



Republic of the Philippines
City of Bago

OFFICE OF THE SANGGUNIANG PANLUNGSOD

ORDINANCE NO. 15-16

AN ORDINANCE IMPOSING AN ENVIRONMENTAL PROTECTION FEE, PROVIDING FOR THE MANAGEMENT AND USE THEREOF, AND FOR OTHER PURPOSES

WHEREAS, Section 16 of Republic Act 7160 mandates that local government “shall ensure and support, among other things, ...xxx... enhance the right of the people to a balanced ecology...xxx... and preserve the comfort and convenience of their inhabitants.”;

WHEREAS, the limited natural resources in the City mandates that everyone assumes a shared responsibility and must contribute to the initiatives in environmental conservation, protection and regeneration;

WHEREAS, Bago City hosts an area of approximately 4000 hectares of natural forest within the Mt. Kanla-on Natural Park and Bago River Watershed with an estimated ecosystem services value of around PhP 1.8 Billion¹, which serves as important habitat for endemic and critically endangered wildlife, contributes to the city’s water sources, helps mitigate the impact of climate change and serves as a destination for tourism, which needs protection and/or rehabilitation;

WHEREAS, forest protection and rehabilitation shall be guided by resource management plans aimed at achieving desired future forest conditions based on enhancement of the various ecosystem services that benefit the residents of the city;

WHEREAS, it is within the power of the local government to impose regulatory fees to be utilized as reinvestment for environmental governance initiatives and ensure that the environment and natural resources are sustainably managed;

WHEREAS, the Environmental Protection Fee (EPF) is not a tax but a fee for a cost effective and sustainable means to improve environmental management; and

WHEREAS, the City Government of Bago, cognizant of its obligation in ensuring that the environment is sustainably managed for the benefit of present and future generations, is adopting the EPF system for the effective and sustainable management of its environment and natural resources.

NOW THEREFORE, on motion of SP Member Allan C. Galunan, duly seconded by SP Members Cleo F. Gaudite and Danilo U. Famoso, the Sangguniang Panlungsod of the City of Bago, hereby ordains that:

Section 1. Title of the Ordinance. This Ordinance shall be known as the “Environmental Protection Fee Ordinance of 2015”

Section 2. Declaration of Policy. It is hereby declared the policy of the City Government of Bago to fully exercise genuine and meaningful local autonomy in the implementation of initiatives toward the enhancement of the rights of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature.

¹ Based on USAID Ecosystem Value Estimation Calculator of MERFI

Section 3. Definition of Terms. As used in this Ordinance, the terms below are hereby defined as follows:

- a. Water –refers to water under the ground, water above the ground, water in the atmosphere and the municipal waters of the City.
- b. Watershed –a land area drained by a stream or fixed body of water and its tributaries having a common outlet for surface runoff
- c. Natural forest- forest composed of indigenous trees not planted by man
- d. Climate Change- refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.
- e. Conservation area - natural area providing significant ecosystem functions and services identified and managed to a set of conservation targets.
- f. Resource management plan – shall include, but not be limited to, forest land use plan, watershed management plan, protected area management plan, forest management unit plan, conservation area management plan and coastal resource management plan.
- g. Forest Management Unit – an area presently or intended to be predominantly covered by forests and managed to a set of objectives according to a long-term management plan.
- h. Rice producers – refers to natural or juridical persons directing or engaged in cultivation and farming of lands for rice plantation and includes the land owners, possessors, and lessees who are actually and directly generating income from a particular piece of land.
- i. Sugar producers - refers to natural or juridical persons directing or engaged in cultivation and farming of lands for sugarcane plantation or sugar production and includes the land owners, possessors, lessees, and buyers who are actually and directly generating income from sugar production.
- j. Private institutions – refers to organizations or establishments organized to offer services to the people in exchange for a fee or benefit and includes among others, academic, commercial, religious, cultural and other institutions not run by the government.

Section 4. Imposition of the Fee. There is hereby imposed an Environmental Protection Fee on water users listed under Section 5 hereof. The Fee shall form part of the Environmental Protection Fund created under this Ordinance and shall be utilized for the conservation, protection and regeneration of the environment and natural resources within Bago City.

Section 5. Coverage. The following sectors within the jurisdiction of Bago City are required to pay the Environmental Protection Fee:

- a. Commercial and industrial establishments (i.e. manufacturing, processing, poultry and livestock; resorts, hotels and other forms of recreations; private institutions; LGU-operated resorts; and all others of the like);
- b. Rice producers;
- c. Sugar producers; and
- d. Residential water users.

Section 6.Rates. The following rates shall be the basis for the computation of fees of the different sectors, to wit:

- a. For commercial/industrial establishments, 2% of the assessed business tax per year shall be collected from them;
 - a.1. In the case of LGU-operated resorts, P5.00 shall be imposed per individual guest per entry;
- b. For rice producers, P75 per hectare per year shall be collected from individual rice producer;
- c. For sugar producers, a P1 per 50-kg bag (based on production per year) shall be imposed;
- d. For residential water users:
 - d.1. those households connected with BACIWAD, shall be imposed a fee of P0.50 per cubic meter consumed; and
 - d.2. those households that are not connected with BACIWAD shall have a fixed rate of P5 per month per household.

Section 7.Mechanisms for Collection. Depending on the concerned sector, specific mechanisms for collection shall apply, which are enumerated as follows:

- a. For commercial/industrial establishments, the LGU, through the City Treasurer's Office shall collect the Fee along with the imposition of business tax.
 - a.1. In the case of LGU-operated resorts, an Official Receipt shall be issued.
- b. For rice producers who are members of the Irrigators Association, the latter shall serve as the collecting agent. For non-members of the association however, payment shall be directly collected by the LGU through the concerned barangay.
- c. For sugar producers, the Sugar Planters Association shall serve as the collecting agent.
- d. For residential water users:
 - d.1. Payment of households connected with the water district shall be collected by the BACIWAD;
 - d.2. Those with Level 3 water system but are not connected with water district shall be collected by the concerned Barangay Water System Association; and
 - d.3. Those under Levels 1 and 2 water systems, collection shall be directly undertaken by the LGU through the concerned barangay.

LGU shall enter into an Agreement with the appropriate association, organization or agency that will serve as collecting agents among the different sectors.

Collecting agents are entitled to receive 10% of the collected amount as administrative cost. The remaining 90% shall be remitted to the LGU through the City Treasurer's Office.

Section 8. Creation of Fund. There is hereby created an Environmental Protection Fund which shall be a Special Account under the General Fund of the City.

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Section 9. Sources of the Fund. The Fund shall be sourced from the following:

- a. Fees collected by virtue of this Ordinance; and
- b. Donations, grants and contributions.

Section 10. Use of the Fund. The Fund shall be used for the following purposes:

- a. Conservation, protection and rehabilitation of portions of Bago River Watershed and Mt. Kanla-on Natural Park within the geographical boundary of Bago City especially the protection of natural forest within identified conservation areas, including compensation and/or incentives of patrollers, forest guards, volunteers, data managers, enforcers and other related personnel involved in forest protection and rehabilitation.
- b. Equipment required for the effective protection and rehabilitation of forest resources within Bago City.
- c. Livelihood programs that will aid in the conservation, protection and rehabilitation of portions of Bago River Watershed and Mount Kanla-on Natural Park within the geographical boundary of Bago City aimed at reducing threats to the forest from unsustainable and illegal practices within Bago City;
- d. Administrative and logistical costs of the Bago City Watershed Management Council and the Technical Working Group created hereunder, and the administrative cost of the City for the collection of the fee, but not to exceed a total of 10% of the Fund per annum.

Provided, that the environmental conservation, protection and rehabilitation projects and activities as well as the livelihood programs shall be consistent with the approved resource management plans as defined in this Ordinance.

Section 11. Creation of Bago City Watershed Management Council. A Bago City Watershed Management Council is hereby created with the following composition:

Chairperson

City Mayor

Co- Chairperson

Sangguniang Panlungsod Chair of the Committee on Environment

Members:

ABC President

City Accountant

City ENRO

Irrigators' Association representative

BACIWAD representative

Civil Society Organization representative to be elected from among the accredited CSOs in Bago City

Section 12. Powers and Functions of the Council. The Bago City Watershed Management Council shall have the following powers and functions:

- a. Manage the Environmental Protection Fund

- b. Approve the Annual Work and Financial Plan for the use of the Fund
- c. Approve proposals for the use of the Fund

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- d. Report yearly to the City Council on the status of the Fund and project accomplishments
- e. Hold quarterly meetings
- f. Recommend policies relating to environmental conservation, protection and rehabilitation to the SangguniangPanlungsod and other management bodies

Section 13. Creation of the Technical Working Group. A Technical Working Group is hereby created with the following composition:

Head: City Environment and Natural Resources Officer

Members: Representatives from the following Offices:

- a. City Planning and Development Office;
- b. Department of Environment and Natural Resources;
- c. Provincial Environment Management Office;
- d. City Engineering Office;
- e. Local Disaster Risk Reduction and Management Office;
- f. City Agriculture Office; and
- g. City Treasurer's Office.
- h. Irrigator's Association

The Technical Working Group may invite representatives from other sectors as needed.

Section 14. Functions of the Technical Working Group. The Technical Working Group shall have the following functions:

- a. Serve as Secretariat of the Council;
- b. Prepare the Annual Work and Financial Plan for the use of the Fund consistent with the approved resource management plans;
- c. Review proposals for funding;
- d. Monitor and assess implementation of projects; and
- e. Perform other functions as may be assigned by the Council.
- f. Recommend policies for consideration by the Watershed Management Council

Section 15. Additional Requirement for Mayor's Permit or Business License. The receipt for the payment of the "Environmental Protection Fee" shall be an additional requirement for the issuance of the Mayor's Permit or Business License.

Section 16. Additional Requirement for Barangay Clearance/Certification. The receipt for the payment of the "Environmental Protection Fee" shall be an additional requirement for the issuance of a barangay clearance/certification.

Section 17. Penalty for Non-payment. A penalty of five percent (5%) per annum of the amount due shall be charged for non-payment of the Environmental Protection Fee.

Section 18. Conflicting Provisions. If the provisions of the different sections of this Ordinance are in conflict with one another, the provision which is last in the ordinal sequence shall prevail.

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Section 19. Separability Clause. If any provision of this Ordinance or the application of such provision is declared unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.


Section 20. Repealing Clause. All local ordinances, rules and regulations or parts thereof, in conflict with or inconsistent with any provision of this code are hereby repealed or modified accordingly.

Section 21. Effectivity. This Ordinance shall take effect fifteen (15) days after its publication in a newspaper of local circulation or posting in at least two (2) conspicuous places in the City of Bago.

Enacted, December 29, 2015.

I hereby certify to the correctness of the foregoing Ordinance which was duly enacted by the Sangguniang Panlungsod during its regular session held on December 29, 2015.

Attested:


NICHOLAS M. YULO
City Vice Mayor-Presiding Officer


LINDA R. ARELLANO
Records Officer III /
City Secretary-Designate

Approved *this 8th day of January, 2016.*


RAMON D. TORRES
City Mayor