

**[DENR ADMINISTRATIVE ORDER NO. 2000-05,
January 18, 2000]**

**REVISING DENR ADMINISTRATIVE ORDER (DAO) NO. 94-11,
SUPPLEMENTING DAO NO. 96-37 AND PROVIDING FOR
PROGRAMMATIC COMPLIANCE PROCEDURES WITHIN THE
ENVIRONMENTAL IMPACT STATEMENT (EIS) SYSTEM**

ARTICLE I

POLICY OBJECTIVES AND DEFINITION OF TERMS

SECTION 1.0. Basic Policy

1.1.1 Supplementing DENR Administrative Order No. 37, Series of 1996 on the implementation of the EIS System, the Department also assure environmentally and socially acceptable development of industrial areas within the Philippines in furtherance of, among other provisions, Art. I, Section 8, Rules and Regulations Implementing the Intent and Provisions of PD 1586 Establishing the Environmental Impact Statement (EIS) System in Relation to Presidential Decree No. 1151 Promulgating the Philippine Environmental Policy.

SECTION 2.0. Policy Objectives

1.2.1 To identify environmental constraints and opportunities of natural systems in order to guide the planning and development of industrial projects that have multiple stages or components.

1.2.2 To incorporate incentives for industrial siting in regional industrial centers.

1.2.3 To incorporate cost-effective environmental management systems in compliance with Philippine environmental standards.

1.2.4 To assess the carrying capacity of the natural environment in areas designated for industrial development.

1.2.5 To assure environmentally sensitive development of industrial projects and programs.

1.2.6 To assess the induced effects on the social and natural environment of concentrated industrialization programs.

1.2.7 To streamline the procedures for environmental compliance for industries locating in regional industrial centers.

1.2.8 To encourage industries to locate in geographic areas which are environmentally and socially suitable to their activities.

1.2.9 To ensure transparency through wide participation of concerned sectors, especially the local communities, in compliance monitoring of development programs.

SECTION 3.0. Definition of Terms

1.3.1 For the purpose of these rules and regulations, whenever any of the following words and terms are used therein, they shall have the meaning ascribed in this section:

1. *Ambient levels or standards* — refers to the allowance of maximum levels of selected pollutants in a water body or the surrounding air, with an adequate margin of safety, that will protect public health and the environment.
2. *Carrying Capacity* — refers to the capacity of natural and human environments to accommodate and absorb change without experiencing conditions of instability and attendant degradation.
3. *CENRO* — refers to the Community Environment and Natural Resources Officer of the DENR.
4. *Compliance Monitoring* — refers to the activity, usually through inspection, sampling, or other means of evaluation, designed to gauge the level of compliance with the discharge permit-related conditions stipulated in the ECC and permits issued by other environmental statutory authorities.
5. *DENR* — refers to the Department of Environment and Natural Resources.
6. *Discharge Allocations* — refers to pollution loadings that may be borne by the carrying capacity of a given airshed or waterbody and which may be assigned to one or a number of industrial sources to ensure that ambient levels are not exceeded.
7. *Eco-profile* — or ecological profile, refers to geographic-based instruments for planners and decision-makers which present an evaluation of the environmental quality and carrying capacity of an area. They are the result of the integration of primary and secondary data and information on natural resources and anthropogenic activities on the land which are evaluated by various environmental risk assessment and forecasting methodologies that enable DENR to anticipate the type of development control necessary in the planning area. The technical detail is of particular use in the formulation of an EIS for a project or program.
8. *Economic incentive* — refers to an administrative instrument founded in law or regulation that endeavors to stimulate the achievement of an environmental benefit through the economic system without primary reliance on command-and-control regulations. These are sometimes referred to as "market-based incentives".
9. *Ecozone* — refers to a Special Economic Zone (see definition of Special Economic Zone below).

10. *EMB* — refers to the Environmental Management Bureau.
11. *Environmental Compliance Certificate (ECC)* — refers to the document issued by the Secretary of the Department of Environmental and Natural Resources or his duly authorized representative certifying that the proposed project or program under consideration will not bring about unacceptable environmental impacts and that the proponent has complied with the requirements of the Environmental Impact Statement (EIS) System for programmatic compliance; it is usually issued with conditionalities.
12. *Environmental Impact Assessment (EIA)* — refers to the process of predicting the likely environmental consequences of implementing project or program activities.
13. *Environmental Impact Statement Review Committee (EIARC)* — refers to the body of experts from various fields organized by DENR whose main task is to assist the DENR in evaluating EIS and other documents from time to time.
14. *Environmental Impact Statement/Study (EIS)* — refers to the documentation of studies on the environmental impacts of a project or program including the discussions on direct and indirect consequences upon human welfare and ecological and environmental integrity. The EIS may vary in its specific application to differing projects and programs, but shall contain in every case all the relevant information and details about the project to enable the DENR and other concerned parties to make judicious decisions regarding the carrying capacity of certain areas and systems to support projects or programs.
15. *Environmental Impact Statement Programmatic Compliance (EISPC)* — refers to the entire EIS system as it applies to programmatic compliance.
16. *Environmental Impact Statement (EIS) System* — refers to the entire process of organization, administration and procedure institutionalized for the purpose of assessing the significance of the effects of physical developments on the quality of the environment.
17. *Environmental Monitoring Fund* — refers to an ECC conditionality created to support the activities of the Multisectoral Monitoring Teams and a reasonable environmental information program.
18. *Export Processing Zone (EPZ)* — a type of industrial estate. It is a customs-controlled manufacturing enclave where industries are allowed to import raw materials and export finished goods without duty and tax charges and import restrictions. The rationale is to encourage the processing of imported raw materials for re-export while freeing the importer/exporter of the bureaucratic procedure and red tape normally associated with such operations. EPZs are designed mainly to attract foreign investments although local entrepreneurs may also establish enterprises in this area.

19. *Industrial Development Area (IDA)* — refers to an area, such as an ecozone, regional Agro-industrial Growth Center (RGC), or industrial estate, that contains several facilities or a cluster of enterprises co-located in a designated area which may have significant impact on the environment.

20. *Industrial Estate (IE)* — refers to a tract of land subdivided and developed according to a comprehensive plan, under a unified and continuous management, with provisions for basic infrastructure and utilities with or without prebuilt standard factory buildings and common service facilities, for the use of a community of industries.

21. *Locator Firm* — refers to an industrial facility that locates or is sited within the geographic boundaries of an industrial development area (IDA).

22. *Market or Market-based Incentive* — an administrative instrument founded in law or regulation that endeavors to stimulate the achievement of an environmental benefit through the market system without primary reliance on command-and-control regulations.

23. *Methodologies to forecast environmental impacts, ambient levels, and discharge allocation* - refers to such techniques as:

a. *Delphi Technique* — uses the opinions of knowledgeable experts and through a repetitive process, converges toward group consensus.

b. *Mathematical Modeling* — principal cause-effect relationships of a proposed action are described in terms of mathematical functions and combined to yield a mathematical model capable of predicting future environmental conditions. It is particularly helpful in assessing ambient levels.

c. *Simulation* — generally used to assess the probabilities of various classes of events, or to forecast environmental changes from existing general trends. For example, the Monte Carlo Method may be used to estimate how frequently the concentration of the contaminant in the discharge might exceed a particular value.

d. *Geographical Information Systems (GIS)* — are essentially computerized graphical overlays and interacting data files. If environmental features are "mapped" systematically, information acquired on specific projects can be combined, and the GIS database becomes more detailed over time.

e. *Cost-Benefit Analysis* — a formalized accounting of the anticipated costs and benefits of an action of particular use when comparing alternative forms of an action. It is not limited to economic costs, but includes risks to long-term environmental quality and public health.

- f. *Environmental Risk Assessment* — a category of analyses by which the potential risk of harm to individuals, communities and ecosystems can be evaluated. It is expected to be of significant value in the EIS process.
24. *Multi-Sectoral Monitoring Team* — refers to a team of project or program stakeholders from representative sectors, most particularly local communities, organized and chaired by DENR for the purpose of providing general oversight over ECC conditionalities.
25. *PENRO* — refers to the Provincial Environment and Natural Resources Officer of the DENR.
26. *Permit* — refers to a license issued by DENR to project or program facilities that limits emission/effluent discharges of individual sources in accordance with environmental standards.
27. *Pollution Management Appraisal (PMA)* — an analytical technique for identifying methods by which industrial firms can reduce the amount or hazard of wastes generated, through methods such as source reduction, recycling/reclamation/reuse or pollution control measures.
28. *Program* — refers to activities and actions of an undertaking consisting of a series of similar projects or enterprises, or a project subdivided into several phases and/or stages of determinable duration; whether situated in a contiguous area or geographically dispersed, which may have significant impact on the environment.
29. *Programmatic Compliance* — refers to activities undertaken by a proponent to comply with the policies and procedures established by this regulation to secure an ECC for its project or program.
30. *Project* — refers to activities and actions of an undertaking characterized by several components or a cluster of enterprises co-located in a designated area which may have significant impact on the environment.
31. *Project Profile (PP)* — refers to the document submitted by the project proponent substantiality describing the proposed project or program and containing sufficient descriptive detail of the environmental aspects of a proposed project or program to enable DENR to determine whether the project or program is subject to programmatic procedures.
32. *Project or Program Administrator* — refers to the operational representative of the proponent who is vested with the authority and responsibility to manage the compliance of the project or program with permitted discharges and emission allocations which are subject to DENR's regulatory authority and approval.
33. *Proponent* — refer to any person, group, authority, association, public corporation, private corporation, or other body undertaking or intending to undertake a project or program and duly vested with administrative authority and responsibility over the project or program.