

**PHILIPPINE RECLAMATION AUTHORITY (PRA)**  
[formerly Public Estates Authority (PEA)]  
**ADMINISTRATIVE ORDER NO. 2021-02**

**POLICIES AND GUIDELINES GOVERNING THE  
SOCIAL ENVIRONMENT FUND (SEF) COLLECTED  
FROM RECLAMATION PROJECTS**

Pursuant to Section 5 (p) of Presidential Decree (PD) No. 1084<sup>1</sup>, as amended, the Philippine Reclamation Authority (formerly Public Estates Authority) prescribes the following Policies, Guidelines and Procedures Governing the Social Environment Fund (SEF).

**SECTION 1. POLICY STATEMENT**

It is the declared policy of the State to provide for a coordinated, economical, and efficient reclamation of lands, and the operations of lands belonging to, managed and/or operated by the Government, with the object of maximizing their utilization and hastening their development consistent with public interest. Corollary to this, it is a Constitutional policy of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

The Philippine Reclamation Authority is guided by these State policies by issuing this Administrative Order to ensure a coordinated and integrated approach in the reclamation of lands, promote the public welfare and interest, and protect the environment affected by reclamation projects for the present and future generation of Filipinos.

**SECTION 2. LEGAL BASIS OF THE SOCIAL ENVIRONMENT FUND (SEF)**

The Authority was created to provide a coordinated, economical and efficient administration of lands, especially reclaimed lands. Executive Order No. 525, series of 1979, amplified the Authority's regulatory mandate. It was designated as the agency primarily responsible for integrating, directing, and coordinating all reclamation projects for and in behalf of the National Government. In the pursuit of this regulatory powers, the PRA is empowered to formulate, implement, and evaluate plans or policies relative to all reclamation projects as would maximize their contribution to national development. It is also empowered to issue such rules and regulations as may be necessary for the attainment of the purposes and objectives

<sup>1</sup> Creating the Public Estates Authority, Defining its Powers and Functions, Providing Funds Therefore and For Other Purposes

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under its Charter, including the identification of such requirements as may be necessary for the evaluation and sound administration of all reclamation projects.

The SEF is established to develop and support the conduct of social, environmental, climate-resilient, and disaster risk reduction and management projects and activities in the communities affected by reclamation projects. The imposition of the SEF, with the purpose of maintaining and promoting the sustainability of the environment, is an exercise of the police power by the State, through the Authority.

### **SECTION 3. OBJECTIVE OF SEF**

While the SEF is listed under the Schedule of Fees under Section 10 of the Implementing Rules and Regulations (IRR) of Executive Order No. 74, s. 2019, the SEF was established specifically for the purpose of setting up a fund that can be used for any environmental and socio-economic enhancement purposes related to reclamation projects or coastal protection initiatives that the Authority may implement in the future. The SEF is intended as a trust fund to be administered by the Authority that can be tapped to fund educational, developmental programs, and activities related to environmental and socio-economic impacts of land reclamation.

### **SECTION 4. SCOPE AND APPLICATION**

The establishment of a SEF shall be applicable to all reclamation projects approved by the President of the Philippines or approved by the Authority under its delegated authority pursuant to EO No. 74, s. 2019 including reclamation projects falling under Section 14, Transitory Provision, of EO 74 approved in accordance with EO No. 543, s. 2006, and its implementing rules and regulations under PRA Administrative Order No. 2007-2.

### **SECTION 5. DEFINITION OF TERMS**

For the purpose of this Policy Guidelines, the following definitions are hereby adopted:

- 5.1 **Authority** – refers to the Philippine Reclamation Authority (formerly Public Estates Authority).
- 5.2 **Environment** – surrounding air, water (both underground and surface), land, flora, fauna, and humans and their interrelations.

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- 5.3 **Environmentally Critical Project (ECP)** – a project or program that has high potential for significant negative environmental impact as defined under Presidential Proclamation (PP) No. 2146 (1981).
- 5.4 **Environmentally Critical Area (ECA)** – areas delineated as environmentally sensitive such that significant environmental impacts are expected if certain types of proposed projects or programs are located, developed or, implemented in it.
- 5.5 **Environmental Compliance Certificate (ECC)** – document issued by the DENR/ - Environmental Management Bureau (EMB) after a positive review of an ECC application, certifying that based on the representations of the proponent, the proposed project or undertaking will not cause significant negative environmental impact. The ECC also certifies that the proponent has complied with all the requirements of the Environmental Impact Statement (EIS) System and has committed to implement its approved Environmental Management Plan. The ECC contains specific measures and conditions that the project proponent has to undertake before and during the operation of a project, and in some cases, during the project's abandonment phase to mitigate identified environmental impacts.
- 5.6 **Estimated reclamation cost** – shall mean the estimated costs and related expenses to complete the raw land reclamation component of the Project,
- 5.7 **Hydrodynamic modeling** – modeling used to simulate water currents, water levels, circulation, flushing, and sediment transport, among others, as the case may be, to predict, simulate, and evaluate the impact of reclamation to the environment.
- 5.8 **Morphological modeling** – modeling used to predict nearshore topography, to analyze the impact of coastal structures, and to verify the planning and design of harbours and coastal defenses. Morphological models are based on various sub-models for waves, tidal currents, nearshore currents, and sediment transport, coupled with the sediment transport model.
- 5.9 **Non-Environmentally Critical Area (Non-ECA)** – Non-ECA are those areas determined as not environmentally sensitive such that significant environmental impacts are not expected if certain types of projects or programs are proposed to be implemented. These are areas not included in the delineation under PP 2146 and other issuances like e-NIPAs law.
- 5.10 **Non-Environmentally Critical Projects (Non-ECP)** – are projects or undertakings which are not classified as ECP but are likewise deemed to significantly affect the quality of the environment by virtue of being located

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in an ECA and according to the parameters set forth by DENR-EMB Memorandum Circular 005 dated July 2014.

- 5.11 **Notice to Proceed** – as used in Section 8, refers to the clearance/permit issued by the PRA conferring to the Proponent the authority to implement a reclamation project in accordance with approved plans and specifications subject to existing laws, rules, and regulations on reclamation.
- 5.12 **Post Environmental Monitoring and Evaluation (M&E)** – the continuous assessment of the performance of programs and projects based on established parameters, and examination of the relevance, effectiveness, efficiency, and impact of activities, with the goal to improve its current and future management of outputs, outcomes, and impacts.
- 5.13 **Proponent** – any natural or juridical person intending to implement a project or undertaking.
- 5.14 **Reclamation** – the deliberate process of converting foreshore land, submerged areas or bodies of water into permanent land by filling or other means using dredge fill and other suitable materials for specific purpose/s.
- 5.15 **Trust Fund** – is an account established for deposit and disbursement of SEF.
- 5.16 **SEF** – shall refer to the Social Environment Fund.

## SECTION 6. UTILIZATION OF THE SEF

### 6.1 Purpose

The SEF shall be utilized for environmental enhancement projects, including climate resilience, disaster risk reduction and management projects or activities that will benefit communities affected by reclamation projects. The SEF funded by reclamation projects aims to advance sustainable development in the country through social and environmental enhancement efforts which promote best practices, novel innovations, and green initiatives, improve social well-being, and facilitate the equitable growth and development of individuals and the community.

In general, the fund resources may be utilized for activities contributing to natural resources management; preservation, protection, and enhancement of the environment; related researches, studies, and training; incentive measures provided for environment legislation, expenditure for the smooth run on special

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fund in favor of environment, expenses related to contributions based on conventions, and terms and agreement for environmental programs and projects for the execution of environmental activities, and activities deemed useful for the protection of the environment.

### **6.1.1 Programs, Activities and Projects**

Programs, activities, and projects eligible to be funded from the SEF are as follows:

- a. Hydrodynamic and morphological modelling.
- b. Post Environmental Monitoring and Evaluation (M&E) of reclamation projects, such as, but not limited to:
  - 1) Air quality of reclaimed areas;
  - 2) Water quality along water channels;
  - 3) Siltation along water channels;
  - 4) Impact of reclamation on vehicular traffic and mobility of people within the reclaimed areas and its host cities, municipalities, and communities;
  - 5) Monitoring of the new seafront walls as coastal defense structure to mitigate storm surges;
  - 6) Monitoring of sea level rise by installation of tidal monitoring stations;
  - 7) Monitoring of flooding events within the reclaimed areas and adjacent inland areas;
  - 8) Monitoring of liquefaction and land subsidence of the reclaimed areas.

M&E within a given period shall be documented after implementation of the reclamation project. The above activities will produce substantial baseline data for PRA which will be very useful for recommending timely and appropriate mitigating measures and as inputs for future planning and design of reclamation projects. These M&E may be subject to validation by experts and thereafter codified as science-based findings/basis on the effects of reclamation projects for reference in the future.

- c. To improve the social well-being and facilitate the equitable growth and development of individuals and the community, the SEF may be used to augment socially relevant activities in communities affected by the reclamation project, such as, but not limited to:
  - 1) Livelihood programs;

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- 2) Housing development;
- 3) Health;
- 4) Safety;
- 5) Sanitation;
- 6) Climate change adaptation;
- 7) Disaster risk reduction and management;
- 8) Wellness programs; and
- 9) Education programs.

- d. PRA monitoring of non-ECPs where Multi-Partite Monitoring Team (MMT) and Environmental Monitoring Fund (EMF) are not required to be established per DENR-DAO 2017-15: Guidelines on Public Participation Under the Philippine Environment Impact Statement (PEIS) System
- e. Such other activities that the PRA may identify as necessary for the attainment of the above stated purpose.

## **6.2 Approving Authority for the utilization of SEF**

The PRA Governing Board shall be the approving authority for the utilization of the SEF. It shall be vested with control or powers of administration of the SEF with a legal obligation to administer it solely for the purposes specified herein and subject to applicable existing laws, rules, and regulations.

## **6.3 Process of SEF Utilization**

- 6.3.1 The Authority's Management or the Committee created for the purpose of recommending the utilization of the SEF shall recommend to the Authority's Governing Board the undertaking for the utilization of SEF.
- 6.3.2 The Authority's Governing Board shall evaluate the recommendation and ensure that is within the scope of the purposes as indicated in this Order.
- 6.3.3 To enhance the transparency of the evaluation process, the Governing Board shall invite at least two (2) observers who shall sit in its proceedings but not have the right to vote, where: (1) one shall come from a private group duly recognized in a sector or discipline relevant to the proposed programs, activities and project at hand; and (2) the other observer shall come from a non-government organization (NGO).

The observers should meet the following criteria:

- a) Knowledge, experience or expertise in the subject matter of the proposed program, activity, or project;

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- b) Absence of actual or potential conflict of interest in the said program, activity, or project; and
- c) Any other relevant criteria that may be determined by the Authority's Governing Board.

## **SECTION 7. PROHIBITIONS**

The SEF cannot be utilized to fund efforts of reclamation proponents in complying with minimum requirements of laws and other issuances, including:

- a. Compliance with Environmental Compliance Certificate (ECC) provisions and conduct of activities committed under the Environmental Management Plan (EMP), which are minimum requirements for environmental protection or offsetting of impacts. This includes mitigation measures, Social Development Plan (SDP), Information, Education and Communication (IEC), Resettlement Action Plan (RAP), etc.
- b. Compliance with laws, such as the Clean Air Act (R.A. No. 8749), Clean Water Act (R.A. No. 9275), Ecological Solid Waste Management Act (R.A. 9003), Sanitation Code (P.D. No. 856), National Building Code, etc., and the attainment of the minimum standards prescribed therein.
- c. Compliance of other entities to laws and issuances, i.e. Comprehensive Land Use Plan (CLUP)/ Comprehensive Development Plan (CDP) of Local Government Units (LGUs).
- d. Other purposes for which funds have been established as required by other laws and regulations, such as the Environmental Monitoring Fund (EMF) for monitoring activities and the Environmental Guarantee Fund (EGF) for indemnification of damages required by the DENR-EMB.

## **SECTION 8. PAYMENT OF SEF**

The SEF shall be computed at one percent (1%) of the estimated reclamation cost. Remittance of the SEF shall be a condition for the issuance of the Notice to Proceed (NTP) for any reclamation project. It shall be paid within ninety (90) calendar days upon receipt of the letter informing the proponent of the approval of the reclamation project and the issuance of the NTP in their favor. However, the effectivity of the NTP shall only commence upon receipt by PRA of the SEF within the period prescribed herein and upon confirmation of such receipt.

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**SECTION 9. RECORDING, ACCOUNTING, AND REPORTING OF SEF IN THE BOOKS OF ACCOUNTS OF PRA**

The SEF, as a Trust Fund, is administered by the PRA Governing Board as Trustee. The assets of the Trust Fund shall be treated separately and shall not form part of the assets of PRA.

The responsibilities of the Trustee include the mobilization of assets of the Trust Fund, financial management of the Trust Fund, keeping and maintaining books of accounts and other accounting records, as well as the disbursement of funds to the implementing and executing agency/office, in accordance with the provisions of this Policies and Guidelines and such decisions made by the PRA Board as recommended by Management.

The SEF shall be treated in the books of PRA as Trust Liabilities for recording, monitoring, reporting, and ensuring that the SEF will be used solely for the intended purpose/s subject to government accounting and auditing rules and regulations.

**Section 10. Effectivity**

This Policy shall take effect immediately upon publication in a newspaper of general circulation and filing with the Office of the National Administrative Register (ONAR).

Approved on 18 February 2021.

**Philippine Reclamation Authority**

- Original signed -

**ALBERTO C. AGRA**  
Chairman

- Original signed -

**JANILO E. RUBIATO**  
General Manager and CEO

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# Baguio marks Pride Month, calls for LGBTQ equality

**BAGUIO CITY** "I feel very safe in Baguio. Even when the Covid-19 pandemic started and the ensuing lockdowns, I really feel very safe here in Baguio."

This was the sentiment shared by LGBTQ+ advocate Francis Lopez in Monday's flag-raising at City Hall in celebration of Pride Month before city officials led by Mayor Benjamin Magalong.

LGBTQ+ plus stands for lesbians, gays, bisexuals, transgender, queer and more.

Lopez said when he transferred here as a student in 2007, he was scared of not being accepted or would be discriminated against by local residents because of his sexuality.

With a sigh of relief, he also said his

experience in the Summer Capital has been wonderful so far and he felt accepted by who he is as a person.

Lopez commended the city's leaders for passing an ordinance that prohibits discrimination of any kind against any person in the city.

He pointed out members of the LGBTQ+ community, just like the rest,

deserve respect and to be treated equally.

"We, too, are human beings and are very much capable of loving and getting love," Lopez said.

Pride Month, according to him, encourages members of the LGBTQ+ community to be proud of their identity, individuality and of loving the person who they want to love.

"We want our equality and our justice to be heard and be recognized and acknowledged by the public," Lopez said.

Pride Month is celebrated in June of every year to honor the 1969 Stonewall riots in the United States and aims to achieve equal justice and opportunity for those in the LGBTQ+ community.

GABY S. KEITH

# 'Lingayen intl airport flies before end-2022'

BY JAIME G. AQUINO

**LINGAYEN, Pangasinan**: President Rodrigo Duterte wants an international airport to rise in Lingayen, Pangasinan, before his term ends in 2022, according to Department of Transportation (DoTr) Secretary Arthur Tugade.

"I already have the instruction from the President and also the budget for that and before the end of [his] term [next year], there should be and there must be a [commercial and international] airport in Lingayen," Tugade said in English and Filipino during a meeting on June 12, 2021, with provincial officials of Pangasinan led by Gov. Amado Espino 3rd.

The planned international airport will actually emerge from the

existing airport in Lingayen, the provincial capital, that has been undergoing renovation.

The "commitment of the DoTr is to make the runway longer from 900 meters to 1.3 kilometers and to widen it from 30 to 40 meters," Tugade told Espino and the other Pangasinan leaders.

Overlaying the airstrip with asphalt was completed in August 2020.

Tugade cited the President's mandate "to provide people with

connectivity, so their lives and businesses will be more comfortable and convenient."

After the meeting, he inspected the Pangasinan Port Cluster Development projects in Barangay Pangasinan and Barangay Capandian, both in Lingayen.

"Let's help each other. Let's make it enjoyable and beneficial to the community," Tugade also told the governor during the inspection of the projects.

Espino assured his full support to initiatives of the DoTr that will improve the lives of Pangasinenses.

DoTr Assistant Secretary for Aviation Jaime Melis, DoTr Assistant Secretary for Procurement and Project Implementation Giovanni Lopez, former DoTr undersecretary Thomas Ordoz, Land Transportation Office Regional Director



**SACRED VOW** The existing runway (above) of the Lingayen airport at present will be lengthened to meet international standards and to accommodate aircraft bigger than the planes shown inset. Also inset, Secretary Arthur Tugade of the Department of Transportation tells Pangasinan Gov. Amado Espino 3rd that President Rodrigo Duterte wants an international airport to rise from the current airport before the Chief Executive leaves the government in 2022. PHOTOS BY JAIME G. AQUINO

Trinidad Cuadra 3rd, Lingayen Mayor Leopoldo Banaob, Mahini Mayor Ariel de Guzman, Aguu Mayor Guaberto Sison, provincial administrator Nimrod Canha, heads of the provincial government also joined the meeting at the provincial capital.

**PHILIPPINE RECLAMATION AUTHORITY (PRA)**  
(Formerly Public Estates Authority (PEA))  
ADMINISTRATIVE ORDER NO. 2007-02

**POLICIES AND GUIDELINES GOVERNING THE SOCIAL ENVIRONMENT FUND (SEF) COLLECTED FROM RECLAMATION PROJECTS**

Pursuant to Section 5 (j) of Presidential Decree (PD) No. 2084, as amended, the Philippine Reclamation Authority (formerly Public Estates Authority) prescribes the following Policies, Guidelines and Procedures governing the Social Environment Fund (SEF).

**SECTION 1. POLICY STATEMENT**

It is the declared policy of the State to provide for a coordinated, economical and efficient reclamation of lands, and the operations of lands belonging to, managed and/or operated by the Government, with the intent of reconciling their utilization and fostering their development consistent with public interest. Consistent to this, it is a Constitutional policy of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

The Philippine Reclamation Authority is guided by three State policies by having the Administrative Order to ensure a coordinated and integrated approach to the reclamation of lands, promote the public welfare and interest, and protect the environment affected by reclamation projects for the present and future generation of Filipinos.

**SECTION 2. LEGAL BASIS OF THE SOCIAL ENVIRONMENT FUND (SEF)**

The Authority was created to provide a coordinated, economical and efficient administration of lands, especially reclaimed lands. Executive Order No. 503, series of 1975, amended the Authority's regulatory mandate. It was designated as the agency primarily responsible for integrating, steering, and coordinating all reclamation projects for and in behalf of the National Government. In the pursuit of this regulatory powers, the PRA is empowered to formulate, implement, and evaluate plans or policies relative to all reclamation projects as would maximize their contribution to national development. It is also empowered to issue such rules and regulations as may be necessary for the attainment of the purposes and objectives under its Charter, including the observance of such requirements, as may be necessary for the evaluation and sound administration of all reclamation projects.

The SEF is established to develop and support the conduct of social, environmental, clean-up, and disaster risk reduction and management projects and activities in the communities affected by reclamation projects. The imposition of the SEF, with the purpose of monitoring and promoting the sustainability of the environment, is an exercise of the police power by the State, through the Authority.

**SECTION 3. OBJECTIVE OF SEF**

Under the SEF is based under the Schedule of Fees under Section 10 of the Implementing Rules and Regulations (IRR) of Executive Order No. 74 s. 2018, the SEF was established specifically for the purpose of setting up a fund that can be used for any environmental and socio-economic enhancement purposes related to reclamation projects or related protection initiatives that the Authority may implement in the future. The SEF is intended as a fund to be administered by the Authority that can be tapped to fund educational, developmental programs, and activities related to environmental and socio-economic aspects of land reclamation.

**SECTION 4. SCOPE AND APPLICATION**

The establishment of a SEF shall be applicable to all reclamation projects approved by the President of the Philippines or approved by the Authority under its delegated authority pursuant to EO No. 74, s. 2018 including reclamation projects falling under Section 34, Transitional Provision of EO 74 approved in accordance with EO No. 543, s. 2006, and its implementing rules and regulations under PRA Administrative Order No. 2007-2.

**SECTION 5. DEFINITION OF TERMS**

For the purpose of this Policy Guidelines, the following definitions are hereby adopted:

- Authority** - refers to the Philippine Reclamation Authority (formerly Public Estates Authority).
- Environment** - comprising air, water (both underground and surface), land, flora, fauna, and humans and their interactions.
- Environmentally Critical Project (ECP)** - a project or program that has high potential for significant negative environmental impact as defined under Presidential Proclamation (PP) No. 2148 (1987).
- Environmentally Critical Area (ECA)** - areas delineated as environmentally sensitive such that significant environmental impacts are expected if certain types of proposed projects or programs are located, developed or implemented in it.
- Environmental Compliance Certificate (ECC)** - document issued by the DENR - Environmental Management Bureau (EMB) after a positive review of an ECC application, certifying that based on the representations of the proponent, the proposed project or undertaking will not cause significant negative environmental impact. The ECC also certifies that the proponent has complied with all the requirements of the Environmental Impact Statement (EIS) System and has committed to implement its approved Environmental Management Plan. The ECC contains specific measures and conditions that the proponent must undertake before and during the operation of a project, and in some cases, during the project's abandonment phase to mitigate identified environmental impacts.
- Estimated reclamation cost** - that means the estimated costs and related expenses to complete the reclamation project of the Project.
- Hydrodynamic modeling** - modeling used to simulate water currents, water levels, circulation, flooding, and sediment transport, among others, as the case may be, to predict impacts, and evaluate the impact of reclamation to the environment.

- Hydrological modeling** - modeling used to predict hydrologic response, to analyze the impact of coastal structures, and to verify the planning and design of harbors and coastal defenses. Hydrological models are based on various sub-models for waves, tidal currents, riverine currents, and sediment transport, coupled with the sediment transport model.
- Non-Environmentally Critical Area (Non-ECA)** - Non-ECA are those areas subjected to an environmental sensitive study that significant environmental impacts are not expected if certain types of projects or programs are proposed to be implemented. These areas are not included in the delineation under PD 2148 and other decrees like the ECPAs law.
- Non-Environmentally Critical Projects (Non-ECP)** - are projects or undertakings which are not classified as ECP but are deemed deemed to significantly affect the quality of the environment by virtue of being located in an ECA and according to the parameters set forth by DENR-EMB Memorandum Circular 325 dated July 2014.
- Notice to Proceed** - as used in Section 5, refers to the commencement allowed by the PRA conforming to the Proposed plan and specifications subject to zoning laws, rules, and regulations or resolution.
- Post Environmental Monitoring and Evaluation (PEME)** - the systematic assessment of the performance of programs and projects based on established parameters, and evaluation of the relevance, effectiveness, efficiency and impact of activities, with the goal to improve its current and future management of supply, outcomes, and impacts.
- Proponent** - any natural or juridical person intending to implement a project or undertaking.
- Reclamation** - the deliberate process of converting lowlands and submerged areas to lands of water and permanent land by filling or other means using dredge fill and other suitable materials for specific purposes.
- Trust Fund** - is an account established for deposit and disbursement of SEF.
- SEF** - shall refer to the Social Environment Fund.

**SECTION 6. UTILIZATION OF THE SEF**

**6.1 Purpose**

The SEF shall be utilized for environmental enhancement projects, including clean-up, disaster risk reduction and management projects or activities that will benefit communities affected by reclamation projects. The SEF funded by reclamation projects aims to advance sustainable development in the country through social and environmental enhancement efforts which promote local practices, reveal innovations and good initiatives, improve social well-being, and facilitate the equitable growth and development of individuals and the community.

In general, the fund resources may be utilized for activities contributing to natural resources management, preservation, protection, and enhancement of the environment, researches, studies, and training, incentive measures provided by government legislation, expenditure for the small, run an special fund in form of environment centers related to communities based on communities, and terms and agreement for environmental programs and projects for the evaluation of environmental activities, and activities deemed useful for the protection of the environment.

**6.1.1 Programs, Activities and Projects**

Programs, activities, and projects eligible to be funded from the SEF are as follows:

- Hydrodynamic and hydrological modeling
- Post Environmental Monitoring and Evaluation (PEME) of reclamation projects, such as, but not limited to:
  - Air quality of reclaimed areas
  - Water quality along water channels
  - Siltation along water channels
  - Impact of reclamation on vehicular traffic and mobility of people within the reclaimed areas and its road links, transportation, and communication
  - Monitoring of the new waterfront walls as coastal defense structure to mitigate storm surge
  - Monitoring of sea level rise by installation of tide measuring stations
  - Monitoring of flooding events within the reclaimed areas and adjacent inland areas
  - Monitoring of siltation and land subsidence of the reclaimed areas
- M&E within a given period shall be recommended after implementation of the reclamation project. The above activities will produce substantial baseline data for PRA which will be very useful for reclamation timely and accurate planning resources and as inputs for future planning and design of reclamation projects. These M&E may be subject to validation by experts and third-party auditors as science-based hydrodynamic on the effects of reclamation projects to be reference in the future.
- To improve the social well-being and facilitate the equitable growth and development of individuals and the community, the SEF may be used to support socially relevant activities in communities affected by the reclamation project, such as, but not limited to:
  - Livelihood programs
  - Housing development
  - Health
  - Safety
  - Sanitation
  - Climate change adaptation
  - Disaster risk reduction and management
  - Welfare programs, and
  - Educational programs

PRA monitoring of non-ECPs where Multi-Party Monitoring Team (MPMT) and Environmental Monitoring Fund (EMF) are not required to be established

per DENR L&D 2017-15 - Guidelines on Public Participation Under the Philippine Environment Impact Statement (PEIS) System

- Such other activities that the PRA may identify as necessary for the attainment of the above stated purpose.

**6.2 Approving Authority for the utilization of SEF**

The PRA Governing Board shall be the approving authority for the utilization of the SEF. It shall be vested with the power of administration of the SEF with a legal obligation to administer it solely for the purposes specified herein and subject to applicable existing laws, rules, and regulations.

**6.3 Process of SEF Utilization**

- The Authority Management or the Commission created for the purpose of administering the Utilization of the SEF shall recommend to the Authority's Governing Board the utilization of the SEF.
- The Authority's Governing Board shall evaluate the recommendation and ensure that it is within the scope of the purposes as indicated in the Charter.
- To enhance the transparency of the evaluation process, the Governing Board shall invite at least two (2) observers who shall sit in its meetings for no less than the right to vote, which (1) may also come from a private group duly recognized in a sector or discipline relevant to the proposed program, activity and project at hand; and (2) the other observer shall come from a non-government organization (NGO).

The observers should meet the following criteria:

- Knowledge, experience or expertise in the subject matter of the proposed program, activity or project.
- Absence of actual or potential conflict of interest in the said project, activity or project; and
- Any other required criteria that may be determined by the Authority's Governing Board.

**SECTION 7. PROHIBITIONS**

The SEF cannot be utilized to fund efforts of reclamation projects in complying with minimum requirements of laws and other issuances, including:

- Compliance with Environmental Compliance Certificate (ECC) provisions and schedule of activities controlled under the Environmental Management Plan (EMP), which are minimum requirements for environmental protection or offsetting of impacts. This includes mitigation measures, Social Development Plan (SDP), Information, Education and Communication (IEC), Movement Action Plan (MAP), etc.
- Compliance with laws, such as the Clean Air Act (RA No. 8749), Clean Water Act (RA No. 8270), Ecological Solid Waste Management Act (RA 9003), Sanitation Code (PD No. 888), National Building Code, etc., and the observance of the minimum standards prescribed therein.
- Compliance with laws and rules on land use, like Comprehensive Land Use Plan (CLUP), Comprehensive Development Plan (CDP) of Local Government Units (LGUs).
- Other purposes for which funds have been established as required by other laws and regulations, such as the Environmental Monitoring Fund (EMF) for monitoring activities and the Environmental Guarantee Fund (EGF) for indemnification of damages required by the DENR-EMB.

**SECTION 8. PAYMENT OF SEF**

The SEF shall be accumulated at one percent (1%) of the estimated reclamation cost. Reimburse of the SEF shall be a condition for the issuance of the Notice to Proceed (NTP) for any reclamation project. It shall be paid within ninety (90) calendar days from receipt of the bill of lading or the payment of the approval of the reclamation project and the issuance of the NTP in their favor. However, the efficiency of the NTP shall only commence upon receipt by PRA of the SEF within the period prescribed herein and upon notification of such receipt.

**SECTION 9. RECORDING, ACCOUNTING, AND REPORTING OF SEF IN THE BOOKS OF ACCOUNTS OF PRA**

The SEF, as a Trust Fund, is administered by the PRA Governing Board as Trustees. The assets of the Trust Fund shall be treated separately and shall not form part of the assets of PRA.

The responsibilities of the Trustees include the establishment of assets of the Trust Fund and financial management of the Trust Fund, keeping and maintaining books of accounts and other accounting records, as well as the management of funds in the reclamation and monitoring system in accordance with the provisions of the Policies and Guidelines, and such decisions made by the PRA Board as recommended by Management.

The SEF shall be viewed in the books of PRA as Trust Liabilities for recording, monitoring, reporting, and ensuring that the SEF will be used solely for the intended purposes subject to government accounting and auditing laws and regulations.

**Section 10. Effectivity**

This Policy shall take effect immediately upon publication in a newspaper of general circulation and filing with the Office of the National Administrative Register (ONAR).

Approved on 14 February 2021

Philippine Reclamation Authority

(SGD) ALBERTO C. AGRA  
Chairman

(SGD) JUAN E. RUBIATO  
General Manager and CEO

Creating the Public Estates Authority, Calling to Power and Politics, Powering Funds Through and On Other Purposes