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SUBJECT: GUIDELINES ON THE USE OF THE INTEGRATED PROTECTED AREA FUND (IPAF) PROTECTED AREA RETAINED INCOME ACCOUNT (PA-RIA), SPECIAL ACCOUNT IN THE GENERAL FUND (SAGF), AND PROTECTED AREA TRUST RECEIPTS (PA-TR) AND PROVIDING THE CRITERIA FOR THE ALLOCATION OF FUNDS DEPOSITED UNDER THE IPAF- SAGF IN THE NATIONAL TREASURY

Pursuant to Section 16 of RA 7586 or the National Integrated Protected Areas System (NIPAS) Act of 1992, as amended by RA 10629 and adopted by RA 11038 otherwise known as Expanded NIPAS Act of 2018, and Joint DBM-DENR Memorandum Circular No. 2014-01 on the Implementing Rules and Regulations of RA 10629, and in order to provide guidelines on the use of the IPAF including the criteria for the allocation of funds deposited under the Special Account in the General Fund (IPAF-SAGF) in the National Treasury to sustain the financing of protected areas and the System, the BMB Technical Bulletin No. 2016-02 on the Allocation Criteria for The Disbursement of Funds from the IPAF-SAGF is hereby amended for the information and guidance of all concerned.

Section 1. Basic Policy. The DENR Secretary, through the Biodiversity Management Bureau (BMB), is mandated to issue a system-wide set of rules and regulations to implement and carry out the objectives of the NIPAS Act, as amended. One of the objectives of the Act is to ensure the sustainable financing of protected areas and the System. To achieve this, there is a need to prescribe standards on the utilization of the IPAF and rationalize its distribution to help improve financial mechanism in the protected areas and the System.

In general, the IPAF shall be used solely for the protection, maintenance, administration, and management of the protected area and for purposes of financing the projects of the System including duly approved projects by respective PAMBs which are contained in the approved PA Management Plan. This Technical Bulletin prescribes that the IPAF-SAGF shall be used primarily to finance ecotourism development and management in protected areas in accordance with the principles of biodiversity and sustainable development. This is because ecotourism is aimed, among others, at reducing poverty by creating community-based livelihoods that will hasten the fulfillment of the United

Nation's Sustainable Development Goals. Likewise, ecotourism has the potential to generate revenues that would plowback to the PA operations through the IPAF.

Section 2. Objectives. It is the objective of this Technical Bulletin to prescribe the menu of programs, projects, and activities that shall be funded from the IPAF Accounts namely the PA-Retained Income Account (PA-RIA), IPAF-SAGF (Special Account in the General Fund) and Protected Area Trust Receipts (PA-TR) including the set of the criteria for the allocation of funds deposited under the IPAF-SAGF in the National Treasury which shall guide the DENR Field Offices in order to augment the financial gap in the implementation of NIPAS activities and thereby attain the goal of sustainable financing of protected areas as well as the whole System.

Section 3. Scope and Coverage. This Technical Bulletin shall apply to all protected areas under the NIPAS in accordance with the existing accounting and auditing rules and regulations.

Section 4. Use of Funds. Pursuant to the NIPAS Act, as amended and the DBM-DENR Joint Memorandum Circular No. 01, the IPAF shall be used solely for the protection, maintenance, administration, and management of the protected area and for purposes of financing the projects of the System including duly approved projects by respective PAMBs which are contained in the approved PA Management Plan. Provided further, that the Fund shall not be used to cover Personnel Services expenditures.

The proposed programs, projects, and activities, and their cost estimates shall be anchored on the PA Management Plan and shall be based on the current year's Planning Guidelines and Unit of Work Measurement (UWM) under the Protected Area Development and Management Program issued by the DENR and shall not duplicate the current year's programs, projects, and activities that can be funded from other sources i.e. DENR Regular Funds (Fund 101), Foreign-Assisted Projects, LGU Funds, Private Sector, NGOs, etc.

The following are the prescribed menu of programs, projects, and activities that can be funded for each IPAF Account:

4.1. Protected Area Retained Income Account (PA-RIA). The PA-RIA is the account each PA shall establish and maintain for the seventy-five percent (75%) of income from PA operations authorized to be retained by the PAMB pursuant to RA No. 10629 and RA 11038. Below is the menu of activities that can be funded under the PA-RIA based on the PA's status:

For the Remaining Initial Components of the NIPAS:

- a. Protected Area Suitability Assessment
- b. Protected Area Establishment/Disestablishment
 - Public Notifications
 - Public Consultations
 - Preparation of Maps and Initial PA Plan
 - Regional NIPAS Review Committee Meetings

For the Proclaimed and Legislated PAs:

- a. Delineation of Boundaries for Proclaimed PAs
- b. Demarcation of boundaries for Legislated PAs
- c. Survey and Registration of Protected Area Occupants (SRPAO)
- d. Protected Area Management Planning
 - Biodiversity Assessment and Monitoring System
 - Socio-Economic Assessment and Monitoring System
 - PA Management Zones Ground Delineation
 - Preparation or Updating of PA Management Plans
- e. PA Habitat Protection
 - Biodiversity Monitoring System
 - Law Enforcement/Patrolling
 - Communication, Education and Public Awareness
- f. PAMB Operationalization
 - PAMB Operations Manual Preparation
 - Capacity Building
 - PAMB Meetings
 - Management Effectiveness Assessment
- g. PA Management Office (PAMO) Operationalization
 - PAMO Construction/Rehabilitation/Improvement/Maintenance
 - Procurement of office furniture, fixture, equipment, supplies, and materialsImplementation of priority programs, projects, and activities of the PA that will subsume hiring of Job Orders
 - Procurement of vehicles
- h. Ecotourism Management Planning and Development
- i. Ecotourism Program and Impact Monitoring
- j. Community-Based Program (CBP)
- k. Inventory of Existing Facilities within PAs
- l. Ecosystem/Resource Valuation
- m. PA Restoration and Rehabilitation
- n. Other programs, projects, and activities including other Capital Outlay requirements of the PA duly approved by the PAMB

4.2. IPAF-Special Account in the General Fund (IPAF-SAGF). The IPAF-SAGF is the existing account with the BTr consisting of the following: 1) twenty-five percent (25%) of the income from PA operations deposited in the BTr designated clearing account maintained with the AGDB; and 2) income remitted prior to effectivity of DBM-DENR JMC No. 2014-01 which is November 14, 2014 or prior to depositing to Protected Area Retained Income Account (PA-RIA). The UACS Funding Source Code for IPAF-SAGF is 03 104 334.

Funds from the IPAF-SAGF which comprise the twenty-five percent (25%) of deposited collections in the National Treasury, shall be used for the development of income-generating programs, projects, and activities consistent with the PAMP, including the PAMO Operationalization and capital outlay requirements of the PA.

Other programs, projects, and activities including other Capital Outlay requirements of the PA duly approved by the PAMB may be also funded under this account. Hence, the following items are eligible for funding under the IPAF-SAGF (25% of deposited collections in the National Treasury):

- a. Construction of ecotourism facilities intended for rentals such as but not limited to eco-lodges, store/stall spaces, land/floating cottages, picnic sheds, multi-purpose halls, gazebos, pavilions, camp sites, tents, parking areas, among others;
- b. Procurement of materials and equipment intended for rental purposes such as but not limited to camping tents, bicycles, spotting scope, binoculars, non-motorized boats such as paddling boats and kayak, snorkeling gears, diving suit and equipment, etc.;
- c. PAMO Operationalization - construction/installation/rehabilitation/improvement of protected area facilities and infrastructure such as but not limited to PA Management Office/Information/Visitor Center, view decks, trails, rest areas, comfort rooms, boardwalks, signage, man-made attractions, watch tower, first aid stations, handwashing stations, water and electric utilities, entrance gate, furniture and fixture, etc.;
- d. Rehabilitation/renovation of PA facilities and infrastructure;
- e. Development, Marketing, and Promotions of Ecotourism Products and Services such as but not limited to the formulation of Ecotourism Management and Business Plans, conduct of business forums, trainings for tour guiding, culinary, food handling, housekeeping, handicraft-making, souvenirs and merchandise trading, social media/website development and promotions, etc.;
- f. Programs, projects, activities as deemed necessary by the BMB in order to strengthen and financially sustain the system-wide implementation of the NIPAS; and
- g. Other programs, projects, and activities including other Capital Outlay requirements of the PA duly approved by the PAMB.

For protected areas with remaining balances under their old Sub-fund (75% of deposited collections to the National Treasury prior to the effectivity of RA 10629), all projects, activities, and programs in the Planning Guidelines and UWM under the Protected Area Development and Management Program as stipulated in Section 4.1 of this Technical Bulletin shall be eligible for funding except for Personnel Services Expenditures. Provided that, priority shall be given to the utilization of the amount in this Sub-fund to finally close and clear this account.

4.3. PA-Trust Receipts (PA-TR). The PA-TR Account refers to the account each PA shall maintain with the BTr for all cash revenues from other sources such as donations, grants and endowments. There are two types of donations, namely: (a)

with one-year term or less (Trust Liability), and (b) with term exceeding one-year (SAGF). Cash donations shall be treated as Trust Receipts and shall be deposited in full with the BTr pursuant to the Annual GAA.

These revenues shall be utilized according to the specifications in the notarized Deed of Donation and in accordance with the existing accounting and auditing rules and regulations.

Section 5. Qualifying/Must Criteria for funding under the IPAF-SAGF. All of the following qualifying criteria shall be met by protected areas to be able to access the IPAF-SAGF through Special Budget.

5.1. With an active Protected Area Management Board (PAMB) as evidenced by minutes of meetings, resolutions passed, and accomplishment reports submitted to BMB;

5.2. With updated Management Plan or Initial PA Plan;

5.3. Good track record in terms of timeliness and completeness of accomplishment reports, IPAF reports and other required documents; and

5.4. Without or with limited funding assistance either from local or foreign institutions/donors.

Section 6. Prioritization Criteria. If the PA meets all the criteria enumerated in Section 5 hereof, the request/proposal shall be evaluated further based on the following considerations:

6.1. Protected areas that are in need of immediate funding for protection from further degradation based on the following considerations (50%):

- a. With existing and potential threats that will lead to biodiversity loss/degradation through anthropological causes such as logging, slash and burn farming and timber/wildlife poaching, encroachment, forest fires, invasive alien species, and through natural causes as verified by reports (20%);
- b. Presence of threatened species in the area that are priority for conservation (15%); and
- c. Nationally/internationally recognized areas such as Important Bird Area (IBA), Important Plant Area (IPA), UNESCO World Heritage site, ASEAN Heritage Park, Ramsar site, including sites with geological/archeological/socio-cultural importance (15%).

6.2. The protected areas shall also be assessed based on the following financial and management considerations (50%):

- a. The protected area has no or minimal income that is not sufficient to support its operations but exhibits high ecotourism potential that could generate future revenues. This shall be determined based on relevant opportunities and strengths of the area as provided in the Protected Area Management Plan. PAs with Ecotourism Management Plan will be given preference. **(20%)**;
- b. The Management Board has strong linkage/partnership with the local government units, communities, private sector, academe, and other stakeholders **(15%)**; and
- c. The Protected Area Management Office (PAMO) and the DENR Field Offices concerned is capable of implementing projects. It must have adequate and trained staff to implement the proposed projects **(15%)**.

The overall rating must not be lower than 70% to be eligible for funding from the IPAF-SAGF. Provided that the higher the rating, the higher priority is given to the protected area. In cases where the prioritized PAs/Regions failed to submit the complete documentary requirements on-time, the BMB shall identify other PAs to be prioritized based on the ratings, provided that, they submit the complete requirements on or before 15 September of the preceding fiscal year.

Section 7. General Considerations.

- 7.1. A Protected Area may only avail of the IPAF-SAGF once every three (3) years.
- 7.2. The maximum amount of request shall be Five Million Pesos (PhP 5,000,000).
- 7.3. Approval of funding request shall be subject to availability of the IPAF - SAGF as certified by the BTr and as provided in the General Appropriations Act.

Section 8. Special Budget Request Process, Requirements, and Timeline. All PAs intending to access funds from the IPAF-SAGF and PA-TR shall submit complete documentary requirements for the Special Budget **on or before September 15 of the preceding fiscal year**. The detailed process and the required documentary requirements supporting the Special Budget Request are provided in the *Manual on the Establishment and Management of the IPAF* as adopted in *BMB Technical Bulletin No. 2019-02*. Attached is the process flow for SBR.


Section 9. BMB. The following are the responsibilities of BMB related to IPAF:

1. The BMB thru the IPAF Review Committee reviews, evaluates, and recommends endorsements of SBRs for IPAF-SAGF to DENR-FMS within 15 days upon receipt of complete requirements;
2. Review PAMB-proposed fees based on existing policies and relevant studies and endorse to the Secretary for affirmation, as appropriate;

3. Inform the ROs on actions taken on SBRs, proposals, and other concerns;
4. Recommend and endorse fund allocation of IPAF-SAGF for approval by the DENR-FMS in accordance with set criteria;
5. Monitor and validate reports on revenues and utilization of the IPAF including physical accomplishments.

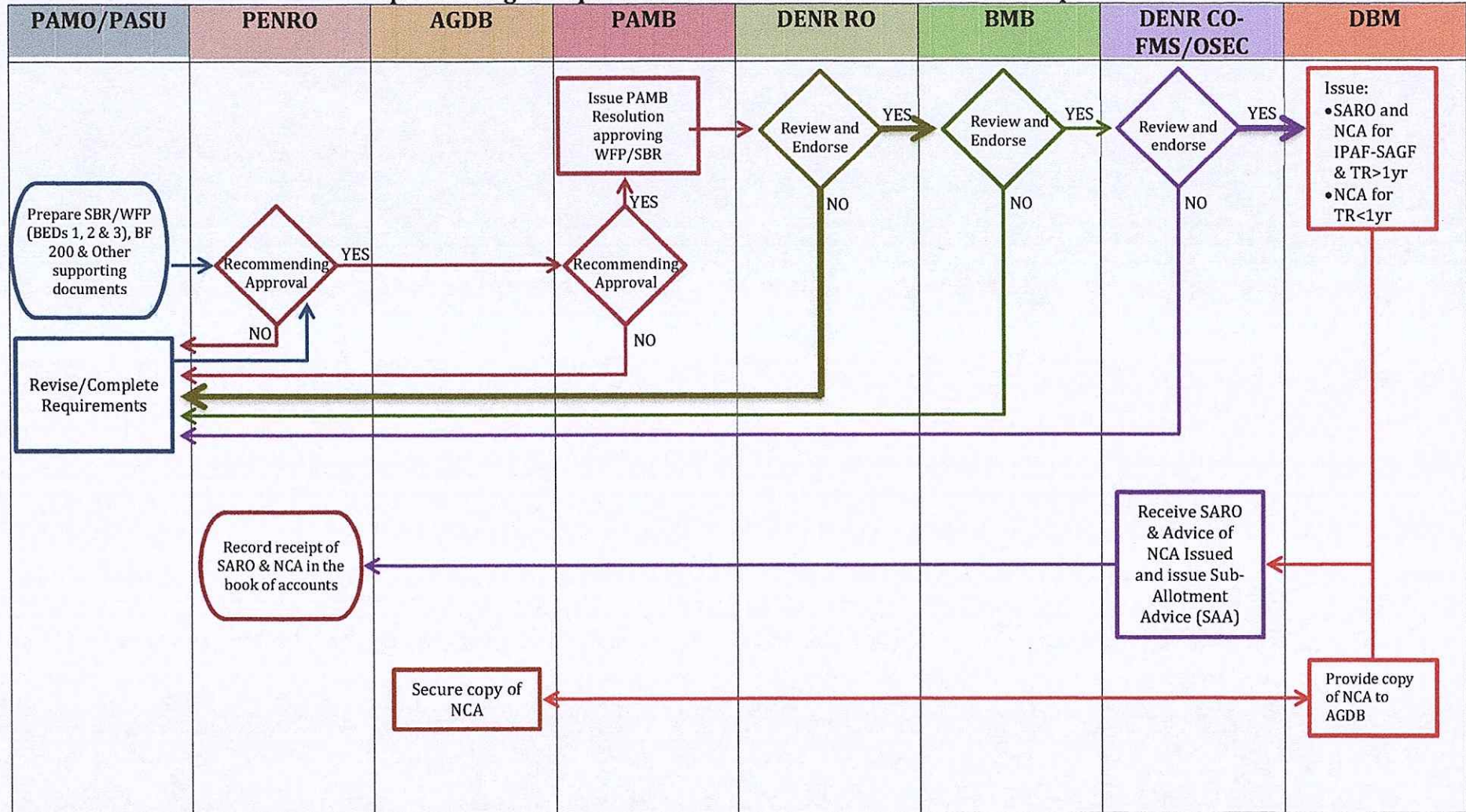
Section 10. Repealing Clause. This Technical Bulletin revokes, supersedes, and amends other instructions inconsistent herewith.

Section 11. Effectivity. This Technical Bulletin shall take effect immediately and shall be circulated for guidance of all concerned.


EDILBERTO DC LEONARDO
Undersecretary for Special Concerns
and OIC Director



Special Budget Request Process of IPAF-SAGF & PA-Trust Receipts



Note: The amount certified by the BTr shall be the basis for the preparation of the WFP.