

## Republic of the Philippines Department of Environment and Natural Resources

# Region IV- MIMAROPA

# COMMUNITY ENVIRONMENT AND NATURAL RESOURCES OFFICE

Barangay III (Poblacion), Roxas, Palawan Contact No. 09171606578 / 09175028647

Email address: cenroroxaspalawan@denr.gov.ph

29 September 2021

## **MEMORANDUM**

**FOR** 

: The Regional Executive Director

THRU

: The PENR Officer

**FROM** 

: The CENR Officer

**SUBJECT** 

: OPPOSITION TO IMPLEMENTING REVALUATION FOR COLLECTION OF GOVERNMENT SHARE FOR FLAGT NO. 07-2010 OF MS. ESPERANZA DELMO-BUTIKOFER IN

BGY. PORT BARTON, SAN VICENTE, PALAWAN

For consideration are grounds upon which the opposition referred to in the subject hereof are premised.

Thank you for affording the matter with the second look desired.

For the CENR Officer:

RONNIE P. LILANG

Chief, Regulation & Permitting Section Office-In-Charge

Copy: file

Email Address: cenroroxaspalawan@denr.gov.ph

### DOCUMENT ACTION INFORMATION FORM

Doc. Ref. No.: 2021-4460

Date and Time received:

09/29/2021 4:03:55 PM

From: SHERLY PATAWEG

Document Type:

Letters

MAGARA, ROXAS, PALAWAN

Subject: LETTER DATED JULY29, 2021 FROM CENRO ROXAS PALAWAN RELATIVE TO THE REVALUATION OF GOVERNMENT SHARE FOR FOREST LANDUSE AGREEMENT FOR TOURISM PROJECTS (FLAGT)

Attachment(s): No attachment(s)		Earmarked As:
Date: Off >9 From:	ac	Ta felent
Action Recommended/Required:	Processing Time:	Other Instruction(s):
For Action For Review/ Recommendation For Approval For Disbursement/ Payment For Official Release For Signature For Review/ Recommendation For Information, Record and File For Indorsement to concerned Party(ies Return to Payee/Sender	Urgent (w/in the day)  Priority (w/in 3 days)  Complex  w/in 7 days  w/in 20 days or shorter  W/indays or shorter	
Date: From:		To:
Action Recommended/Required:  For Action For Review/ Recommendation For Information, Record and File For Disbursement/ Payment For Indorsement to concerned Party(ies For Signature  Return to Payee/Sender	Processing Time:  Urgent (Win the day)  Priority (Win 3 days) Complex —Win 7 days —Win 20 days or shorter Windays or shorter	Other Instruction(s):
Date: From:		Τα
Action Recommended/Required:  For Action For Action Recommendation Recommendation For Information, Record and File For Disbursement/ Payment For Official Release For Signature  Return to Payee/Sender	Processing Time:  Urgent (w/in the day)  Priority (w/in 3 days) Complex —w/in 7 days —w/in 20 days or shorter W/indays or shorter	Other Instruction(s):
Date: From:		Τα
Action Recommended/Required:  For Action For Review/ Recommendation For Information, Record and File For Disbursement/ Payment For Official Release For Signature  For Signature  For Review/ Recommendation For Information, Record and File For Indorsement to concerned Party(ies	Processing Time:  Urgent (w/in the day)  Priority (w/in 3 days) Complex —w/in 7 days —w/in 20 days or shorter W/indays or shorter	Other Instruction(s):

Printed on 09/29/2021 4:04:20PM Received at: REGULATION AND PEF Received by: GANDEZA, LUCIEN

MS. MA. LOURDES G. FERRER, CESO III

Regional Executive Director
Department of Environment and Natural Resources
MIMAROPA Region
L & S Bldg, 1515 Roxas Blvd.,
Ermita, Manila
mimaroparegion@denr.gov.ph



Subject

Letter dated July 29, 2021 from the CENRO, Roxas Palawan relative to the Revaluation of Government Share for Forest Landuse Agreement for Tourism (FLAgT) Projects

#### Dear Director Ferrer:

Good day!

This pertains to the letter dated July 29, 2021 of the CENRO, Roxas Palawan informing Ms. Espernaza Delmo-Butikofer on the Revaluation of Government Share (GS) for Forest Landuse Agreement for Tourism (FLAgT) Projects made by your Office, and informing/requiring us to pay the new annual government share for FLAgT No. 07-2010 in the **prohibitive amount of P1,000,000.00** on or before 31 March 2022, pursuant to DAO 2021-02. The revaluated amount is almost 7 times the current GS which *is Php150,000.00* per annum, and apparently based on the latest zonal value as prescribed by the Bureau of Internal Revenue (BIR) effective CY 2017.

In this regard, we are registering our strong opposition on the implementation of the revaluated government share **amounting to P1,000,000.00** for FLAgT No. 07-2010 effective CY 2022, on the following grounds:

- 1. Item VIII wof the FLAgT which states that 'the SECOND PARTY shall pay annual Government Share of One Hundred Fifty Thousand Pesos (Php150,000.00) Philippine currency, within thirty (30) days upon approval of this AGREEMENT, and annually thereafter, within the same month that this AGREEMENT is issued.
  - At this juncture, we are pleased to inform the good Director that we have been compliant in the payment of our obligations, even during this difficult time where no tourists are coming in Palawan due to the **Pandemic**, as evidenced by the attached proofs of payment.
- 2. Item XXVIII which states that this AGREEMENT may be modified, altered or amended upon agreement in writing by both parties; and
- 3. Item XXX which states that this AGREEMENT is subject to pertinent DENR laws, rules and regulations, provided the same shall not impair the contractual obligations of both parties herein.

As such, to impose upon us the new GS of P1,000,000.00 without the mutual agreement by both parties is a complete disregard and/or violation by the FIRST PARTY – the DENR with the aforesaid conditions of the Agreement.

4. DAO 2021-02 dated March 04, 2021 which is apparently the basis of the revaluation, aims to ensure the on-time payment of government share by tenure instrument holders to the concerned DENR Field Offices, and to ensure the latter's timely collection of user's fee as well as efficient accounting and remittance of the collected user's fees to the National Treasury. Thus, the amendment of Sec. 16 of DAO 2004-28 and Sec. 18 of DAO 2004-59 both entitled *Payment of Government Share and Surcharges for Late Payment*, which reads as follows:

The government share or user's fee for SLUP, FLAg and FLAgT shall be paid within thirty (30) days upon issuance of SLUP, FLAg and FLAgT and annually thereafter on or before March 31 of the succeeding years. Failure of the SLUP, FLAg and FLAgT holder to pay the user's fee within the prescribed period shall be subject to surcharges of 8.33% monthly for late payment or 100% for one (1) year.

As gleaned from the aforesaid statement, there was no mention on the conduct of revaluation of Government Share. While the conduct of the said activity every five (5) years thereafter is explicitly provided under 1st paragraph, Section 16 of DAO 2004-28, but the aforesaid provision of the guidelines is deemed repealed by DAO 2021-02 inasmuch as the amendment did not qualify to amend only the 2<sup>nd</sup> paragraph thereof.

WHEREFORE, foregoing premises considered, we vehemently interpose our opposition on the implementation of the revaluated government share amounting to P1,000,000.00 for FLAgT No. 07-2010 effective CY 2022.

Thank you very much and hoping for a positive feedback on the matter.

Very truly yours,

Attorney-In-fact

copy furnished:

Marcial C. Amaro, Jr.
 Assistant Secretary for Policy, Planning and Foreign Assisted and Special Projects and FMB Director, in concurrent capacity fmb@denr.gov.ph

Atty. Juan Miguel T. Cuna
 Undersecretary for Field Operations and Environment officeofuseccuna@denr.gov.ph