



VOLUME II

MULTISTAKEHOLDER PARTICIPATION

*Handbook for the Application of the
Enhanced Environmental Performance
Monitoring and Audit System of the
Philippine Environmental Impact
Assessment System*

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**HANDBOOK FOR THE APPLICATION OF THE ENHANCED ENVIRONMENTAL
PERFORMANCE MONITORING AND AUDIT SYSTEM OF THE PHILIPPINE
ENVIRONMENTAL IMPACT ASSESSMENT SYSTEM**

**VOLUME II:
MULTISTAKEHOLDER PARTICIPATION**

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List of Acronyms/ Terminologies

ADB	Asian Development Bank
AO	Administrative Order, a legal issuance of the Philippine President
AWFP	Annual Work and Financial Plan
BIR	Bureau of Inter Revenue
CDO	Cease and Desist Order
CENRO	Community Environmental and Natural Resources Office(r)
CMVR	Compliance Monitoring and Validation Report
CO	Central Office
CoC	Chain of Custody
COA	Comission of Audit
DAO	Department Administrative Order, this refers to a legal issuance
DBM	of the Department of Environment and Natural Resources
DENR	Department of Budget and Management
DOH	Department of Environment and Natural Resources
ECC	Department of Health
ECP	Environmental Compliance Certificate
EGF	Environmentally Critical Project
EIA	Environmental Guarantee Fund
EIAD	Environmental Impact Assessment
EIS	Environmental Impact Assessment Division
EM&A or	Environmental Impact Statement
EMA	Environmental Monitoring and Audit, refers to a process to follow-up EIA recommendations during implementation of a project granted an ECC with the goal of improving the project's environmental performance
EMF	Environmental Monitoring and Audit Fund
EMAM	Environmental Monitoring and Audit Manual
EMAP	Environmental Monitoring and Audit Plan
EMB	Environmental Management Bureau, a line bureau of DENR mandated to implement the Philippine EIS System
EMF	Environmental Monitoring Fund
EMP	Environmental Management Plan
ENRO	Environmental and Natural Resources Office(r)
EQPL	Environmental Quality Performance Level(s)
ES	Environmental Stressor
ESRS	Environmental Stressor Rating Scheme
ExeCom	Executive Committee
FGD	Focus Group Discussion
GA	Government Agency
GO	Government Office
GOCC	Government Owned and Controlled Corporation(s)
IEC	Information, Education, and Communication
IRG	Implementing Rules and Guidelines
KII	Key Informant Interview
LCS	Laboratory control samples
LGU	Local Government Unit
LLDA	Laguna Lake Development Authority

M&A	Monitoring and Audit
M&E	Monitoring and Evaluation
MACOM	Monitoring and Audit Committee
MGM	Mines Geosciences Bureau-DENR
MMT	Multipartite Monitoring Team
MOA	Memorandum of Agreement
MOO	Manual of Operations
NGO	Nongovernment Organization
PAB	Pollution Adjudication Board
PD	Presidential Decree
PEIS or PEISS	Philippine Environmental Impact Statement System
PEMAPS	Project Environmental Monitoring and Audit Prioritization Scheme
PENRO	Provincial Environment and Natural Resource Office(r)
Prodoc	Process Documentation
QA/QC	Quality Assurance/ Quality Control
RA	Republic Act
RevCom	EIA Review Committee
RO	Regional Office
SAMP	Sampling and Measurement Plan
SDP	Social Development Program
SEC	Securities and Exchange Commission
SMR	Self-monitoring Report
SRU	Sectoral Regulatory Unit
TA	Transporation Allowance

Multistakeholder Participation

I. INTRODUCTION

Compliance monitoring is an integral component of the environmental impact assessment (EIA) process. It follows the major tenets of participatory monitoring and evaluation (PM&E)¹ where relevant stakeholders and interest groups collaborate in gathering, processing, and evaluating information. PM&E is used for many purposes. It is a way of becoming more accountable, by giving intended beneficiaries the chance to speak out about localized impacts. At a community level, PM&E is used to help motivate people to sustain local initiatives and manage conflicts. Banks and other large commercial enterprises are employing similar approaches to assess their ethical and environmental performance, for instance through social audits.

Within the PEISS-M&E context, PM&E aims to:

- § determine whether or not the project proponent (PP) complies with the terms and conditions of the Environmental Compliance Certificate (ECC);
- § establish actual environmental impacts of the project; and
- § provide a quality measure indicating areas for improvement of the Environmental Impact Assessment (EIA) conducted for similar projects or areas.

A. THE NATURE AND CONCEPT OF PARTICIPATION

Participation² is the process through which stakeholders influence and share control over priority setting, policy-making, resource allocations, and access to public goods and services. Another definition³ is that participation is a voluntary process in which people, including marginal groups come together with project authorities to share, negotiate, and control the decision-making process in project design and management.

The concept of participation takes on different shades as setting, project type, and purposes contextualizing it. It allows for information exchange with other stakeholders thereby providing the necessary transparency for decision making. Transparency in turn improves government accountability to the people and, as a result, increases the overall governance and economic efficiency of development activities.

Participation involves transferring of power to people enabling them to negotiate with development delivery systems, and deciding and acting on what is essential to their development.

Salient features of participation are as follows:

§ **Joint dialogue**

Participation is a process of joint dialogue, sharing, and analyzing situations to attain consensus towards action and change.⁴

¹ Guijt, Irene and John Gaventa, Institute of Development Studies, 1998 ISSN 1360-4724

² prsp_sourcebook@worldbank.org

³ World Bank definition of terms.

⁴ Participatory Rural Appraisal. 1992.

§ **Active process**

Participation is an active process by which beneficiaries or client groups influence the direction and execution of a development project with a view to enhancing their well-being in terms of income, personal growth, self-reliance, or other values they cherish.⁵

§ **People involvement**

Participation includes people involvement in decision-making process, in implementing programs, their sharing in the benefits of development programs, and involvement in efforts to evaluate such programs.⁶

§ **People empowerment**

Participation involves transferring of power to people enabling them to negotiate with development delivery systems, and deciding and acting on what is essential to their development.

B. TYPES OF PARTICIPATION

There are several types⁷ or forms of stakeholder participation that could range from shallow, or simply being informed, to deep, or actively participating to be responsible for their own actions and development pathways⁸.

1. Information-Sharing

This is at the passive or shallow end of the participation scale and involves information dissemination about an intervention or merely asking stakeholders to provide information to be used for project planning or evaluation. Communication is one-way rather than interactive.

2. Consultation / Seeking Feedback

Consultation usually connotes that people are being asked for their opinion about a subject matter while development professionals listen. More often, people involved cannot make commitments or are not accountable to what is being consulted about and development professionals are under no obligation to incorporate their views. Many consultative processes focus solely on passively securing information for an already planned activity, or prescribed policy or program. Consultation processes that primarily seek feedback to a predefined plan or strategy fall near the shallow end of the depth of participation continuum.

On the other hand, consultation can evolve into collaboration or shared control if people are involved in defining a desired change, or in identifying a problem and its solution. This can lead consultation that further leads to greater networking and a

⁵ Projects with People. 1991.

⁶ Projects with People. 1991.

⁷ Manual on Participatory Rural Appraisal. 2001.

⁸ Malvicini, Cindy F. and Anne T. Sweetser. ADB, 2003.



Participation gives the local community a voice to air their concerns and promote their active involvement in decision-making.

sense of ownership of the project or policy being discussed.

3. Collaboration / Decision-making

Collaboration/joint decision-making represents genuine participation. Stakeholders are actively engaged and sustained results are achieved. What makes this distinct from empowerment and shared control is that stakeholders are invited by outsiders to meet about a predetermined objective. The development professional or organization identifies problems or issues to be discussed, and calls a group together to collaborate on that topic. Stakeholders may not have initiated the collaboration, but they significantly influence the results. The stakeholders' ideas change the project design or implementation plan, or contribute to a new policy or strategy. Most importantly, the development professional or organization that solicited stakeholder involvement takes the peoples' perspectives seriously and acts on them.

4. Joint Empowerment / Shared Control

Shared control involves deeper participation than collaboration. Stakeholders are empowered by accepting increasing responsibility for developing and implementing

action plans. These very stakeholders become accountable to others for either creating or strengthening local institutions. Development professionals are mere facilitators of a locally driven process. Stakeholders assume control and ownership of their component of the project or program, and make decisions accordingly. At this level, local participation is most sustainable because the people concerned have a stake in maintaining structures or practices.

Participatory monitoring — in which citizens, groups or organizations assess their own actions using procedures and performance indicators they selected when finalizing their plans — reinforces empowerment and sustainability. A complement to, rather than a substitute for, external monitoring, it has been dubbed the “capstone” of participatory development.⁹

C. RATIONALE FOR PARTICIPATION

People are integral to the whole environmental development spectrum. Their participation to projects/activities affecting their lives is very much important. In development projects, the local communities are at the most risk, have the least power to influence the system



Rene Morente of MIRANT-Philippines presents his views in a workshop for preparing the MMT manual of operations.

⁹ Robert Chambers, personal communication to A. T. Sweetser

or influence the project, and have the least benefits. The EIA process addresses this in view of environmental protection and increased public equity.

Participation gives the local community a voice to air their concerns and promote their active involvement in decision-making, widening the responsibility in safeguarding the environmental integrity. In effect, the participation of all key stakeholders becomes a platform to develop the social acceptability of projects. ---Participation is the key to open the doors of acceptance by the local community that will be affected, determining their level of affirmation with the project. The following are the benefits that can be derived from Participation¹⁰:

- § Helps to identify and address concerns of stakeholders
- § Focuses planning on issues or concerns
- § Provides alternatives for consideration in planning
- § Provides added sources of expertise
- § Reduces level of misinformation and distrust
- § Improves decision-making
- § Empowers the citizens to take responsibility in environmental protection

Participation in the EIA process is meaningful and empowering if it goes beyond¹¹:

- § Mere information sharing and dissemination: In the typical case, proponents had already decided the site or location of the project; the public is simply informed about it.
- § Simple persuasion: Often, a decision had been made and efforts are exerted to convince the public of the merits of the project.
- § Routine consultation: Frequently, a problem is submitted to the community, opinions are collected, but the authorities and expert planners make the decision alone.

II. STAKEHOLDER IDENTIFICATION AND ANALYSIS

A. STAKEHOLDER IDENTIFICATION

1. Definition of Stakeholders

There are different types of stakeholders:

- § Primary stakeholders are those ultimately affected, either positively (beneficiaries) or negatively.
- § Secondary stakeholders are the intermediaries in a given operation or intervention process.
- § Key stakeholders are those who can significantly influence, or are important to the success of the project.

DENR (through DAO 96-37) defines stakeholders as persons who may be significantly affected by a project or undertaking, such as, but not limited to members of the local community, industry, local government units (LGUs), nongovernment organizations (NGOs), and people's organizations (POs). It will be noted that agents of change are not included; only those who feel the impact of change are considered in the DAO as part of the stakeholder groups.

¹⁰ Procedural Manual of DAO 2003-30.

¹¹ Manual on Participatory Rural Appraisal. 2001.

For purposes of this Handbook, ***stakeholders are persons who may be significantly affected by a project or undertaking, persons/entities effecting changes, as well as those accountable in crafting and operationalizing the M&E system.***

2. The Need to Conduct Stakeholder Identification

Stakeholder identification is done to determine who will be directly or indirectly affected, positively or negatively, by a project (commonly called project-affected people or project-affected groups), and who can contribute to or hinder its success (commonly called other relevant stakeholders).

It is important for the project sponsor to be comprehensive in identifying and prioritizing all project stakeholders, including the disadvantaged and voiceless. Those identified will then need to be consulted to varying degrees, depending on level of impact, at strategic points during the life of the project.

Stakeholder identification and involvement are context-specific, therefore even planners and implementers can be perceived as stakeholders in themselves.¹²

3. Identification of Stakeholders

There are no hard or fast rules that exist to tell us whom to involve and how. But one thing is sure: stakeholder involvement is context-specific. One way is to list down and categorize possible stakeholders. Divide a list into primary and secondary stakeholders. The following is a checklist for identifying stakeholders¹³:

- § Have all primary and secondary stakeholders been listed?
- § Have all potential supporters and opponents of the project been identified?
- § Has gender analysis been used to identify different types of female stakeholders (at both primary and secondary levels)?
- § Have primary stakeholders been divided into user/occupational groups, or income groups?
- § Have the interests of vulnerable groups been identified?
- § Are there any new primary and secondary stakeholders that are likely to emerge as a result of the project?
- § Who may be affected (positively or negatively) by the development intervention?
- § Who are the “voiceless” for whom special efforts may have to be made?
- § Who are the representatives of those likely to be affected?
- § Who is responsible for what is intended?
- § Who is likely to mobilize for or against what is intended?
- § Who can make what is intended more effective through their participation? or less effective by their nonparticipation or outright opposition?
- § Who can contribute financial and technical resources?
- § Whose behavior has to change for the effort to succeed?

¹² Stakeholder Identification, The World Bank (www.worldbank.org).

¹³ Overseas Development Administration. 1995.

B. STAKEHOLDER ANALYSIS

Stakeholder Analysis is a technique you can use to identify and assess the importance of key people, groups, or institutions that may significantly influence the success of any activity or project.

1. Rationalizing Stakeholders Analysis

Stakeholder analysis enables to:

- § Identify people, groups, and institutions that will influence the project (either positively or negatively).
- § Anticipate the kind of influence, positive or negative, these groups will have on the project.
- § Develop strategies to ensure the success of the project and reduce possible obstacles to successful implementation of the project.

C. STAKEHOLDERS IN THE ENHANCED PEIS-M&E SYSTEM

A rationalized list of stakeholders to the enhanced PEISS-M&E System involves 11 stakeholder groups;

1. DENR which includes EMB and its regional units, and CENRO/PENRO - They are the ones directly involved in the issuance of ECC, project monitoring, evaluation, and management. DENR in general, is legally mandated to formulate policies and implement programs on natural resources and the environment.
2. Proponent or Investor - This entity refers to those who invest on or fund development projects, initiate consultation on project planning and design, participate in disclosure and have direct accountability in the preparation of EIS and project monitoring
3. Preparer and other professionals - They are accredited/certified by DENR to prepare EISs by providing technical expertise and assistance in initiating consultation on project planning and design; directly accountable (with the proponent) in the preparation of EIS, and in drafting the project-based M&A System
4. Review Committee members - They are contracted by DENR to review and assess the EIA Statement submitted by the Proponent and Preparer. Further, they are tasked to attend the scoping and public consultations, and with the Proponent and Preparer assess EIS, which includes monitoring systems. They likewise share responsibility with proponent and preparer in regard to disclosure and accountability in assessing EIS.
5. Vulnerable/marginalized groups – They are those with the least capacity to absorb social, economic, and environmental shocks, often do not receive equal benefits from development, and generally are excluded from development processes that affect them. These include children and the aged, indigenous people, ethnic minorities, poor squatters and illegal settlers, disabled people, and segments of society at the lowest levels of social
6. Local Government Units (LGUs) including Barangay Leaders - They are the primary decision-makers and implementers of policies and projects. The Local Government Code of 1992 stipulates LGUs to be responsible for planning and implementation of devolved functions at the local level.
7. Nongovernmental Organizations (NGOs) and People's Organization (PO) - They are entities that provide development services or conduct advocacies within project sites. They can be locally based or only acting within a specified timeframe in the area. This group likewise provides the necessary local technical expertise.

8. Other Government Agencies (GA) - These are government offices vested by law to formulate and implement policies, plans and programs for the welfare of geopolitical constituents, to include but not limited to the health and population sector e.g., DOH, MGB-DENR, LLDA-DENR, MMDA, and other public offices. They can also be the source of advisory technical expertise tapped to provide development support in project monitoring and implementation.
9. MACOM - These are members of the Review Committee who at post-ECC transpose their functions as a Monitoring & Audit Committee tasked to review revised the EMAP and EMA Reports.
10. Independent Environmental Checker (Auditor) – They are optional third-party entities responsible in validating M&A Reports and Performance Audits.
11. The wider public and the host local communities - By and large, a fluid entity that may review/comment on the EIS, including the enhanced M&A requirements. They lobby for societal and community welfare and rightful share in the fruits of development.

III. FORMATION OF THE MULTISTAKEHOLDER MONITORING TEAM

One of the most important considerations in participatory monitoring work is the membership in the so-called Multipartite Monitoring Team (MMT). It is the active involvement and participation of team members that is the core of multipartite monitoring. Their cooperation and commitment determine the effectiveness of the monitoring process. On the other hand, the credibility of the monitoring results, the objectivity of the findings, and the effectiveness of the recommendations strongly depend on the perceived transparency and technical quality of the whole process.

A. FUNCTIONS OF MMT

The recommended functions of MMT are:

- § Monitor project compliance with the ECC conditions and commitments made in EMP using checklist form and mainly secondary technical information and primary observations;
- § Prepare, integrate, and disseminate simplified monitoring reports and submit recommendations to DENR; and
- § Monitor implementation of community information, education, and communication (IEC) plan/program and social development programs (SDP).

It is also suggested that MMT performs the following:

- § Interface with the technical third party audit group to understand and be updated on M&E results;
- § Initiate popularization of M&E results for community consumption;
- § Officially receive complaints/requests from the public-at-large for transmittal to the proponent and EMB-DENR and be able to recommend immediate measures against the complaint.

As per technical specifications however, MMT is tasked to conduct the following:

- § Review of Proponent's Environmental Monitoring and Audit Plan/Manual (EMAP/M)

- § Review of Proponent's Self-Monitoring Reports (SMRs) and Third-Party Audit Report
- § Confirmatory sampling and Measurement Activities
- § Complaint Verification and Management

B. MMT COMPOSITION

MMT is to be viewed as a third party auditor, sans the accreditation and licensing associated with environmental auditors but qualified by training on the specific tasks. As a third party auditor of sorts, there are less technical skill expectations. The following therefore are proposed as members of the MMT:

- § LGU
- § POs-NGOs
- § Other GAs
- § Academe
- § Church groups
- § Sectoral groups representing women, youth, indigenous people, farmers and fisherfolk, and other marginalized sectors
- § Others as identified during the scoping process. (Scoping is a formal step within the EIS System which defines the range of action, alternatives, and impacts to be examined. It allows interested parties, such as stakeholders, to make their concerns known; their responsibilities are also taken up in the process.)¹⁴

Scoping documents often reveal the anxiety of stakeholder groups that are not recognized as an official body. It is best that these groups be legitimized prior to finalizing membership to MMT to avoid later questions as to why they were not included at the onset as stakeholders and later as MMT member.

The notion of a third party is that it is independent. Hence the proponent and EMB-DENR are excluded from MMT membership.

C. MMT LEADERSHIP

Leadership can be entrusted to LGU, PENRO-MENRO in particular.

Such a move can also satisfy the clamor of LGUs to have greater involvement in the PEIS-M&E, lessen the load on the EMB-DENR and shield the proponent from insinuations of manipulating M&E results. The presence of NGOs/POs and other civil society groups, academe, vulnerable and marginalized groups can provide the necessary checks and balances in creating a politicized MMT that is dictated on by patronage politics.

Should there be cases of having multiple LGUs, leadership will be by rotation. Scheduling of who sits as chair during the first term will be by agreement among the member LGUs.

D. CRITERIA FOR MMT SELECTION

Membership in MMT is an important consideration in participatory monitoring work. While expansive representation in the team appears proper, team composition should not override the immediate concerns in team management. To avoid pitfalls, the various parties must agree on a set of selection criteria that will meet the minimum requirements in forming

¹⁴ Implementing Rules and Regulations, DAO 2003-30.

MMT. A documentation process should be included in selecting MMT members.

Members chosen for a MMT must:

- § Be able to regularly attend meetings, orientations/training, and actual monitoring and reporting activities;
- § Read, write, and learn the various aspects of the monitoring program and project activities;
- § Be duly nominated by a concerned party or sector (e.g., local communities, NGOs, academe, other GOs, including LGUs);
- § Be credible to the larger community with good moral character and conduct (i.e., no record of criminal indictment or conviction);
- § Should show strong interest and commitment to the project; and
- § Other criteria mutually agreed upon.

E. MULTISTAKEHOLDER ROLES AND RESPONSIBILITIES

1. MMT Members

The roles and responsibilities of the different key players to facilitate participation and communication are as follows:

- § Suggest most effective (locally popular methods) means of disclosing information to the rest of the community as well as receive feedback/complaints from other community members.
- § Initiate/attend meetings, community consultations, briefings and other activities to inform various publics of project activities and M&E results as well as for complaints management.
- § Through other forms of IEC, disseminate pertinent information on the project activities, M&E results and complaints management.
- § Be present or have a representative in all meetings and deliberations regarding project development as initiated by either the proponent or DENR-EMB.
- § Make available relevant data and information about the project and the MMT operations.
- § Volunteer as resource-persons to interpret to the community the implications of the M&E findings.
- § Represent complainants during negotiations/discussions during MMT sessions or with proponents/DENR-EMB along with proper documentation.

2. Non-MMT Members

The roles and functions of non-MMT members but are key to the success of the MMT are listed below.

a. Project Proponent

- § Provide funds for MMT operations through the EIA Monitoring and Audit Fund or EMAF.
- § Regularly inform MMT about the project development.
- § Respond to questions or complaints raised by the community through MMT.
- § Make M&E activities and results especially through accredited third party entities

transparent, open and accessible for the MMT members.

b. EMB and DENR

- § Initiate and supervise the formation of MMT and oversee its operations.
- § Regularly update MMT on policy updates affecting the PEIS-M&E System.
- § Provide resource persons to answer queries about the project.
- § Provide MMT with updated information about the project, particularly copy furnish MMT with official actions/responses to the M&E reports.
- § Maintain an updated list of the official members and officers of all MMTs.

F. Procedures in the formation of MMT

1. Procedures in determining stakeholder identification for possible representation to MMT

- § Determine impact areas as stipulated in EMAP/M.
- § Using EMAP, determine risk pathways and receptors.
- § Overlay impact areas, pathways, and receptors with geopolitical boundaries of LGUs.
- § With established boundaries, refer to Scoping and EIS in identifying stakeholder groups and validate with concerned LGUs.

2. MMT Formation

Formation of MMT follows the procedures outlined below.

- § **ECC issued to proponent**
EMB issues an ECC to the proponent and with it is the clearance for the proponent to commence organizing a MMT.
- § **Proponent initiates organization of MMT with due consideration to stakeholders identified in EIS**
The proponent then issues invitations to key stakeholders identified during the pre-ECC stage, with due respect to LGU officials and NGOs/POs active then. Heads of offices are notified.
- § **Offices to be represented in MMT should be identified in the Memorandum of Agreement**
A proforma MOA is utilized, using the existing EMB-DENR format. In principle, the principals of identified offices/institutions agree to the formation of MMT.
- § **Identified offices designate official representatives**
The signatory to MOA may select an alternate to regularly attend to MMT needs and activities
- § **EMB Regional Office acknowledges official MMT organizations and their representatives**
Upon submission of the official list of MMT members by the proponent to EMB, along with the signed proforma MOA, EMB acknowledges constitution of MMT. This now signals the legitimacy of MMT.

3. Rationalizing NGO-PO participation or representation to the MMT

In the event of multiple NGOs-POs within a project area, MMT organizers are advised to:

- § As a rule of thumb, we refer to EMAP/M in regard to priority parameters for monitoring.
- § NGOs-POs are prioritized based on how they are significantly affected by ranked

parameters as identified in EMAP/M.

- § In the event parameters cut across all stakeholder groups, NGOs-POs are then clustered, e.g., environmental group, civic-religious group, and farmer-fisherfolk group. MMT may thus have multiple NGO-PO representatives. Representation is processed in each cluster among the NGO-PO members themselves.

4. Procedures in selecting NGO-PO representative shall be:

The process by which representatives are selected is prescribed below:

- § Upon issuance of ECC, the proponent requests for a list of accredited NGOs-POs within/adjacent to the project area from concerned LGU officials.
- § LGU officials will identify accredited NGOs-POs and furnish the proponent with an official copy of such.
- § Proponent extends invitations to those in the official list issued by the LGU and provides the venue for selection of NGO-PO representatives.
- § DENR facilitates the selection of NGO-PO representatives.

Only those with organized groups can be represented in the MMT, otherwise, EMB has to assist in facilitating the organization of stakeholders at large.

IV. OPERATIONALIZING MMT

A. REVIEWING THE ENVIRONMENTAL MONITORING AND AUDIT PLAN/MANUAL

Once MMT is formed, the very first activity is for the members to become acquainted with the project they are tasked to monitor. A significant facet of orientation is to familiarize MMT with EMAP as all monitoring activities will always refer to this document.

EMAP establishes the following:

- § Prioritized and critical parameters for monitoring
- § Monitoring methods
- § Location of monitoring stations
- § Monitoring frequencies and schedules

The proponent initiates this orientation cum training in the presence of the EMB-DENR

B. PREPARATION OF THE SUBSTANTIVE MEMORANDUM OF AGREEMENT

The Memorandum of Agreement (MOA) serves as the covenant among MMT as led by the LGU (Third Party), proponent (Second Party), and DENR-EMB (First Party) to diligently perform its functions in line with the expectations set for the PEISS-M&E System. The salient features of the agreement MOA are:

1. Rationale

The rationale of MOA should be able to capture the general as well as specific goals of a certain project, as well as to contain vital information about the different parties involved in all of the project's development stages.

2. Legal Basis for the Creation of MMT

There should be a comprehensive account and bases as to how and why a Multipar-tite Monitoring Team should be created.

3. Organizational Structure of MMT

The organizational structure of a certain MMT should be well thought out and dis-cussed to avoid ambiguity and that comprehension is easily attainable.

4. MMT Functions

Specific functions not only of the MMT as a whole, but also of its different members, should be well laid out to facilitate a smooth flow of operations.

5. Institutional Arrangements and Responsibilities

Appropriate institutional arrangements, based on mandate, must be clearly spelled out. It further includes the corresponding tasks/responsibilities assigned to the partic-ipating entities (First Party, Second Party, and Third Party).

6. MMT Operations and Procedures

The MMT Operations and Procedures must be carefully planned out and discussed under this section as it specifically addresses validated issues and concerns on the field.

7. Documentation, Reporting, Public Disclosure, and IEC

Documentation, reporting, public disclosure and IEC should be properly adminis-tered to reflect transparency.

8. MMT Skills Enhancement

The MMT members should be encouraged to undergo relevant trainings, attend semi-nars and symposia to enhance whatever skills they possess and to update them-selves on recent technologies and findings. Hence this could form part of the benefit/s that accrues to the members.

9. Environmental Monitoring and Audit Fund (EMAF) Administration and Man-agement

The proponent shall commit to provide the fund for the operation of MMT through the Fund Administrator which may already be named in MMT MOA or designated at a later date. A separate MOA will be executed between the proponent and the selected Fund Administrator, witnessed by EMB and by at least one elected officer, preferably the MMT Chairperson.

MMT shall be responsible for the proper utilization of EMAF even with the designation of the EMAF Fund Administrator who shall actually administer or manage the fund

EMAF. Arrangements on the operationalization of EMAF with the Fund Administrator, remittance, and reportorial requirements will be specified in this MOA and reiterated in the Fund Administrator MOA with the proponent.

10. Amendments

Amendments may be made to improve or change ambiguous and seemingly infirm provisions and statements. This section must however indicate the manner by which amendments are legitimized.

11. Effectivity and Duration

The effectivity and duration of MMT is made explicit under this section. The perfected MOA may be subject to renewal for a specified period. This must coincide with the term of membership or office of the set of officers and fund administrator, as set or specified in the MOO.

12. Signatories

It is suggested that signatories be limited only to only four: the MMT Chair (LGU), designated fund administrator and representatives of the First (DENR-EMB), and Second (proponent) Parties. At most, it is advisable that the MMT convenes and agrees as to who and how many will officially sign for the Team.

By and large, the substantive MOA preparation serves as:

- § Guide for EIA-EMB to review current MOA of existing MMTs and provide them with the necessary leeway to improve on their MOAs as a living document based on prevailing conditions.
- § Guide for EIA-EMB to facilitate establishment of new MMTs.

C. PREPARING THE MMT MANUAL OF OPERATIONS

The Manual of Operations will serve as the “bible” for MMT operations and must include, though not limited to the following salient features:

1. Project Background

A simplified description of the project needs to be discussed under this section to contextualize the operations of the MMT. The EIS document can be used as reference.

2. Legal Basis

The most recent Laws and policy governing the functions and operationalization of MMT are as follows:

- § DAO 1996 – 37 (Revising DAO 21-92 to further strengthen the implementation of the EIS System)
- § DAO 2003 – 30 (Implementing Rules and Regulations (IRR) for the Philippine EISS)

It is suggested that Republic Act 7160 or the Local Government Code of 1991 be highlighted to give emphasis to the important role the local government units in environmental protection.

As such, it is most prudent for the members to begin with an orientation on the rationale and legal bases on how MMT came into being complete with its mandate through DENR-EMB. Their understanding of their mandate must be put to writing.

3. Vision, Mission, and Objectives

Stakeholders generally are heterogeneous in nature with dissimilar hopes and aspirations, belonging to different socioeconomic clusters, contending with multiple issues and concerns. These stakeholder groups would have to arrive at a consensus about a common vision and goal.¹⁵

Provided with the necessary mandate and the sample Code of Ethics, MMT will develop a vision-mission of how they foresee their roles to be as guardians of the environment through the specific project that they will oversee. With the vision statement and objectives as guides, a clear and concise set of objectives can be developed.

It is highly feasible to have a one-day session to include for familiarization to the MMT legal mandate along with development of the MMT visioning, missioning, and objective.

4. General Functions

The Manual of Operations (MOO) must explicitly enumerate the general functions of MMT under the enhanced system which is as follows:

- § Monitor project compliance with the conditions stipulated in ECC and commitments made in EMP by;
 - a. Reviewing and validating proponent's SMR and Third-Party Audits and submits Compliance Monitoring and Validation Report to DENR-EMB
 - b. Preparing, integrating, and disseminating simplified monitoring reports and recommendations to DENR
 - c. Validating the implementation of community IEC and SDP
 - d. Interfacing with proponent's external auditors or may hire other experts it deems necessary for validation and auditing
 - e. Initiating popularization of M&A results for community consumption
- § Prepares the MOO and Work and Financial Plan based on the proponent's EMP and SMR.
- § Institutionalizes best practice for the EMF management and administration
- § Initiates/attends meetings, community consultations, and briefings to enable them to inform and help community / public understand project activities
- § Officially receives complaints/requests from the public-at-large for transmittal to the proponent and EMB-DENR, and be able to recommend immediate measures against the complaint

¹⁵ LEAP Terminal Report, Madecor Group-Laguna Lake Development Authority. January 2004.

5. Membership, Selection, and Criteria of MMT Members

MMT membership must be specifically stated in the MOO. The basis for selection and selection process has to be spelled out. Sections under Chapter III may be used as guideline/reference. It must be stressed that MMT membership does not include for DENR-EMB and the proponent. There should be a documentation process for the selection.

Disqualification / Resignation of a Member

Resignation of a member: reasons and effectivity for possible resignation from the MMT must be presented in the Manual of Operations.

Suspension and/or removal of a member: causes for suspension and/or removal of a MMT member must specifically be enumerated under this section. Cited factors must be supported by administrative actions such as: (i) documentation of cause, i.e., letter of complaint or legal/administrative case brought against the member, (ii) special meeting called for the purpose and after due notice, (iii) the number of votes necessary to suspend/remove the member. Procedures for replacement of the member must likewise be stated.

It is suggested that any member shall be suspended and/or removed from MMT upon the conviction of, culpable violation of the Code of Ethics, negligence of duty, excessive absences, and grave misconduct. The Executive Committee or set of Officers, whichever the case may be, shall deliberate and discuss any charges leading to suspension and/or removal of a MMT member prior to the submission to the body for judgment. The Executive Committee or Officers has the responsibility to enact the suspension and/or removal order.

The Executive Committee or set of Officers has the right to decide; formulate, and implement guideline in all cases of suspension and/or removal of MMT members.

6. Replacement of a Member

A procedure for replacement of disqualified/ resigned members should also be included. The Executive Committee or Officers may set the criteria for replacement as agreed upon by the majority.

Specific responsibilities of the MMT members must be explicitly stated in the Manual of Operations. These should not greatly deviate from the general functions, rather provides substance to the general functions particularly in regard to the day-to-day operations of MMT.

7. Organization

MMT, as a whole, shall be organized as a committee tasked to make decisions on monitoring issues, plans, and strategies with subcommittees to perform specific functions. An Executive Committee may be formed if necessary; otherwise, a simple structure with functional committees will suffice. These committees must be identi-

fied and rationalized in the Manual of Operations.

An Executive Committee (Execom) that may be created shall be composed of members to be decided by the members themselves. The creation of an Execom is only advisable if the MMT membership is rather large. In particular, MMTs that cover more than two municipalities have the option to form an Execom, otherwise, a straightforward MMT structure is advised. The functions of the Execom may be as follows:

- § Organize compliance monitoring.
- § Review and endorse for EMB approval the work and financial plan.
- § Administer and manage the Environmental Monitoring and Audit Fund.
- § Resolve issues arising from monitoring activities.
- § Facilitate review of the Environmental Monitoring and Audit Plan/ Manual (EMAP)
- § Facilitate review of the self-monitoring report

MMT shall create and elect among them Officers as they may deem necessary. Officers may include Chair, Vice Chair, Secretary, Treasurer, Auditor, and PRO. These officers shall be responsible for orderly and effective operations of MMT as a group or organization and will perform the functions of the Execom in case of its noncreation or in simple structured MMT. Their roles and responsibilities as officers of the MMT organization must be distinguished from their roles and responsibilities as members of Committees formed to perform specific monitoring tasks of the Team. At the minimum, there should be officers who shall:

- § Call and preside the MMT meetings,
- § Direct and implement the MMT decisions or resolutions,
- § Review and approve the EMF disbursements,
- § Represent and speak for MMT in official activities such as meetings and consultations with DENR-EMB, proponent, and other community members
- § Record or document the MMT meetings and activities and safe keep such official records and documents.

8. Selection and Designation of Fund Administrator

Consistent with the concept of MMT as a third party auditor and with the exclusion of EMB and Proponent, the team will have to be responsible and accountable for the use of EMF. Independent action of the MMT will be ensured only if the team can undertake monitoring activities without requesting funds from EMB and/or the proponent before any activity is undertaken. In as much as MMT is composed of member organizations, a member organization will have to be selected to administer the fund.

The Fund Administrator is a qualified member organization of MMT which will accept, disburse, and report fund use to the team, Proponent, and EMB. The Fund Administrator will have to enter into a Memorandum of Agreement or Contract with the proponent whereby the proponent will undertake to release to the Fund Administrator the amount for or in consideration of the MMT's conduct of the monitoring activities and submission of reports specified in the Annual Work and Financial Plans (AWFPs) approved by EMB. The manner or interval by which the funds will be released must be such that sufficient funds has been earmarked to undertake all activities necessary to review, validate, and report on the proponent's monitoring report and other planned activities until the next release, which will be based on the acceptance/

approval of the MMT's report by EMB. Nonperformance or questionable activities of MMT can be a reason for the proponent, with the concurrence of the EMB, to hold the next release of funds. Details of the EMF mechanism are discussed in another Section.

MMT shall specify the process of selecting and replacing, if necessary, the fund administrator of EMF. A set of criteria that may be used to select a reliable fund administrator can include the following:

- § With institutional support or authorization from the governing Board or Sanggunian to accept the responsibilities and perform the functions of the EMF administrator;
- § The institution or organization has been in existence for at least three years prior to its membership in the team;
- § The institution or organization has acceptable and operational financial accounting system and regularly complies with reportorial requirements (audited annual financial statements) of concerned regulatory agencies such as SEC, BIR or COA;
- § Willing to maintain separate bank of account and books of account for EMF and prepare required financial reports;
- § Willing to be audited by external auditor that may be commissioned by MMT, Proponent or EMB; and
- § Reputed to have reliable and responsible officers and staff (especially for NGO or PO).

9. Activities and Corresponding Guidelines for Inclusion in MOO

a. Meetings

Meetings may be called upon by the MMT Chair to be conducted on a regular basis. However, other meetings may be called upon in case of emergencies or special occasions and shall be considered special meetings.

Voting rights of members – one member shall be entitled to one vote.

Voting Proxy - Proxy voting may be allowed to facilitate smooth flow of elections or decision-making. Specific rulings on this process, however, should be thoroughly discussed and strictly enforced.

Notice of Meeting - Notices may be sent using whatever media to inform members of the specifics and nature of meetings. Timely issuance of notices have to be strictly observed.

Quorum - Any decision or approval of the Committee shall require a majority vote, provided there is a quorum. A quorum may require the presence of more than half of the members, including, at all time the MMT Chair, fifty percent plus one, two-thirds of the set of members, or any number prescribed and decided upon by the members.

b. Monitoring

Periodic monitoring of project activities particularly in regard to covenants made as embodied in ECC and EMP will be conducted and described in the Manual of Operations. Procedures in the conduct of compliance monitoring should be discussed under this section, i.e., is proponent present and protocols and exit conferences made.

Another significant entry to this section is the procedure by which MMT familiarizes itself with the proponent's EMAP and monitors the project based on SMRs and results of third party audit.

Cases when MMT may seek assistance of experts in its monitoring activities have to be projected in this section with the understanding that the team shall not be absolved of their responsibilities under the MOA.

c. Information Dissemination

The manner by which information is disseminated outside the membership of MMT should be indicated in this section. Information types include (i) M&E results, (ii) MMT activities, (iii) updates about the project, and (iv) DENR-EMB messages. Information should be in simple form.

d. Annual Planning Workshop

An annual planning workshop results in the assessment of previous year's accomplishments vis-à-vis plans and targets as well as in the enumeration of the project activities/work that MMT is slated to conduct for the next regular working year. Details indicate the rationale per activity/task, schedule, human resources involved, logistics (administrative and other requirements) and financial requirements. (Please refer Chapter VI of the Handbook for the detailed discussion on activities required for compliance monitoring of MMT).

The planning results are normally plotted in Gantt chart form. The outputs are Work and Financial Plans submitted to DENR-EMB and the proponent for approval. Section G details the Work and Financial Plans as an instrument of MMT.

e. Public Disclosure and Complaints Management

This section highlights how MMT documents and verifies complaints made by the public at large. It should include the manner by which MMT prepares the team necessary recommendation/s to the complainant/s in regard to complaints that are within their capacity to address as well as those that may be redirected to another responsible agency for immediate action.

Often, complaints from communities are brought to the concerned local government unit (LGU). Since LGUs have a mandate to protect their constituents, they usually conduct their own investigation and provide solutions to the complaint.

However, since there are MMT members from LGUs, a report can automatically be furnished to the MMT for evaluation. Should such protocols be present, a proper description must be stipulated in the MOO.

f. Training

The MMT members, whenever appropriate and feasible, should discuss in this section how they may be trained on the different aspects of monitoring work to equip them with the necessary understanding/knowledge to undertake their work. Aside from the expected rigors of compliance monitoring, training topics may include, but not be limited to, skills enhancement for the required tasks. Updates or refresher courses on IEC, public disclosure, complaints management, and developments in the field of environmental management especially in regard to the project being subject to M&E, and policy may also be considered as areas for training.

Time and effort must be exerted specially on complaints management as MMT is tasked to address complaints at their level. Hence, training to focus on possible complaints and “what to do or suggest” to the complainant must be built in this section. It would be best if the team can at this point identify/provide a checklist of possible areas that complaints normally arise.

This section must likewise incorporate how new skills/knowledge will be re-echoed to other MMT members and the community at large.

g. Records Keeping

MMT shall anthologize relevant records, data, technical references, and compile monitoring reports. These documents may be used for:

- § Documenting violations of proponent and recommendation for the issuance of a cancellation or suspension order, or order of revocation of ECC.
- § Building the dataBase for different project types to strengthen the accuracy of impacts prediction.
- § Improving the preventive and mitigating measures provided under EMP.

D. DRAFTING THE MMT CODE OF ETHICS

A Code of Ethics will be adopted by MMTs to ensure a common frame by which integrity of all will be maintained in the performance of M&E functions. It would be best if the Code of Ethics is translated in the local dialect; processed with the proponent and the EMB for common understanding especially in regard to technical terms used and translated in the vernacular. Appendix 1 provides a sample/guide.

E. ENVIRONMENTAL MONITORING AND AUDIT FUND MECHANISM AND THE MMT WORK AND FINANCIAL PLANS

EMAF is a fund that a proponent shall commit to establish in support of the activities of MMT for compliance monitoring. EMAF will be established as agreed upon and specified in the MOA among EMB, Proponent, LGU, and MMT representatives. The fund will be

administered and managed according to the general policies discussed in the following paragraphs.

1. Designation of an Entity or Officer as the Administrator of EMAF

Designation of an Entity or Officer as the Administrator of EMF - The Administrator will be any of the stakeholders – MMT members other than EMB-RO and Proponent. This is consistent with the recommendation that EMB-RO and Proponent are non-MMT members and in keeping with the spirit of independent monitoring. The fund administrator can be any one of the participating private sector entities, LGUs or NGOs. (This will apply to individual or cluster/integrated MMT).

The Fund Administrator should get and present authority to act as such from their respective Board (NGO) or Sanggunian (LGU). Such authority shall indicate that the entity accepts the responsibilities of the EMF Administrator and shall be liable for any misapplication or inappropriate disbursements allowed to be charged against EMF. The Fund Administrator shall open an account with a government accredited banks in the name of MMT, with the elected Chairperson or Treasurer as signatory and the representative of the Fund Administrator as counter signatory (especially if the latter is not one of the signing officers).

The Proponent shall execute a complementary MOA with the Fund Administrator specifying among others: the responsibilities of the Fund Administrator to MMT, Proponent, and EMB; mutually acceptable manner or schedule of release of funds required by the approved Work and Financial Plans; reportorial responsibilities of the Fund Administrator; right of the of the proponent, with the concurrence/approval of EMB, to hold succeeding release of funds in case of nonperformance or questionable activities; disposition of interest income, if any, and unexpended balance of EMF at the end of the period; liability of the Fund Administrator in case of misuse of EMF. The EMB official and MMT representatives shall sign as witnesses to the MOA.

For Proponents which are Government-Owned-and Controlled Corporation or GOCC, the manner of release of funds may be based on submission of reports that are approved or received/accepted by EMB RO/CO. Initial release of funds may be based on the submission of approved work and financial plan and official acceptance of the MOA with the Fund Administrator (through a resolution) by the MMT. The Fund Administrator and MMT must ensure that the amounts, intervals of releases, and the manner or conditions of succeeding releases will not in any way hamper scheduled monitoring activities.

The rates or amounts that will be used in the preparation of the Work and Financial Plans shall be in accordance with the rates prescribed in the DAO 96-37 or DAO 2003-30 Procedural Manual. *The MMT officers or Execom shall not be allowed to prescribe amounts higher than those indicated in the Procedural Manual of DAO 96-37 or DAO 2003-30.*

EMF will be disbursed according to the approved Work and Financial Plans and within the limits prescribed in the Procedural Manual of DAO 96-37 or DAO 2003-30. Each disbursement must be supported by official receipt, properly approved, and

received disbursement voucher, or any other proof or document to support the expense incurred.

The Fund Administrator will keep updated books of accounts or accounting records of EMF together with the corresponding supporting documents. The Fund Administrator shall provide the EMB-RO and Proponent quarterly financial reports.

Any unexpended balance of the EMF at the end of the year, shall be used to fund next year's Work and Financial Plans. In case of termination of MMT operation, any unexpended balance shall be returned to the Proponent.

The Fund Administrator may charge 5 to 10% of the annual EMF amount as administrative fee. The administrative fee will be based on actual amount used for the year.

An independent auditor may be hired charged to EMF to undertake financial auditing. Financial reports are public documents and shall be provided by MMT or Fund Administrator upon request.

2. Allowable Expenses under the Environmental Monitoring Fund (EMF)

Per DAO 96-37 Procedural Manual, EMF may be used to defray MMT expenses such as:

- § Cost of transportation,
- § Board and lodging,
- § MMT meetings,
- § Sampling,
- § Shipment or transport of samples, equipment, documentation (e.g., photos and video), laboratory analysis,
- § Hiring outside experts or subcontracting of a monitoring work to a neutral party,
- § Training of MMT,
- § Preparation of monitoring reports and distribution, and
- § IEC campaign programs.

a. Cost of Transportation

Only two types of transportation costs may be charged to EMF:

- § Costs incurred during monitoring, and
- § Costs incurred in attending the MMT meeting.

For transportation costs incurred in the conduct of monitoring, the basis of disbursement shall be the actual costs incurred through cash advance or on reimbursement basis. For transportation costs incurred in attending MMT meetings, actual costs incurred may be reimbursed or a fixed transportation allowance (TA) may be granted to official members of the team.

b. Board and Lodging

To defray the costs for food and accommodation of the monitoring team, a reasonable allowance or per diem may be granted to cover such costs.

The per diem or allowance shall only be granted for the duration of the fieldwork including provision for reasonable travel time. Such allowance should not be in excess of twice the existing government rate for such travel or fieldwork. At no instance should such allowance be granted for travel of less than fifty kilometers in distance as reckoned from the place of work to the site of meeting or fieldwork.

c. Monitoring Costs

The basis of disbursement of costs for monitoring expenses (such as actual sampling, shipment, or transport of samples, equipment, documentation (e.g., photos, video), laboratory analysis shall be the annual work plan.

d. Honoraria

Payment of honoraria using the amount allocated for EMF is not allowed unless otherwise prescribed in this manual (e.g., transportation, board and lodging). The Department of Budget and Management (DBM) guidelines on the granting of honoraria may be used as a guide (Appendix 2).

Membership in MMT or other such group is considered as public service. Such membership is not supposed to be used as an excuse for income augmentation. The participation of the private sector will concretize their concern for the environmental impacts of the project, and their subsequent commitment to safeguard their community. The involvement of the public sector is in line with its commitment to serve the public.

DENR officers and personnel are not entitled to any such honoraria.

e. Other Costs

Costs for hiring outside experts or subcontracting of monitoring work to a neutral party, training of MMT, preparation of monitoring reports and distribution, IEC campaign programs, and other relevant activities may be charged to EMF provided the allocation for such purposes is included in the annual work plan and is not explicitly prohibited.

In the case of merged or integrated MMT, the management fee, administration, and other such costs for the EMF Fund Manager may be charged to the EMF.

The MMT members who participate in monitoring activities in their personal/private capacity/ies, may claim for “lost income” compensation for actual monitoring time plus reasonable provisions for travel. For example, a private medical practitioner representing his sector may claim for such compensation.

3. Work and Financial Planning

Examples of the MMT Work and Financial Plan for the enhanced M&A system are shown in the succeeding pages:

Sample Financial Plan

No.	Cost Item per activity in the work plan	Unit Cost	Qty	Day/No	1 st QTR	2 nd QTR	3 rd QTR	4 th QTR	TOTAL
1.1	Meals/venue – MMT Meeting	200	A	1	XXX				
1.2	Transportation Cost/ Allowance	150	A	1	XXX				
2.1	Meals/venue – MMT Meeting	200	B	3	XXX				
2.2	Transportation Cost/ Allowance	150	B	3	XXX				
2.3	Hire of Expert (s)	3,000*	1	C	XXX				XXX
3.1	Meals/venue – MMT Meeting	200	B	4	XXX				XXX
3.2	Hire of Expert (s)	3,000*	1	C	XXX				XXX
3.3	Transportation Cost/ Allowance	150	B	4	XXX				XXX
4.1	Meals/venue – MMT Meeting	200	B	C		XXX			XXX
4.2	Transportation Cost/ Allowance	150	B	C		XXX			XXX
4.3	Board and Lodging	≤ 600	D	C		XXX			XXX
5.1	Meals/venue –MMT Meeting	200	B	C			XXX		XXX
5.2	Transportation Cost/ Allowance	150	B	C			XXX		XXX
5.3	Board and Lodging	400	D	C			XXX		XXX
6.1	Meals/venue – MMT Meeting (planning & report preparation for confirmatory sampling)	200	B	C	XXX	XXX	XXX	XXX	XXX
6.2	Transportation Cost/ Allowance	150	B	C	XXX	XXX	XXX	XXX	XXX
6.3	Board & Lodging	≤600	D	C	XXX	XXX	XXX	XXX	XXX
6.4	Equipment/Supplies for sampling	E				XXX			XXX
6.5	Sampling Cost (per parameter	F*	F1		XXX	XXX	XXX	XXX	XXX
6.6	Honorarium (For Resource person/ expert)	≤2,500	B	C	XXX	XXX	XXX	XXX	XXX
7.1	Meals/venue – MMT Meeting (planning & report preparation for sampling/complaints verification)	200	B	C	XXX	XXX	XXX	XXX	XXX
7.2	Transportation Cost/ Allowance	150	B	C	XXX	XXX	XXX	XXX	XXX
7.3	Board and Lodging	≤ 600	D	C	XXX	XXX	XXX	XXX	XXX
7.4	Sampling Cost	F*	F1		XXX	XXX	XXX	XXX	XXX
7.5	Honorarium (For Resource person/ expert)	≤2,500	B	C	XXX	XXX	XXX	XXX	XXX
8.	Communications	G			XXX			XXX	XXX
9.	Training Cost: Meals, Transportation cost, Resource person(s), venue, and supplies and materials	G			XXX	XXX	XXX	XXX	XXX
10.	Administrative Fee	10%							XXX
11.	External Auditor	G				XXX			
12.	Supplies & Materials for reports	G			XXX		XXX		

Sample Financial Work Plan (continued)

Legend:

A - Total number of MMT Members

B - Number of MMT Committee Members/Participants

C - As required

D- Number of members entitled, those whose work place is more than 50 kilometers from monitoring/meeting location

E - Equipment deemed necessary for monitoring may be purchased and is expected to be kept and used over the its useful life by the MMT. As such, equipment outlay is not expected to be a recurring item.

F -Cost per sampling activity/parameter; F1 - Number of confirmatory sampling anticipated per quarter. Sampling cost will include cost directly related to the sample and its analysis, e.g., container bottles, chemicals and laboratory analysis of the samples. (See Estimating Sampling and Measurement - sample computation below) Estimate for confirmatory sampling is included but will be utilized only when the conduct of sampling becomes necessary.

G- Estimate, as may be required

Equipment and sampling supplies can include:

- Camera
- Measuring tape
- Ringlemann Chart
- Portable ion meters
- pH paper
- Bottles/containers of samples
- Field notebook (preferably a hardbound and waterproof engineer's field notebook)
- Black pen using no blot permanent ink
- Other simple rapid analysis kits

*Estimating Sampling and Measurement (example only)

	Parameter	No. of Sampling Sites (a)	No. of Samples/ Site (b)	Total No. of Samples (c = a*b)	Sampling Cost/ Sample (d)	Measurement Cost per Sample (e)	Total Cost of Sampling (f = c*d)	Total Cost of Measurement (g = c*e)	Total Cost (h = e+f)
1	ex. BOD	5	3	15	100	5	1,000	15,000	16,500
2	ex. TSS	5	2	10	50	5	500	5,000	5,500

Note: It is important to determine the sampling areas, number of MMT members who will accompany in the undertaking, equipment and the like to conduct confirmatory sampling.

F. MMT MONITORING UNDER THE ENHANCED M&A SYSTEM

This section addresses the two key mandates of the project-specific MMT that is organized by EMB in coordination with the proponent to assist EMB as an independent third-party monitoring entity. In certain cases, a cluster MMT may be created for several projects that are geographically integrated. The chapter is divided into two major sections: the preparation of the MMT Monitoring, Operations and Validations Guidelines and Guidelines for the Preparation of MMT Compliance Monitoring Reports.

1. Monitoring Activities

The guidelines aim to provide the team with a step-by-step procedure in preparing/ conducting its duties and responsibilities. These duties and responsibilities include:

- § Review of Proponent's Environmental Monitoring and Audit Plan/Manual (EMAP/M)

Sample Work Plan

No.	Function/Activity	Performance Indicator	1 st QTR	2 nd QTR	3 rd QTR	4 th QTR
1.0	Organizational Meeting, election/designation of officers (ExCom) and Sectoral/Committee members	Officers elected and Committees formed	■			
2.0	Review of Proponent's EMAP/M	EMAP/M reviewed/ comments submitted to EMB & Proponent	■			
2.1	Meetings = 4 times		■			
2.2	Individual assignments/hiring of expert to review EMAP		■			
3.	Prepare the Compliance Monitoring and Validation Operation Manual (MOO) including Annual work and financial plan (WFP)	MOO (with annual WFP) prepared and submitted to EMB & Proponent for approval	■			
3.1	Meetings = 4 times		■			
3.2	Individual assignments/hiring of expert to prepare the MOO		■			
4.0	Witness/attend proponent's monitoring activities	Self monitoring activities attended		■		
4.1	Field Work					
5.0	Validate proponent's semi annual SMRs and/or third party Audit as deemed necessary	SMR review report prepared and submitted			■	
5.1	Individual assignment/hiring of expert to review SMR					
5.2	Meeting = 3 times					
6.0	Confirmatory Sampling and Measurement Activities: part of validation of SMRs or 3 rd party audit	Questionable items in the report/audit resolved. Report on the sampling		()	()	()
6.1	Field Work			()	()	()
7.0	Confirmatory Sampling and Measurement Activities: verification of complaints	Report to EMB on the complaint with observations		()	()	()
7.1	Field Work			()	()	()
8.0	Conduct community meetings/ communications re: findings and verified complaints	Meetings with community conducted	ü	ü	ü	ü
9.0	Training of MMT members on how interpret proponent's or third party monitoring reports	Number of members trained; Subject of training course	ü	ü	ü	ü
10.	Administrative support	Financial reports				■
11.	Financial audit by external auditor	Auditor's report	ü			

ü As may be scheduled – any quarter

() Anticipate a number of sampling per quarter but will conduct actual sampling only when necessary

- § Review of Proponent's Self-Monitoring Reports (SMRs) and Third-Party Audit Report
- § Confirmatory Sampling and Measurement Activities
- § Complaint Verification and Management

MMT assists the EMB in compliance monitoring based on ECC and EMAP/M, reviews the Self-Monitoring Reports submitted by the proponent, and when applicable, reviews the annual audit conducted by an independent and EMB-accredited third party. It is tasked to conduct confirmatory sampling activities for perceptible pollutants of air, water, and land.

MMT should be able to perform basic data/information compilation, processing, and evaluation. The team must conduct these tasks collectively and in full transparency. Further, the MMT should adhere to agreed methods on processing and evaluating the data.

After systematic data processing and due evaluation, MMT should be able to formulate recommendations and finalize the report. While unanimity in findings and recommendations must be borne from the whole activity, disagreements may be inevitable. The team should however, fully explain unresolved disagreements in the report. With this proviso, the team members can come to a signed concurrence notwithstanding the unresolved items.

MMT may join the proponent in the conduct of monitoring. In cases when the MMT

has doubts in the Self-Monitoring Report (SMR) of the proponent, it has the option to consult the DENR personnel on technical aspects of SMR or consult/hire technical experts preferably accredited by DENR or other equivalent bodies.

a. Review of EMAP/M

Although EMAP/M is considered to be the “bible” for monitoring activities, it is a “living” document. At every anniversary of EMAP or EMAM approval (to be agreed upon between EMB and proponent), EMAP/M will be reviewed to take into account the findings of the proponent’s SMRs, the MMT monitoring reports, and the third party audit. The EMAP/M review should examine if the minimum requirements are met for each topic and scientific discipline (as determined by an expert in that specific discipline) included in EMAP/M.

MMT may review or question the setting of monitoring objectives as well as the process in determining the significant impacts and parameters that will be monitored. The team may invite a qualified specialist if there is an indication that the determination process is flawed or does not address the concerns of specific stakeholders or the agreed monitoring objectives, in general.



Makban-Philippine Geothermal Inc.(PGI) MMT drafts its manual of operations.

MMT can recommend additional monitoring parameters deemed critical to maintaining the environmental sustainability of the area. However, approval for such recommendations still rests with the review committee.

MMT must review EQPL. If EQPL set for the selected parameters are either too low or too high based on experience from the previous monitoring reports or other credible theoretical or practical reasons, the team can recommend amendment or resetting to the EMB.

The team may also review the Sampling and Measurement Plan (SAMP) as described in EMAM, if there is sufficient technical competence within the team. If the team has inadequate capability, external experts with appropriate credentials may be commissioned to undertake the SAMP review. For this purpose, an EMB-accredited environmental auditor may be engaged. The team should ensure that SAMP adheres to proven, acceptable, scientific and standard methods of sampling and measurement and are observed during the actual monitoring.

MMT may recommend partial or full cessation of monitoring activities, if warranted. This may include the following grounds: 1) full compliance with the ECC conditionality and EMP commitments, and/or 2) the proponent has set up a functional environmental management system (EMS), or 3) an SRU or alternative entity can take over the remaining monitoring tasks, or 4) an EMB-accredited environmental auditor has been hired and performing satisfactorily, among others.

Environmental Quality Performance Levels (EQPL) are a main feature of the Environmental Monitoring Audit Plan and Manual prepared and submitted by the proponent to the EMB. EQPLs standards or criteria set to measure and evaluate the environmental performance of the proponent. EQPLs are based on the Precautionary Principle of environmental management which encourages to decide in favor of the environment in cases where information may be lacking for decision-making or uncertainty in judgment may be high.

EQPLs are progressive numerical thresholds of parameters of ambient environmental quality that indicate if there is activity-related deterioration of the environment that needs management action.

EQPLs are chosen for each parameter to indicate what type and intensity of management action should be. There are ideally three EQPLs to be set for each critical environmental parameter as follows:

- § Alert Level – Management should investigate the possible cause of the deterioration while the deterioration is still early, mild and can be easier nipped in the bud
- § Action Level – Management should take positive measures to halt or reverse the environmental deterioration to avoid reaching critical levels which tend to be harder and more expensive to arrest or reverse.
- § Limit Level – Management should avoid reaching this stage at any or all cost in as much as irreversible and expensive damage to the environment and human health and welfare may be imminent or have already occurred and there is the threat of closure or stoppage of operations by regulatory authorities.

As a general rule, the Alert Level is set at that point where there has been a 10% significant negative change in the environmental quality as measured by a particular parameter. In this case, a reliable baseline or benchmark value of the parameter must have been earlier set to reference to or determine the significance of the negative change in environmental quality. The first move is to confirm if the sampling and measurement for that parameter is accurate. If so, the cause should be ascertained, including factors external to the operations. In any case, closer monitoring will be required. If the deterioration is confirmed, it must be estimated when the Limit Level might be reached and the Action Level validated.

The Action Level is set at a point of deterioration that is lower than the Limit Level to give enough time to institute positive environmental measures. Generally, measures involving infrastructure require longer gestation periods and must be considered in setting the Action Level.

The Limit Level must be avoided by management as regulatory sanctions, penalties and closure may be the consequence. Thus, the Limit Level of the various environmental quality parameters refers most often to statutory limits or ambient environmental standards, industry standards or best practices, or consensus among the key stakeholders. The Limit Level is thus bad for business and carries a lot of financial risks and bad publicity to the company.

b. Review of SMR and Third-Party Audits

MMT will review the self-monitoring reports submitted by the proponent as well as the annual audit conducted by an independent and EMB-accredited third party submitted. The main purposes of the review are to validate the veracity of the proponent's and auditor's reports, to ascertain the compliance status of each ECC conditionality and EMP commitment, to determine the effectiveness of the EMP measures, and the proponent's response to an environmental impact or action such as noncompliance, valid complaint, environmental accidents and the like.

MMT should ensure the following in reviewing the monitoring reports. They may use the table/checklist on page 30 to simplify their work.

To ensure that the sampling and measurement protocols specified in SAMP are met during actual field sampling activities, the MMT members should accompany the proponent's representatives during the field sampling activities. As an added benefit, it may promote transparency between the proponent and the other stakeholders. In the event that there are deviations in the protocol, these should be justified (i.e., due to adverse weather conditions there was a change in the schedule). The team should ensure that the deviation is justified and will still result in collecting valid data for a particular parameter.

c. Confirmatory Sampling and Measurement Activities

MMTs are not mandated to do sampling and measurement activities such as those described in SAMP of EMAM. However, there are instances when an MMT must verify a suspicious data set or finding or validate a public complaint. In such cases,

Responsibility/Item	Yes/No	Comment
Have the identified impacts and monitoring parameters listed in the EMAP sampled and measured based on the agreed upon process, standards and protocols described in the SAMP?		
Were the QA/QC procedures and Chain of Custody (CoC) strictly followed?		
Are there any exceedances in the agreed upon EQPLs of the impacts/monitoring parameters, (ensure that the project is meeting the required regulatory standards and that there are no overall adverse impacts in the area as a whole, not necessarily from the project, but maybe from the other contributory factors)? Comment on the proponent's handling of the exceedances, if any		
Are mitigating measures in place to minimize the impacts?		
Were appropriate environmental management actions (i.e., fines, penalties, CDOs) enforced?		
Are recommendations for future reports and monitoring activities included?		
Are there any discrepancies or differences between third party audit reports with proponent monitoring reports and previous MMT reports (if there are differences, between the monitoring reports and the audit report, these should be adequately explained in the audit report and recommendations provided on how to address the discrepancy)?		
Are there any valid complaints? Comment on the complaint management of the proponent.		

it may be prudent for the team to do confirmatory sampling and measurement activities either on its own or through a hired expert.

The procedures in conducting Confirmatory Sampling and Measurement Activities are as follows:

- § Determine which data needed confirmation, validation or verification
- § Identify the parameters needed for confirmation, validation or verification
- § Choose appropriate sampling and measurement protocol (or SAMP from EMAP)
- § Conduct SAMP
- § Process data
- § Prepare and disclose report of confirmatory sampling and measurement

Due to lack of technical knowledge and equipment, sampling and measurement activities for MMTs should be limited to simple techniques such as reading Ringlemann charts (used for grading the density of smoke), using pH paper (used to determine acidity/basicity), temperature changes, and visual observation/inspection (i.e., change of color in water, fish kills, loss of crops). However, if the team has the technical background (i.e., an MMT member is an academic institution like UPLB), they should strictly follow SAMP in EMAP.

MMT members should also accompany members of the monitoring team of the proponent to ensure transparency of the field monitoring process. Additionally, the team can ensure that SAMP is actually followed and will help in preparing the documentation for the MMT Compliance Monitoring Report.

Confirmatory Sampling is also necessary in verifying complaints which is discussed further in the following section.

In conducting Confirmatory Sampling, the MMT members should bring the necessary equipment (a checklist will be provided in the MMT Compliance Monitoring and Validation Operations Manual Annexes). Equipment can include:

- § Camera
- § Measuring tape
- § Ringlemann Chart
- § pH paper
- § Field notebook (preferably a hardbound and waterproof engineer's field notebook)
- § Black pen using no blot permanent ink
- § Portable meters for selected ions
- § Other simple rapid analytical tools depending on parameters to be monitored.

They should record their observations and all activities as detailed as possible in the field notebook. This includes the date and time of the different observations, diagrams showing position of landmarks, and receptors in relation to where the complaints were observed or where the samples were taken.

The team should only write on the right side of the notebook and leave the left side blank. Mistakes should not be completely erased but should only be struck out using 1 horizontal line (in the case of figures, an x mark will do). Permanent ink should be used, ideally one that does not blot when exposed to water.

Once the observations have been written, the individual team member should mark the end of his/her notes. This is to prevent other persons from adding information or misinformation to the notes.

All these precautions are necessary as the notebook can be used as evidence for litigation as well as for Pollution Adjudication Board (PAB) proceedings.

d. Complaints Verification and Management

The team is the first line in the processing of complaints. Once a complaint is received, it should be properly recorded in a logbook. The MMT members should

immediately form a team to verify if the authenticity of the complaint. Verification may involve Confirmatory Sampling and measurement activities which are discussed in the previous section. Once a complaint is verified, it should be forwarded to EMB with the MMT's observations and other related paperwork. If there is a need for immediate action by the proponent to prevent further or minimize environmental damage or threat to human health, the proponent must be informed immediately.

2. MMT Compliance Monitoring Report

This report aims to primarily validate SMR that is being prepared by the proponent and/or its auditor's report. It will serve as the main document that will affirm the role of MMT as a watchdog of the project.

Compliance monitoring addresses essentially the compliance status of the ECC conditionalities and EMP commitments.

a. Executive Summary

This section should contain a summary of the whole report. It should include a table showing the status of each conditionality/impact/parameter based on the findings of the report. A sample table can look like this:

Conditionality/Impact/ Parameter/Commitment	Status*	Present Action	Recommendation	Comment

*Status can either be complied (meaning this is a one-time compliance requirement), complying, or not complying.

"Present Actions" in the table heading describes what actions are being undertaken to meet compliance with the Conditionality/Impact/Parameter/Commitment. Recommendations should present the steps needed to attain and maintain compliance.

b. Introduction

This will be based on a template with only the facility name, date, and location changing from report to report.

c. Methodology

This section should cover the steps taken by the team that resulted in the current monitoring report.

Depending on the type of monitoring report (whether it is reviewing a proponent's self-monitoring report (SMR), a third party audit report, or preparing a complaint verification report and Confirmatory Sampling and analysis report), it should cover detailed steps taken by MMT in preparing the monitoring report.

This section should be as detailed as possible, especially in conducting sampling and measurement activities and complaints verification. The team should also refer to the MMT Compliance Monitoring and Validation Operations Manual and EMAP (specifically, the Sampling and Measurement Plan). For sampling and complaints verification activities, a detailed map showing sampling locations and observed abnormalities or deviations in the environment must be included.

d. Results and Discussion

This section should discuss the results of the monitoring process, which encompass several activities.

3. Review of Monitoring Reports

This section should compare the identified conditionality/impact/parameter compared with the set of environmental quality limits to determine if there are any exceedances or non-compliances. It should discuss the reasons of any exceedance or noncompliance and if the team agrees with the findings of the monitoring team.

It should also discuss if SAMP was implemented to the letter. It is therefore critical for MMT to accompany the proponent's monitoring team during the sampling activities to verify adherence to SAMP. Should there be any deviations from SAMP, it should also be discussed in this section along with its rationale.

a. Third-Party Audits

For third party audits, this section should include if the SAMP was followed. It should also include the discussion on the findings of the audit and if MMT agrees with this.

b. Confirmatory Sampling and Measurement Activities

This section should present the data gathered during the sampling activities. It should discuss what samples have high concentrations of pollutants compared to the limits. Data should be tabulated on a per parameter basis and should look something similar to this:

Parameter	Date/Time Sampled	Location	Analytical Result	Limit		
				1	2	3

c. Complaints Verification and Management and Reports on Accidental Spills and Releases

For complaints verification, this section should discuss the complaint, the location where the complaint was located, detailed observations of the monitoring team high-

lighting anything out of the ordinary or having any adverse impact on the environment. For details on the methodology for sampling and measurement activities, refer to the previous section.

This section should also report any accidental spills or releases that have the potential to impact the environment and human and ecological health, although there may be no official complainant. The response or action undertaken by the proponent should be explained.

d. Recommendations

This section should discuss the recommendations of the monitoring reports and the rationale behind it. The justification should be based on the findings and discussed in the results and discussions section. A summary of the recommendations should also be presented in bulleted format.

e. Attachments

This section should include pictures, laboratory results, complaint letter/log, certifications, SRU acknowledgments, recommended alternative methodologies, summons, Notice of Violations (NOVs), among other appended relevant documents or materials.

4. Process Documentation (Prodoc)

Monitoring reports are procedural in nature. For MMTs to fully capture the essence of monitoring, a substantive tool in report presentation is needed. **Process documentation** is a process-oriented data-gathering tool that aims to enhance understanding of the relationship between process and structure as inputs to institutional learning. **Prodoc** is used **selectively** to capture group dynamics, issues, and concerns affecting an innovation (for example, a model piloting exercise), a controversial project, or social dilemma. It is **selective** because it is meant to identify the facilitating and constraining factors and eventually the solutions to problems confronting a proposed intervention.

Process documentation is both a means to an end and an end in itself. The activity of capturing and recording the process stimulates reflection and self-analysis among participants – an important part of a continuous learning process.

Moreover, site-based process documentation is intended as a tool for decision-making, self-evaluation, and improvement efforts.

Since prodoc is time consuming, time should not be wasted on very obvious or very established patterns already just for the sake of having a prodoc.

a. The Relevance of Prodoc

Process documentation is not a mere notation of an exercise but is more of a detailed description, and analysis of different activities undertaken during a course of study. It analyzes significant observations and concerns and issues as articulated and addressed in different stages of the study. **Prodoc** allows for the recording and analysis of strengths and weaknesses, for instance, in regard to multistakeholder participation.

Process documentation fosters reflection, analysis and real-time learning. It also

collects in-depth data on contextual factors that are hard to measure in other ways.

Process documentation is used to help understand and explain complex or long-term projects or activities. It looks at what happened to bring about change. It tells how different people look at what is happening. It provides information about why some things work or did not work or were modified along the way.

Process documentation is a tool for decision-making, self-evaluation, and improvement efforts.

b. Observation Techniques in Prodoc

Process documentation should focus on dimensions that are most likely to affect or influence the initiative's success. These may include stakeholders' perceptions; roles and relationships; decisions and trade-offs; strategies; priorities; activities and events; investments and accomplishments; factors that shape the context in which any focus of study is operating including factors that help explain outcomes; implications; and lessons.



The role of the process documentor is to translate ideas and lessons into knowledge.

In conducting prodoc, the following are noted:

- (i) Focus on activity objective/s
- (ii) Based on the objectives set, the prodocumentor observes both the process and content and notes are taken on the following:
 - § Context of the gathering - reason for the activity, where, when, who are present.
 - § Actors/players involved- note how actors or key players relate to one another (e.g., protagonist, antagonist, supporting roles, pro, and anti) within the context of the activity.
 - § Identify what is being said; how it is said and include non-verbal actions.
 - § Note if politics, or the ability to influence others come into play. Determine the tactics employed.
 - § Identify the major forces to be transacted with, if any, and consider the possible entry points to deal with such force. Attempt to understand the psyche of that force if it involves a person or a group. This may be supplemented by other methods (for example, KII).

Based on the above data gathered, sift and determine possible methods and techniques for eradicating or working through the barriers/constraints as well as strengthening catalytic factors.

Thoroughness and **focus** are more important than volumes of details. Exhaustive descriptive information without synthesis or analysis is likely to frustrate both those creating it and those trying to use it.

c. Attributes of a Good Process Documentor

People doing process documentation are not merely notetakers or recorders – they are writers seeking to capture what it is that needs to be learned. Their role is to translate ideas and lessons into knowledge. Therefore, a prodocumentor requires skills in listening, quick mental processing, integrating, and psyche reading. Other attributes for someone doing prodoc include the ability to work with local stakeholders; a long-term and big picture perspective; and creativity in presenting data in various ways.

Those doing process documentation need to know who their audience is. This affects what you observe and how you present observations. It's really important to think '**why**' and '**for whom**' with process documentation.

d. Process-Oriented Techniques

Process documentation attempts to capture many different types of information, so it relies on a combination of methods that are repeated periodically. These methods include:

- § Interviews with individuals;
- § Focus groups;
- § Document reviews; and
- § Observation of selected events

e. Packaging Results of Prodoc

Results of process documentation should provide information sufficient enough to support in-course corrections. Reports should be easy to use and relevant to users' interests. Products may include:

- § Brief, informal memos explaining major issues uncovered through documentation activities.
- § Periodic summaries of themes or patterns in strategies, actions and perceptions among core stakeholders groups or across all major collaborators.
- § Periodic in-depth examinations of issues that identify potential courses of action.
- § A comprehensive summary of participants, activities, strategies, accomplishments, obstacles, progress towards outcome goals, etc.

Results of process documentation should be prepared at useful intervals and in user-friendly formats.

f. Submission of Prodocs

Prodocs are produced for technical reports submitted to EMB (i.e., CMVR, SMR Review). These will be attached to all technical reports to form the substantive nature of the monitoring activity/ies.

G. PUBLIC DISCLOSURE AND IEC

The multisectoral nature of MMT makes it an effective channel for disclosing both information and complaints from the public at large to EMB/proponent and vice versa. Public disclosure has been feared by those not familiar on how to deal with it. Documentation, reporting, public disclosure and IEC should be properly administered to reflect transparency. Complaints, when made, should undergo the proper process with due consideration to the time factor avoiding red tape and bureaucracy.

The team must proactively seek feedback from the concerned public who may not have easy access to the usual communication channels of the regulatory agency or the project proponent. They must use new information in planning exercises for succeeding monitoring activities. Where they encounter valid complaints, they must refer this to a competent body, which maybe defined by the MOA as a subteam of the team.

Information may be disseminated through a number of available media in a certain locality. Findings reveal that the most convincing at the community level is the interpersonal type, which includes for training, community consultation, barangay fora, house to house calls, and at some instances, participation to the monitoring process.

The matrix below manifests how public disclosure can be well complemented by IEC efforts.

Matrix of IEC Activities

WHAT TO DISCLOSE	WHEN TO DISCLOSE	HOW TO DISCLOSE
1. M&E Results	After the submission of SMR	<ul style="list-style-type: none"> • Public Forum • Distribution of IEC materials • Invite local trimedia
2. MMT activities	Quarterly	<ul style="list-style-type: none"> • Newsletter in local dialect • Community dialogues • Public announcements (roving) • Banners/ bulletin boards
3. Updates of the projects 4. DENR-EMB messages	When available	<ul style="list-style-type: none"> • Distribution of simplified version of the policies and information • Public Forum
5. Issues and concerns arising from the community	As it comes/ arises	<ul style="list-style-type: none"> • Public Forum

Note: Contents of documents to be released shall be discussed by MMT with the proponent.



MIRANT-Pagbilao joint proponent and MMT groundwater sampling survey.

V. MMT PERFORMANCE AUDIT

A. RATIONALE FOR MMT PERFORMANCE AUDIT

The creation of a Multipartite Monitoring Team or MMT for the purpose of assisting EMB in its conduct of compliance monitoring has been strongly institutionalized in the provisions of PD 1586 Implementing Rules and Regulations starting from DAO 21 in 1992 up to DAO 30 of 2003. However, to date, there exists no planned system of assessing whether or not the MMT as a public participation mechanism and as an EMB M&E partner has been effective in the execution of its mandated functions. The contributions of MMTs in promoting good environmental performance of project proponents have not been sufficiently evaluated.

In line with the proposed improvements in the current MMT setup and its operations, an MMT Performance Audit is proposed to complement the M&A system enhancements. Further, it enables members to police their ranks as they all try to uphold the essence of the Code of Ethics, agreements entered into through the MOA and protocols and protocols developed among them as stipulated in the MOO.

The audit would allow for continual improvement of MMTs.

Hence, all MMTs shall undertake an internal performance audit to address any deviations or nonconformances before these become major or gross violations in a timely fashion.

B. SCOPE OF THE MMT PERFORMANCE AUDIT

The scope of the audit shall cover the MMT's administrative and financial management systems and technical operations. The scope of audit shall cover the following:

- (i) Documents containing the MMT's outputs in the implementation of its functions (CMVR, AWFP, IEC materials, Complaint Reports and Actions Taken); and
- (ii) All procedures followed to formulate the documents, particularly the public participation process which was observed in the implementation of the MMT functions (using Prodoc reports, attendance and the like).

C. AUDIT CRITERIA AND SCHEDULE

At the onset, the MMT performance audit shall include completeness of such documents as the MOA, Code of Ethics, and MOO. However, on an annual basis, performance audit will focus on expected annual outputs of MMT as indicated in AWFP. AWFP will serve as the predefined targets for MMT operations and the team will be evaluated against these.

MMTs practice self-determination in establishing their targets for inclusion in the AWFPs as guided by the EMB and proponent using the EMAP/M as major reference.

MMTs therefore must agree on the performance criteria they will use to apply on themselves. Examples of criteria for the MMT performance audit are as follows:

- § Timeliness in preparation and submission of reports (i.e., CMVR and SMR validation);
- § Completeness of reports produced;
- § Timeliness and appropriateness in addressing complaints;

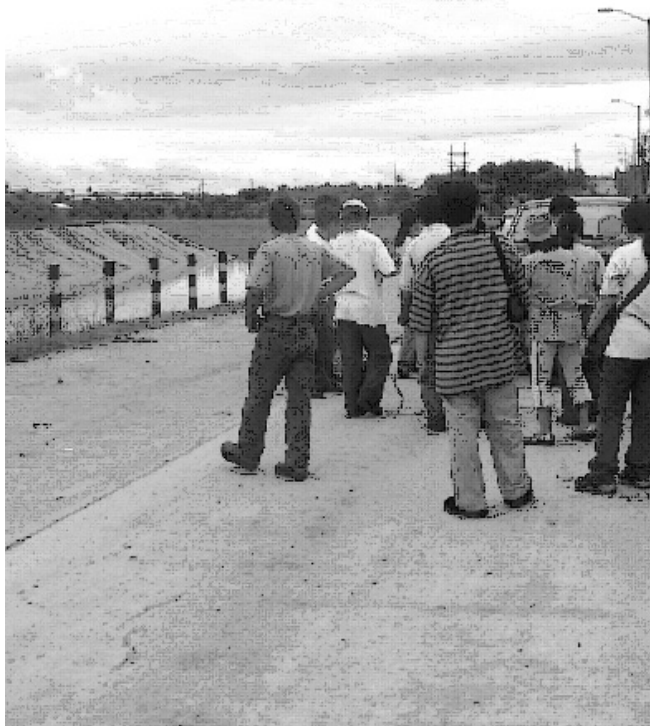
- § Attendance to MMT activities;
- § Relevance, appropriateness, and timeliness of IEC material/s produced and trainings attended; and
- § Financial standing (disbursements);

D. AUDIT PROCEDURE

Once MMT shall have established the criteria for which they will be audited, they will submit the criteria to EMB and proponent for comments. EMB will assist the team in developing an acceptable set of forms for the performance audit which are otherwise simplified form in checklist format. These forms will be most useful if aligned with the performance audit requirements that EMB will conduct on MMT.

Always bear in mind that this Handbook is anchored on the principles of participatory M&A, hence is self-evolving and requires consensus not external impositions though with the Handbooks and EMAP/M as guide.

Agreements (MMT and its members, EMB, and proponent) made on the criteria and forms indicate the signal that the team is ready for self-performance audit. Any adjustments made on the applicability of the criteria or form will have to be coursed through the EMB.



MIRANT-Pagbilao joint proponent and MMT groundwater sampling survey inside the power plant's facility.

E. CONTENTS OF THE AUDIT REPORT

The audit report shall contain, but not limited to the following:

- § Cover Transmittal Letter to EMB; copy furnished the proponent;
- § Cover page
- § Executive Summary
- § Table of Contents, List of Figures (if any) and List of Annexes
- § The Audit Objectives
- § Major Findings (arranged by criterion)
- § Explanations of the major or important deviation from those stipulated in the AWFP
- § Audit Conclusion
- § Recommendations for corrective actions, including any separate section on recommendations for improvement of the audit procedures
- § The completed Performance Audit form (preferable in checklist) along with necessary attachments including prodoc, maps and photographs
- § Signatures of the MMT Chair, Secretary, and Lead Person.

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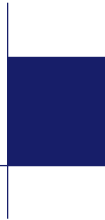
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Stakeholder Identification, The World Bank (www.worldbank.org).



APPENDICES

- 1 Code of Ethics
- 2 DBM Guideline

APPENDIX 1

Code of Ethics

CODE OF ETHICS FOR MMT MEMBERS

The norm of ethical standards that shall govern the personal and professional conduct of the MMT members in order to maintain the integrity of the EIS System, ensures objectivity in the monitoring and evaluation process of EIS and promotes public interest.

Section 1: Principles

- 1.1 Shall be committed to the service of God, country, and humankind (services/endeavors – in accordance with the rhythm and harmony of nature)
- 1.2 Shall be committed to the highest degree of professionalism, excellence, and integrity in the practice of profession.
- 1.3 Shall uphold and obey all relevant laws, rules and regulations and legal orders; observe fairness, courage, honesty and sincerity (mindful of role in attaining ecological balance, public order, safety and convenience at all times).
- 1.4 Shall be transparent in dealings and avoid activities which will create a situation/condition of “conflict of interest”.
- 1.5 Shall devote attention to the physical, economic, and social problems and needs of the stakeholder groups as well as the identification of the positive cultural and social values and economic assets to be preserved.
- 1.6 Shall render competent credible service within the context of the PEIS-M&A System.

Section 2: Moral responsibility of the MMT member

- 2.1 Shall not accept “bribe” in any form in exchange for a favorable recommendation on the monitoring report; and
- 2.2 Shall not promote any form of misinterpretation, or mislead the public by providing false or inaccurate information about the project.

Section 3: Responsibility of the Co-MMT members

- 3.1 Shall share results of experience on M&A, public disclosure/IEC and address complaints, which could contribute to the efficient administration of the PEIS-M&A System;
- 3.2 Shall not give opinion which will tend to destroy credibility of his/her colleagues except upon lawful order from the Court or on subpoena issued by the Environmental Management Bureau; and
- 3.3 Shall endeavor to increase and broaden range of opportunities for the PEIS-M&A System involvement/competence/ development.

Section 4: Relationship to DENR and/or Proponent

- 4.1 Shall observe candor and fairness in actual M&A;

- 4.2 Shall conduct monitoring in accordance with the standards set forth herein and in the Multi-Stakeholder Participation Handbook and/or MMT Manual of Operations;
- 4.3 Shall render competent credible service within the context of the PEIS-M&A System;
- 4.4 Shall make timely and appropriate recommendations regarding the results of monitoring project operations decision-making and undertakings;
- 4.5 Shall render timely and appropriate advice especially on hearing complaints;
- 4.6 Shall exercise utmost confidentiality of information and related documents obtained until the time is proper for effective disclosure;

Section 5: Responsibility to Public and to Country

- 5.1 Shall have special concern for long-range consequences of present actions and pay close attention to the inter-relatedness of decisions and opinions.
- 5.2 Shall plan and implement for the appropriate means of addressing informational needs of the disadvantaged, disabled, vulnerable and underprivileged groups or persons who will be affected by the development project.

APPENDIX 2 DBM Guideline

DBM Guide of the Granting of Honoraria

National Compensation Circular No. 75

March 1, 1995

TO: Heads of Department, Bureaus, Offices and Agencies of National Government Including State Universities and Colleges, Government-Owned and/or Controlled Corporations and Financial Institutions; and All Others Concerned

Subject: Prescribing the Guidelines and Procedures for the Grant of Honoraria to Government Official and Employees

1. PURPOSE

This Circular is being issued to prescribe rules and regulations to implement the pertinent provisions on honoraria under Letter of Instructions No. 565 and the annual General Appropriations Act.

2. Concept of Honoraria

An honorarium is a form of compensation or reward paid over and above the regular pay in recognition of gratuitous services rendered by government personnel covered under this Circular. In general, honoraria is paid to government personnel for additional work rendered which is not among his regular functions, but may also be paid to non-government personnel for special services or for membership in projects.

3. Coverage and Exemptions

3.1 This Circular shall cover the following:

- 3.1.1 agency personnel performing or discharging duties in agency activities or special projects in addition to or over and above their regular functions regardless of the sources of fund.
- 3.1.2 researches, experts and specialists who are acknowledged authorities in their field of specialization, other than those paid consultancy fees; and,
- 3.1.3 military personnel who are rendering security services to the Congress of the Philippines including its committees.

3.2 The following are not covered by this Circular but shall continue to be paid honoraria at rates prescribed by existing rules and regulations:

- 3.2.1 teaching personnel of the Department of Education, Culture and Sports (DECS) and State Universities and Colleges (SUCs) engaged in actual classroom teaching whose teaching load is outside regular office hours and/or in excess of regular load.
- 3.2.2 teaching personnel of SUCs designated as heads of department;
- 3.2.3 government personnel acting as lecturers, resource persons, coordinators and

facilitators in seminars, training programs and other similar activities; and

3.2.4 members of governing boards of government collegial bodies or comities.

4. Definition of Terms

For purposes of this Circular, the following terms shall be defined as follows:

- 4.1 Agency Activity/Special Project - an undertaking by a composite group of officials/employees from one or more bureaus/offices of a department/agency of from one or more department/agencies which is not among their regular functions. An agency activity/special project which shall hereinafter be referred to as project shall have a specific timeframe of not less than one month, and shall result in an output or sets of outputs which are not part of the regular of the departments or agencies concerned.
- 4.2 Project Component – a specific group undertaking within the scope of the entire project which ahs a distinct set of outputs, accomplishment of which require independent internal planning and development.

5. General Guidelines

- 5.1 Heads of national government agencies, including government-owned and/or controlled corporations, may grant honoraria to government officials and employees in accordance with the rules prescribed in this Circular, without need for approval by the DBM.
- 5.2 The grant of honoraria shall be subject to availability of appropriations for the purpose and shall not require additional funding from the national government.
- 5.3 Any official or official may be permitted to participate in more than one project, provided that the total honoraria received shall in no case exceed fifty per cent (50%) of his annual salary.
- 5.4 The grant of honoraria shall not be subject to compliance monitoring by the DBM and may be revoked or modified upon verification of non-compliance of this Circular, without prejudice to sanctions that may be imposed under the existing accounting and auditing rules and regulations.

6. Honoraria for Project Personnel

- 6.1 Personnel assigned to projects shall be entitled to honoraria based on the level of responsibility and the nature of work assigned. For this purpose, the following hierarchical levels, duties and responsibilities of positions shall serve as the basis for assignment and determination of honorarium rates personnel assigned to projects:

Level I. Project Management Committee Chairperson

Vice – Chairperson or equivalent

Project Manager/ Director or equivalent

Plans, directs and coordinates the activities of the project, and the efficient allocation and utilization of the project's physical, financial, manpower and technological resources, to ensure that its objectives and targets are accomplished in accordance with prescribed priorities, schedule, timeframe and budgetary allocation.

Or is directly responsible and accountable to the agency head for the effective performance and accomplishment of the project.

Or participates in the overall planning, policy and strategy formulation and supervision.

Level II. Project Management Committee Member or equivalent

Assistant Project Manager or equivalent

Project Consultant/Researcher/Expert/Specialist

Assist project head in carrying out his duties and responsibilities. Acts as Project Manager in the absence of the superior. may undertake the management of specifically assigned group of project components.

Or participates in the overall project planning, policy and strategy formulation and supervision.

Or provides advice on or perform highly specialized research and development work along professional, scientific, technical, creative and artistic matters vital to the successful attainment of the objectives and targets of the project/agency.

Level III. Technical Staff Team Leader/Coordinate

Senior Technical Staff/Team Leader

Heads a group of Technical Staff/Team Members who are assigned to a specific project component or groups of components. May formulate own plans, methods of approach, guidelines or procedures subject to the overall project objectives.

Or performs the difficult phases of a specific project component or group of components which may or may not be subject to technical review but is responsible for its correctness, technical adequacy and reliability.

Level IV. Technical Staff/Team Member

Performs the simple phases of a specific project component or group of components which is subject to a technical review and is answerable for its correctness, technical adequacy and reliability.

Level V. Administrative Staff

Undertakes administrative and support services for the project, including but not limited to, personnel, financial, records, supply management and other auxiliary services.

- 6.2 Project personnel shall be entitled to monthly honoraria not exceeding the following amount, subject to the specific rules and procedures in this Circular:

Project Position Level	Permissible Ceiling
I	P2,500.00
II	2,000.00
III	1,600.00
IV	1,200.00
V	800.00

- 6.3 Payment of honoraria for personnel covered under Item 6.1 hereof shall be subject to compliance with the following conditions:

- 6.3.1 Approval of a project plan. The project plan should be approved by the Department Secretary or agency and should specify objectives, outputs, activities, schedules, resources and manpower requirements and costs.
- 6.3.2 Performance-based honoraria. The payment of honoraria shall be performance-based and shall be accordance with the schedule of submission and acceptance of the outputs stipulated in the approved project plan.
- 6.3.3 Determination of Performance-based honoraria. The determination of the amount of honoraria to be paid to each personnel on assignment to a project shall be based on the schedule of outputs contained in the approved project plan and the guidelines to be prescribed by the Department Secretary or agency head for the project which may include factors such as, but not limited to performance, productivity and number of hours rendered, using the following categories.

	Percentage of Permissible Ceiling
High	100%
Medium	80%
Low	60%

- 6.3.4 Official designation. To be entitled to honoraria, personnel should be specifically designated or authorized to represent agencies or to participate in projects by the head of their mother agencies.
- 6.3.5 Non-payment of overtime service. No personnel shall be paid overtime pay from the project from which he is receiving honoraria. He shall, however, be eligible to collect overtime pay for any authorized overtime services rendered to undertake regular office work in his mother unit.
- 6.4 Project personnel who are on call status as resource persons in a project, shall be paid honoraria on per project basis at an amount not exceeding P2,000 per project.

7. Honoraria for Military Personnel

Military personnel who are rendering security service to the Congress of the Philippines including its committees shall be paid monthly honorarium not exceeding the following rates:

Rank	Monthly Honorarium Rate
Private	P 600.00
Private First Class	600.00
Corporal	700.00
Sergeant	900.00
Staff Sergeant	1,000.00
Technical Sergeant	1,000.00
Master Sergeant	1,200.00
Second Lieutenant	1,500.00
First Lieutenant	1,700.00
Captain	1,900.00
Major	2,100.00
Lieutenant Colonel	2,300.00
Colonel	2,500.00

8. Honoraria for Non-Government Personnel

Non-government personnel who are involved in a government authorized projects on an official basis may be entitled to the honoraria prescribed herein, subject to the approval of the Department Secretary or agency concerned and to the specific rules and procedures in this Circular.

9. Reimbursement of Expenses

Project personnel who, by reason of law or jurisprudence, are not eligible to receive honoraria, shall be allowed reimbursement of miscellaneous expenses not expecting the following rates, subject to certification under existing auditing rules and regulations:

Position Level	Permissible Ceiling (per month)
Secretary or equivalent	P 5,000.00
Undersecretary or equivalent	4,000.00
Assistant Secretary or equivalent	3,000.00

10. Responsibility of the Head of Department/Agency

The head of department/agency shall be responsible and held personally liable for any honoraria paid not in accordance with the provisions of this Circular, without prejudice to the refund of any excess payment by the officials and employees concerned.

11. Funding Source

Payment of honoraria authorized shall be charged against the appropriations of departments/agencies concerned, as provided under the General Provisions of the General Appropriations Act.

12. Resolutions of Issues

Issues and conflicts arising from the implementation of this Circular, and cases not covered by the provisions herein shall be submitted to the DBM for resolution.

13. Repealing Clause

All circulars, guidelines, rules and regulations or provisions therein which are inconsistent with the provision of the Circular are hereby modified accordingly. All previous approval and authority granted by the DBM which are inconsistent with this Circular or are in excess of the rates prescribed herein are likewise deemed superseded and modified accordingly.

14. Effectivity

This Circular shall take effect on January 1, 1995.

Salvador M. Enriquez, Jr.
Secretary