

Republic of the Philippines Department of Environment and Natural Resources

Visayas Avenue, Diliman, Quezon City 1116 Tel Nos. 9296626 to 29 ; 9296633 to 35 Website http:// Emailweb@denrgov.ph

MEMORANDUM

TO

THE REGIONAL EXECUTIVE DIRECTORS

DENR Region III and IVA

THE EXECUTIVE DIRECTOR
National Water Resources Board

THE DIRECTOR

Environmental Management Burea

THE DIRECTOR

Forest Management Bureau

FROM

THE UNDERSECRETARY

Field Operations for Luzon & Visayas and Environment

SUBJECT

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM

(MWSS) JUSTIFICATION ON THE NEWS CENTENNIAL WATER

SOURCE - KALIWA DAM PROJECT

DATE:

DEC 0 2 2022

Referred for appropriate action is the Memorandum dated 29 November 2022 from Undersecretary and Chief of Staff Marilou Erni endorsing the letter dated 15 November 2022 addressed to the DENR Secretary from Administrator Leonor Cleofas of MWSS regarding the abovementioned subject.

Administrator Cleofas submits that the Kaliwa Dam needs to be implemented because of the following justifications:

- 1. In a study prepared by Sinclair Knight Merz in 2005 has identified the Kaliwa Dam Project as one of the potential sources of raw water supply;
- 2. It will provide an additional 600 million liters per day intended to meet the increasing water demand;
- 3. It is the nearest surface water source for Metro Manila; and
- 4. It serves as an option to Laguna Lake as a source of water supply since Laguna Lake is an expensive and non-sustainable source of raw water.

For information, reference and further appropriate action.

ATTY. JUAN MIGUEL T. CUNA, CESO I

c.c.

Office of the Secretary

Office the Administrator Metropolitan Waterworks and Sewerage System 4th Flr., Administration Bldg., MWSS Complex 489 Katipunan Ave., Balara, Q. City

MEMO NO. 2022 - 854



:

Republic of the Philippines

Department of Environment and Natural Resources

Visayas Avenue, Diliman, Quezon City Tel Nos. 929-6626 to 29; 929-6633 to 35 926-7041 to 43; 929-6252; 929-1669

Website: http://www.denr.gov.ph / E-mail: web@denr.gov.ph

MEMORANDUM

FOR

The Undersecretary

Field Operations - Luzon, Visayas and Environment

FROM

The Undersecretary and Chief of Staff

SUBJECT

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS) JUSTIFICATION ON THE NEW CENTENNIAL WATER SOURCE - KALIWA DAM PROJECT

(NCWS-KDP)

DATE

NOV 2 9 2022

Respectfully referred, is the attached letter from MWSS Administrator Leonor C. Cleofas submitting their justification on the need to implement the New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP), which include the following:

- 1. Deferment of the construction of the Laiban Dam;
- 2. The 2013 feasibility study and past studies identifying the potential water sources in the Kaliwa-Kanan River Basin;
- 3. Kaliwa Dam will provide additional 600 million liters per day to meet the increasing demand;
- 4. The Kaliwa River is the nearest surface water source for Metro Manila; and
- 5. The option of the Laguna Lake as a source of water supply is expensive and not a sustainable source of water but a supply gap measure.

For information and appropriate action please.

Marilan Stel

CC

Administrator Leonor C. Cleofas

Metropolitan Waterworks and Sewerage System 4th Floor, Administration Building, MWSS Complex 489 Katipunan Avenue, Balara, Quezon City

The Director

Biodiversity Management Bureau



Republic of the Philippines Department of Environment and Natural Resources

Visayas Avenue, Diliman, Quezon City Tel Nos. 929-6626 to 29; 929-6633 to 35 926-7041 to 43; 929-6252; 929-1669

Website: http://www.denr.gov.ph / E-mail: web@denr.gov.ph

NOV 2 9 2022

ADMINISTRATOR LEONOR C. CLEOFAS

Metropolitan Waterworks and Sewerage System 4th Floor, Administration Building, MWSS Complex 489 Katipunan Avenue, Balara, Quezon City

Dear Administrator Cleofas:

This is to acknowledge receipt of your letter submitting the justification on the need to implement one of the Infrastructure Flagship Projects, the New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP).

In this regard, please be informed that we have referred your letter to the Undersecretary for Field Operations — Luzon, Visayas and Environment for appropriate action to provide you with their actions taken on the subject matter. You may directly coordinate with the said office at telephone number (02) 8925-2328 for the latest updates.

Thank you very much for your kind consideration.

Very truly yours,

MÁRILOU G. ERNI

Undersecretary and Chief of Staff

Marilon Del



15 November 2022

HON. MARIA ANTONIA YULO LOYZAGA

Secretary
Department of Environment and Natural Resources
Visayas Avenue, Diliman,
Quezon City

SUBJECT: New Centennial Water Source - Kaliwa Dam Project

Department of Environment & National Resources Records Management Division NOV 16 2022 Received by: Time: 1538

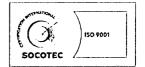
MWSS-DAE-O-22-1421

Dear Secretary Loyzaga:

Further to our earlier letter dated 04 October 2022 under letter reference number MWSS-DAE-O-22-1182, we are submitting herewith our justification on why there is a need to implement our New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP) – one of the Infrastructure Flagship Project (IFP) of the government.

Justification:

- 1) Several studies in the past, among others, the Manila Water Supply Project (1980), JICA Study on Water Resources Development (2003), and the World Bank-funded Water Supply Master Plan prepared by consultant Sinclair Knight Merz (SKM) in 2005, showed that the Kaliwa-Kanan-Agos Rivers basin in Rizal and Quezon Provinces had been identified as feasible long-term sources of raw water supply recommending Laiban Dam, Kanan Dam, Agos Dam and Kaliwa Dam Projects as potential water source projects. Thus, in the early 1980s, the Laiban Dam Project located along the Kaliwa River in Barangay Laiban, Tanay, Rizal, was conceived as a new water source for MWSS next to Angat Dam. However, due to the change in Administration as a result of the EDSA revolution in 1986, the Laiban Dam Project was deferred.
- 2) In the 2013 feasibility study and following past studies, the potential water sources in the Kaliwa-Kanan Rivers basin was re-designed and named as the New Centennial Water Source Project (NCWSP) involving an integrated dam system of Kaliwa and Laiban Dams. However, given the huge project impact on Laiban Dam wherein 7 barangays will be inundated, the MWSS decided to implement Kaliwa Dam instead. Thus, the Project was denominated as the New Centennial Water Source Kaliwa Dam Project (NCWS-KDP) that was approved by the NEDA Board in 2014 originally under Public-Private Partnership (PPP) modality and later in 2017, approved with the change in project financing from PPP to Official Development Assistance (ODA) under China Loan.





MWSS-DAE-O-22-1421

- 3) On the issue of the reliability of a single water supply source, the Angat Dam because of its age (almost 60 years old) and the presence of the West Valley fault in the vicinity of the dam, make our water supply source at risk. A new water source therefore, in this case the Kaliwa Dam, will help mitigate the loss of water supply from the other source in case of major disasters and natural calamities. Angat Dam is providing 90% of the current water supply requirements of MWSS, and the Kaliwa Dam will provide an additional 600 million liters per day intended to meet the increasing water demand.
- 4) Kaliwa River is the nearest surface water source for Metro Manila and the longer the Project is delayed, the more difficult the project implementation will be due to increasing number of settlers in the area and moreso, the more costly the project becomes.
- 5) Laguna Lake as a source of water supply is expensive and not a sustainable source but merely a supply gap measure until we have the likes of Angat Dam constructed. Below is the cost comparison of producing potable water from fresh water and from the lake.

Source of Water	Indicative Production Cost per Cubic Meter
Rivers (Angat River and Kaliwa River)	PhP 0.21
Lakes	PhP4.23
(Laguna Lake)	(with reverse osmosis)
	PhP3.84
	(without reverse osmosis)

We hope that the above information justifies the need to construct the Kaliwa Dam Project as the additional long-term water source for MWSS next to Angat Dam.

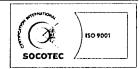
Thank you.

Very truly yours,

LEONOR C. CLEOFAS, CESO IV

Administrator

Copy furnished: Executive Director Sevillo D, David, Jr. - NWRB







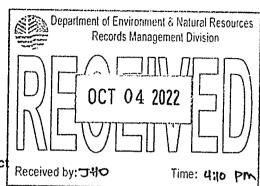
MWSS-DAE-O-22-1182

04 October 2022

HON. MARIA ANTONIA YULO LOYZAGA

Secretary
Department of Environment and Natural Resources
Visayas Avenue, Diliman,
Quezon City

SUBJECT: New Centennial Water Source - Kaliwa Dam Project



Dear Secretary Loyzaga:

Greetings from MWSS!

This pertains to our on-going New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP) – one of the MWSS' Infrastructure Flagship Project listed under the Build, Build, Build program of our government, intended to ensure water security for the MWSS service area covering Metro Manila, Rizal, Bulacan and parts of Cavite.

In view of the above, the MWSS respectfully informs this Office of the following information and significant accomplishments/updates on the NCWS-KDP, viz:

Project Information:

- The Project involves the design and construction of a dam with a supply capacity of 600 million liters per day (600mld) and a 21.90 kilometers raw water conveyance tunnel.
- The proposed dam is located in Barangay Pagsangahan, General Nakar, (left bank of the dam) and in Barangay Magsaysay, Infanta, (right bank of the dam), both in the Province of Quezon. The raw water conveyance tunnel traverses the mountain areas of the towns of Tanay, Baras, Morong and Teresa in the Province of Rizal. The tunnel outlet portal where the Tunnel Boring Machine (TBM) will start its tunnel excavation, is located in Teresa, Rizal.
- The Project was approved by the NEDA Board on 29 May 2014 and on 27 June 2017 for the change in project financing from PPP to Official Development Assistance (ODA) under China Loan.
- The Environmental Compliance Certificate (ECC) was issued by DENR on 11 October 2019.
- The Project was awarded to a Chinese firm, China Energy Engineering Corporation (CEEC), in the total project cost of PhP12.189 Billion, of which 85% is funded through loan from China Eximbank.
- Project Schedule:





MWSS-DAE-O-22-1182

Original: 13 November 2019 to 11 November 2024 (5 years)
 Revised: 13 November 2019 to 12 June 2025 (5.60 years)

Project Updates (as of 30 Sept 2022):

- 1) The Project is now at 16.079% physical accomplishment attributed mainly on the completion of the Detailed Engineering Design (DED), delivery of the Tunnel Boring Machine (TBM) and construction of camp site facilities at the Tunnel Outlet Portal in Teresa, Rizal. The area covered by the outlet portion of the tunnel is outside of the protected areas and the ancestral domains;
- 2) The proposed 73-meters high Kaliwa Dam and its appurtenant structures straddles over two (2) Ancestral Domains of the Dumagat-Remontado Indigenous Cultural Communities/Indigenous Peoples (ICCs/IPs) in Tanay, Rizal and General Nakar, Quezon and two (2) protected areas declared under Presidential Proclamations 573 and 1636. This necessitated the application for Certification Precondition (CP) and Special Agreement on Protected Areas (SAPA).
 - a) Certification Precondition from the National Commission on Indigenous Peoples (NCIP)
 - After almost seven (7) years of processing since the MWSS filed its application in 2015, the Free and Prior Informed Consent (FPIC) process for the Project reached a milestone on 19 September 2022 with the approval of its Certification Precondition (CP) after a series of NCIP Commission *en banc* (CEB) sessions.
 - Subsequent to the approval by the NCIP Commission *en banc*, Chairperson Allen A. Capuyan in representation of the said Office will sign the MOA and issue the corresponding Certification Precondition (CP);
 - b) Special Use Agreement in Protected Areas (SAPA) from the Protected Area Management Board (PAMB) chaired by the Regional Director of DENR Region IV-A.
 - b.1) Rizal Area (PN 573 Kaliwa River Forest Reserve, (KRFR)

With the adoption of Management Board Resolution No. 01, S. 2022 dated February 10, 2022 (Minutes of the meeting attached as Annex "A"), the SAPA Application for NCWS-KDP under Proclamation No. 573, known as Kaliwa River Forest Reserve, was already elevated in the DENR Region IVA for endorsement to the Biodiversity Management Bureau (BMB) in accordance with the DENR Revised Manual on Technical Matters, viz:

"Kapasyahan nag i-endorso sa paggawad ng Special Use Agreement in Protected Area (SAPA) para sa mga bahagi ng proyektong New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP) ng MWSS sa nasasakupan ng Kaliwa River Forest Reserve (KRFR)"





MWSS-DAE-O-22-1182

b.2) Quezon Area (PP 1636)

During the Special PAMB Meeting of PP1636 on September 16, 2022, the Protected Area Management Board of PP1636 passed three (3) resolutions (Minutes of the meeting attached as Annex "B"), to wit:

b.2.1 Management Board Resolution No. 08, S-2022 entitled:

"Kapasyahan na Iniindorso ang Updated Comprehensive Development and Management Plan (CDMP) ng Metropolitan Waterworks and Sewerage System (MWSS) kaugnay ng proyektong New Centennial Water Source – Kaliwa Dam Project (NCWS-KDP) para sa mga bahagi ng proyekto na nakapaloob sa Presidential Proclamation No. 1636"

b.2.2 Management Board Resolution No. 09, S-2022 entitled:

"Kapasiyahang Iniindorso ng PAMB ang panukalang Memorandum of Agreement (MOA) sa pagitan ng Kalihim ng Department of Environment and Natural Resources (DENR), KGG. Maria Antonia Yulo-Loyzaga at ng Administrator Leonor C. Cleofas ng Metropolitan Waterworks and Sewerage System (MWSS) para sa New Centennial Water Source – Kaliwa Dam Project"

b.2.3 Management Board Resolution No. 10, S-2022 entitled:

"Kapasiyahang pinahihintulutan ng PAMB-PP1636 ang Metropolitan Waterworks and Sewerage System (MWSS) para sa New Centennial Water Source – Kaliwa Dam Project para sa mga paunang gawain na nakasaad sa Memorandum of Agreement (MOA) bilang bahagi ng proyekto ng Kaliwa Dam na nasa loob ng Presidential Proclamation No. 1636"

In the interest of time, and with the guidance of the Regional Director of DENR IV-A (CALABARZON), the MWSS will enter into a Memorandum of Agreement (MOA) with DENR allowing MWSS to proceed with the preliminary construction activities at the damsite covered within PP1636 while the SAPA Application is ongoing. The MOA is now being finalized for signature of MWSS and DENR.

3) In recognition of the long-term partnership with the host Local Government Units (LGUs) in the implementation of the NCWS-KDP, the MWSS signified its commitment to support the establishment of sustainable development plans, programs and projects through the execution of a Memorandum of Agreement (MOA). In line with this, in our effort to seek for their cooperation and to secure a duly signed MOA, the MWSS conveyed to the six (6) host LGUs the creation of Local Technical Working Groups (LTWGs) to initialize the formulation of the Integrated Social Development Plan (ISDP). The MOA and transmittal were sent to the LGUs on 09 September 2021. The same MOA was approved by the MWSS Board of Trustees on 09 September 2022 (Board Resolution No. 2022-114-CO attached as Annex "C").





MWSS-DAE-O-22-1182

We are also sending hard copies of the Environmental Impact Statement (EIS) of the NCWS-KDP to provide you with the essential information on the NCWS-KDP.

With the commitment of support from our partner agencies, be certain that MWSS will exert all efforts for the timely completion of the NCWS-KDP to ensure water security and to help aid the government's efforts for social and economic recovery from the COVID-19 pandemic.

Thank you.

Very truly yours,

LEONOR C. CLEOFAS, CESO IV

Administrator



Republic of the Philippines

Department of Environment and Natural Resources **BIODIVERSITY MANAGEMENT BUREAU**

Ninoy Aquino Parks and Wildlife Center Quezon Avenue, Diliman, Quezon City

Tel. Nos.: (632) 924-6031 to 35 Fax: (632) 924-0109. (632) 924-0109

Website: http://www.bmb.gov.ph E-mail: bmb@bmb.gbv



NOV 15 2022 MEMORANDUM FOR THE SECRETARY

Received by: THU

Time: 3 コル

THRU

The Undersecretary for Legal, Administration, Human Resources and

Legislative Affairs

The Undersecretary for Policy, Planning and International Affairs

The Undersecretary for Field Operations- Luzon, Visayas and

Environment

FROM

The OIC, Director

SUBJECT

BRIEFER ON NEW CENTENNIAL WATER SOURCE-KALIWA DAM PROJECT OF THE METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM WITHIN THE UNNAMES NATIONAL PARK, WILDLIFE SANCTUARY AND GAME PRESERVE AND KALIWA

RIVER FOREST RESERVE

FACTUAL BACKGROUND

1. The New Centennial Water Source-Kaliwa Dam Project (NCWS-KDP) is a national government project approved by the National Economic Development Authority (NEDA) Board on 29 May 2014. The Project was conceptualized to address the concern of possible water supply deficit in Metro Manila by the year 2020. Currently, the MWSS is relying on the supply of the Angat Dam which supplies 95% of its service areas. The details of the projects are as follows:

Project Information

ght and a
upply to
ILD)
l
say,
y in Rizal
f project



Proponent Profile

Name	Metropolitan Waterworks and Sewerage System (MWSS)
Address	Katipunan Road, Balara, Diliman, Quezon City 1100
Authorized	PDDG Reynaldo V. Velasco (Ret.)
Signatory	Administrator
Contact Details	Telephone Number: +632 922 3757, 922 2969
	Fax Number: +632 921 2887
	Website: www.mwss.gov.ph
	Email Address: info@mwss.gov.ph

Source: Comprehensive Development and Management Plan of NCWS-KDP, August 2022

- 2. The NCWS-KDP is among the projects prioritized by the Department of Finance (DOF) and the NEDA for funding under the China Bilateral Loan Agreement that the National Government Agencies (NGAs) are currently negotiating. The Project is one of the flagship initiatives of the Government under its "Build, Build, Build" Program.
- 3. The Project is within the Unnamed National Park, Wildlife Sanctuary and Game Preserve (PP 1636) in Quezon Province and Kaliwa Watershed Forest Reserve in the Province of Rizal. The dam will be located in PP 1636 while the conveyance tunnel will be located underground in Kaliwa RFR (*Annex A*);
- 4. The Project is within the ancestral domains of the Dumagat/Remontado Tribe (R04-TAN-0709-130) in Tanay, Rizal and Dumagat Tribe (R04-NAK-1208-097) in General Nakar, Quezon (*Annex B*).
- 5. The Comprehensive Development and Management Plan of the Project identified 73 families, all of whom are non-Indigenous Peoples, in Brgy. Pagsangahan, General Nakar, Quezon and Brgy. Daraitan, Tanay, Rizal who will be affected by the Project and will be resettled. However, the Complete Staff Work submitted by the DENR CALABARZON on 28 October 2022 reported that a total of 98 families friom Brgy. Magsaysay and Brgy. Pagsangahan, Infanta, Quezon will be affected by the Project.
- 6. MWSS submitted an application for SAPA to the PA Management Office of PP 1636, PAMO-KWFR, and DENR Regional Office in September 2020, received by these offices on 18 September 2020, 24 September 2020 and 15 October 2020, respectively. However, the supporting documents for the application were incomplete, hence, the SAPA application was not processed. Additional requirements were submitted by the MWSS on 19 January 2021, which were the basis for the review conducted by the DENR CALABARZON.
- 7. On 3 August 2022, the DENR and MWSS held a meeting to discuss the Kaliwa Dam Project. In the said meeting, it was agreed that the DENR will fast track the processing of the SAPA application. The execution of a Memorandum of Agreement between the DENR and MWSS as a transitory instrument will also be explored pending the approval of the SAPA as tenure instrument for the Project.
- 8. The Comprehensive Development and Management Plan was submitted by the MWSS in August 2022 and was approved by the PP 1636 Management Board on 16 September 2022. The CDMP complies with the provisions set in the ECC and includes the plan for the environmental and social management of the Project area.
- 9. On 28 October 2022, the DENR CALABARZON submitted a Complete Staff Work recommending the execution of a MOA between the DENR and MWSS for a period of 12 months meanwhile that the SAPA is being processed. In the event that no SAPA has been issued during the 12-month period, the MOA may be renewed for the same period until an appropriate tenure instrument is granted to the MWSS for the Project.

LEGAL BASIS

- 10. Section 12 of the NIPAS Act, as amended, provides that no actual implementation of development projects and activities with potentially significant adverse impacts shall be allowed without the required ECC under the Philippine EIA System. Violations of environmental laws, rules and regulations, including those under the EIA System, shall be penalized accordingly.
- 11. Section 25 of the NIPAS Act, as amended, provides that, "Consistent with Section 2 hereof, special uses may be allowed within protected areas except in strict protection zones and strict nature reserves. The PAMB may recommend the issuance of tenurial instrument subject to compliance to ECC and payment of corresponding user fee equivalent to five percent (5%) of the zonal value of commercial land within the nearest barangay or municipality where the project is located multiplied by the area of development plus one percent (1%) value of improvement as premium: Provided, That the activity shall not be detrimental to ecosystem functions and biodiversity, and cultural practices and traditions." The process flow for the processing of SAPA based on DAO 2007-17 is provided in *Annex C*.
- 12. Rule 25.5 of DAO 2019-05 or the Implementing Rules and Regulations of the NIPAS Act, as amended, provides that "For water supply and renewable energy projects of national significance, the proponent shall be subjected to a one-time payment of the Development fee as computed above and an annual fee equivalent to PhP 7,200.00 per hectare, or a fraction thereof, and to be increased cumulatively by ten percent (10%) every year."
- 13. Section 33 of the NIPAS Act, as amended, provides that "In order to enhance biological diversity and to develop sustainable livelihood opportunities for tenured migrants, the DENR shall henceforth cease to issue concessions, licenses, permits, clearances, compliance documents or other instruments that allow utilization of resources within the protected area until the management plan shall have been put into effect."
- 14. Rule 25.2 of the Implementing Rules and Regulations provides that, "SAPA shall be issued only in protected areas where management zones have been identified and delineated. Provided, that no SAPA shall be issued in ancestral domain without the FPIC of the affected ICCs/IPs, in compliance with the IPRA, and other applicable laws, rules, and regulations."

FINDINGS

15. Environmental Compliance Certificates (ECC) were issued to MWSS for the development of NCWS-KDP (ECC-CO-1907-0017) on 11 October 2019 and Access Road (ECC-OL-R4A-2020-0075) on 5 February 2020 (*Annex D*).

Relevant provisions of ECC-CO-1907-0017 in relation to biodiversity conservation include:

15.1.1. Conduct and submission of actual inventory and assessment of threatened species that may be affected during the clearing operations including maps showing the project location relative to the protected area boundaries and management zones, location of observed threatened species, land cover map indicating the various habitat types and location of management zones relative to the area for vegetation prior to the conduct of the Detailed Engineering Design;

- 15.1.2. Compliance to the requirements of the National Integrated Protected Areas System Act, as amended (RA 7586 as amended by RA 11038) and other relevant rules and issuances.
- 16. The proponent had secured clearances from the Management Boards of PP 1636 and KRFR, such as:
 - 16.1. Kaliwa Watershed Forest Reserve Management Board Kapasiyahan Blg. 001, S. 2016, "Pagpapahintulot sa New Centennial Water Source-Kaliwa Dam Project ng Metropolitan Manila Waterworks and Sewerage System (MWSS) ng Dadaan sa Kaliwa Watershed Forest Reserve"
 - 16.2. PP 1636 Management Board Kapasiyahan Blg. 006-2018, "Kapasiyahan ng Protected Area Management Board (PAMB 1636) na binibigyan ng pahintulot ang Metropolitan Waterworks and Sewerage System (MWSS) na pagsisimula ng kanilang proyektong New Centennial Water Source Kaliwa Dam Project (NCWS-KDP) na matatagpuan sa Sitio Kiborosa, Brgy. Magsaysay, Infanta, Quezon/or Sitio Cabilao, Brgy. Pagsangahan, General Nakar, Quezon" (Annex E);
 - 16.3. PP 1636 Management Board Resolution No. 8, s. 2022, "Kapasiyahan na lniindorso and Updated Comprehensive Development and Management Plan ng Metropolitan Waterworks and Sewerage System Kaugay ng Proyektong New Centennial Water Source-Kaliwa Dam Project para sa mga Bahagi ng Proyekto na Nakapaloob sa Presidential Proclamation No. 1636" (Annex F);
 - 16.4. PP 1636 Management Board Resolution No. 9, s. 2022, "Kapasiyahan na Iniindorso ng Pamunuan ng Protected Area Management Board sa Pagitan ng Kalihim ng Department of Environment and Natural Resouces Kgg. Maria Antonia Yulo-Loyzaga at ng Administrador Leonor C. Cleofas ng Metropolitan Waterworks and Sewerage System para sa New Centennial Water Source-Kaliwa Dam Project" (Annex G);
 - 16.5. PP 1636 Management Board Resolution No. 10, s. 2022, "Kapasiyahang Pinahihintulutan ng PAMB-PP 1636 ang Metropolitan Waterworks and Sewerage System para sa New Centennial Water Source-Kaliwa Dam Project para sa mga Paunang Gawain Bilang Bahagi ng Proyekto ng Kaliwa Dam na nasa Loob ng Presidential Proclamation No. 1636" (Annex H);
- 17. The NCWS-KDP is a water supply project. Hence, it shall pay a one-time development fee equivalent to five percent (5%) of the zonal value of commercial land within the nearest barangay or municipality where the project is located multiplied by the area of development plus one percent (1%) value of improvement as premium, and an annual fee equivalent to PhP 7,200.00 per hectare, or a fraction thereof, and to be increased cumulatively by ten percent (10%) every year. The computation for the SAPA fee for the Kaliwa Dam Project is provided in *Annex I*.
- 18. A Certification Precondition (CP-R4A-2022-447) was issued by the National Commission on Indigenous Peoples to the MWSS on 7 November 2022 (*Annex J*);
- 19. The processing of the SAPA application for the Kaliwa Dam Project is not yet completed due to the lack of a Protected Area Management Plan and identified management zones as required by Sections 33 of the NIPAS Act, as amended, and Rule 25.2 of the IRR, respectively. To date, DENR CALABARZON is still completing the Protected Area Suitability Assessment of the PP 1636 to determine the final area that will be covered in its proclamation and/or legislation under the NIPAS.

Following the instructions of the Undersecretary for Legal, Administration, Human Resources and Legislative Affairs in April 2022 to facilitate the management zoning of protected areas in support to the processing of applications for Special Use Agreement in Protected Areas, the BMB and DENR CALABARZON conducted a management zoning workshop on 4-6 May 2022. In the said Workshop, the management zones of PP 1636 were identified, subject to adoption by the Management Board.

RECOMMENDATIONS

- 20. Being located within protected areas, the Project is required to apply for a Special Use Agreement in Protected Areas (SAPA). SAPA is the 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.
- 21. The legality of using a MOA meanwhile that the SAPA application is being processed should be reviewed by the Legal Affairs Service, since the Kaliwa Dam Project is a special use and should be governed by the provisions of Section 25 of the NIPAS Act, as amended.
- 22. The DENR should fast track formulation and adoption of the management plan and management zones of the Presidential Proclamation No. 1636.

For consideration.

NATIVIDAD Y. BERNARDINO

