Republic of the Philippines

DENR MIMAROPA Department of Environment and Natural Resource ECE VE

PROVINCIAL ENVIRONMENT AND NATURAL RESOURCES OFFICE 1 0 2023

Bgy. Sta. Monica, Puerto Princesa City, Palawan

Telfax No. (048) 434 - 8791

Email Add: penropalawan@denr.gov.ph

☐ INCOMING ☐ OUTGOING MUBATS NO. TIME

March 3, 2023

MEMORANDUM

FOR

The Regional Executive Director

DENR MIMAROPA Region

1515 DENR By the Bay Building, Roxas Boulevard.

Barangay 668, Ermita, Manila

THRU

The OIC, ARD for Technical Services

FROM

The Provincial Environment and

Natural Resources Officer

SUBJECT

ACCOMPLISHMENT REPORT ON ACTIVITY PER WFP (COMPLIANCE MONITORING OF APPROVED FOREST LAND USE AGREEMENT FOR **TOURISM** PURPOSES OF LAGEN ISLAND LOCATED IN BARANGAY

ABERAWAN, EL NIDO, PALAWAN)

Respectfully forwarded is the memorandum of CENRO Taytay, Palawan dated February 7, 2023 and February 17, 2023 respectively relative the above subject.

CENRO Taytay conducted the compliance monitoring activity on February 2, 2023 on Forest Land Use Agreement for Tourism (FLAgT) with FLAgT No. 12302030-008 located at Lagen Island, Brgy. Aberawan, El Nido, Palawan.

The proponent paid the Annual Government Share (AGS) for CY 2023 dated December 1, 2022 with O.R. No. 6391159 F amounting to Php75,000.00

For information and further instruction.

ELIZARDO B. CAYATOC

Copy Furnished: CENRO Taytay, Palawan <cenrotaytay@denr.gov.ph> KVE/MES Doc. No. 2023-1682

DENR-PALAWAN PENRO-RECORD

Republic of the Philippines Department of Environment and Natural Resources

Region IV- MIMAROPA

COMMUNITY ENVIRONMENT AND NATURAL RESOURCES OFFICE

5312 Taytay, Palawan

by the National Highway, Poblacion, Taytay, Palawan emailad:cenrotaytay@denr.gov.ph

Contact Nos: 0912-171-3889 (Talk and Text) 0926-505-9335 (TM)

PALAWAN RECORDS

February 17, 2023

MEMORANDUM

BY: # 100 28 - 2013 CN 23 16 82

FOR

: The Provincial and Natural Resources Officer-Palawan

FROM

The Community Environment and Natural Resources Officer

SUBJECT : ACCOMPLISHMENT REPORT ON ACTIVITY PER WFP

Activity: Compliance monitoring of tenure or permit holder

Performance Indicator: Monitoring report with recommendation/endorsed to the

Regional Office through the PENRO (FLAgT=8, SIG+FMA=1, and SAPA=2

Frequency of submission: 2 FLAgT for 1st Quarter; 3 FLAgT and 1 SAPA for second

Quarter; and 3 FLAgT, 1

SIFMA, and 1 SAPA for third Quarter

Current submission: Memorandum dated February 7, 2023 of the Compliance Monitoring Team led by the Unit Chief, Forester II Donna C. Tabernilla received as CN 1077 in the eDATS with the recommendations.

Attachment: photo documentation, and the accomplished Compliance Monitoring Sheet for Forestry Tenure (FLAgT)

	0)			
Gender and	Male = 1 Fe	male - 2 LGI	BTQ+=0 Prefer	r not to say = 0
Development (GaD)	Note: The team was joined, however, by the CENRO, and two			
data	representatives of Regional Office who were male and female.			
Age Grouping	60 and above	18-59	17 and below	TOTAL
	1	5	0	6
Environmental	✓ Compliant to 5S organization techniques (SORT – keep			
Management System	only necessary items, SET IN ORDER – arrange items to			
(EMS Compliance	promote efficient workflow, SHINE - clean the work area			
	so it is neat and tidy, STANDARDIZE, and SUSTAIN -			
	maintain and review standard)			
	✓ No single-use plastic waste during the whole activity			

This is our **Means of Verification** (MoV) on the activity. Please confirm your receipt hereof. Thank you.

RELEASED

SY: FEB 17 2023 758

For an in the absence of the CENRO:

MARIANO D. LILANG, JR.
Development Management Office

Development Management Officer IV In-charge, Office of the CENRO pursuant to DAO 2022-09, page 3



Republic of the Philippines Department of Environment and Natural Resources MIMAROPA Region

COMMUNITY ENVIRONMENT AND NATURAL RESOURCES OFFICE

by the National Highway, Poblacion, Taytay, Palawan 5312 Mobile: 0926-505-9335 ™ 0912-171-3889 TNT

Email: cenrotaytay@denr.gov.ph

February 7, 2023

MEMORANDUM

FOR

The Community Environment and

Natural Resources Officer

Taytay, Palawan

FROM

Compliance Monitoring Team

SUBJECT

COMPLIANCE MONITORING OF APPROVED FOREST LAND USE

AGREEMENT FOR TOURISM (FLAgT) PURPOSES OF LAGEN

ISLAND LOCATED IN BARANGAY ABERAWAN, EL NIDO,

PALAWAN

This pertains to the target for monitoring and evaluation of the implementation of ENR programs and projects including compliance with the existing policies and agreements under formulation and monitoring of ENR sector policies, plans, programs, and projects including the monitoring of existing Forest Land Use Agreement For Tourism (FLAgT) Purposes of this Office.

In view hereof, please be informed that on February 2, 2023 the CENRO Taytay personnel with the assistance of the representatives of Ten Knots Philippines, Inc. (TKPI) monitored and evaluated the performance and effectiveness of the company's management over its Forest Land Use Agreement for Tourism (FLAgT) No. 12302030-0008 in Lagen Island, Barangay Aberawan, El Nido, Palawan based on the terms and conditions stipulated in the agreement and performance evaluation sheet for forestry tenure. Hereunder are the findings and observations of the team, as follows:

- 1. That pursuant to DENR Administrative Order No. 2004-28 dated August 25, 2004 and other related laws and regulations, the Forest Land Use Agreement for Tourism (FLAgT) No. 12302030-0008 (Bathing Establishment) was approved and awarded to Ten Knots Philippines Inc. on December 27, 2005 to be expired on December 30, 2030 covering an area of 50,000 square meters at Lagen Island located in Aberawan, El Nido, Palawan with Annual Government Share of Seventy-five Thousand (Php 75,000.00) Pesos.
- 2. That as per Memorandum dated July 27, 2021 of the Regional Executive Director, this Office was instructed to implement the New Annual Government Share of FLAgT No. DENR IV-MIMAROPA-12302030-008 amounting to Php 2,500,000.00 based on the revaluated user's fee in accordance with DAO 2004-28.
- 3. That due to advent of COVID-19 Pandemic, the Office of the Secretary through Memorandum dated March 4, 2022 suspended the implementation of New Annual Government Share and directed to apply the previous appraisal value or rate in the collection of fees and charges to all tenure instrument holders involved in tourism/ecotourism development projects and other tourism-dependent business
- 4. That holder is compliant in paying the annual government share. Based on records, the corporation paid the rental fee for Calendar Year 2023 dated December 1, 2022 with OR No. 6391159 F amounting to 75,000 Pesos (see Annex A).

- 5. That, as to the performance and effectiveness of management of the tenure holder, the following were strictly observed and implemented, to wit:
 - a. Ecological Solid Waste Management and Hazardous Waste the holder observed proper waste disposal. Hazardous waste such as used oils from cooking and engine are regularly collected by a partner agency/organization Bantay Kalikasan for proper disposal.
 - b. Sewage Treatment Plant (STP) the STP of the holder is satisfactory operating to treat waste water from lavatories and kitchen to be re-used for flushing of lavatories.
 - c. Desalination Plant desalination facility is operational for daily water needs other than drinking.
 - d. Energy Source the holder has four (4) set of generators but using two (2) sets at a time. For environmetal compliance, an air scrubber were employed to minimize if not to eliminate the emission.
 - e. Corporate Social Responsibility and Sustainability Program the holder maintains conservation and protection over their approved area by conducting regular coastal cleanup and patrolling and/or mangrove or tree planting. As evidence of these Corporate Social Responsibilty and Sustainability Program is the lush mountain surrounding the area that being enjoyed by the tourists and the presence of wildlife like monitor lizard and long-tailed macaque spotted during the monitoring, an indicator of rich biodiversity.
- 6. That, as to facilities, the following were observed, to wit:
 - a. The structures such as villas, pathways, restaurants, and other facilities are within the forty (40) meters easement which is prohibited under Article No. 51 of Presidential Decree 1067 also known as the Water Code of the Philippines which provide "the banks of rivers and streams and the shores of the seas and lakes throughout their entire length and within a zone of three (3) meters in urban areas, twenty (20) meters in agricultural areas and forty (40) meters in forest areas, along their margins, are subject to the easement of public use in the interest of recreation, navigation, floatage, fishing and salvage. No person shall be allowed to stay in this zone longer than what is necessary for recreation, navigation, floatage, fishing or salvage or to build structures of any kind"
 - b. The boundaries of the FLAgT area has been delineated and marked on the ground on October 3 and 15, 2022 based on its approved Technical Description.

7. Other findings:

- a. The holder failed to present Annual Report for CY 2022 during the monitoring.
- b. There were other facilities being intruduced by the holder outside of its the approved FLAgT Area such as trail for trekking and hiking which is a violation on the terms and conditions and subject for suspension of the agreement pursuant to DAO 2004-28 section 17.1.3. This has also become the findings of previous compliance monitorning as evidenced by the Office's letter dated February 26, 2021 to the management of Ten Knots Philippines, Inc. informing them of such findings and violatios and instructing them to apply for Special Use Agreement in Protected Area (SAPA).

COMMENT AND RECOMMENDATION

On the above findings and observations, the structures and facilities within easement is the remarkable one. These is the same findings every year and the Office' recommendation is also the same, to notify the tenure holder of their violation on the provision of PD 1067, an issue to be addressed whether or not it is considered a violation.

PD 1067 or the Water Code of the Philippines was enacted in 1976, almost three (3) decades prior to the approval and award of the FLAgT No. 12302030-0008 on December 27, 2005. Since its implementation, construction of permanent structures and facilities within easement was already forbidden. This is where the agency's policies are anchored in the implementation of evaluation and monitoring of forestry tenure. Yet, it is also the agency that permits the developments of the tenure holder within easement and foreshore when it approved the Special Land Use Permit (SLUP) which eventually converted to Forest Land Use Agreement for Tourism (FLAgT) purposes. If indeed, these structures and facilities are violations, it is insignificant compared to the environment and economic contribution of the tenure holder by protecting and conserving the environment of Lagen Island and by providing approximately 200 jobs and religiously paying the annual government share.

The team deliberated also on the recommendation of Assistant Secretary for Policy, Planning Foreign-Assisted Special Project Marcial C. Amaro on his Memorandum dated February 21, 2022 on the request of the Undersecretary for Field Operations and Environment for clarification on the policy with respect to the construction of permanent structures within the offshore areas adjacent to forest lands and protected areas. Accordingly "concerned agencies who will issue permit for the use of the easement must determine through comprehensive evaluation that the said issuance is inevitable for the project and shall benefit public interest and national development." To apply this in the case of Lagen Island, the use of easement is inevitable because its buildable area is only limited.

With this the team recommends the following:

- 1. Reconciliation of the existing laws and policies to come up with defined guidelines for the compliance monitoring;
- 2. Advise the tenure holder to submit their Annual Report for CY 2022; and
- 3. Reiteration of the letter dated February 26, 2021 of this Office regarding the application for appropriate tenurial instrument on the area occupied outside the approved FLAgT area and not covered by the management agreement.

Attached are the geotagged photos, map, and filled-out monitoring and evaluation form of the activity.

For information and record.

FOR. RICHARD M. PARIÑAS

est Ranger

ELVIE G. BASELand Management Officer II

FOR. DONNA C. TABERNILLA
Forester II/ Chief, Compliance & Monitoring Unit

PHOTO DOCUMENTATION

a) Site Inspection

















Storage of Solid Waste





Storage of Used Engines Oil

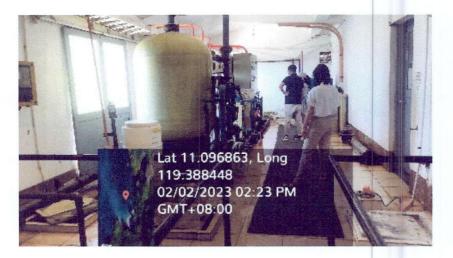


Generator Sets





Desalination Plant



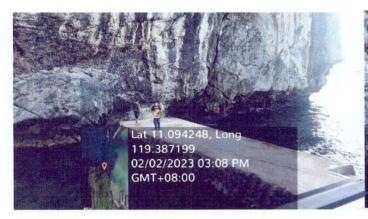
Sewage Treatment Plant (STP)







Monitoring of monuments





Review of the Documents



Trail for trekking and hiking



COMPLIANCE MONITORING SHEET FOR FORESTRY TENURE (FLAgT)

Monitoring Date: February 2, 2023 Monitoring Time: 2:00 PM

A. BASIC INFORMATION:

Name of Company: Ten Knots Philippines Incorporated (TKPI)				
Location of Area (Sitio, Brgy, Mun): Lagen Island, Aberawan, El Nido	Area in Sq. Meter: 50,000			
Business Address: (email, messenger acct. & contact number) mlaririt@te	enknots.com			
Amount of Annual Government Share: 75,000.00 Date Paid/OR No. 12/1/2022/6391159				
Year of last evaluation (Per Section 16 of DAO 2002-28): 2022				
Nature of Land-use (Per Section 4 of DAO 2004-28: Bathing Establishmen	nt			
Tenure Instrument Number: DENR 4B-MIMAROPA-12302030-0008	Date of Issuance: 12/27/2005			
Kind of Tenure Instrument: FLAgT	Expiry Date: 12/30/2030			
Contact Person/Designation: Mariglo Laririt, Executive Director				
Name of Pollution Control Officer (PCO): Hanniel Almasco				
PCO Accreditation No. 2021-R4B-03299	Effectivity: March 2024			
Contact No. 09178777568	Email: halmasco@elnidoresorts.com			

B. COMPLIANCE TO EXISTING ENR LAWS, RULES AND REGULATIONS:

Conditions	Yes	No	Remarks
1. NCIP/Cert. of Pre-Condition/ Date Issued		/	
2. Free and Prior Informed Consent/ Date Issued		/	
1. Compliant to ECC – PD 1586, Philippine Environmental Impact Assessment/ DAO 2003-30	/		
2. Compliant to RA 6969, Toxic and Hazardous Waste Act of 1999/ DAO 1992-29	/		
3. Compliant to RA 8749, Clean Air Act of 1999/ DAO 2000-81	/		
4. Compliant to RA 9003, Ecological Solid Waste Management Act of 2000/ DAO 2001-34	/		
5. Compliant to RA 9275 Clean Water Act of 2004/ DAO 2005- 10	/		
6. Compliant to PD 705, Forestry Reform Code of the Philippines	/		
7. Compliant to Water Code of the Phil./ Article No. 51-PD 1067 (No Permanent Structures within Easement Zones)			Hotels, Villas and other structures falls within the 40
a) Within 3 meters in Urban Areas		/	meters easement zone.
b) Within 20 meters in Agricultural (A&D) Areas			
c) Within 40 meters in Timberland Areas			

C. COMPLIANCE PURSUANT TO DENR ADMINISTRATIVE ORDER NO. 2004-28

	Response	
Terms and Conditions	Yes or No	Remarks
14.1. The boundaries of the FLAgT area was delineated and marked on the ground within within six (6) months from the ssuance of the agreement?	YES	
14.2. The FLAgT holder submitted the Site Management Plan for the protection of the environment and conservation of the area within 3 months from issuance.	YES	

Towns and Conditions	Response	
Terms and Conditions	Yes or No	Remarks
14.3. The holder secured the required Environmental Compliance Certificate (ECC) and other necessary permits prior the conduct of any activity in the area?	YES	
14.4. The holder utilized the area only for the purpose for which the FLAgT was granted. If the area was utilized for other purpose/s other than what was approved, is prior approval secured from the Secretary of his duly authorized representative?	YES	
14.5. In all instances, cutting of trees within the FLAgT area shall be subject to prior clearance by the DENR in accordance with existing rules and regulations. If there are cutting of trees, is prior clearance secured from DENR Secretary of his duly authorized representative?	YES	
14.6. Is the practice of Ecological Solid Waste Management properly observed and implemented? Is the Clean Water Act observed and followed (STP, Water Discharge Permit, etc)?	YES	
14.7. Is biodiversity in the area especially those identified as unique, rare and endangered species of flora and fauna strictly protected?	YES	
14.8. Is there any changes in the management, ownership or capital stock of the company or corporation or transfer of a majority of the stock or shares of the company or corporation as provided for in PD 705, as amended? If so, did the proponent immediately informed the RED or his/her duly authorized representative?	NO	No changes in the management & ownership
14.9. The holder are willing to surrender to the RED of his/ her duly authorized representative the agreement if not to be renewed on the date of expiration, or if the holder is no longer interested in the area, or in case of cancellation, immediately after the effectivity of its cancellation?	YES	
14.10. Is the holder fully aware that in case of death of individual FLAgT holder, the heir(s) may apply for the transfer of FLAgT within ninety (90) days upon his/ her death?	YES	
14.11. Is the tenure holder aware that the FLAgT shall not be construed as permit to obstruct the free navigation of any stream, creek or river or marine coastal area adjoining or flowing through the area or to prohibit or interfere with the passage of people along such streams, creeks or rivers or banks thereof? Or to impeded the flow and ebb of the tide to and from the interior of the swamps?	YES	

D. IMPROVEMENTS INTRODUCED:

Type of Improvement Introduced	Approximate Value of Improvement	STATUS (permanent or temporary)	REMARKS
A. Current Year 2023			
1. Land	No Data		
2. Buildings	No Data		
3. Infra/Machineries	No Data		
4. Plantation	No Data		
5. Other Improvements	N/A		
B. Previous Years 2022			
1. Land	No Data		
2. Buildings	No Data		
3. Infra/Machineries	No Data		
4. Plantation	N/A		
5. Other Improvements	N/A		

E. PAYMENT OF ANNUAL GOVERNMENT SHARE/RENTAL/FOREST FEES: (O.R. copy hereto attached)

Particulars	Amount	Official Receipt No.	Date Issued	Remarks (Indicate if updated or not)
Government Share/Rental	75, 000	6391159 F	December 1, 2022	Updated
Performance Bond				
Forest Charges				
Surcharges				

F. Other environmental, social activities by the holder (e.g. tree planting, coastal clean up, gift giving etc)

The management is regularly conducting coastal clean-up and patrolling.

G. FINDINGS AND RECOMMENDATIONS

- a. The holder failed to present Annual Report for CY 2022 during the monitoring.
- b. The holder established a trail for trekking and hiking outside the approved FLAgT Area which is a violation on the terms and conditions and subject for suspension of the agreement pursuant to DAO 2004-28 section 17.1.3.
- c. The structures such as villas, pathways, restaurants, and other facilities are within the forty (40) meters easement which is prohibited under Article No. 51 of Presidential Decree 1067 also known as the Water Code of the Philippines.

With this the team recommends the following:

- Reconciliation of the existing laws and policies to come up with defined guidelines for the compliance monitoring specifically on the easement; and
- Advise the tenure holder to submit their Annual Report for CY 2022.

H. DETAILS AND SIGNATURE OF MONITORING TEAM:

WE HEREBY CERTIFY to the correctness of the data and information as contained herein to the best of our knowledge and belief.

Name	Position/Designation/Office	Signature
DONNA C. TABERNILLA	Forester II/Chief, Compliance and Monitoring	- Streeting
ELVIE G. BASE	Land Management Officer II	Secultarias (
RICHARD M. PARIÑAS	Forest Ranger	Afair

I. ATTACHMENT/S

(See attached photo or geo-tagged/map/and other documentations)

SUBSCRIBED AND SWORN to before me this 8th day of February 2023 at Poblacion, Taytay, Palawan.

CONRADO M. CORPUZ

CHNRO

Authorized Person to Administer Oath

ACCOUNTABLE FORM No. 51-C (TRIPLICATE) Revised January, 1992 Official Receipt of the Republic of the Philippines No 6391159 Date DEC 01 2022 Agency DENR-CENRO TAYTAY, PALAWAHING Payor Nature of Account Amount Collection Code (17.7674) TOTAL P Amount in Words Drawee Bank Number Date Cash ☐ Check ☐ Money Order Received the amount stated above. MARY ANN D. BULACAN Forestolleabing Officer 1/SODO

NOTE: Write the number and date of this receipt on the back of check or money order received.



COMMUNITY ENVIRONMENT AND NATURAL RESOURCES OFFICE

by the National Highway, Poblacion, Taytay, Palawan 5312 Mobile: 0926-505-9335 ™ 0912-171-3889 TNT

Email: cenrotavtay@denr gov.ph

January 16, 2023

MS. MARIGLO LARIRIT

Executive Director Ten Knots Philippines, Inc. Masagana, El Nido, Palawan

Madam,

Environmental Greetings!

Please be informed that a team from Regional Office will conduct an inspection, monitoring, and performance evaluation of the areas covered by the approved Forest Land Use Agreement for Tourism (FLAgT) Purposes within the jurisdiction of this Office on February 1-3, 2023.

On the same date, the CENRO Compliance Monitoring team of this office will simultaneously inspect, monitor, and evaluate the area covered by the FLAgT areas as part of the annual target on compliance monitoring of Forest tenurial instruments. The team will be headed by Chief of Compliance, Monitoring and Investigation Section DMO III Bibiana Lyn T. Aguha along with eight (8) others.

Moreover, respectfully requests the following documents during the inspection to wit;

- Approved Comprehensive Development Management Plan (CDMP) 1.
- Annual Report (CY 2022); 2.
- Name/ Accreditation No./Date of Effectivity/Contact Number/Email of assigned 3. Pollution Control Officer;
- Updated Tax Declaration; and 4.
- List of environmental and social activities by the holder. 5.

This is a courtesy notice and we will also be glad to receive a response from you. For clarification and queries please contact Forester Donna C. Tabernilla at the numbers above.

Thank you.

Yours.

CONRADO-M. CORPUZ

Community of Environment of Natural

Resources Officer

JAN 16 2023



MIMAROPA Region

COMMUNITY ENVIRONMENT AND NATURAL RESOURCES OFFICE

by the National Highway, Poblacion, Taytay, Palawan 5312 Mobile: 0926-505-9335 ™ 0912-171-3889 TNT

Email: cenrotaytay@denr.gov.ph

February 26, 2021

MS. MARIGLO LARIRIT

Director Ten Knots Philippines Incorporated Bgy. Masagana, El Nido, Palawan DATE: 9/1/2021 COR C038

Ma'am,

Environmental Greetings!

This pertains to the findings in the inspection and evaluation of the Compliance Monitoring Team of this Office last year 2\$20 over the areas of Ten Knots Philippines Incorporated (TKPI) covered with Forest Land Use Agreement for Tourism (FLAgT) purposes.

Please be informed that the team found some structures constructed and developed by TKPI outside the approved FLAgT area namely:

- a. Approximately 761 meters trail, construction of view deck and water storage facility. These are outside of the area of approved FLAgT No. DENR IV-MIMAROPA 1232030-0009 in Pangulasian Island, Barangay Bebeladan, EL
 —Nido, Palawan,
- Approximately 129 meters trail outside the area of the approved FLAgT No. DENR IV- MIMAROPA – 1232030-0008 in Lagen Island, Barangay Aberawan, El Nido, Palawan and
- c. Bacuit Bay Development Corporation (BBDC) subsidiary of TKPI has structures outside the area of approved FLAgT No. DENR 4B-1232029-0002 and DENR 4B-12302029-0003 such as docking facilities, pathways and 32 villas.

In view hereof, you are hereby advised to file application for Special Use Agreement in Protected Area (SAPA) for the areas in Pangulasian Island and Lagen Island, El nido and Forest Land use Agreement for Tourism (FLAgT) purposes in area located in Apulit Island, Bgy. Maytegued, Taytay, Palawan. The government, through this Office, will also require you to pay occupational fee starting from the time these structures were introduced without prejudice to other reliefs brought by iXegal occupation of the firm.

poneta Pisano 3/04/21
poneta Pisano agua, 10: Nam

Community Environment and Natural Resources Officer

Copy furnish

PAMO ENTMRPA, El Nido PLNRO Palawan, PPC MIMAROPA Region, Erroita, Manila