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NOTICE OF MEETING

FOR : **THE UNDERSECRETARIES**
Chief of Staff and Supervising Undersecretary for Strategic Communication
Policy, Planning & International Affairs and Supervisor of ERDB
Finance, Information Systems & Climate Change
Luzon, Visayas Field Operations and Supervisor of EMB
Mindanao Field Operations
Legal and Administration & Supervisor of FMB

THE ASSISTANT SECRETARIES
Policy, Planning and Special Projects
Forest Management Bureau as TWG

THE REGIONAL EXECUTIVE DIRECTORS
DENR- Region 3, 4-A, 8 & 13

THE DIRECTORS
Biodiversity Management Bureau
Forest Management Bureau
Climate Change Service as TWG

FROM : **THE DIRECTOR**
Special Projects and Priority Programs, Project TRANSFORM
Office of the Secretary

DATE : 10 November 2023 (Friday)

TIME : 8:30 AM onwards

VENUE : DENR Central Office 3rd floor, Conference room,
Field Operations - Luzon, Visayas and Environment

AGENDA : 1. Draft Nature Based Solutions (NBS) guidelines
(Hybrid meeting)
2. Other Matters

Meeting ID: 545 624 8294
Passcode: denr

Your participation is hereby requested.


MARIE ANGELIQUE C. GO, EnP

DENR ADMINISTRATIVE ORDER NO. [*]-23

SUBJECT: Guidelines for Nature-Based Solutions (NBS) Projects

Pursuant to the Department's mandate to protect, conserve, manage, develop, and ensure the proper use of the country's environment and natural resources under Executive Order No. 192, series of 1987 and the country's implementation of its obligations and commitments under the Paris Agreement on Climate Change and the Convention on Biological Diversity where the Philippines is a signatory, the following guidelines for nature-based solutions (NBS) projects are hereby promulgated.

SECTION [*]. Declaration of State Policy. – It is the policy of the State to protect, manage, and conserve the environment and natural resources for the present and future generations, and to protect and advance the rights of the Filipino people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. In pursuit of this policy, the Government shall promote the establishment and implementation of NBS projects with a view to addressing societal challenges such as climate change, water security, food security, disaster risk reduction, biodiversity loss and human health, while simultaneously benefitting both biodiversity and human well-being. The Government shall encourage the participation of the private sector, non-government organizations, and local communities in the planning, development and implementation of NBS projects, and provide a favorable investment environment with adequate environmental, cultural, and social safeguards.

SECTION [*]. Objectives. – The "Guidelines for Nature-Based Solutions (NBS) Projects", which is the subject of this Order, seeks to:

- a. set the Framework and the procedure for facilitating and ensuring the successful establishment and implementation of local NBS projects;
- b. enable government-private sector collaboration towards the planning, development and implementation of NBS projects; and
- c. to enhance, encourage and incentivize participation of all stakeholders, including but not limited to the private sector, non-government organizations, and local communities, in NBS Projects.

SECTION [*]. Scope. – This Order shall apply to all NBS Projects to be established in areas under the jurisdiction of the Department, subject to prior vested rights.

Persons who have prior vested rights over a Project Site shall have the option to participate as a Project Proponent of an NBS Project, subject to compliance with this Order.

SECTION [*]. Definition of Terms. – The following terms as used in this Order shall be defined as follows:

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- a. Applicant - refers to the person referred to in Section [*].
 - b. Database – refers to a collection of information on areas under the jurisdiction of the Department that are available as a Project Site for NBS Projects, including relevant control maps.
 - c. Department - refers to the Department of Environment and Natural Resources.
 - d. Framework - refers to the structure and concepts governing NBS Projects established by this Order.
 - e. Legitimate Stakeholders – refer to any person or entity, other than the Project Proponent, that has directly contributed to the development, operation and/or maintenance of the NBS Project as evidenced by written agreements with the Project Proponent.
 - f. Nature-Based Solutions (NBS) – refer to actions to protect, sustainably manage, and restore natural and modified ecosystems that address societal challenges effectively and adaptively, simultaneously providing human well-being and biodiversity benefits.
 - g. NBS Agreement - refers to a tenurial instrument documenting the agreement between the Department and the Project Proponent with respect to a NBS Project, and granting the Project Proponent, among others, tenurial security and incentives to develop, utilize, and manage the NBS Project.
 - h. NBS Benefits – refer to all ecological, social, economic, and other benefits that may be derived from an NBS Project. Ecological benefits include, but are not limited to, protecting biodiversity, reducing pollution, and reducing greenhouse gas emissions. Social benefits include, but are not limited to, improving mental and physical health, preserving cultural heritage, and promoting education and awareness. Economic benefits include, but are not limited to, creating jobs, boosting tourism, and reducing costs.
 - i. NBS Opportunities – refer to NBS Benefits that are convertible or were converted for commercial use in whatever marketable form(s) and in whatever legal manner(s).
 - j. NBS Projects - refer to projects that deliver Nature-Based Solutions as approved by the Department in accordance with this Order and the process set out in Annex [●].
 - k. NBS Registry - refers to the database referred to in Section [*].
 - l. Project Proponent - refers to any natural or juridical person with the qualifications in Section [*] who enters into a NBS Agreement with the Department, and develops, operates, and maintains NBS Projects.
 - m. Project Site - refers to areas under the jurisdiction of the Department where NBS Projects will be implemented.

SECTION [*]. Guiding Principles. – The Guidelines for NBS Projects which is the subject of this Order adheres to the following principles:

- a. **Sustainability:** NBS Projects should assist the country in achieving its sustainable development objectives.
- b. **Responsiveness:** The Framework seeks to respond to the environmental and social needs and demands of the Government, Project Proponents, local communities, and other stakeholders.
- c. **Collaboration:** The Framework allows the participation of diverse stakeholders, including local communities, non-government organizations, and private entities. Collaboration

fosters shared responsibility, long-term commitment, and effective implementation of NBS Projects.

- d. **Optimizing Benefits:** The Framework strives to achieve environmental goals, such as climate change mitigation and climate change adaptation, while considering social, economic, and cultural aspects. Benefit sharing should be balanced with cost effectiveness.
- e. **Compliance with Recognized Standards:** The Framework ensures that NBS Projects adhere to applicable local and international standards.

SECTION [*]. *Lead Office.* – The [DENR UNDERSECRETARY OR OFFICE] shall be responsible for the overall implementation of the Framework.

SECTION [*]. *Database and Control Maps of potential NBS Areas.* – Based on available information and in coordination with other government agencies, such as but not limited to the National Mapping and Resource Information Authority (NAMRIA), River Basin Control Office (RBCO), and the Philippine Atmospheric Geophysical and Astronomical Services Administration (PAGASA), among others, the Department shall maintain and continuously update the Database.

As part of the Database, the [DENR OFFICE] of the Department shall also prepare and maintain control maps which contain locations of river basins and watersheds, land classification, topography, slope, land cover, areas under tenurial agreements, development projects, and other similar datasets. The control maps shall be one of the references for the identification and delineation of potential areas for the development of NBS Projects.

SECTION [*]. *Project Proponent.* – Any person (“Applicant”), whether natural or juridical, may apply to be a Project Proponent for NBS Projects, provided that they satisfy the following minimum qualifications:

- a. Filipino citizens of legal age at the time of the filling of the application; or
- b. Any juridical entity that is at least sixty percent owned by Filipinos and duly registered under the laws of the Republic of the Philippines.

SECTION [*]. *Application Requirements.* – Applicants shall submit to the [DENR OFFICE] of the Department the following documents:

- a. Letter of Intent (LOI);
- b. Documentary Requirements:
 - i. For an individual applicant - certified copy of birth certificate, or if applicant is a naturalized Filipino citizen, a certified copy of his/her Certificate of Naturalization; and
 - ii. For a corporation, association, or partnership - certified copy of its registration certificate from the relevant government agency of the Philippines, Articles of Incorporation/Partnership/Association (as applicable), and a resolution designating the authorized representative of said entity.

After submission of the LOI and other documentary requirements, the Department shall allow an Applicant access to the Database and the Control Maps.

SECTION [*]. *Due Diligence.* – The [DENR OFFICE] of the Department shall allow and assist Applicants to have access to prospective Project Sites for the conduct of due diligence. Subject to securing relevant permits or licenses, Applicants shall be allowed to conduct tests to determine the technical viability of prospective Project Sites. In selecting potential Project Sites, Applicants shall be guided by: (i) the International Union for Conservation of Nature Global Standards for Nature Based Solutions¹, as may be amended from time to time; and (ii) the Project Site Selection Guide attached hereto as Annex [●]. The Department shall, whenever practicable, provide technical assistance to the Applicants in determining whether a Project Site is viable.

SECTION [*]. *Proposal.* – An Applicant may submit to the [DENR OFFICE] of the Department a Proposal for an NBS Project in a proposed Project Site, or more than one Proposal covering several proposed Project Sites. At minimum, the Proposal shall contain the following:

- a. Project overview - sets out an overview of the proposed NBS Project, including the purpose of the project, the location, and the NBS approach that will be implemented;
- b. Problem statement - sets out a description of the issue that the NBS Project is intended to address. It should include a description of the environmental or social challenge that the project is addressing, as well as the potential impacts of the challenge if it is not addressed;
- c. Initial project goals and objectives - defines the goals and objectives of the NBS Project. With current information at hand and subject to the detailed feasibility study, these initial goals must be specific, measurable, achievable, relevant and time-bound. The objectives should be specific and measurable steps that will be taken to achieve the goals;
- d. Project methodology - describes the methodology that will be used to implement the NBS Project, including a description of the specific activities that will be undertaken;
- e. Project timeline - provides the initial estimated timeline for the NBS Project, including the start and end dates for the project, as well as the key milestones that will be achieved; and
- f. Project evaluation plan - describes how the NBS Project will be evaluated, subject to a detailed feasibility study. This initial evaluation plan should include a description of the criteria that will be used to assess the success of the project, as well as the methods that will be used to collect data.

SECTION [*]. *Processing of Proposals.* – The Department shall accept, process, and evaluate Proposals for NBS Projects on a first-come, first-served basis.

¹ IUCN (2020). Global Standard for Nature-based Solutions. A user-friendly framework for the verification, design and scaling up of NbS. First edition. Gland, Switzerland: IUCN (see <https://portals.iucn.org/library/node/49070>).

The Proposals shall be evaluated, primarily, based on the impact that it will have on the environment and natural resources, and the NBS Benefits it can deliver.

SECTION [*]. *Modification and Withdrawal of Proposals.* – An Applicant may, in writing, modify or withdraw its Proposal, for any reason, prior to its approval by the Department. An Applicant that has withdrawn a Proposal shall not be prohibited to submit other Proposals.

SECTION [*]. *NBS Agreement.* – Once the Department approves the Proposal, the Department and the Applicant shall execute an NBS Agreement following the form prescribed in Annex [●] and containing the following minimum terms and conditions:

- a. The contract term, which shall be for a period of twenty-five (25) years, renewable for another twenty-five (25) years;
- b. Project Proponent's exclusive right to occupy, develop, and manage the Project Site for purposes of the NBS Project;
- c. Project Proponent's entitlement to all rights, improvements, NBS Benefits, and NBS Opportunities from the NBS Project, which extends to the right of the Project Proponent to receive all income and proceeds from the development and enhancement of the Project Site, including identified mechanisms of payment for ecosystem goods and services;
- d. Sharing of NBS Benefits and/or NBS Opportunities in accordance with the principles set forth in Section [*]; and
- e. Details of changes to the Proposal that would require the submission of a notice of change to the Department, and changes to the Proposal that would require an amendment of the NBS Agreement.

Once an Applicant signs a NBS Agreement with the Department, the Applicant becomes a Project Proponent for purposes of this Order.

The NBS Agreement may contain such other rights and responsibilities as agreed to by the parties, and the same shall remain in force and effect until its expiration, unless otherwise amended, modified, rescinded or terminated in accordance with the terms thereof.

The Project Proponent shall develop, maintain, and operate the NBS Project according to the terms of the NBS Agreement and the provisions of this Order.

SECTION [*]. *Permits, Licenses, and Certifications.* – The Department, upon prior evaluation, shall expedite the issuance of all applicable permits and licenses within its jurisdiction in favor of the Project Proponent so as to facilitate the granting of its right to occupy, develop, manage, and control the Project Site and to utilize the products and fruits that the NBS Project may generate.

Since the NBS Project directly aims to enhance the quality of the environment and directly addresses existing environmental problems, the Project Proponent shall not be required to secure an Environmental Compliance Certificate (ECC) and shall instead secure a Certificate of Non-Coverage (CNC) in accordance with the relevant laws and regulations. The Department shall

prioritize and expedite the processing of CNC applications of Project Proponents in view of the goals and objectives of NBS Projects.

As the lead in the environmental sector, the Department, through the [Regional Executive Director] concerned, shall assist the Project Proponent by coordinating the permits, licenses, and other requirements of a NBS Project under the jurisdiction of other government agencies, including the relevant local government units. In this connection, the Department shall establish institutional linkages with these government agencies, and provide assistance and support as may be necessary.

The Department shall evaluate and issue certifications or other documents that may be requested by the Project Proponent to satisfy the requirements of the international market or other international entities in relation to the development and/or funding of the NBS Project, including but not limited to registration with international registries and verification, validation, and issuance of NBS Opportunities.

SECTION [*]. *Project Monitoring.* – The relevant [Regional Office] of the Department shall monitor the progress of the NBS Project, and may require the Project Proponent to submit reports as provided in the NBS Agreement.

SECTION [*]. *NBS Benefits and NBS Opportunities.* – As an incentive for the investment of Project Proponent in a project that restores, protects, and sustains an ecosystem, the Project Proponent is entitled to all rights, improvements, NBS Benefits and NBS Opportunities from the NBS Project, which extends to the right to receive all income and proceeds from the development and enhancement of the Project Site, including identified mechanisms of payment for ecosystem goods and services. The Project Proponent shall not be prohibited from selling NBS Opportunities through local or international markets or through direct trade.

SECTION [*]. *Optimization of -Benefits.* – The Department recognizes that NBS Projects can deliver a wide range of NBS Benefits to stakeholders. The NBS Benefits derived from ecosystem services and natural capital delivered by NBS Projects improve the environment, the economy, and the quality of life for people.

In order to optimize the benefits derived from NBS Projects, the Project Proponent and the relevant Legitimate Stakeholder may, on a case to case basis, agree on specific NBS Benefits and/or NBS Opportunities that may be shared with Legitimate Stakeholders based on the following principles:

- a. the benefit must correspond to a Legitimate Stakeholder's direct contribution to the NBS Project;
- b. the benefit shall reflect a diversified value across the life or term of the NBS Project, and may evolve as the NBS Project matures; and
- c. the benefit shall be balanced with cost effectiveness.

SECTION [*]. *Recognized Standards for Climate Action and Sustainable Development.* – The Department shall allow the Project Proponent to have discretion as to the standard for climate action and sustainable development that it may adopt, whether local or international. The Project Proponent shall not be prohibited from adopting international standards, such as the Global Standards for Nature-Based Solutions as set out in Annex [●]. The Project Proponent may engage a local or international independent third-party validator and/or verifier to ensure that the NBS Project meets local and/or international standards.

SECTION [*]. *NBS Registry.* – The Department shall develop and maintain a NBS Registry containing information about NBS Projects in the Philippines and the generated NBS Opportunities, which shall be made publicly available. All existing NBS projects and/or NBS projects being developed prior to the issuance of this Order, whether on private or public land, and including but not limited to the projects registered with the CAVCS Registry under DENR Administrative Order No. 2021-43, should also be registered by the relevant project proponents in the NBS Registry, for monitoring purposes.

The NBS Registry shall contain, among others, information about NBS Projects such as project name, location, project goals and project status, and information about NBS Opportunities such as product name, product description and product specification. The NBS Opportunities generated through NBS Projects implemented in the Philippines shall also be registered with the NBS Registry for inventory and monitoring, and to avoid double counting of NBS Opportunities.

SECTION [*]. *Existing NBS Benefits.* – The Department shall, upon prior evaluation, recognize ownership of the existing NBS Benefits generated by the Project Proponent from past efforts.

SECTION [*]. *Department Assistance.* – The Department shall assist and support the Project Proponent:

- a. in sourcing funding support from embassies, international organizations, and other similar entities;
- b. whenever there is a competing claim over the Project Site; and
- c. to facilitate the development, operation, and maintenance by the Project Proponent of the NBS Project.

SECTION [*]. *Information, Education, and Communication (IEC) Campaigns.* – The Department shall conduct information, education, and communication (IEC) campaigns to promote NBS Projects.

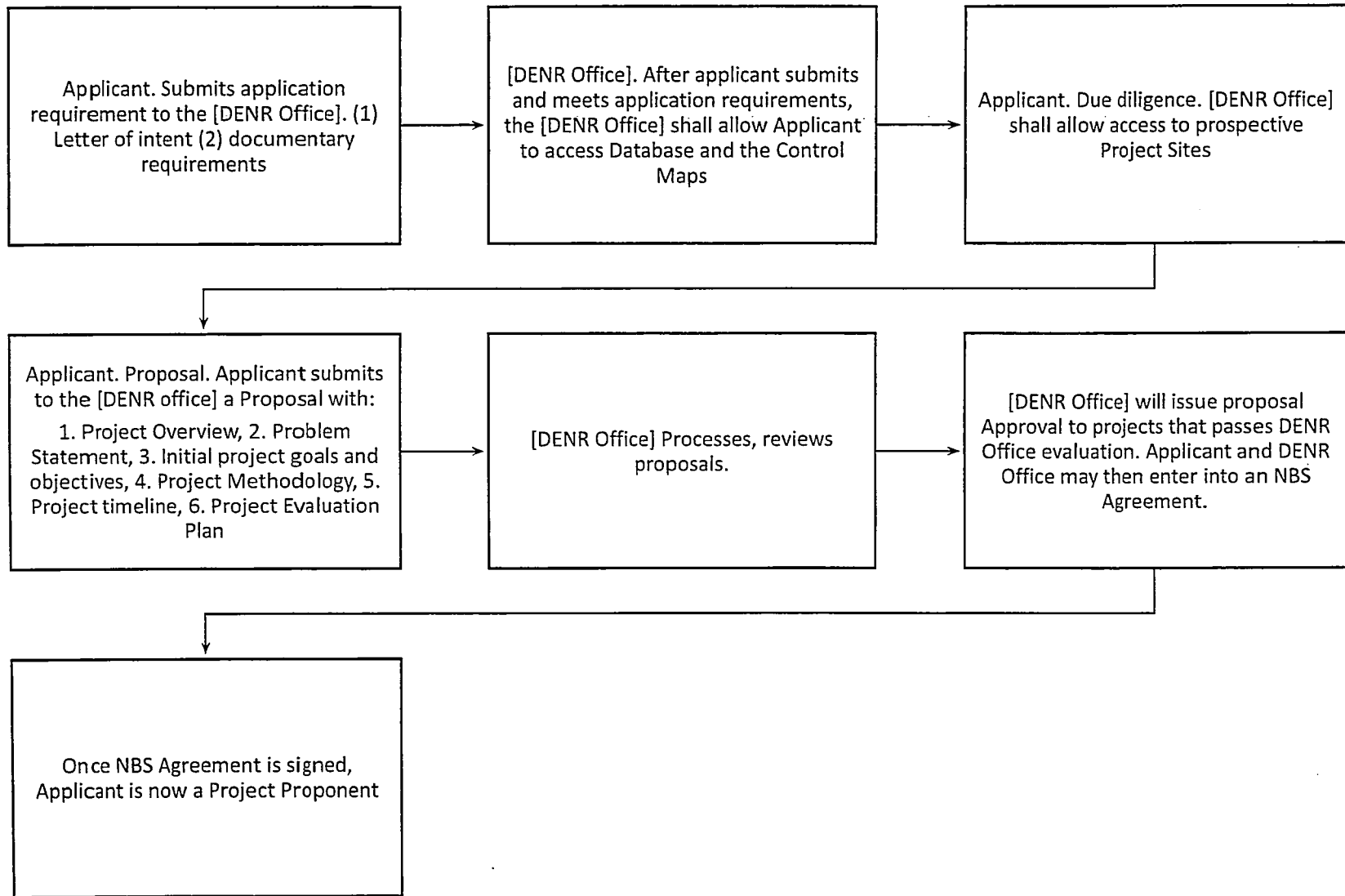
SECTION [*]. *Protection of Rights.* – The Department and the Project Proponent shall recognize, respect and protect the rights of indigenous peoples/indigenous cultural communities, and local communities in the implementation of NBS Projects.

SECTION [*]. *Separability Clause.* – If any provision of this Order shall be held invalid or unconstitutional, the other provisions which are not affected shall continue to be in full force and effect.

SECTION [*]. *Repealing Clause.* – All orders and other similar issuances inconsistent with this Order are hereby revoked, amended, or modified accordingly.

SECTION [*]. *Effectivity Clause.* – This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation and upon filing with the Office of the National Administrative Register (ONAR).

Annex - Application Process for NBS Projects



Annex - Project Site Selection Guide

Landscapes and seascapes in Nature-based solutions: a diagnostic sheet for general site selection				
This is a tool for potential NbS solutions in landscapes or seascapes				
This table may be used by the application-reviewing agency to pre-select sites, and for the project developer to take items into consideration at site selection				
The features and principles are based on the IUCN Global Standards: Criteria and Indicators				
Feature	Principle	Criteria	Definition of Criteria	Subcriteria
Condition of landscape or seascape	Condition of landscape or seascape allows or necessitates NbS for protection or restoration activities	Landscape or terrestrial ecosystem	Candidate landscape is subject to one or more societal challenge	Climate change Disaster risk reduction Food security Water security Biodiversity loss Human Health
		Seascape or coastal ecosystem	Candidate seascape is subject to one or more societal challenge	Climate change Disaster risk reduction Food security Water security Biodiversity loss Human Health
Geographic Conditions	Geographic conditions allow Nature-based Solutions to be implemented on a high-level of integrity	Contiguity	Candidate landscape or seascape is contiguous and enables a suitable NbS approach	No severe fragmentation of project landscape
		Scalability/Replicability	Candidate landscape or seascape enables scalability or replicability	Potential for scale-out (spatial) Potential for replication
		Proximity to competing land use	Proximity of candidate landscape to competing land use does not interfere with ecological integrity and long-term sustainability of NbS-solution OR the area can be integrated into the project area	No severe projected risk of competing land use near candidate landscape, risking ecological integrity (spatial scale) No severe projected risk of competing land use in proximity to candidate landscape, risking long-term sustainability (temporal scale)
Infrastructure conditions	Infrastructure conditions are conducive to implementation of Nature-based Solutions	Access to infrastructure	Presence and accessibility to sufficient logistical support	Presence of and accessibility to road and adequate conditions Presence of and accessibility to area support facilities (e.g. nursery, housing and camps)
Ecological conditions of ecosystem	Ecological conditions of landscape call for, necessitate or allow implementation of Nature-based Solutions and do not hinder restoration	Ecological threats	Threats to landscape or seascape are within range of management approaches	Climate hazards Natural hazards Pollution/Toxic chemicals Other identified threats specific for particular ecosystem
		Ecological regime	General ecological regime does not impede NbS or is within management	Invasive or opportunistic species e.g. Fire regime
		Presence of healthy native reference ecosystem in area	Insights and conclusion for management objectives and activities come from comparing and referencing healthy ecosystems	High Integrity terrestrial ecosystem (e.g. old-growth forests) High Integrity Coastal ecosystem: intact seagrass meadows, mangroves, coral reefs
		Supply of natural resources for restoration activities	Project area can act as a source without being diminished	Conditions of supply of natural resources for NbS activities are adequate (depending on landscape or seascape) Candidate source landscape or seascape has source population of respective species for restoration activities
Social conditions	Social conditions are conducive to implement Nature-based solutions	Local communities	People living in and around the candidate landscape are willing to participate in the project and are empowered to become involved in the NbS design, help define NbS goals and play a role in	Proponent and host community with the common goal of protecting and improving the land for future generations. Adequate level of community organization
Market conditions	Market conditions are conducive to implement Nature-based solutions	Production from natural areas	Declining production of natural resources allows NbS projects as an option to restore the area	Decline of other locally specific demands or nature-derived commodities