

	<p>Republic of the Philippines Tourism Infrastructure and Enterprise Zone Authority TOURISM ENTERPRISE ZONE MANAGEMENT SECTOR PASAY</p> <p>MINUTES OF THE SAN VICENTE FLAGSHIP TEZ MANAGEMENT COMMITTEE MEETING HELD ON 20 AUGUST 2021 VIA ZOOM PLATFORM</p>		Form No. SP-03F1	
			Rev	Effectivity Date (mm/dd/yy)
			1	16

Reference:	Notice of meeting dated 08 July 2021/Notice of meeting dated 16 August 2021 (as rescheduled)	
Date:	20 August 2021	
Venue:	Via Zoom Platform	
Time:	1:52 PM	
Attendees:	<u>SVT ManCom Members</u>	
	Mr. Mark T. Lapid	Chairperson/COO, TIEZA
	Hon. Amy R. Alvarez	Vice Chairperson/Mayor, Municipality of San Vicente
	Atty. Karen Mae G. Sarinas-Baydo	Member/ACOO, TEZ Management Sector
	Mr. Antonio I. Habana, IV	Member/President, Private Sector Association
	<u>SVT Secretariat Members</u>	
	Mr. Hernando A. Enal	Chairman/Manager, TAMD
	Mr. Cesar B. Ladrangan, Jr.	Member/Enterprise Services Chief, TAMD-TCMD
	Ms. Anabelle R. Dimaapi	Member/Vice-President, Private Sector Association
	Ms. Lucilyn F. Panagsagan	Member/Municipal Tourism Officer, LGU San Vicente
	ARD Vicente B. Tuddao Jr.	Representative of Regional Executive Director, DENR IV-B
	Ms. Cecil V. Aranton	Representative of Regional Director, DOT IV-B/Chief, Tourism Operations Officer
	Ms. Elizabeth Viray	Representative of Regional Director, DOT IV-B/Supervising Tourism Operations Officer
	Ms. Rhoda Roque	Representative of Executive Director, PCSD
	<u>Resource Persons/Other Attendees</u>	
	Engr. Bernardo C. Alarilla	Administrator, San Vicente Flagship TEZ
	<u>TAMD-Main Office Personnel</u>	
	Ms. Mericris C. Tonio	Senior Enterprise Services Specialist, TAMD-TCMD
	Ms. Ma. Lourdes S. Angel	Senior Corporate Accounts Analyst, Private TEZ
	<u>SVFTEZ Personnel</u>	
	Ms. Inocencia T. Magdayao	Senior Enterprise Services Specialist
	Ms. Grace R. Cinco	Information Officer
	Mr. Joven S. Bigoy	Enterprise Services Specialist
	Arch. Randy Rulf G. Radam	Technical Assistant (Contract of Service)
	Engr. Royther P. Pablico	Technical Assistant (Contract of Service)
Agenda:	I. Approval of the Minutes of the Previous Meeting II. SVT Secretariat Chairman’s Report: A. SVFTEZ Status Report a. Updates on the commitments of the Municipality of San Vicente in the implementation of the Tourism Master Plans; b. Updates on the approved and proposed projects of TIEZA in SVFTEZ;	

	<ul style="list-style-type: none"> c. Updates on the registration and membership status of the private sector association; d. Results of consultative meeting with DENR <p>B. Recommendations for SVT ManCom Approval:</p> <ul style="list-style-type: none"> a. Resolution recommending the master planning of Clusters 2, 3 and 4 and the rest of Cluster 1 that are outside of the 883-hectare priority area of development and updating of the Integrated Tourism Master Plan (ITMP) of Cluster 1 of the SVFTEZ for approval of the TIEZA Board of Directors; b. Resolution recommending the revised budget for the Elevated Pathway and Hanging Bridge project proposal in SVFTEZ for approval of the TIEZA Board of Directors; and c. Resolution recommending the Establishment of Monument Markers on the 50-meter coastal easement along Long Beach of the SVFTEZ for approval of the TIEZA Board of Directors. <p>III. Other Matters</p> <ul style="list-style-type: none"> A. Update on the instruction of the ManCom to draft an agreement with the LGU and DOT regarding the imposition of sanction to Accommodation Establishments (AEs) Operating without Certificate of Accreditation (CA) and Certificate of Authority to Operate (CAO) from the Department of Tourism (DOT) B. Mayor Alvarez' concern on TIEZA SVFTEZ Office's handling of clients <p>IV. Adjournment</p>
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MINUTES OF THE MEETING

PRELIMINARIES

CALL TO ORDER

TIEZA Chief Operating Officer (COO) Mr. Mark T. Lapid, San Vicente TEZ Management Committee (SVT ManCom) Chairperson and Presiding Officer, called the meeting to order at 1:52 in the afternoon.

DETERMINATION AND DECLARATION OF QUORUM

As per instruction by the Presiding Officer, the SVT Secretariat Chair, Mr. Hernando A. Enal, called the roll. He justified that there are four (4) out of five (5) members present. Having a quorum, the Presiding Officer declared that the SVT ManCom could transact business.

The SVT Secretariat Chair likewise presented to the SVT ManCom the attendance of the SVT Secretariat members and resource persons from TIEZA, Local Government Unit of San Vicente (LGU-San Vicente), DOT, Department of Environment and Natural Resources (DENR), and private sector.

Before proceeding to the discussion of the main agenda, the body concurred with the request of COO Lapid to allow Atty. Karen Mae. G. Sarinas-Baydo, Asst. Chief Operating Officer (ACOO) of the TEZ Management Sector, to preside over the meeting on his behalf.

AGENDUM NO. I – APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

Copies of the previous minutes of the meeting were attached to the notices of meeting sent to each member on 08 July and 16 August 2021. COO Lapid and Mayor Amy Roa Alvarez moved and seconded to defer the approval of the minutes of the previous meeting and proceed to the next agenda since Mayor Alvarez did not receive her copy of the minutes. Upon hearing no objection, the Presiding Officer ACOO Sarinas-Baydo declared the motion approved.

AGENDUM NO. II- SVT SECRETARIAT CHAIRMAN'S REPORT

Mr. Enal reported the results of the previous SVT ManCom meeting held on 05 November 2020, wherein the SVT ManCom issued three (3) policy measures:

1. Resolution Authorizing the Administrator of San Vicente Flagship Tourism Enterprise Zone (SVFTEZ) to Issue Conditional TIEZA Permit to All Existing Tourism-Related Enterprises (TREs) in the entire SVFTEZ;
2. Resolution Adopting the Updated Barangay Land-Use Plan (BLUP) in the Issuance of Land-Use Certification of the Municipal Planning and Development Office and Zoning/Locational Clearance by TIEZA Until the Comprehensive Land Use Plan (CLUP) of the LGU Should Have Been Updated and Approved; and
3. Endorsing to Governor Jose Chaves Alvarez the Letter from the Uni-TEA, the Officially Recognized Private Sector Association of SVFTEZ, for the Lifting of the Moratorium Imposed on All Activities Related to Land Titling in the Municipality of San Vicente, Palawan.

For this year, the SVT ManCom, by referendum, issued a resolution granting the request of the LGU of San Vicente, Palawan, represented by its Local Chief Executive, Mayor Alvarez, to extend the issuance of conditional TIEZA permits to existing TRE operators located in timberland areas of the SVFTEZ, subject to certain terms and conditions provided therein. It was implemented by TIEZA San Vicente Office in May 2021.

Lastly, Mr. Enal said that the SVT Secretariat was able to accomplish the assigned tasks pertaining to the master planning of clusters 2 to 4, and the formulation of the guidelines on the selection and recognition of the private sector representative to the SVT Secretariat and ManCom.

A. SVFTEZ Status Report

1. Updates on the commitments of the Municipality of San Vicente in the implementation of the Tourism Master Plans

Upon request of the SVT Secretariat Chairman, Ms. Lucylyn Panagsagan, Municipal Tourism Officer of the Municipality of San Vicente, presented the following:

1. *Updating of the Comprehensive Land and Water Use Plan (CLWUP)*

The Zoning Ordinance is completed already and shall be subject for public hearing. The Environmentally Critical Areas Network (ECAN) map is updated and adopted by the Palawan Council for Sustainable Development (PCSD). The sectoral narrative write-up is ongoing, and the target date of completion will be in December 2021.

2. *Adopting and Approving the Integrated Tourism Master Plan (Reclassification of Zones)*

This has been approved and adopted by the Sangguniang Bayan but is still subject for public hearing. Schedule of public hearing cannot be finalized yet due to the current health situation in the Municipality.

3. *Adopting and Approving the Sustainable and Inclusive Municipal Tourism Code (SIMTC)*

Per Ms. Panagsagan, the SIMTC is ready for public hearing, but due to health situation in the Municipality, scheduling cannot be finalized yet.

During the discussion, Mayor Alvarez instructed Ms. Panagsagan not to transmit yet the SIMTC to the Sangguniang Bayan as she will meet again with the Municipal Tourism Council (MTC) for the updating of the SIMTC draft.

4. *Counterpart on the implementation of the following projects:*

1. *Tourist Assistance Center (TAC) in Barangay Port Barton*

Because of the timberland status of the initially identified project location, the LGU was not able to proceed with its counterpart to provide the project site. The proposed project location which is covered by a

Certificate of Stewardship Contract is still subject for evaluation of the Department of Environment and Natural Resources (DENR). The proposed TAC area of 1,000 sqm will be subject for FLAGT application.

2. TAC in Barangay Alimanguan

The counterpart of the LGU to backfill the area is not complete yet. Engr. Salvador Raboy of TIEZA and the Municipality's Engineering Office recently inspected the TAC. As per report, the back portion of the TAC is yet to be filled and needs 10 truck loads more of backfilling materials.

3. Solar Street Light from Sitio (So.) Landing of Barangay New Agutaya to Barangay Alimanguan

The So. Landing to San Isidro route was surveyed and the road was relocated while the San Isidro to Alimanguan route is still for surveying. The bid opening schedule is set on 07 September 2021.

4. Access Road Project

The LGU will issue an Executive Order (EO) creating the San Vicente Flagship Tourism Enterprise Zone Implementation and Monitoring Team to focus on this project and improve strategies further and hasten the implementation of projects identified in the Tourism Master Plan. The LGU held a meeting last 19 August 2021 to finalize the draft EO and had this readied for the mayor's signature. The LGU will furnish TIEZA and the members of the SVT Mancom copy of the EO once signed/approved.

5. Swapping of Roads

The affected roads are subject for relocation survey (existing and abandoned road). Scheduled opening of bids is on 7 September 2021.

6. Lifting of Moratorium on Titling and the Reclassification of certain timberland areas

The LGU has no update yet, the moratorium is still enforced in the Municipality of San Vicente.

Upon query of the Presiding Officer ACOO Sarinas-Baydo, the following were the comments of the attendees on the report presented by Ms. Panagsagan:

1. Assistant Regional Director (ARD) Vicente B. Tuddao, Jr. stated that the DENR Region IV-B recommended the lifting of moratorium on titling for the entire Palawan. The document was already endorsed as well by the Land Management Bureau (LMB) to the office of DENR Secretary Roy Cimatu. He likewise reiterated the previous discussion on the reclassification of timberland that the initiative should come from a Congressman as it requires an act of legislation.
2. Mr. Enal shared for the information of the ManCom that the SVT Secretariat created a Sub-Technical Working Group (Sub-TWG) to identify the areas to be reclassified. As per the letters received by the SVT Secretariat, the following are the designated representatives per agency concerned:

DENR	-	PENRO Eriberto Saños (lead)
DOT	-	Ms. Faye Angeli Reyes
LGU	-	Ms. Penny Pennel Molo and EnP. Jessie V. Veleto
TIEZA	-	Ms. Inocencia T. Magdayao and EnP. Joven S. Bigoy

He added that upon completion of the designation of the Sub-TWG members, PENRO Saños may then proceed with the conduct of the meeting.

3. ARD Tuddao also commented that there should be a meeting between the DENR, TIEZA, and Mrs. Achurra (holder of the Certificate of Stewardship Contract covering the proposed TAC location in Barangay Port Barton) to discuss for her consideration the project site allocation.

ARD Tuddao also confirmed that a tenurial instrument, i.e., FLAgT, must be secured upon acquiring the project site since the area is classified as Forest Land and will be used for tourism purposes.

4. Mayor Alvarez asked for TIEZA's commitment regarding the funding and timeline of implementation for the access road projects. She stated that the LGU would not act on road swapping issues or address conflicts arising from the proposed project if TIEZA does not have the budget to implement it right away. Further, she admitted that it would not be possible for the LGU to secure all the identified project sites at once. It may be more feasible to initially implement up to four (4) access roads.

Per Engr. Alarilla's advice that the board-approved budget for the project amounted to 24M in 2016, COO Lapid instructed the SVFTEZ Office to update the budget estimate as it may not be applicable anymore. Further, he requested Mayor Alvarez to identify the priority road projects to be implemented for TIEZA to determine if it can commit the needed budget. He mentioned that TIEZA might be able to commit 20M for the initial implementation of the access roads project. He added that he would talk to TIEZA's Finance Department to determine if up to 50M funding will be possible.

ACOO Sarinas-Baydo committed that the TEZ Management Sector will provide the necessary assistance to verify and update the project details.

2. Updates on the Status of Approved and Proposed Projects of TIEZA in the SVFTEZ

Engr. Alarilla reported that the following infrastructure projects were already completed:

1. TIEZA TEZ Office;
2. Tourist Information Center;
3. Removal of Hill Obstruction;
4. TAC in Barangay Alimanguan;
5. Modular Docking Facilities in Brgys. Poblacion and Port Barton; and
6. Feasibility Study for Power Generation and Distribution System

However, ten (10) board-approved projects for San Vicente were declared suspended in 2020. The fund allocation for the projects was transferred to the National Treasury to support the implementation of the Bayanihan Act. The affected projects are as follows:

1. Water Supply and Distribution System;
2. Sewerage Treatment Plant (STP);
3. Access Roads;
4. MDF for So. Pinagmangalucan;
5. TAC in Brgy. Port Barton;
6. Elevated Pathway and Hanging Bridge;
7. Landscaping and other additional works at TIEZA TEZ Office;
8. Solar Street Lights;
9. Port Barton Baywalk Development Project; and
10. Special Land Use Permit and Reclamation Permit Applications

Upon the query of ARD Tuddao regarding TIEZA's plan on the suspended projects, COO Lapid stated that for 2022, the DOT Secretary advised TIEZA not to request infrastructure funding under the General Appropriations Act (GAA). Instead, TIEZA will rely only on its travel tax collection, which is its previous source of funds. Nonetheless, the Secretary also gave TIEZA the signal to talk to representatives which has concern on the current TIEZA projects for possible funding through legislative measure. For instance, TIEZA has informed Congressman Francis Alvarez on the possibility that TIEZA will submit a project proposal under the GAA to be included or inserted in the National Budget for 2022 to continue project implementation.

COO Lapid added that TIEZA could not give a timeline for project implementation that can be funded through travel tax collection since the decision to open the airports for tourists depends on the IATF. He

clarified however that TIEZA still has travel tax collection although it is not as much as the pre-pandemic collections.

ACOO Sarinas-Baydo advised the body that the budgetary requirement for the pre-approved San Vicente Projects such as the Water Supply and Distribution System and Sewerage Treatment Plant (STP) are 254M and 101.2M, respectively. For all the ten (10) suspended projects, the total budgetary requirement amounted to 525M, but it needs updating. She committed that the TEZ Management Sector will continue to seek other funding sources for these important projects, especially for the water utility project and STP.

COO Lapid explained that it is easier to source funding for pre-approved projects than securing the board's prior approval for new project proposals. He reiterated his request with Mayor Alvarez to identify her priority projects and give him the figures. After which, he will discuss it with TIEZA's Finance Department to be apprised of TIEZA's income flow before agreeing with or setting the priorities.

The Presiding Officer ACOO Sarinas-Baydo advised the SVT Secretariat to prepare the necessary SVT ManCom Resolution for the proposed implementation of the access roads project based on the priority list to be provided by the Local Government of San Vicente. The amount of 50M will be proposed as the budgetary requirement for the project.

3. Updates on the registration and membership status of the private sector association

Mr. Antonio I. Habana IV reported on behalf of Ms. Anabelle Dimaapi the updates on the private sector association. According to him, they formed the association in 2019 with fifteen (15) members. In 2021, there are now twenty-one (21) members. They held a meeting to establish some guidelines on membership. He mentioned that the association is always open to new members. However, the current situation is not conducive to opening business for the tourism sector.

Mr. Habana showed a copy of the association's application form for membership. Further, he mentioned that the association is only waiting for the issuance of their Securities and Exchange Commission (SEC) registration certificate. There has been a delay due to some procedural issues and that the SEC is not functioning 100% due to the pandemic.

4. Results of the Consultative Meeting with DENR

Mr. Enal gave a brief background on the matter. According to him, during the meeting of the SVT Secretariat on 05 October 2020, ARD Tuddao of the DENR stated that the Malampaya Sound Protected Landscape and Seascape (MSPLS) is within the SVFTEZ. However, the regulation and management of Protected Area cannot be delegated to TIEZA because it has its own management structure. Clearance from the Protected Area Management Board (PAMB) and certification from DENR on setback compliance must be included as requirements in the issuance of Building Permit by TIEZA. Regional Executive Director (RED) Ma. Lourdes G. Ferrer recommended that the Protected Area Superintendent (PASu) or PAMB Clearance must be required by TIEZA to TREs within the PA before Building Permit issuance.

Further, RED Ferrer recommended during the SVT ManCom Meeting on 05 November 2020 to hold a separate meeting to address various concerns in San Vicente that include the occupation of timberland, tenurial instruments issued such as CSC and FLAgT, PAMB Clearance, the conflicting issue on coastal easement, and other concerns. The meeting with DENR officials was held on 30 March 2021 via Zoom platform.

He then turned over the floor to Mr. Cesar Ladrangan, Jr. to present the results of the consultative meeting.

Mr. Ladrangan, Jr. discussed the following results/agreements during the meeting with DENR IV-B lead by RED Ferrer and Environmental Management Bureau (EMB) IV-B Director Michael Drake P. Matias:

A. Integration of the MSPLS PAMB Clearance into TIEZA's Permitting System

1. TIEZA will present the existing Tourism Master Plan to PAMB;

2. PAMB will check the consistency of Tourism Master Plan with Protected Area Management Plan (PAMP) and work on a system to facilitate the process;
3. The IPs occupying the MSPLS/PA shall be consulted during the master planning of Cluster 3 of the SVFTEZ (approx. 80% are within the Unclassified Public Forest and ancestral domain areas)
4. One of the solutions being considered after all the integration of the Tourism Master Plan and PAMP is the DENR IV-B and EMB IV-B's issuance of programmatic PAMB Clearance and Environmental Compliance Certificate (ECC) for the entire Protected Area.

B. Conflicting regulations on coastal easement between the Municipal Tourism Code and the Water Code of the Philippines

Per Mr. Ladrangan, the DENR stressed that the easement provision of the Water Code should prevail. The most concerned area in this conflict is the Barangay Port Barton wherein a significant part of the area is classified as Forest Land. However, Port Barton is already an established tourism destination, and most facilities were constructed near the shore/beachfront already. There is going to be a problem in the implementation of the 40m easement as provided in the Water Code. With this, TIEZA will be sending out a letter to DENR Sec. Cimatú for consideration and clarification on this issue.

C. Implementation of TIEZA TAC Project within the area covered by CSC awarded to Mrs. Achurra

The DENR is surveying the area since a good portion of it is occupied by informal settlers. While awaiting the results of the DENR survey, the SVFTEZ Office forwarded the table coordinates of the proposed location of the TEZ project within that property so that the DENR can overlay it to the map for reference during discussion with the CSC awardee.

D. Issues and Concerns in Securing Wastewater Discharge Permit and FLAgT

1. Per Mr. Ladrangan, the problem with regard to securing DOT accreditation was also discussed during the meeting. Many establishments in San Vicente have difficulty in acquiring wastewater discharge permit. One of the suggestions is for the establishments to initiate and put up a small to medium-sized STP (100-300 cu. m/day capacity). Clustered establishments will then connect to the STP, and such will be the basis for EMB's issuance of a wastewater discharge permit.

Another solution was to adopt the practice of EMB-Region VII. They implement the policy of requiring certification that the septic tank of the enterprise is sealed and there is no direct discharge taking place. With San Vicente, this can be done for new applications through TIEZA certificate. Engr. Alarilla's team will conduct an inspection prior to the issuance of the certificate. Another certification shall be needed for the regular/scheduled desludging of the enterprise's septic tank.

Mr. Ladrangan also shared that the lack of a nearby water testing facility is another reason why establishments could not secure a wastewater discharge permit. Water samples need to be delivered to as far as Tagaytay only to undergo testing and comply with the EMB requirement. The sample will then be deteriorated by the time it reaches the testing facility. EMB Director Atty. Matias graciously suggested organizing the establishments for scheduled testing. The EMB will then contact an accredited testing facility based on the schedule. The private sector association was tasked to organize the interested establishments.

2. Mr. Habana added that the private sector also raised their issue on the Pollution Control Officer (PCO) accreditation examination held by the EMB for San Vicente examinees. Only five (5) out of forty-one (41) passed because the EMB conducted the exam on the fourth day of the training or before the participants' completion of the training modules. This was unfair to the participants as they paid for the training and were unprepared when required to take the exam. To resolve this, EMB Director Atty. Matias offered that those who failed will be allowed to retake the exam without additional cost.

ACOO Sarinas-Baydo asked if there is any update on the issue raised by Mr. Habana. However, her question was not addressed as there was no EMB representative in the meeting.

The following were the comments/queries on Mr. Ladrangan's presentation:

ARD Tuddao suggested to start working now on the TIEZA's presentation of TMP to PAMB and coordinate with PASu on the schedule. According to him, there is a need to delineate the areas by overlaying the area covered by the SVFTEZ master plan into the area covered by MSPLS. After the mapping and overlay and the barangays affected are determined, TIEZA will then present it during the PAMB Board Meeting to inform the Board of the proposed development in the area.

Mr. Habana inquired on which agency is going to secure the needed ECC for the Protected Area.

Mr. Ladrangan said that the proposed master planning of the subject area would address the concerns raised by Mr. Habana and ARD Tuddao. The master plan will include mapping, institutional arrangements, and tackle concerns on which agency the programmatic ECC will be awarded. He mentioned that the SVFTEZ at present has two (2) master plans, the CTMP that covers the entire Municipality and the ITMP that covers the 883-hectare priority area of Cluster 1.

Mr. Enal added that TIEZA, through the SVFTEZ office, is conducting the inventory of the establishments within the MSPLS that may have already acquired their respective ECCs. He also said that per the DENR, even there is a programmatic ECC awarded to a specific agency administering a particular area, new establishments located in that area are still required to secure their individual ECC.

ARD Tuddao agreed with Mr. Enal. He explained that each establishment must secure their individual ECC as they have their own wastewater treatment facilities. However, during the construction phase, the programmatic ECC must be secured from the EMB. For the presentation to PAMB, he suggested first presenting an overview of the master plan followed by a focus discussion on the area that overlapped with MSPLS. This is necessary to secure the PAMB clearance to pursue the planned developments in the area.

Upon the query of Mr. Enal, ARD Tuddao explained that TIEZA need not wait for the specific master plan for the Protected Area before conducting the presentation of the TIEZA Master Plan to PAMB. He shared that the Malampaya Sound Master Plan with its own zoning is yet to be approved. He reiterated that TIEZA has to present the SVFTEZ Master Plan for the PAMB to overlay it with the boundary of the Protected Area and determine which areas the SVFTEZ proposed projects will extend or cover.

Upon the query of Mr. Habana regarding the overlapping boundaries of MSPLS/PA and the SVFTEZ, ARD Tuddao also explained why the MSPLS/PA extended its boundary up to the barangays of San Vicente. According to him, a Presidential Proclamation signed in 2000 declared the areas covered by MSPLS/PA. Further, the National Integrated Protected Areas System (NIPAS) requires areas with high-biodiversity attributes to be covered by a PA. Hence, there are probably flora and fauna that must be protected in some areas of San Vicente.

Mr. Habana added that the MSPLS/PA covered areas in San Vicente such as the Barangay Alimanguan, Sto. Niño, New Canipo and Binga are considered prime tourism development area due to its beach assets.

Per ACOO Sarinas-Baydo, TIEZA will try to resolve the issues as expeditiously as possible. She advised Mr. Enal to take note of the issues and immediately start the necessary activities.

Mayor Alvarez shared that the LGU has already allocated 10M for the STP of Barangay Port Barton. It would help if TIEZA can also extend additional funding for the project. However, they have a problem with land acquisition as the area is classified as timberland. She inquired with ARD Tuddao if the LGU needs to secure a tenurial instrument for the project site or if the DENR is willing to cooperate and provide an area for the project.

Per ARD Tuddao, the DENR is willing to help the LGU identify the appropriate location for the project and discuss it. He confirmed that a tenurial instrument would have to be secured. Further, he suggested to develop a workflow/process flow that allows activities to be undertaken simultaneously to fast-track the development of STP in San Vicente. He mentioned that this was what Puerto Galera did when they establish their STP.

With this, COO Lapid requested Mayor Alvarez to give him the estimated amount for TIEZA's counterpart on the Port Barton STP and he can decide when he returns.

B. Recommendations for SVT ManCom Approval:

1. A Resolution recommending the proposed Master Planning of Clusters 2, 3 and 4 and the rest of Cluster 1 that are outside of the 883-hectare priority area of development and updating the Integrated Tourism Master Plan of Cluster 1 of the San Vicente Flagship Tourism Enterprise Zone for approval of the TIEZA Board of Directors

Mr. Enal discussed that upon presentation of Engr. Alarilla of the three (3) proposed projects for San Vicente Flagship TEZ during the SVT Secretariat meeting held on 16 June 2021, he appealed to the SVT Secretariat to endorse the same to the TIEZA Board of Directors through the SVT ManCom.

Engr. Alarilla gave a brief backgrounder of the proposal. According to him, the proposed resolution was based on the instruction of ACOO Joy M. Bulautan, Presiding Officer of the SVT ManCom Meeting held on 05 November 2021, to prepare a project proposal for master planning Clusters 2 to 4 of the SVFTEZ. The instruction originated with the SVT Secretariat's proposed resolution to extend the SVFTEZ Deed of Restriction's (DoR's) coverage to other Clusters. However, Mayor Alvarez expressed her reservation on the adoption of the 50:50 occupancy ratio and the 50-m coastal easement requirements.

The coverage of the proposed master planning are as follows:

1. Updating of the ITMP of Cluster 1 Long Beach area;
2. Integration of the DoR on the master plans of each cluster;
3. Physical Framework Plan;
4. Environmental and Socio-Cultural Management Proposals;
5. Institutional and Management Plan;
6. Financial Plan; and
7. Business Development Plan or the Formulation of Marketing Strategy

The proposed budget for the project is P 5,763,040.00

Mayor Alvarez also expressed her reservation with integrating/extending the building guidelines with the Clusters outside the 883-hectare priority area unless there would be more thorough discussion on the matter.

Mr. Ladrangan clarified that the proposal discussed by Engr. Alarilla is about developing a separate DoR for each cluster that would be more applicable for the area.

Upon the query of Mr. Habana, the Presiding Officer ACOO Sarinas-Baydo explained that the CTMP of the SVFTEZ covering the entire Municipality is only a comprehensive/general and not a detailed plan. Hence, some restrictions may not be applicable for other clusters. The objective of master planning clusters 2-4

is to develop DoRs depending on the characteristic of each cluster so as not to impose the same restrictions as Cluster 1. TIEZA will engage the services of a consultancy firm to undertake the master planning.

Engr. Alarilla also clarified that the restrictions being implemented by the SVFTEZ Office are based on the statutory regulations and existing guidelines such as the Water Code, the National Building Code, and the Comprehensive Land Use Plan of the Municipality.

The Presiding Officer ACOO Sarinas-Baydo stated that TIEZA will arrange a meeting with the LGU for the preparation of the Scope of the master planning to ensure that all concerns are addressed before presenting it again to the ManCom. Mayor Alvarez agreed.

Mayor Alvarez then discussed the following complaints that her office received regarding TIEZA's handling of the applications for permit:

- 1. Dr. Arcilla's project.** Per Mayor Alvarez, the SVFTEZ Office's pre-evaluation of application documents alone took 6-months. The office also was not able to provide immediate feedback/response on the submitted documents.
 - Per Engr. Alarilla, the Office of the TIEZA's Building Office requests the SVFTEZ Office to conduct the pre-evaluation of the application documents before endorsing it to them. He mentioned that the Office has its records on when they received the documents for the project and said that they respond to submissions within 3 days. He added that the problem is really with the applicants who submit incomplete documentary requirements.
- 2. Ramp requirement for Baybay Resort.** Per Mayor Alvarez, the complaint was about the requirement of the SVFTEZ Office for the Baybay Resort to put up a PWD ramp that is longer than the length of all its four (4) casitas with specific height and angle. She advised the SVFTEZ Office to look at the applications case-to-case basis, considering that Baybay is only a small resort owned by a local resident. She added that the SVFTEZ Office is not giving any sort of leeway for applicants to comply.

Further, Mayor Alvarez expressed her unwillingness to let TIEZA work beyond the 883-hectare priority area. According to her, the LGU will handle all applications outside if TIEZA will continue the way it handles clients and investors especially the locals.

- Per Engr. Alarilla, the office is just following the guidelines established in the Accessibility Law. If they do not implement them, then the pre-evaluation conducted by their office will also be questioned.

ACOO Sarinas-Baydo said this will be discussed with the SVFTEZ team and will try to identify what flexibilities can be allowed, especially now that the Municipality is slowly trying to reopen for tourism.

COO Lapid said to Mayor Alvarez that he would address the issues raised upon his return and talk to the SVFTEZ Team. Further, he suggested discussing the matter personally with Mayor Alvarez regarding all her concerns. Mayor Alvarez agreed.

Action Taken:

With the reservations raised by Mayor Alvarez, the Presiding Officer considered it a motion for deferment of the approval of the resolution recommending the master planning of Clusters 2, 3 and 4 and the rest of Cluster 1 that are outside of the 883-hectare priority area of development and the updating the ITMP of Cluster 1 of the SVFTEZ. Mr. Habana duly seconded the motion.

The Presiding Officer ACOO Sarinas-Baydo declared the motion to defer approved and subject to further discussions on the project proposal.

2. A Resolution recommending the revised budget for the Elevated Pathway and Hanging Bridge project proposal in SVFTEZ for approval of the TIEZA Board of Directors

Engr. Alarilla presented to ManCom the proposed revision of the budget of the elevated pathway and hanging bridge project. The project is also suspended, but the SVFTEZ Office proposes this to be prioritized due to its high-potential tourism impact. The revised budgetary requirements are as follows:

Projects	TIEZA Board Approved Budget	Revised Proposed Budget
Elevated Pathway	P 5,950,000.00	P 49,139,004.29
Hanging Bridge	<u>P 3,900,000.00</u>	<u>P 29,210,477.31</u>
	P 9,850,000.00	P 78,349,481.60

Upon inquiry of the Presiding Officer, Mr. Enal justified the substantial increase in budgetary requirement. These include the following:

1. The Program of Works was adjusted; and
2. With the improved design and materials to be used in the construction, it can be a revenue-generating project for either the TIEZA or LGU once turned over.

The following were the comments from the body:

1. Mayor Alvarez said that this project was not discussed with the stakeholders yet. However, if the stakeholders agree to this project, she has no objection as it will have a high impact on long beach.
2. ARD Tuddao suggested avoiding traversing the areas with private claimants and working with the CENRO. The DENR will help plot the proposed cadastral and land classification maps once the SVFTEZ Office sends the table coordinates of the proposed pathway location. To fast-track, he further suggested sending the table coordinates of the proposed pathway and hanging bridge to the CENRO Office and copy furnish his office of the request.

Action Taken:

Mr. Habana, duly seconded by Mayor Alvarez, moved to approve the resolution revising the budget for the Elevated Pathway and Hanging Bridge project in SVFTEZ.

The Presiding Officer declared the motion approved subject to the SVFTEZ coordination with CENRO to plot the proposed project location to the cadastral and land classification maps.

1. A Resolution recommending the establishment of monument markers on the 50-meter coastal easement along Long Beach of the SVFTEZ for approval of the TIEZA Board of Directors

According to Engr. Alarilla, the Office of the Municipal Planning and Development Coordinator (MPDC) established the 50-m easement marker along the Long Beach area using coconut trees and marking them with red paints. However, the red paints are now faded, making easement compliance difficult. Hence, the SVFTEZ Office is proposing the establishment of a permanent marker for easy reference of the property owners in planning their development. The proposed budget is P 932,799.00.

ARD Tuddao explained that the National Mapping and Resource Information Authority (NAMRIA) is the government agency authorized to establish easement markers based on the Water Code. He suggested inviting a representative from the NAMRIA to put up the monuments.

Action Taken:

COO Lapid approved the proposed project but instructed the SVFTEZ Office to revalidate the budgetary requirement presented and submit it to his office. He advised ACOO Sarinas-Baydo to communicate with TIEZA's Finance Department for funds allocation. The approval of COO Lapid was considered by the Presiding Officer and the ManCom members as a motion for approval. Mr. Habana seconded the motion.

The Presiding Officer declared the motion approved subject to the SVFTEZ coordination with the DENR (NAMRIA) and revalidation of the budget.

C. OTHER MATTERS

a) Update on the instruction of the ManCom to draft an agreement with the LGU and DOT regarding the imposition of sanction to Accommodation Establishments (AEs) Operating without Certificate of Accreditation (CA) and Certificate of Authority to Operate (CAO) from the DOT

Mr. Enal reported that the SVT Secretariat brought up to the SVT ManCom during its meeting last 05 November 2020 a concern regarding the AEs in Barangay Port Barton operating without TIEZA Permit, CA, and CAO. The intention is to request from the DOT through the ManCom their guidance on the imposition of a penalty to those violating the "No DOT Certificates, No Operation" policy. It was likewise reported that the Municipal Mayor of San Vicente issued an advisory adopting the guidelines of the DOT on AE operations.

SVFTEZ Administrator Engr. Bernardo C. Alarilla also suggested issuing a Cease and Desist Order (CDO) to those operating without PCAO to discourage them from continuing their operation and to be fair to those who have acquired the PCAO and are operating legally. Ms. Cecil V. Aranton of the DOT responded that they could not issue a CDO because the police power in San Vicente is vested with the LGU. However, Mayor Alvarez said that they consistently perform monitoring functions over AEs, but they cannot issue CDOs as they do not issue permits anymore. In the SVFTEZ, TIEZA issues the permits for Tourism-Related Establishments (TREs).

Upon the recommendation of ACOO Sarinas-Baydo, the Presiding Officer stated that TIEZA would draft an agreement with the LGU and DOT covering the following concerns:

- a. Authority to impose penalties;
- b. Deputization of TIEZA to impose penalty and revoke the certificates issued by the DOT; and
- c. LGU assistance for enforcement of policy.

Action Taken:

TIEZA through its SVFTEZ Office drafted a Memorandum of Agreement (MOA) on the implementation of the DOT's Progressive Accreditation System (PAS) per the ManCom's directive and submitted to the SVT Secretariat Head on 29 January 2021. Then on 15 April 2021, SVT Secretariat Chair Mr. Hernando A. Enal sent invitations with the attached draft of the MOA to DOT Asec. Christopher V. Morales and Uni-TEA President Antonio I. Habana for a consultative meeting where the draft MOA will be presented. However, Asec. Morales recommended for the Legal Department of TIEZA to consult the DOT's Legal Affairs Office first regarding the draft MOA before conducting the meeting to reach an agreement that will benefit all agencies involved. The SVT Secretariat Head then adhered to the recommendation of Asec. Morales by sending the draft MOA to TIEZA's Legal Department for review.

The legal review revealed that the implementation of the DOT-PAS may only be delegated to Local Government Units (LGUs) as per R.A. 9593. However, its implementation and the imposition of the relative penalties may be lodged with TIEZA through the SVT ManCom while the Philippines is at the state of public health emergency.

However, upon careful assessment of the comments of Legal Department and the recent events that transpired relative to this initiative, it was recommended to the office of the TEZ Management Sector not to pursue the MOA based on the following grounds:

1. The DOT rejected for several times this proposal. It is evident that they are adamant on their position that they are not amenable to the proposed initiative;
2. TIEZA could not have an authority to enforce the accreditation system based on the following principles: (1) what the law does not include, it excludes; and (2) the legal doctrine as expressed in a Latin maxim: *potestats delegata non delegari potest* no delegated powers can be further delegated.
3. Undertaking the implementation of the PAS by TIEZA while in the state of a public health emergency may not be viable in consideration of the following:
 - a. Assigning the accreditation to LGU instead of TIEZA or the SVT ManCom is much more consistent with the Mandanas Ruling which is expected to take full effect by 2022.
 - b. The LGU has much more manpower and resources than our SVFTEZ office to undertake the activity. The current SVFTEZ Personnel are already overwhelmed with the processing of the TIEZA issued permits. In the current COVID-19 situation as well, the LGU has more safety nets to perform this function with more reach than our SVFTEZ office; and
 - c. The budgetary situation of TIEZA.

The recommendation was approved on 06 May 2021 by ACOO Sarinas-Baydo. Hence, TIEZA had not anymore consulted the Legal Affairs Office of the DOT.

Likewise, it was recommended to the SVFTEZ Administrator to encourage the LGU of San Vicente to undertake and pursue a MOA between the DOT and the Municipality of San Vicente for the enforcement of the DOT-PAS.

The Presiding Officer ACOO Sarinas-Baydo confirmed the reported updates. She stated that the ruling is passed and that the initiative will no longer push through.

b) Mayor Alvarez' concern on TIEZA SVFTEZ Office's handling of clients.

Mayor Alvarez shared that small establishments in San Vicente want to operate, e.g., restaurants and bancas but are having difficulty with TIEZA's permitting process. To help them, she encouraged them to downgrade (e.g., from a restaurant to a canteen) all their permits to the LGU level and just secure a safety seal from the DILG to operate. Unless TIEZA can work with the LGU, this is what the LGU will implement during this time so that the people could make money from the local tourists in Palawan.

Ms. Aranton shared that the DOT has adopted some flexibilities in its accreditation process also. She mentioned that the DOT would be going to Barangay Port Barton on September 9-11 to inspect establishments and conduct orientation with stakeholders regarding DOT accreditation and securing TIEZA permits. She also shared that the DOT has an agreement with the EMB regarding compliance with the Discharge Permit requirement. Further, she shared that establishing an STP like in Puerto Galera will solve the problem with discharge permits.

The Presiding Officer ACOO Sarinas-Baydo confirmed the planned conduct of consultation with stakeholders as shared by Ms. Aranton. Further, she explained that TIEZA has its approved minimum standards. Last SVT ManCom meeting, the ManCom approved the issuance of conditional permits, but some conditions cannot be relaxed. Nevertheless, the TEZ Sector also recognizes that there is a need to be flexible during this time of the pandemic.

ARD Tuddao requested that they be advised of any update on the proposed consultation in San Vicente for them to inform the EMB. The DENR will also send a representative through the CENRO of Roxas, Palawan.

COO Lapid promised that TIEZA would simplify its permitting system. He shared that there are people who send a direct message to him via Instagram regarding this issue. TIEZA is trying to help also, but he also understands that small entrepreneurs want to start their businesses to earn. Sometimes the solutions cannot be found in the book and can be resolved with the discussion of the higher management from concerned agencies without compromising anything. He reiterated that he would prioritize his discussion with the mayor to hear her concerns personally when he gets back and arrive at the resolution of the issue.

Mr. Habana shared that he can see that there's some progress, albeit slow, in resolving the issues raised by the Private Sector. He shared the following:

1. The request for the lifting of the titling moratorium has already reached the office of DENR Sec. Cimatu. Once approved, it will unlock a lot of tourism potential in San Vicente.
2. The discharge permit would remain an unsolved issue unless an STP was established and a water testing laboratory that would cater to private establishments became available in Palawan. Nonetheless, other agencies adopted an alternative requirement for the DP, but this will not be a sufficient long-term solution, especially for small establishments.
3. For the PCO examination issue, the Private Sector is requesting with the EMB for those who failed the exam to just retake the seminar without requiring them to retake the exam. This will help the locals as a designated/accredited PCO is one of the requirements in securing an ECC. The EMB must also be reminded to be considerate with the people.

Lastly, Mr. Habana said that TIEZA's processes are really by the book. He hopes that ManCom can resolve other issues fully, although there's a lot of coordination that must be done.

Upon inquiry of Mr. Habana regarding the regulation of Homestays, Ms. Elizabeth Viray responded that Homestays are allowed at areas without existing AEs. For San Vicente, Homestays would fall under the Mabuhay or regular accreditation category. Yet, the DOT gave leeway for El Nido, San Vicente, and Coron allowing those with 4 rooms and below to be accredited provided that they pass the minimum standard requirements.

COO Lapid requested for a summary of all complaints and problems that TIEZA received in the prior years. This may help in positioning TIEZA to lobby in the revision of RA 9593. The law's loopholes that make it challenging to implement effectively may be included in the deliberation to identify the necessary amendment, especially for the TEZ Area. Further, COO Lapid informed everyone that he was appointed as TIEZA's COO only in January.

ACOO Sarinas-Baydo agreed and said that there are several recurring problems and difficulties with the current framework, although some are being addressed one at a time. She assured the COO that the Secretariat has taken notes of his request and will provide a matrix of the TIEZA's position and maybe address it through legislation through the COO's help.

Mr. Habana pointed out the importance of TIEZA sitting with the LGU to resolve the issues with small operators. He suggested categorizing the permits based on the size of the establishment as a way to help the small operators.

The Presiding Office ACOO Sarinas-Baydo acknowledged the suggestion of Mr. Habana. She stated that this could be one of the objectives in the on-site meeting on September 9-11. With this, Mr. Habana also expressed his intention to attend the workshop.

COO Lapid suggested developing a common regulation/policy of all the agencies involved (DOT, TIEZA, DENR, and LGU San Vicente) in the administration or regulation of the SVFTEZ. The top management upon agreement of the policy will then sign this document for implementation.

Mr. Enal updated the body about the draft MOA with the concerned agencies regarding the permitting system in San Vicente. However, this did not push through, so a new Sub-TWG is formed for the redrafting of the MOA. The MOA can include a common regulation if the ManCom decides to have one, or the Sub-TWG can wait until COO Lapid and Mayor Alvarez have their discussion and after the necessary coordination with other agencies is done.

COO Lapid suggested to finalize the MOA and send the draft to Mayor Alvarez for her review. After that, the results of COO Lapid and Mayor Alvarez' discussion will just be incorporated in the draft. In this way, the process may be expedited. Mr. Enal noted the suggestion of COO Lapid.

ADJOURNMENT

Having no more matters to be discussed, and upon the motion of Mr. Habana, the Presiding Officer ACOO Sarinas-Baydo declared the meeting adjourned at 4:15 PM.

I HEREBY CERTIFY on the correctness of the above minutes of the SVT ManCom Meeting held on 20 August 2021 via Zoom Platform.

PREPARED BY:



MERICRIS C. TONIO

Sr. Enterprise Services Specialist

ATTESTED:



HERNANDO A. ENAL

SVT Secretariat Chairman/

Manager, TEZ Assistance and Monitoring Department

PHOTO DOCUMENTATION
San Vicente Management Committee Meeting
20 August 2021

CALENDAR OF BUSINESS

- I. Approval of the minutes of the previous meeting
- II. SVT Secretariat Chairman's Report
 - A. SVFTEZ Status Report
 - 1. Updates on the commitments of the Municipality of San Vicente in the implementation of the Tourism Master Plans;
 - 2. Updates on the approved and proposed projects of TIEZA in SVFTEZ;
 - 3. Updates on the registration and membership status of the private sector association; and
 - 4. Results of consultative meeting with DENR.
 - B. Recommendations for SVT ManCom Approval:
 - 1. Resolution recommending the master planning of Clusters 2, 3 and 4 and the rest of Cluster 1 that are outside of the 883-hectare priority area of development and updating of the Integrated Tourism Master Plan (ITMP) of Cluster 1 of the SVFTEZ for approval of the TIEZA Board of Directors;
 - 2. Resolution recommending the revised budget for the Elevated Pathway and Hanging Bridge project proposal in SVFTEZ for approval of the TIEZA Board of Directors; and
 - 3. Resolution recommending the Establishment of Monument Markers on the 50-meter coastal easement along Long Beach of the SVFTEZ for approval of the TIEZA Board of Directors.
- III. Other Matters
- IV. Adjournment





