

SENATE

Senate Bill No. 1246

INTRODUCED BY SEN. MANNY VILLAR

EXPLANATORY NOTE

After the enactment of the Clean Air Act, the greater challenge now is its efficient and effective implementation. Having all the powers and functions the Department of Environment and Natural Resources (DENR) is currently granted to implement, there is an even greater need to review its existing powers and functions with the end in view of effectively implementing critical legislation such as the Clean Air Act.

Based on the experience of other countries, such as the United States, Australia, and New Zealand, among others, resource utilization and developmental functions are separate from environmental protection and regulation functions. These two areas of concern are being implemented by separate government agencies.

This bill, therefore, proposes the separation of the environmental protection and regulatory functions of the DENR by creating a separate agency called the National Environmental Protection Agency (NEPA), which will take charge of these other functions. By directing the new agency towards these functions, the DENR will be able to concentrate on resource utilization and development while this new body will focus on environmental protection and regulation.

This measure does not only build a powerful structure to deal with problems of the environment but appropriately strengthens the Pollution Adjudication Board and establishes a complementary network of cooperation and joint undertaking between the government and the citizenry, especially at the local level.

In this light of the foregoing, approval of this bill is earnestly requested.


MANNY VILLAR

SENATE

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AN ACT
CREATING THE PHILIPPINE ENVIRONMENTAL PROTECTION AUTHORITY,
DEFINING ITS POWERS AND FUNCTIONS AND FOR OTHER PURPOSES

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

CHAPTER I
GENERAL PROVISIONS

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4 **SEC. 1. Title.** – This Act shall be known as the “Philippine Environmental
5 Protection Authority Act.”

6 **SEC. 2. Declaration of Policy.** – Articles II, Sections 15 and 16 of the
7 Philippine Constitution provide that the State as matter of policy shall: (1) protect
8 and promote the right to health and instill health consciousness among them; and
9 (2) protect and advance the right of the people to a balanced and healthful
10 ecology in accord with the rhythm and harmony of nature.

11 The State shall therefore ensure that social and economic development
12 activities of the public and private sectors are undertaken with due regard to the
13 people’s health, nature’s carrying capacity, and the future generations’ right over
14 sustainable use of current resources and the environment’s long-term stability
15 and integrity consistent with the growth, development and expansion of
16 employment opportunities.

17 **SEC. 3. Creation of the Philippine Environmental Protection**
18 **Authority.** – In order to carryout the declared policies under Section 2 hereof
19 and to efficiently and effectively address the problems of natural resource
20 degradation and environmental pollution, there is hereby created a Philippine
21 Environmental Protection Authority, hereinafter referred to as the Authority, which
22 agency shall be directly under the Office of the President.

1 **SEC. 4. *Mandate.*** – The Authority shall be the lead government agency
2 primarily responsible for the protection and conservation of the country's
3 environment and natural resources through the regulation of environmental
4 impact caused by pervasive human activities and the prevention, control,
5 mitigation and abatement of environmental pollution.

6 **SEC. 5. *Powers and Functions.*** – The Authority shall have the following
7 powers and functions; *Provided*, That certain responsibilities may be devolved to
8 local government units in consonance with the Local Government Code:

- 9 (a) Formulate and implement an integrated approach towards the
10 protection of the country's environment and resources;
- 11 (b) Evolve an integrated, multi-sectoral and multi-disciplinary National
12 Environmental Protection Strategy which shall focus on critical life-
13 support systems;
- 14 (c) Develop and implement comprehensive medium and long-term action
15 plans for environmental protection, pollution prevention and control
16 that shall form part of the National Economic and Development
17 Authority's (NEDA) national development plan;
- 18 (d) Formulate and enforce environmental quality standards for water, air,
19 land, noise, radiation and other standards which may fall within its
20 jurisdiction in subsequent legislations;
- 21 (e) Promulgate and prescribe policies, rules and regulations regarding
22 the control of water, air and land pollution and the proper disposal of
23 solid wastes and toxic and hazardous substances;
- 24 (f) Develop and undertake an integrated research program pertaining to
25 environmental protection, pollution prevention and control;
- 26 (g) Monitor and evaluate the implementation of all laws relating to the
27 regulation and control of activities that have an impact on the
28 maintenance of a wholesome natural environment and undertake
29 and/or recommend measures relative thereto;
- 30 (h) Design, establish and institutionalize, among others:
- 31 (1) An incentives system based on waste minimization, the re-use
32 and recycling of materials and the conservation of indigenous
33 resources;
- 34 (2) A system of fines, fees and penalties based on various
35 strategies such as, but not limited to, the "polluter pays"
36 principle, end-of-pipe treatment, and the mitigation, abatement,
37 neutralization, clean-up, remediation and rehabilitation of
38 pollution-affected areas populations;

- 1 (3) An integrated environmental protection permit and licensing
2 system covering the regulatory areas of pollution control and
3 environmental impact assessment; and
- 4 (4) A cost-effective environmental information system responsive to
5 the needs of the Authority.
- 6 (i) Prepare, update, monitor and evaluate regional environmental profiles
7 and qualities of water, air, land, and ecosystem media;
- 8 (j) Set water, air, land, radiation and ecosystem standards for emissions,
9 ambient air and water quality, end-of-pipe mitigation, and
10 rehabilitation/remediation/restoration;
- 11 (k) Regulate all Environmental Management Units (EMUs) required in all
12 air and water quality management areas, local government units,
13 government agencies and instrumentalities including but not limited to
14 those under the Metro Manila Development Authority(MMDA),
15 Philippine Economic Zone Authority (PEZA), Subic Bay Metropolitan
16 Authority (SBMA), Regional Industrial Centers (RICs), National Power
17 Corporation (NAPOCOR) and/or its successor entities, Philippine
18 National Oil Company (PNOC),and other Government Owned and
19 Controlled Corporations (GOCCs) and the private sector;
- 20 (l) Extend training and technical assistance to EMUs;
- 21 (m) Take over the functions of local EMUs, on an interim or temporary
22 basis where such EMUs are incapable of effectively exercising its
23 functions and/or in cases when public interests so demands;
- 24 (n) Coordinate, monitor and evaluate the implementation of domestic
25 environmental laws and international environmental treaties,
26 agreements and conventions;
- 27 (o) Issue *subpoena duces tecum*, *subpoena ad testificandum* and cease
28 and desist orders;
- 29 (p) Declare a state of emergency in case of actual or imminent
30 environmental disasters;
- 31 (q) Expropriate properly after just compensation for public good;
- 32 (r) Command and call the assistance of appropriate government
33 agencies or instrumentalities for the purpose of enforcing the
34 provisions of this Act and its implementing rules and regulations as
35 well as the orders and decisions of the Authority;
- 36 (s) Submit an annual 5-year environmental quality status report to the
37 President and the Congress;

- 1 (t) Conduct information, education, communication and training relating
2 to environmental protection and pollution prevention and control;
- 3 (u) Promote cooperation and encourage greater people participation and
4 private initiative in environmental protection and pollution prevention
5 and control;
- 6 (v) Organize the most appropriate implementing mechanism relative to
7 the performance of its mandated powers and functions;
- 8 (w) Adopt, prescribe and promulgate rules and regulations governing the
9 procedures of the Authority with respect to hearings, the filing of
10 reports, the issuance and/or review of all permits and other rules and
11 regulations for the purpose of the implementation and enforcement of
12 this Act.
- 13 (x) Establish field offices in the country's administrative and/or
14 autonomous regions to coordinate with the local government units in
15 the implementation of the provisions of this Act; and
- 16 (y) Exercise other powers and functions including corporate powers,
17 oversight powers over agencies and instrumentalities which activities
18 have a direct and residual impacts on the environment, natural and
19 human resources such as but not limited to radiation and noise
20 regulations, occupational health and safety standards, infrastructures
21 and building standards; and perform such acts as may be deemed
22 necessary and proper or which may be declared by the Authority to
23 be necessary, useful, incidental or auxiliary to accomplish its mandate
24 and objectives.

25
26 **CHAPTER II**
27 **AUTHORITY PROPER**
28

29 **SEC. 6. Office of the Director-General** – The Office of the Director-
30 General shall provide the overall supervision to the Authority. It shall be
31 composed of the Director-General and his immediate staff; the Deputy Director-
32 General; the Office of Assistant Director-General for Public Affairs and
33 Education; the Office of Assistant Director-General for Legal and Legislative
34 Affairs; the Office of Assistant Director-General for Environmental Planning and
35 Research; the Office of Assistant Director-General for Ecosystem Management;
36 the Office of Assistant Director-General for Environmental Regulations; and the
37 Office of Assistant Director-General for Administrative, Financial and
38 Management Services

1 **SEC. 7. The Director-General** – The Director-General shall be appointed
2 by the President for a term of six (6) years from the time of the original date of
3 appointment without prejudice to the termination of such appointment for just
4 cause. He shall have the status, rank and compensation equivalent to that of a
5 cabinet secretary.

6 The Director-General shall have the following powers and functions:

- 7 (a) Establish policies and standards for the efficient and effective
8 operation of the Authority in accordance with the overall program of
9 the Government;
- 10 (b) Implement rules, regulations and other issuances necessary in
11 executing the Authority's mandate, objectives, policies, plans,
12 programs and projects and in compliance with international legal
13 instruments and agreements regarding environmental protection and
14 pollution prevention and control;
- 15 (c) Advise the President on the promulgation of policies, rules and
16 regulations and other issuances relative to environmental protection
17 and pollution prevention and control;
- 18 (d) Exercise overall supervision relative to the Authority's functions and
19 activities;
- 20 (e) Delegate authority for the performance of any administrative or
21 substantive function to the Authority's subordinate officials;
- 22 (f) Perform such other functions as may be provided by law or as
23 appropriately assigned by the President.

24 **SEC. 8. The Deputy Director-General** – the Director-General shall be
25 assisted by a Deputy Director-General who shall be appointed by the President
26 upon the recommendation of the Director-General. The Deputy Director-General
27 shall have a fix term of six (6) years from the time of the original date of
28 appointment without prejudice to the termination of such appointment for just
29 cause. He shall have the status, rank and compensation equivalent to that of a
30 cabinet undersecretary.

31 **SEC. 9. The Office of the Assistant Director-General for Public Affairs**
32 **and Education.** – The Office of the Assistant Director-General for Public Affairs
33 and Education shall have the following powers and functions:

- 34 (a) Establish and formulate programs aimed at increasing the awareness
35 of the general public regarding environmental issues and concerns;
- 36 (b) Design and implement programs geared towards behavioral change
37 and value formation aimed at altering polluter behavior and inculcating

- 1 the environmental ethics of stewardship and the principles and
2 practices of sustainable development;
- 3 (c) Plan and engage social-marketing aimed at generating broad-based
4 and multi-sectoral support for environmental protection and pollution
5 prevention and control;
- 6 (d) Disseminate information on policies, plans, programs and projects
7 relating to environmental protection and pollution prevention and
8 control to the general public;
- 9 (e) Perform such other functions as may be assigned by the Director-
10 General.

11 **SEC. 10. *The Office of the Assistant Director-General for Legal and***
12 ***Legislative Affairs.*** – The Office of the Assistant Director-General for Legal and
13 Legislative Affairs shall have the following powers and functions:

- 14 (a) Provide legal advice and services on all policies, programs and
15 operational matters of the Authority;
- 16 (b) Handle administrative cases filed against any personnel of the
17 Authority and submit recommendations pertaining thereto;
- 18 (c) Initiate proper legal actions and proceedings such as but not limited to,
19 the prosecution of violators of the Authority's orders, rules and
20 regulations;
- 21 (d) Provide legal representation to the Authority in cases where the
22 Authority or any of its duly authorized officers becomes a party to a suit
23 in relation to the exercise of its powers and functions;
- 24 (e) Coordinate with Congress and various agencies in the review,
25 evaluation and formulation of relevant guidelines, rules and regulations
26 and other legislative measures pertaining to environmental protection
27 and pollution prevention and control; and
- 28 (f) Perform such other functions as ay be assigned by the Director-
29 General.

30 **SEC. 11. *The Office of the Assistant Director-General for***
31 ***Environmental Planning and Research.*** – The Office of the Assistant Director-
32 General for Environmental Planning and Research shall have the following
33 powers and functions:

- 34 (a) Design , establish and operate an environmental and management
35 information system, including data bank development based on
36 geographic information gleaned from periodic environmental
37 surveillance, reconnaissance and monitoring activities utilizing

- 1 complementary technologies including but not limited to, aerial
2 photography and other remote sensing systems;
- 3 (b) Formulate comprehensive, multi-year action plans for environmental
4 protection and pollution prevention and control to be endorsed to
5 NEDA for adoption into the national development plan;
- 6 (c) Formulate and recommend to the Authority environmental quality
7 standards for water, air, land, noise, radiation and the like and
8 environmental management guidelines for gaseous , liquid, solid, as
9 well as, toxic ad hazardous wastes;
- 10 (d) Formulate and recommend an integrated research program pertaining
11 to water, air, and land pollution, including research into
12 environmentally-sound technologies and pollution control
13 technologies;
- 14 (e) Conduct research studies on specific environmental problems
15 including but not limited to, soil erosion and deforestation;
- 16 (f) Review, analyze and evaluate existing as well as proposed
17 environmental protection and pollution prevention and control policies,
18 plans, programs, and projects;
- 19 (g) Prepare the environmental quality status report to be submitted to the
20 President and Congress;
- 21 (h) Conduct post-audit studies of environmental impact assessments
22 prepared in accordance with Presidential Decree 1586;
- 23 (i) Provide research laboratory services pursuant to the Authority's
24 exercise of regulatory functions such as, but not limited to, the setting
25 of standards and permit and licensing activities;
- 26 (j) provide research support services to the field offices of the Authority n
27 order to ensure their efficient and effective operation; and
- 28 (k) Perform such other functions as may be assigned by the Director-
29 General.

30 **SEC. 12. *The Office of the Assistant Director- General for***
31 ***Ecosystems Management.*** – The Office of the Assistant Director-General for
32 Ecosystems Management shall have the following powers ad functions:

- 33 (a) Formulate an integrated, multi-sectoral and multi-disciplinary national
34 environmental protection and pollution prevention control strategy;
- 35 (b) Formulate policies, rules and regulations for the protection of
36 vulnerable ecosystems such as but not limited to coastal zones, inland
37 lakes and critical islands;

- 1 (c) Formulate operational plans on the rehabilitation or upgrading of the
2 quality of degraded and damaged ecosystems;
- 3 (d) Coordinate the implementation of the approved National
4 Environmental Protection Strategy, as well as the operational plans for
5 ecosystem and rehabilitation; and
- 6 (e) Perform such other functions as may be assigned by the Director-
7 General.

8 **SEC. 13. *The Office of the Assistant Director-General for***
9 ***Environmental Regulations.*** – The Office of the Assistant Director General for
10 Environmental Regulations shall exercise the following powers and functions:

- 11 (a) Design, establish and institutionalize a unified environmental permit
12 and licensing system for pollution control, land use planning/zoning
13 and environmental impact assessment;
- 14 (b) Review, analyze and evaluate pertinent technical/legal documents
15 pertaining to environmental permitting/licensing in order to determine
16 the environmental acceptability and/or soundness of programs,
17 projects and activities that might significantly affect the environment.;
- 18 (c) Issue standards, rules and regulations to govern the approval of plans
19 and specifications for sewage works and industrial waste disposal
20 systems and the issuance of permits relative thereto, inspect the
21 construction and maintenance of sewage works and industrial waste
22 disposal system for compliance to plans;
- 23 (d) make, alter or modify orders requiring the discontinuance of pollution
24 specifying the conditions and the time within which such
25 discontinuance must be accomplished;
- 26 (e) Issue, renew, or revoke permits, under such conditions as it may
27 determine to be reasonable, for the prevention and abatement of
28 pollution, for the discharge of sewage and industrial waste or for the
29 installation or operation of sewage works and industrial disposal
30 systems or parts thereof;
- 31 (f) Perform investigative and monitoring functions to ensure the
32 compliance of proponents with the Authority's rules and regulations;
- 33 (g) Coordination and implementation by the public and private sectors of
34 the NEDA-adopted multi-year action plan for environmental protection
35 and pollution prevention and control; and
- 36 (h) Perform such other functions as may be assigned by the Director-
37 General.

1 **SEC. 14. *The Office of the Assistant Director-General for***
2 ***Administrative, Financial and Management Services.*** – The Office of the
3 Assistant Director-General for Administrative, Financial and Management
4 Services shall have the following powers and functions:

- 5 (a) Administer the corporate mandates of the Authority;
- 6 (b) Provide services relative to personnel information, records, supplies,
7 equipment, collection and disbursements, security, and custodial
8 works;
- 9 (c) Advise the Authority relative to budgetary, financial, and management
10 improvement matters; and
- 11 (d) Perform such other functions as may be assigned by the Director-
12 General.

13 **SEC. 15. *Regional Regulatory offices of the Authority.*** – Field offices
14 of the Authority are hereby created and established to cover regulatory regions in
15 the following areas:

- 16 (a) Central Regulatory Region to cover the Laguna de Bay Region and the
17 rest of the national Capital Region;
- 18 (b) Northern Luzon Regulatory Region to cover Regions I, II, III and the
19 Cordilleras;
- 20 (c) Southern Luzon Regulatory Region to cover Regions IV and V;
- 21 (d) Eastern Visayas Regulatory Region to cover Region VIII and the
22 Provinces of Cebu, Bohol and Siquijor;
- 23 (e) Western Visayas Regulatory Region to cover Region VI and the
24 Provinces of Negros Occidental and Oriental;
- 25 (f) Northern Mindanao Regulatory Region to cover Regions IX, X, XIII and
26 ARMM; and
- 27 (g) Southern Mindanao Regulatory Region to cover Regions XI and XII.

28 The regional regulatory offices of the Authority shall have the following
29 powers and functions:

- 30 (1) Assist the EMUs and other environmental quality management
31 areas within their regional jurisdiction in the implementation of
32 environmental protection and pollution prevention and control
33 laws, as well as implement policies, plans, programs, projects,
34 rules and regulations of the Authority in consonance with the
35 objectives of sustainable development;
- 36 (2) Coordinate with other departments, offices, and agencies in the
37 region and local government units in the enforcement of

1 environmental protection and pollution prevention and control
2 laws;

3 (3) Formulate, monitor, evaluate and implement regional medium and
4 long-term action plans for environmental protection and pollution
5 prevention and control;

6 (4) Conduct appropriate field research and investigative activities
7 such as, but not limited to, environmental surveillance,
8 reconnaissance and monitoring in the region;

9 (5) Respond to complaints and queries from the public regarding
10 environmental protection and pollution prevention and control;

11 (6) Provide support services to the regional Environmental
12 Adjudication Commissions; and

13 (h) Perform such other functions as may be assigned by the Director-
14 General.

15 **SEC. 16. *Environmental Adjudication Commission.*** – The Pollution
16 Adjudication Board created under Executive Order No. 192 is hereby
17 reconstituted into the Environmental Adjudication Commission (EAC). It shall be
18 composed of a Chairman and six (6) Commissioners to be appointed by the
19 President, through the recommendation of the Director-General, from the
20 following sectors: business, academe, professional organizations on
21 environmental protection practice, environmental non-government organizations
22 (NGOs) and labor: *Provided*, That there shall be at least one (1) member
23 representing the sectors as mentioned: *Provided, further*, That the Chairman of
24 the Commission shall be an environmental protection practitioner for at least five
25 (5) years prior to his appointment.

26 The Chairman and the Commissioners shall have a fix term of six (6)
27 years from the time of the original date of appointment without prejudice to the
28 termination of such appointment for just cause. Of those first appointed, three
29 members shall hold office for six (6) years, two members for four (4) years, and
30 the last member for two (2) years.

31 The Chairman shall have the status, rank and compensation equivalent to
32 that of a cabinet undersecretary while the Commissioners shall have the status,
33 rank and compensation equivalent to that of an assistant secretary.

34 The EAC shall have the following powers and functions:

35 (a) Hear and decide all cases falling within its jurisdiction as provided for in
36 Executive Order No. 192 and other related laws and issuances;

37 (b) Make, issue, alter or modify orders necessary and incidental to the
38 enforcement of decisions made by the Commission;

- 1 (c) Serve as arbiter for the determination of reparation or restitution of
2 damages and losses resulting from environmental degradation or
3 pollution;
- 4 (d) Deputize in writing or command and call the appropriate government
5 agencies or instrumentalities for the purpose of enforcing its decisions;
- 6 (e) Issue, in case of imminent danger to life or property, an ex-parte order
7 directing the discontinuance of pollution or wastes, or temporary
8 suspension or cessation of operation of the equipment, project or
9 activity and other acts causing environmental degradation, generating
10 such pollutants or wastes, without the necessity of a previous public
11 hearing;
- 12 (f) Provide for its own organizational set up and rules of procedure in the
13 conduct of its official functions; and
- 14 (g) Exercise such powers and perform such other functions as may be
15 necessary to carry out its duties and responsibilities under this Act.

16 The EACs powers and functions may be delegated to the Regional EACs
17 in accordance with the rules and regulations to be promulgated by the
18 Commission.

19 **SEC. 17. Restructuring of the Philippine Council for Sustainable**
20 **Development.** – The Philippine Council for Sustainable Development (PCSD)
21 created by Executive Order No. 15 is hereby restructured. The PCSD shall be
22 chaired by the NEDA Director-General and co-chaired by the Secretary of
23 Natural Resources and the Director-General of the Authority. The Secretariat
24 functions of the PCSD shall be transferred to the Authority.

25 The PCSD may create and establish Regional Councils for Sustainable
26 Development (RCSDs), to be chaired by a governor, elected from among the
27 member provinces and vice-chaired by the highest regional officials of the
28 Authority, the NEDA and the Department of Natural Resources.

29 **SEC. 18. Policy and Program Advisory Body.** – There is hereby created
30 a Policy and Program Advisory Body hereinafter referred to as the Advisory Body
31 to be composed of all relevant officials and staff of the Authority; officials and
32 staff of other relevant government agencies and instrumentalities; relevant
33 industry and business organization officials; registered/recognized non-
34 government and people's organizations with known interest in environmental
35 protection; and other interested individuals and entities with known contributions
36 to environmental and pollution concerns.

37 The Advisory Body shall serve as the consultative assembly that shall
38 assist in the formulation and development of comprehensive, strategic multi-year

1 plans and programs for environmental protection, pollution prevention and
2 control: *Provided*, That the Director-General shall issue a list of actual members
3 and appropriate authorization for the attendance of such individuals and entities
4 in every meeting or assembly of the Advisory Body: *Provided, further*, That the
5 Advisory Body shall meet at least once every calendar year: *Provided, finally*,
6 That such attendance shall be voluntary and authorized attendees shall not be
7 entitled to any form of compensation.

8 **SEC. 19. *Qualifications.*** – No person shall be appointed Director-
9 General, Deputy Director-General, or Assistant Director-General of the Authority
10 unless he is a citizen and resident of the Philippines, of good moral character,
11 and proven competence in any of the following field: (a) environmental science
12 and/or similar disciplines; (b) public administration; (c) law; (d) management; (e)
13 relevant social science disciplines.

14 **SEC. 20. *Organization.*** – The Director-General, with the approval of the
15 President, may organize, restructure and redefine the functions of the offices
16 defined in previous Sections in line with the effective discharge of the powers and
17 functions of the Authority under this Act.

18
19 **CHAPTER III**
20 **TRANSITORY PROVISIONS**
21

22 **SEC. 21. *Abolition of Agencies, Transfer of Powers, Functions,***
23 ***Rights, Assets and Liabilities.*** – The Environmental Management Bureau and
24 the Ecosystem Research and Development Bureau of the Department of
25 Environment and Natural Resources created under Executive order No. 192 and
26 the Laguna Lake Development Authority created under Executive Order No. 927,
27 series of 1983, are hereby abolished subject to the provisions of this Act.

28 The powers and functions, including the developmental and corporate
29 mandates and field services of the said agencies are hereby transferred to the
30 Authority and the Authority shall, by virtue of this Act, be subrogated to all the
31 rights and assets of aforesaid agencies and all other agencies and government
32 units whose functions and powers have been transferred to the Authority. All the
33 contracts and liabilities of said offices and agencies are hereby transferred to and
34 assumed by the Authority and shall be acted upon in accordance with the
35 Auditing Code and other pertinent laws, rules and regulations.

36 **SEC. 22. *Rationalization or Transfer of Functions of Related***
37 ***Agencies.*** – The following functions of the respective agencies are hereby
38 transferred to the Authority:

- 1 (a) The land use and zoning functions of the Metro Manila Development
2 Authority, created by virtue of R.A. 7924;
- 3 (b) The land use and zoning functions of the Housing and Land Use
4 Regulatory Board, formerly the Human Settlements Regulatory
5 Commission created by virtue of E.O. No. 64, series of 1981, as
6 amended by E.O. No. 90, series of 1986;
- 7 (c) The regulatory and control functions for pesticides and other
8 agricultural chemicals of the Fertilizer and Pesticide Authority created
9 by virtue of P.D. 1144;
- 10 (d) The functions for fuel testing and regulatory activities for fuels and fuel
11 additives and other similar chemicals of the Department of Energy
12 created by virtue of R.A. 7638;
- 13 (e) The mines safety and environmental protection functions of the Mines
14 and Geo-Sciences Bureau provided under R.A. No. 7942;
- 15 (f) The regulatory functions for drinking water quality standards of the
16 Department of Health created by virtue of E.O. 192; and
- 17 (g) The accreditation and authorization of private emission testing centers
18 provided for under R.A. No. 8749 and subsequent issuances on
19 emission regulations under the motor vehicle inspection systems.

20 The foregoing transfer of powers and functions shall include all applicable
21 funds and appropriations, records, equipment, property, and such personnel as
22 may be necessary: *Provided*, That only such amount of funds and appropriations
23 of these agencies as well as only the personnel thereof which are completely or
24 primarily involved in the exercise of the functions to be transferred to the
25 Authority shall be affected by such transfer.

26 The Philippine Coast Guard (PCG) is hereby designated as the lead
27 enforcement arm of the Authority in marine pollution regulation. For this purpose,
28 the Authority and the PCG shall institute within sixty (60) days upon the approval
29 of this Act, such mechanisms and collaborative networks and undertakings to
30 implement this provision.

31 **SEC. 23. Structure and Staffing Pattern.** – The Director-General shall,
32 within (60) days upon the effectivity of this Act, prescribe and approve the
33 organizational framework and staffing pattern of the Authority.

34 The positions created therein shall be filled by regular appointments by the
35 President or the Director-General as the case may be: *Provided*, That in the
36 filling of positions created, preference shall be given to the personnel of the
37 Environmental Management Bureau, Ecosystems Research and Development
38 Bureau, the Laguna Lake Development Authority and related agencies affected

1 by the provisions of this Act: *Provided, however,* That such individuals comply
2 with the qualification standards set by the Civil Service Commission for the
3 positions that they shall be appointed to: *Provided, finally,* That if such individuals
4 possess the same qualifications, seniority shall be given preference.

5 **SEC. 24. Personnel Rights and Separation from Service.** – The
6 Director- General , heads of concerned agencies and the Chairman of the Civil
7 Service Commission shall see to it that all the rights of personnel affected by the
8 abolition, rationalization and reorganization are respected in accordance with
9 prevailing civil service laws, rules and regulations.

10 Employees separated from the service as a result of this reorganization
11 shall, within six (6) months from their separation from the service, receive the
12 retirement benefits to which they may be entitled under existing laws, rules, and
13 regulations.

14
15 **CHAPTER IV**
16 **APPROPRIATIONS**

17
18 **SEC. 25. Appropriations.** – Such amounts as may be necessary to
19 effectively and efficiently carry out the provisions of this Act is hereby
20 appropriated from the funds of the National Treasury not otherwise appropriated:
21 *Provided,* That the herein appropriated amount shall only be supplemental to the
22 funds and similar proceeds provided for under Sections 21 and 22 of this Act.
23 Thereafter, such amounts as may be necessary for the continued operation and
24 maintenance of the Authority shall be included in the annual General
25 Appropriations Act.

26
27 **CHAPTER V**
28 **MISCELLANEOUS PROVISIONS**

29
30 **SEC. 26. – Disclosure and Divestment of Financial Interests.** – Before
31 assumption of office, the Director-General of the Authority, the Deputy Director-
32 General, and the Assistant Director-General shall submit to the Civil Service
33 Commission a list of all companies, partnerships, or business enterprises,
34 including non-profit organizations, in which they or any immediate member of
35 their families within the second degree of consanguinity or affinity have any form
36 of financial interest or employment relationship, including consultancy work:
37 *Provided,* That upon assumption office, all other employment, including

1 consultancy work, held by such officers of the Authority shall immediately be
2 terminated.

3 Within thirty (30) days upon assumption office, a complete divestment of
4 financial interests in any situation, firm, or company, which fall under the
5 supervisory or regulatory jurisdiction of the Authority, shall be made.

6 **SEC. 27. Records Keeping, Inspection, Monitoring, and Entry by the**
7 **Philippine Environmental Protection Authority. –**

8 (a) For purposes of developing or assisting the development of any
9 implementation plan, any standard of performance or any emission,
10 standard, and of determining whether any person violates any of such
11 standard or any requirement of such plan, the Authority may require
12 any person who is subject to the provisions of this Act any other
13 requirement provided for in this Act or its implementing rules and
14 regulations to:

15 (1) Establish and maintain records;

16 (2) Prepare reports;

17 (3) Install, use and maintain equipment or methods;

18 (4) Sample emissions in accordance with the methods and at such
19 intervals and locations, as the Authority shall prescribe;

20 (5) Keep records on control equipment parameters, production
21 variables or other indirect data monitoring of emission is
22 impracticable; and

23 (6) Provide such other information as may reasonably be required.

24 (b) The Authority or its authorized representative, upon presentation of his
25 credentials:

26 (1) Shall have the right to, upon or through any premises of such
27 person or entity in which any records required to be maintained
28 under the paragraph (1) hereof are located; and

29 (2) May, at reasonable times, have access to and copies of any
30 records, inspect any monitoring equipment or methods and sample
31 any emission/discharges which such person is required to sample
32 under paragraph (a) hereof;

33 (c) The Authority shall, in the case of any person who is the owner or
34 operator of a major stationary source, and may, in the case of any
35 either person, require enhanced monitoring and submission of anti-
36 pollution/emission/discharge compliance certification. Such compliance
37 certifications shall include information regarding the following:

1 (1) Identification of the applicable requirement that is the basis of the
2 certification;

3 (2) Compliance status;

4 (3) Whether compliance is continuous or intermittent; and

5 (4) Such other facts as may reasonably be required.

6 (d) Submission of a compliance certification shall in no way limit the
7 PEPA's authority to investigate or otherwise implement the provisions
8 of this Act.

9 (e) Any record, report or information obtained under this Section shall be
10 available to the public, except upon a satisfactory showing to the
11 Authority, that records, reports, or information, or parts thereof, if made
12 public, would divulge methods or processes entitled to protection as
13 trade secrets.

14 **SEC. 28. Role of Local Government Units.** – All local government units
15 shall, pursuant to national policies and subject to the provision, control and
16 review of the Authority, enforce the provisions of this law, *Provided*, That the
17 Authority shall take into consideration the principles and provisions of devolution
18 and local autonomy in the local Government Code.

19 Local government units shall design their own implementation plans to
20 address the causes of environmental pollution with their respective jurisdictional
21 boundaries to guarantee the national standards set by the Authority or stricter
22 standards if desired by such local government units.

23 Each local government unit may develop and submit to the Authority a
24 procedure for carrying out the provision of this Section in their respective
25 localities. If the Authority finds the local government unit procedures adequate, it
26 may delegate to such unit any authority in carrying out this function: *Provided*,
27 *however*, That PEPA shall maintain its authority to independently inspect the
28 enforcement procedure adopted: *Provided, further*, That the Authority shall have
29 the power to take over all or parts of a local government program if the local
30 government unit concerned lacks the capability to carry out the provisions of this
31 Act, or fails to meet or fairly enforce the national standards set by the Authority.

32 **SEC. 29. Cooperative Activities.** – The Authority shall encourage
33 cooperative activities by the national and local governments for environmental
34 protection and pollution prevention and control. It shall also encourage the
35 enactment of – in so far as practicable and in the light of varying conditions and
36 needs – improved and uniform laws and local ordinances relating to
37 environmental protection and pollution prevention and control so as to assure the

1 utilization of all appropriate and available facilities and resources within the
2 National Government.

3 **SEC. 30. Participation of the People and Non-Government**
4 **Organizations in Environmental Protection and Pollution Prevention and**
5 **Control.** – The people's right to a healthy environment shall also vest upon the
6 people the duty to engage in activities to protect the environment and to prevent
7 pollution.

8 People's and non-government organizations or NGOs undertaking
9 environment-related activities shall be encouraged in their efforts to organize,
10 educate and motivate the people in addressing pertinent environmental issues
11 and problems at the local and national levels including their membership and
12 participation to the activities of the Policy and Program Advisory Body provided
13 for under Section 18 of this Act.

14 **SEC. 31. Citizen's Suit.** – any citizen or group of citizens shall have the
15 right and power to institute the appropriate legal action and administrative
16 proceeding, as the case may be, against violators of environmental protection
17 and pollution control laws.

18 No temporary or permanent injunction or restraining order in any case
19 involving or arising out of any administrative complaint filed before the Authority
20 shall be issued by any court or other entity.

21 **SEC. 32. Reorganization of the Department of Environment and**
22 **Natural Resources (DENR).** – As a consequence of the creation of the PEPA
23 pursuant to this Act, the President is hereby authorized to reorganize the DENR
24 into an agency that shall be responsible for the development and conservation of
25 natural resources such as but not limited to lands, mines and minerals, water,
26 forestry, protected areas and similar resources: *Provided*, That the reorganization
27 shall be in accordance with applicable civil service laws, rules and regulations.

28 **SEC. 33. National Environment Protection Fund (NEPFUND).** - There
29 is hereby created a National Environment Protection Fund to be administered by
30 the Authority for the purpose of financing adequate, suitable and appropriate
31 measures to protect and improve environmental quality. The administration of the
32 NEPFUND shall be in accordance with the corporate powers vested upon the
33 Authority and shall be separate and distinct from the appropriations which the
34 Authority shall receive in accordance with Section 25 of this Act: *Provided*, That
35 the Authority, in coordination with the local government units and other relevant
36 EMUs, shall institute a mechanism whereby funds collected under this Section
37 shall be extended on a regular basis to concerned LGUs and relevant EMUs

1 solely for the purpose of enforcing environmental protection laws and developing
2 local regulations in furtherance of this Act.

3 To finance the said Fund, there is hereby imposed the following:

- 4 (a) A national environment protection fee equivalent to ten percent (10%) of
5 the total fees charged, which in no case shall exceed the amount of one
6 hundred pesos (P100.00) for every business or non-business permit or
7 license issued by the government.
- 8 (b) An allocation equivalent to ten percent (10%) of the total unclaimed bank
9 balances escheated in favor of the State under Act No. 3936, as amended
10 (unclaimed Balances Law);
- 11 (c) Proceeds from fines and penalties and user charges prescribed in natural
12 resource conservation and environmental protection laws and other
13 penalties imposed by the Authority;
- 14 (d) Proceeds from amounts levied by public utility firms as environment fees
15 and/or environment protection fees; and
- 16 (e) Grants, subsidies, endowments and donations in the form of contributions.

17 Such contributions shall be exempt from the payment of taxes.

18 **SEC. 34. Repealing Clause.** – All laws, presidential decrees, executive
19 orders, letters or instruction, rules and regulations or parts thereof
20 inconsistent with the provisions of this Act are hereby repealed or modified
21 accordingly.

22 **SEC. 35. Separability Clause.** – If, for any reason, any portion or part of
23 this Act is declared unconstitutional or invalid, the rest of the provisions not
24 affected thereby shall remain in full force and effect.

25 **SEC. 36. Effectivity.** – This Act shall take effect fifteen (15) days after its
26 complete publication in at least two (2) newspapers of general circulation.

27
28 Approved,