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MEMORANDUM

FOR / TO : The Director
Legal Affairs Service
Financial and Management Service

27 JAN 2022

The Assistant Director
Biodiversity Management Bureau
Ecosystems Research and Development Bureau
Environmental Management Bureau
Forest Management Bureau
Land Management Bureau
Mines and Geosciences Bureau

Representative, Office of the Head Executive Assistant
Representative, Office of the Undersecretary and Chief of Staff
Representative, Office of the Undersecretary for Legal,
Administration, Human Resources, and Legislative Affairs
Representative, Office of the Undersecretary for Field Operations and
Environment
Representative, Office of the Undersecretary for Attached Agencies,
Mining and Muslim Affairs
Representative, Office of the Undersecretary Policy, Planning and
International Affairs
Representative, Office of the Undersecretary for Finance, Information
Systems and Climate Change
Representative, Office of the Undersecretary for Solid Waste
Management & Local Government Units Concerns
Representative, Office of the Undersecretary for Protected Areas and
Special Concerns
Representative, Office of the Undersecretary for Enforcement
Representative, Office of the Assistant Secretary for Policy, Planning
and Foreign-Assisted and Special Projects
Representative, Office of the Assistant Secretary for Legal
Representative, Office of the Assistant Secretary for Field Operations-
Luzon
Representative, Office of the Assistant Secretary for Field Operations-
Visayas
Representative, Office of the Assistant Secretary for Field Operations-
Eastern Mindanao
Representative, Office of the Assistant Secretary for Field Operations-
Western Mindanao
Representative, Office of the Assistant Secretary for Finance,
Information Systems and Mining Concerns

Representative, Office of the Assistant Secretary for Enforcement
Representative, Office of the Assistant Secretary for Administration
and Human Resources
Representative, Legal Affairs Service
Representative, Strategic Communication and Initiatives Service
Representative, Foreign-Assisted and Special Projects Service

FROM : The Division Chief
Policy Studies Division

SUBJECT : **HIGHLIGHTS OF THE POLICY TECHNICAL WORKING
GROUP (PTWG) MEETING NO. 2022-01 HELD ON JANUARY
24, 2022, 9:00 AM THROUGH IN-PERSON AND ZOOM
PLATFORM**

DATE :

Furnished herewith is the approved Highlights of the Policy Technical Working Group (PTWG) Meeting No. 2022-01 held on January 24, 2022, 9:00 AM through in-person and Zoom platform, which tackled the draft DENR Administrative Order (DAO) re Guidelines on the Collection of Fees and Charges from Tenorial Instrument Holders during the Covid-19 Pandemic. Also attached are copies of the revised draft policy and the Annexes, for your further comments/inputs, if any. The revisions are highlighted in yellow.

For your information and/or appropriate action.


FOR. LLARINA S. MOJICA



DENR-POLICY TECHNICAL WORKING GROUP

Minutes of Meeting No. 2022-01

January 24, 2022, 9:00 AM

Combination of Virtual Meeting via Zoom and In-Person Hybrid Meeting
PPS-PSD, 3/F DENR Bldg., Visayas Ave., Diliman, Quezon City

I. Attendees

1. Dir. Angelito C. Fontanilla, FMS
 2. Asst. Dir. Amelita DJ Ortiz, BMB
 3. Asst. Dir. Vizminda A. Osorio, EMB
 4. Asst. Dir. Mayumi Quintos-Natividad, ERDB
 5. For. Llarina S. Mojica, PSD
 6. For. Ildefonso L. Quillooy, FMB
 7. Mr. Alex C. Pascua, LMB
 8. For. Roberto A. Oliveros, OUAAMMA
 9. Ms. Nicole Ortega, LMB
 10. Ms. Meriden Maranan, BMB
 11. Ms. Encarmila Panganiban, OULAHRLA
 12. For. Kenneth Tabliga, FMB
 13. Mr. JM Reboton, CCS
 14. Engr. Roberto Aguda, OASPPFASP
 15. Mr. Jobert John B. Bandol, BMB
 16. Mr. Jeruz Mari Y. Pahilanga, OASFOEM
 17. Engr. Reina D. Requieron, OASFISMC
 18. For. Claudett Endozo, FMB
 19. For. Ivy Nicole Angeles, OCOS
 20. Ms. Emilyn Castillo, LMB
 21. Ms. Ma. Cristina Francisco, OUFOE
 22. Mr. Norlito Sarmiento
 23. Ms. Cristina D. Pornillos, MGB
 24. For. Lovella Luzette Galindon, LMB
 25. Atty. Camilo D. Garcia, LAS
 26. Atty. Genevieve Sevidal, LAS
 27. For. Kathleen Marasigan, FMB
 28. For. Amie Rabang, FMB
 29. CENRO Isagani V. Manalili, OASFOL
 30. Ms. Judith Redula, OUE
 31. Engr. Teodorico L. Marquez, Jr., MGB
 32. For. Rachell Abenir, BMB
 33. Ms. Belly C. Cabeso, EMB
 34. Ms. Rowena Bolinas, BMB
 35. For. Flordelino M. Rey, OASPPFASP
 36. Ms. Myla Carungi, OUFOE
 37. Ms. Nancy Corpuz, BMB
 38. Ms. Marilyn Rebadomia, FMS
 39. Ms. Monaliza C. Omictin, OUPASC
 40. For. Charles Ivan Fernandez, FMB
 41. For. Danelyn de los Reyes, FMB
 42. Mr. Gino Alejandro Sison, BMB
 43. Mr. Eugene Parañaque, ERDB
 44. Mr. Elias Susaya, Jr., OASFISMC
 45. Mr. Reneo B. Vicente, BMB
 46. Mr. Ryan A. Cuanan, BMB
 47. Representative, MGB - MTD
- Secretariat (PPS-PSD)
48. For. Amisol B. Talania
 49. Ms. Anna Michelle I. Lim
 50. Ms. Mary Lou Retos
 51. For. Emma Liwliwa B. Medina
 52. Ms. Zayrelle Suelo
 53. For. Hazel Jasmine Donato
 54. For. Nim Hydee Eusebio
 55. For. Ma. Carmela Cariaga
 56. Ms. Ma. Theresa Enriquez
 57. Mr. Nehemiah Leo Carlo B. Salvador

II. Highlights of the Meeting

The meeting commenced at 9:12 AM and was presided over by For. Mojica in lieu of PPS Dir. Glenn Marcelo C. Noble. She reported the status of proposed policies processed by

19 the PTWG in CY 2021, to include those that were approved by the Secretary and those
20 that are undergoing vetting by the concerned Undersecretaries/Assistant Secretaries.

21
22 **Agenda: Draft DAO re Guidelines on the Collection of Fees and Charges from**
23 **Tenurial Instrument Holders during the Covid-19 Pandemic**

24
25 ***Presentation and Discussions:***

- 26
27 ● For. Mojica informed that on December 24, 2021, Usec. Jonas R. Leones instructed
28 the PPS-PSD to convene a meeting and craft a policy regarding the payment of
29 annual government share, to address the clamour of businesses affected by the
30 Covid-19 pandemic. Pursuant to this instruction, the PSD conducted three small
31 group meetings: on January 3, 2022, January 7, 2022, and January 11, 2022. These
32 meetings were participated in by representatives from the BMB, FMB, LMB, Legal
33 Affairs Service (LAS) and the Financial and Management Service (FMS). A draft
34 policy was formulated by the PSD with inputs from the Bureaus concerned. The
35 tenurial instruments included therein are the Foreshore Lease Agreement (FLA),
36 Forest Land Use Agreement for Tourism Purposes (FLAgT), Special Use Agreement
37 within Protected Areas (SAPA), and Memorandum of Agreement (MOA) issued
38 over PAs.
39
- 40 ● For. Oliveros inquired whether the MGB and EMB were invited during the crafting
41 of the proposed policy, as they also impose fees and charges. In reply, For. Mojica
42 informed that only the FLAgT of the forestry sector was highlighted during the initial
43 meeting, in consideration of the clamour of business operators.
44
- 45 ● Dir, Fontanilla mentioned that he has received a copy of the Memorandum and draft
46 DAO, but the one being flashed on the screen appears to be a different version. For.
47 Mojica responded that the one being presented is the updated version of the draft
48 policy.
49
- 50 ● In reply to the concern raised by For. Oliveros, Mr. Pascua explained that in the
51 January 3, 2022 meeting, it was mentioned that the FLAgT holders were requesting
52 for a holiday on the payment of their annual dues. It was agreed then that the draft
53 policy will be limited to tenurial instruments that are tourism-related or those that
54 involve land use. Hence, the exclusion of EMB and MGB. For. Quilloy concurred
55 with the statement of Mr. Pascua. He added that upon review by the small group, it
56 was determined that the most heavily affected industries are those that are tourism-
57 related. For. Oliveros replied that other bureaus may also raise similar concerns
58 during the course of the discussions. In case there are similar issues from the MGB
59 and EMB, these will be consolidated and integrated in the draft policy so that there
60 is only one/uniform policy from the Department.
61
- 62 ● Ms. Cabeso informed that she has sent a copy of the draft DAO to their Chief for an
63 urgent review thereof, to determine its impact on the policy of the EMB. Thereafter,
64 she will send the consolidated responses to PSD.
65
- 66 ● Engr. Marquez mentioned that the MGB-Mining Tenements Division (MTD) will
67 be joining the meeting later on to provide their inputs on the draft policy.

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- For. Quilloy informed that the group initially identified the tenurial instruments to be covered by the proposed policy, such as the FLAgT, FLA, SAPA and MOA. Nevertheless, the coverage may be expanded as may be determined later on.
 - The PSD Secretariat presented the draft policy line-by-line. On the prefatory statement, no question was raised.
 - On Section 1. Basic Policy, Dir. Fontanilla noted that the provision appears to be one-sided or only tackles the side of the business operators affected by the pandemic. According to him, the DENR has submitted a budget estimate and sources of financing/projected income to the Department of Budget and Management (DBM), which was already accounted for in the national budget. While the draft policy recognizes the current situation of the tenurial instrument holders affected by the pandemic, this should also be balanced with the impact on the government income. He added that reduced government income will result in domestic and international borrowing. Thus, the impact of the proposed policy on the National Treasury should be taken into consideration. He also informed the group about the DBM's conduct of semestral review which focuses on physical and financial review performance, and that the matter should be highlighted in the draft policy. For. Mojica responded that the fees and charges will not be waived but will still be collected through a payment scheme, which is provided for in the draft policy. The PTWG Secretariat informed that in the initial draft, the basic policy, which was lifted from the Bayanihan 2, tackled the mitigation of economic cost and losses and collective growth through fiscal sustainability. However, this was changed based on the advice of Dir. Norlito A. Eneran of the LAS to focus on the basic policy related to the situation of the stakeholders. Hence, the current provision. The PSD Secretariat mentioned that the original statement will be added back or harmonized with the current provision.
 - On the use of the term "tenurial instrument," For. Tabliga asked whether this is the proper term to be applied or whether to use "tenure instrument" instead. According to her, the FMB uses the latter term in its issuances. The PTWG Secretariat responded that the former was used for consistency with DAO No. 2020-09 entitled "Guidelines on the Management of Cancelled or Terminated, Expiring, and Expired Tenurial Instruments."
 - For. Oliveros requested clarification on the use of the term "fees and charges" as there are other fees collected such as government share, forest charges, administrative fees, rent, among others. He opined that the term is too broad, thus, he suggested the use of a specific nomenclature, i.e. rental or government share. For. Quilloy explained that the fees and charges include government share or rental. Nevertheless, he and Mr. Pascua expressed their agreement with the point raised by For. Oliveros.
 - Asst. Dir Ortiz also requested clarification on the specific fees and charges that will be collected. In addition, she opined that the title should specify that the draft policy only covers tourism-related tenurial instruments, based on the earlier statement of Mr. Pascua. Ms. Maranan stated that the BMB is amenable with the use of the term "fees" as this is provided for in the ENIPAS Act. She mentioned that the BMB uses the term "development fees" for SAPA.

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- Asst. Dir. Natividad manifested her agreement with the comment of Asst. Dir Ortiz to limit the title of the draft policy to tourism. On the proposal to specify the fees and charges as “government share/rental,” she explained that the term “rental” is no longer used in the 1987 Constitution. The term “fees and charges” may still be used, but this should be specifically indicated, to include government share and other fees and charges identified. For. Oliveros commented that presently, the focus is on the tourism-related tenurial instruments as suggested by Usec. Leones.
 - On Section 3. Scope and Coverage, For. Oliveros opined that if other Bureaus such as the EMB and MGB would wish to include their sector, they should do so as may be determined during the course of the discussion. For. Mojica asked as to when the other Bureaus may be able to submit their comments, in view of the urgency of the issuance of the draft policy. For. Rey commented that if the MGB is included, the title and scope and coverage of the draft policy should be revised accordingly. For. Oliveros replied that this will depend on the inputs of the two Bureaus.
 - Engr. Requieron shared that the MGB has already come up with its payment scheme for mining tenement holders. This was concurred by Ms. Pornillos, who mentioned that under this scheme, the MGB accepts bank deposits for payment of fees and charges. She explained that the Bureau has already started the collection of application fees or conversion fees for permits and contracts through bank deposits as an alternative mode of payment. She also mentioned that the concerns of the MGB-MTD will be raised later on. For. Mojica requested the EMB and MGB to submit their comments/inputs by Wednesday or Thursday.
 - Asst. Dir. Osorio stated that as far as the EMB is concerned, the fees and charges per environmental law are already in place. If the EMB will be included, the approval of the draft policy may be delayed. She also noted that the draft policy is more focused on tenures, which the EMB is not issuing. She stressed that the EMB fees and charges are specific to environmental permits and clearances. According to her, the EMB does not wish to be included in the draft policy. The said Bureau’s fees and charges, covered with specific policies, have already passed through the NEDA review.
 - On Section 4.1. re definition of Fees and Charges, For. Mojica asked the group if they have a suggested reformulation based on the previous comments. For. Oliveros reiterated his proposition that the fees and charges should be specified. As the main purpose of the draft policy is the deferment of payment which were not settled during the Covid-19 pandemic, the fees and charges may pertain to the user’s fee collected by the DENR from tenurial instrument holders for the use of the land. For. Mojica suggested the enumeration of the fees and charges to be collected.
 - Engr. Aguda commented that the fees and charges may be tackled in a different section of the draft policy. Mr. Pascua also concurred that the definition of fees and charges under Section 4.1. is too broad, since the scope only covers the annual fee. He also pointed out that the line “other services relating to the environment” should not be included, and to instead focus only on the utilization of natural resources.
 - Dir. Fontanilla asked for clarification whether other fees such as entrance fees and management fees deposited in the Integrated Protected Area Fund (IPAF) and the Wildlife Management Fund (WMF) may be included. He also requested qualifying

169 in the draft policy that the same is only limited to the holders of certain tenurial
170 instruments. The information will be used as reference for the audit.
171

- 172 ● On Section 4.6. re definition of Tenurial Instruments, Ms. Maranan noted that the
173 use of the term was already settled in another policy. For. Mojica responded that the
174 said policy pertains to the one mentioned by the PSD Secretariat earlier.
175
- 176 ● For. Oliveros expressed his concurrence with the suggestion provided by For.
177 Tabliga in the Zoom chatbox regarding the definition of government share, i.e., “the
178 amount to be paid by a tenure holder as its share to the government in the form of
179 user's fee, for the use of a certain parcel of forestland.”
180
- 181 ● On Section 5.1 re FLaGT, Engr. Aguda asked for clarification whether the term “re-
182 evaluation” should be used instead of “revaluation.” The PTWG Secretariat
183 informed him that the term used in the policy on FLaGT is “revaluation.” Mr. Pascua
184 asked the FMB on how the revaluation will be suspended considering that the said
185 activity covering CY 2020 and 2021 has already been undertaken and that the
186 payment was already included in the projected income as well as in the Work and
187 Financial Plans (WFPs). In reply, For. Quilloy affirmed that the revaluation for the
188 years covered has already been conducted. He clarified that it is the application of
189 the re-evaluated/re-appraised rate or value that is being suspended. He recalled the
190 recommendation of Dir. Norlito A. Eneran to include in the section the provisions of
191 the policies on FLaGT, FLA and SAPA/MOA regarding re-appraisal/re-evaluation.
192
- 193 ● For. Rey asked if the basis for the government share is the zonal value imposed by
194 the Bureau of Internal Revenue (BIR). In reply, For. Quilloy stated that new
195 guidelines for zonal value are being released every five (5) years or so by the BIR.
196 The DENR guidelines prescribe that re-appraisal will be conducted every five (5)
197 years. He added that if a new zonal value is released, this will be the value to be used
198 in the computation. For. Rey commented that the zonal value could not be controlled
199 hence, the DENR can only suspend the revaluated value and not the revaluation
200 itself. Mr. Pascua and For. Quilloy concurred.
201
- 202 ● Mr. Pascua highlighted his suggestion wherein eligible tenurial instrument holders
203 who have already paid the re-evaluated amount may credit the difference to their
204 payment in CY 2023. This suggestion was adopted for all the tenurial instruments
205 covered by the proposed policy.
206
- 207 ● On the heading of Section 5, For. Quilloy suggested revising the same by adding
208 “Re-appraised/re-evaluated rates or value.” For. Rey also proposed the addition of
209 the line “of government share and rental of tenurial instruments.”
210
- 211 ● Dir. Fontanilla commented that the heading of Section 5 should be direct to the point
212 and specific. He asked for clarification whether the proposed policy covers two
213 objectives: 1) suspension of re-appraisal, and 2) deferment of payment of fees and
214 charges. This was affirmed by For. Mojica. For. Rey commented that “fees and
215 charges” should be revised. For. Ildefonso opined that there should be clarity on
216 which value to be used- whether the fees and charges or the government share, which
217 will be used by the RED as a basis.
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- For. Quilloy stated that Section 5 pertains to two (2) activities- the suspension of the use of re-appraised rate or value, and the deferment of payment.
 - Dir. Fontanilla suggested revising the heading of Section 5 as “Suspension of payment of reappraised value.” He cited the Philippine Ports Authority (PPA) example wherein the said agency is presently collecting reappraised value, contributing to the rising prices of goods shipped to the regions. According to him, this may be used as basis for the proposed policy. For. Quilloy replied that the objective of the draft policy is the suspension of the use of the re-evaluated/re-appraised rate or value, and the deferment of payment using the old value. He suggested changing the heading into “Suspension of Using Reappraised Value and Deferment of Its Payment”. Dir. Fontanilla suggested indicating in the said section the use of the old rate/value. In reply, For. Quilloy stated that the suggestion is already contained in Section 10 of the draft policy.
 - On line 95 regarding the interest on late payment of surcharge, For. Quilloy requested specifying in the draft that this will cover CY 2023 onwards. For. Rey commented that the outstanding payment of tenurial instrument holders should be considered in the computation. In reply, For. Mojica stated that this was already taken into consideration based on the inputs of the LMB. Asst. Dir. Ortiz opined that the period covered for the surcharge should be specific and not open-ended. Dir. Fontanilla stressed that there should be a minimum in which the relief can be applied, to be able to narrow down the amount in which the Department should monitor. For. Mojica mentioned that For. Rabang has presented a computation during the previous small group meeting. For. Quilloy commented that if the demandable rate is low, the specific amount should not be included in the relief to be granted. He added that the FMB will check the minimum rate/rental that can be collected on FLaG holders. On the other hand, Mr. Pascua mentioned that the increase for re-appraised FLAs is at 100%.
 - On Section 6. Qualified Tenurial Instrument Holders, Mr. Pascua shared that the LMB is already acting on requests for deferment of/or moratorium on payment of rental. Several of these were denied since their payment of rental is not updated, or they have incurred arrears or late payment prior to the pandemic. He cited as example the Unidragon, a mining company operating in Camarines Norte.
 - On Section 7. Where to File the Application, Dir. Fontanilla asked if the applicant may file directly with the PENRO, in consideration of island provinces such as Palawan whose regional office is in Metro Manila. This should also take into consideration the Ease of Doing Business regulation.
 - For. Oliveros concurred with the suggestion of Dir. Fontanilla that the filing should be at the nearest Implementing PENRO or CENRO. In addition, the evaluation of the CENRO/Implementing PENRO should be included among the requirements, in order to expedite processing of applications. For. Quilloy expressed agreement with the suggestion of Dir. Fontanilla and For. Oliveros that filing should be at the CENRO, and the endorsement should include the evaluation by the field office.
 - Engr. Aguda commented that proper channels should be observed in the endorsement of any document from the CENRO. For. Mojica agreed that this will go through proper channels. For. Oliveros commented that his suggestion is

270 applicable to FLAgT and FLA. In the case of SAPA, this will need a PAMB
271 resolution. In reply, Ms. Maranan stated that the role of PAMB is only on the review
272 of documents.
273

- 274 ● On Section 8. Requirements, For. Rey asked whether the Certification should also
275 cover businesses that have only downgraded but did not suspend their operations.
276 He is apprehensive that the Barangay may not issue a Certification that the business
277 operator's income has downgraded. For. Oliveros suggested that the IATF may issue
278 a certification that the business operation was affected. Mr. Pascua responded that
279 an IATF Certification may not be necessary as this is an additional burden to the
280 applicant, considering that the IATF consists of several government agencies.
281
- 282 ● For. Rey reiterated his query regarding business operations that were not necessarily
283 suspended or halted, but whose activities have been reduced due to the pandemic.
284 Mr. Pascua replied that as provided for in the Bayanihan Act, the Barangay or the
285 IATF may issue a Certification on business incomes that have been reduced or
286 suspended due to Covid-19 protocols. He agreed with the statement that the DENR
287 is not suspending the operation. It is the Barangay or the LGU that suspends business
288 operations depending on the alert level status. For. Rey suggested incorporating this
289 in the draft policy in order to cover business operators whose activities were reduced
290 with the imposition of Covid-19 protocols. Mr. Pascua, For. Quilloy and Ms.
291 Maranan agreed with the suggestion. For. Quilloy suggested specifying that the
292 cause of temporary suspension of operation is due to the Covid-19 pandemic.
293
- 294 ● Engr. Aguda asked on which Barangay will issue the Certification if the tenurial
295 instrument covers multiple Barangays. Mr. Pascua suggested indicating the
296 Barangay where the business is located, or which business address was adopted as
297 declared in the lease agreement. In response, Engr. Aguda mentioned that there are
298 instances where the business address is not within the area/location of the business.
299 Ms. Maranan agreed with the suggestion of Mr. Pascua. For. Quilloy commented
300 that the Certification should be issued by the Barangay where the business is located.
301 Engr. Aguda mentioned that in the case of SAPA, there are multiple entry-points,
302 hence, he asked whether the certification will be secured from all the LGUs covered.
303 Ms. Maranan replied that if the SAPA covers several barangays, the Certification
304 should be issued by the Municipal LGU. For. Oliveros agreed that the Certification
305 should be secured from the Municipal LGU since this is where the business operators
306 are paying their taxes. In the case of multiple municipalities, the Certification may
307 be issued by the Municipal LGU that has coverage over the larger/est portion of the
308 lease agreement. For. Quilloy suggested providing the applicant with options on
309 whether to secure the certification from the Barangay or the Municipal/City LGU.
310 He mentioned that FLAgT rarely straddles several barangays or municipalities.
311
- 312 ● Dir. Fontanilla noted the uniqueness among the tenurial instruments. As an
313 accountant, however, his only concern is on the business operator's financial report
314 or income (including retained income). According to him, the DENR should also
315 look into the financial performance of the business operators not only in the years
316 covered, but also during the previous five (5) years. This will be part of the
317 assessment of the application, and will serve as reference in determining how the
318 business was impacted by the pandemic. As such, he suggested the inclusion of the
319 financial statement among the requirements. He also suggested clarifying who will
320 be the signatory to the Letter of Intent. Mr. Pascua asked if Dir. Fontanilla's

321 suggestion pertains to the audited financial statement submitted to the BIR for the
322 last five (5) years, from CY 2015 to CY 2020, which should be signed by the
323 accountant. He stated that the signatory to the Letter of Intent may be the company's
324 authorized representative.
325

- 326 ● Dir. Fontanilla suggested that the evaluation by the PENRO Accountant should be
327 included. For. Mojica asked about the specific period. In addition, Dir. Fontanilla
328 stated that this can be consulted with the Accounting; the file can be used as reference
329 / Complete Staff Work for the audit later on, and these documents are readily
330 available to the business operator since these are required by the BIR, Securities and
331 Exchange Commission (CSE), among others. For. Quilloy inquired if the bigger
332 income/profit from the previous years would warrant disqualification of the
333 applicant. Mr. Pascua responded that the inclusion of the previous years is only for
334 comparison. For. Quilloy suggested using instead the CY 2019 to CY 2021 financial
335 statements for comparison of income.
336
- 337 ● For. Mojica summarized that list of requirements: 1) Letter of Intent, 2) Barangay
338 or Municipal/City LGU Certification, and 3) Audited Financial Statement and or
339 Financial Reports covering CY 2019 - 2021.
340
- 341 ● On Section 9. Procedures for Processing of Application, For. Mojica mentioned that
342 a reformulation will be done based on the discussions earlier. It will be changed to
343 CENRO / Implementing PENRO to be forwarded to the RED with complete
344 evaluation.
345
- 346 ● On Annex A, For. Rey commented that fees and charges will have to be changed to
347 government share/rentals.
348
- 349 ● On Section 9.1.2, Mr. Pascua commented that it is the billing statement that should
350 be indicated. Once the RED approves the Order: Deferment of Payment, this will
351 then be transmitted to the CENRO for preparation of a billing statement. The RED
352 should approve the computation to be provided by the CENRO. He cited as example
353 the LMB process wherein the billing statement will come from the Division
354 concerned, but the Order of Payment will be provided by the Accounting Division
355 so there is cross-checking. In the case of the field office, it is the RED that will issue
356 the Order granting the request for deferment of payment. Meanwhile, the act of
357 collecting has its own prescribed process, i.e., the issuance of a billing statement and
358 the Order of Payment. However, Mr. Pascua proposed that the Order: Deferment of
359 Payment and the billing statement may be simultaneously approved by the RED. He
360 stated that an additional Section- 9.1.4. should tackle the collection of payment. For.
361 Quilloy commented that the system should end at the issuance of the Order:
362 Deferment of Payment. For. Mojica mentioned that a flowchart will be prepared. Mr.
363 Pascua stated that he is proposing the issuance of two (2) documents: the Order:
364 Deferment of Payment and the billing statement. He also informed that it is the
365 PENRO that issues the collection letter. For. Oliveros agreed with the procedure
366 proposed by Mr. Pascua. For. Mojica commented that the procedure should be
367 clarified with the Accounting Division.
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- 369 ● On Section 9.2.3., Ms. Maranan suggested applying/observing the accounting
370 procedure. While proper channels should be followed, collection should still be with
371 the PAMB.

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- Given that the country is still in a state of Covid-19 pandemic, Engr. Aguda asked whether CY 2022 may also be covered by the scope of the proposed policy. He suggested looking into and adding a colatilla regarding the matter. For. Oliveros suggested indicating in the transitory provision that the same guidelines shall apply in case the Covid-19 pandemic situation is extended. Mr. Pascua commented that Covid-19 will not be eradicated, and that the consideration should be the imposition of the ECQ.
- On Section 10.2., Mr. Pascua commented that the last sentence thereof may be removed/deleted if not adopted by the FMB and BMB, in order to have uniform guidelines. For. Quilloy replied that the same provision may be adopted by the FMB and BMB. For the FLAgT, Section 10.1. should cover only CY 2020 to 2021 and not 2022. The recomputation will start in CY 2023, while in CY 2022, it is the normal computation that will be applied. Mr. Pascua commented that Section 10.3. appears to be more appropriate for inclusion in the qualifications. In reaction to this, Mr. Cuanan stated that the description in Section 10 is applicable to all the tenurial instruments. He added that the conditions for FLAgT are also applicable to SAPA. He suggested that the same be adopted for SAPA. For. Mojica asked BMB if the provision regarding SAPA may be reformulated to be similar to that of the FLAgT. Mr. Cuanan replied in the affirmative.
- For. Rey suggested having a uniform schedule by including CY 2022, and to uniformly start the collection in CY 2023. For. Quilloy agreed with the suggestion not to itemize the provisions per tenure. Mr. Pascua commented that for uniformity, FLA collection will also start in CY 2023. The PTWG Secretariat suggested that since all the tenurial instruments will apply the same guidelines, there will be no need to itemize/enumerate these, hence, a general provision will be formulated. For. Mojica mentioned that there is no legal basis for the inclusion of CY 2022 considering that it is not provided for in the Bayanihan Act.
- Dir. Fontanilla informed that per consultation with the Regional Office, he was apprised that the CENRO does not have a Finance Officer. The assessment is being done by the technical personnel of the said office. In addition, it is the assessment of payment that is being submitted to the bill collector- if land related, it is the specific unit in the CENRO that undertakes the assessment. The collection will be deposited by the bill collector in a government servicing bank. He/she shall then prepare a report for the PENRO. The PENRO will then issue the Order of Payment from the Accounting Division. The PENRO Accountant is only responsible for the review of the assessment of fees and charges, or penalties from annual fees and charges done by the technical personnel. He added that Annex A should contain the control number at the upper right portion in order to determine the number of orders issued by the Regional Office. The control number should include the region, year, and the number of application. It should also contain the date. According to him, this is significant as it is part of internal control by the Department, and is being looked into by the auditor.
- Dir. Fontanilla inquired on the basis for the 8.33% surcharge mentioned in Section 10.3.2. In response, For. Quilloy stated that this is based on the formula 100% divided by twelve (12) months.

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- Mr. Pascua agreed with the proposal to include a control number in Annex A as this is required in the Quality Management System (QMS). Engr. Aguda asked about the universe of the tenures issued by the Bureaus, for determination of the digits to be indicated in the control number. Mr. Pascua proposed four (4) digits. For. Quilloy agreed with the suggestion of Mr. Pascua.
 - Dir. Fontanilla suggested that the Order: Deferment of Payment should contain concurrence by the applicant, and that the document should be notarized. For. Quilloy agreed that there should be a conforme of the applicant. However, notarization may no longer be needed as it is an Order of deferment. Mr. Pascua commented that there may be no need for the conforme since there is nothing that the applicant can do- the result of computation will be advantageous to the applicant. He opined that the Order signed by the RED should already be sufficient. For. Quilloy offered that the conforme is for the applicant to know the amount to be paid and the schedule of payment. This being the case, Mr. Pascua suggested adding a statement in the Order that it shall form part of the lease agreement or contract. However, he maintained that there is no need to have the Order notarized. Dir. Fontanilla commented that it may be beneficial to have the document notarized since the order contains the conditions.
 - On Section 9.1.3., Engr. Aguda opined that the ten (10) days may be unnecessarily long. He compared this in the case of tree-cutting which involves three (3) days only. For. Mojica replied that the number of days was based on the Anti-Red Tape Authority (ARTA) regulation.
 - Dir. Fontanilla suggested the addition of a Section (to be indicated as Section 11) regarding reporting. According to him, the Regional Offices should submit a report to the Bureaus, so that the latter will be apprised on the number of deferments issued by the regions. Thereafter, the Bureaus will endorse the report to the Policy and Planning Service (PPS), which shall in turn, prepare the summary. The information generated will be reflected as losses within the year. He also suggested the preparation of a template for the report. For. Oliveros manifested his agreement with the suggestion of Dir. Fontanilla. For. Mojica asked about the inclusions in the template of the report. Dir. Fontanilla commented that the LPDD or the Planning may have such a template. For. Oliveros suggested that the summary of Annex A may be used in the report template. Engr. Aguda suggested indicating the official receipt (OR) number. For. Mojica stated that the PSD will check with the PMED their monitoring form.
 - For. Quilloy suggested adding the frequency of submission of the report, which may be quarterly. For. Oliveros agreed with his suggestion. On the report template, Mr. Pascua suggested that it may reflect the number of requests for deferment, the number of approved applications, and the lost revenue on the part of the government for a particular year. For. Quilloy suggested that the report should be submitted to PMED copy furnished the Bureaus concerned. The deadline should be on the 5th day of the month. Mr. Pascua opined that the reporting should be done annually, to provide for a one-time analysis. For. Quilloy stated that in order to analyse initial data, it is beneficial to have quarterly or semi-annual reporting. For. Oliveros commented that if the Management Conference is done quarterly, the report may also be on the same basis.

- 474 ● Dir. Fontanilla informed that the DBM conducts mid-year review of agency
475 performance, hence, quarterly reporting is also acceptable so that the PPS may be
476 able to undertake initial review. He asked if there is oversight on the review of the
477 tenorial instruments. For. Mojica stated that while the agency performance review is
478 conducted biannually, it is better if the submission is done quarterly, for budget
479 hearing purposes. Nevertheless, the frequency of reporting will have to be clarified
480 with Usec. Leones. Dir. Fontanilla commented that for CY 2022, the DENR already
481 submitted a figure to DBM. Hence, if there are decreases in revenues, the
482 Department should be able to justify the same. The form used is BP Form 100
483 regarding the statement of revenues.
484
- 485 ● Dir Fontanilla commented that the responsible and accountable officer should be
486 identified with regard to the enforcement of payment.
487
- 488 ● On Section 11. Transitory Provision, Ms. Maranan noted that the provision should
489 tackle what is to be done in the interim. The years covered should be in the scope
490 and coverage. Engr. Aguda suggested adding a provision about the process that will
491 be observed for CY 2022. Considering however, that the payment of annual rental is
492 done in advance, he asked whether the permittees will still have to pay in CY 2022.
493
- 494 ● For. Quilloy suggested that if the period covered is not extended to CY 2022, there
495 should be a statement on the government share that will be collected by the Region,
496 whether this will be the regular government share. The inclusion of CY 2022 will
497 mean that there is no gap. For. Oliveros suggested reformulating the transitory
498 provision.
499
- 500 ● For. Oliveros noted that the draft policy does not contain a provision regarding the
501 timeframe for the filing of application. He suggested the inclusion of the same in the
502 transitory provision, to wit, "Upon approval of this Order, all holders who wish to
503 avail shall be given a period of three (3) months (or 6 months) to apply/file a request
504 for deferment." Those who did not apply during the said period will not qualify.
505 Atty. Garcia agreed with the suggestion of For. Oliveros.
506
- 507 ● Atty. Garcia stated that the extension of deferment of payment to CY 2022 should
508 be covered by a legal basis. Based on the Bayanihan Act, the payment is only until
509 December 31, 2021, hence, CY 2022 cannot be considered. On the suggestion of the
510 PTWG Secretariat to use the IATF resolutions on the imposition of the alert level
511 systems, Atty. Garcia suggested checking the resolutions if these are appropriate
512 since the alert level systems only cover a short period. If no legal basis will be
513 determined, CY 2022 will have to observe the normal processes. For. Mojica asked
514 the LAS to assist the PSD in checking the legal basis for CY 2022.
515
- 516 ● For Mojica stated that in case CY 2022 will not be included in the scope, there may
517 be a need for a new section specific to the application of normal computation for the
518 said period. Engr. Aguda suggested looking into the provisions of the CY 2022
519 General Appropriations Act (GAA), as it may contain Covid-19 intervention funds
520 which may be used as legal basis. On the payment/process for CY 2022, For. Quilloy
521 commented that this may be added in Section 5.
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- For. Oliveros stated that since the MGB and EMB have separate guidelines, the suggestion of Asst. Dir. Ortiz for the subject or title to specify/limit the guidelines on the collection of fees and charges from tourism/ecotourism dependent-businesses during the covid-19 pandemic should be reflected.
- Dir. Fontanilla suggested adding a section on when to file the application. According to him, this may be indicated right after the Section on where to file the application.
- On the proposed notarization of the Order: Deferment of Payment, Atty. Garcia commented that it is beneficial to have the document notarized for it to be binding to the tenurial instrument holder. The concurrence/conformity may also be incorporated since the document will form part of the agreement/contract.
- Engr. Aguda suggested revising the definition of tenurial instruments in Section 4.6. as there are portions specific to mining operations.
- For. Oliveros moved for the termination of the discussions on the draft DAO, subject to the revisions/inputs of the PTWG.

Agreements:

1. On the title/subject, specify that the draft policy covers only tourism/ecotourism development projects and other tourism-dependent businesses.
2. On Section 1. Basic Policy, include a provision regarding the government’s mitigation of economic cost and losses due to the Covid-19 pandemic through sound fiscal measures.
3. On Section 2. Objective, indicate that the guidelines is specific to tourism/ecotourism development projects and other tourism-dependent businesses.
4. On Section 3. Scope and Coverage, add the period covered which is March 15, 2020 until December 31, 2021.
5. On Section 4.1. Fees and Charges, delete the line “and other services relating to the environment” and enumerate the specific fees and charges to be collected, such as government share, annual rental, and development fees in the case of SAPA.
6. On Section 4.6. Tenurial Instruments, delete the phrase pertaining to mining. i.e., “joint venture or production sharing agreements, and licenses concerning the development, exploration”
7. On Section 5. Suspension of Re-Evaluation of Tenurial Instruments and Deferment of Payment of Fees and Charges:
 - revise the heading as: “Suspension of Re-evaluated/Re-appraised Rate or Value of Government Share/Rental for Tenurial Instruments and Deferment of Payment.”
 - reflect the revisions in the heading in the first sentence of the second paragraph. Indicate therein that for the period March 15, 2020 to December

- 574 31, 2021, the previously approved appraisal rate/value will be used. Also,
575 specify that the period covered for the imposition of interest on late payment
576 of surcharge shall be CY 2023 to CY 2027.
- 577 - state that for CY 2022, the re-evaluated/re-appraised rate or value of the
578 government share/annual rental, or development fee shall apply.
579
- 580 8. On Section 7. Where to File the Application, change the venue with which to file
581 the application from the Regional Executive Director (RED) to the Community
582 Environment and Natural Resources Office (CENRO) or Implementing
583 Provincial Environment and Natural Resources Office (PENRO).
584
- 585 9. On Section 8. Requirements:
- 586 - on item 8.2. regarding the Certification to be secured from the Barangay
587 and/or Municipal/City LGU, include therein the condition regarding the
588 reduction of business operations due to the implementation of Covid-19
589 protocols. Indicate also that for tenurial instruments covering multiple
590 barangays, the Certification may be obtained from the Municipal/City LGU
591 or the Barangay LGU where the larger portion of the land covered by the
592 tenurial instrument is located. Similarly, in case the tenurial instrument
593 traverses two (2) or more municipalities, the Certification shall be secured
594 from the Municipal/City LGU that has jurisdiction over the larger portion of
595 the land covered by the tenurial instrument.
- 596 - incorporate as item 8.3. the Audited Financial Statements submitted by the
597 applicant to the Bureau of Internal Revenue (BIR) covering CY 2019 to CY
598 2021.
599
- 600 10. On Section 9. Processing of Application, revise the procedures based on the inputs
601 provided by Dir. Fontanilla, i.e., the technical personnel at the
602 CENRO/Implementing PENRO assesses the billing/fees and charges incurred by
603 the tenurial instrument holder, which will then be reviewed by the PENRO
604 Accountant.
605
- 606 11. On Section 10. Payment Scheme, revise/harmonize the provisions for uniform
607 application over all the tenurial instruments covered. Delete the sub-sections
608 regarding the description of payment scheme for each tenurial instrument.
609
- 610 12. Add a Section on Reporting (to be integrated as Section 11), which provides that
611 the report shall be prepared on a semi-annual basis by the Regional Office, to be
612 submitted to the Policy and Planning Service-Program Monitoring and Evaluation
613 Division (PPS-PMED) copy furnished the Bureau concerned. Relatedly, prepare
614 a template for the report, to be included as Annex B, which shall contain the
615 summary of the Order: Deferment of Payment issued by the Region for the
616 specific semester.
617
- 618 13. On the Section on Transitory Provision, incorporate a paragraph laying down the
619 rule on the payment of fees and charges for CY 2022.
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- 621 14. Add a provision regarding the timeframe for the filing of application for
622 deferment of payment of fees and charges. This may be within three (3) months
623 upon effectivity of the policy.
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15. On Annex A. Order of Deferment of Payment, add the control number (Region/Year/Number in four digits, Date), and location of the tenorial instrument. Incorporate portions regarding the conformity/concurrence by the applicant and the notarization of the document. Moreover, include among the conditions that the Order: Deferment of Payment shall form part of the agreement/contract of the applicant.
16. Include a process flow on the procedures for application.
17. EMB and MGB to submit their comments on the draft policy to PSD by Thursday, January 27, 2022.
18. Legal Affairs Service to assist the PSD in looking for the legal basis for the inclusion of CY 2022 in the coverage of the draft policy.
19. PSD to revise the draft policy based on the comments/inputs of the PTWG.

There having no other matters to discuss, the meeting was adjourned at 2:33 PM.

Prepared by the Secretariat

Noted by:


FOR. LLARINA S. MOJICA
Chief, Policy Studies Division



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**DENR ADMINISTRATIVE ORDER
NO. 2022 - _____**

SUBJECT : GUIDELINES ON THE COLLECTION OF FEES AND CHARGES FROM TOURISM/ECOTOURISM DEVELOPMENT PROJECTS AND OTHER TOURISM-DEPENDENT BUSINESSES DURING THE COVID-19 PANDEMIC

Pursuant to the provisions of Republic Act No. 11469 or the “Bayanihan to Heal as One Act,” Republic Act No. 11494 otherwise known as the “Bayanihan to Recover as One Act,” and their Implementing Rules and Regulations, this Order is hereby issued for the guidance and compliance of all concerned.

SECTION 1. Basic Policy. It is the policy of the State to reduce the adverse impact of Covid-19 on the socioeconomic well-being of the Filipinos through the provision of assistance, subsidies and other forms of socioeconomic relief.

On the other hand, it is also the policy of the State to mitigate the economic cost and losses stemming from the Covid-19 pandemic, and accelerate the recovery and bolster the resilience of the Philippine economy through measures grounded on economic inclusivity, and collective growth through fiscal sustainability.

SECTION 2. Objective. This Order aims to provide guidelines on the manner of collection of fees and charges from tourism/ecotourism development projects and other tourism-dependent businesses, to ease their burdens brought about by the Covid-19 Pandemic.

SECTION 3. Scope and Coverage. This Order shall apply to tourism/ecotourism development projects and other tourism-dependent businesses covered by Special Use Agreement in Protected Areas (SAPA), Memorandum of Agreement (MOA), Forest Land Use Agreement for Tourism Purposes (FLAgT), and Foreshore Lease Agreement (FLA) affected by the Covid-19 Pandemic, covering the period 15 March 2020 until 31 December 2021.

SECTION 4. Definition of Terms. As used in this Order, the following terms shall be defined as:

- 4.1. Fees and Charges** - also known as user’s fees, these shall cover the government share/annual rental, or development fee to be paid by the tenurial instrument holder to the government for the use of a certain portion of public land.

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- 4.2. **Forest Land Use Agreement for Tourism Purposes (FLAgT)** - an agreement between the DENR and a natural or juridical person, authorizing the latter to occupy, manage and develop, subject to government share, any forestland of the public domain for tourism purposes and to undertake any authorized activity therein for a period of twenty-five (25) years and renewable for the same period upon mutual agreement by both parties. It shall include special forest land uses such as Bathing Establishment, Camp Site, Ecotourism Destination, Hotel Site (inclusive of related resort facilities) and other tourism purposes.
- 4.3. **Foreshore Lease Agreement (FLA)** - an agreement executed by and between the DENR and the applicant (natural or juridical person) to occupy, develop, utilize, and manage the foreshore lands. It may also cover marshy lands or lands covered with water bordering upon the shores or banks of navigable lakes or rivers.
- 4.4. **Memorandum of Agreement (MOA)** - a document executed between the applicant and the DENR and PAMB for activities and/or development interventions that may be allowed in designated portions of protected areas subject to the payment of user fee in lieu of the SAPA.
- 4.5. **Special Use Agreement Within Protected Areas (SAPA)** - a binding instrument between the DENR, as the first party, and the project proponent as the second party, relating to the use and/or development of land, resources or facilities within protected areas, pursuant to the NIPAS Act, as amended.
- 4.6. **Tenurial Instruments** - are leases, permits, and agreements concerning the development and utilization of the country's natural resources.

SECTION 5. Suspension of the Use of Re-evaluated/Re-appraised Rate or Value of Government Share/Rental for Tenurial Instruments and Deferment of Payment. The use of re-evaluated/re-appraised rate or value of the FLAgT, FLA, SAPA and MOA, as mandated by the following policies, shall be temporarily suspended pursuant to the Bayanihan Act:

- 5.1. FLAgT – pursuant to Section 16 of DAO No. 2004-28 or the Rules and Regulations Governing the Use of Forestlands for Tourism Purposes, the revaluation is mandated to be conducted every five (5) years.
- 5.2. FLA – under Section 14 of DAO No. 2004-24 or the Revised Rules and Regulations Governing the Administration and Management of Foreshore Lands, re-appraisal of the area and the improvement thereon is conducted every ten (10) years from the date of approval of the lease contract.
- 5.3. SAPA / MOA – Pursuant to Rule 25.8 of DAO No. 2019-05 or the IRR of the NIPAS Act, as amended, review of rates of development fee shall be conducted every five (5) years from the issuance of the SAPA. The review of development fee for the availing SAPA/MOA holder shall be conducted two (2) years upon full payment of the arrears.

94 In addition to the temporary suspension of the use of the re-evaluated/re-appraised
95 value or rate for the tenurial instrument, the payment of annual rental covering the period 15
96 March 2020 to 31 December 2021 is hereby deferred. For such period, the previously approved
97 appraised rate/value shall apply. The adjusted schedule of payment, as provided in Section 10
98 of this Order, shall be construed that no fines or penalties shall be incurred by the tenurial
99 instrument holder covering the period stated above. However, an interest on late payment of
100 surcharge covering CY 2023 to CY 2027 shall be imposed.

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102 For CY 2022, the re-evaluated/re-appraised rate or value of the government
103 share/annual rental, or development fee shall apply.

104
105 No tenurial instrument covered by these guidelines shall be suspended and/or cancelled
106 as a result of the failure of holders to pay the fees and charges demandable during the period
107 covered.

108
109 **SECTION 6. Qualified Tenurial Instrument Holders.** Any person, entity, or
110 corporation who has passed the following qualifications may be entitled to avail of the relief
111 granted under this Order:

112 6.1. Holders of valid DENR tenurial instruments who have no arrears on applicable
113 fees prior to March 15, 2020; and

114 6.2. Those who are in good standing, have complied with pertinent existing laws, rules
115 and regulations, and are compliant with the Terms and Conditions of their tenurial
116 instrument, as determined by DENR or the Protected Area Management Board
117 (PAMB) in the case of SAPA/MOA.

118 **SECTION 7. Where to File the Application.** The applicant or his/her duly authorized
119 representative shall express his/her intent to apply or avail of the relief provided under this
120 Order by submitting a Letter of Intent (LOI) to the Community Environment and Natural
121 Resources Office (CENRO) / Implementing Provincial Environment and Natural Resources
122 Office (PENRO), or to the Protected Area Management Office (PAMO) / Protected Area
123 Superintendent (PASu) having jurisdiction over the area covered by the tenurial instrument,
124 together with all the supporting documents as stated in Section 8 hereof. He/she shall have the
125 option to submit the Letter of Intent through email or through courier.

126 **SECTION 8. Requirements.** The following documents shall be submitted in relation
127 to the application:

128 8.1. Letter of Intent (LOI) from the Authorized Representative;

129 8.2. Certification from the Barangay and/or Municipal/City LGU that the lessee has
130 reduced or ceased its business operations or was ordered to temporarily suspend
131 operations due to the implementation of Covid-19 protocols, within the period
132 covered by this Order. For tenurial instruments covering multiple barangays, the
133 Certification may be obtained from the Municipal/City LGU or the Barangay
134 LGU where the larger portion of the land covered by the tenurial instrument is
135 located. Similarly, in case the tenurial instrument traverses two (2) or more
136 municipalities, the Certification shall be secured from Municipal/City LGU that

137 has jurisdiction over the larger portion of the land covered by the tenurial
138 instrument; and

139 8.3. Audited Financial Statements submitted to the Bureau of Internal Revenue (BIR)
140 covering CY 2019 to CY 2021.

141 **SECTION 9. Processing of Application.** The following procedures shall apply in the
142 processing of applications:

143 9.1. Timeframe

144 Tenurial instrument holders who are interested to avail of the relief granted may
145 apply with the CENRO/Implementing PENRO or the Protected Area
146 Management Office (PAMO) / Protected Area Superintendent (PASu) within a
147 period of three (3) months upon effectivity of this Order.

148 9.2. Procedures

149 9.2.1. FLAgT and FLA

150 9.2.1.1. Within three (3) working days upon receipt of the applicant's
151 Letter of Intent and supporting documents, the CENRO or
152 Implementing PENRO shall evaluate the qualification of the
153 applicant to avail of the relief granted under this Order. The
154 technical personnel shall then assess the demandable fees and
155 charges/billing for the period covered.

156 9.2.1.2 If the applicant is qualified to avail of the relief granted, the LOI
157 and supporting documents, together with the evaluation report,
158 shall be submitted by the CENRO to the PENRO, or by the
159 Implementing PENRO to the Regional Office, through proper
160 channels, for review of the assessment of fees and
161 charges/billing by the PENRO Accountant or the Regional
162 Office Accountant, as the case may be.

163 9.2.1.3. Within three (3) working days upon review, the PENRO or the
164 Regional Office Accountant shall submit his/her
165 recommendation to the Regional Executive Director (RED),
166 through proper channels, copy furnished the CENRO or the
167 Implementing PENRO. If the request is approved, the Office of
168 the RED shall, within three (3) working days, prepare the Order:
169 Deferment of Payment (Annex A) in three (3) copies, for
170 transmittal to the applicant and other offices concerned such as
171 the CENRO/Implementing PENRO and the Planning and
172 Management Division (PMD). The Order: Deferment of
173 Payment shall indicate the fees and charges incurred for the
174 period 15 March 2020 until 31 December 2021, the schedule of
175 payment, the conditions, and the document control number. It
176 shall also be concurred by the applicant and notarized as it will
177 form part of the agreement/contract.

178 In case of non-qualification or disapproval of the request, the
179 CENRO or the Implementing PENRO shall inform the applicant
180 in writing within one (1) working day.

181 The process flow is attached as Annex B.

182 9.2.2. SAPA and MOA

183 9.2.2.1. Within three (3) working days upon receipt of the applicant's LOI
184 and supporting documents, the Protected Area Management
185 Office (PAMO) / Protected Area Superintendent (PASu) shall
186 evaluate the qualification of the applicant to avail of the relief
187 granted under this Order. The technical personnel shall then
188 assess the demandable fees and charges/billing for the period
189 covered.

190 9.2.2.2. If the applicant is qualified to avail of the relief granted, the LOI
191 and supporting documents, together with the evaluation report,
192 shall be submitted by the PAMO / PASu to the PENRO or to the
193 Regional Office that has jurisdiction thereon, through proper
194 channels, for review of the assessed fees and charges/billing.
195 Within a period of three (3) working days, the PENRO
196 Accountant or the Regional Office Accountant shall review the
197 assessment and provide his/her recommendation thereon.
198 Thereafter, the LOI and all supporting documents shall be
199 forwarded to the Protected Area Management Board (PAMB) for
200 evaluation and subsequent issuance of a PAMB resolution
201 allowing or disallowing the deferment of such payment and
202 waiving of penalties/surcharges. The PAMB shall act on the
203 request within ten (10) working days upon receipt thereof.
204

205 9.2.2.3. After the issuance of a resolution by the PAMB, the PAMO /
206 PASu shall forward the LOI and all supporting documents to the
207 Regional Executive Director (RED), through proper channels, for
208 approval or disapproval. If the request is approved, the Office of
209 the RED shall, within three (3) working days, prepare the Order:
210 Deferment of Payment (Annex A) in three (3) copies, for
211 transmittal to the applicant and other offices concerned such as
212 the PAMO/PASu and the Planning and Management Division
213 (PMD). The Order: Deferment of Payment shall indicate the fees
214 and charges incurred for the period 15 March 2020 until 31
215 December 2021, the schedule of payment, the conditions, and the
216 document control number. It shall also be concurred by the
217 applicant and notarized as it will form part of the tenurial
218 instrument.

219 In case of non-qualification or disapproval of the request, the
220 PAMO/PASu shall inform the applicant in writing within one (1)
221 working day.

222 The process flow is attached as Annex C.

223 **SECTION 10. Payment Scheme.** In line with Section 5 of this Order, a staggered
224 payment scheme shall be implemented for FLAgT, FLA, SAPA and MOA, wherein affected
225 tenurial instrument holders shall pay appropriate fees due and demandable against them in
226 maximum of five (5) years to be included in their annual rental, which shall commence in CY
227 2023.

228 The re-appraised values approved between March 15 2020 until December 31, 2021
229 shall not be used in computing the rentals for CY 2020 to 2021. The rental amount to be paid
230 shall be computed using the previously approved appraisal. Leaseholders who have already
231 paid the annual rental for CY 2020 and CY 2021 using the approved reappraised values are
232 entitled to a rebate in the form of rent credits for CY 2023.

233
234 Failure to pay the said amount on time will result in corresponding surcharges of 8.33%
235 per month.

236
237 **SECTION 11. Reporting.** The Regional Office shall prepare a semi-annual report on
238 the Order: Deferral of Payment issued and submit the same to the Policy and Planning Service
239 – Program Monitoring and Evaluation Division (PPS-PMED), copy furnished the Bureau/s
240 concerned. The deadline for the submission of the report to the PPS shall be on the fifth (5th)
241 day of the month. The information generated from the reports may be used by the DENR-Central
242 Office in determining the losses incurred by the Department due to the Covid-19 pandemic. The
243 template for the report is attached as Annex D.

244 **SECTION 12. Separability Clause.** If any provision of this Order shall be held invalid
245 or unconstitutional, the other portions or provisions hereof which are not affected shall continue
246 in full force and effect.

247 **SECTION 13. Repealing Clause.** All Orders and other similar issuances inconsistent
248 herewith are hereby repealed, amended or modified accordingly.

249 **SECTION 14. Effectivity.** This Order shall take effect fifteen (15) days after its
250 publication in a newspaper of general circulation and upon acknowledgement of receipt thereof
251 by the UP Office of the National Administrative Register (ONAR).

252

253

254

255

ROY A. CIMATU
Secretary

Republic of the Philippines
Department of Environment and Natural Resources

ORDER: DEFERMENT OF PAYMENT

Pursuant to DENR Administrative Order No. 2022-_____, this Order is issued this day, _____ in _____, Philippines for the deferment of payment of fees and charges incurred by:

Name of Applicant	
Name of Business	
Business Address	
Tenurial Instrument	<input type="checkbox"/> FLAgT <input type="checkbox"/> FLA <input type="checkbox"/> SAPA <input type="checkbox"/> MOA
Tenurial Instrument No.	
Location	
Expiration Date of Tenurial Instrument	

SCHEDULE OF PAYMENT

The fees and charges incurred by the applicant covering the period 15 March 2020 to 31 December 2021, with a total amount of P _____ shall be paid by the applicant in five (5) annual installments starting CY 2023. These installments shall be on top of the annual fee due for that particular year based on the Terms and Conditions of the agreement/contract. The schedule of payment is as follows:

YEAR	Annual Fees and Charges	Arrears/Installment	Total Due for the Year	Due Date
2023				

2024				
2025				
2026				
2027				

CONDITIONS

1. Failure to pay the arrears stated above on the agreed payment schedule shall be subjected to surcharges/penalties below:
 - a. Monthly surcharge of 8.33% of the annual scheduled payment.
 - b. Failure to pay for at least one (1) year shall be subject to surcharges of 100% of the annual scheduled payment for every year of non-payment, provided that a fraction of a year beyond one (1) year shall be counted as a full year.
 - c. Failure to pay the annual scheduled payment for two (2) consecutive years shall be a ground for cancellation of the agreement/contract.

2. Above surcharges to be incurred shall be on top of the regular surcharges/penalties based on the terms and conditions of the agreement/contract.

3. The Order: Deferment of Payment shall form part of the agreement/contract.

SO ORDERED.

 (Location of the Office)

REGIONAL EXECUTIVE DIRECTOR

Conforme:

APPLICANT

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared the following:

<u>NAME</u>	<u>GOVERNMENT IDENTIFICATION CARD/PASSPORT AND NUMBER</u>	<u>DATE & PLACE ISSUED</u>
_____	_____	_____
_____	_____	_____

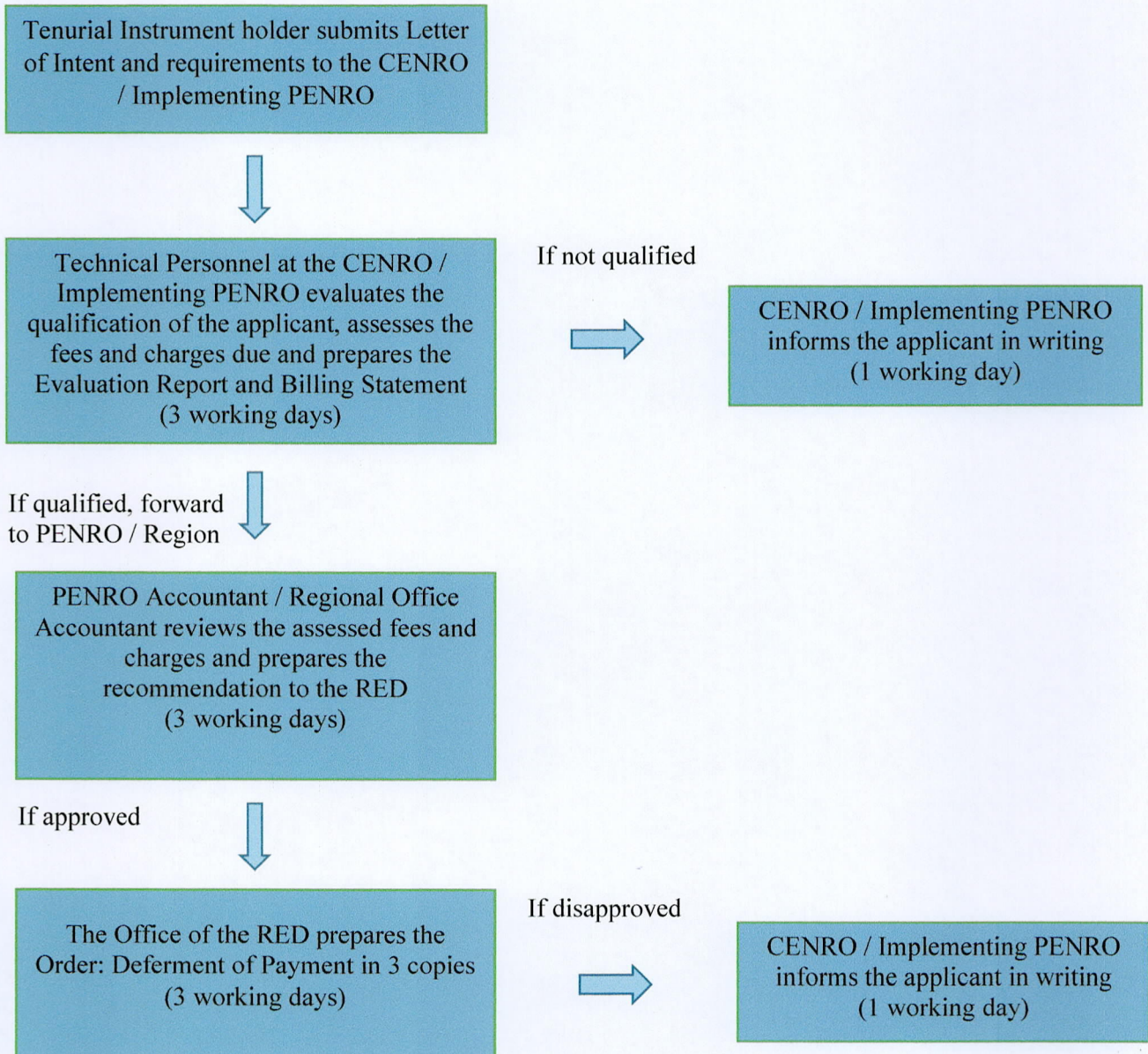
known to me and to me known to be the same persons who executed the foregoing Order: Deferment of Payment and acknowledged to me that the same is their free and voluntary act and deed of the entities they respectively represent.

This Order: Deferment of Payment consisting of three (3) pages, including the page on which this acknowledgment is written, has been signed by both parties together with their respective witness on the spaces provided therein,

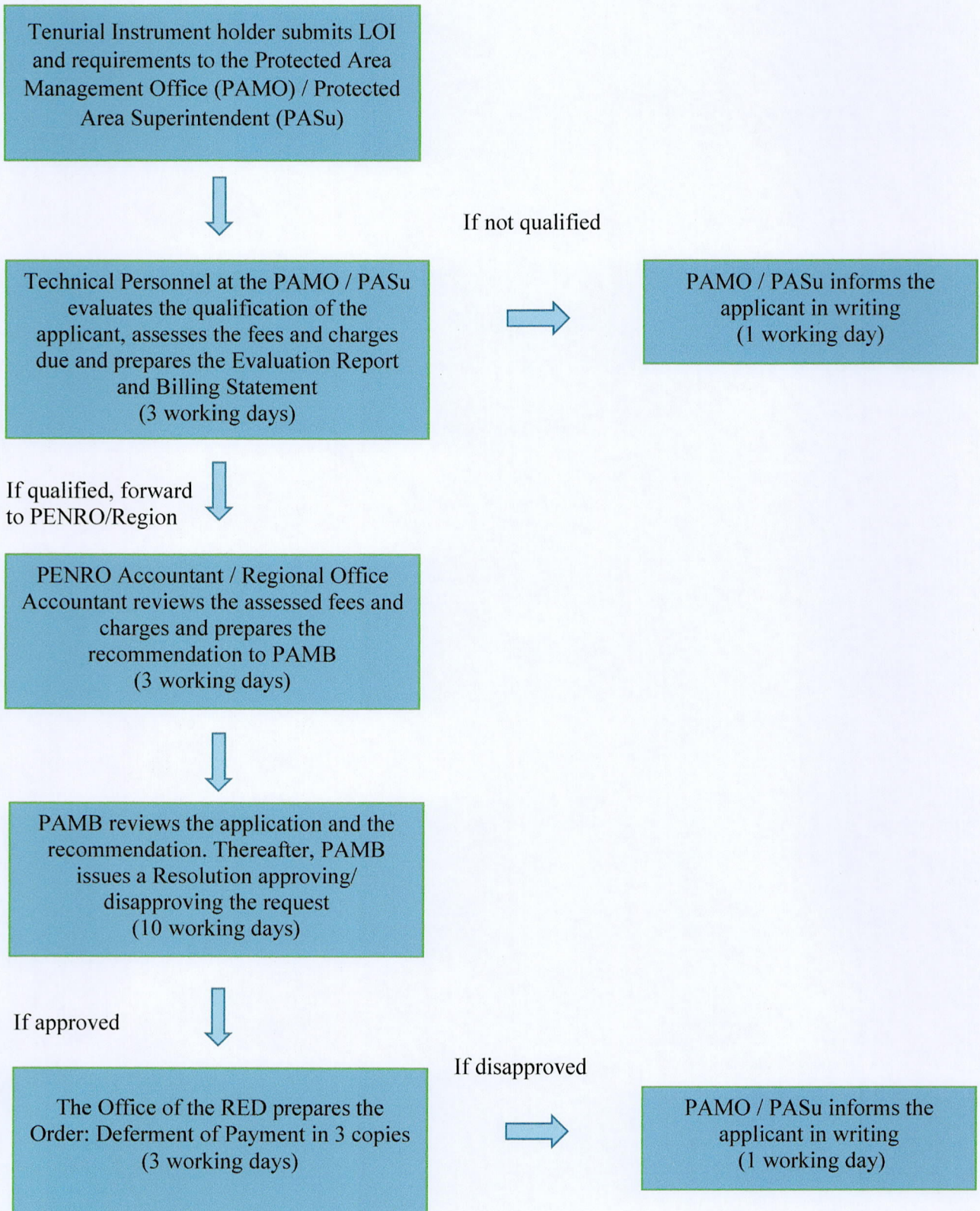
IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ of 2022 in _____, Philippines.

Doc. No. _____
Page No. _____
Book No. _____
Series of 2022

ANNEX B. PROCESS FLOW FOR FLA AND FLAGT



ANNEX C. PROCESS FLOW FOR SAPA AND MOA



ANNEX D. TEMPLATE FOR THE REPORT

Region / Year / Semester: (Example: R4A-22-1st Sem)

Date: _____

Report on the Order: Deferment of Payment Issued by the Regional Office

The Director
Policy and Planning Service

Sir / Maám,

Transmitted herewith is the summary of the Order: Deferment of Payment issued by the Regional Office for the period January – June 2022 (or July – December 2022):

Control Number	Name of Applicant	Name of Business	Business Address	Tenurial Instrument (FlagT / FLA / SAPA / MOA)	Tenurial Instrument Number	Location	Expiration Date of Tenurial Instrument	Fees and Charges Incurred for the period March 15-2020 to Dec. 31, 2021
TOTAL								

Prepared by:

Recommended by:

Approved by:

Planning Officer

Assistant Regional Director for
Management Services

Regional Executive Director

Copy furnished:

The Director
(Bureau/s)