Subject: ESTABLISHING AN ENVIRONMENTAL IMPACT STATEMENT

SYSTEM INCLUDING OTHER ENVIRONMENTAL

MANAGEMENT RELATED MEASURES AND FOR OTHER

PURPOSES

WHEREAS, the pursuit of a comprehensive and integrated environmental protection program necessitates the establishment and institutionalization of a system whereby the exigencies of socio-economic undertakings can be reconciled with the requirements of environmental quality;

WHEREAS, the regulatory requirements of Environmental Impact Statement and Assessment instituted in pursuit of this national environmental protection program have to work into their full regulatory and procedural details in a manner consistent with the goals of the program.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and declare:

Section 1. *Policy.* - It is hereby declared the policy of the State to attain and maintain a rational and orderly balance between socio-economic growth and environmental protection.

Section 2. *Environmental Impact Statement System.* - There is hereby established a Environmental Impact Statement System founded and based on the environmental impact statement required, under Section 4 of Presidential Decree No. 1151, of all agencies and instrumentalities of the national government, including government-owned or controlled corporations, as well as private corporations, firms and entities for every proposed project and undertaking which significantly affect the quality of the environment.

Section 3. Determination of Lead Agency. - The Minister of Human Settlements or his designated representative is hereby authorized to name the Lead Agencies referred to in Section 4 of Presidential Decree No. 1151, which shall have jurisdiction to undertake the preparation of the necessary environmental impact statements on declared environmentally critical projects and areas. All Environmental Impact Statements shall be submitted to the National Environmental Protection Council for review and evaluation.

Section 4. Presidential Proclamation of Environmentally Critical Areas and Projects. - The President of the Philippines may, on his own initiative or upon recommendation of the National Environmental Protection Council, by proclamation declare certain projects, undertakings or areas in the country as environmentally critical. No person, partnership or corporation shall undertake or operate any such declared environmentally critical project or area without first securing an Environmental Compliance Certificate issued by the President or his duly authorized representative. For the proper management of said critical project or area, the President may by his proclamation reorganized such government offices, agencies, institutions, corporations or instrumentalities including the realignment of government personnel, and their specific functions and responsibilities.

For the same purpose as above, the Ministry of Human Settlements shall: (a) prepare the proper land or water use pattern for said critical project(s) or area(s); (b) establish ambient environmental quality standards; (c) develop a program of environmental enhancement or protective measures against calamitous factors such as earthquake, floods, water erosion and others, and (d) perform such other functions as may be directed by the President from time to time.

- **Section 5.** *Environmentally Non-Critical Projects.* All other projects, undertakings and areas not declared by the Presidents as environmentally critical shall be considered as non-critical and shall not be required to submit an environmental impact statement. The National Environmental Protection Council, thru the Ministry of Human Settlements may however require non-critical projects and undertakings to provide additional environmental safeguards as it may deem necessary.
- **Section 6. Secretariat.** The National Environmental Protection Council is hereby authorized to constitute the necessary secretariat which will administer the Environmental Impact Statement System and undertake the processing and evaluation of environmental impact statement.
- **Section 7. Management and Financial Assistance.** The Ministry of Human Settlements is hereby authorized to provide management and financial support to government offices and instrumentalities placed under it's supervision pursuant to this Decree financed from its existing appropriation or from budgetary augmentation as the Minister of Human Settlements may deem necessary.
- **Section 8.** *Rules and Regulations.* The National Environmental Protection Council shall issue the necessary rules and regulations to implement this Decree. For this purpose, the National Pollution Control Commission may be availed of as one of its implementing arms, consistent with the powers and responsibilities of the National Pollution Control Commission as provided in P.D. No. 984.
- **Section 9.** *Penalty for Violation.* Any person, corporation or partnership found violating Section 4 of this Decree, or the terms and conditions in the issuance of the Environmental Compliance Certificate, or of the standards, rules and regulations issued by the National Environmental Protection Council pursuant to this Decree shall be punished the suspension or cancellation of his/its certificate and/or a fine in an amount not to exceed fifty thousand pesos (50,000.00) for every violation thereof, at the discretion of the National Environmental Protection Council.
- Section 10. Environmental Revolving Fund. Proceeds from the penalties prescribed in the preceding Section 9 and other penalties imposed by the National Pollution Control Commission as authorized in P.D. 984 shall be automatically appropriated into an Environment Revolving Fund hereby created as an exemption to P.D. 711 and P.D. 1234. The fund shall be used exclusively for the operations of the National Environmental Protection Council and the National Pollution Control Commission in the implementation of this Decree. The rules and regulations for the utilization of this fund shall be formulated by the Ministry of Human Settlements and submitted to the President for approval.
- **Section 11.** *Repealing Clause.* The inter-agency Advisory Council of the National Pollution Control Commission created under Section 4 of P.D. 984 is hereby abolished and its powers and responsibilities are forthwith delegated and transferred to the National Environmental Protection Council.

All laws, decrees, executive orders, rules and regulations, inconsistent herewith are hereby repealed, amended or modified accordingly.

Section 12. Effectivity Clause. - This Decree shall take effect immediately.

DONE in the City of Manila, this 11th day of June in the year of Our Lord Nineteen Hundred and Seventy-Eight.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines

BY THE PRESIDENT

(Sgd.) JACOB C. CLAVE
Presidential Executive Assistant

Certified Copy.

(Sgd.) MELQUIADES T. DELA CRUZ Presidential Staff, Director Malacañang Records Office