EXECUTIVE ORDER

ESTABLISHING THE COUNCIL FOR INVESTMENTS IN TRADE, INDUSTRY, TOURISM, AGRICULTURE, NATURAL RESOURCES, TRANSPORTATION, COMMUNICATIONS AND SERVICES AND FOR OTHER PURPOSES

WHEREAS, to improve the businessman's/investor's perception of the Philippines as an attractive, viable and practical investment option and to encourage investments, there is a need to establish a Council which will promote, coordinate, and facilitate investment development efforts of the government.

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

Section 1. Council for Investments in Trade. Tourism, Agriculture, Natural Resources, Transportation, Communications and Services - There is hereby created a Council for Investments in Trade, Industry, Tourism, Agriculture, Natural Resources, Transportation, Communications and Services hereinafter referred to as the "Council".

The Council shall be composed of:

(a)	The Secretary of Trade & Industry	-	Chairman
(b)	The Secretary of Finance	-	Member
(c)	The Secretary of Tourism	-	Member
(d)	The Secretary of Agriculture and Food	-	Member
(e)	The Secretary of Natural Resources	-	Member
(f)	The Secretary of Transportation & Communications	-	Member
(g)	The Governor, Central Bank of the Philippines	-	Member
(h)	The Assistant Secretary of Foreign Affairs for		
	Overseas Economic Promotion	-	Member
(i)	Two Representatives from the private sector who		
	shall be appointed by the President to serve for		
	a term of two years	-	Members

In the absence of an **ex-officio** member of the Council, he shall be represented by a duly authorized official in his Office or Department.

The Council shall be organized and hold its first meeting within thirty (30) days from the promulgation of this Executive Order.

- Section 2. Powers and Functions of the Council. The Council shall have the following powers and functions:
- a. To coordinate investment development efforts of the Government;
- b. To promote the country as an attractive investment area in identified sectors;
- c. To maintain close contact and liaison with government offices or agencies concerned with investments. For this purpose, the Council is empowered to require the full time detail of representatives from government agencies concerned with investments in trade, tourism, agriculture, natural resources, transportation, communications, and services to the "Investment One Stop Action Center" created herein. Such representatives shall be empowered to receive, process, act on and sign the pertinent applications and clearances for their respective offices/agencies;
- To act as a one stop action center for foreign and local investors with authority to act on any problems concerning the setting up of business or making of investments in the Philippines;
- e. To establish an effective system for disseminating information, both locally and abroad, on Philippine investment prospects and opportunities;
- f. To submit annual reports to the President of the Philippines regarding the activities of the Council; and
- g. To recommend the modification/amendments of existing legislation and procedures to remove disincentives for investments both local and foreign.
- Section 3. Meetings, Quorum and Secretariat. The Council shall meet once a month on a date and at a place to be determined by the members. The presence of six (6) members shall constitute a quorum for the doing of business.

The Board of Investments shall act as the Secretariat of the Council.

Section 4. Honoraria and Allowances. The Council may in its discretion provide for honoraria and allowances for council members and its personnel subject to existing rules and regulations.

Section 5. Investment One Stop Action Center. There is hereby created as part of the Council an "Investment One Stop Action Center" which shall be established in the Board of Investments.

- a. Powers and Functions of the Investment One Stop Action Center. The Investment One Stop Action Center shall have the following powers and functions:
 - 1. To provide assistance to local and foreign investors, including trade and economic foreign missions, by providing information, advice and guidance on pertinent laws and procedures relative to the foreign and local investments and the doing of business in the Philippines.
 - 2. To accept and act on applications for investments in the Philippines. For this purpose, applications and other documents such as but not limited to the following may be filed and acted upon by it:
 - aa. Articles of Incorporation;
 - bb. Business Name:
 - cc. Doing Business with or without incentives;
 - dd. Special Investor Resident's Visa which need not be filed in the investor's country, and
 - ee. Employment of foreign nationals.
- b. Center Representatives. The ex-officio members of the Council shall, within fifteen (15) days from the effectivity hereof, detail representatives of appropriate rank to the Investment One Stop Action Center with authority to give information assistance as well as act on the applications submitted to the Investment One Stop Action Center. In addition, the Council shall require the detail of representatives of other government offices concerned with the entry of foreign investments and doing business in the Philippines with the same authority as the above.

Whenever more detailed evaluation of documents and papers submitted to the Investment One Stop Action Center are necessary, the Investment One Stop Action Center representatives shall be responsible for monitoring the status of such documents and papers and ensuring that they are returned to the Investment One Stop Action Center and the applicant in the shortest time possible.

c. **Priority** - All government offices represented shall ensure that priority of action is given to documents and papers referred to them by the Center.

Section 6. Support Centers. There is hereby created as part of the Council an Investment Information Center and Investment Promotion Center to support the requirements of the Investment One Stop Action Center.

Section 7. Appropriations. To carry out the provisions of this Executive Order, the Council shall submit the supplemental Budget to the Ministry of Budget and Management which shall set aside the amount of Four Million Pesos for its organizational expenses and the amount necessary to cover its current operational expenses from any fund in the National Treasury not otherwise appropriated. Thereafter, appropriations for the Council shall be included in the annual budget of the Board of Investments.

Section 8. Rules and Regulations. The Council shall promulgate the rules and regulations to implement the provisions of this Executive Order. Such rules and regulations shall take effect fifteen (15) days after their publication in a newspaper of general circulation.

Section 9. Separability Clause. In the event that the provisions of this Executive Order are hereby declared to be separable and in the event any provision or part thereof is declared unconstitutional the other provisions or parts thereof which are not affected thereby shall remain in full force and effect.

Section 10. Repealing Clause. The provisions of Executive Order No. 845 and all other laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

Section 11. Effectivity. This Executive Order shall take effect immediately.

Done in the City of Manila, this 27th day of February in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO

Executive Secretary

PROVIDING FOR THE REORGANIZATION OF THE DEPARTMENT OF ENVIRONMENT, ENERGY AND NATURAL RESOURCES RENAMING IT AS THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, AND FOR OTHER PURPOSES

- WHEREAS, Executive Order No. 131, dated January 30, 1987, was suspended;
- WHEREAS, a policy having been reached on energy, the reorganization of the Department of Natural Resources can now be effected;
- WHEREAS, the environment will be affected by the use, development, management, renewal and conservation of the country's natural resources;
- WHEREAS, there is a need to protect and enhance the quality of the country's environment;
- WHEREAS, to attain this objective, environmental concerns and natural resources concerns should be given equal attention by the Department;
- WHEREAS, under Article XVIII, Section 6, of the 1987 Constitution, the President shall continue to exercise legislative powers until the First Congress is convened;
- NOW, THEREFORE, I, CORAZON C. AQUINO, PRESIDENT OF THE PHILIPPINES, by virtue of the powers vested in me by the Constitution, do hereby order:
- Section 1. Title. This Executive Order shall otherwise be known as the Reorganization Act of the Department of Environment and Natural Resources.
- **Section 2. Reorganization.** The Department of Environment, Energy and Natural Resources is hereby reorganized structurally and functionally and renamed as the Department of Environment and Natural Resources, hereinafter referred to as Department, in accordance with the provisions of this Executive Order.
- Section 3. Declaration of Policy. It is hereby declared the policy of the State to ensure the sustainable use, development, management, renewal, and conservation of the country's forest, mineral, land, off-shore areas and other natural resources, including

the protection and enhancement of the quality of the environment, and equitable access of the different segments of the population to the development and use of the country's natural resources, not only for the present generation but for future generations as well. It is also the policy of the state to recognize and apply a true value system including social and environmental cost implications relative to their utilization, development and conservation of our natural resources.

Section 4. Mandate. The Department shall be the primary government agency responsible for the conservation, management, development and proper use of the country's environment and natural resources, specifically forest and grazing lands, mineral resources, including those in reservation and watershed areas, and lands of the public domain, as well as the licensing and regulation of all natural resources as may be provided for by law in order to ensure equitable sharing of the benefits derived therefrom for the welfare of the present and future generations of Filipinos.

To accomplish its mandate, the Department shall be guided by the following objectives that will serve as basis for policy formulation:

- Assure the availability and sustainability of the country's natural resources through judicious use and systematic restoration or replacement, whenever possible;
- (b) Increase the productivity of natural resources in order to meet the demands for forest, mineral, and land resources of a growing population;
- (c) Enhance the contribution of natural resources for achieving national economic and social development;
- (d) Promote equitable access to natural resources by the different sectors of the population;
- (e) Conserve specific terrestrial and marine areas representative of the Philippine natural and cultural heritage for present and future generations.
- **Section 5. Powers and Functions.** To accomplish its mandate, the Department shall have the following powers and functions:
- (a) Advise the President on the enactment of laws relative to the development, use, regulation, and conservation of the country's natural resources and the control of pollution;

- (b) Formulate, implement, and supervise the government's policies, plans and programs pertaining to the management, conservation, development, use and replenishment of the country's natural resources;
- (c) Promulgate rules and regulations in accordance with law governing the exploration, development, conservation, extraction, disposition, use and such other commercial activities tending to cause the depletion and degradation of our natural resources;
- (d) Exercise supervision and control over forest lands, alienable and disposable lands, and mineral resources and in the process of exercising such control the Department shall impose appropriate payments, fees, charges, rentals and any such form of levy and collect such revenues for the exploration, development,
- (e) Undertake exploration, assessment, classification and inventory of the country's natural resources using ground surveys, remote sensing and complementary
- (f) Promote proper and mutual consultation with the private sector involving natural resources development, use and conservation;
- (g) Undertake geological surveys of the whole country including its territorial waters;
- (h) Establish policies and implement programs for the:
 - (1) Accelerated inventory, surveys and classification of lands, forest, and mineral resources using appropriate technology, to be able to come up with a more accurate assessment of resource quality and quantity;
 - (2) Equitable distribution of natural resources through the judicious administration, regulation, utilization, development and conservation of public lands, forest, and mineral resources (including mineral reservation areas), that would benefit a greater number of Filipinos;
 - (3) Promotion, development and expansion of natural resource-based industries;
 - (4) Preservation of cultural and natural heritage through wildlife conservation and segregation of national parks and other protected areas;
 - (5) Maintenance of a wholesome natural environment by enforcing environmental protection laws; and

- (6) Encouragement of greater people participation and private initiative in natural resource management.
- (i) Promulgate rules and regulations necessary to:
 - (1) Accelerate cadastral and emancipation patent surveys, land use planning and public land titling;
 - (2) Harness forest resources in a sustainable manner, to assist rural development, support forest-based industries, and provide raw materials to meet increasing demands, at the same time keeping adequate reserves for environmental stability; and
 - (3) Expedite mineral resources surveys, promote the production of metallic and non-metallic minerals and encourage mineral marketing.
- (j) Regulate the development, disposition, extraction, exploration and use of the country's forest, land and mineral resources;
- (k) Assume responsibility for the assessment, development, protection, conservation, licensing and regulation as provided for by law, where applicable, of all natural resources; the regulation and monitoring of service contractors, licensees, lessees, and permittees for the extraction, exploration, development and utilization of natural resource products; the implementation of programs and measures with the end in view of promoting close collaboration between the government and the private sector; the effective and efficient classification and sub-classification of lands of the public domain; and the enforcement of natural
- (I) Promulgate rules, regulation and guidelines on the issuance of co-production, joint venture or production sharing agreements, licenses, permits, concessions, leases and such other privileges and arrangement concerning the development, exploration and utilization of the country's natural resources and shall continue to oversee, supervise and police our natural resources; to cancel or cause to cancel such privileges and arrangements upon failure, non-compliance or violations of any regulations, orders, and for all other causes which are in furtherance of the conservation of natural resources and supportive of the national
- (m) Exercise exclusive jurisdiction on the management and disposition of all lands of the public domain and shall continue to be the sole agency responsible for classification, subclassification, surveying and titling of lands in consultation with appropriate agencies;

- (n) Implement measures for the regulation and supervision of the processing of forest products, grading and inspection of lumber and other forest products and monitoring of the movement of timber and other forest products;
- (o) Promulgate rules and regulations for the control of water, air and land pollution;
- (p) Promulgate ambient and effluent standards for water and air quality including the allowable levels of other pollutants and radiations;
- (q) Promulgate policies, rules and regulations for the conservation of the country's genetic resources and biological diversity, and endangered habitats;
- (r) Formulate an integrated, multi-sectoral, and multi-disciplinary National Conservation Strategy, which will be presented to the Cabinet for the President's approval;
- (s) Exercise other powers and functions and perform such other acts as may be necessary, proper or incidental to the attainment of its mandates and objectives.

Section 6. Structural Organization. The Department shall consist of the Department Proper, the staff offices, the staff bureaus and the regional/provincial/community natural resources offices.

The Department Proper shall consist of the following:

- (a) Office of the Secretary
- (b) Offices of Undersecretaries
- (c) Offices of Assistant Secretaries
- (d) Public Affairs Office
- (e) Special Concerns Office
- (f) Pollution Adjudication Board

The staff sectoral bureaus on the other hand, shall be composed of:

- (a) Forest Management Bureau
- (b) Lands Management Bureau
- (c) Mines and Geo-Sciences Bureau
- (d) Environmental Management Bureau
- (e) Ecosystems Research and Development Bureau
- (f) Protected Areas and Wildlife Bureau

The field offices shall consist of all the department regional offices, the provincial offices and the community offices.

Section 7. Secretary of Environment and Natural Resources. The authority and responsibility for the exercise of the mandate of the Department, the accomplishment of its objectives and the discharge of its powers and functions shall be vested in the Secretary of Environment and Natural Resources, hereinafter referred to as Secretary, who shall supervise the Department and shall be appointed by the President. For such purposes, the Secretary shall have the following functions:

- (a) Advise the President on the promulgation of rules, regulations and other issuances relative to the conservation, management, development and proper use of the country's natural resources;
- (b) Establish policies and standards for the efficient and effective operations of the Department in accordance with the programs of the government;
- (c) Promulgate rules, regulations and other issuances necessary in carrying out the Department's mandate, objectives, policies, plans, programs and projects;
- (d) Exercise supervision over all functions and activities of the Department;
- (e) Delegate authority for the performance of any administrative or substantive function to subordinate officials of the Department:
- (f) Perform other functions as may be provided by law or assigned appropriately by the President.

Section 8. Office of the Secretary. The Office of the Secretary shall consist of the Secretary and his immediate staff.

Section 9. Undersecretary. The Secretary shall be assisted by five (5) Undersecretaries who shall be appointed by the President upon the recommendation of the Secretary. The Secretary is hereby authorized to delineate, assign and/or reassign the respective functional areas of responsibility of the Undersecretary, provided, that such responsibility shall be with respect to the mandate and objectives of the Department; and provide, further, that no Undersecretary shall be assigned primarily administrative responsibilities. Within his functional area of responsibility, an Undersecretary shall have the following functions:

(a) Advise the Secretary in the promulgation of Department orders, administrative orders and other issuances, with respect to his area or responsibility;

- (b) Exercise supervision over the offices, services, operating units and officers and employees under his responsibility;
- (c) Promulgate rules and regulations, consistent with Department policies, that will efficiently and effectively govern the activities of units under his responsibility;
- (d) Coordinate the functions and activities of the units under his responsibility with those of other units under the responsibility as may be delegated by the
- (e) Exercise authority on substantive and administrative matters related to the functions and activities of units under his responsibility as may be delegated by the Secretary;
- (f) Perform other functions as may be provided by law or assigned appropriately by the Secretary.

Section 10. Assistant Secretary. The Secretary and the Undersecretaries shall be assisted by seven (7) Assistant Secretaries in the formulation, management and implementation of natural resources laws, policies, plans, and programs and projects. They shall oversee the day-to-day operations, administration and supervision of the constituents of the Department. The seven (7) Assistant Secretaries shall be responsible for the following:

- (a) Policy and Planning Studies
- (b) Foreign-Assisted and Special Projects
- (c) Field Operations in Luzon
- (d) Field Operations in Visavas
- (e) Field Operations in Mindanao
- (f) Legal Affairs
- (g) Management Services

Section 11. Public Affairs Office. There is hereby created a Public Affairs Office, under the Office of the Secretary, to be headed by a Director and assisted by an Assistant Director, which shall be responsible for disseminating information on natural resources development policies, plans, programs and project; and respond to public queries related to the development and conservation of natural resources.

The Public Affairs Offices of all bureaus are hereby abolished and their functions are transferred to the Public Affairs Office in accordance with Section 24 (b) hereof.

Section 12. Special Concerns Office. There is hereby created a Special Concerns Office under the Office of the Secretary, to be headed by a Director and assisted by an Assistant Director, which shall be responsible for handling priority areas/subjects identified by the Secretary which necessitates special and immediate attention.

Section 13. Forest Management Bureau. There is hereby created a Forest Management Bureau which shall integrate and absorb the powers and functions of the Bureau of Forest Development (BFD) and the Wood Industry Development Authority (WIDA), in accordance with Section 24 (e) hereof except those line functions and powers which are transferred to the regional field office. The Forest Management Bureau, to be headed by a Director and assisted by an Assistant Director shall advise the Secretary on matters pertaining to forest development and conservation and shall have the following functions, but not limited to:

- (a) Recommend policies and/or programs for the effective protection, development, occupancy, management and conservation of forest lands and watershed, including grazing and mangrove areas, reforestation and rehabilitation of critically denuded/degraded forest reservations, improvement of water resource use and development of forest plantations including rattan, bamboo, and other valuable non-timber forest resources, rationalization of the wood-based industries, regulation of the utilization and exploitation of forest resources including wildlife, to ensure continued supply of forest goods and services;
- (b) Advise the regional offices in the implementation of the above policies and/or programs;
- (c) Develop plans, programs, operating standards and administrative measures to promote the Bureau's objectives and functions;
- (d) Assist in the monitoring and evaluation of forestry and watershed development projects to ensure efficiency and effectiveness;
- (e) Undertake studies on the economics of forestry and forest-based industries, including supply and demand trends on the local, national and international levels, identifying investment problems and opportunities, in various areas;
- (f) Perform other functions as may be assigned by the Secretary and/or provided by law.

Section 14. Lands Management Bureau. There is hereby created the Lands Management Bureau which shall absorb functions and powers of the Bureau of Lands except those line functions and powers which are transferred to the regional field

office. The Lands Management Bureau to be headed by a Director and assisted by an Assistant Director shall advise the Secretary on matters pertaining to rational land classification management and disposition and shall have the following functions; but not limited to:

- (a) Recommend policies and programs for the efficient and effective administration, surveys, management and disposition of alienable and disposable lands of the public domain and other lands outside the responsibilities of other government agencies; such as reclaimed areas and other areas not needed for or are not being utilized for the purposes for which they have been established;
- (b) Advise the Regional Offices on the efficient and effective implementation of policies, programs and projects for more effective public lands management;
- (c) Assist in the monitoring and evaluation of land surveys, management and disposition of lands to ensure efficiency and effectiveness thereof;
- (d) Develop operating standards and procedures to enhance the Bureau's objectives and functions;
- (f) Assist the Secretary as Executive Officer charged with carrying out the provisions of the Public Land Act (C.A. 141, as amended), who shall have direct executive control of the survey, classification, lease, sale or any other forms of concessions or disposition and management of the lands of the public domain;
- (g) Perform other functions as may be assigned by the Secretary and/or provided by law.

Section 15. Mines and Geo-Sciences Bureau. There is hereby created the Mines and Geo-Sciences Bureau which shall absorb the functions of the Bureau of Mines and Geo-Sciences (BMGS), Mineral Reservations Development Board (MRDB) and the Gold Mining Industry Development Board (GMIDB) all of which are hereby merged in accordance with Section 24 hereof except those line functions and powers which are transferred to the regional field office. The Mines and Geo-Sciences Bureau, to be headed by a Director and assisted by an Assistant Director shall advise the Secretary on matters pertaining to geology and mineral resources exploration, development and conservation and shall have the following functions, but not limited to:

(a) Recommend policies, regulations and programs pertaining to mineral resources development and geology;

- (b) Recommend policies, regulations and oversee the development and exploitation of mineral resources of the sea within the country's jurisdiction such as silica sand, gold placer, magnetite and chromite sand, etc.;
- (c) Advise the Secretary on the granting of mining rights and contracts over areas containing metallic and non-metallic mineral resources;
- (d) Advise the Regional offices on the effective implementation of mineral development and conservation programs as well as geological surveys:
- (e) Assist in the monitoring and evaluation of the Bureau's programs and projects to ensure efficiency and effectiveness thereof;
- (f) Develop and promulgate standards and operating procedures on mineral resources development and geology;
- (g) Supervise and control the development and packaging of nationally applicable technologies on geological survey, mineral resource assessment, mining and metallurgy; the provision of geological, metallurgical, chemical and rock mechanics laboratory services; the conduct of marine geological and geophysical survey and natural exploration drilling programs;
- (h) Perform other functions as may be assigned by the Secretary and/or provided by Law.

Section 16. Environmental Management Bureau. There is hereby created an Environmental Management Bureau. The National Environmental Protection Council (NEPC), the National Pollution Control Commission (NPCC) and the Environmental Center of the Philippines (ECP), are hereby abolished and their powers and functions are hereby integrated into the Environmental Management Bureau in accordance with Section 24 (c) hereof, subject to Section 19 hereof. The Environmental Management Bureau shall be headed by a Director and assisted by an Assistant Director who shall advise the Secretary on matters relating to environmental management, conservation, and pollution control. The Environmental Management Bureau shall have the following functions:

- (a) Recommend possible legislations, policies and programs for environmental management and pollution control;
- (b) Advise the Regional Offices in the efficient and effective implementation of policies, programs, and projects for the effective and efficient environmental management and pollution control;

- (c) Formulate environmental quality standards such as the quality standards for water, air, land, noise and radiations;
- (d) Recommend rules and regulations for environmental impact assessments and provide technical assistance for their implementation and monitoring;
- (e) Formulate rules and regulation for the proper disposition of solid wastes, toxic and hazardous substances;
- (f) Advise the Secretary on the legal aspects of environmental management and pollution control and assist in the conduct of public hearing in pollution cases;
- (g) Provide secretariat assistance to the Pollution Adjudication Board, created under Section 19 hereof;
- (h) Coordinate the inter-agency committees that may be created for the preparation of the State of the Philippine Environment Report and the National Conservation Strategy;
- (i) Provide assistance to the Regional Offices in the formulation and dissemination of information on environmental and pollution matters to the general public;
- (j) Assist the Secretary and the Regional Offices by providing technical assistance in the implementation of environmental and pollution laws;
- (k) Provide scientific assistance to the Regional Offices in the conduct of environmental research programs.

Section 17. Ecosystems Research and Development Bureau. The Forest Research Institute and the National Mangrove Committee are hereby abolished and integrated into the Ecosystems Research and Development Bureau in accordance with Section 24 (e) hereof. The Ecosystems Research and Development Bureau shall be headed by a Director and assisted by an Assistant Director. The Bureau shall have the following functions:

- (a) Formulate and recommend an integrated research program relating to Philippine ecosystems and natural resources such as minerals, lands, forests, as holistic and interdisciplinary fields of inquiry;
- (b) Assist the Secretary in determining a system of priorities for the allocation of resources to various technological research programs of the department;

- (c) Provide technical assistance in the implementation and monitoring of the aforementioned research programs;
- (d) Generate technologies and provide scientific assistance in the research and development of technologies relevant to the sustainable uses of Philippine ecosystems and natural resources;
- (e) Assist the Secretary in the evaluation of the effectiveness of the implementation of the integrated research program.

The Ecosystems Research and Development Bureau shall directly manage and administer the FORI Research Offices, laboratories, and forest experiment stations located at UP Los Baños and such other field laboratories as the Secretary may assign to its direct supervision. The Bureau shall coordinate all technological researches undertaken by the field offices, assess and translate all recommendable findings and disseminate such findings for all possible users and clientele.

Section 18. Protected Areas and Wildlife Bureau. There is hereby created a Protected Areas and Wildlife Bureau which shall absorb the Division of Parks and Wildlife and the Marine Parks Program of the Bureau of Forest Development as well as: Calauit Game Preserve and Wildlife Sanctuary, Presidential Committee on the Conservation of Tamaraw, Ninoy Aquino Parks and Wildlife Center (formerly Parks and Wildlife Nature Center), shares in Kabuhayan Program and Agro Forestry State Projects of the KKK Processing Authority, all national parks, wildlife sanctuaries and game preserves previously managed and administered by the Ministry of Human Settlements including National Parks Reservation situated in the provinces of Bulacan, Rizal, Laguna and Quezon formerly declared as Bagong Lipunan Sites of said Ministry, Magat Forest Reservation and Mt. Arayat National Park, formerly with the Ministry of Tourism in accordance with Section 24 (c) hereof. The Protected Areas and Wildlife Bureau shall be headed by a Director and assisted by an Assistant Director. The Bureau shall have the following functions:

- (a) Formulate and recommend policies, guidelines, rules and regulations for the establishment and management of an Integrated Protected Areas Systems such as national parks, wildlife sanctuaries and refuge, marine parks, and biospheric reserves;
- (b) Formulate and recommend policies, guidelines, rules and regulations for the preservation of biological diversity, genetic resources, the endangered Philippine flora and fauna;

- (c) Prepare an up-to-date listing of endangered Philippine flora and fauna and recommend a program of conservation and propagation of the same;
- (d) Assist the Secretary in the monitoring and assessment of the management of the Integrated Protected Areas System and provide technical assistance to the regional offices in the implementation of programs for these areas;
- (e) Perform other functions as may be assigned by the Secretary and/or provided by law.

Section 19. Pollution Adjudication Board. There is hereby created a Pollution Adjudication Board under the Office of the Secretary. The Board shall be composed of the Secretary as Chairman, two (2) Undersecretaries as may be designated by the Secretary, the Director of Environmental Management, and three (3) others to be designated by the Secretary as members. The Board shall assume the powers and functions of the Commission/Commissioners of the National Pollution Control Commission with respect to the adjudication of pollution cases under Republic Act 3931 and Presidential Decree 984, particularly with respect to Section 6 letters e, f, g, j, k, and p of P.D. 984. The Environmental Management Bureau shall serve as the Secretariat of the Board. These powers and functions may be delegated to the regional officers of the Department in accordance with rules and regulations to be promulgated by the Board.

Section 20. Field Offices of the Department. The field offices of the Department are the Environment and Natural Resources Regional Offices in the thirteen (13) administrative regions of the country, the Environment and Natural Resources Provincial office in every province and the Community office in municipalities wherever deemed necessary. The regional offices of the Bureau of Forest Development, Bureau of Mines & Geo-Sciences and Bureau of Lands in each of the thirteen (13) administrative regions and the research centers of the Forest Research Institute are hereby integrated into the Department-wide Regional Environment and Natural Resources Office of the Department, in accordance with Section 24 (e) hereof. A Regional office shall be headed by a Regional Executive Director (with the Rank of Regional Director) and shall be assisted by five (5) Regional Technical Directors (with the Rank of Assistant Regional Director) each for Forestry, Lands Management, Mines and Geo-Sciences, Environmental Management and Ecosystems Research. The Regional Executive Directors and Regional Technical Directors shall be Career Executive Service Officers.

Section 21. Functions of Environment and Natural Resources Regional Office. Environment and Natural Resources Regional Offices shall be located in the identified regional capitals and shall have the following functions, but not limited to:

- (a) Implement laws, policies, plans, programs, projects, rules and regulations of the Department to promote the sustainability and productivity of natural resources, social equity in natural resource utilization and environmental protection;
- (b) Provide efficient and effective delivery of services to the people;
- (c) Coordinate with regional offices of other departments, offices, agencies in the region and local government units in the enforcement of natural resource conservation laws and regulations, and in the formulation/implementation of natural resources programs and projects;
- (d) Recommend and, upon approval, implement programs and projects on forestry, minerals, and lands management and disposition;
- (f) Conduct comprehensive inventory of natural resources in the region and formulate regional short and long-term development plans for the conservation, utilization and replacement of natural resources;
- (g) Evolve respective regional budget in conformity with the priorities established by the Regional Development Councils;
- (h) Supervise the processing of natural resources products, grade and inspect minerals, lumber and other wood processed products, and monitor the movement of these products;
- (i) Conduct field researches for appropriate technologies recommended for various projects;
- (j) Perform other functions as may be assigned by the Secretary and/or provided by law.

The natural resources provincial and community offices shall absorb, respectively, the functions of the district offices of the bureaus, which are hereby abolished in accordance with Section 24 (b) hereof. The provincial and community natural resource office shall be headed by a provincial natural resource officer and community natural resources officer, respectively.

Section 22. Attached Agencies and Corporations. The following agencies and corporations are attached to the Department:

(a) National Mapping and Resource Information Authority. There is hereby created the National Mapping and Resource Information Authority

(NAMRIA) which shall integrate the functions and powers of the Natural Resources Management Center (NRMC), National Cartography Authority (NCA), the Bureau of Coast and Geodetic Survey (BCGS), and the Land Classification Teams based at the then Bureau of Forest Development, in accordance with Section 24 (e) hereof, which shall provide the Department and the government with map-making services. The authority shall act as the central mapping agency which will serve the needs of the line services of the Department and other government offices with regard to information and researches, and shall expand its capability in the production and maintenance of maps, charts and similar photogrammetry and cartography materials.

The Authority shall be responsible for conducting research on remote sensing technologies such as satellite imagery analysis, airborne multi-spectral scanning systems, and side-looking airborne radar; provide remote sensing services and vital data on the environment, water resources, agriculture, and other information needed by other government agencies and the private sector; integrate all techniques of producing maps from the ground surveys to various combinations of remote sensing techniques in a cost effective and acceptable manner; and the integration of geographic and related information to facilitate access to and analysis of data and its transformation into useful information for resource policy formulation, planning and management. It shall be the central depository and distribution facility for natural resources data in the form of maps, statistics, text, charts, etc. store on paper, film or computer compatible media and shall operate information services and networks to facilitate transfer. sharing, access and dissemination of natural resource information in all regions and provinces of the country; establishment of a nationwide geodetic network of control points that serves as a common reference system for all surveys in the country and conduct hydrographic and coastal surveys to produce the hydrographic and nautical charts vital to sea and water travel as well as the exploitation of our marine resources; formulate and implement nationwide development program on aerial photography, cartography and remote sensing mapping activities; establish and implement technical standards and quality specifications on map production and its reproduction; and provide photogrammetry, cartographic and remote sensing mapping services in order to accelerate the development of a comprehensive data bank and information systems on base maps and charts.

The NAMRIA shall be provided with policy directions by a five (5) member Board of Governors consisting of key officers with no less than the rank of undersecretaries as follows:

Department of Environment and Natural Resources

- Chairman

Department of Agriculture - Member
Department of Public Works and Highways - Member
Department of National Defense - Member
Department of Transportation and Communication - Member

The operations and management of NAMRIA shall be vested in an Administrator who shall be assisted by three (3) Deputy Administrators. The Administrator shall sit in the Board as its secretary.

- (b) Natural Resources Development Corporation. The existing Natural Resources Development Corporation (NRDC), shall be reorganized under the direct supervision of the Secretary. It shall be responsible primarily for promoting natural resource development and conservation through:
 - (1) Direct involvement in pioneering but potentially viable product, use, and marketing ventures or projects using new/innovative technologies, systems, and strategies such as but not limited to stumpage sales system, industrial forest plantation or logging operations, rattan tissue culture; provided, however, that activities which compete with the private sector shall be avoided except in specific cases where the revenues of NRDC are earmarked for a specific local developmental or social service.
 - (2) Financing natural resource development projects undertaken by the private sector such as establishing industrial tree plantations, agroforestry, small-scale mining and retooling of the natural resource-based processing industries to improve their efficiency and competitiveness; to discharge these functions effectively, it is hereby authorized to generate funds through debt instruments from various sources, and innovative income-generating strategies.

The NRDC shall promote the enhancement of forest renewal rate through intensified Industrial Tree Plantation promotion including the provision of incidental services such as extension of assistance on equity/capital, credit line/facilities, marketing and management.

(c) The National Electrification Administration. The National Electrification Administration (NEA) which is also attached to the Department shall be reorganized in order that it can effectively and efficiently act and operate as the principal implementing arm of the Department in matters of energy farming and aspects and components of energy policies, programs and plans which can not be carried out by the private sector. The plans and programs of

NEA shall be carried out in conformity with policies defined by appropriate energy authorities.

Section 23. Detachment and Transfers. The following offices and corporation attached to the Department of Environment, Energy and Natural Resources by E.O. 131 are hereby detached and/or transferred as follows:

- (a) Manila Seedling Bank Foundation, Inc. is administratively detached from the Department;
- (b) Bureau of Energy Utilization, and
- (c) Bureau of Energy Development are transferred to the appropriate energy governing body pursuant to the Executive Order pertaining to it.

Section 24. Transitory Provisions. In accomplishing the acts of reorganization herein prescribed, the following transitory provision shall be complied with, unless otherwise provided elsewhere in this Executive Order:

- (a) The transfer of a government unit shall include the functions, appropriations, funds, records, equipment, facilities, chosen in action, rights, other assets, and liabilities, if any, of the transferred unit as well as the personnel thereof, as may be necessary, who shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits. Those personnel from the transferred unit whose positions are not included in the Department's new position structure and staffing pattern approved and prescribed by the Secretary or who are not reappointed shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of Section 25 hereof;
- (b) The transfer of functions which results in the abolition of the government unit that exercised them shall include the appropriations, funds, records, equipment, facilities, chosen in action, rights, other assets and personnel as may be necessary to the proper discharge of the transferred functions. The abolished unit's remaining appropriations and funds, if any, shall revert to the General Fund and its remaining assets, if any, shall be allocated to such appropriate units as the Secretary shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Its personnel shall, in a hold-over capacity, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits. Its personnel whose positions are not included in the Department's structure and staffing

pattern approved and prescribed by the Secretary under Section 25 hereof or who is not reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 25.

- (c) Any transfer of functions which does not result in the abolition of the government unit that has exercised them shall include the appropriations, funds, records, equipment, facilities, chosen in action, rights, and assets and personnel as may be necessary to the proper discharge of the transferred functions. The liabilities, if any, that may have been incurred in connection with the discharge of the transferred functions, shall be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. Such personnel shall, in a hold-over capacity, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service. Any personnel, whose positions are not included in the Department's new position structure and staffing pattern approved and prescribed by the Secretary under Section 25 hereof or who is not reappointed, shall be deemed separated from the service and shall be entitled to
- (d) In case of the abolition of the government unit which does not result in the transfer of its functions to another unit, the appropriations and funds of the abolished entity shall revert to the General Fund, while the records, equipment, facilities, chosen in action, rights, and other assets thereof shall be allocated to such appropriate entities as the Secretary shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The liabilities of the abolished units shall be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations, while the personnel thereof, whose position, is not included in the Department's new position structure and staffing pattern approved and prescribed by the Secretary under Section 25 hereof or who has not been reappointed, shall be deemed separated from the service and shall be entitled to
- (e) In case of merger or consolidation of government units, the new or surviving unit shall exercise the functions (subject to the reorganization herein prescribed and the laws, rules and regulations pertinent to the exercise of such functions) and shall acquire the appropriations, funds, records, equipment, facilities, chosen in action, rights, other assets, liabilities, if any, and personnel, as may be necessary, of the units that compose the merged unit shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from the service. Any such personnel, whose position structure and staffing pattern approved and prescribed by the Secretary under Section 25 hereof or who are not reappointed, shall be deemed separated from the service and shall

be entitled to the benefits provided in the second paragraph of the same Section 25.

(f) In case of termination of a function which does not result in the abolition of the government unit which performed such function, the appropriations and funds intended to finance the discharge of such function shall revert to the General Fund while the records, equipment, facilities, chosen in action, rights and other assets used in connection with the discharged of such function shall be allocated to the appropriate units as the Department shall determine or shall otherwise be disposed in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The liabilities, if any, that may have been incurred in connection with the discharge of such function shall likewise be treated in accordance with the Government Auditing Code and other pertinent laws, rules and regulations. The personnel who have performed such function, whose positions are not included in the Department's new position structure and staffing pattern approved and prescribed by the Secretary under Section 25 hereof or who have not been reappointed, shall be deemed separated from the service and shall be entitled to the benefits provided in the second paragraph of the same Section 25 hereof.

Section 25. New Structure and Pattern. Upon approval of this Executive Order, the officers and employees of the Department shall, in a hold-over capacity, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits unless in the meantime they are separated from government service.

The new position structure and staffing pattern of the Department shall be approved and prescribed by the Secretary within sixty (60) days from the effectivity of this Executive Order and the authorized positions created thereunder shall be filled with regular appointments by him or by the President as the case may be. Those incumbents whose positions are not included therein or who are not reappointed shall be deemed separated from the service. Those separated from the service shall receive the retirement benefits to which they may be entitled under existing laws, rules and regulation. Otherwise, they shall be paid the equivalent of one (1) month basic salary for every year of service in the government, or a fraction thereof; computed on the basis of the highest salary received, but in no case such shall payment exceed the equivalent of twelve (12) months salary.

Section 26. Periodic Performance Evaluation. The Department of Environment and Natural Resources is hereby required to formulate and enforce a system of measuring and evaluating periodically and objectively the performance of the Department and submit the same annually to the President.

Section 27. Notice or Consent Requirement. If any reorganization change herein authorized is of such substance or materiality as to prejudice third persons with rights recognized by law or contract such that notice to or consent of creditors is required to be made or obtained pursuant to any agreement entered into with any of such creditors, such notice or consent requirement shall be complied with prior to the implementation of such reorganization change.

Section 28. Prohibition Against Structural Changes. No change in the reorganization herein prescribed shall be valid except upon prior approval of the President for the purpose of promoting efficiency and effectiveness in the delivery of public services.

Section 29. Funding. Funds needed to carry out the provision of this Executive Order shall be taken from funds available in the Department.

Section 30. Implementing Authority of the Secretary. The Secretary shall issue such orders, rules and regulations and other issuances as may be necessary to ensure the effective implementation of the provisions of this Executive Order.

Section 31. Separability. Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions or provisions can still subsist and be given effect in their entirety.

Section 32. Repealing Clause. All laws, ordinances, rules, regulations and other issuances or parts thereof, which are inconsistent with this Executive Order, are hereby repealed or modified accordingly.

Section 33. Effectivity. This Executive order shall take effect immediately.

APPROVED in the City of Manila, Philippines, this 10th day of June, in the Year of Our Lord, Nineteen Hundred and Eighty-Seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

PRESCRIBING THE INTERIM PROCEDURES IN THE PROCESSING AND APPROVAL OF APPLICATIONS FOR THE EXPLORATION, DEVELOPMENT AND UTILIZATION OF MINERALS

WHEREAS, the 1986 Constitution places the exploration, development and utilization of natural resources under the full control and supervision of the State and allows the State to undertake activities relative thereto or to enter into co-production, joint venture, or production sharing agreements with Filipino citizens or corporations or associations at least sixty per centum of those capital is owned by such citizens;

WHEREAS, there are presently issued mining leases, licenses and/or permits or grants, as well as operating agreements and service contracts in relation to which the grantees, local and foreign, have already made huge investments in terms of money and equipment;

WHEREAS, there are pending new applications for such mining grants as well as applications for renewal of such grants and there will foreseeably be prospective applications for such grants;

WHEREAS, the mining industry plays a pivotal role in the economic development of the country and is a vital tool in the government's thrust of accelerated economic recovery, hence, it is imperative to formulate procedures to ensure the continuity of mining operations and activities, and to hasten the development of mineral resources:

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby direct and order:

Section 1. Existing mining permits, licenses, leases and other mining grants issued by the Department of Environment and Natural Resources and Bureau of Mines and Geo-Sciences, including existing operating agreements and mining service contracts, shall continue and remain in full force and effect, subject to the same terms and conditions as originally granted and/or approved.

Section 2. Applications for the exploration, development and utilization of mineral resources, including renewal applications and applications for approval of operating agreements and mining service contracts, shall be accepted and processed and may be approved; concomitantly thereto, declarations of locations and all other kinds of

mining applications shall be accepted and registered by the Bureau of Mines and Geo-Sciences.

Section 3. The processing, evaluation and approval of all mining applications, declarations of locations, operating agreements and service contracts as provided for in Section 2 above, shall be governed by Presidential Decree No. 463, as amended, other existing mining laws, and their implementing rules and regulations: Provided, However, that the privileges granted as well as the terms and conditions thereof shall be subject to any and all modifications or alterations which Congress may adopt pursuant to Section 2, Article XII of the 1986 Constitution.

Section 4. The Secretary shall promulgate the rules and regulations necessary to implement effectively the provisions of this Executive Order.

Section 5. If any provision of this Executive Order is held unconstitutional, the other provisions shall not be affected.

Section 6. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 10th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

VESTING ON THE PHILIPPINE NATIONAL OIL COMPANY (PNOC) THE JURISDICTION, CONTROL, MANAGEMENT, PROTECTION, DEVELOPMENT AND REHABILITATION OVER THE WATERSHED AREAS OF GEOTHERMAL RESERVATIONS WHERE PNOC HAS GEOTHERMAL PROJECTS, PLANTS, AND PROPERTIES

WHEREAS, indigenous geothermal resources is an energy alternative that can provide a principal energy supply to boost the country's economy;

WHEREAS, the Government has declared some geothermal rich areas of the country as geothermal reservations under the jurisdiction and control of the Office of Energy Affairs (OEA) through the National Power Corporation (NPC) pursuant to Presidential Decree 1515 and 1749;

WHEREAS, PNOC has substantially invested in the development of the Tongonan, Palinpiñon and Bacon-Manito geothermal fields and presently supplies geothermal steam to the geothermal power plants in Tongonan and Paninpinon;

WHEREAS, being a major developer of this vital energy alternative, it is the inherent responsibility of PNOC to protect and manage the watershed areas surrounding the geothermal resource to ensure the sustained steam supply to government power plants;

WHEREAS, PNOC was deputized by OEA under MOE Order 83-06-15 in conjunction with P.D. 1749 to undertake the management, protection, development and rehabilitation of the watershed areas of Tongonan, Palinpiñon, and Bacon-Manito Geothermal Reservations:

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines do hereby direct:

Section 1. PNOC shall have jurisdiction, control and management, and shall be responsible for the protection, development and rehabilitation of the watershed areas surrounding the following geothermal reservations;

(a) Tongonan Goethermal Reservation pursuant to Presidential Proclamation No. 112;

- (b) Palinpinon Geothermal Reservation pursuant to Presidential Proclamation No. 1413:
- (c) Bacon-Manito Geothermal Reservation pursuant to Presidential Proclamation No. 2036-A; and
- (d) Other Geothermal Reservations as may be discovered, identified, determined, and to be developed by PNOC, and proclaimed by the President of the Philippines.

Section 2. To effectively accomplish this mandate, PNOC shall exercise jurisdiction and control over the aforesaid watershed areas including but not limited to the performance of the following acts:

- (a) Enforcement of forestry laws, rules and regulations within said watershed areas;
- (b) Identification of areas which require immediate rehabilitation and development;
- (c) Preparation of plans and programs for the maximum utilization of watershed resources:
- (d) Formulation and/or implementation of measures to prevent denudation of watershed cover;
- Public education and information drive to create awareness among the populace of the importance of forests and uses of watershed areas;
- (f) Promotion of the development and conservation of existing vegetative cover;
- (g) Formulation of plans and development programs for resettlement and relocation;
- (h) Coordination with other government agencies/ instrumentalities, religious and civic groups in undertaking forest conservation measures in watershed areas;
- Afforestation, reforestation and physical rehabilitation measures in critically denuded watershed areas.

Section 3. The provisions of existing laws, decrees, orders, rules and regulations as are inconsistent herewith are hereby repealed, amended or modified accordingly.

Section 4. This Order shall take effect immediately.

Done in the City of Manila this 16th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

VESTING ON THE NATIONAL POWER CORPORATION THE COMPLETE JURISDICTION, CONTROL AND REGULATION OVER WATERSHED AREAS AND RESERVATIONS SURROUNDING ITS POWER GENERATING PLANTS AND PROPERTIES OF SAID CORPORATION

- WHEREAS, Watershed areas are critical and essential to the life span of waterbased projects including flood control and other environmental programs;
- WHEREAS, the sustained operational capability of hydro and geothermal plants depend on the productive condition of the watersheds;
- WHEREAS, due to its importance to the over-all economic undertaking, it has become imperative that its inalienable and non-disposable character be assured, and therefore, more stringent measures be adopted for its protection, development, management and rehabilitation;
- WHEREAS, the National Power Corporation pursuant to its mandated responsibility for developing and generating cheap, reliable electricity for national development has developed and administered watersheds in its geothermal and hydroelectric power plants;
- WHEREAS, with its mandated functions, the National Power Corporation is in a better position and has the manpower and resources to exercise the desired protection, development, management and rehabilitation of watershed areas supporting operation water-based power plants;
- WHEREAS, the National Power Corporation is vested by law with the power to exercise complete jurisdiction and control over watersheds surrounding the reservoir of plants and/or projects constructed or proposed to be constructed pursuant to the provisions of Section 3, paragraph (N), R.A. 6395;
- **NOW, THEREFORE, I, CORAZON C. AQUINO,** President of the Republic of the Philippines, by virtue of the power vested in me by the Constitution, do hereby order the following:
- **Section 1.** The National Power Corporation shall have complete jurisdiction, control and regulation over the following watershed areas and reservations.

- 1. Upper Agno Watershed Reservation as covered by Proclamation No. 548;
- 2. Angat Watershed Reservation as covered by Proclamation Nos. 505 and 599;
- 3. Caliraya-Lumot Watershed Reservation as covered by Proclamation No. 573;
- Makiling-Banahaw Geothermal Reservation as covered by Proclamation No. 1111;
- 5. Buhi-Barit Watershed as covered by Proclamation No. 573;
- 6. Tiwi Geothermal Reservation as covered by Presidential Proclamation No. 739.

Section 2. The National Power Corporation shall be responsible for the management, protection, development and rehabilitation of the aforementioned watershed areas, including but not limited to the following:

- Enforcement of forestry laws, rules and regulations governing the Integrated Management of Watershed Reservation under Ministry Order No. 83-01-13, Series of 1982:
- 2. Identification of areas which requires immediate rehabilitation and development;
- 3. Preparation of plans and programs using the integrated multiple use concept of Watershed Management for the maximum utilization of watershed resources;
- 4. Formulation and/or implementation of measures to prevent denudation of the forest cover and siltation of existing reservoirs;
- 5. Public education and information drive to create awareness among the populace of the importance of forest resources and watershed areas;
- 6. Promotion of the development and conservation of existing vegetative cover;
- 7. Formulation of plans and development programs for resettlement and relocation;
- 8. Coordination with other government agencies/ instrumentalities, religious and civic groups in undertaking forest conservation measures in watershed areas;
- 9. Afforestation, reforestation and physical rehabilitation measures in critically denuded watershed areas;

10. Development, maintenance and management of tree farms within adequately vegetative watersheds for the production of transmission line poles.

Section 4. The provisions of existing laws, decrees, orders, rules and regulations as are inconsistent herewith are hereby repealed, amended or modified accordingly.

Section 5. This Executive Order shall take effect immediately.

Done in the City of Manila, this 16th day of July in the year of our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO
Executive Secretary

AMENDING SECTION 68 OF PRESIDENTIAL DECREE (P.D.) NO. 705, AS AMENDED, OTHERWISE KNOWN AS THE REVISED FORESTRY CODE OF THE PHILIPPINES, FOR THE PURPOSE OF PENALIZING POSSESSION OF TIMBER OR OTHER FOREST PRODUCTS WITHOUT THE LEGAL DOCUMENTS REQUIRED BY EXISTING FOREST LAWS, AUTHORIZING THE CONFISCATION OF ILLEGALLY CUT, GATHERED, REMOVED AND POSSESSED FOREST PRODUCTS, AND GRANTING REWARDS TO INFORMERS OF VIOLATIONS OF FORESTRY LAWS, RULES AND REGULATIONS

WHEREAS, there is an urgency to conserve the remaining forest resources of the country for the benefit and welfare of the present and future generations of Filipinos;

WHEREAS, our forest resources may be effectively conserved and protected through the vigilant enforcement and implementation of our forestry laws, rules, and regulations;

WHEREAS, the implementation of our forestry laws suffers from technical difficulties, due to certain inadequacies in the penal provisions of the Revised Forestry Code of the Philippines; and

WHEREAS, to overcome these difficulties, there is a need to penalize certain acts to make our forestry laws more responsive to present situations and realities:

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

Section 1. Section 68 of Presidential Decree (P.D.) No. 705, as amended, is hereby amended to read as follows:

"SEC. 68 Cutting, Gathering and/or Collecting Timber, or Other Forest Products Without License. Any person who shall cut, gather, collect, remove timber or other forest products from any forest land, or timber from alienable or disposable public land, or from private land, without any authority, or possess timber or other forest products without the legal documents as required under existing forest laws and regulations, shall be punished with the penalties imposed under Articles 309 and 310 of the Revised Penal

Code: Provided, That in the case of partnerships, associations, or corporations, the officers who ordered the cutting, gathering, collection or possession shall be liable, and if such officers are aliens, they shall, in addition to the penalty, be deported without further proceedings on the part of the Commission on Immigration and Deportation.

"The Court shall further order the confiscation in favor of the government of the timber or any forest products cut, gathered, collected, removed, or possessed, as well as the machinery, equipment, implements and tools illegally used in the area where the timber or forest products are found."

Section 2. Presidential Decree No. 705, as amended, is hereby further amended by adding Sections 68-A and 68-B which shall read as follows:

"SEC. 68-A. Administrative Authority of the Department Head or His Duly Authorized Representative to Order Confiscation. In all cases of violations of this Code or other forest laws rules and regulations, the Department Head or his duly authorized representative, may order the confiscation of any forest products illegally cut, gathered, removed, or possessed or abandoned, and all conveyances used either by land, water or air in the commission of the offense and to dispose of the same in accordance with pertinent laws, regulations or policies on the matter.

"SEC 68-B. Rewards to Informants. Any person who shall provide any information leading to the apprehension and conviction of any offender for any violation of this Code or other forest laws, rules and regulations, or confiscation of forest products, shall be given a reward in the amount of twenty per centum (20%) of the proceeds of the confiscated forest products."

Section 3. All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

Section 4. This Executive Order shall take effect after fifteen days following its publication either in the Official Gazette or in a newspaper of general circulation in the Philippines.

DONE in the City of Manila, this 25th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

PRESCRIBING THE INTERIM PROCEDURES IN THE PROCESSING AND APPROVAL OF APPLICATION FOR THE DEVELOPMENT OR UTILIZATION OF FORESTLANDS AND/OR FOREST RESOURCES

- WHEREAS, the 1987 Constitution places the development or utilization of our forestlands and/or forest resources under the full control and supervision of the State and allows the State to enter into co-production, joint-venture, or production-sharing agreements with Filipino citizens, or corporations, or associations, at least sixty per centum (60%) of whose capital is owned by such citizens;
- WHEREAS, there are presently issued forest permits, licenses, leases or grants, in relation to which the grantees have already made huge investments in terms of money and equipment;
- WHEREAS, there are presently pending applications for such forest permits, licenses or leases, which ought to be given immediate consideration; and
- WHEREAS, the forest-based industry is a major contributor to the national economy, and therefore, the development or utilization of the country's forestlands and/or forest resources is necessary to accelerate economic recovery;
- NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:
- **Section 1.** Applications for the development or utilization of forestlands and/or forest resources may be accepted and processed, provided that application for timber licenses for commercial purposes shall be governed by Section 4 hereof.
- Section 2. The processing, evaluation and approval of all applications provided for under Section 1 shall be governed by Presidential Decree No. 705 as amended, other existing forestry laws, orders and issuances, and their implementing rules and regulations: Provided, however, that the privileges granted, as well as the terms and conditions thereof, shall be subject to any and all modifications or alterations which Congress may adopt, pursuant to Section 2, Article XII of the 1978 Constitution.
- Section 3. Unless Congress provides otherwise, existing and currently recognized forest permits, licenses and leases issued by the Department of Environment and Natural Resources, shall continue and remain in full force and effect, subject to the same terms and conditions as originally granted and/or approved.

Section 4. Until Congress otherwise provides, the Secretary of the Department of Environment and Natural Resources is hereby authorized to negotiate and enter into, for and in behalf of the Government, joint venture, co-production, or production-sharing agreements for the development or utilization of forestlands and/or forest resources with any Filipino citizen, or corporation, or association, at least sixty per centum (60%) of whose capital is owned by Filipino citizens. Such agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and shall conform with and include the minimum terms and conditions prescribed in Section 5 hereof.

Section 5. Unless Congress otherwise provides, the following minimum terms and conditions shall be incorporated in the co-production, joint venture, or production-sharing agreement:

- (a) A provision that the agreement-holder shall furnish the necessary management, technology and financial services required, as determined by the Secretary of Environment and Natural Resources;
- (b) A stipulated share of revenues and the manner of payment thereof;
- (c) Provision on consultation and arbitration with respect to the interpretation of the agreement;
- (d) A provision for anti-pollution and environmental protection measures;
- (e) A provision for the restoration and protection of the forest;
- (f) A provision for an effective monitoring scheme to be implemented by the Department which shall include, but shall not be limited to the periodic inspection of all records and books of account of the agreement-holder;
- (g) A commitment to community development, and
- (f) The submission of a management and development plan to be approved by the Secretary of Environment and Natural Resources.

Section 6. The Secretary of the Department of Environment and Natural Resources shall promulgate the rules and regulations necessary to implement effectively the provisions of this Executive Order.

Section 7. If any provision of this Executive Order is held unconstitutional, the other provisions shall not be affected.

Section 8. All laws, decrees, orders and other issuances or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

Section 9. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 25th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

AUTHORIZING THE SECRETARY OF ENVIRONMENT AND NATURAL RESOURCES TO NEGOTIATE AND CONCLUDE JOINT VENTURE CO-PRODUCTION, OR PRODUCTION-SHARING AGREEMENTS FOR THE EXPLORATION, DEVELOPMENT AND UTILIZATION OF MINERAL RESOURCES AND PRESCRIBING THE GUIDELINES FOR SUCH **AGREEMENTS** AND THOSE **AGREEMENTS** INVOLVING TECHNICAL OR FINANCIAL ASSISTANCE BY FOREIGN-OWNED CORPORATIONS FOR LARGE-SCALE EXPLORATION, DEVELOPMENT, AND UTILIZATION OF MINERALS

WHEREAS, Section 2 of Article XII of the 1987 Constitution provides that the exploration, development and utilization of natural resources shall be under the full control and supervision of the State, and the State may directly undertake such activities, or may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least sixty per centum (60%) of whose capital is owned by such citizens, which agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and under such terms and conditions as may be provided by law;

WHEREAS, there are existing and expected proposals from interested parties, including foreign-owned corporations, for agreements involving the exploration, development and utilization of minerals that require immediate consideration to encourage investment in the mining industry which plays a pivotal role in the economic development of the country; and

WHEREAS, in order to enable the Government to consider and conclude such agreements, it is necessary in the national interest to provide the legal basis and authority as well as the general guidelines and framework for entering into such contracts or agreements envisioned by Section 2, Article XII of the 1987 Constitution until Congress shall enact a more comprehensive legislation on the subject;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

Section 1. The Secretary of the Department of Environment and Natural Resources (hereinafter referred to as "the Secretary") is hereby authorized to negotiate and enter into, for and in behalf of the Government, joint venture, co-production, or

production-sharing agreements for the exploration, development, and utilization of mineral resources with any Filipino citizen, or corporation or association at least sixty percent (60%) of whose capital is owned by Filipino citizens. Such joint venture, co-production, or production-sharing agreements may be for a period not exceeding twenty-five years, renewable for not more than twenty-five years, and shall include the minimum terms and conditions prescribed in Section 2 hereof. In the execution of a joint venture, co-production, or production-sharing agreement, the contracting parties, including the Government, may consolidate two or more contiguous or geologically related mining claims or leases and consider them as one contract area for purposes of determining the subject of the joint venture, co-production, or production-sharing agreement.

Section 2. The following minimum terms and conditions shall be incorporated in the co-production, joint venture or production-sharing agreement: (a) all the necessary management, technology and financial services to be furnished by the contractor; (b) the use of local goods and services to be maximum extent practicable, must be given preference; (c) a condition that the contractor shall not acquire title to the contract area; (d) the stipulated share in revenues and manner of payment thereof; (e) a period of two (2) years from date of the agreement, extendible for another two (2) years; (f) a period of utilization including development which shall not exceed twenty-five (25) years under the same terms and conditions; (g) obligatory relinquishment of portions of the contract area after the exploration period which are not needed for utilization and development; (h) work program and minimum expenditure commitment for the exploration period; (i) provision on consultation and arbitration with respect to interpretation and implementation of the agreement; (i) employment and training of Filipino personnel; (k) industrial safety and anti-pollution measures; (1) restoration and/or protection of technology to the Government or local mining company; (n) a stipulation that all data and information gathered by the contractor shall be furnished to the Bureau of Mines and Geo-Sciences and that all books of accounts and records shall be open to inspection; (o) commitment to community development; (p) such other terms and conditions not inconsistent with the Constitution and existing laws, as the Secretary may deem to be the best interest of the Government.

Section 3. Any contract or agreement which may be entered into by the Secretary pursuant to Sections 1 and 2 hereof shall be subject to the approval of the President.

Section 4. The Secretary is further hereby authorized to accept, consider and evaluate proposals from foreign-owned corporations or foreign investors for contracts or agreements involving either technical or financial assistance for large-scale exploration, development, and utilization of minerals, which, upon appropriate recommendation of the Secretary, the President may execute with the foreign proponent. In entering into such proposals, the President shall principally consider the real contributions to the economic growth and general welfare of the country that will be realized, as well as the development

and use of local scientific and technical resources that will be promoted by the proposed contract or agreement. Until Congress shall determine otherwise, large-scale mining, for purpose of this Section, shall mean those proposals for contracts or agreements for mineral resources exploration, development, and utilization involving a committed capital investment in a single mining unit project of at least Fifty Million Dollars in United States currency (US\$50,000,000.00).

Section 5. Any contract or agreement entered into by the President pursuant to Section 4 hereof shall be reported to Congress by the Executive Secretary on behalf of the President within thirty (30) days from its execution.

Section 6. The Secretary shall promulgate such supplementary rules and regulations as may be necessary to effectively implement the provisions of this Executive Order.

Section 7. All provisions of Presidential Decree No. 463, as amended, other existing mining laws, and their implementing rules and regulations, or parts thereof, which are not inconsistent with the provisions of this Executive Order, shall continue in force and effect.

Section 8. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 25th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO
Executive Secretary

REPEALING PRESIDENTIAL DECREE NO. 1153, ENTITLED "REQUIRING THE PLANTING OF ONE TREE EVERY MONTH FOR FIVE CONSECUTIVE YEARS BY EVERY CITIZEN OF THE PHILIPPINES"

WHEREAS, the policy announced in Presidential Decree No. 1153, to call upon every citizen of the Philippines to help, as a duty and obligation, to conserve and develop the resources of the country" can be achieved without the compulsion and the penalties for non-compliance therewith as set forth in the Decree;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

Section 1. Presidential Decree No. 1153, entitled "Requiring the Planting of One Tree Every Month for Five Consecutive Years by Every Citizen of the Philippines" and the rules and regulations issued pursuant thereto are hereby repealed.

Section 2. This Executive Order shall take effect immediately.

Done in the City of Manila, this 25th day of July, in the year of Our Lord, nineteen hundred and eighty-seven.

CORAZON C. AQUINO

By the President:

JOKER P. ARROYO Executive Secretary

OTHER ISSUANCES

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Administrative Order No.

C	THE IND.
5	Creation of Internal Project Management Board for all MNR Foreign Assisted Projects
34	Deputation as Forest Officer of the Ministry of Natural Resources
37	Deputation as Forest Officer of the MNR
40	Deputation as Forest Officer of the Ministry of Natural Resources
59	Creation of Different Offices
60	Deputizing 5 Local Officials of San Fernando, Bukidnon
61	Deputizing the Twelve (12) Personnel of Basey Wood Industries, Basey, Samar as Forest Officers of the DENR
62	Deputizing the Tribal Leaders of Bamban, Tarlac as Forest Officers of the DENR
63	Deputation as Forest Officers of the Eight (8) Concession Guards of Woodworks, Inc., Naga City
54	Deputizing Mr. Gilbert D. Gavarra, of Lagonoy, Camarines Sur as Forest Officer of the DENR
57	Deputizing the Seven (7) Personnel of the Philippine Eagle Conservation Program at the Philippine Eagle Research and Nature Center, Mt. Apo National Park, Davao City
58	Deputizing Mr. Edgardo A. Cichon of Curuan Timber Corporation, Zamboanga City, as Forest Officer of the DENR
59	Deputation as Forest Officers of the Two (2) Concession Guards of Aras-asan Timber Company
0	Deputation as Forest Officers of the Thirteen (13) Personnel of Heald Lumber Company and Benguet Corporation, Baguio City

- 71 Deputizing Mr. Jaime Isidro as Forest Officer of the DENR
- 73 Deputation of Thirteen (13) Personnel of Sirawai Plywood and Lumber Corporation as Forest Officers of the Department of Environment and Natural Resources

Memorandum

Circular

Discouraging the Creation of Ad-Hoc Committees in the BFD for Purposes of Performing Regular Agency Functions (February 18, 1987)

Memorandum

Order

- Authorizing Deputy Minister Dante P. Sarraga and OIC, WIDA Administrator C. M. Corpin to Approve Notice of Log Shipment (NOLS) for the Exportation of Plantation Species (January 20, 1987)
- Assignment of the Natural Resources Management Center Under the Supervision of Deputy Minister Philip Ella Juico (January 15, 1987)
- Repealing the 35% 65% Regulation on Releases of MOE Funds to Foreign-Assisted Projects as Provided in Memorandum Order No. 4, Series of 1982 (June 29, 1987)
- 8 Assignment of Security Guards (October 8, 1987)
- Organization of the Regional Public Affairs Office (December 17, 1987)

Circular

Renewal of Temporary Appointments of those Holding Forester or Similar Appointments by Change of Status from Temporary to Permanent for those Holding Non-Forester Positions for 10 Years or More for Retirement Purposes (February 13, 1987)