

**DENR Administrative Order  
No. 2000 – 83  
November 13, 2000**

**SUBJECT : Guidelines For The Management  
And Development Of Small  
Islands, Including Its Coastal  
Areas.**

Pursuant to Executive Order No. 192 dated July 10, 1987, mandating the Department of Environment and Natural Resources (DENR) to be the primary government agency responsible for the conservation, management, development and proper use of the country's environment and natural resources and lands of the public domain; and Presidential Decree No. 705, as amended, otherwise known as the Revised Forestry Code of the Philippines, dated May 19, 1975; Commonwealth Act No. 141 as amended, otherwise known as the Public Land Act; Republic Act No. 7942, otherwise known as the Mining Act of 1995; and Republic Act No. 7586, otherwise known as NIPAS Act of 1992, the following guidelines are hereby promulgated:

**Section 1. Basic Policy**

It is the policy of the State to ensure the sustainable use, development, management, renewal and conservation of the country's natural resources, including the protection and enhancement of the quality of the environment for the present and future generations. It is also the policy of the state to apply a more realistic system of valuation for the utilization, development and conservation of our natural resources.

Accordingly, the State, through the Department of Environment and Natural Resources, hereby adopts measures which enhance the sustainable management and development of the country's small islands taking into consideration their appropriate land uses and protective and productive values.

## **Section 2. Objectives**

This Administrative Order shall have the following objectives:

- a. To ensure that environmental considerations are incorporated in all development activities within small islands;
- b. To properly value benefits derived as well as damages incurred from the utilization and development of natural resources for proper decision making;
- c. To encourage the community, NGOs and other government agencies in the rehabilitation, improvement and sustainable use of resources of small islands; and
- d. To ensure equitable access of individuals, associations, and communities to benefits derived from the development and utilization of small islands.

## **Section 3. Definition of Terms**

For the purpose of this Order, the following terms are to be understood and interpreted as follows:

- a. **Alienable and Disposable Lands (A and D)** - are those lands of the public domain which have been classified and declared as such and available for disposition under Commonwealth Act No. 141 as amended, otherwise known as the Public Land Act.
- b. **Coastal Area** -- is a band of dry land and adjacent ocean space (water and submerged land) in which terrestrial processes and uses directly affect oceanic processes and uses, and vice versa; its geographic extent may relay include areas within a landmark limit of one kilometer from the shoreline at high water tide to include mangrove, swamps, brackish water ponds, nipa swamps, estuarine rivers, sandy beaches and other areas within a seaward limit of 200 meters isobath to include coral reefs, algal flats. seagrass beds and other soft-bottom areas (as defined by RA 8550).

- c. Development activities -- are activities that involve all forms of improvement, construction or enhancement of land and other resources within the islands/island groups that would likely have environmental impact/s.
- d. Ecological destination - a site that shows a unique feature of a landscape that benefit people because of its aesthetic, recreational, and scientific value.
- e. Environmental Compliance Certificate (ECC) refers to the document issued by the Department certifying that a proposed development project or undertaking will not cause a significant negative impact; that the proponent has complied with all the requirements of the Environmental Impact Statement (EIS) System, and that the proponent is committed to implement its approved Environmental Management Plan in the Environmental Impact Statement (EIS) or mitigation measures in the Initial Environmental Examination (IEE).
- f. Environmental Impact Statement (EIS) -- refers to the document of studies on the likely environmental consequences of implementing projects or undertakings, and designing the appropriate preventive, mitigating and enhancement measures.
- g. Foreshore - a string of land margining a body of water; the part of a seashore between the low-water line usually at the seaward margin of a low tide terrace and the upper limit or wave wash at high tide usually marked by a beach scarp or berm.
- h. Nearshore - part of the offshore but immediately next to the foreshore.
- i. Recreation Area/Bathing Establishment - public forest suited for bathing and recreation purposes.
- j. Small Islands - refer to islands/islets with an area of not more than 50,000 hectares.

- k. Small Islands Management Agreement (SIMA) – a production-sharing agreement between a qualified person, association and/or corporation and the government to develop, manage and utilize small islands.
- l. Sustainable Development - means meeting the needs of the present generation without compromising the ability of the future generation to meet their own needs.

#### **Section 4. Scope and Coverage**

This Order shall cover the identification, sustainable development, and conservation of small islands herein defined and its coastal areas that may affect their environment and natural resources. Except for islands proclaimed/declared or classified by law as island province/municipality, collaborative management approach with tile concerned local government unit (LGU) shall be developed.

#### **Section 5. Development and Land Use Guidelines**

The PENROs/CENROs shall identify the existing land uses of small islands within their administrative jurisdiction and correspondingly prepare/secure the necessary maps such as land use, land cover, topo map, etc. using a scale of 1:25,000 for each small island/small island group. An Island Physical Framework Plan (IPFP) for each island/island group shall be prepared by the PENRO/CENRO in consultation with other government agencies, local government units and other stakeholders.

The IPFP shall define the boundaries of the islands/island groups and their coastal areas, including foreshore and nearshore areas. It shall outline their developmental potential in accordance with the Regional/Provincial Physical Framework Plan and Comprehensive Land Use Plans including their sustainable uses. The IPFP shall be reviewed by the Regional Executive Director and endorse the same for its approval by the Secretary. It shall be

the subject of review every five (5) years by the PENRO/CENRO or earlier upon the discretion of the Secretary.

The following guidelines shall be observed in the preparation of IPFP:

- a. Islands/Islets less than 500 hectares in area shall be under strict conservation areas and as such shall not be alienated nor disposed of for any purpose. Existing permits or leases shall be allowed to continue until their termination, provided that these are consistent with the approved IPFP. Thereafter, no renewal of leases shall be allowed.
- b. Islands/Islets 500 hectares up to 5,000 hectares shall be under restricted use. Land titling shall be limited to those with pending applications on classified A and D lands as of the effectivity of this Order. Land leases/permits which are inconsistent with the IPFP, shall no longer be renewed after their termination.
- c. Island/Islets above 5,000 hectares up to 50,000 hectares shall be open to sustainable development. Land titling may be undertaken in certified A and D lands.

Pending the formulation of IPFP, renewal or extension of leases/permits of public lands in small islands may be granted *Provided* that lessee/permittee has religiously complied with the terms and conditions of the lease/permit; *Provided further* that the lessee/permittee has complied with the reglementary period within which to file renewal of lease/permit and has secured the required ECC; *Provided furthermore*, that prior clearance shall have been obtained from the Secretary; and *Provided finally*, that the duration of renewal or extension shall not be more than one year.

For new applications, a provisional Small Island Management Agreement (SIMA) for a period of not more than one year may be granted following the application procedures provided

in this order. The IPFP shall become the basis as to whether the SIMA shall be approved or not.

All legally titled lands in small islands shall be respected. However, for titles fraudulently acquired, the Department shall file the proper action for their cancellation and reversion. For development purpose, prior rights shall be respected.

Valid and existing mineral agreements is highly mineralized islands/island groups (declared as such by the Secretary) and whose residents are economically dependent primarily on mining activities shall be allowed to continue until the expiration of the mining permit. Renewal of mining permits shall only be granted if this is included in IPFP and an Environmental Compliance Certificate shall have been secured.

All development activities in the island shall be subject to the requirement of the Environmental Impact Statement (EIS) System. No development activity shall be allowed without an ECC.

## **Section 6. Rental/User Fees**

Rental/user fees, apart from application fees, shall be charged for all development and/or resource use within the islands/island groups. The following shall be the basis for the computation of rental/user fees:

a. For Plantation Establishment

Fees (excluding application fees) shall be **in** the form of government share. It shall not be less than 5% of the gross sale which is subject for review every five (5) years.

b. For Recreation Area/Settlements/Bathing Establishments/Hotels/Ports/Piers and Other Special Forestland Uses

Forestland uses for resorts/bathing establishments, hotels (not more than 2 storeys high), ports/piers, settlements and other special uses shall be charged an annual user fee for the land leased not less than 5% of the value of the land and 1% of the improvements and shall be subject for review every five years.

c. For Ecological Destination

User/rental fees for ecological destination shall be set on the target market (capacity and willingness to pay), the type of destination (ecological uniqueness), the area to be developed and extent of investment required which shall be determined by the assessment team created for this purpose, in accordance with DAO 99-39.

**Section 7. Who May Apply**

1. A Filipino citizen of lawful age;
2. Corporations, associations or partnerships duly constituted under the laws of the Philippines, at least 60% of the capital of which is owned by Filipino citizens; and
3. Local Government Units.

**Section 8. Forms, Contents and Supporting Documents**

Applications shall be filed in a form to be prescribed by the DENR. The application form shall contain particulars on the nature of the proposed utilization, development or activity, the location and size of the area, the sketch, boundaries and brief description thereof, and such other information that the DENR may require.

An application shall only be accepted if duly paid, properly subscribed, and sworn to by the applicant, or in the case of a

juridical person, by its president, general manager or duly authorized agent and accompanied by the following documents:

- a. If the applicant is a government official or employee, whether in the career non-career service, a written permission from the department head or the head of the agency concerned.
- b. If the applicant is a naturalized Filipino citizens a copy of his certificate of naturalization certified by the duly concerned agency that issued the same and a certification by the Office of the Solicitor General that it has not filed or taken any action for his denaturalization, or any action that may affect his citizenship.
- c. If the applicant is a corporation, association or cooperative:
  - (i) three copies of its articles of incorporation;
  - (ii) three copies of its by-laws;
  - (iii) three copies of the minutes of the latest organization meeting of its stockholders/general assembly electing the present of the Board of Directors;
  - (iv) three copies of the resolution adopted at the said meetings, electing the present members of the Board of Directors certified to by its Secretary;
  - (v) three copies of the minutes of the latest organizational meeting of the Board of Directors, electing the present officers of the corporation, association, or cooperative, certified by its Secretary; and
  - (vi) three copies of the minutes of the latest organizational meeting of the Board of Directors indicating the authority of the officer to file the application in behalf of the corporation.
  - (vii) Board Resolution authorizing the President/General Manager in behalf of the corporation, association, or cooperative to undertake/apply for SIMA.

All of the above documents must be certified by the duly authorized officer of the corporation.



- d. If the applicant uses a name, style or trade name, other than the true name, three copies of the certificate of registration of such name, style or trade name with the Department of Trade and Industry (DTI) duly certified by an authorized officer of said Department. The application must be further accompanied by three certified copies of the income tax return for the preceding year, if the applicant was already in existence at the time required to file said return.
- c. If the applicant is a Local Government Unit, a Sangguniang Resolution duly approved by the Local Chief Executive accompanied by an application letter shall be filed and submitted (in triplicate) to the PENRO/CENRO concerned.

### **Section 9. Where and When to File the Application**

Applications for Small Island Management Agreement (SIMA) or renewal thereof shall be filed with the CENRO/PENRO which has jurisdiction over the area. Application maybe filed by the applicant/proponent anytime during office hours. For renewal, the application must be filed at least 60 days prior to the expiration of the lease/permit. All applications shall be numbered, stamped, and recorded in the book provided for the purpose in chronological order showing the number, date and the time of receipt thereof.

### **Section 10. Application Fees**

An application for a new or renewal of SIMA shall be accepted only upon payment of an application fee in the amount of P2,900.00 plus documentary stamp. The fee is non-refundable.

### **Section 11. Term of a Small Island Lease**

The term for Small Island Management Agreement may be for a period not exceeding twenty-five (25) years, renewable for

not more than twenty-five (25) years and subject to the approval of the DENR Secretary.

## **Section 12. Procedural Steps in Processing**

1. Filing of the application at the CENRO/PENRO (on a first come-first serve basis, subject to prior rights);
2. Screening and assessment of qualifications of the applicant;
3. Preliminary investigation and appraisal of the land applied for;
4. Survey and mapping of the land;
5. Recommendation to the authorized official for the approval of the appraisal;
6. Approval of appraisal and grant of management by authorized official;
7. Payment of publication expenses by the qualified applicant;
8. Publication of the notice of right to manage the land applied for in a newspaper of general circulation once a week for two consecutive weeks and posting of the notice for a period of two consecutive weeks on the bulletin boards of the following:
  - a. CENRO/PENRO
  - b. Municipality/City Hall
  - c. Barangay Hall
  - d. On the land itself
9. In cases of opposition of the application, the same shall be subjected to further investigation. The processing of the application shall be held in abeyance until such time that the case have been resolved by the CENRO/PENRO or other authorized officials;
10. Approval of the application; and
11. Preparation and signing of the SIMA

## **Section 13. Penalties**

Violations of the provisions of this Order shall be penalized in accordance with applicable laws, rules and regulations.

#### **Section 14. Repealing Clause**

All administrative orders, circulars, memoranda, and other issuance inconsistent herewith are hereby repealed or modified accordingly.

#### **Section 15. Effectivity**

This Order shall take effect immediately 15 days after it has been published in a major newspaper of general circulation.

**(Sgd.) ANTONIO H. CERILLES**  
Secretary

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Malaya - November 29, 2000