

## **FY 2019 HIGHLIGHTS OF ACCOMPLISHMENTS OF THE PHILIPPINE RECLAMATION AUTHORITY**

### **I. Net Income, Dividends, and Taxes**

The PRA considered FY 2019 as another breakthrough year in terms of revenue. The Agency generated enormous gains as reflected by the net income of **PhP 3.877 Billion**.

Further, in FY 2019, the Agency remitted **PhP 211 Million** to the Bureau of Treasury as dividends for the National Government relative to the FY 2018 net income.

Moreover, for FY 2019, the PRA recorded PhP 96.607 Million income tax, PhP 81.515 Million output VAT, and PhP 15.075 Million withholding tax. Hence, a total of **PhP 193.197 Million** taxes paid to the Bureau of Internal Revenue.

All in all, PRA enriched the national coffers by **P404.197 Million** in the year 2019.

### **II. Implementing Rules and Regulations (IRR) of Executive Order No. 74**

Upon issuance by the Office of the President of Executive Order No. 74 entitled "*Repealing Executive Order (EO) No. 798 (s. of 2009) and EO No. 146 (s. of 2013), Transferring the PRA to the Office of the President (OP), Delegating to the PRA Governing Board the Power of the President to Approve Reclamation Projects, and for Other Purposes*", the PRA issued Administrative Order (AO) No. 2019-4 which provides for the IRR of EO 74.

The IRR was crafted after the PRA conducted a public consultation which was attended by local government units (LGUs), other government agencies, and the private sector from all over the country. The event solicited the sentiments and concerns of the stakeholders relative to the environmental, social, and economic impacts of reclamation projects.

The AO was submitted to the OP and was subsequently approved by the President on 18 June 2019. The IRR prescribed the necessary requirements, rules, regulations, and timelines for the approval of reclamation projects and reclamation components of development/infrastructure projects. It was published in the Philippine Star on 21 June 2020 and filed with the University of the Philippines Law Center on the same date.

### **III. Reclamation Projects**

As the national government's authority in land reclamation, the Agency continues its efforts to regulate environmentally sustainable reclaimed lands in pursuit of our nation's development goals.

The **Navotas Coastal Bay Reclamation and Development Project** is intended for self-contained mixed-use community with industrial, commercial, institutional, residential areas, and likewise an area suitable for port and port-related activities and tourism-related facilities. This is a joint venture project of the City of Navotas and Argonbay Construction Company Inc. The City of Navotas is still in the process of complying with the conditions of the Notice to Proceed (NTP) for the 1<sup>st</sup> phase of the project comprising of 576.70 hectares. For the 2<sup>nd</sup> phase of the project covering an area of 73.30 hectares, the PRA issued a final NTP and the City of Navotas is in the process of complying with pre-construction requirements. Once said requirements are submitted, it will be subjected to PRA review and approval. The PRA shall obtain 97.50 hectares as its land share in the two (2) phases of this project.

In 2019, the PRA issued conditional NTPs for proposed reclamation projects in Manila Bay. The said projects were proposed by LGUs and have obtained Area Clearances and Environmental Compliance Certificates (ECC) from the Department of Environment and Natural Resources (DENR). These projects will eventually yield land share for their respective local governments and for the national government.

The issuance of final NTP for these projects shall be based on PRA's evaluation of the value engineering design and/or final design to be submitted by proponents based on PRA-approved rationalization plan taking into consideration the conditions in their respective ECCs and Area Clearances. Compliance with the rationalization plan may alter the original land configurations of proposed reclamation projects in Manila Bay and/or amendment/revision of their respective ECCs and Area Clearances.

Thereafter, the PRA shall also evaluate and monitor the proponents' compliance with the conditions of the ECC to ensure that the projects will not cause significant negative impact to the environment. An assessment prior to project implementation shall be conducted by PRA to evaluate a proponent's compliance with the ECC conditions. The conditions must be complied with prior to project implementation. Among the conditions are the establishment of a multi-partite monitoring team (MMT), environmental guarantee fund, and environmental monitoring fund, and ensuring that all required permits and approvals are secured.

During the projects' implementation stage, the MMT, where PRA is a regular member, shall continue to monitor the proponents' compliance with the ECC and Area Clearance conditions.

The following are the proposed projects:

The **Pasay Reclamation Project – 300 hectares** and **Pasay Reclamation Project – 60 hectares** are both proposed by Pasay City LGU in joint venture with SM Prime Holdings Inc. The adjacent projects will be located across Central Business Park IA or the Mall of Asia Complex, the Financial Center Area, and the Cultural Center of the Philippines. They are intended for mixed-use commercial, residential, institutional centers and tourism estates. The government will obtain a total land share of 108.60 hectares from the two projects; 63 hectares of which will be allocated to roads and open spaces (ROS) and 45.60 hectares will be the net saleable area for PRA. The Pasay City LGU will likewise get a land share of 30.24 hectares net saleable area.

The **Pasay Harbor City Reclamation Project** is another proposed project of Pasay City LGU in joint venture with Pasay Harbor City Corporation which will consist of two (2) islands with an area of 210 hectares and 55 hectares. Located within Barangay 76, Zone 10, it will cover a total of 265 hectares of foreshore and offshore areas of the said city. It is intended to be developed for mixed-uses of residential and commercial spaces with integrated tourism, port facilities for cruise ships, and theme parks allocation. The national government, through PRA, is expected to get 33.39 hectares net saleable area. The Pasay City LGU will get 22.26 hectares net saleable area while 79.50 hectares are allocated for roads and open spaces.

The **Manila Solar City Project** is a project of the consortium of Manila City LGU and Manila Goldcoast Development Corporation (the "Consortium"). The proposal covers 148 hectares of reclaimed land intended for mixed-use development located within the jurisdiction of Manila City along Roxas Boulevard from the PICC / CCP Complex up to the alignment of Remedios Street and 1500 meters westward Manila Bay.

From this project, the national government, through PRA, shall get a land share of 30.52 hectares net saleable area. The Manila City LGU's land share will be 5 hectares net saleable area and 29.60 hectares for ROS. The ROS shall be titled in the name of the Manila City LGU for the latter to own, possess and administer the same. The LGU shall ensure that these are utilized in accordance with the Approved Development Plan. Any additional area that may be needed for ROS shall be the sole account of the Consortium.

The **Manila Horizon Reclamation Project** is a 419 hectare reclamation project proposed by Manila City LGU in joint venture with JBros Construction Corporation. It will

consist of three (3) islands to be located about 3.8 kilometers west of the intersection of Quirino Avenue and Roxas Boulevard. It is envisioned as a self-contained mixed-use community with commercial, institutional, and residential areas, an area suitable for port and port-related facilities, marina and tourism-related facilities, and other applicable uses.

The PRA will get 52.79 hectares net saleable area as land share for the national government. The Manila City LGU shall likewise get a land share of 35.20 hectares net saleable area and 125.70 hectares for ROS.

The **Manila Waterfront City Reclamation Project** comprises 318 hectares of reclamation likewise proposed by Manila City LGU in joint venture with Waterfront Manila Premier Development Inc. The project will be located at the back or to the west of Quirino Grandstand in Luneta Park. It is envisioned to be a self-contained mixed-use community.

PRA share of the project will be 40.07 hectares of net saleable area while Manila City LGU shall have 26.71 hectares net saleable area and 95.40 hectares for ROS.

As regards the projects with the City of Manila, except for Manila Solar City Project, the ROS shall be part of the City's share, provided that the construction and maintenance thereof shall be the sole responsibility of the City.

The matter of the use of the ROS and possible revenues to be generated from such shall be subject to agreement by the parties provided that a minimum of 5% of the total area to be reclaimed shall be exclusively intended for green spaces.

The 30% of the project area shall be exclusively used for ROS and cannot be converted to any other use and such shall be annotated in the title of the ROS.

#### **IV. Policy on the Integration of Coastal Protection and Green Spaces in Reclamation**

In pursuit of PRA's vision of putting up hard and soft engineering structures that are climate change adaptive and environmentally resilient, the Agency institutionalized the integration of coastal protection and green spaces in reclamation projects through the issuance of PRA AO No. 2019-5, entitled "*Rules and Regulations to Govern the Mandatory Integration of Greenspaces in Reclamation Projects*".

The policy stipulates that a contiguous area equivalent to five percent (5%) of the area of each island to be reclaimed shall be exclusively intended for greenspaces and developed

for mini forest, eco-parks or small nature parks set apart for recreational purposes that are readily accessible to the public. The PRA published the policy in a newspaper of general circulation and filed in the UP Law Center on December 6, 2019.

## **V. Disposition of Unlawfully Reclaimed Areas**

As part of its strategy to increase revenue and be a major contributor of income to the national government, PRA continues to increase its inventory of marketable land assets by securing land shares from illegally reclaimed areas pursuant to PRA AO Nos. 2005-1 and 2008-3. In 2019, the Agency exceeded its target upon endorsing a total of 18.1686 hectares of illegally reclaimed land to the DENR for issuance of presidential proclamation for alienability and disposability of said area in favor of PRA. The subject area covers land situated in Barangays East Poblacion and Central Poblacion, Naga City, Cebu.

## **VI. Coastal Protection Initiatives**

### **Tacloban City**

The aftermath of Typhoon Haiyan (Yolanda) left many devastated cities and municipalities in critical need of assistance towards rehabilitation. The PRA then spearheaded coastal protection initiatives as a sustainable measure to aid in these needs. One of PRA's salient projects is the science-based approach of beach forest rehabilitation and mangrove reforestation with components of livelihood assistance in unprotected coastal areas of Tacloban City. It was a non-structural/environmental approach which is one of the strategies recommended in the PRA-initiated Coastal Protection Strategy for Tacloban City and Palo, Leyte. The project, called One Resilient Team: Tacloban, was funded by the Global Resilience Partnership (GRP) after the PRA, in partnership with One Architecture, won the globally competitive Water Window Challenge in 2017.

The mangrove reforestation initiative piloted in Brgy. Nula-Tula, Tacloban City with an output of 2,500 pieces of mangroves planted. Meanwhile, the beach forest rehabilitation piloted in Barangays New Kawayan and San Isidro in Tacloban City with a total of 10,000 beach forest trees rehabilitated. The project also funded livelihood programs for residents of the said barangays. These livelihood programs likewise served the purpose of maintaining the rehabilitated mangrove plantation and beach forest area even beyond the defined project timeline. Further, the project paved the way for the said barangays to craft their long overdue Barangay Disaster Risk Reduction Management Plans. While the Final Report was submitted to the GRP through One Architecture on March 5, 2019, PRA's work does not end there.

To ensure project sustainability, PRA continued to assess the project sites and recorded above average survival rates. The mangrove reforestation yielded 90%-96% survival rate, while the beach forest rehabilitation yielded 80%-85% survival rate. Interventions were undertaken with the City Government of Tacloban for the maintenance of the mangroves and beach forest plantations. The PRA committed to monitor the pilot sites until 2020.

Further, the issue on the reduction of the pilot area remains. From an intended 11 hectares of mangrove reforestation at an abandoned fishpond in Barangay Nula-Tula, the pilot area was reduced to 2.5 hectares because of illegal land titling. During the course of the project, the fishpond area was suddenly titled under the name of private individuals. Currently, the land title reversion case is with the Office of the Solicitor General. The reversion case aims to cancel the land titles issued to private individuals and revert the land back to the public domain. This instance of sudden and illegal titling of submerged land was a very important discovery and learning for PRA and partner agencies such as the national and regional offices of the Bureau of Fisheries and Aquatic Resources and the DENR.

To broaden the scope of the project and generate wider and more sustainable positive results, initiatives for the scaling-out of the project to other vulnerable areas were commenced.

### **Bislig City and Surigao City**

The PRA's coastal protection initiatives were aimed to be likewise replicated in other vulnerable areas outside the Yolanda-struck sites, especially the eastern seaboard of the country which was identified by various studies as the most vulnerable to storm surges and coastal flooding. In 2019, PRA successfully tied up with the LGUs of Bislig City and Surigao City through an Expression of Collaboration to create Coastal Protection Master Plans (CPMPs) for the said cities. The project was widely supported by both LGUs and local stakeholders through their active participation in the CPMP drafting activities, starting from vulnerability assessment, strategic planning, stakeholders' workshops, presentation of outputs, until the finalization of the CPMPs. The CPMPs were presented to the City Councils of Bislig City and Surigao City on November 19, 2019 and January 16, 2020, respectively. The same were consequently approved through City Council Resolution No. 2019-752 for Bislig City and City Council Resolution No.10-2020 for Surigao City.

The PRA furnished the House of Representatives Special Committee on Climate Change, the Climate Change Commission, and the regional offices of the DENR and NEDA in Caraga region, with copies of the CPMP for Bislig City and Surigao City.

The PRA continues to coordinate with the two cities to undertake further actions with respect to the successfully crafted master plans.

## **VII. Quality Management System**

The PRA has gone a milestone in its regular strategy and operations review and process re-engineering by adopting a quality management system. The PRA Quality Management System defines and clarifies policies, systems and procedures, in conformance with the ISO 9001:2015 Standard, aligned with the Agency's strategic direction.

In 2018, the PRA was certified as compliant to the ISO 9001:2015 Standard by the AJA Registrars, Inc. (now the SOCOTEC Certification International). In 2019, the Agency maintained its compliance and passed the first surveillance audit conducted by the same certifying body. This PRA accomplishment was awarded a Certificate of Recognition by the Government Quality Management Committee (GQMC) on October 24, 2019.

## **VIII. Competency Assessment of PRA Employees**

In line with PRA's objective to develop a competency model which sets the framework for the employees' exemplary performance, the Agency has successfully established the competency baseline of its employees by completing the assessment of 100% of PRA employees in 2019. Moving forward, the ultimate goal is to continuously improve the competency of the employees in the succeeding years.

## **IX. Stakeholders' Satisfaction**

The PRA is committed to the needs of our stakeholders vis-à-vis the quality of our services and delivery of our functions. We ensure integrity and honesty in dealings with our stakeholders and operate a highly effective and efficient organization focused on meeting objectives.

Our stakeholders notably commended the quality of PRA's services as evident in the 88.9% satisfaction rating obtained from respondents in the survey conducted by the

Development Academy of the Philippines. The subjects of the satisfaction survey were stakeholders who have direct economic transactions with PRA. These stakeholders include private corporations, local government units, and government agencies who are PRA's joint venture partners and PRA property lessees.

These are PRA's remarkable accomplishments for the year 2019. In 2020, the PRA continues to adhere to its mandate as it strives to become a more effective instrument in advancing the country's development goals.