air quality, and in general, used as basis for taking positive action in preventing, controlling, or abating air pollution;
- d) "**Ambient air quality**" means the general amount of pollution present in a broad area; and refers to the atmosphere's average purity as distinguished from discharge measurements taken at the source of pollution;
- e) "**Certificate of Conformity**" means a certificate issued by the Department of Environment and Natural Resources to a vehicle manufacturer/assembler or importer certifying that a particular new vehicle or vehicle type meets the requirements provided under this Act and its rules and regulations;
- f) "**Department**" means the Department of Environment and Natural Resources;
- g) "**Eco-profile**" mean the geographic-based instrument for planners and decision-makers which present an evaluation of the environmental quality and carrying capacity of an area. It is the result of the integration of primary and secondary data and information on natural resources and anthropogenic activities on the land which are evaluated by various environmental risk assessment and forecasting methodologies that enable the Department to anticipate the type of development control necessary in the planning area;
- h) "**Emission**" means any air contaminant, pollutant, gas stream or unwanted sound from a known source which is passed into the atmosphere;

- i) **“Greenhouse gases”** means those gases that can potentially or can reasonably be expected to include global warming, which include carbon dioxide, methane, oxides of nitrogen, chlorofluorocarbons, and the like;
- j) **“Hazardous substances”** means those substances which either: (1) short-term acute hazards such as acute toxicity by ingestion, inhalation, or skin absorption, corrosivity or other skin or eye contact hazard or the risk of explosion; or (2) long-term toxicity upon repeated exposure, carcinogenicity (which in some cases result in acute exposure but with a long latent period), resistance to detoxification process such as biodegradation, the potential to pollute underground or surface waters;
- k) **“Infectious waste”** means that portion of medical waste that could transmit an infectious diseases;
- l) **“Medical waste”** means the materials generated as a result of patient diagnosis, treatment, or immunization of human beings or animals;
- m) **“Mobile source”** means any vehicle propelled by or through combustion of carbon-based or other fuel, constructed and operated principally for the conveyance of persons or the transportation of property or goods;
- n) **“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 transportation of property or goods in a public highway or street open to public use;
- o) **“Municipal waste”** means the waste materials generated from communities within a specific locality;
- p) **“New vehicle”** means a vehicle constructed entirely from new parts that has never been sold or registered with the DOTC or with the appropriate agency or authority, and operated on the highways of the Philippines, any foreign state or country;
- q) **“Octane Rating or the Anti-Knock Index (AKI)”** means the rating of the anti-knock characteristics of a grade or type of

automotive gasoline as determined by dividing by two (2) the sum of the Research Octane Number (RON), plus the Motor Octane Number (MON); the octane requirement, with respect to automotive gasoline for use in a motor vehicle or a class thereof, whether imported, manufactured, or assembled by a manufacturer, shall refer to the minimum octane rating of such automotive gasoline which such manufacturer recommends for the efficient operation of such motor vehicle, or a substantial portion of such class, without knocking;

- r) **“Ozone Depleting Substances (ODS)”** means those substances that significantly deplete or otherwise modify the ozone layer in a manner that is likely to result in adverse effects on human health and environment such as, but not limited to, chlorofluorocarbons, halons, and the like;
- s) **“Persistent Organic Pollutants (POPs)”** mean the organic compounds that persist in the environment, bioaccumulate through the food web, and pose a risk of causing adverse effects to human health and the environment. These compounds resist photolytic, chemical and biological degradation, which shall include but not be limited to dioxin, furan, Polychlorinated Biphenyls (PCBs), organochlorine pesticides, such as aldrin, dieldrin, DDT, hexachlorobenzene, lindane, toxaphere and chlordane;
- t) **“Poisonous and toxic fumes”** means any emissions and fumes which are beyond internationally-accepted standards, including but not limited to World Health Organization (WHO) guideline values;
- u) **“Pollution control device”** means any device or apparatus used to prevent, control or abate the pollution of air caused by emissions from identified pollution sources at levels within the air pollution control standards established by the Department;
- v) **“Pollution control technology”** the pollution control devices, production process, fuel combustion processes or other means that effectively prevent or reduce emissions or effluent;
- w) **“Standard of performance”** means a standard for emissions of air pollutant which reflects the degree of emission limitation

- achievable through the application of the best system of emission reduction, taking into account the cost of achieving such reduction and any non-air quality health and environmental impact and energy requirement which the Department determines, and adequately demonstrates; and
- x) "**Stationary source**" means any building or immobile structure, facility or installation which emits or may emit any air pollutant.

CHAPTER 2 AIR QUALITY MANAGEMENT SYSTEM

ARTICLE ONE GENERAL PROVISIONS

SEC. 6. *Air Quality Monitoring and Information Network.* - The Department shall prepare an annual National Air Quality Status Report which shall be used as the basis in formulating the Integrated Air Quality Improvement Framework as provided for in Section 7. The said report shall include, but shall not be limited to the following:

- a) Extent of pollution in the country, per type of pollutant and per type source, based on reports of the Department's monitoring stations;
- b) Analysis and evaluation of the current state, trends and projections of air pollution at the various levels provided herein;
- c) Identification of critical areas, activities, or projects which will need closer monitoring or regulation;
- d) Recommendations for necessary executive and legislative action; and
- e) Other pertinent qualitative and quantitative information concerning the extent of air pollution and the air quality performance rating of industries in the country.

The Department, in cooperation with the National Statistical Coordination Board (NSCB), shall design and develop an information network for data storage, retrieval and exchange.

The Department shall serve as the central depository of all data and information related to air quality.

SEC. 7. *Integrated Air Quality Improvement Framework*

- The Department shall, within six (6) months after the effectivity of this Act, establish, with the participation of LGUs, NGOs, POs, the academe and other concerned entities from the private sector, formulate and implement the Integrated Air Quality Improvement Framework for a comprehensive air pollution management and control program. The framework shall, among others, prescribe the emission reduction goals using permissible standards, control strategies and control measures to be undertaken within a specified time period, including cost-effective use of economic incentives, management strategies, collective action, and environmental education and information.

The Integrated Air Quality Improvement Framework shall be adopted as the official blueprint with which all government agencies must comply with to attain and maintain ambient air quality standards.

SEC. 8. *Air Quality Control Action Plan.* Within six (6) months after the formulation of the framework, the Department shall with public participation, formulate and implement an air quality control action plan consistent with Section 7 of this Act. The action plan shall:

- a) Include enforceable emission limitations and other control measures, means or techniques, as well as schedules and time tables for compliance, as may be necessary or appropriate to meet the applicable requirements of this Act;

- b) Provide for the establishment and operation of appropriate devices, methods, systems and procedures necessary to monitor, compile and analyze data on ambient air quality;
- c) Include a program to provide for the following; (1) enforcement of the measures described in subparagraph (a), (2) regulation of the modification and construction of any stationary source within the areas covered by the plan, in accordance with land use policy to ensure that ambient air quality standards are achieved;
- d) Contain adequate provisions, consistent with the provisions of this Act prohibiting any source or other types of emissions activity within the country from emitting any air pollutant in amounts which will significantly contribute to the non-attainment or will interfere with the maintenance by the Department of any such ambient air quality standard required to be included in the implementation plan to prevent significant deterioration of air quality or to protect visibility.
- e) Include control strategies and control measures to be undertaken within a specified time period, including cost effective use of economic incentives, management strategies, collection action, and environmental education and information;
- f) Designate airsheds; and
- g) All other measures necessary for the effective control and abatement of air pollution.

The adoption of the plan shall clarify the legal effects on the financial, manpower and budgetary resources of the affected government agencies, and on the alignment of their programs with the plans.

In addition to direct regulations, the plan shall be characterized by a particular approach to the pollution problem. The involvement of private entities in the monitoring and testing of emission from mobile and/or stationary sources shall be considered.

Likewise, the LGUs, with the assistance from the Department, shall prepare and develop an action plan consistent with the Integrated Air Quality Improvement Framework to attain and maintain the ambient air quality standards within their respective airsheds as provided in Section 9 hereof.

The local government units shall develop and submit to the Department a procedure for carrying out the action plan for their jurisdiction. The Department, however shall maintain its authority to independently inspect the enforcement procedure adopted. The Department shall have the power to closely supervise all or parts of the air quality action plan until such time the local government unit concerned can assume the function to enforce the standards set by the Department.

A multi-sectoral monitoring team with broad public representation shall be convened by the Department for each LGU to conduct periodic inspections of air pollution sources to assess compliance with the emission limitations contained in their permits.

SEC. 9. *Airsheds.* - Pursuant to Section 8 of this Act, the designation of airshed shall be on the basis of, but not limited to, areas with similar climate, meteorology and topology which affect the interchange and diffusion of pollutants in the atmosphere, or areas which share common interest or face similar development programs, prospects or problems.

For a more effective air quality management, a system of planning and coordination shall be established and a common action plan shall be formulated for each airshed.

To effectively carry out the formulated action plans, a Governing Board is hereby created, hereinafter referred to as the Board.

The Board shall be headed by the Secretary of the Department of Environment and Natural Resources as chairman. The members shall be as follows:

- a) Provincial Governors from areas belonging to the airshed;
- b) City/Municipal Mayors from areas belonging to the airshed;
- c) A representative from each concerned government agency;
- d) Representatives from people's organizations;
- e) Representatives from nongovernment organizations; and
- f) Representatives from the private sector.

The Board shall perform the following functions:

- a) Formulation of policies;
- b) Preparation of a common action plan;
- c) Coordination of functions among its members; and
- d) Submission and publication of an annual Air Quality Status Report for each airshed.

Upon consultation with appropriate local government authorities, the Department shall, from time to time, revise the designation of airsheds utilizing eco-profiling techniques and undertaking scientific studies.

Emissions trading may be allowed among pollution sources within an airshed.

SEC. 10. *Management of Nonattainment Areas.* - The Department shall designate areas where specific pollutants have already exceeded ambient standards as nonattainment areas. The Department shall prepare and implement a program that will prohibit new sources of exceeded air pollutant without a corresponding reduction in existing sources.

In coordination with other appropriate government agencies, the LGUs shall prepare and implement a program and

other measures including relocation, whenever necessary to protect the health and welfare residents in the area.

For those designated as nonattainment areas, the Department, after consultation with local government authorities, nongovernment organizations (NGOs), people's organizations (POs) and concerned sectors may revise the designation of such areas and expand its coverage to cover larger areas depending on condition of the areas.

SEC. 11. *Air Quality Control Techniques.* - Simultaneous with the issuance of the guideline values and standards, the Department, through the research and development program contained in this Act and upon consultation with the appropriate advisory committees, government agencies and LGUs, shall issue, and from time to time, revise information on air pollution control techniques. Such information shall include:

- a) Best available technology and alternative methods of prevention, management and control of air pollution;
- b) Best available technology economically achievable which shall refer to the technological basis/standards for emission limits applicable to existing, direct industrial emitters of non-conventional and toxic pollutants, and
- c) Alternative fuels, processes and operating methods which will result in the elimination or significant reduction of emissions.

Such information may also include data relating to the cost of installation and operation, energy requirements, emission control technology.

The issuance of air quality guideline values, standards and information on air quality control techniques shall be made available to the general public: *Provided*, That the issuance of information on air quality control techniques shall not be

construed as requiring the purchase of certain pollution control devices by the public.

SEC. 12. Ambient Air Quality Guideline Values and Standards. The Department, in coordination with other concerned agencies, shall review and/or revise and publish annually a list of hazardous air pollutants with corresponding ambient guideline values and/or standard necessary to protect public health and safety, and general welfare. The initial list and values of the hazardous air pollutants shall be as follows:

- a) For National Ambient Air Quality Guideline for Criteria Pollutants:

Pollutant	Short Term (a)			Long Term (b)		
	ug/Ncm	ppm	Averaging time	ug/Ncm	PPM	Averaging time
Suspended Particulate Matter (e)						
-TSP	230 (f)		24 hours	90	--	
	1 yr. (c)					
- PM-10	150 (g)		24 hours	60	--	
	1 yr. (c)					
Sulfur Dioxide (e)	180	0.07	24 hours	80	0.03	1 yr.
Nitrogen Dioxide	150	0.08	24 hours	--	--	
--						
Photochemical Oxidants	140	0.07	1 hour	--	--	--

as Ozone	60	0.03		8 hours	--	--
	--					
Carbon						
Monoxide	35 mg/Ncm		30	1 hour	--	--
	--					
	10 mg/Ncm	9		8 hours	--	--
Lead (d)	1.5	--	3 months (d)	1.0	--	I yr.

Notes:

- a Maximum limits represented by ninety eight percentile (98%) values not to be exceeded more than once a year.
- b Arithmetic mean
- c SO₂ and Suspended Particulate matter are sampled once every six days when using the manual methods. A minimum number of twelve sampling days per quarter or forty eight sampling days each year is required for these methods. Daily sampling may be done in the future once continuous analyzers are procured and become available.
- d Limits for Total Suspended Particulate Matter with mass median diameter less than 25-50 um.
- e Annual Geometric Mean
- f Provisional limits for Suspended Particulate Matter with mass median diameter less than 10 microns and below until sufficient monitoring data are gathered to base a proper guideline.
- g Evaluation of this guideline is carried out for 24-hour averaging time and averaged over three moving calendar months. The monitored average value for any three months shall not exceed the guideline value.

b) For National Ambient Air Quality Standards for Source Specific Air Pollutants from Industrial Sources/Operations:

Pollutant ¹	Concentration ²		Averaging Time (min)	Method of Analysis/ Measurement ³
	Ug/Ncm	ppm		
1. Ammonia	200	0.28	30	Nesselerization/ Indo Phenol
2. Carbon Disulfide	30	0.01	30	Tischer Method
3. Chlorine and Chlorine compounds expressed as Cl ₂	100	0.03	5	Methyl Orange
4. Formaldehyde	50	0.04	30	Chromotropic acid Method or MBTH Colorimetric Method
5. Hydrogen Chloride	200	0.13	30	Volhard Titration with Iodine solution
6. Hydrogen Sulfide	100	0.07	30	Methylene Blue
7. Lead	20		30	AAS ^b
8. Nitrogen Dioxide	375	0.20	30	Griess-Saltzman
	260	0.14	60	
9. Phenol	100	0.03	30	4 Aminoantipyrine
10. Sulfur Dioxide	470	0.18	30	Colorimetric – Pararosaniline
	340	0.13	60	

11. Suspended Parculate Matter				
TSP	300	--	60	Gravimetric
PM -10	200	--	60	-do-

Notes:

- ¹ Pertinent ambient standards for Antimony, Arsenic, Cadmium, Asbestos, Nitric Acid and Sulfuric Acid Mists in the 1978 NPCC Rules and Regulations may be considered as guides in determining compliance.
- ² Ninety -eight percentile (98%) values of 30-min. sampling measured at 25° C and one atmosphere pressure
- ³ Other equivalent methods approved by the Department may be used.

The basis in setting up the ambient air quality guideline values and standards shall reflect, among others, the latest scientific knowledge including information on:

- a) Variable factors, including atmospheric conditions, which of themselves or in combination with other factors may alter the effects on public health or welfare of such air pollutants;
- b) The other types of air pollutants which may interact with such pollutant to produce an adverse effect on public health or welfare; and
- c) The kind and extent of all identifiable effects on public health or welfare which may be expected from the presence of such pollutant in the ambient air, in varying quantities.

The Department shall base such ambient air quality standards on World Health Organization (WHO) standards, but shall not be limited to nor be less stringent than such standards.

SEC. 13. *Emission Charge System.* - The Department, in case of industrial dischargers, and the Department of Transportation and Communications (DOTC), in case of motor vehicle dischargers, shall, based on environmental techniques, design, impose on and collect regular emission fees from said dischargers as part of the emission permitting system or vehicle registration renewal system, as the case may be. The system shall encourage the industries and motor vehicles to abate, reduce, or prevent pollution. The basis of the fees include, but is not limited to, the volume and toxicity of any emitted pollutant. Industries, which shall install pollution control devices or retrofit their existing facilities with mechanisms that reduce pollution shall be entitled to tax incentives such as but not limited to tax credits and/or accelerated depreciation deductions.

SEC. 14. *Air Quality Management Fund.* - An Air Quality Management Fund to be administered by the Department as a special account in the National Treasury is hereby established to finance containment, removal, and clean-up operations of the Government in air pollution cases, guarantee restoration of ecosystem and rehabilitate areas affected by the acts of violators of this Act, to support research, enforcement and monitoring activities and capabilities of the relevant agencies as well as to provide technical assistance to the relevant agencies. Such fund may likewise be allocated per airshed for the undertakings herein stated.

The Fund shall be sourced from the fines imposed and damages awarded to the Republic of the Philippines by the Pollution Adjudication Board (PAB), proceeds of licenses and permits issued by the Department under this Act, emission fees and from donations, endowments and grants in the forms of contributions. Contributions to the Fund shall be exempted from donor taxes and all other taxes, charges or fees imposed by the Government.

SEC. 15. *Air Pollution Research and Development Program.* The Department in coordination with the Department of Science and Technology (DOST), other agencies, the private sector, the academe, NGOs and POs, shall establish a National Research and Development Program for the prevention and control of air pollution. The Department shall give special emphasis to research on the development of improved methods having industry-wide application for the prevention and control of air pollution.

Such a research and development program shall develop air quality guideline values and standards in addition to internationally-accepted standards. It shall also consider the socio-cultural political and economic implications of air quality management and pollution control.

**ARTICLE TWO
AIR POLLUTION CLEARANCES AND FOR
STATIONARY SOURCES**

SEC. 16. *Permits.* - Consistent with the provisions of this Act, the Department shall have the authority to issue permits as it may determine necessary for the prevention and abatement of air pollution.

Said permits shall cover emission limitations for the regulated air pollutants to help attain and maintain the ambient air quality standards. These permits shall serve as management tools for the LGUs in the development of their action plan.

SEC. 17. *Emission Quotas.* - The Department may allow each regional industrial center that is designated as special airshed to allocate emission quotas to pollution within its jurisdiction that qualify under an environmental impact assessment system programmatic compliance program pursuant to the

implementing rules and regulations of Presidential Decree No. 1586

SEC. 18. *Financial Liability for Environmental Rehabilitation.* As part of the environmental management plan attached to the environmental compliance certificate pursuant to Presidential Decree No. 1586 and rules and regulations set therefor, the Department shall require program and project proponents to put up financial guarantee mechanisms to finance the needs for emergency response, clean-up or rehabilitation of areas that may be damaged during the program or project's actual implementation. Liability for damages shall continue even after the termination of a program or project, where such damages are clearly attributable to that program or project, and for a definite period to be determined by the Department and incorporated into the environmental compliance certificate.

Financial liability instruments may be in the form of a trust fund, environmental insurance, surety bonds, letters of credit, as well as self-insurance. The choice of the guarantee instruments or combinations thereof shall depend, among others, on the assessment of the risks involved. Proponents required to put up guarantee instruments shall furnish the Department with evidence of availment of such instruments.

ARTICLE THREE POLLUTION FROM STATIONARY SOURCES

SEC. 19. *Pollution From Stationary Sources.* - The Department shall within two (2) years from the effectivity of this Act, and every two (2) years thereafter, review, or as the need therefor arises, revise and publish emission standards for stationary sources of air pollution. Such emission standards shall be based on mass rate of emission for all stationary sources of air pollution based on internationally-accepted standards, but not be limited to, nor be less stringent than such standards and with the

standards set forth in this section. The standards, whichever is applicable, shall be the limit in the acceptable level of pollutants emitted from a stationary source for the protection of the public's health and welfare.

With respect to any trade, industry, process and fuel-burning equipment or industrial plant emitting air pollutants, the concentration at the point of emission shall not exceed the following limits:

Pollutant	Standard Applicable To Source	Maximum Permissible Limits (mg/Ncm)	Method of Analysis
1. Antimony and its compounds	Any source	10 as Sb	AAS ^b
2. Arsenic & its compounds	Any source	10 as As	AAS ^b
3. Cadmium and its compounds	Any source	10 as Cd	AAS ^b
4. Carbon Monoxide	Any industrial source	500 as CO	Orsat Analysis
5. Copper & its compounds	Any industrial source	100 as Cu	AAS ^b
6. Hydrofluoric Acids and Flouride compounds	Any source other than the manufacture of Aluminum from Alumina	50 as HF	Titration with Ammonium Thiocyanate
7. Hydrogen Sulfide	i) Geothermal power plants ii) Geothermal Exploration	c,d e	Cadmium Sulfide Method

	and well testing iii) Any source other than (i) and (ii)	7 as H ₂ S	Cadmium Sulfide Method
8. Lead	Any trade, industry or process	10 as Pb	AAS ^b
9. Mercury	Any source	5 as elemental Hg	AAS ^b /Cold-Vapor Technique or Hg Analyzer
10. Nickel and its cmpds. except Nickel Carbonyl ^g	Any source	20 as Ni	AAS ^b
11. NO _x	i) Manufacture of Nitric Acid ii) Fuel burning steam generators Existing source New Source <ul style="list-style-type: none"> • Coal-fired • Oil-fired 	2,000 as acid and NO _x calculated as NO ₂ 1,500 as NO ₂ 1,000 as NO ₂ 500 as NO ₂	Phenol-disulfonic acid Method Phenol-disulfonic acid Method

	iii) Any source other than (i) and (ii) Existing Source New source	1,000 as NO ₂ 500 as NO ₂	Phenol-disulfonic acid method
12. Phosphorous Pentoxide ^F	Any Source	200 as P ₂ O ₅	Spectrophotometry
13. Zinc and its compounds	Any Source	100 as Zn	AAS ^b

^a Other equivalent methods approved by the Department may be used.

^b Atomic Absorption Spectrophotometry

^c All new geothermal power plants starting construction by 01 January 1995 shall control H₂S emissions to not more than 150 g/GMW-Hr.

^d All existing geothermal power plants shall control H₂S emissions to not more than 200 g/GMW-Hr. within 5 years from the date of effectivity of these revised regulations.

^e Best practicable control technology for air emissions and liquid discharges. Compliance with air and water quality standards is required.

^f Emission limit of Nickel Carbonyl shall not exceed 0.5 mg/Ncm.

^g Provisional Guideline

Provided, That the maximum limits in mg/Ncm particulates in said sources shall be:

1. Fuel Burning Equipment	
a) Urban or Industrial Area	150 mg/Ncm
b) Other Area	200 mg/Ncm
2. Cement Plants (Kilns, etc.)	150 mg/Ncm

3. Smelting Furnaces	150 mg/Ncm
4. Other Stationary Sources	200 mg/Ncm

^a Other Stationary Sources means a trade, process, industrial plant, or fuel burning equipment other than thermal power plants industrial boilers, cement plants incinerators and smelting furnaces.

Provided, further, That the maximum limits for sulfur ozides in said sources shall be:

(1) Existing Sources (i) Manufacture of Sulfuric Acid and Sulf(on)ation Process (ii) Fuel Burning Equipment Other Stationary Sources ^a	2.0 gm.Ncm as SO ₃ 1.5 gm.Ncm as SO ₂ gm.Ncm as SO ₃
(2) New Sources (i) Manufacture of Sulfuric Acid and Sulf(on)ation Process (ii) Fuel Burning Equipment (iii) Other Stationary Sources ^a	1.5 gm.Ncm as SO ₃ 0.7 gm.Ncm as SO ₂ 0.2 gm.Ncm as SO ₃

^a Other Stationary Sources refer to existing and new stationary sources other than those caused by the manufacture of sulfuric acid and sulfonation process, fuel burning equipment and incineration.

For stationary sources of pollution not specifically included in the immediately preceding paragraph, the following emission standards shall not be exceeded in the exhaust gas:

I. Daily and Half Hourly Average Values

	Daily Average Values	Half Hourly Average Values
Total dust	10 mg/m ³	30 mg/m ³
Gaseous and vaporous organic substances expressed as total organic carbon	10 mg/m ³	20 mg/m ³
Hydrogen chloride (HCl)	10 mg/m ³	60 mg/m ³
Hydrogen fluoride (HF)	1 mg/m ³	4 mg/m ³
Sulphur dioxide (SO ₂)	50 mg/m ³	200 mg/m ³
Nitrogen monoxide (NO) and nitrogen dioxide (NO ₂), expressed as nitrogen dioxide for incineration plants with a capacity exceeding 3 tonnes per hour	200 mg/m ³	400 mg/m ³
Nitrogen monoxide (NO) and nitrogen dioxide (NO ₂), expressed as nitrogen dioxide for incineration plants with a capacity exceeding 3 tonnes per hour or less	300 mg/m ³	
Ammonia	10 mg/m ³	mg/m ³

II. All Average Values over the Sample Period of a Minimum of 4 and Maximum of 8 Hours.

Cadmium and its compounds, expressed as cadmium (Cd)	Total 0.05 mg/m ³
Thallium and its compounds, expressed as thallium (TI)	

Mercury and its compounds, expressed as mercury (Hg)	0.05 mg/m ³
Antimony and its compounds, expressed as antimony (Sb)	Total 0.5 Mg/m ³
Arsenic and its compounds, expressed as arsenic (As)	
Lead and its compounds, expressed as lead (Pb)	
Chromium and its compounds, expressed as chromium (Cr)	
Cobalt and its compounds, expressed as cobalt (Co)	
Copper and its compounds, expressed as copper (Cu)	
Manganese and its compounds, expressed as manganese (Mn)	
Nickel and its compounds, expressed as nickel (Ni)	
Vanadium and its compounds, expressed as vanadium (V)	
Tin and its compounds, expressed as tin (Sn)	

These average values cover also gaseous and the vapor forms of the relevant heavy metal emission as well as their compounds: *Provided*, That the emission of dioxins and furans into the air shall be reduced by the most progressive techniques: *Provided, further*, That all average values of dioxin and furans measured over the sample period of a minimum of 6 hours and a maximum of 8 hours must not exceed the limit value of 0.1 nanogram/m³.

Pursuant to Section 8 of this Act, the Department shall prepare a detailed action plan setting the emission standards or standards of performance for any stationary source, the procedure for testing emissions for each type of pollutant, and the procedure for enforcement of said standards.

Existing industries, which are proven to exceed emission rates established by the Department, in consultation with stakeholders, after a thorough, credible and transparent measurement process shall be allowed a grace period of eighteen (18) months for the establishment of an environmental management system and the installation of an appropriate air pollution control device: *Provided*, That an extension of not more than twelve (12) months may be allowed by the Department on meritorious grounds.

SEC. 20. *Ban on Incineration.* Incineration, hereby defined as the burning of municipal, bio-medical and hazardous wastes, which process emits poisonous and toxic fumes, is hereby prohibited: *Provided, however*, That the prohibition shall not apply to traditional small-scale method of community/neighborhood sanitation “siga” traditional, agricultural, cultural, health and food preparation and crematoria: *Provided, further*, That existing incinerators dealing with bio-medical wastes shall be phased out within three (3) years after the effectivity of this Act: *Provided, finally*, That in the interim, such units shall be limited to the burning of pathological and infectious wastes, and subject to close monitoring by the Department.

Local government units are hereby mandated to promote, encourage and implement in their respective jurisdiction a comprehensive ecological wastes management that includes waste segregation, recycling and composting.

With due concern on the effects of climate changed the Department shall promote the use of state-of-the-art, environmentally-sound and safe non-burn technologies for the handling, treatment, thermal destruction, utilization, and disposal of sorted, unrecycled, uncomposted municipal, bio-medical and hazardous waste.

ARTICLE FOUR POLLUTION FROM MOTOR VEHICLES

SEC. 21. *Pollution from Motor Vehicles.* - a) The DOTC shall implement the emission standards for motor vehicles set pursuant to and as provided in this Act. To further improve the emission standards, the Department shall review, revise and publish the standards every two (2) years, or as the need arises. It shall consider the maximum limits for all major pollutants to substantial improvement in air quality for the health, safety and welfare of the general public.

The following emission for type approval of motor vehicles shall be effective by the year 2003:

- a) For light duty vehicles, the exhaust emission limits for gaseous pollutants shall be:

Emission Limits for Light Duty Vehicles
Type Approval
(Directive 91/441/EEC)

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

- b) For light commercial vehicles, the exhaust emission limit of gaseous pollutants as a function of the given reference mass shall be:

Emission Limits for Light Commercial Vehicles
Type Approval
(Directive 93/59/EEC)

	Reference Weight (RW) (kg)	CO (g/km)	HC + NO _x (g/km)	PM ^a (g/km)
Category 1	1250 < RW	2.72	0.97	0.14
Category 2	1250 < RW < 1700	5.17	1.4	0.19
Category 3	RW < 1700	6.9	1.7	0.25

^a for compression-ignition engines only

- c) For heavy duty vehicles, the exhaust emission limits of gaseous pollutants shall be:

Emission Limits for Heavy Duty Vehicles
Type Approval
(Directive 91/542/ECC)

CO (g/k Wh)	HC (g/kWh)	NO _x (g/kWh)	PM (g/kWh)
4.5	1.1	8.0	0.36 ^a

^a In the case of engines of 85 kW or less, the limit value for particular emissions is increased by multiplying the quoted limit by a coefficient of 1.7

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.

- b) The Department, in collaboration with the DOTC, DTI and LGUs, shall develop an action plan for the control and management of air pollution from motor vehicles consistent with the Integrated Air Quality Framework. The DOTC, shall enforce compliance with the emission standards for motor vehicles set by the Department. The DOTC may deputize other law enforcement agencies and LGUs for this purpose. To this end, the DOTC shall have the power to:
- (1) Inspect and monitor the emissions of motor vehicles;
 - (2) Prohibit or enjoin the use of motor vehicles or a class of motor vehicles in any area or street at specified times; and
 - (3) Authorize private emission testing centers duly accredited by the DTI.

- c) The DOTC, together with the DTI and the Department, shall establish the procedures for the inspection of motor vehicles and the testing of their emissions for the purpose of determining the concentration and/or rate of emission of pollutants discharged by said sources.
- d) In order to ensure the substantial reduction of emissions from motor vehicles, the Department of Trade and Industry (DTI), together with the DOTC and the Department, shall formulate and implement a national motor vehicle inspection and maintenance program that will promote efficient and safe operation of all motor vehicles. In this regard, the DTI shall develop and implement standards and procedures for the certification of training institutions, instructors and facilities and the licensing of qualified private service centers and their technicians as prerequisite for performing the testing, servicing, repair and the required adjustment to the vehicle emission system. The DTI shall likewise prescribe regulations requiring the disclosure of odometer readings and the use of tamper-resistant odometers for all motor vehicles including tamper-resistant fuel management systems for the effective implementation of the inspection and maintenance program.

SEC. 22. *Regulation of All Motor Vehicles and Engines.*

Any imported new or locally-assembled new motor vehicle shall not be registered unless it complies with the emission standards set pursuant to this Act, as evidenced by a Certificate of Conformity (COC) issued by the Department.

Any imported new motor vehicle engine shall not be introduced into commerce, sold or used unless it complies with emission standards set pursuant to this Act.

Any imported used motor vehicle or rebuilt motor vehicle using new or used engines, major parts or components shall not be registered unless it complies with the emission standards set

pursuant to this Act.

In case of non-compliance, the importer or consignee may be allowed to modify or rebuild the vehicle or engine so that it will be in compliance with applicable emission standards.

No motor vehicle registration (MVR) shall be issued unless such motor vehicle passes emission testing requirement promulgated in accordance with this Act. Such testing shall be conducted by the DOTC or its authorized inspection centers within sixty (60) days prior to date of registration.

The DTI shall promulgate the necessary regulations prescribing the useful life of vehicles and engines including devices in order to ensure that such vehicles will conform to the emissions which they were certified to meet. These regulations shall include provisions for ensuring the durability of emission devices.

SEC. 23. *Second-Hand Motor Vehicle Engines.* - Any imported second-hand motor vehicle engine shall not be introduced into commerce, sold or used unless it complies with emission standards set pursuant to this Act.

ARTICLE FIVE POLLUTION FROM OTHER SOURCES

SEC. 24. *Pollution from Smoking.* - Smoking inside a public building or an enclosed public place including public vehicles and other means of transport or in any enclosed area outside of one's private residence, private place of work residence, or any duly designated smoking area is hereby prohibited under this Act. This provision shall be implemented by the LGUs.

SEC. 25. *Pollution from Other Mobile Sources.* - The Department, in coordination with appropriate agencies, shall

formulate and establish the necessary standards for all mobile sources other than those referred to in Section 21 of this Act. The imposition of the appropriate fines and penalties from these sources for any violation of emission standards shall be under the jurisdiction of the DOTC.

CHAPTER 3 FUELS, ADDITIVES SUBSTANCES AND POLLUTANT'S

ARTICLE ONE FUELS, ADDITIVES AND SUBSTANCES

SEC. 26. *Fuels and Additives.* - Pursuant to the Air Quality Framework to be established under Section 7 of this Act, the Department of Energy (DOE), co-chaired by the Department of Environment and Natural Resources (DENR), in consultation with the Bureau of Product Standards (BPS) of the DTI, the DOST, the representatives of the fuel and automotive industries, academe and the consumers shall set the specifications for all types of fuel and fuel-related products, to improve fuel composition for increased efficiency and reduced emissions: *Provided, however,* That the specifications for all types of fuel and fuel-related products set-forth pursuant to this section shall be adopted by the BPS as Philippine National Standards (PNS).

The DOE, shall also specify the allowable content of additives in all types of fuels and fuel-related products. Such standards shall be based primarily on threshold levels of health and research studies. On the basis of such specifications, the DOE shall likewise limit the content or begin the phase-out of additives in all types of fuels and fuel-related products as it may deem necessary. Other agencies involved in the performance of this function shall be required to coordinate with the DOE and transfer all documents and information necessary for implementation of this provision.

Consistent with the provisions of the preceding paragraphs under this section, it is declared that:

- a) not later than eighteen (18) months after the effectivity of this Act, no person shall manufacture, import, sell, supply, offer for sale, dispense, transport or introduce into commerce unleaded premium gasoline fuel which has an anti-knock index (AKI) of not less than 87.5 and Reid vapor pressure of not more than 9 psi. Within six (6) months after the effectivity of this Act, unleaded gasoline fuel shall contain aromatics not to exceed forty-five percent (45%) by volume and benzene not to exceed four percent (4%) by volume: *Provided*, That by year 2003, unleaded gasoline fuel should contain aromatics not to exceed two percent (2%) by volume;
- b) not later than eighteen (18) months after the effectivity of this Act, no person shall manufacture, import, sell, supply, offer for sale, dispense, transport or introduce into commerce automotive deisel fuel which contains a concentration of sulfur in excess of 0.20% by weight with a cetane number or index of not less than forty-eight (48): *Provided*, That by year 2004, content of said sulfur shall be 0.05% by weight; and
- c) not later than eighteen (18) months after the effectivity of this Act, no person shall manufacture, import, sell, supply, offer for sale, dispense, transport or introduce into commerce industrial diesel fuel which contains a concentration of sulfur in excess of 0.30% (by weight).

Every two (2) years thereafter or as the need arises, the specifications of unleaded gasoline and of automotive and industrial diesel fuels shall be reviewed and revised for further improvement in formulation and in accordance with the provisions of this Act.

The fuels characterized above shall be commercially available. Likewise, the same shall be the reference fuels for

emission and testing procedures to be established in accordance with the provisions of this Act.

Any proposed additive shall not in any way increase emissions of any of the regulated gases which shall include, but not limited to carbon monoxide, hydrocarbons, and oxides of nitrogen and particulate matter in order to be approved and certified by the Department.

SEC. 27. *Regulation of Fuels and Fuel Additives.* - The DOE, in coordination with the Department and the BPS, shall regulate the use of any fuel or fuel additive. No manufacturer, processor or trader of any fuel or additive may import, sell, offer for sale, or introduce into commerce such fuel or additive unless the same has been registered with the DOE. Prior to registration, the manufacturer, processor or trader shall provide the DOE with the following relevant information:

- a) Product identity and composition to determine the potential health effects of such fuels and additives;
- b) Description of the analytical technique that can be used to detect and measure the additive in any fuel;
- c) Recommended range of concentration; and
- d) Purpose in the use of the fuel and additive.

SEC. 28. *Misfueling.* - In order to prevent the disabling of any emission control device by lead contamination, no person shall introduce or cause or allow the introduction of leaded gasoline into any motor vehicle equipped with a gasoline tank filler inlet and labeled "unleaded gasoline only". This prohibition shall also apply to any person who knows or should know that such vehicle is designed solely for the use of unleaded gasoline.

SEC. 29. *Prohibition on Manufacture, Import and Sale of Leaded Gasoline and of Engines and/or Components Requiring Leaded Gasoline.* - Effective not later than eighteen

(18) months after the enactment of this Act, no person shall manufacture, import, sell, offer for sale, introduce into commerce, convey or otherwise dispose of, in any manner leaded gasoline and engines and components requiring the use of leaded gasoline.

For existing vehicles, the DTI shall formulate standards and procedures that will allow non-conforming engines to comply with the use of unleaded fuel within five (5) years after the effectivity of this Act.

ARTICLE TWO OTHER POLLUTANTS

SEC. 30. *Ozone-Depleting Substances.* Consistent with the terms and conditions of the Montreal Protocol on Substances that Deplete the Ozone Layer and other international agreements and protocols to which the Philippines is a signatory the Department shall phase out ozone depleting substances.

Within sixty (60) days after the enactment of this Act, the Department shall publish a list of substances which are known to cause harmful effects on the stratospheric ozone layer.

SEC. 31. *Greenhouse Gases.* - The Philippine Atmospheric, Geophysical and Astronomical Service Administration (PAGASA) shall regularly monitor meteorological factors affecting environmental conditions including ozone depletion and greenhouse gases and coordinate with the Department in order to effectively guide air pollution monitoring and standard-setting activities.

The Department, together with concerned agencies and local government units, shall prepare and fully implement a national plan consistent with the United Nations Framework Convention on Climate Change and other international

agreements, conventions and protocols on the reduction of greenhouse gas emissions in the country.

SEC. 32. *Persistent Organic Pollutants.* - The Department shall, within a period of two (2) years after the enactment of this Act, establish an inventory list of all sources of Persistent Organic Pollutants (POPs) in the country. The Department shall develop short-term and long-term national government programs on the reduction and elimination of POPs such as dioxins and furans. Such programs shall be formulated within a year after the establishment of the inventory list.

SEC. 33. *Radioactive Emissions.* - All projects which will involve the use, of atomic and/or nuclear energy, and will entail release and emission of radioactive substances into the environment, incident to the establishment or possession of nuclear energy facilities and radioactive materials, handling, transport, production, storage, and use of radioactive materials, shall be regulated in the interest of public health and welfare by the Philippine Nuclear Research Institute (PNRI), in coordination with the Department and other appropriate government agencies.

CHAPTER 4 INSTITUTIONAL MECHANISM

SEC. 34. *Lead Agency.* - The Department, unless otherwise provided herein, shall be the primary government agency responsible for the implementation and enforcement of this Act. To be more effective in this regard, the Department's Environmental Management Bureau (EMB) shall be converted from a staff bureau to a line bureau for a period of no more than two (2) years, unless a separate, comprehensive environmental management agency is created.

SEC. 35. *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 Act.

SEC. 36. *Role of Local Government Units.* Local government units (LGUs) shall share the responsibility in the management and maintenance of air quality within their territorial jurisdiction. Consistent with Sections 7, 8 and 9 of this Act. LGUs shall implement air quality standards set by the Board in areas within their jurisdiction: *Provided, however,* That in case where the Board has not been duly constituted and has not promulgated its standards, the standards set forth in this Act shall apply.

The Department shall provide the LGUs with technical assistance, trainings and a continuing capability-building program to prepare them to undertake full administration of the air quality management and regulation within their territorial jurisdiction.

SEC. 37. *Environment and Natural Resources Office.* – There may be established an Environment and Natural Resources Office in every province, city, or municipality which shall be headed by the environment and natural resources officer and shall be appointed by the Chief Executive of every province, city or municipality in accordance with the provisions of Section 484 of Republic Act No. 7160. Its powers and duties, among others, are:

- a) To prepare comprehensive air quality management programs, plans and strategies within the limits set forth in Republic Act No. 7160 and this Act which shall be implemented within its territorial jurisdiction upon the approval of the *sanggunian*;
- b) To provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and the provision of adequate facilities relative to air quality;

- c) To take the lead in all efforts concerning air quality protection and rehabilitation;
- d) To recommend to the Board air quality standards which shall not exceed the maximum permissible standards set by national laws;
- e) To coordinate, with other government agencies and non-governmental organizations in the implementation of measures to prevent and control air pollution; and
- f) Exercise such other powers and perform such duties and functions as may be prescribed by law or ordinance: *Provided, however,* That in provinces/cities/ municipalities where there are no environment and natural resources officers, the local executive concerned may designate any of his official and/or chief of office preferably provincial city or municipal agriculturist, or any of his employee: *Provided, finally,* That in case an employee is designated as such, he must have a sufficient experience in environmental and natural resources management, conservation and utilization.

SEC. 38. *Record-keeping, Inspection, Monitoring and Entry by, the Department.* The Department or its duly accredited entity shall, after proper consultation and notice, require any person who owns or operates any emission source or who is subject to any requirement of this Act to: (a) establish and maintain relevant records; (b) make relevant reports; (c) install, use and maintain monitoring equipment or methods; (d) sample emission, in accordance with the methods, locations, intervals, and manner prescribed by the Department; (e) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; and (f) provide such other information as the Department may reasonably require.

Pursuant to this Act the Department, through its authorized representatives, shall have the right of: a) entry or access to any premises including documents and relevant materials as referred to

in the herein preceding paragraph; b) inspect any pollution or waste source, control device, monitoring equipment or method required; and c) test any emission.

Any record, report or information obtained under this section shall be made available to the public, except upon a satisfactory showing to the Department by the entity concerned that the record, report, or information, or parts thereof, if made public, would divulge secret methods or processes entitled to protection as intellectual property. Such record, report or information shall likewise be incorporated in the Department's industrial rating system.

SEC. 39. *Public Education and Information Campaign.*

- A continuing air quality information and education campaign shall be promoted by the Department of Education, Culture and Sports (DECS), the Department of the Interior and Local Government (DILG), the Department of Agriculture (DA) and the Philippine Information Agency (PIA). Consistent with Section 7 of this Act, such campaign shall encourage the participation of other government agencies and the private sector including NGOs, POs, the academe, environmental groups and other private entities in a multi-sectoral information campaign.

**CHAPTER 5
ACTIONS**

SEC. 40. *Administrative Action* - Without prejudice to the right of any affected person to file an administrative action, the Department shall, on its own instance or upon verified complaint by any person, institute administrative proceedings against any who violates:

a) Standards or limitation provided under this Act; or

- b) Any order, rule or regulation issued by the Department with respect to such standard or limitation.

SEC. 41. *Citizen Suits.* For purposes of enforcing the provisions of this Act or its implementing rules and regulations, any citizen may file an appropriate civil, criminal or administrative action in the proper courts against:

- (a) Any person who violates or fails to comply with the provisions of this Act or its implementing rules and regulations; or
- (b) The Department or other implementing agencies with respect to orders, rules and regulations issued inconsistent with this Act; and/or
- (c) Any public officer who willfully or grossly neglects the performance of an act specially enjoined as a duty by this Act or its implementing rules and regulations; or abuses his authority in the performance of his duties; or, in any manner, improperly perform his duties under this Act or its implementing rules and regulations: *Provided, however,* That no suit can be filed until after thirty-day (30) notice has been given to the public officer and the alleged violator concerned and no appropriate action has been taken thereon.

The court shall exempt such action from the payment of filing fees, except fees for actions not capable of pecuniary estimations, and shall, likewise, upon *prima facie* showing of the non-enforcement or violation complaint of, exempt the plaintiff from the filing of an injunction bond for the issuance of a preliminary injunction.

Within thirty (30) days, the court shall make a determination if the complaint herein is malicious and/or baseless and shall accordingly dismiss the action and award attorney's fees and damages.

SEC. 42. *Independence of Action.* – The filing of an administrative suit against such person/entity does not preclude the right of any other person to file any or criminal action. Such civil action shall proceed independently.

SEC. 43. *Suits and Strategic Legal Actions Against, Public Participation and the Enforcement of this, Act.* - Where a suit is brought against a person who filed an action as provided in Section 41 of this Act, or against any person, institution or government agency that implements this Act, it shall be the duty of the investigating prosecutor or the court, as the case may be, to immediately make a determination not exceeding thirty (30) days whether said legal action has been filed to harass, vex, exert undue pressure or stifle such legal recourses of the person complaining of or enforcing the provisions of this Act. Upon determination thereof, evidence warranting the same, the court shall dismiss the case and award attorney's fees and double damages.

This provision shall also apply and benefit public officers who are sued for acts committed in their official capacity, there being no grave abuse of authority, and done in the course of enforcing this Act.

SEC. 44. *Lien Upon Personal and Immovable Properties of Violators.* - Fines and penalties imposed pursuant to this Act shall be liens upon personal and immovable properties of the violator. Such lien shall, in case of insolvency of the respondent violator, enjoy preference subsequent to laborer's wages under Articles 2241 and 2242 of Republic Act No. 386, otherwise known as the New Civil Code of the Philippines.

CHAPTER 6 FINAL AND PENALTIES

SEC. 45. *Violation of Standards for Stationary Sources.*

– For actual exceedance of any pollution or air quality standards under this Act or its rules and regulation, the Department, through the Pollution Adjudication Board (PAB), shall impose a fine of not more One hundred thousand pesos (P100,000) for every day of violation against the owner or operator of a stationary source until such time that the standards have been complied with.

For purposes of the application of the fines, the PAB shall prepare a fine rating system to adjust the maximum fine based on the violator's ability to pay, degree of willfulness, degree of negligence, history of noncompliance and degree of recalcitrance: *Provided*, That in case of negligence, the first time offender's, availability to pay may likewise be considered by the Pollution Adjudication Board. *Provided, further*, That in the absence of any extenuating or aggravating circumstances, the amount of fine for negligence shall be equivalent to one-half of the fine for willful violation.

The fines herein shall be increased by at least ten percent (10 %) every three (3) years to compensate for inflation and to maintain the deterrent function of such fines.

In addition to the fines, the PAB shall order the closure of development, construction, or operations of the stationary sources until such time that proper environmental safeguards are put in place: *Provided*, That an establishment found liable for a third offense shall suffer permanent closure immediately. This paragraph shall be without prejudice to the immediate issuance of an *ex parte* order for such closure, suspension of development or construction, or cessation of operations during the pendency of the case upon *prima facie* evidence that there is imminent threat to life, public health, safety or general welfare, or to plant or animal

life, or whenever there is an exceedance of the emission standards set by the Department and/or the Board and/or the appropriate LGU.

SEC. 46. *Violation of Standards for Motor Vehicles.* - No motor vehicle shall be registered with the DOTC unless it meets the emission standards set by the Department as provided in Section 21 hereof.

Any vehicle suspected of violation of emission standards through visual signs, such as, but not limited to smoke-belching, shall be subjected to an emission test by a duly authorized emission testing center. For this purpose, the DOTC or its authorized testing center shall establish a roadside inspection system. Should it be shown that there was no violation of emission standards, the vehicle shall be immediately released. Otherwise, a testing result indicating an exceedance of the emission standards would warrant the continuing custody of the impounded vehicle unless the appropriate penalties are fully paid, and the license plate is surrendered to the DOTC pending the fulfillment of the undertaking by the owner/operator of the motor vehicle to make the necessary repairs so as to comply with the standards. A pass shall herein be issued by the DOTC to authorize the use of the motor vehicle within a specified period that shall not exceed seven (7) days for the sole purpose of making the necessary repairs on the said vehicle. The owner/operator of the vehicle shall be required to correct its defects and show proof of compliance to the appropriate pollution control office before the vehicle can be allowed to be driven on any public or subdivision roads.

In addition, the driver and operator of the apprehended vehicle shall undergo a seminar on pollution control and management conducted by the DOTC and shall also suffer the following penalties:

- a) First offense - a fine not to exceed Two thousand pesos (P2,000);
- b) Second offense - a fine not less than Two thousand pesos (P2,000) and not to exceed Four thousand pesos (P4,000); and
- c) Third offence - one (1) year suspension of the Motor Vehicle Registration (MVR) and a fine of not less than Four thousand pesos (P4,000) and not more than Six thousand pesos (P6,000).

Any violation of the provisions of Section 21 paragraph (d) with regard to national inspection and maintenance program, including technicians and facility compliance shall be penalized with a fine of not less than Thirty thousand pesos (P30,000) or cancellation of license of both the technician and the center, or both, as determined by the DTI.

All law enforcement officials and deputized agents accredited to conduct vehicle emissions testing and apprehensions shall undergo a mandatory training on emission standards and regulations. For this purpose, the Department together with the DOTC, DTI, DOST, Philippine National Police (PNP) and other concerned agencies and private entities shall design a training program.

SEC. 47. *Fines and Penalties for Violations of Other Provisions in the Act* - For violations of all other provisions provided in this Act and of the rules and regulations thereof, a fine of not less than Ten thousand pesos (P10,000) but not more than One hundred thousand pesos (P100,000) or six (6) months to six (6) years imprisonment or both shall be imposed. If the offender is a juridical person, the president, manager, directors, trustees, the pollution control officer or the officials directly in charge of the operations shall suffer the penalty herein provided.

SEC. 48. *Gross Violations*. - In case of gross violation of this Act or its implementing rules and regulations, the PAB shall

recommend to the proper government agencies to file the appropriate criminal charges against the violators. The PAB shall assist the public prosecutor in the litigation of the case. Gross violators shall mean: (a) three (3) or more specific offenses within a period of one (1) year; (b) three (3) or more specific offenses within three (3) consecutive years; (c) blatant disregard of the orders of the PAB, such as but not limited to the breaking of seal, padlocks and other similar devices, or operating despite the existence of an order for closure, discontinuance or cessation of operation; and (d) irreparable or grave damage to the environment as a consequence of any violation or omission of the provisions of this Act.

Offenders shall be punished with imprisonment of not less than six (6) years but not more ten (10) years at the discretion of the court. If the offender is a juridical person, the president, manager, directors, trustees, pollution control officer or the officials directly in charge of the operations shall suffer the penalty herein provided.

CHAPTER 7 FINAL PROVISIONS

SEC. 49. *Potential Loss or Shifts of Employment.* - The Secretary of Labor is hereby authorized to establish a compensation, retraining and relocation program to assist workers laid off due to a company's compliance with the provisions of this Act.

SEC. 50. *Appropriations.* - An amount of Seven hundred fifty million pesos (P750,000,000) shall be appropriated for the initial implementation of this Act, of which, the amount of Three hundred million pesos (P300,000,000) shall be appropriated to the Department; Two hundred million pesos (P200,000,000) to the DTI; One hundred fifty million pesos (P150,000,000) to the

DOTC; and, One hundred million pesos (P100,000,000) to the DOE.

Thereafter, the amount necessary to effectively carry out the provision of this Act shall be included in the General Appropriations Act.

SEC. 51. *Implementing Rules and Regulations.* - The Department, in coordination with the Committees on Environment and Ecology of the Senate and House of Representatives, respectively and other concerned agencies, shall promulgate the implementing rules and regulations for this Act, within one (1) year after the enactment of this Act: *Provided*, That rules and regulation issued by other government agencies and instrumentalities for the prevention and/or abatement of pollution not inconsistent with this Act shall supplement the rules and regulations issued by the Department pursuant to the provisions of Act.

The draft of the implementing rules and regulations shall be published and be the subject of public consultations with affected sectors.

There shall be a mandatory review of the implementing rules and regulations and standards set pursuant to the provisions of this Act.

SEC. 52. *Report to Congress.* - The Department shall report to Congress, not later than March 30 of every year following the approval of this Act, the progress of the pollution control efforts and make the necessary recommendations in areas where there is need for legislative action.

SEC. 53. *Joint Congressional Oversight Committee.* - There is hereby created a joint congressional oversight committee to monitor the implementation of this Act. The committee shall be

composed of five (5) senators and five (5) representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The oversight committee shall be co-chaired by a senator and a representative designated by the Senate President and the Speaker of the House of Representatives, respectively.

The mandate given to the joint congressional overnight committee under this Act shall be without prejudice to the performance of the duties and functions by the respective existing oversight committees of the Senate and the House of Representatives.

SEC. 54. *Separability of Provisions.* - If any provision of this Act or the application of such provision to any person or circumstances is declared unconstitutional the remainder of the Act or the application of such provision to other persons or circumstances, shall not be affected by such declaration.

SEC. 55. *Repealing Clause.* - Presidential Decree No. 1181 is hereby repealed. Presidential Decree Nos. 1152, 1586, Presidential Decree No. 984 are partly modified. All other laws, orders, issuance, rules and regulations inconsistent herewith are hereby repealed or modified accordingly.

SEC. 56. *Effectivity.* - This Act shall take effect fifteen (15) days from the date of its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,

(Sgd.)
MANUEL B. VILLAR, JR.
*Speaker of the House
of Representative*

(Sgd.)
MARCELO B. FERNAN
President of the Senate

This Act, which is a consolidation of Senate Bill No. 1255 and House Bill No. 6216 was finally passed by the Senate and the House of Representatives on May 13, 1999 and May 10, 1999, respectively.

(Sgd.)

ROBERTO P. NAZARENO

Secretary General

House of Representatives

(Sgd.)

HEZEL P. GACUTAN

Secretary of the Senate

Approved:

(Sgd.) **JOSEPH EJERCITO ESTRADA**

President of the Philippines

**Joint Memorandum Circular
No. 99-01
September 03, 1999**

SUBJECT : Detailed Functions and Responsibilities of Partner Agencies Involved in the Implementation of the Community-Based Resource Management Project (CBRMP).

Pursuant to the Loan Agreement dated 08 April 1998 between the World Bank and Government of the Philippines which provides for the implementation of the Community-Based Resource Management Project (CBRMP) and the Memorandum of Agreement between the Department of Finance and the Department of Environment and Natural Resources (DENR) dated 28 April 1998, the following detailed functions and responsibilities of partner agencies are hereby issued for the information and guidance of all concerned.

SECTION 1.0 BASIC POLICY AND OBJECTIVES

The Government articulates the pursuit of alleviating poverty in rural areas through the Social Reform Agenda and at the same time attain sustainable development through Philippine Agenda 21. Consistent with these policies, the CBRM Project was conceived to: (a) enhance the capacity of low-income rural local government units (LGUs) and communities to plan, implement and sustain priority natural resources management projects; (b) strengthen the central government systems to transfer finance (As financial intermediaries) and environmental technologies and improve the implementation of environmental policies; and (c) provide resources to LGUs to finance natural resources management projects.

Recognizing the need for mutual cooperation, a collaborative and concerted program of action was initiated between the partner agencies in support of the goals and objectives of the CBRM Project.

SECTION 2.0 POLICY SUPPORT

- 2.1 The DOF through the Community-Based Resource Management Office (CBRMO) shall identify policy issued emanating from CBRM implementation.
- 2.2 The DOF and the DENR shall review and update pertinent policies and guidelines of their respective Departments in support of CBRM.

SECTION 3.0 PROGRAM COMPLEMENTATION

- 3.1 The DOF through CBRMO shall identify opportunities and issues for operational linkages with other programs.
- 3.2 The DOF and the DENR shall promote complementation among CBRM-related and LGU-capacitation programs.

SECTION 4.0 PROJECT CYCLE MANAGEMENT

4.1 Promotion

- 4.1.1 The DOF through CBRMO shall:
 - a. Organize and lead promotional activities on CBRM in the pilot Regions (i.e., R5, 7,8 & 13); and
 - b. Mobilize Regional CBRM Team and conduct orientation to rural LGUs and communities.
- 4.1.2 The DOF through BLGF shall:
 - a. Participate and facilitate provision of needed financial and other related support services in the conduct of promotional activities on CBRM; and

- b. Assist in identifying potential LGUs, preferably belonging to the 4th, 5th and 6th classes.

4.1.3 The DENR through its Central Office shall provide materials, orientation and other related support services to its regional and provincial offices.

4.1.4 The DENR through its Regional Offices and Provincial Environment and Natural Resources Offices (PENRO) shall participate in regional promotional activities and shall assist in the identification of potential LGUs and sub-projects.

4.2 First Level Assessment

4.2.1 The DOF through CBRMO shall:

- a. Review the completeness of documentary requirements submitted by the LGUs;
- b. Organize field level validation of identified sub-project sites;
- c. Issue notice of prequalification of proponent LGUs;
- d. Evaluate the eligibility of the proposed sub-projects based on agreed guidelines and criteria;
- e. Provide detailed briefing to the LGUs regarding CBRM;
- f. Assist the LGUs in organizing CBRM Teams;
- g. Ensure the compliance of LGUs in the criteria for selection of community organizers or NGOs, consultants and staff;
- h. Orient the LGUs on the procurement of services of NGOs, consultants and staff following the World Bank Procurement Procedures; and
- i. Coordinate with the Local Government Academy (LGA) in the conduct of Training Needs Assessment and in the conduct of training courses.

4.2.2 The DOF through BLGF shall:

- a. Gather financial reports for Borrower's data sheet and determine loanable amount and borrowing capacity;
- b. Provide data bank on:
 - i. Revenue generation program on collection efficiency; and
 - ii. Delinquencies, deficits, remittances and shortages.
- c. Provide the necessary support system to the LGU to improve revenue collection efficiency and tax collection and at the same time determine the effectiveness of its financial system.

4.2.3 The DENR through its Regional Offices and PENROs shall:

- a. Participate in site validation activities and will be responsible for the following:
 - i. Verify land use status of proposed subproject sites and issue a certification that the said sites are located within public land;
 - ii. Assess the biophysical and environmental conditions of the proposed subproject sites; and
 - iii. Assess conflicts in land use rights and issue corresponding clearance stating therein that the proposed site is not contested.
- b. Provide resource persons in the conduct of detailed briefings and training.

4.3 Project Preparation

4.3.1 The DOF through CBRMO shall:

- a. Provide orientation to the LGUs in the preparation of feasibility studies (FS), monitor the preparation and evaluate the completeness of the submitted FS; and
- b. Coordinate with LGA in the provision of training to the LGUs and the communities;

4.3.2 The DOF through BLGF shall:

- a. Provide the necessary assistance in strengthening the financial management system of the LGUs;
- b. Review the financial aspect of the sub-projects and participate in the technical review together with the other members of the CBRM Team/TWG;
- c. Assess the debt repayment schedules for the loan-grant-equity mix; and
- d. Serve as Chairman of the Regional Technical Review Committee (RTCC).

4.3.3 The DENR through its Regional Offices and PENROs shall:

- a. Conduct perimeter survey of the sub-project areas;
- b. Provide maps and other available secondary data needed in the preparation of the FS;
- c. Identify the technology requirements in the proposed subprojects;
- d. Provide the resource persons needed in the conduct of site development planning and other technical requirements in FS preparation;
- e. Provide guidelines and orientation on the conduct of Environmental Impact Assessment (EIA) if deemed necessary; and
- f. Identify the appropriate land tenurial instrument and facilitate its issuance; and
- g. Participate as member of the RTRC.

4.4 Project Appraisal

4.4.1 The DOF through the CBRMO shall:

- a. Mobilize interagency project appraisal teams;
- b. Evaluate the actual proponents (communities);
- c. Issue notice of endorsement or revision of the sub-project plan;

- d. Review financial feasibility of the sub-project;
- e. Convene the RTRC;
- f. Provide secretariat support to the RTRC; and
- g. Prepare endorsement to Municipal Development Fund-Policy Governing Board (MDF-PGB).

4.4.2 The DOF through BLGF Regional Offices as chairman of the RTRC shall evaluate and approve subprojects and endorse these to MDF-PGB for loan approval.

4.4.3 The DENR shall:

- a. As a member of the RTRC, endorse the subprojects to MDF-PGB for loan approval; and
- b. Participate in the technical appraisal of the subprojects by evaluating their technical soundness and consistency with policies, validating the assumptions used, reviewing its Environmental Impact Statement (EIS) and participating in the preparation of the subproject appraisal reports (SPAR).

4.5 Preparation of Detailed Implementation Plans (DIPs)

4.5.1 The DOF through CBRMO shall:

- a. Orient the LGUs in the preparation of the DIPs;
- b. Assess community preparedness in sub-project implementation;
- c. Review detailed design and sub-project logframe; and
- d. Package and disseminate appropriate technology.

4.5.2 The DOF through BLGF shall participate in the technical review of the DIPs and provide assistance as may be requested.

4.5.3 The DENR shall conduct training on technology transfer and package and disseminate appropriate technologies.

4.6 Loan Approval, SPLA Signing and Fund Release

4.6.1 The DOF through CBRMO shall:

- a. Prepare the Sub-project Loan Agreement (SPLA) and facilitate its review by the LGU;
- b. Facilitate the signing and approval of the SPLA by MDF and DOF;
- c. Facilitate initial fund release; and
- d. Assist in setting up a financial and procurement system within the LGUs.

4.6.2 The DOF through BLGF shall:

- a. Review the completeness and appropriateness of documentation requirements for endorsement to MDF-PGB;
- b. Endorse the SPLA for approval by the DOF Secretary; and
- c. Effect release of funds to the LGUs.

4.7 Subproject Operation, Maintenance and Supervision

4.7.1 The DOF through CBRMO shall:

- a. Monitor sub-project implementation and validate accomplishments to facilitate fund releases;
- b. Provide technical assistance (TA) on site development and management activities;
- c. Ensure compliance to CO process by the LGUs;
- d. Provide M & E framework and guidelines and provide training, in collaboration with LGA, on participatory monitoring and evaluation;
- e. Spearhead major evaluation studies; and
- f. In coordination with LGUs, recommend changes in project design and implementation strategy

- 4.7.2 The DOF through BLGF shall:
- a. Serve as member of the NTRC;
 - b. Provide policy guidelines and review overall project implementation;
 - c. Serve as member of the validation and assessment team in the regional, provincial and community/district levels; and
 - d. Monitor fund releases to LGUs.

- 4.7.3 The DENR shall:
- a. Serve as member of the NTRC;
 - b. Participate in the monitoring of sub-project implementation and in the validation of accomplishments;
 - c. Provide TA in site development and management activities;
 - d. Provide policy guidelines and review overall project implementation; and
 - e. Serve as member of the validation and assessment team in the regional, provincial and community/district levels.

4.8 Monitoring and Evaluation

- 4.8.1 The DOF through CBRMO shall consolidate and prepare regular reports for submission to concerned entities/agencies;
- 4.8.2 The DOF through BLGF shall evaluate fund disbursement as against physical accomplishment and participate in other M & E related activities; and
- 4.8.3 The DENR shall spearhead in the preparation of the State of the Environment Reports and in the conduct of Environmental Monitoring and Evaluation.

SECTION 5.0 EFFECTIVITY

This Circular takes effect immediately.

(Sgd.) LILY K. GRUBA
Undersecretary

(Sgd.) MARIO S. ROÑO
Undersecretary and
CBRM Focal Point, DENR

**DA Administrative Order
No. 37
September 30, 1999**

SUBJECT : Revised Guidelines on the Certification of Eligibility for Reclassification of Agricultural Lands and Providing Mechanisms for the Implementation thereof.

I. GOVERNING PRINCIPLES

The reclassification of private agricultural land to non-agricultural uses shall be guided by the Philippine Constitution, Article II, Section 21 and Article XII, Section 1; Republic Act 6657, Section 2; Executive Order (EO) 292, Series of 1987; and the Department of Agriculture's Charter on Agricultural Land.

II. LEGAL BASIS

1. Presidential Memorandum dated April 16, 1999 providing that DAR Administrative Order No. 1 Series of 1999 shall serve as the primary guideline on the conversion of agricultural lands to non-agricultural which require the DA to classify/reclassify the land.
2. DA A.O. No. 6 Series of 1998 Rule 9.3 (Implementing Rules and Regulations of the AFMA) providing that the conversion of use from agricultural to non-agricultural of lands covered under the Strategic Agriculture and Fishery Development Zone (SAFDZ) as set forth in the AO establishing the SAFDZ shall be limited per Sections 9 and 12, in addition to any existing rules, regulations and procedures regarding applications for land use conversion and the protection of watershed areas, including RA 6657, Presidential A.O. 20 and 363, and Section 20 of RA 7160.

3. DAR A.O. No. 1 Series of 1999 requiring certification from the Department of Agriculture stating, among others, the classification of the property under the NPAAAD and the SAFDZ.
4. EO 292 also known as the Revised Administrative Code of 1987, in its Title IV, Chapter I, Section 2, stating that the Department of Agriculture is the agency responsible for the promotion of agricultural development by providing the policy framework, public investment, and support services needed for domestic and export-oriented business enterprises.

The above Code also empowers the DA to promulgate and enforce all laws, rules and regulations governing the conservation of proper utilization of agricultural and forestry resources.

5. RA 7881 as it amends Sections 3-B, 10 and 11 of RA 6657 pertaining to the: (1) definition of agricultural activity; (2) exempting prawn farms and fishponds from the coverage of the CARL; and (3) including commercial livestock, poultry and swine raising, and aquaculture including fishponds and prawn farms from the classification of commercial farms that are due for coverage under the CARP after a ten-year deferment period, respectively.

III DEFINITION OF TERMS

- a) **Agricultural Lands** as amended by Section 3-B of RA No. 7881 refer to lands devoted to or suitable for the cultivation of the soil, planting of crops, growing of trees including the harvesting of such farm products, and other farm activities and practices performed in conjunction with such farming operations by persons whether natural or juridical, and not classified by law as mineral land, forest or timber, or national park nor reclassified as residential, commercial, industrial or other non-agricultural uses before June 15, 1988.

- b) **Conversion Moratorium** refers to the policy enunciated in RA 8435 which prohibits the reclassification of irrigated lands, irrigable lands already covered by irrigation projects with firm funding commitments, and lands with existing or having the potential for growing high-value crops so delineated and included within the Strategic Agriculture and Fishery Development Zone (SAFDZ) for the period starting 10 February 1998 to 9 February 2003.
- c) **Illegal Conversion** is the conversion by any landowner of his agricultural land into any non-agricultural use with intent to avoid the application of RA 6657 to his landholding and to dispose his tenant farmers of the land tilled by them; or the change of the nature of lands outside urban centers and city limits either in whole or in part after the effectivity of RA 6657, as provided in Sec. 73 (c) and (e), respectively, of the said Act.
- d) **Irrigable Lands** refer to land which display marked characteristics justifying the operation of an irrigation system.
- e) **Irrigated Lands** refers to lands serviced by natural irrigation or irrigation facilities. These include lands where water is not readily available as existing irrigation facilities need rehabilitation or upgrading or where irrigation water is not available year-round.
- f) **Land Use Conversion** refers to the act or process of changing the current use of a piece of agricultural land into some other use as approved by the DAR.
- g) **Network of Protected Areas for Agricultural and Agro-industrial Development (NPAAAD)** refers to agricultural areas identified by the Department of Agriculture through the Bureau of Soils and Water Management in coordination with the National Mapping and Resource Information Authority in order to ensure the efficient utilization of land for agriculture and agro-industrial development and promote sustainable growth. The NPAAAD covers all irrigated areas, all irrigable lands already covered by

irrigation projects with firm funding commitments; all alluvial plains highly suitable for agriculture, whether irrigated or not; agro-industrial croplands or land presently planted for industrial crops that support the viability of existing agricultural infrastructure and agro-based enterprises; highland or areas located at an elevation of five hundred (500) meters or above and have the potential for growing semi-temperate and high value crops; all agricultural lands that are ecologically fragile, and conversion of which will result in serious environmental degradation; mangrove areas and fish sanctuaries; all fishery areas as defined pursuant to the Fisheries Code of 1998.

- h) Premature Conversion of Agricultural Land** is the undertaking of any development activities whose results will modify or alter the physical characteristics of the Agricultural lands to render them suitable for non-agricultural purposes without any approved Order of Conversion from the DAR (DAR A.O. 7 s. 1997).
- i) Private Agricultural Lands** refers to agricultural lands as defined herein and owned by natural or judicial persons or by the government in its proprietary capacity.
- j) Reclassification of Agricultural Lands** refers to the act of specifying how agricultural lands shall be utilized for non-agricultural uses such as residential, industrial, commercial, as embodied in the land use plan, subject to the requirements and procedure for land use reclassification. It also includes the reversion of non-agricultural lands to agricultural use.
- k) Strategic Agriculture and Fisheries Development Zone (SAFDZ)** refer to areas within the NPAAAD identified for production, agro-processing and marketing activities to help develop and modernize, with the support of the government, the agriculture and fisheries sectors in an environmentally and socio-culturally sound manner.

- l) Unauthorized Conversion** is the act of changing the current use of the land from agricultural (e.g. riceland) to another agriculture use, the effect of which is to exempt the land from CARP coverage (e.g. livestock) without an order of conversion from DAR, or changing the use of the land other than that allowed under the order of conversion issued by DAR.

IV COVERAGE

- a) **Applicability of Rules** - This guideline shall apply to the issuance of DA Certification consistent with DAR A.O. No. 1 series of 1999 on land conversion which include the following areas:
- (1) Those to be converted to residential, commercial, industrial, institution and other non-agricultural purposes;
 - (2) Those to be converted to non-agricultural activity such as livestock, poultry, and fishpond, the effect of which is to exempt the land from CARP coverage;
 - (3) Those to be converted to non-agricultural use other than that previously authorized; and
 - (4) Those reclassified to residential, commercial, industrial, or other non-agricultural uses on or after the effectivity of RA 6657 on June 15, 1988 pursuant to Section 20 of R.A. 7160 and other pertinent laws and regulations, and are to be converted to such uses. However, for those reclassified prior to June 15, 1988, the guidelines on securing exception clearance shall apply.

Conversion is allowed if there is no Notice of CARP Coverage. For this purpose, the DAR will provide the DA with a list of areas with Notice of Coverage except those with Special Permits.

b) Lands with NPAAAD

- (1) irrigated area
- (2) irrigable lands already covered by irrigation projects with firm funding commitment
- (3) Alluvial plain highly suitable for agriculture, whether irrigated or not
- (4) Industrial cropland (presently planted to industrial crops)
- (5) Arable highland (located at an elevation of 500 meters or above and have the potential for growing semi-temperate and high-value crops)
- (6) Agricultural land and that are ecologically fragile
- (7) Fishery areas as defined pursuant to the Fisheries Code of 1998

c) Land within SAFDZs - In accordance with Section 9 of RA 8435, the following rules shall govern reclassification of lands within SAFDZs:

- (1) All irrigated lands, irrigable lands already covered by irrigation projects with firm funding commitments, and lands with existing or having the potential for growing high-value crops included within the SAFDZs shall be subject to a conversion moratorium for a period of five (5) years from 10 February 1998 to 9 February 2003.
- (2) During the effectivity of the moratorium, reclassification may be allowed with respect to only five percent (5%) of lands stated in C(1) above and upon compliance with existing laws, rules and regulations.
- (3) The maximum of five percent (5%) equivalent to the total area of land eligible for conversion to non-agricultural use shall be jointly determined by the DA and the DAR, upon the recommendation of the Regional and National SAFDZ Committees pursuant to

Rule 9.5.2 DA Administrative Order NO. 6 Series of 1998.

- (4) After the expiration of the conversion moratorium, conversion may be allowed, if at all, on a case to case basis, subject to existing laws and regulations on land use conversion.

V. CRITERIA FOR CONVERSION - The following criteria shall guide the resolution of applications for conversion:

Reclassification of land within SAFDZs, as provided in Rule 9.5.2 of DA Administrative Order No. 6, Series of 1998, shall take into account the following factors:

- (1) The reclassification of land use is consistent with the natural expansion of the municipality or locality, as contained in the approved physical framework and land use plan;
- (2) The area to be reclassified in use is not the only remaining food production area of the community;
- (3) The land use reclassification shall not hamper the availability of irrigation or the productivity of nearby farmlands;
- (4) Areas with lower productivity will be accorded priority for land use conversion;
- (5) When the proposed project is supportive to agro-industrial development; and will generate alternative livelihood opportunities for the affected community.

VI WHO MAY APPLY FOR RECLASSIFICATION - The following persons may apply for reclassification:

- (a) Owners of private agricultural lands or other persons duly authorized by the landowner; and

- (b) Government agencies, including government-owned or controlled corporations, and local government units, which own agricultural land as their patrimonial property.

VII DOCUMENTARY REQUIREMENT - The documents required of applications for reclassification are as follows:

- (1) Notarized Application for Reclassification (Land Use Reclassification (LUR) Form No. 1).
- (2) Special Power of Attorney, if the petitioner is other than the owner of the land or Board Resolution if the owner is a corporation.
- (3) True copy of the Original Certificate of Title (OTC) or Transfer Certificate of Title (TCT) certified by the Register or Deeds not later than thirty (30) days prior to filing. However, if at the time of application, the landholding is an untitled agricultural land, the following shall be required in lieu of the copy of title:
 - (a) DENR Community Environment and Natural Resources Officer (CENRO) Certification that the landholding has been classified as alienable and disposable; and
 - (b) Certification from DENR CENRO (for administrative confirmation of imperfect title) or the Clerk of Court of regular courts (for judicial confirmation of imperfect title) that:
 - 1. the titling process/proceeding has commenced; and
 - 2. there are no adverse claimants.
- (4) One (1) copy each of sketch map, vicinity map and lot plan showing TCT Nos., Lot No., area per TCT and area applied for conversion duly reference points for the identification of the subject property applied for reclassification.

- (5) Recent 5R photographs of the property to be duly certified as such by a member of DA-RLUTWG after the field investigation.

VIII PROCEDURES

- 1.0 Applicant presents duly accomplished DAR LUC 1 together with blank LUR Form 3 (DA Certification) and supporting document as per checklist. Submit both documents to DA-RFU Regional Director through the expanded RLWTG (RTeCLUM).
- 2.0 RTeCLUM receiving officer reviews documents for completeness; if incomplete, advise applicant to submit lacking documents.
- 3.0 If the land applied for has a Notice of CARP coverage and/or have premature conversion, the application shall be returned.
- 4.0 If complete, RTeCLUM conducts field investigation to determine the characteristics of areas applied for reclassification (use LUR Form 3A).
- 5.0 Upon completion of the field investigation, RTeCLUM forwards Land Use Reclassification Folio (LURF) to DA Regional Director.
- 6.0 DA-Regional Director forwards LURF to the TeCLUM through its Secretariat.
- 7.0 The TeCLUM, after due deliberation/ocular inspection, submits its findings and recommendation to the Office of the Secretary (LUR Form 3B).
- 8.0 Office of the Secretary acts on application and sends to TeCLUM Secretariat the approved application (LUR Form 3C).
- 9.0 Secretariat sends original of Certificate directly to applicant/authorized representative or through the DA-RFU concerned retaining a certified photocopy of the certificate for record/reference purposes. Another certified copy is retained by the Records Section of the BSWM.

IX CERTIFICATION FEES

The DA-RFUs, through its cashiering unit, shall collect processing and certification fees per application at the following rates and to be paid at the time of application:

- a. A fix fee in the amount of P 2,000.00 per application, P 250.00 of which shall be remitted to the NIA regional office.
- b. A variable fee of P100.00 per hectare to be remitted to the Philippine Coconut Authority (PCA) provincial office.

The rates for the attached agencies are as provided for by their Board of Directors.

X TECHNICAL COMMITTEES:

To provide efficient and fast processing of application for land use conversions, there is hereby created a Regional Technical Committee for Land Use Matters (RTeCLUM) to be composed of the following:

CHAIRMAN:
DA-RFU Regional Director

MEMBERS: Regular and alternate representatives from DA attached agencies as follows:

- Philippine Coconut Authority (PCA)
- Sugar Regulatory Administration (SRA)
- National Tobacco Administration (NTA)
- Fiber Industry Development Authority (FIDA)
- Bureau of Fisheries and Aquatic Resources (BFAR)
- National Irrigation Administration (NIA)
- BSWM Soil and Water Access Team (SWAT)
Coordinator

The RTeCLUM shall conduct a joint field inspection to provide the land characteristics for LUR Form No. 3a.

XI APPROVING AUTHORITY

The Secretary of the DA or his duly authorized official(s) have the sole authority to issue Certificates of Eligibility for Reclassification of Agricultural Lands.

XII MOTION FOR RECONSIDERATION

- (1) The applicant or the protestant may file a motion for consideration of a certification within fifteen (15) days from receipt of a copy thereof,
- (2) The motion for reconsideration shall be resolved by the DA Secretary or his duly authorized official.
- (3) The DA action on the motion for consideration will be final.

XIII REPEALING CLAUSE

This Administrative Order repeals all previous issuances inconsistent with this Order.

XIV EFFECTIVITY

This Administrative Order takes effect ten (10) days after its publication in two (2) newspapers of general circulation.

Done this 30th day of September 1999, Quezon City, Metro Manila, Philippines.

(Sgd.) EDUARDO J. ANGARA
Secretary

By the President:

(Sgd.) RONALDO B. ZAMORA
Executive Secretary

Joint Memorandum Circular
DA, DAR, DENR
No. 1
January 26, 1999

SUBJECT : Creation Of An Inter-Departmental Steering Committee And Technical Working Group For The Application And Monitoring Of A Common Sustainable Rural Development (SRD) Framework

For the past months, the undersigned heads of the Departments of Agriculture (DA), Agrarian Reform (DAR), and Environment and Natural Resources (DENR) have been meeting to discuss the development of a common framework for Sustainable Rural Development (SRD) that could facilitate the convergence of their respective department's programs and resources in order to maximize the impact on countryside development. As departments playing key roles in the development of the rural areas, it is important that such common framework guide the convergence and complementation of efforts in the country's prime agricultural areas, watersheds and agrarian reform communities, fully cognizant of the need for synergy between the 3 departments towards more effectively implementing the Agricultural and Fisheries Modernization Act (AFMA), the Comprehensive Agrarian Reform Law and Program (CARL/CARP) and relevant environmental laws.

Out of these discussions have emerged a framework that now needs to be ratified, applied and monitored. This calls for the formalization of the coordinative mechanism among the three departments, to ensure that the SRD framework, as contained in the document entitled "Convergence for Sustainable Rural Development", receives official approval and recognition within the 3 departments, and their respective planning and operations personnel adhere to said framework in the formulation and

implementation of their respective programs. Special attention shall be given to sites jointly identified for model building.

This coordinative mechanism will be formalized at two (2) levels: an inter-departmental **Steering Committee (SC)** and an inter-departmental **Technical Working Group (TWG)**.

Steering Committee

Principal Members:

Secretary, Department of Agriculture (DA)

Secretary, Department of Agrarian Reform (DAR)

Secretary, Department of Environment and Natural Resources (DENR)

Alternate Members:

Undersecretary for Operations and Research, DA

Undersecretary for Field Operations and Support Services, DAR

Undersecretary for Environment and Program Development, DENR

The Steering Committee (SC) shall decide all policy issues, including the ratification of the SRD Framework and the selection of model sites for the three departments. It shall also review the three department's adherence to the Framework, and decide on adjustments that may be necessary in order to facilitate such adherence. The SC shall meet regularly once every three (3) months. It may hold special meetings in between its regular meetings, if necessary, upon the call of any member. Its Principal Members shall take turns in chairing the meetings. As a general rule, the Secretary of the department hosting the Steering Committee meeting shall chair the meeting. In the absence of the Secretary of the host department, the other Principal Members shall choose the Chair between themselves. In the absence of all the Principal Members, the Alternate Member of the host

department shall host the meeting. In the absence of the Alternate Member of the host department, the other Alternate Members shall choose the Chair between themselves.

Technical Working Group

Principal Members:

Assistant Secretary for Policy and Planning, DA
Assistant Secretary for Support Services, DAR
Assistant Secretary for Planning and Policy, DENR

Alternate Members:

Director for Planning and Monitoring Service, DA
Special Asst, to the Secretary for Countryside Development,
DAR
Director of Forest Management Bureau, DENR

The Technical Working Group (TWG) shall recommend to the Steering Committee operational plans and guidelines including the definition of model convergence sites for Sustainable Rural Development, The TWG shall also monitor the adherence of each department to the SRD Framework in the implementation of relevant programs and projects. It shall also recommend to the Steering Committee such adjustments as may be necessary in order to facilitate such adherence.

The TWG shall meet regularly once a month. It may also hold special meetings in between its regular meetings, if necessary, upon the call of any member. The chairing of the meetings shall follow the rule set down above for the meetings of the SRD-SC, i.e., the Principal Member representing the host department shall chair the meeting, etc.

Other officers and staff of the three departments may be mobilized to attend meetings and to perform specific roles and tasks to implement agreements made by the SC or TWG.

Secretariat

A Secretariat composed of staff identified by each department shall provide the necessary technical and administrative support to both the SC and the TWG. As a rule, the department hosting the meeting shall be responsible for minutes and all the administrative and technical requirements for hosting. For continuity, the Steering Committee shall define a coordinating base for the Secretariat from among the three departments. Until otherwise specified, this Secretariat shall be coordinated and based in the Department of Agrarian Reform (DAR).

Interface Mechanisms in SRD Convergence Model Sites

The SC, upon the recommendation of the TWG and in consultation with concerned officers/units of the 3 departments, shall establish the appropriate interface mechanisms to plan, implement, monitor and evaluate a common SRD Convergence Program in each of the SRD Convergence Model Sites jointly identified by the 3 departments, detailed in the addendum to this joint Memorandum circular. Where deemed appropriate, an existing interface mechanism may be utilized/enhanced to serve such purpose.

Consultants

The SC and the TWG may engage the services of Consultants from time-to-time to assist its work. The hiring of these Consultants will be in accordance with the pertinent government rules and regulations. Their honoraria will be sourced either externally (i.e., from donor agencies) or internally from within each of the three department, whichever is appropriate and feasible.

Participation of Stakeholders:

The SC and TWG shall ensure the active participation of Local Government Units, civil society organizations, the business sector and other stakeholders in the planning, monitoring, evaluation and implementation of the SRD initiative. Other national government agencies may also, be invited to participate when deemed appropriate. At the national level and all SRD Convergence Model Sites, regular mechanisms shall be instituted for this purpose

This Joint Memorandum Circular shall take effect immediately.

Done at Malacañang Palace in the City of Manila on January 26, 1999.

(Sgd.) WILLIAM D. DAR

Acting Secretary

Department of Agriculture

(Sgd.) HORACIO R. MORALES, JR.

Secretary

Department of Agrarian Reform

(Sgd.) ANTONIO H. CERILLES

Secretary

Department of Environment and Natural Resources

Approved by:

(Sgd.) JOSEPH EJERCITO ESTRADA

President

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