



Republic of the Philippines  
Department of Environment and Natural Resources  
Visayas Avenue, Diliman, Quezon City  
Website: <http://www.denr.gov.ph> / E-mail: [web@denrgov.ph](mailto:web@denrgov.ph)

## MEMORANDUM

FOR : **The Directors**  
Biodiversity Management Bureau  
Ecosystems Research and Development Bureau  
Environmental Management Bureau  
Land Management Bureau  
Mines and Geosciences Bureau

FROM : **The OIC- Director, Policy and Planning Service**

SUBJECT : **DRAFT DENR ADMINISTRATIVE ORDER (DAO)  
AMENDING DAO NO. 2020-07, OTHERWISE KNOWN AS  
RATIONALIZING DREDGING ACTIVITIES IN HEAVILY-  
SILTED RIVER CHANNELS PURSUANT TO THE DENR-  
DPWH-DILG-DOTR JOINT MEMORANDUM CIRCULAR NO.  
1, SERIES OF 2019**

DATE : **10 FEB 2021**

---

## BACKGROUND

DAO No. 2020-07, otherwise known as *Rationalizing Dredging Activities in Heavily-Silted River Channels Pursuant to the DENR-DPWH-DILG-DOTR Joint Memorandum Circular No. 1, series of 2019*, provides for the protection and proper management of the disposition of sand, as well as restore the natural state and water flow of the heavily-silted river channels within the country. The said DAO was being proposed to be amended due its non-coverage of Highly Urbanized Cities (HUCs) and Independent Component Cities that are excluded from the territorial jurisdiction of the Province, in some of its provisions, namely:

- Section 4.a under General Provisions;
- Section 4.a, 4.b, and 4.e under Qualifications of Large-Scale Dredging Operators;
- Section 3 under DENR River Restoration through Dredging Activities;
- Section 2 under Environmental Management;
- Section 4 under Memorandum of Agreement with the DENR;
- Sections 1 to 3 under Operations Permit with the Local Government; and
- Section 1 under Monitoring and Enforcement.

Relative to this, the Mines and Geosciences Bureau (MGB) proposed the draft DAO re: Amending DAO No. 2020-07 which aims to include the HUCs and ICCs that are independent of the Province, consistent with Section 29, Article III, Chapter III, Title I, Book I of Republic Act No. 7160 or the Local Government Code of 1991.

## ACTIONS TAKEN

1. The draft DAO was first endorsed to this Office by Assistant Secretary Jim O Sampulna on 26 October 2020. It was initially reviewed by the Policy Technical Working Group (PTWG) Secretariat prior to PTWG deliberation held last 18 December 2020.
2. On 14 December 2020, the PTWG Secretariat transmitted to MGB through email the Memorandum dated 11 December 2020 providing comments and inputs to the draft DAO.
3. After the PTWG Meeting, the PTWG Secretariat incorporated its comments/ inputs, as well as the recommendations from the PTWG members in the draft DAO. Thereafter, the revised draft DAO was endorsed to MGB through a Memorandum dated 22 January 2021, for their concurrence.
4. On 03 February 2021, the PTWG Secretariat informed MGB through email about the extension the deadline for the submission of their concurrence on the revised draft DAO to 08 February 2021. However, no feedback was received on the said deadline which means that MGB concurs to the draft DAO and it is ready for vetting of the Bureau Directors.

## ACTION REQUESTED

Should you concur with the proposed DAO, please notify this Office in writing **on or before 19 February 2021**. Otherwise, your lack of feedback shall be considered as your concurrence or no objection to the said proposed policy, which we shall endorse for vetting by the Undersecretaries prior to the approval by the Secretary.

Attached is the draft DAO Amending DAO No. 2020-07, otherwise known as *Rationalizing Dredging Activities in Heavily-Silted River Channels Pursuant to the DENR-DPWH-DILG-DOTR Joint Memorandum Circular No. 1, series of 2019*, under the Mining Sector, for your consideration.

  
MELINDA C. CAPISTRANO

cc: MGB Legal Services Division  
MGB Mining Technology Division



Republic of the Philippines  
Department of Environment and Natural Resources  
Visayas Avenue, Diliman, Quezon City  
Tel Nos. (632) 929-66-26/28; 929-6635/929-3618/929-4028  
IP Phone Trunkline No. 988-3367  
Website: <http://www.denr.gov.ph/> E-mail: [web@denrgov.ph](mailto:web@denrgov.ph)

**DENR ADMINISTRATIVE ORDER**  
**No. 2021-\_\_\_\_\_**

**SUBJECT: AMENDING DENR ADMINISTRATIVE ORDER (DAO) NO. 2020-07, OTHERWISE KNOWN AS RATIONALIZING DREDGING ACTIVITIES IN HEAVILY-SILTED RIVER CHANNELS PURSUANT TO THE DENR-DPWH-DILG-DOTR JOINT MEMORANDUM CIRCULAR NO. 1, SERIES OF 2019**

In the interest of service, and in order to include Highly Urbanized Cities and Independent Component Cities that are independent of the Province consistent with Section 29, Article III, Chapter III, Title I, Book I of Republic Act No. 7160 or the Local Government Code of 1991, DAO No. 2020-07 is hereby amended as follows:

**I.**  
**GENERAL PROVISIONS**

**Section 4. Declaration of Policies**

- a) The exclusive authority of the Provincial/City Government to issue permit to extract sand, gravel and other quarry resources, pursuant to the ordinance of the Sangguniang Panlalawigan/Sangguniang Panglungsod, under Republic Act No. 7160 is covered by Section 5.1 of JMC 2019-01 or the Dredging with Commercial Utilization of Dredged Materials in favor of a holder of Industrial Sand and Gravel (ISAG) Permit or Commercial Sand and Gravel (CSAG) Permit or Quarry Permit.

**II.**  
**QUALIFICATIONS OF LARGE-SCALE DREDGING OPERATORS**

**Section 4. Other requirements.** In addition to the above-stated requirements, the proponent shall:

- a) Deploy all their equipment within thirty (30) days from the Notice to Proceed (NTP) to be issued by the Provincial/City Government and the equipment shall be under the name of the company, either chartered or leased, and capable of undertaking large scale dredging activity.
- b) Post a Cash Bond in the amount to be determined by the Inter-Agency Committee, to be held in an account for the Provincial/City Government, to ensure compliance with this Order and other applicable environmental laws, rules and regulations.

**Let's Go Green**

- c) xxx
- d) xxx
- e) Secure the necessary permit from the Provincial/City Government and pay the required National and Local Tax as required by law.

### III.

#### DENR RIVER RESTORATION THROUGH DREDGING ACTIVITIES

**Section 3. Application for Issuance of Dredging Clearance.** The application for the issuance of Dredging Clearance with the concerned Regional Office of DPWH must be accompanied by the endorsement of the Provincial Governor/City Mayor and shall be governed by this Order and other applicable DENR laws, rules and issuances.

### IV.

#### ENVIRONMENTAL MANAGEMENT

**Section 2. Programmatic Environmental Impact Assessment (PEIA) or Strategic Environmental Assessment (SEA) per River Channels.** In order to ensure that the river restoration activities and the dredging master plan consider the necessary environmental measures, the EMB Regional Office shall conduct the Programmatic EIA or SEA for each river system in coordination with MGB, DPWH and the Provincial/City Government. The Provincial/City Government may be the proponent for the PEIA and SEA.

### V.

#### MEMORANDUM OF AGREEMENT WITH DENR

**Section 4. Excise Tax.** The excise tax on locally extracted or produced non-metallic minerals and quarry resources will be based on the actual market value of the gross output thereof at the time of removal. The Excise Tax shall be timely and completely paid to the nearest Bureau of Internal Revenue Office in the province/city concerned.

### VI.

#### OPERATIONS PERMIT WITH THE LOCAL GOVERNMENT

**Section 1. Operations Permit.** No Operations Permit, Notice of Award and NTP shall be issued by the Provincial/City Government pursuant to this Order, unless the applicant has secured a dredging clearance for flood control dredging and desilting activities in RDZ from the Regional Office of the DPWH based on the DPWH-issued Dredging Master Plan, a valid MOA with the DENR Regional Office, has been duly accredited as a trader, and has obtained ECC.

**Section 2. Monitoring and Supervision Fee.** A monitoring and supervision fee which shall not be less than five percent (5%) of the market value of the gross output of the materials extracted from the covered area within the RDZ, exclusive of all other taxes, shall be paid to the provincial/city government for purposes of monitoring and ensuring compliance with this Order and other related issuances.

**Section 3. Extraction Fee.** Suitable materials for commercial disposition shall be subject to extraction fee, to be collected by the Provincial/City Government, in accordance with the Local Government Code.

## **VII. MONITORING AND ENFORCEMENT**

**Section 1. Creation of Inter-Agency Committee.** An Inter-Agency Committee shall be created, composed of the following:

- a) Provincial Governor/City Mayor as Chairperson;
- b) DENR Regional Executive Director as Vice-Chairperson;
- c) DPWH Regional Director as Member;
- d) MGB Regional Director as Member; and
- e) EMB Regional Director as Member.

## **VIII. EFFECTIVITY**

This Order partially amends and supplements DAO No. 2020-07, and shall take effect fifteen (15) days after the publication thereof in a newspaper of general circulation and acknowledgement of receipt of a copy from the Office of the National Administrative Register (ONAR), UP Law Center.

The supplemental guidelines shall be made to apply retroactively.

**ROY A. CIMATU**  
Secretary