

ENVIRONMENTALLY-FRIENDLY VALUE CHAIN

Environment Regulations

Pursuant to the Rules and Regulations governing the Poro Point Freeport Zone (PPFZ) as approved by the PPMC Board of Directors on December 20, 2013, the following provisions under Section 105 to Sec.117 stipulates the PPFZ Environmental Regulations to read:

SECTION 105. Policies. - PPMC recognizes the importance of maintaining a high degree of environmental quality as a precursor to the sustainable economic development of the areas both under and adjacent to its jurisdiction. Specific regulations to protect and conserve environmental quality as shall be promulgated by PPMC shall conform to those environmental policies and regulations established by the National Government. However, PPMC shall promulgate more stringent emission or effluent standards to maintain a higher degree of environmental quality.

Recognizing that the DENR and its predecessor agencies have established policies to protect and preserve natural resources and safeguard environmental quality and effluent standards for air and water quality, the PPMC adopts those standards and implements them through a multi-partite Environmental Management Board (EMB).

SECTION 106.Application of Philippine Environmental Laws. - All Philippine environmental laws, particularly Presidential Decree Nos. 984, 1151, 1152, and 1586, as well as R.A. Nos. 6969, 7586, and 8749, including the rules and regulations of the DENR and other government agencies concerning environmental pollution and pollution control are hereby adopted.

SECTION 107.Environmental Management Board. - There is hereby created an EMB, chaired by the DENR and co-chaired by PPMC. The EMB shall be construed as a Multi-partite Monitoring Team responsible for formulating the general policy guidelines based on applicable Philippine environmental laws for implementation within the PPFZ.

SECTION 108.Ecology Center. - PPMC hereby creates an Ecology Center (EC) pursuant to Section 13 (10) of R.A. No. 7227. It shall implement the general policy guidelines formulated by the EMB and otherwise be responsible for the protection of the environment and natural resources within the PPFZ. The EC shall also be responsible for monitoring compliance with ECC conditionalities and other environmental laws, rules and regulations implemented by the DENR. It shall also ensure the implementation of environmental and natural resources conservation and protection programs adopted or assumed by the Developer/Operator within the PPFZ.

The EC shall undertake the normal functions associated with environmental management, including but not limited to, enforcement, monitoring, permitting, training and education, and contingency and emergency planning.

The EC shall seek to privatize services and infrastructure related to environmental management to the extent that it shall deem appropriate. This shall include such environmental services as water supply. Wastewater treatment facilities, waste management facilities, waste transportation services, and environmental monitoring services as can be contracted to the private sector.

SECTION 109.Coverage. - The regulations for environmental and natural resources conservation and protection shall be applicable to all areas within the PPFZ and/or the jurisdiction of the PPMC. The EC shall introduce a system of regulation that shall be applicable to all PPFZ Registered Enterprises within the jurisdiction of PPMC and/or the PPFZ. This system of regulation shall incorporate existing DENR policies and regulations.

SECTION 110.Permits and Clearances. - The EC shall be the entity responsible for the issuance of all permits and clearances related to environmental protection and conservation within the PPFZ, such permits and clearances to include, but not limited to Environmental Compliance Certificates, Air Pollution Installation Permit (APIP) (R.A. 8749 of the Philippine Clean Air Act) and Waste Water Discharge Permit (WWDP) (R.A. 9275 of the Philippine Clean Air Act)

The EC shall, at its discretion, amend the requirements associated with such permits at any time and shall introduce such other permits or clearances that they deem necessary to protect and conserve the environment.

Environmental Compliance Certificates. Unless otherwise exempted from doing so by the EC, no business enterprise shall be registered as a PPFZ Enterprise and allowed to do business or undertake any activity within the PPFZ unless it secures an ECC from the EC. PPFZ Locators shall, under these Rules, submit an Environmental Report to the EC. Such Environmental Reports shall detail and describe the proposed undertaking, the short- and long- term environmental consequences of their business, establishment, construction project, or other activity; measures proposed to mitigate adverse environmental impacts; and unavoidable adverse impacts. Decisions by the EC on the issuance of the ECC for the proposed undertaking shall be based on the Environmental Report submitted for its consideration.

All public agencies or corporations seeking to build or construct any structure or infrastructure for business or public purposes shall secure an ECC prior to undertaking such activity.

Permit (APIP & WWDP). PPFZ Enterprises shall obtain APIP & WWDP from the EC prior to the initiation of any operation of any activity subject to the requirement. To obtain an ECC and the determination that such activity shall result in discharge to the environment. The Permit shall establish the monitoring and reporting requirements applicable to the PPFZ Locators and shall be renewed on an annual basis. Such PPFZ Locators shall designate a Pollution Control Officer who shall serve as the person responsible for ensuring compliance with the monitoring and reporting requirements and for the environmental integrity of the enterprise and compliance with these Rules and such other regulations promulgated or to be promulgated by the PPMC, including but not limited to, effluent discharge and emission standards, waste management, and emergency and contingency plans.

SECTION 111. Air Quality. - Air quality in the PPFZ or the jurisdiction of the PPMC shall be maintained so as to achieve the national ambient air quality standards. These standards are those deemed necessary to protect public health and welfare and to reduce potential damage to property. To achieve these standards, the DENR and PPMC shall formulate an air quality management strategy for limiting emissions from mobile and stationary sources. The following standards shall not be exceeded more than once per year.

The EC shall not permit air quality to deteriorate within its jurisdiction and/ or the PPFZ as a result of industrial development. To determine the existing air quality of the region, the EC shall implement a regional air quality monitoring program within its jurisdiction. All stationary sources of air pollution within the PPFZ and/ or the jurisdiction of PPMC shall be subject to regulation and shall be required for an Air Inspection as a condition of their occupancy in the PPFZ and/ or the regulatory area of the PPMC. All sources of air pollution must comply with the relevant regulations and standards applicable to air emission sources. Owners/ operators of stationary air pollution sources shall be required to conduct monitoring of the emissions from those sources and report the results of that monitoring to the EC. The frequency of monitoring and reporting shall be established by the EC.

SECTION 112. Water Quality. - The EC shall not permit water quality to deteriorate within its jurisdiction and/ or the PPFZ as a result of development of industrial development. To determine the existing water quality of its jurisdiction and/ or PPFZ, the EC shall implement a water quality monitoring program. All sources of water pollution within the PPFZ and/ or the jurisdiction of PPMC shall be subject to regulations. All sources of water pollution must comply with the relevant regulations and standards applicable to water effluent sources.

Water quality in the PPFZ and/ or the jurisdiction of PPMC shall be maintained so as to meet national standards applicable for the highest and best use of the water body as established and determined by the EC in coordination

with the DENR-EMB. In general, this is intended to promote and maintain water quality that is suitable for contact water recreation. All surface water bodies, including marine and fresh waters, shall be included in this provision.

To protect the waters within PPFZ and/or jurisdiction of the PPMC, the EC shall not allow the direct discharge of any wastewater, either industrial or domestic, that does not meet the effluent discharge standards as established by the DENR-EMB and adopted by the PPMC. In the case of discharge wastewater treatment facilities by either industrial or domestic discharges, the acceptable standard for acceptance of those wastewater shall be determined by the owner/operator of those facilities. Discharges of effluence from wastewater treatment facilities shall meet the applicable discharge standards. Compliance with such standards shall be the responsibility of the Owner/Operator of the facility. All discharges of wastewater shall be monitored of the effluent subject to discharge and of the water quality of the receiving water and shall report the results of that monitoring to the PPMC. The frequency of the monitoring and reporting shall be established by the PPMC.

SECTION 113.Waste Management. - All solid, toxic and hazardous wastes shall be managed in the manner deemed appropriate by the EC. The EC shall define solid, toxic and hazardous wastes in a manner consistent with the definitions by the DENR-EMB under R.A. No. 6969 and shall define the requirements for waste generators, transporters and owners/ operators of waste management facilities.

*Solid Waste.*All PPFZ Registered Enterprise shall dispose of solid waste in a manner approved by the EC. Such approval shall include the use of approved waste transporters and disposal facilities.

*Waste Generators.*Any PPFZ Registered Enterprise deemed by the EC to be a waste generator shall be required to report the type, quantity and disposition of such waste every quarter. Every firm deemed to be a generator of hazardous and toxic wastes shall develop a plan for the proper management of those wastes and emergency and contingency plan for accidental releases of those wastes to the environment. Waste generators shall maintain a manifest inventory of the wastes generated and the disposition of such waste. Plans and inventories shall be regularly submitted to the EC.

*Waste Management.*Any firm/s intending to engage in waste transport within the PPFZ shall obtain approval by the EC to engage in such activity. Such approval shall be predicated upon the demonstration of the firm's capability and competence to engage in such activity in a safe manner. Waste transporters shall maintain a manifest of the waste material handled and/or transported by them and present such manifest upon the demand of the EC. No waste transporter shall dispose of, or deliver, wastes in any manner not approved or authorized by the EC.

Waste Management Facilities. All waste management facilities shall be subject to the approval and authorization of the EC prior to commencing operations. Such facilities shall be open to inspection by the EC at any time and shall maintain sufficient record as to allow the EC to determine the competence of their operation. No waste management facility shall accept any waste delivered to them by a transporter not approved or authorized by the EC to engage in such activity.

Waste management facilities shall include, but not limited to, sanitary landfills, physio-chemical treatment facilities, and other facilities processing, recovering, or disposing of wastes. Enterprises engaged in the operation of waste management facilities on their premises shall be included in these Rules and other regulations promulgated and adopted, or to be promulgated and adopted, by the PPMC to regulate such facilities.

Toxic and Hazardous Waste Management. All toxic and hazardous wastes used by any and all persons, businesses or other entities within the PPFZ and/or the jurisdiction of the PPMC shall comply with the provisions of R.A. No. 6969 and these Rules, as well as other regulations promulgated, or to be promulgated, by the PPMC with respect to the management of those materials. This shall include the registration of chemicals employed, imported or otherwise utilized at any time in any manner.

SECTION 114. Water Resources Planning.- The EC shall issue policies and objectives relative to water resources that will seek to ensure that sources of water supply within the PPFZ and/or the jurisdiction of the PPMC shall be protected and conserved, including marine waters, surface waters, and groundwater. While such policies and objectives shall be consistent with those established by the National Government, the policies and objectives shall recognize the developmental goals and objectives established for the PPFZ and/or the jurisdiction of the PPMC, and be consonant with the availability of water resources. As such, the EC shall formulate a groundwater protection program to ensure the continued viability of groundwater resources. The EC shall also require new water resource developments to obtain a Water Use Permit prior to development of any groundwater well or surface water abstraction. Such permit shall be reviewed by the EC. Applicants for a Water Use Permit shall provide such information as the EC deems necessary to evaluate the development proposal. Water Use Permits issued by the EC shall specify the allowable rate and quantity of water withdrawal. Permits shall report to the EC the water consumption and quality on a quarterly basis.

SECTION 115. Emergency and Contingency Planning.- All entities operating within the PPFZ and/or the jurisdiction of the PPMC having potential to discharge oil, petroleum products, or other deleterious substances (including chemicals or their by-products) in the environment shall prepare a plan for

preventing such discharge to the environment (including the aquatic, marine, or land environments) and detailing the measures to be employed in the event that such discharges occur. This plan shall be submitted to the EC and shall include the procedures to be followed during the handling of such materials and those to be followed in the event of their discharge. Such plans are to be prepared in conformance with the requirements of the DENR and with the standards of practice for the industry.

SECTION 116.Environmental Compliance Certificate. - No building and/or construction project can be commenced unless the Operator/Developer secures an ECC from the EC. New structures not covered by the initial ECC obtained by the Operator/Developer shall be subject to an ECC.

SECTION 117.Fines and Penalties. - The PPMC shall impose administrative fines and penalties against any PPFZ Registered Enterprises and Registered Residents for any violation of sanitation, garbage or sewage rules and regulations that the EC shall enact or promulgate.

The Environment and Safety (ES) section of the Poro Point Management Corporation (PPMC) is tasked to implement the general policy guidelines formulated by a multi-partite Environmental Management Board (EMB) on environment and responsible for the protection of the environment and natural resources within the PPFZ. These policies are tailored to the local needs and are specific to the mandate of the Poro Point Management Corporation (PPMC) as enunciated in Republic Act (R.A.) 7227, otherwise known as the Bases Conversion and Development Act. The ES shall also be responsible for monitoring compliance of locators with ECC conditionalities and other environmental laws, rules and regulations implemented by the DENR.

The ES undertakes the preservation, protection and maintenance of the environment and natural resources within the Freeport Zone and implements all environmental management and natural resources conservation and protection programs towards a sustainable development. It also undertakes the normal functions associated with the environmental management including, but not limited to, enforcement, monitoring, permitting, training and education, and contingency and emergency planning. Permit applications must be initially processed by ES unit and endorsed to DENR for review and approval.

The ES in coordination with DENR is responsible on the processing of all permits and clearances related to environmental protection and conservation within the PPFZ, such permits and clearances to include, but not limited to Environmental Compliance Certificates, Air Pollution Installation Permit (APIP) (*R.A. 8749 of the Philippine Clean Air Act*) and Waste Water Discharge Permit (WWDP) (*R.A. 9275 of the Philippine Clean Air Act*) pursuant to rules and regulations governing the Poro Point Freeport Zone.

The PPMC in coordination with DENR shall, at its discretion, amend the requirements associated with such permits at any time and shall introduce such other permits or clearances that they deem necessary to protect and conserve the environment.

Health and Sanitation

The ES monitors sanitation of the locator's vicinity and health of its employees based on the Occupational Safety and Health Standards, and the Code on Sanitation of the Philippines.

The Environment and Safety Officer is responsible for the preparation, initiation, inspection, implementation and endorsement of the plans, programs and projects for environment protection, health and occupational safety over the PPFZ stakeholders to include registered business enterprises, residents, and communities of impact barangays of the PPFZ in accordance with PPMC's Corporate Social Responsibility Programs.

Activities:

1. Linis baybay in coordination with the surrounding barangays of PPFZ and the City Government of San Fernando at the PPFZ Coastal Area.– September 21, 2014.
2. Bayani Challenge Coastal Clean Up – April 27, 2014.
3. Love Mother Earth Coastal Cleanup - February 14, 2014.
4. A Memorandum of Agreement for the Marine Protected area located at the San Fernando Bay was entered into by Institute of Social Order Inc.(ISO), the City Government of San Fernando, City Environment Office, Chevron and the Poro Point Management Corporation on November 24, 2015.