Mapping New Economic Terrain: Progress Through Land Reclamation

PHILIPPINE RECLAMATION AUTHORITY

2011-2012 Corporate Report
Corporate Creed

We believe in building bridges between our nation’s vision and its fruition as well as between our government’s objectives and their realization.

We believe in integrating the PRA’s goals with relevant national economic development plans.

We believe in increasing our nation’s resources and accelerating its development for the benefit of future generations by creating new frontiers of land reclaimed from the sea.

We believe in molding the PRA into a cohesive organization whose personnel are consistently infused with esprit de corps needed to sustain the PRA’s efforts to achieve its pioneering tasks.

We believe in forging ahead with zeal and dedication along the path of success.

For the success of the PRA’s mission, measured in the anvil of time is the success of our nation’s vision.

Vision

To be the prime mover in increasing the nation’s resources for the benefit of the Filipino people.

Mission

To promote economic and social progress through land reclamation and effective public estates development and management.
# Table of Contents

1. Chairman's Message
2. Board of Directors
3. Corporate Information
4. General Manager's Message
5. PRA Family: The people behind the record years
6. Corporate Profile
7. Mandates and Legal Issuances
8. Highlights of Accomplishments
9. Project Brief
10. Management Committee
12. Directory of Officers
13. Subsidiaries
14. Corporate Social Responsibility
15. Highlights of Accomplishments
16. Project Brief
17. Corporate Profile
18. General Manager's Message
19. Chairman's Message
20. Corporate Information
21. PRA Family: The people behind the record years
22. Management Committee
23. Financial Report
24. Directory of Officers
25. Subsidiaries
26. Corporate Social Responsibility
27. Highlights of Accomplishments
28. Project Brief
29. Corporate Profile
30. General Manager's Message
31. Chairman's Message

---

**Corporate Profile**

**General Manager's Message**

**Chairman's Message**

**Mandates and Legal Issuances**

**Highlights of Accomplishments**

**Project Brief**

**Management Committee**

**Financial Report**

**Directory of Officers**

**Subsidiaries**

**Corporate Social Responsibility**
I am very happy to report that we in the Philippine Reclamation Authority (PRA) have overwhelmingly surpassed the goals and objectives we set in 2011 and 2012. The dedicated efforts of everybody resulted in a tremendously fulfilling year such that 2011 and 2012 can truly be called banner years in PRA’s 35 years of existence.

For the year 2011, we have generated enormous gains in terms of revenues as we posted a solid PhP 1.24 Billion net income vis-à-vis PhP 0.68 Billion earned the previous year. This achievement is even more meaningful when compared with income figures of past years. Accordingly, we were able to deliver PhP 700 Million to the Treasury of our country representing the government’s share in our income as mandated by law. Moreover, we paid over PhP 400 Million in the form of income tax to the Bureau of Internal Revenue. In the process, we remained No. 8 among the 21 GOCC’s which contributed a total of PhP19 Billion to the national coffers in 2011. For the year 2012, our net income reached PhP 2.16 Billion and we are about to remit PhP 1 Billion to the Bureau of Treasury. This continuous growth can be fully appreciated when we consider that these unprecedented gains were achieved only during the incumbent administration.

I attribute this remarkable growth to the unrelenting passion of all the officers, employees and the major players of PRA. It is therefore, my turn to honor each and everyone of you as the champions of 2011 and 2012.

We have successfully initiated changes in the organization which were designed to strengthen our foundation. The Board, Management and all employees became more accessible to each other as open communication lines were established. This resulted in revitalizing our work ethic and eventually our image, all of which undoubtedly, instilled a sense of pride among all of us. The officers and staff deserve to be commended for this laudable performance. Everybody has shown an unselfish dedication in the performance of assigned tasks. What we have accomplished reflects strong teamwork which all should take on as our continuing commitment to meet the challenges of the future. I am confident that these challenges will bring out the best in PRA.
As we have achieved solid progress in 2011 and 2012, we are likewise committed to pursuing continued growth in the years ahead. We foresee that our financial performance will continue to improve with the vigorous implementation of the National Reclamation Plan as we strive to leap towards a higher level of achievement in the ensuing years. Let us keep the fire burning brightly and move steadfastly forward in making our country a better place to live in.

ROBERTO T. MULDONG
Chairman
The goal of inclusive growth as a society and the dream of upward mobility as an individual make a case for CHANGE. The status quo just is not good enough anymore for the hungry and homeless.

Providing frontiers of change and opportunity is the main challenge for the Philippine Reclamation Authority. If we are to address poverty, we have to bring our people or at least connect them to the economic heart of the metropolis. Our experience has shown that reclamation can be a catch basin for urban sprawl and a platform for port development, shipbuilding, energy infrastructure, techno-logistics hub, tourism, water supply, airports, roads and railways, including high-end urban development. Indeed, reclamation is a new economic terrain.

Contrary to baseless accusations, a well-planned reclamation project mitigates flooding. As evidenced by developed countries, reclamation addresses storm surges and rising sea levels. It is the creation of land assets for the expansion of the metropolis while combating the adverse effects of climate change. To say it more bluntly, it’s either we sink or swim, adapt or be extinct. The blame game can wait.

Aiming to surpass ourselves every year, the Philippine Reclamation Authority marked 2011 and 2012 as record years as we remitted PhP 700 Million for 2011 and we are about to remit PhP 1 Billion for 2012 to the National Government. Mostly from sale of reclaimed lands, these remittances are the highest in PRA’s 35 years of existence. The Office of the President even recognized 2011 dividends as the 8th highest
GOCC remittance for the said fiscal year. In addition, the dividends declared in the first three years of the PNoy Administration surpassed the total combined dividends of PRA’s first 33 years.

Recognition from the National Government proved that PRA’s efforts in income generation and nation building do count. PRA officers and employees further take inspiration from the continuous demand for and development on reclaimed lands.

The agency’s regulatory functions are effectively used as positive instruments in encouraging reclamation and expansion that are in consonance with the Philippine Development Plan.

The year 2011 also saw the opening of the Manila – Cavite Toll Expressway Extension or the Cavitex. Inaugurated by His Excellency Benigno S. Aquino III, the Cavitex cuts significant travel time and reduce traffic congestion in the area.

As PRA sees itself as a prime mover in increasing the nation’s resources, we saw the need to create a plan that will maximize the agency’s revenue generation potential and will sustain urban growth for the next 50 years. Thus, the National Reclamation Plan (NRP) was conceived. With emphasis on the major metropolis nationwide: Manila, Cebu and Davao, this long-term program coordinates and integrates all reclamation projects in the country.

The NRP serves as a blueprint of viable reclaimable sites. It identified feasible reclamation frontiers based on reasonable depth, land contour and economic demand. In sum, the plan pegged around 102 reclamation projects available nationwide with a total land area of 38,272 hectares. The plan will continue to forge progress through environmentally sustainable means as PRA supports the conservation of natural resources including the protection of biodiversity.

The Asian region is currently experiencing significant growth and the Philippines is on track in developing itself into one of the leading economies in this region. PRA is set to participate significantly in this development with the NRP as a prime offering to the global market. We have seen how reclamation transformed and ushered in progress for our neighboring countries, thus, proving time and again that reclamation is a viable development strategy.

The growing number of urban settlers, whether poor or otherwise, will continue to pose great challenges to us all. Our people have the right to live as they choose, in cities or in far-flung sitios and barangays. But most of them find solace in a place that provides jobs along with sources of three decent meals, perhaps two would suffice for some. And so, the pressure on cities will continue to rise. It would be far-acceptable to see a country where our cities can accommodate millions more of the rural poor than to demand that the rural folks limit themselves to agricultural isolation and demise. Physically, functionally, morally, our cities must grow.

Hand in hand with the National Government and the Department of Environment and Natural Resources, the PRA aims to continuously strive for the benefit of the Filipino people. We shall remain to be a pillar of support in the generation of wealth for our national coffers and a catalyst for economic growth. PRA will continue to provide opportunities and change the landscape, seascape and skyscape of urban areas, as growth is the only future that we envision.

We have laid the blueprint. Now, the harder work begins.

PETER ANTHONY A. ABAYA
General Manager & Chief Executive Officer
Corporate Profile

The Philippine Reclamation Authority (formerly Public Estates Authority), one of the Government’s most active development agencies, was created in 1977 by virtue of Presidential Decree 1084 to serve primarily as the clearinghouse for all reclamation projects in the country.

A government agency attached to the Department of Environment and Natural Resources (DENR), PRA performs both regulatory and proprietary functions. Its programs and projects are supportive of government’s thrust towards sustaining economic gains by generating local and foreign investments in large-scale reclamation and development projects.

PRA, which is mandated to be self-liquidating, has created assets for the Government by converting reclaimed lands into valuable and income-generating real estate properties, especially in its 1,500-hectare reclamation project in Manila Bay known as Bay City (formerly Boulevard 2000). Aside from this, PRA is involved in a wide range of projects and delivery of services related to land development and urban renewal, infrastructure projects as well as financing and construction of buildings for other government agencies.

Its charter vests PRA with the power and authority to develop and dispose idle public lands, to enter into contracts and loan agreements with private, public or foreign entities and to exercise the right to eminent domain in the name of the Republic of the Philippines.

The Office of the Solicitor General, the Office of the Government Corporate Counsel, the Department of Budget and Management and the Governance Commission for GOCCs provide PRA with the basic guidelines and parameters for its financial and organizational performance.

In the implementation of its mandate, PRA consults with other agencies and development authorities. Among such agencies are the Department of Environment and Natural Resources, the Department of Public Works and Highways, the Department of Transportation and Communications, the Department of Finance, the Department of Science and Technology, the Metropolitan Manila Development Authority, and local government units.

Currently, the PRA is broadening studies and exploration on sources of land fill materials, consistently updating its engineers on the upgraded techniques of dredging and reclamation, and strengthening its force on the monitoring of accomplished projects. These efforts assure that PRA adheres to the principles of environmental governance and sustainable development.

And as it prepares itself for the greater demands of the ensuing years, PRA has lined up several reclamation frontiers nationwide as it pledges to stick to the time-tested manner of serving the Filipino people – through utmost professionalism and transparency.
Mandate & Legal Issuances

BACKGROUND AND PERTINENT LAWS

1. Presidential Decree No. 1084 (PEA Charter) dated February 4, 1977
The Public Estates Authority was created to provide for a coordinated, economical and efficient reclamation of lands, and the administration and operation of lands belonging to, managed and/or operated by the Government, with the object of maximizing their utilization and hastening their development consistent with the public interest.

Purposes:
The Authority is hereby created for the following purposes:
a. To reclaim land, including foreshore and submerge areas, by dredging, filling or other means, to acquire reclaimed land;
b. To develop, improve, acquire, administer, deal in, sub-divide, dispose, lease and sell any and all kinds of lands, buildings, estates, and other forms of real property, owned, managed, controlled and/or operated by the Government; and
c. To provide for, operate or administer such services as may be necessary for the efficient, economical and beneficial utilization of the above properties.

Powers and Functions
The PEA was vested with both regulatory and proprietary powers/functions which include the following:
a. To prescribe its By-Laws;
b. To sue and be sued in its corporate name;
c. To adopt and use a seal and alter it at its pleasure;
d. To purchase, lease, build, alter, construct, erect, enlarge, occupy, manage, sell, mortgage, dispose of, or otherwise deal in, buildings of every kind and character whatsoever, whether belonging to, or to be acquired by the Authority;
e. To construct, maintain and operate mains, pipes, machinery, water reservoirs, artesian wells as may be reasonably and necessarily required for the transaction of the lawful business of the Authority;
f. To own or operate railroads, tramways and other kinds of land transportation, vessels and pipelines, power house, hotels, restaurants, terminals, warehouses and to manufacture, produce, purchase, sell, dispose, encumber or otherwise deal in, rolling stock, equipment, tools and other appliances; to construct and operate in connection with its railroad lines toll viaducts, toll bridges and toll tunnels;
g. To construct, maintain and operate such systems of sanitary sewers as may be necessary for the proper sanitation of its areas of operation; to charge and collect such sums for constructions and rates for this service as may be determined by the Board to be equitable and just; and to process waste materials obtained in the sewers for fertilizing purposes;
h. To construct, maintain and operate such storm drains as may be necessary;
i. To hold lands of the public domain in excess of area permitted to private corporations by statute;
j. To reclaim lands and to construct work across, or otherwise, any stream, watercourse, canal, ditch, flume, street, avenue, highway or railway of private or public ownership, as the location of said works may require, provided, that, said works be constructed in such a manner as not to endanger life or property or in a manner not to impair unnecessarily their usefulness. Every person or entity whose property is crossed or interested by said works shall not obstruct any such crossings or intersections and shall grant the Authority or its representatives, the proper authority for the execution of such work. The Authority is hereby given the right-of-way to locate, construct and maintain such works over and throughout the lands owned by the Republic of the Philippines or any of its branches and political subdivisions. The Authority
or its representatives may also enter upon private property in the lawful performance or prosecution of its business and purposes; provided, that, the owner of such private property shall be indemnified for any actual damage caused thereby;

k. To issue such regulations as may be necessary for the proper use by private parties of any or all of the highways, roads, utilities, buildings and/or any of its properties and to impose or collect fees or tolls for their use, provided that, all receipts by the Authority from fees, tolls and other charges are automatically appropriated for its use;

l. To organize subsidiary companies to undertake any of the activities mentioned herein. The capital stock of such subsidiary companies shall be subscribed in whole or in part by the Authority.

m. To enter into, make, perform and carry out contracts of every class and description, including loan agreements, mortgages and other types of security arrangements, necessary or incidental to the realization of its purposes with any person, firm or corporation, private or public, and with any foreign government or entity;

n. To exercise the right of eminent domain in the name of the Republic of the Philippines, and in the acquisition of real estate by condemnation proceedings, the title to such real estate shall be taken in the name of the Republic of the Philippines, and thereafter, all such real estate shall be entrusted to the Authority as the agent of the Republic of the Philippines to accomplish the aims and purposes of this Decree;

o. To perform such acts and exercise such functions as may be necessary for the attainment of the purposes and objectives herein specified;

p. To promulgate such rules and regulations as may be necessary to carry out its purposes and to provide penalties for the violation thereof which penalties shall be a fine of not more than five hundred pesos or imprisonment for not more than six months, or both such fine and imprisonment in the discretion of the Court; and

q. To perform such other functions as may be provided by law.

2. Presidential Decree No. 1085 dated February 4, 1977
   Prior to PEA’s creation, a national government reclamation project along Roxas Boulevard was already existent. When the Construction and Development Corporation of the Philippines (CDCP, now Philippine National Construction Corporation) encountered financial difficulties, PEA was directed to assume ownership of some 348 hectares of reclaimed lands along Roxas Boulevard and to assume the loan obligations of CDCP.

   This became the first major project of PEA and today, remains the flagship project and has evolved into a 2,340-hectare reclamation development project now called Bay City (formerly Boulevard 2000).

3. Executive Order No. 525 dated February 14, 1979
   Strengthened PEA’s role over reclamation projects by designating it as the agency responsible for integrating, coordinating, and directing all reclamation projects in behalf of the national government.

4. Executive Order No. 654 dated February 26, 1981
   Defined PEA’s functions related to infrastructure development and classified the agency under the Infrastructure and Utilities Group. It also mandated the PEA to operate on a self-liquidating basis. In the disposition of PEA’s assets and properties, the PEA shall have the authority to determine the kind and manner of payment for the transfer to any third party. All lands, buildings and other real properties of PEA were exempted from payment of real estate taxes.

5. Republic Act No. 7160 or the Local Government Code dated January 1, 1992
   Authorized the provinces and cities to fund and undertake reclamation projects to service the needs of their residents.

   With the foregoing provision of the Local Government Code on the right of provinces and cities to reclaim, the Department of Justice issued Opinion No. 93, S. 1993 dated July 26, 1993, opining that the extent of the authority granted to PEA under PD 1084 and EO 525, the special laws, has not been reduced with the subsequent enactment of the 1991 Local Government Code, a general law; that the authority of the local government units, specifically provinces and cities, to undertake reclamation projects is limited to those projects funded out of local funds.

   Authorized the PEA, the Department of Environment and Natural Resources (DENR) and the Natural Resources Development Corporation (NRDC) to utilize areas not covered by approved mining...
permits/contracts and those with pending mining applications as borrow areas for dredgefill materials for reclamation projects. To implement this directive, the PEA and DENR jointly issued Administrative Order No. 2000-25 which took effect in May 2000.

7. Executive Order No. 199 and No. 329
By virtue of these two (2) Executive Orders, PEA was transferred from the Office of the President to DPWH, then DOF.

8. Executive Order No. 380 dated October 26, 2004
Transformed the Public Estates Authority into the Philippine Reclamation Authority and transferring its non-reclamation assets/liabilities to the Department of Finance, and the management of the PEA-Tollway Corporation to the National Development Corporation.

The PRA shall perform all the powers and functions of the PEA relating to reclamation activities.

Clarifying Certain Provisions of Executive Order No. 380 dated October 26, 2004
The following are the pertinent provisions with respect to functions and assets of the Philippine Reclamation Authority:

PEA is hereby renamed the Philippine Reclamation Authority, and shall continue to perform the powers and functions of the PEA pursuant to Presidential Decree No. 1084 (PEA Charter) as amended under Executive Order No. 525 (EO 525) and Executive Order No. 654 (EO 654), including but not limited to the functions to reclaim land; to develop, manage and dispose of lands, buildings, estates and other forms of real property arising from reclamation; to provide, operate or administer infrastructure facilities and services on the above-mentioned reclaimed properties; and to authorize, through the rules of public bidding, reclamation projects by other entities.

The PEATC is hereby spun off as a separate corporation with its own management and supervision and shall continue to be recognized as a subsidiary of the PRA. The chairman and members of the Board of PEATC shall be appointed by the President of the Philippines and shall include some representatives of the PRA. PEATC shall remit to the PRA whatever dividends it may derive from its operations.

The PRA shall transfer to the National Government or to the appropriate government agency or corporation its non-reclamation assets.

10. Executive Order No. 543 dated June 24, 2006
Delegating to the Philippine Reclamation Authority the Power to Approve Reclamation Projects.

11. Executive Order No. 586 dated December 8, 2006
PEA was transferred back to DPWH due to its role in the provision of infrastructures.

Directing PRA to convert the Sangley Point, Cavite City into an International Logistics Hub with modern seaport and airport thru an enabling reclamation component.

13. Executive Order No. 653 dated August 9, 2007
Clarifying the reclamation assets to be retained by PRA which shall include all its existing reclaimed lands, including all the horizontal and vertical improvements and buildings thereon and all non-reclamation assets that were acquired with funds from reclamation projects.

14. Executive Order No. 672 dated October 19, 2007
Defining and clarifying the responsibilities of DENR and PRA in the approval and implementation of reclamation projects nationwide.

15. Executive Order No. 798 dated May 14, 2009
PRA was transferred from Department of Public Works and Highways to the Department of Environment and Natural Resources

PRA ADMINISTRATIVE ORDERS

1. PRA Administrative Order No. 2005-1
Providing rules and procedures for the special registration of unauthorized/illegal reclamation whether completed or incomplete reclamation projects with or without titles which were or being undertaken by private or government entities not authorized to reclaim under existing laws.

Providing the implementing rules and regulations of EO 543 delegating to the PRA the power to approve reclamation projects.

3. PRA Administrative Order No. 2008-3
Providing rules and procedures for titling of completed unauthorized or illegal reclamation in the name of the Republic of the Philippines or PRA subject to reimbursement by the RP/PRA of the actual cost incurred in undertaking the reclamation.
Laying the Groundwork for National Progress
The National Reclamation Plan

The National Reclamation Plan is a blueprint of viable reclaimable sites nationwide. It was crafted to maximize PRAs’ revenue generation potential and to ensure well-coordinated reclamation and land development that shall integrate factors such as social, economic and environmental impact, legal considerations, as well as financial viability.

Under the NRP, 102 reclamation projects nationwide have been identified with an aggregate area of 38,272 hectares of land reclaimable without direct financial exposure to the National Government.

There are currently 21 projects lined up for implementation during the 10-year period, with a total area of 6,685 hectares. Eight of these projects which are in the Manila Bay Sector are identified as prime reclamation frontiers. These are Las Piñas – Parañaque Coastal Bay Project, Pasay City Reclamation, MCTE Reclamation, North Sector Reclamation, Cavite Special Economic Zone Project, Cavite Coast Reclamation, Strategic Resource Facility, and Navotas Business Park Project. These eight prime frontiers are projected to generate at least PhP 480 Billion worth of land assets for the government and PhP 12.5 Billion regulatory fees.

NRP is a development strategy focused on creating additional land mass for urban development planning, addressing environmental issues, and creating income-generating assets for the government that will help promote its socio-economic pursuits.

The NRP is also a development strategy focused on creating additional land mass for urban development planning, addressing environmental issues, and creating income-generating assets for the government that will help promote its socio-economic pursuits.

Reclamation as a development strategy follows four main objectives:

1. To create land mass for well-planned urban development and expansion
2. To provide solutions to environmental problems
3. To generate revenues for the National Government
4. To promote socio-economic growth and development

The NRP has grouped reclamation projects into three sectors based on geography, namely:

- The Manila Bay Sector consists of projects located in the Manila Bay Area. It will constitute a total of 26,234 hectares.
The Visayas Sector covers seven islands with PRA currently eying the 6,000 hectares of targeted reclamation areas along the Cordova Bay in the island of Cebu from Naga Municipality in the south up to Consolacion Municipality. A 36 kilometer road with two viaducts shall connect these projects.

The Southern Mindanao Sector within the Davao Region covers seven islands with an aggregate area of 238 hectares from Agdao to Talomo districts in Davao City along the shallow portions of the Davao Gulf.

Other projects in sporadically located areas are at various stages of compliance to PRA Administrative Order No. 2007-2. These projects have an aggregate total area of 5,800 hectares.

By creating the NRP, the agency is able to create an integrated policy and strategy plan in pursuing land reclamation. Such a move shall ensure that reclaimed land shall be used as intended and that the economic and social contributions of future projects to the nation shall be maximized.

Mapping New Economic Terrain
Highlights of Accomplishments for 2011-2012

The Philippine Reclamation Authority continues its efforts in nation building through the effective administration and implementation of projects specifically intended to help usher in economic progress.

The two largest reclamation projects currently in the pipeline are as follows:

The Mactan North Reclamation and Development Project is being undertaken by the City of Lapu-Lapu by virtue of the Memorandum of Agreement between the City and PRA. Covering 400 hectares of foreshore and offshore areas in Mactan Bay, the project aims to integrate industrial, commercial, residential and tourism development. PRA will have a land share of 20 hectares while Lapu-Lapu City will own 380 hectares.

The Las Piñas - Parañaque Coastal Bay Project involves the reclamation of shallow portions of Manila Bay in the southwest of Manila. Las Piñas City has 431.71 hectares under its jurisdiction while Parañaque City has 203.43 hectares. This 635.14 hectare project is intended to be a government center, residential, industrial, educational, and commercial zone.
Projects in Metro Manila:

Projects in Metro Manila are mostly located within, or adjacent to, the Manila Bay Reclamation Project. The CAVITEX, on the other hand, ensures that Manila Bay Reclamation Projects are just within reach.

CAVITEX

Dramatically cutting travel time from Cavite to Manila and vice versa is the Cavite Expressway or CAVITEX, a component of Manila-Cavite Toll Expressway (MCTE).

A Public Private Partnership between the PRA and Cavitex Infrastructure Corporation (formerly UEM-Mara Philippines Corporation), a subsidiary of the Coastal Road Corporation, the seven-kilometer stretch cuts travel time from one and a half hours to just eight minutes.

Inaugurated last April 27, 2011 by no less than President Benigno S. Aquino III, CAVITEX opened to the general public last May 1 of the same year.

The CAVITEX shall reduce traffic congestion of the Zapote interchange and facilitate for speedier transport of goods from the Cavite Export Processing Zone to the Port Area and the NAIA, contributing greatly to the national economy.

Las Piñas - Parañaque Coastal Bay Project

The previously mentioned Las Piñas - Parañaque Coastal Bay Project is bounded by Asia World Properties in the North, and the Municipality of Bacoor, Cavite in the South.

Roxas Canal Inland Channel

A joint undertaking of PRA and Pasay-Hongkong Realty Development Corp., the Roxas Canal Inland Project is located at the Central Business Park Island A (CBP I-A), Pasay City. Measuring 820.00 linear meters, the project was completed last June 30, 2012.

CBP I Islands B & C

A joint venture of PRA and R-1 Consortium, the project covers 210 hectares of land selected for reclamation which will compose the CBP I Islands B & C. Bordered on the north by the proposed Redemptorist Channel and CBP I Island A in Pasay City, and in the south by the Seaside Channel CBP II and the Manila Bay Town Subdivision, the project stretches across the shoreline of Manila Bay with approximately 1.2 kilometers offshore with an approximate perpendicular distance of 1.5 kms. The site is envisioned to become the new Central Business District of the City of Parañaque.
Land Development at Asiaworld

Approximately 11 hectares of property located on the northwest side of Aguinaldo Highway is being developed within Asiaworld City, Brgy, Tambo, Parañaque City. Identified as reclaimed inland channel, the area is adjacent to the Caltex service station approximately 700 meters south of the NAIA Road.

PRA shall construct the asphalt roads for its Road Right-of-Way. It shall also install concrete culvert pipe for drainage facilities, as well as road lighting facilities.

Projects in the Visayas:

Two major accomplishments in 2011-2012 located in the Visayas Region include the reclamation projects located in Bacolod City, Negros Occidental and in Malay, Aklan.

Aklan Beach Zone Restoration and Protection Marina Development Project

A beach stabilization and sea level rise adaptation strategy, the seafront development started life as an answer to the unabated coastal erosion. It is a 2.6 hectare project located at Caticlan, Malay, Aklan. The reclaimed land is envisioned to become tourist related sites that will complement the nearby island of Boracay.
BREDCO

A joint undertaking of PRA, Bacolod Real Estate Development Corp., and the City of Bacolod, the project is a 108-hectare reclamation area located in the City of Bacolod for commercial and industrial uses.

The land development in the vicinity of the project includes mixed industrial, institutional, residential and commercial areas. The major thoroughfares of the project can accommodate both vehicular and pedestrian traffic ranging from light to heavy loads. Locators within the reclamation area include SM City Bacolod, Shell Service Station, SeaOil and Phoenix Oil Depot, San Sebastian College, Trans Asia Shipping Lines, Inc., Sulpicio Lines, Inc., a hotel and a condominium among others.

The land development in the vicinity of the project includes mixed industrial, institutional, residential and commercial areas.
Additional Projects:

Aside from those mentioned, projects are on-going in Coron, Palawan and Mabini, Batangas.

Coron

The project, located along the foreshore and offshore areas of Coron Bay in Barangays Poblacion and Tagumpay in the Municipality of Coron, Palawan, is envisioned to become a world-class “tourism estate”. Out of the total 50 hectare project area, about 9.7 hectares has been reclaimed and developed. Among the amenities already established in the area include the three-storey Coron Gateway Hotel, Tourism Office and Park Administration Building, Barangay Hall, two-storey Restolane Buildings and other support facilities and utilities.

Mabini

In partnership with SeaOil and Mabini Terminal Development, Inc., the 8.5 hectare reclamation project in the Municipality of Mabini, Batangas is intended for mixed commercial and industrial use.

Project Monitoring System

The agency plans to acquire a GIS-enabled Reclamation Management Information System which shall monitor all PRA projects, as well as other support systems like accounting payroll softwares.

Processing of Application for Registration of Illegal/ Unauthorized Reclamation Pursuant to A.O. 2005-1 and A.O. 2008-3

PRA conducted a nationwide special registration and titling of unauthorized reclamation projects to control, or even stop the proliferation of illegal reclamation that threatens the environment. Through this, PRA can rationalize and integrate land uses and land values as...
well as recommend the extension of basic utilities and infrastructures usually provided by the host LGUs.

For this purpose, the following Administrative Orders were issued:

Administrative Order No. 2005-1 - Effective February 28, 2005 to February 28, 2007, this AO provided the rules and procedures for the special registration of unauthorized or illegal reclamation projects throughout the country. These projects pertain to all completed and incomplete reclamation with or without title/s. The AO further stipulated the corresponding penalty, filing and processing fees due to PRA.

Administrative Order No. 2008-3 - Issued on December 31, 2008, this AO provided the rules and procedures for the processing of applications for titling of completed unauthorized or illegal reclamation which were or are being undertaken prior to its effectivity. This AO likewise stipulated the corresponding penalty, filing and processing fees due to PRA.

Pre-Selling of Sand from Quarry Sites

Issued by the DENR last August of 2008, the Government Seabed Quarry Permit allowed PRA to develop, extract, and dispose marine sand as part of its quarrying operations in the 10,000 hectare San Nicholas Shoal marine borrow area. The identified area shall be the source of suitable filling materials for PRA approved reclamation projects in Manila Bay.

PRA, with Mines and Geosciences Bureau, conducted a Geo-Scientific survey of San Nicholas Shoal. The survey’s final report, which was submitted in August of 2011, identified prospective additional quarry areas with suitable filling materials.

Office Building Projects:

Other than reclamation, PRA continues to provide assistance to other government agencies through the construction of their office buildings by way of project management or turn-key arrangement.
Management Committee

Peter Anthony A. Abaya
General Manager & Chief Executive Officer

AGM Josefina L. Castro
Reclamation and Regulation

AGM Honorito D. Chaneco
Land Development, Construction Management and Technical Services

AGM Arminda A. Alaras
Marketing and Estates Management

AGM Manuel G. Francisco, Jr.
Special Projects, Joint Ventures and Subsidiaries
Financial Report

2010-2012
Financial Highlights
(In Million Pesos)

- Income Tax
- Dividends
- Net Income
PHILIPPINE RECLAMATION AUTHORITY
STATEMENT OF FINANCIAL POSITION
CY2010, 2011 and 2012
(In Philippine Peso)

<table>
<thead>
<tr>
<th></th>
<th>UNAUDITED 2012</th>
<th>AUDITED 2011</th>
<th>AUDITED 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3,856,943,936.74</td>
<td>2,871,025,266.07</td>
<td>2,816,053,277.36</td>
</tr>
<tr>
<td>Trade and other receivables-net</td>
<td>3,290,735,952.89</td>
<td>1,263,823,279.25</td>
<td>1,144,057,540.11</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,639,284,938.95</td>
<td>3,438,739,145.25</td>
<td>4,240,898,345.58</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>10,069,999.67</td>
<td>13,319,740.60</td>
<td>20,936,867.77</td>
</tr>
<tr>
<td>Other current assets</td>
<td>1,552,406.76</td>
<td>1,537,414.76</td>
<td>1,555,834.76</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>9,798,587,235.01</td>
<td>7,588,444,845.93</td>
<td>8,223,498,865.58</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current receivables</td>
<td>11,451,265,597.50</td>
<td>12,592,825,779.39</td>
<td>12,133,171,186.48</td>
</tr>
<tr>
<td>Investments</td>
<td>539,857,289.48</td>
<td>544,083,570.08</td>
<td>548,309,850.68</td>
</tr>
<tr>
<td>Property and equipment-net</td>
<td>116,722,423.71</td>
<td>118,949,057.00</td>
<td>119,960,034.39</td>
</tr>
<tr>
<td>Investment property</td>
<td>8,480,051,951.16</td>
<td>8,480,051,951.16</td>
<td>8,480,051,951.16</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>30,374,603.81</td>
<td>30,374,603.81</td>
<td>29,556,067.55</td>
</tr>
<tr>
<td>Assets held-in-trust</td>
<td>2,806,818,103.19</td>
<td>2,544,628,188.35</td>
<td>2,433,161,063.83</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>23,425,089,968.85</td>
<td>24,310,373,149.79</td>
<td>23,744,210,154.09</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>33,223,677,203.86</td>
<td>31,898,817,995.72</td>
<td>31,967,709,019.67</td>
</tr>
<tr>
<td><strong>LIABILITIES AND EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>2,332,435,213.42</td>
<td>1,945,744,705.13</td>
<td>1,862,433,221.75</td>
</tr>
<tr>
<td>Inter-agency payables</td>
<td>795,445,698.76</td>
<td>228,822,905.95</td>
<td>144,798,714.56</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>236,400,699.82</td>
<td>242,482,275.02</td>
<td>551,271,968.23</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>3,364,281,612.00</td>
<td>2,417,049,986.10</td>
<td>2,558,503,292.54</td>
</tr>
<tr>
<td><strong>Non-Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust agreement</td>
<td>2,806,818,103.19</td>
<td>2,544,628,188.35</td>
<td>2,433,161,063.83</td>
</tr>
<tr>
<td>Deferred tax liability</td>
<td>1,347,530,514.26</td>
<td>1,341,572,514.26</td>
<td>1,341,572,514.26</td>
</tr>
<tr>
<td>Due to National Treasury</td>
<td>119,858,166.71</td>
<td>121,168,220.10</td>
<td>123,910,068.40</td>
</tr>
<tr>
<td>Due to other GOCCs</td>
<td>110,413,320.00</td>
<td>110,413,320.00</td>
<td>110,413,320.00</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>4,384,620,104.16</td>
<td>4,117,782,247.12</td>
<td>4,099,076,966.49</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>7,748,901,716.16</td>
<td>6,534,832,128.81</td>
<td>6,567,580,889.03</td>
</tr>
<tr>
<td>Deferred Credits</td>
<td>10,985,449,097.16</td>
<td>11,943,181,022.62</td>
<td>12,178,787,889.40</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>14,489,326,390.54</td>
<td>13,420,817,995.72</td>
<td>13,221,340,241.24</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td>33,223,677,203.86</td>
<td>31,898,817,995.72</td>
<td>31,967,709,019.67</td>
</tr>
</tbody>
</table>
### PHILIPPINE RECLAMATION AUTHORITY

#### STATEMENT OF COMPREHENSIVE INCOME

**CY2010, 2011 and 2012**

*(In Philippine Peso)*

<table>
<thead>
<tr>
<th></th>
<th>UNAUDITED 2012</th>
<th>AUDITED 2011</th>
<th>AUDITED 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING INCOME</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business income</td>
<td>2,939,034,606.88</td>
<td>1,662,829,735.48</td>
<td>847,607,576.00</td>
</tr>
<tr>
<td>Other business income</td>
<td>92,379,574.96</td>
<td>119,600,439.36</td>
<td>101,997,488.14</td>
</tr>
<tr>
<td>Rent income</td>
<td>79,342,960.10</td>
<td>82,667,209.30</td>
<td>90,342,123.13</td>
</tr>
<tr>
<td>Service income</td>
<td>50,560,860.78</td>
<td>21,112,764.79</td>
<td>34,645,950.71</td>
</tr>
<tr>
<td>General income</td>
<td>566,652.75</td>
<td>619,120.03</td>
<td>620,987.23</td>
</tr>
<tr>
<td><strong>Total Operating Income</strong></td>
<td>3,161,884,655.47</td>
<td>1,886,909,268.96</td>
<td>1,075,210,385.21</td>
</tr>
</tbody>
</table>

| **OPERATING EXPENSES**   |                |              |              |
| Personal services       |                |              |              |
| Salaries and wages      | 58,320,971.17  | 61,402,712.38 | 46,532,864.70 |
| Other compensation      | 20,729,423.52  | 21,093,732.88 | 17,810,192.46 |
| Personnel benefits contribution | 7,332,530.72   | 13,384,098.41 | 9,534,281.75  |
| Other personnel benefits | 1,993,600.84   | 2,472,858.99  | 3,952,663.33  |
| **Total Personal Services** | 88,376,526.25  | 98,353,402.66 | 77,830,002.24 |

| Maintenance and other operating expenses |                |              |              |
| Professional services | 29,785,870.60  | 23,144,574.52 | 24,618,913.90 |
| Bad debts, depreciation and amortization | 9,675,072.47   | 8,135,981.49  | 16,451,552.56 |
| Utility | 6,551,391.34  | 6,246,633.78  | 6,357,847.91  |
| Repairs and maintenance | 6,290,809.03   | 5,299,098.39  | 4,336,630.22  |
| Representation | 6,109,833.22  | 4,570,248.65  | 1,816,819.72  |
| Travelling | 5,033,423.52  | 7,890,744.33  | 3,519,691.89  |
| Rent | 2,112,833.91  | 2,315,552.17  | 1,725,418.68  |
| Taxes, insurance premiums and other fees | 1,843,324.76   | 4,736,541.71  | 2,915,865.21  |
| Training | 1,008,316.34  | 5,778,236.24  | 4,314,387.41  |
| Advertising | 900,348.72   | 316,889.07   | 128,649.97    |
| Extraordinary and miscellaneous | 816,388.00    | 5,994,296.73  | 5,517,774.05  |
| Donations | 655,000.00    | 100,000.00   | 100,000.00    |
| Printing and binding | 294,446.67    | 394,496.51   | 309,701.37    |
| Subcription | 120,314.57   | 138,958.00   | 118,340.00    |
| Membership Dues & Contribution to Org. | 45,700.00     | 5,700.00     | 25,700.00     |
| Real Estate Expense | 2,549,326.58   | 50,749,326.58 | 45,924,465.25 |
| Other maintenance & other operating expenses | 5,160,604.69 | 4,337,439.06 | 4,094,791.37 |
| **Total Maintenance and Other Operating Expenses** | 86,162,150.47 | 139,036,179.07 | 129,252,919.99 |

| **INCOME FROM OPERATIONS** | 3,058,012,333.07 | 1,728,326,286.22 | 940,651,564.78 |

| **OTHER INCOME (EXPENSE)** |                |              |              |
| Interest income on savings & short-term investments | 74,558,667.43  | 83,952,889.83  | 77,483,022.95  |
| Financial expenses | (3,892,313.11) | (5,146,290.84) | (4,958,921.15) |
| **Total Other Income (Expense)** | 70,666,354.32  | 78,806,598.99  | 72,524,101.80  |

| **NET INCOME BEFORE TAX** | 3,058,012,333.07 | 1,728,326,286.22 | 940,651,564.78 |

| **PROVISION FOR INCOME TAX** | 895,257,335.60 | 493,312,018.92 | 261,375,497.68 |

| **NET INCOME AFTER TAX** | 2,162,754,997.47 | 1,235,014,267.30 | 679,276,067.10 |
PEA TOLLWAY CORPORATION (PEATC)

The PEA Tollway Corporation is a wholly owned subsidiary of the Philippine Reclamation Authority. In 1998, the existing R-1 Expressway, which is 6.6 km. stretch from Seaside Drive, Parañaque to Zapote, Las Piñas was upgraded to toll standards. In 2011, the 7 kilometer Manila-Cavite Toll Expressway Extension or the Cavitex was inaugurated. Today, it operates the country’s first prepaid card toll-payment scheme or e-Tap card.

Aside from toll collection, PEATC also implements programs on traffic control and emergency operations including assistance to disabled vehicles. To maximize the provision of services to the public, it also provided other support mechanisms such as the establishment of information services and administration of ancillary facilities.

BAY DREDGING, INC. (BDI)

Bay Dredging, Inc. is a joint venture between the R-1 Consortium and PRA. It was formed as a strategic measure to enable PRA to benefit financially and technologically from dredging and reclamation activities. These activities will afford PRA and the government in general to realize additional financial and non-financial benefits.
The PRA Corporate Social Responsibility Initiatives
Generating Livelihood through Gender and Development Programs

The agency continues to put the Filipino people at the forefront of its social contribution initiatives especially with partner communities through Gender and Development (GAD) Programs. Through GAD, the agency promotes men and women’s equal access to income generating livelihood programs.

In 2011, PRA launched its anti-poverty and wellness advocacy program for its partner community in Pugad Ibon Relocation Site in Sta. Isabel, Kawit, Cavite. The said site is home to families who were relocated due to the construction of Cavitex.

With the help of the Municipality of Kawit and TESDA, PRA provided Livelihood Skills Development Training Program (LSDTP) on manicure and pedicure, massage therapy, hair cutting and make-up. In December 2011, 100 trainees graduated from the said courses. Starter kits were distributed to ensure that graduates can make use of their newly acquired skills. Subsequent to the graduation rites, volunteerism was also at the heart of the event as PRA employees provided groceries to the families in the community.

The year 2012 saw a wider coverage of the LSDTP. Aside from the residents of Pugad Ibon Relocation Site, the training programs were opened to residents of Barangays Aplaya, Samala, Marquez and Kanluran. Based on a survey, majority of the head of households in these barangays are fishermen.

In addition to the training programs in 2011, new courses were offered from April to September 2012; house wiring, beads assembly, high speed sewing and cellular phone repair.

A total of 377 trainees graduated from the various courses. Graduation ceremonies were held in October 2012 where graduates were given starter kits.

The acquisition of new skills shall allow beneficiaries to pursue additional sources of livelihood for their respective families. Equipped with the technical know-how and their TESDA Certificate of Proficiency which is recognized worldwide, some of the graduates were able to find employment abroad, some were hired in local shops and salons, while some are rendering home service and starting businesses of their own. The LSDTP ensures that both men and women shall be able to develop their potential as income-generators.
PRA Family: The people behind the record years
Directory of Officers

Chairman: Roberto T. Muldong

General Manager and Chief Executive Officer: Peter Anthony A. Abaya

Board Members:
- Roseller Z. Valera
- Ernesto A. Punzalan
- Atty. Reynaldo B. Robles
- Rene M. Silos
- Atty. Manuel C. Medina

Assistant General Managers

Josefina L. Castro
Reclamation and Regulation

Honorito D. Chaneco
Land Development, Construction Management and Technical Services

Arminda A. Alaras
Marketing and Estates Management

Manuel G. Francisco, Jr.
Special Projects, Joint Ventures and Subsidiaries

Cristina A. Mortel
Legal and Administrative Services

Pelagio B. Lalap
Finance

Maria Resanelleir V. Limjoco
Special Assistant to the Corporate Head

Rolando V. Majadas
OIC, Administrative Services

Renato L. Garcia
Treasury and Budget
(Retired as of October 23, 2013)

Delfin C. Torrecampo, Jr.
OIC, Accounting Services

Division Managers

May B. Quizan
Corporate Planning and Management Information System

Diomedes M. Tan
Regulation and Implementation

Eduardo E. Destura
Planning and Evaluation

Floro C. Urcia
Land Development and Construction Management

Joselito D. Gonzales
Marketing

Alfredo R. Monzon, Jr.
Estates Management

Sharon Kaye D. Larga
Special Projects and Joint Ventures

Karen A. Villamil
Subsidiaries Development and Monitoring

Johanna Irene M. Gargantiel
Legal

Emmanuel D. Larracas
Contract Management

Nancy L. Bueno
Business Development

Aurea Victoria M. De Los Santos
Property Management

Mario C. Barceloza
Survey and Titling

Rolando V. Majadas
General Services

Evangeline D. Caro
Human Resource Management

Aristo A. Legnon
Budget

Celestino A. Custodio
Treasury

Delfin C. Torrecampo, Jr.
General Accounting

Lani P. Santelices
Property, Investment and Project Accounting

Arnold C. Moralejo
Corporate Secretary
Corporate Information

Executive Office
7th & 8th Floors, Legaspi Towers 200 Bldg.,
107 Paseo de Roxas, Legaspi Village, 1226 Makati City
Tel Nos. 817-4711 to 13 · Fax No. 815-2662
Website: www.pea.gov.ph

Legal Counsel
Office of the Government
Corporate Counsel (OGCC)
Office of the Solicitor General (OSG)

Auditor
Teresita C. Guevarra
State Auditor IV
Audit Team Leader
Commission on Audit

Production Team

May B. Quizan, Coplan & MIS Department Manager
Thaddeus G. Querubin, Coplan Division Manager
James G. Cenzon, MIS Division Manager
Evangelina D. Caro, Personnel Services Division Manager

Maria April C. Suarez
Lourdes Concepcion A. Bonilla
Baeman P. Querubin
Ynna Margarita G. Yalong
Nestor V. Salvanera, Jr.
Sancho Glenn A. Lastimosa
Bienvenido B. Cortez
Yuki U. Tanaka
Rowena V. Atienza