



**MEMORANDUM CIRCULAR NO. 02**  
**Series of 2002**

**TO: All Regional Directors**  
**Environmental Management Bureau**

**SUBJECT: GUIDELINES FOR THE IMPLEMENTATION OF**  
**ADMINISTRATIVE ORDER NO. 99-37 RE:**  
**ENVIRONMENTAL REVOLVING FUND (ERF)**

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In order to simplify and facilitate smooth implementation of the Administrative No. 99-37, Series of 1999, the following procedures are hereby issued:

1. The ERF created under AO No. 99-37 shall be used only by the Environmental Management Bureau (EMB) Central Office and its Regional Offices in the implementation of PD 1586.
2. The ERF herein provided shall be separate and distinct from the other funding requirements under DAO 96-37 such as the EIA Review Support Fund, Environmental Guarantee Fund (EGF), Environmental Monitoring Fund (EMF), Environmental Trust Fund (ETF), and other fund required as part of the conditions of the ECC.
3. The ERF shall cover only fines and penalties generated from the implementation of PD 1586.
4. The collections from the penalties shall be deposited in trust to an authorized depository bank with separate bank account intended only for the above collections and shall be made available for operational expenses of the EMB Central and Regional Offices.
5. Only expenses related to the implementation of PD 1586 shall be charged against this account which shall include the following:
  - 5.1 Personnel Services
    - 5.1.1 RATA for the EIA Division Chief
    - 5.1.2 Hiring of Personnel for EIA implementation
    - 5.1.3 Honorarium for the members of the Secretariat to the EIA Review Committee/EIA Technical Review Team
  - 5.2 MOOE
    - 5.2.1 Monitoring of Projects granted an ECC / Conduct of investigations in relation to PD 1586
      - Traveling expenses of those contractual personnel hired to provide support/services to EIA implementation
    - 5.2.2 Document delivery services
    - 5.2.3 Repair and maintenance of vehicle purchased under the ERF

- 5.2.4 Meetings for EIA Projects i.e. technical conferences except for those projects with EIA Review Support Fund
- 5.2.5 Attendance to EIA related training
- 5.3 Capital Outlay
  - 5.3.1 IT Equipment Outlay
    - Computers
    - Printers
  - 5.3.2 Other Equipment
    - Monitoring equipment
    - Tape recorders
    - Cameras
  - 5.3.2 Furniture
    - Conference Table/fixtures
  - 5.3.3 Service Vehicles
- 5.4 Other expenses which are deemed necessary to strengthen the implementation of the EIS Systems operations and research.
- 6 Disbursement from this account shall only be made upon the approval of the EMB Director. An annual Work and Financial Plan for the ERF shall be submitted to the EMB Director within the first fifteen (15) days of the current year.
- 7 A quarterly report of income for this fund and quarterly expenditures shall be submitted by the regional offices to EMB Central Office which shall submit the same to the Department of Budget and Management (DBM).
- 8 No disbursement in the subsequent quarter shall be allowed in case of failure to submit the required reports or submission of incomplete reports as determined by the EMB Director.
- 9 All disbursements under this Fund shall be subject to DBM and Commission on Audit (COA) Rules and Regulations.

For strict compliance.

**JULIAN D. AMADOR**  
Director, EMB Central Office