

# Philippines- Protected Areas Financing Mechanism



**Dir. ANGELITO V. FONTANILLA**  
Financial and Management Service  
Department of Environment and Natural Resources  
Republic of the Philippines

6-8 May 2014 • Bangkok, Thailand



## Outline of Presentation

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- 1. Resource Mobilization:** Philippine Experience- National Integrated Protected Areas (NIPAS)
- 2. Legal Basis**
  - Integrated Protected Areas Fund (IPAF)
- 3. NIPAS Structure and Protected Areas Mgt Board (PAMB)**
- 4. Special Provision**
- 5. WFP and other relevant documents**



# National Integrated Protected Areas System (NIPAS)



## National Integrated Protected Areas System (NIPAS)

Considered as the most diverse country on a per hectare basis, the Philippines has identified 228 key biodiversity areas (KBAs) - covering 7.6 million has., including 128 terrestrial and 100 marine sites.

The KBAs are habitats of 209 globally threatened species, 419 endemic species of amphibians, reptiles, birds, mammals & freshwater fishes, and 62 congregatory birds species.



## National Integrated Protected Areas System (NIPAS)

**Recognizing that its Key Biodiversity Areas (KBAs) are also hotspots, the government enacted the NIPAS Law in 1992**

It provided for a standardized system of establishing and managing priority areas for conservation -

- a total of 239 PAs have been established covering 5.4M has.

This represents 13.6% of the country's land area and about 0.64% of the nation's marine territory

PAs in the country are categorized into strict nature reserves, natural parks, natural monuments, wildlife sanctuaries, protected landscapes and seascapes, resource reserves and natural biotic areas





## Protected Areas (PAs)

- There are **239 protected areas** in the Philippines. - 199 are initial components and 41 are additional areas; with a total area of 5.42 million has.
  - 75% are terrestrial; 25% are marine.
- Among the 239 PAs, 112 have Presidential Proclamations which cover 3.54 million has.
  - 61% are terrestrial; 39% are marine.

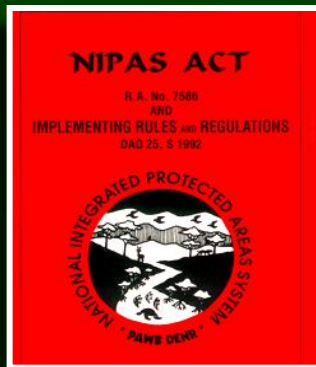


# National Integrated Protected Areas System (NIPAS)

**Standardized system of establishing and managing priority areas for conservation**

**Recognition of the rights of indigenous peoples living in protected areas**

**Community-focused and participatory protected areas management**



# National Integrated Protected Areas System (NIPAS)

Of the 112 NIPAS PAs proclaimed, 13 have Congressional enactments

- Mt. Kitanglad Range Natural Park
- Batanes Island Protected Landscape and Seascape
- Northern Sierra Madre Natural Park
- Bangan Hill National Park
- Mts. Banahaw-San Cristobal Protected Landscape
- Tubbataha Reefs Natural Park
- Mt. Kanlaon Natural Park
- Sagay Marine Reserve
- Mt. Apo Natural Park
- Mt. Hamiguitan Range Wildlife Sanctuary
- Mt. Malindang Natural Park
- Central Cebu Protected Landscape
- Mimbilisan Protected Landscape





# NIPAS Structure

- National level: Biodiversity Management Bureau (formerly PAWB)
- Local level: PA Management Board
- On-site implementation officer: PASU
- Main implementation guide: PA General Management Plan
- Financing mechanism:

## **Integrated Protected Area Fund (IPAF)**

- M and E tools: Biodiversity Monitoring System (BMS) and Management Effectiveness Tracking Tool (METT)

## Protected Areas Management Board (PAMB)

- multi-sectoral body responsible for the administration and management of all protected areas (PAs) in the Philippines
- created through the NIPAS Act, the Board decides on budget allocations, approval of funding proposals and planning on matters concerning the ecology, particularly the Pas
- 
- it is under the direct supervision of the Protected Area Office (PAO) through the Protected Area Superintendent who acts as the secretariat of PAMB.

### What is IPAF?

**Integrated Protected Areas Fund (IPAF)** was created for purposes of financing projects of the System.

The IPAS may solicit and receive donations, endowments, and grants in the form of contributions

- such endowments shall be exempted from income or gift taxes and all other taxes, charges or fees imposed by the Government or any political subdivision or instrumentality thereof.

All incomes generated from the operation of the System or management of wild flora and fauna shall accrue to the Fund and may be utilized directly by the DENR for the above purpose.



## Integrated Protected Area Fund

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An Integrated Protected Area Fund (IPAF) is a GoP trust fund set up under the provisions of the 1992 NIPAS Act (Sec. 16) to:

- receive donations, endowments and revenues generated within protected areas, and
- disburse the same to finance projects of the National Integrated Protected Area System.

IPAF could lead to a growing portion of the costs of protected area management, being covered by income.

Like any other Government trust fund, the IPAF is subject to strict rules and regulations on budget preparation, disbursement and audit

- This facilitates transparency and monitoring

# Integrated Protected Areas Fund

## Section 16 - R.A. 7586 (Section 16)

- Pursuant to the provisions of Rep. Act 7586 (National Integrated Protected Areas System (NIPAS) Act of 1992) and its IRR.
- There is hereby established a trust fund to be known as **Integrated Protected Areas Fund (IPAF)** for purposes of financing projects of the System.

## DENR Administrative Order (DAO) No. 96-22, dated 21 June 1996

- Provided guidelines on the establishment and management of an Integrated Protected Areas Fund (IPAF)

## Amended by DAO No. 2005-21, dated 22 October 2005

## Republic Act (RA) 10629

## Republic Act (RA) 10629

### **AN ACT PROVIDING FOR THE RETENTION BY THE PROTECTED AREA MANAGEMENT BOARD OF SEVENTY-FIVE PERCENT (75%) OF THE REVENUES ACCRUING TO THE IPAF, AMENDING FOR THE PURPOSE SECTION 16 OF RA 7586 (NIPAS ACT OF 1992)**

SECTION 1. Amendments to Sec. 16 of RA 7586 – is hereby amended to read as follows:

**“SEC. 16. Integrated Protected Areas Fund.** – There is hereby established a trust fund to be known as IPAF for purposes of financing projects of the System.

The IPAF may solicit and receive donations, endowments, and grants in the form of contributions, and such endowments shall be exempted from income or gift taxes and all other taxes, charges or fees imposed by the Government or any political subdivision or instrumentality thereof.



### **R.A. 10629 -**

“All incomes generated from the operation of the System or management of wild flora and fauna shall accrue to the Fund subject to the retention by the Board of each protected area, of seventy-five percent (75%) of all the revenue raised therefrom.

These incomes shall be derived from:

- “(a) Taxes from the permitted sale and export of flora and fauna and other resources from protected areas;
- “(b) Proceeds from lease of multiple-use areas;
- “(c) Contributions from industries and facilities directly benefiting from the protected area; and
- “(d) Such other fees and incomes derived from the operation of the protected area.

### R.A. 10629 -

“The Fund, including all donations, grants, endowments from various sources and other contributions shall be deposited in any government bank within the locality where each protected area is located:

*Provided, That if there is no gov’t bank available in the locality, an account shall be opened in a government bank nearest to the locality.”*

“Disbursements from the Fund shall be made solely for the protection, maintenance, administration, and management of the System, and duly approved projects endorsed by the PAMBs, in the amounts authorized by the DENR in accordance with existing accounting, budgeting and auditing rules and regulations:

*Provided, further, That the Fund shall not be used to cover personal services expenditures.”*

## Total IPAF Income, 1996-2013

<b>TOTAL IPAF INCOME</b>	<b>282,770,675</b>
PA Sub-Fund	212,078,006
Central IPAF	70,692,669



## Integrated Protected Area Fund

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- Most common PA fees collected are entrance fees and facilities user fees.
- Only 44 of 240 PAs (18% of total PAs) are charging entrance fees; 31 PAs (13% of total PAs) are imposing facilities user fees.

<b>Type of Tourist</b>	<b>Students (Php)</b>	<b>Adults (Php)</b>	<b>Foreigners (\$)</b>	<b>Senior Citizens (Php)</b>
<b>Minimum value</b>	2	5	1	2
<b>Maximum value</b>	50	500	75	10

# GAA Special Provision/s

350

OFFICIAL GAZETTE

VOL. 109, No. 1

GENERAL APPROPRIATIONS ACT, FY 2014

## Special Provision(s)

1. Integrated Protected Areas Fund. In addition to the amounts appropriated herein, the Protected Area Management Board (PAMB) of each protected area shall retain seventy five percent (75%) of all the income generated by each protected areas from its operation or management of wild flora and fauna pursuant to Section 1 of R.A. 10629.

The PAMB is further authorized to use the amount of Thirty Million Pesos (P30,000,000) which shall be sourced from the remaining fund deposited in the trust account to finance the projects of the system in accordance with Section 16 of R.A. No. 7856, as amended. Releases from said Fund shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The DENR shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the financial and physical accomplishments on the utilization of said amount including the list of projects and activities and their corresponding amounts. The Secretary of Environment and Natural Resources and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DENR.

R.A. No. 10633)

(CONDITIONAL IMPLEMENTATION - President's Veto Message, December 20, 2013, page 1107,

# GAA Special Provision/s

## Special Provision(s)

2. **Wildlife Management Fund.** In addition to the amounts appropriated herein, Five Million Five Hundred Thousand Pesos (P5,500,000) sourced from fines imposed and damages awarded, fees, charges, donations, endowments, administrative fees or grants in the form of contributions, constituted into the Wildlife Management Fund, shall be used to finance projects and activities for the conservation and protection of wildlife resources in accordance with Section 29 of R.A. No. 9147.

Releases from said Fund shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The DENR shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the financial and physical accomplishments on the utilization of said amount including the list of projects and activities with their corresponding amounts. The Secretary of Environment and Natural Resources and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DENR.







## UPPER AGNO RIVER BASIN RESOURCE RESERVE

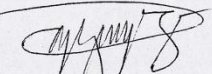
### TC 24. Budget Execution Form 1. Financial Plan

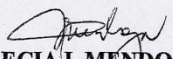
Programs/Activities/Projects (P/A/P) Major FINAL OUTPUTS(mfo)/FUND SOURCE	P/A/P Code	PREVIOUS YEAR OBLIGATIONS		CURRENT YEAR-CY 2014							
		Actual	Estimate	BUDGETARY ALLOCATION Per NEP or GAA			OBLIGATION PROGRAM NOT NEEDING CLEARANCE				
				MOOE (PHP)	CO (PHP)	TOTAL (PHP)	Q1 (PHP)	Q2 (PHP)	Q3 (PHP)	Q4 (PHP)	Total (PHP)
		1	2	3	4			5			
MOOE											
1. PAMB Meeting/Subsistence/ No. of meeting				104,000.00	-	104,000.00	26,000.00	26,000.00	26,000.00	26,000.00	104,000.00
-communication expense				1,200.00		1,200.00	300.00	300.00	300.00	300.00	1,200.00
2. Hiring of Park Rangers (2 Park Rangers)				180,000.00		180,000.00	18,000.00	54,000.00	54,000.00	54,000.00	180,000.00
3. Development/ Management				70,000.00	-	70,000.00	1,000.00	23,000.00	23,000.00	23,000.00	70,000.00
-Patrolling/EIA on Biodiversity											
4. Maintenance and other Operating Expenses											
-Gasoline, oil and lubricant				25,000.00	-	25,000.00	5,000.00	6,000.00	8,000.00	6,000.00	25,000.00
-repairs and maintenance				10,000.00		10,000.00			10,000.00		10,000.00
5. Supplies and Materials				1,800.00		1,800.00			1,800.00		1,800.00
<b>TOTAL</b>				<b>392,000.00</b>	<b>-</b>	<b>392,000.00</b>	<b>50,300.00</b>	<b>109,300.00</b>	<b>123,100.00</b>	<b>109,300.00</b>	<b>392,000.00</b>

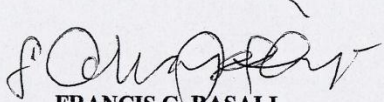
Prepared by:

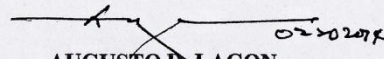
Noted by:

Approved by:

  
**AIDA P. JOSEPH**  
UARBRR PASu

  
**ELECIA L MENDOZA**  
OIC-Budget Officer

  
**FRANCIS G. BASALI**  
Planning Officer

  
**AUGUSTO D. LAGON**  
Officer - In- Charge  
Office of the Regional Executive Director  
DENR-CAR

Republic of the Philippines  
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
Upper Agno River Basin Resource Reserve  
Protected Area Management Board

**Excerpts from the minutes of Upper Agno River Basin Resource Reserve (UARBRR)-  
Protected Management Board Regular Meeting held on September 12, 2013.**

**Members Present:**

1. Patricio Cuilan
2. Dixon Dapljan
3. Darwin Sali
4. Camotiao Alinso Jr.
5. Mike Botangen
6. Rogelio Basco
7. Pedro Anton
8. Soriano Mendoza
9. Georgina Delmas
10. Vilma Capuyan
11. Guazon Garcia
12. Tuho Chapdian
13. Tony Mesa
14. Maxie Pedro
15. Lindo Gondales
16. Thomas Wales Jr.
17. Pancho Esnara
18. Enrique Wakat

**Resolution No. 09**

Approving the C.Y 2014 Work and Financial Plan of Upper Agno River Basin Resource Reserve (UARBRR), Pacdal, Baguio City and Requesting the Department of Budget and Management to Release Fund from Upper Agno River Basin Resource Reserve (UARBRR) Sub-Fund code- 401- 154 the Total Amount of Five Hundred Seventy Thousand Pesos (Php 570,000.00). Representing the 75% Share of Upper Agno River Basin Resource Reserve Covering the Revenue Collection Period of a one time upfront payment of SAPA No. CAR-001 on December 2, 2008 representing the user's fee for a period of twenty five years.

**WHEREAS**, pursuant to Republic Act 7586 otherwise known as the National Protected Areas System Act of 1992 and IPAF governing rules and regulations, the protected area is entitled to 75% of its total income.

**WHEREAS**, disbursement of the 75% share shall be made solely for protection, maintenance, administration and management of the protected area and duly approved projects endorsed by PAMB, in the amounts authorized by DENR;

**WHEREAS**, various activities and projects for the period of UARBRR-WFP from January-December 2014, have been proposed and duly approved by the Protected Area Management Board for implementation which funding shall be sourced from the protected area's 75% share;

**WHEREAS**, presented before this body is a Work and Financial Plan covering C.Y 2014 amounting to five hundred seventy thousand pesos;

**NOW, THEREFORE**, on motion of PAMB Pedro Anton and duly seconded by PAMB Rogelio Basco,

**Resolve** as it is hereby resolved the following:

- 1) Approval of C.Y 2014 Work and Financial Plan amounting to five hundred seventy thousand pesos to be derived from the protected area's 75% share from revenues generated and distributed according to expense class:

Maintenance and Other

Operating Expenses (MOOEs)	=	Php 570,000.00
Capital Outlay (CO)	=	-
<b>TOTAL</b>	=	<b>Php 570,000.00</b>

Proposed activities under MOOEs.

1. PAMB Meetings- Subsistence/ No. of meeting/communication expense, fuel consumption and other professional services.
  2. Development/Management- patrolling/EIA on Biodiversity, fuel consumption, travelling expense, repairs & maintenance.
  3. Office supplies and materials
- 2) Request the Department of Budget and Management the release of Special Allotment Release Order (SARO) amounting five hundred seventy thousand pesos and issuance of corresponding Notice of Cash Allocations (NCAs) based on submitted Monthly Cash Program to cover the period January – December 2014 in favor of Upper Agno River Basin Resource Reserve;

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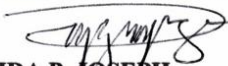


- 3) For the PASu to prepare the necessary request to DBM and its relevant attachments for immediate submission to DBM and DENR- Cordillera Administrative Region (CAR) duly coursed through, respectively; and.


**Resolved Further and Finally**, that copies of this Resolution and its corresponding Work and Financial Plan be forwarded to the Protected Areas and Wildlife Bureau (PAWB) copy furnished to the Resident Auditor of the Commission on Audit and Accountant of DENR-CAR for their record and reference.

**So approved.**


Certified true and correct:

  
**AIDA P. JOSEPH**  
PAMB Secretariat/PASu

Noted:

  
A: **GODFREY L. CAWIS**  
OIC/PENR Officer 10/16

Concurred:

  
**PATRICIO B. CUILAN**  
Presiding Officer

Affirmed by:

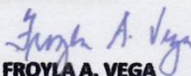
  
**CLARENCE L. BAGULAT CESO III**  
Regional Executive Director/PAMB Chairman

**ALLOCATION OF INCOME UNDER FUND 401**

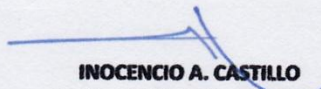
**FY 2013**


REGIONS	TOTAL INCOME
<b>ALLOCATION UNDER FUND 401</b>	<b>20,000,000.00</b>
SBR - Balinsasayao Twin Lake Natural Park (R-7)	331,110.75
SBR - Paoay Lake Charge to Central IPAF (R-1)	248,943.75
SBR - Lagonoy Natural Biotic Area (R-5)	2,081,085.00
SBR - Apo Island Protected Landscape & Seascape (AIPLS)(R-7)	3,327,691.75
SBR - Masinloc-Oyon Bay Marine Reserve (MOBMR) (R-3)	477,937.50
SBR - Ninoy Aquino Parks & Wildlife Center (NAPWC)	2,649,574.00
SBR - Biak na Bato National Park (R-3)	378,700.00
SBR-Manleluag Spring Protected Landscape (R1)	295,000.00
SBR - Batanes Protected Landscape & Seascape (R2)	413,000.00
SBR - Northern Sierra Madre Natural Park (R2)	475,374.00
SBR - Talavera Watershed Forest Reserve (R3)	123,413.00
SBR - Tañon Strait Protected Seascape (R7)	2,000,000.00
SBR - Camotes Island Mangrove Swamp Forest Reserve (R7)	898,735.00
SBR - Mt Kitanglad Range Park (R10)	1,000,000.00
SBR - Ballangao Protected Landscape and Seascape (R10)	2,000,000.00
SBR - Initao Libertad Protected Landscape and Seascape (R10)	170,500.00
SBR- Lower Agno Watershed Forest Reserve	1,000,000.00
SBR- Mt. Pulag Natinal Park	1,000,000.00
SBR- Roosevelt Protected Landscape	250,000.00
SBR- Sarangani Bay Protected Seascape	500,000.00
SBR- Bataan Natural Park	300,000.00
<b>Total SBR-To-Date</b>	<b>19,921,064.75</b>
<b>AVAILABLE BALANCE OF IPAF (FUND 401)</b>	<b>78,935.25</b>

Prepared By:

  
**FROYLA A. VEGA**  
 Administrative Officer V

Noted:

  
**INOCENCIO A. CASTILLO**  
 Acting Chief, Budget Division

  
**ANGELITO V. FONTANILLA**  
 Director, Financial Management Service

9.23.13



Republic of the Philippines  
Department of Environment and Natural Resources  
Visayas Avenue, Diliman, Quezon City  
Tel Nos. 929-6626 to 29; 929-6633 to 35  
926-7041 to 43; 929-6252; 929-1669  
Website: <http://www.denr.gov.ph> / E-mail: [web@denrgov.ph](mailto:web@denrgov.ph)

April 8, 2014

**HON. FLORENCIO B. ABAD**  
Secretary  
Department of Budget and Management  
Malacañang, Manila

Sir:

We are transmitting the undated letter of Director Theresa Mundita S. Lim, Biodiversity Management Bureau, requesting for the release of Special Allotment Release Order (SARO) and corresponding Notice of Cash Allocation (NCA) in the amount of **SEVENTEEN MILLION EIGHT HUNDRED FIFTY SIX THOUSAND SIX HUNDRED NINETY SEVEN PESOS ONLY (Php 17,856,697.00)** for the following protected areas:

PROTECTED AREAS	REGION/PENRO	AMOUNT
1. Upper Agno River Basin Resource Reserve (UARBR)	DENR-CAR	P 392,000.00
2. Northern Sierra Madre Natural Park	DENR - REGION II PENRO Isabela	393,889.00
3. Casacnan Protected Landscape	DENR - REGION II PENRO Nueva Vizcaya	250,000.00
4. Pantabangan Carranglan Watershed Forest Reserve	DENR - REGION III PENRO Nueva Ecija	199,721.00
5. Minalungao National Park	DENR-REGION III PENRO - Nueva Ecija	172,500.00
6. Masinloc Oyon Bay Marine Reserve	DENR - REGION III PENRO Zambales	800,247.00
7. Bataan Natural Park	DENR - REGION III PENRO Bataan	681,615.00
8. Roosevelt Protected Landscape	DENR - REGION III PENRO Bataan	865,175.00
9. Talavera Watershed Forest Reserve	DENR - REGION III PENRO Nueva Ecija	166,000.00
10. Biak-na-Bato National Park	DENR - REGION III PENRO Bulacan	254,000.00
11. Mt. Banahaw-San Cristobal Protected Landscape	DENR - REGION IV-A PENRO Quezon	1,150,000.00
12. Hinulugang Taktak Protected Landscape	DENR - REGION IV-A PENRO Rizal	350,000.00
13. Mt. Guiting-Guiting Natural Park	DENR - REGION IV-B PENRO Romblon	237,000.00
14. Balinsasayao Twin Lakes Natural Park	DENR - REGION VII PENRO Negros Oriental	366,334.00
15. Apo Island Protected Landscape/ Seascape	DENR - REGION VII PENRO Negros Oriental	3,624,101.00



16. Bantayan Island Wilderness Area	DENR - REGION VII	242,370.00
17. Camotes Island Mangrove Swamp Forest Reserve	DENR - REGION VII	635,227.00
18. Tañon Strait Protected Seascape	DENR - REGION VII	3,000,000.00
19. Initao-Libertad Protected Landscape/Seascape	DENR - REGION X PENRO Misamis Oriental	313,518.00
20. Sarangani Bay Protected Seascape	DENR - REGION XII PENRO Sarangani	1,500,000.00
21. Batanes Protected Landscape/Seascape	DENR - REGION II PENRO Batanes	339,000.00
22. Mt. Pulag National Park	DENR - CAR	1,924,000.00
<b>TOTAL</b>		<b>P 17,856,697.00</b>

This is chargeable against **Integrated Protected Area Fund (IPAF) under Fund 401 of the Department of Environment and Natural Resources** pursuant to **Special Provision No. 1 of DENR Budget** under Republic Act No. 10633 General Appropriations Act of FY 2014.

The amount being requested will be used to cover expenses for the development, maintenance and protection of the protected areas mentioned above.

Attached for your ready reference are pertinent documents submitted by DENR-PAWB in support of subject request.

Early approval of this request will be highly appreciated.

Very truly yours,

  
**Dir. ANGELITO V. FONTANILLA**  
 Financial and Management Service

Cc: Regional Executive Directors  
 DENR CAR, RI-XIII





REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF THE TREASURY  
BAGUIO CITY

Funding the Republic

November 20, 2013

**CERTIFICATION**

This is to certify that as per records of this office, the DENR – CAR, Baguio City had deposited to the account of the Treasurer of the Philippines maintained at Land Bank of the Philippines, Baguio Branch the following amounts:

NAME OF PROTECTED AREA	PERIOD OF COLLECTION (Year)	CENTRAL IPAF (25%)	PA-SUB-FUND (75%)	TOTAL ANNUAL CERTIFIED DEPOSITED COLLECTIONS
1. Fund 401-15- Lower Agno Watershed Forest Reserve (LAWFR)	2013	5,000.00	15,000.00	20,000.00
2. Fund 401-15- Lower Agno Watershed Forest Reserve (LAWFR)	2011	15,897.00	47,691.00	63,588.00
3. Fund 401-15- Lower Agno Watershed Forest Reserve (LAWFR)	2010	190,343.75	571,031.25	761,375.00
4. Fund 401-15- Lower Agno Watershed Forest Reserve (LAWFR)	2008	2,687,500.00	8,062,500.00	10,750,000.00
5. Fund 401-15- Upper Agno River Basin Resource Reserve (UARBRR)	2008	2,656,250.00	7,968,750.00	10,625,000.00
<b>TOTAL</b>		<b>5,554,990.75</b>	<b>16,664,972.25</b>	<b>22,219,963.00</b>

This certification is issued upon the request of Mr. Clarence L. Baguilat, Regional Executive Director, for all legal purposes.

  
**ELENITA B. BASCO**  
Chief Treasury Operations Officer II

# WB-REECS: PA Financing Study

- Covered 18 NIPAS PAs
- Outputs:
  - 18 business plans
  - Sustainable financing schemes:
    - User fees
    - Payments for Ecosystem services (PES) schemes
    - Public-Private Partnerships (PPPs)
    - Revised fines and penalties based on damage estimation
    - Enterprise Development

# Investment Requirements

Protected Area	Total Required Investment	Implementation Period in Years	Required Investment/ Yr	Total Revenues	Average Annual Revenues	Total Revenue Shortfall	Average Annual Revenue Shortfall
Manleluag	58,587,556	5	11,717,511	754,780	150,956	(57,832,776)	(11,566,555)
Malindang	143,863,720	5	28,772,744	37,100,000	7,420,000	(106,763,720)	(21,352,744)
Mantalingahan	160,933,420	5	32,186,684	56,000,000	11,200,000	(104,933,420)	(20,986,684)
NAPWC	415,525,160	5	83,105,032	145,000,000	29,000,000	(270,525,160)	(54,105,032)
Naujan	63,980,231	10	6,398,023	7,707,090	770,709	(56,273,141)	(5,627,314)
Northern Negros	144,796,342	7	20,685,192	21,730,000	3,104,286	(123,066,342)	(17,580,906)
Palay-Palay	53,572,100	5	10,714,420	2,800,000	560,000	(50,772,100)	(10,154,420)
Sagay	118,968,480	5	23,793,696	43,631,805	8,726,361	(75,336,675)	(15,067,335)
<b>TOTAL</b>	<b>2,569,273,073</b>		<b>488,777,382</b>	<b>553,643,743</b>	<b>106,883,125</b>	<b>(2,015,629,330)</b>	<b>(381,894,257)</b>

# Annual Revenue Projections

<b>Collection Efficiency</b>	<b>User Fees</b>	<b>PES</b>	<b>PPP</b>	<b>Enterprise Dev</b>	<b>Damage Charges</b>	<b>TOTAL</b>
25%	60,067,988	14,924,895	13,237,610	10,488,375	12,339,431	111,058,299
50%	120,135,975	29,849,790	13,237,610	10,488,375	24,678,863	198,390,613
100%	240,271,950	59,699,580	13,237,610	10,488,375	49,357,725	373,055,240

**Note:**

**Projected annual revenue shortfall: PhP (381,894,257)**

**PES = Payments for Ecosystem Services**

**PPP = Public Private Partnership**

### **New law to hike revenues from protected areas**

The BMB is currently seeking to revise the guidelines for special lease agreement within PAs that will allow PAMBs to substantially increase revenues from the lease of designated recreational areas within PAs.

With the revised guideline, the government can increase annual revenues from the operation of the 240 PAs nationwide from a measly P100 million to a whopping P300 billion. The proposal revises the current fees and charges for lease agreements. Currently, for the lease of land within PAs, PAMBs are allowed to charge only 3 percent of the zonal value of the land being leased out to businesses or entities in recreational areas within the PAs.

BMB – Biodiversity Management Bureau



# *Thank You!*



**Dir. ANGELITO V. FONTANILLA**  
Financial and Management Service  
Department of Environment and Natural Resources  
Republic of the Philippines





REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
MALACAÑANG, MANILA

**NATIONAL BUDGET MEMORANDUM**

No. 120  
January 6, 2014

**F O R** : All Heads of Departments, Agencies, Bureaus, Offices, Commissions, State Universities and Colleges, Other Instrumentalities of the National Government and all Others Concerned

**SUBJECT** : **BUDGET CALL FOR FY 2015**

## 1.0 INTRODUCTION

The Budget Priorities Framework for 2015 was presented in NBM 119 dated December 27, 2013 to inform agencies of the objectives, strategies and programs which will be supported in the FY 2015 Budget to achieve the Administration's goals of rapid growth and inclusive development. This subsequent issuance prescribes the other guidelines and procedures to be observed in accomplishing the various budget proposal documents. The technical guidelines and computational processes are presented in detail in the annexes, such guidelines being supportive of the strategies/policies enumerated in the NBM on Budget Priorities Framework (BPF) to assist in the formulation of focused, transparent and accountable budget allocations.

### 7.4 Total Resource Budgeting

Agencies shall reflect in their budget proposal, other sources of funds as authorized under specific provisions of law, i.e., use of income and collections which are accounted under Special Accounts, Revolving Funds and Trust Funds and are earmarked to support identified P/A/Ps and their corresponding MFOs/PIs, using the following forms:

- **BP Form 100 A** - Statement of Revenues and Expenditures for Special Accounts in the General Fund.
- **BP Form 100 B** - Statement of Other Receipts/Expenditures for Revolving Funds, Use of Income and Trust Receipts;
- **BP Forms A and B** - for MFO Budget Matrix and Agency Performance Measures.

# Total Resource Budgeting - Budget Call for FY 2105

## BP Form 100-A

**BP FORM 100-A: STATEMENT OF REVENUES AND EXPENDITURES  
SPECIAL ACCOUNT IN THE GENERAL FUND (SAGF)  
FY 2013-2017**

DEPARTMENT:					AGENCY:											
SAGF CATEGORY (1)	DESCRIPTION SOURCE OF REVENUE (2)	ACCOUNT CODE (3)	LEGAL BASIS (4)	Cash Balance as of Dec. 31, 2013 (5)	AMOUNT IN P'000										REMARKS (16)	
					2013 Actual		2014 Estimate		2015 Estimate		2016 Estimate		2017 Estimate			
					Revenue (6)	Expenditure (7)	Revenue (8)	Expenditure (9)	Revenue (10)	Expenditure (11)	Revenue (12)	Expenditure (13)	Revenue (14)	Expenditure (15)		
A. Automatically Appropriated																
B. Grants - Local Grants - Foreign Grants																
TOTAL																
PREPARED BY:			APPROVED BY:			DATE:										
_____ CHIEF ACCOUNTANT			_____ HEAD OF OFFICE/AGENCY			_____ DAY/MONTH/YEAR										

NOTE: The information reflected in this table shall be evaluated and consolidated by the DBM for inclusion in Table B.17 of the BESF.

# Total Resource Budgeting - Budget Call for FY 2105

## BP Form 100-B

### BP FORM 100-B: STATEMENT OF OTHER RECEIPTS/EXPENDITURES Deposited outside of the Bureau of the Treasury (BTR) FY 2013 - 2015

DEPARTMENT/AGENCIES:						AGENCY:						
NATURE OF RECEIPTS (1)	FUND CODE (2)	SOURCE OF REVENUE (3)	LEGAL BASIS (4)	NATURE OF EXPENDITURES (5)	Cash in Bank Balance as of Dec. 31, 2013 (6)	AMOUNT IN P'000						REMARKS (13)
						2013 ACTUAL		2014 ESTIMATES		2015 PROPOSED		
						Receipt (7)	Expenditure (8)	Receipt (9)	Expenditure (10)	Receipt (11)	Expenditure (12)	
1. Revolving Fund												
2. Others												
Free Portion												
Earmarked Portion												

PREPARED BY:  _____	APPROVED BY:  _____	DATE:  _____
CHIEF ACCOUNTANT	HEAD OF OFFICE/AGENCY	DAY/MO/YR



# Total Resource Budgeting - Budget Call for FY 2105

BP Form A

BP Form A

## MFO BUDGET MATRIX

- 2013 Actual Obligation
- 2014 Current Program
- 2015 Total Proposed Program
- Within the Ceiling
- Above the Ceiling

DEPARTMENT/AGENCY:

UACS Code (1)	P/A/P (2)	Status (OG) (P) (T) (3)	AMOUNT				Total (8)
			PS (4)	MODE (5)	FINEX (6)	CO (7)	
A. PROGRAM							
I. GASS							
P/A/P							
1.							
2.							
3.							
II. STO							
P/A/P							
1.							
2.							
3.							
III. OPERATIONS							
MFO 1							
P/A/P							
1.							
2.							
3.							
MFO 2							
P/A/P							
1.							
2.							
3.							
MFO 3							
P/A/P							
1.							
2.							
3.							
Sub-Total Operations							
B. PROJECTS							
I. Locally-Funded Projects							
Project 1							
Project n							
II. Foreign-Assisted Projects							
Project 1							
Project n							
TOTAL COST			P	P		P	P

Notes:  
 OG - On-going  
 P - Proposed  
 T - Terminating

Prepared By:

Approved By:

Planning Officer

Budget Officer

Agency head

# Total Resource Budgeting - Budget Call for FY 2105

BP Form A

AGENCY PERFORMANCE MEASURES


BP FORM B  
 2013 Actual Obligation  
 2014 Current Program  
 2015 Total Proposed Program  
 Within the Ceiling  
 Above the Ceiling

DEPARTMENT/AGENCY: \_\_\_\_\_

MFO /Performance Indicator Description  (1)	Performance					Budget Allocation (P'000)			
	Year 2013		Year 2014 (4)	Year 2015 Targets		Year 2013 (7)	Year 2014 (8)	Year 2015	
	Target (2)	Actual (3)		Within the Ceiling (5)	Above the Ceiling (6)			Within the Ceiling (9)	Above the Ceiling (10)
MFO 1 - INTERNATIONAL TRADE POLICY NEGOTIATION, FACILITATION AND PROMOTION SERVICES Quantity Indicators Quality Indicators Timeliness Indicators 1. No. of policy proposals approved/endorsed by Secretary 2. Amount of export sales generated from DTI-initiated events (in US\$, in millions) 3. % of Philippine National Standards (PNS) aligned with international standards 4. No. of Conformity Assessment Bodies (i.e. testing, calibration laboratories, and certification bodies) 5. % reduction in processing/turn-around time for DTI agencies which have implemented systems improvements/processes enhancements (the difference between the standard time and actual time over standard. 6. Client satisfaction feedback (%)  MFO 2 - INDUSTRY DEVELOPMENT AND INVESTMENT PROMOTION, GENERATION, AND FACILITATION SERVICES Indicator 1. 2. 3.									

Prepared By: \_\_\_\_\_

Approved By: \_\_\_\_\_

\_\_\_\_\_  
 Planning Officer

\_\_\_\_\_  
 Budget Officer

\_\_\_\_\_  
 Agency Head



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SPECIAL ORDER

No. 2013 - 435

JUL 23 2013

**SUBJECT: Creation of a Revision of Fees Committee in the DENR.**

In the interest of the service and in compliance with Malacañang Administrative Order No. 31 (01 October 2012) which directs and authorizes all heads of departments, bureaus, commissions, agencies, offices and instrumentalities of the national government, including GOCCs to rationalize their existing rates, if necessary, and/or impose new fees and charges; and its implementing rules and regulations, DOF-DBM-NEDA Joint Circular No. 1-2013 (30 January 2013), a Revision of Fees Committee in the DENR is hereby created.

The Committee shall be composed of the following:

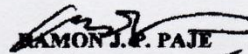
Chairperson: Undersecretary, Policy and Planning  
Vice-Chairperson: Director, Financial and Management Service  
Members: Director, Planning and Policy  
Department Chief Accountant  
Chief, Budget Division  
Chief, Cashier's Unit  
Secretariat: Financial and Management Service Staff

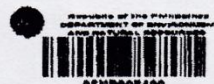
The functions of the Revision of Fees Committee are:

- a. review existing fees and charges and conduct a study on the necessity of imposing new/revised ones;
- b. ensure that the guiding principles of DOF-DBM-NEDA Joint Circular No. 1-2013 are observed;
- c. submit to the Secretary a report on the study and recommendations for the new/revised fees and charges including justifications;
- d. coordinate with the Task Force on Fees and Charges in NEDA on the implementation of AO 31; and,
- e. keep and maintain all records pertinent to AO 31.

The Revision of Fees Committee may seek assistance from any DENR personnel or unit in the performance of its functions. All expenses incurred in the implementation of this Order shall be charged against DENR funds subject to existing accounting and auditing rules and regulations.

This Order takes effect immediately.

  
RAMON J. PAJE  
Secretary



### New law to hike revenues from protected areas

- Category: Economy ; 02 Oct 2013 ; Written by Jonathan L. Mayuga

President Aquino has signed into law **Republic Act (RA) 10629**, a measure allowing the automatic retention of 75 percent of revenues generated in the operation of declared protected areas (PAs) under **RA 7586**, or the NIPAS. The law, signed on September 26 2013 by Mr. Aquino, was passed by the House of Representatives and the Senate on May 21, 2012 and June 5, 2013, respectively.

**RA 10629** amends the IPAF, a provision under Section 16 of NIPAS. Under the amended law, the PAMBs of each protected area will be allowed to retain 75% of taxes from the permitted sale and export of flora and fauna and other resources; proceeds from lease of multiple-use areas within PAs; contributions from industries and facilities directly benefiting from the PAs; and all other fees and incomes derived from their operation. PAMBs are the highest policy-making body of the PAs.

Before, 100% of the revenues derived from the operation of the PAs go to the National Treasury. The release of the funds back to the PAs through the DENR for maintenance operation under the annual GAA as approved by Congress is often delayed.

The PAWB has administrative jurisdiction over the management of PAs and national parks.

### **New law to hike revenues from protected areas**

Under the proposed revised guideline, the lease of land to be charged is 3 percent based on the zonal value of the nearest commercial area, plus 1- percent premium and another 1 percent for development of the land.

With the IPAF automatic retention law and a new guideline allowing substantial increase in lease of areas within PAs, PAMBs will have a revolving fund that will allow them to properly maintain and implement programs and projects geared toward the development and rehabilitation of PAs.

The developments will, more important, encourage PAMBs to play a more active role in the rehabilitation and development of PAs in partnership with various stakeholders while promoting biodiversity conservation. About 90 percent of the 240 PAs and NPs have their own PAMBs, but only about 40 percent of them are considered active, Lim said.

The country's PAs and NPs are potential ecotourism sites that could boost the country's tourism potentials. The DENR, through PAWB and the Department of Tourism (DOT), has identified a long list of over 100 PAs with ecotourism potentials that can be developed by the government through public-private partnership to boost the country's eco-tourism subsector.