



MEMORANDUM

FOR : **The Regional Directors**
EMB Regional Offices

FROM : **The OIC, Director**

SUBJECT : **CLARIFICATION ON THE PROVISIONS OF SECTION 11
OF THE PROCEDURAL MANUAL FOR DAO 2003-30
"FINES, PENALTIES AND SANCTIONS."**

DATE : **SEP 08 2005**

This refers to the request for clarification on the provisions of Section 11 of the Procedural Manual for DAO 2003-30 "Fines, Penalties and Sanctions," of the Regional Directors of EMB CALABARZON and MIMAROPA Regions.

In the said memo, three points were raised:

1. Whether or not the phrase "operating without an ECC" includes the pre-construction stage of the project;
2. Whether or not the penalty of Php 50,000.00 is fixed even for projects that commenced its implementation but are not yet in actual operation; and
3. Whether or not the table under paragraph 2 of Section 11.2 Computation of Fines shall be used in reducing penalties for ECC violations.

The table (mechanics of fine reduction) presented in Chapter 11, Section 11.2. (Computation of Fines) found in page 131 referred only to computation for the reduction of penalties for projects found operating without an ECC per 30 September 2003 Memorandum Circular No. 15 Series of 2002 on the "Scope of Violations and Guidelines for the Imposition of Penalties for Violations under the Philippine EIS System (P.D. 1586) signed by former Secretary Heherson T. Alvarez. In answer to the three questions raised by the Regional Directors:

1. The phrase "operating without an ECC" refers to projects implemented without an ECC. Implementation of a project may be defined as the time of the start of construction, (i.e. excavation works). For projects which do not require construction, implementation of the project starts when the machines are operated;
2. The maximum penalty for implementing a project without an ECC is Php 50,000.00. Whether or not a project is in actual operation, a project that has commenced its implementation, is deemed "operating without an ECC", and may be subjected to penalty as computed based on MC 2002-15; and
3. Since the table under paragraph 2 of Chapter 11, Section 11.2 refers to MC 15 Series of 2002, computation of Fines shall be used in reducing penalties for projects operating without an ECC and not for violations of ECC conditions.

Please be guided accordingly.

Lolibeth R. Medrano
ATTY. LOLIBETH R. MEDRANO