



JUL 04 2003

DENR ADMINISTRATIVE ORDER
No. 2003-26
Series of 2003

**SUBJECT : REVISED INDUSTRIAL ECOWATCH SYSTEM
AMENDING IMPLEMENTING GUIDELINES OF
DAO 98-51 SERIES OF 1998.**

Section 1. BASIC POLICY. It is the policy of the State, to uphold the right of the Filipino to a balanced and healthful ecology in accord with rhythm and harmony of nature. The constitution also guarantees the right of the Filipino people to information on matters of public concern. Towards this end, the Industrial ECOWATCH is hereby adopted by the DENR, as part of the compliance monitoring system of the Department.

Sustainable development through the prevention, abatement and control of pollution for the more effective utilization of the air, water and land resources of this country shall be implemented. Towards this end the State shall pursue an efficient and effective approach to promote industrial compliance and encourage pollution reduction through public pressure.

Section 2. OBJECTIVES. The Industrial ECOWATCH is hereby adopted and amended by the DENR in order:

- a) To promote mandatory self-monitoring and compliance with environmental standards and to encourage voluntary self-regulation among establishments for improved environmental performance by
 - encouraging pollution reduction beyond compliance through public recognition and praise;
 - creating incentives for dischargers and or producers;
- b) To build or enhance the capability of establishments and/or their associations on self-regulation in
 - developing internal environmental management systems
 - promoting the use of international environmental standards such as the ISO 14000 series.

Section 3 DEFINITION OF TERMS. When used in this Order, the following terms and phrases shall have the indicated meanings unless clearly stated otherwise:

- a. **Discharge** includes but is not limited to the act of spilling, leaking, pumping, pouring, emitting, emptying, releasing or dumping of any liquid materials into the water body or onto land from which it might flow or drain into said water body.
- b. **Discharger** refers to any person or persons, natural or juridical, discharging liquid wastes, and or other wastes into the environment.
- c. **Eco-labeling** refers to the standards and requirements established by the Bureau of Product Standards of the Department of Trade and Industry for labeling product as "Green Choice"
- d. **Environmental Management System (EMS)** is a part of the overall management system of a project or organization that includes environmental policy, organizational structure, planning activities, responsibilities, practices, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining an improved overall environmental performance.

- e. **Firm** refers to any operation or business, natural or juridical, which produces, manages, administers and/or operates industrial, commercial and/or manufacturing establishments.
- f. **Procedural Manual** refers to guidelines or procedures in the implementation of this Order.

Section 4. SCOPE. The Industrial ECOWATCH shall be implemented nationwide. Initial implementation shall be on water quality. Furthermore, the implementation shall be categorized and scheduled according to priority sectors and effluent criteria. The schedule of implementation shall be established through Memorandum Circular by the EMB Director at least thirty (30) days prior to each public disclosure.

Section 5 AMENDED RATING CRITERIA AND EQUIVALENT COLOR CODES. The rating criteria based on color-codes as provided in DAO 98-51 are amended as follows:

5.1 BLACK - A firm shall be rated Black (Very Bad) if at least one of these conditions is present:

- The firm discharges beyond standard and has no wastewater treatment system and/or applicable air emissions control/abatement system;
- The firm discharges toxic and hazardous wastes to the environment beyond the allowable limits set under DAO Nos. 34 and 35, series of 1990;
- The firm is under a Cease and Desist Order (CDO) issued by the Department of Environment and Natural Resources (DENR) Regional Executive Director (RED), the Pollution Adjudication Board (PAB), or the Laguna Lake Development Authority (LLDA) for violating provisions of Presidential Decree (PD) 984;
- There is willful manipulation by the firm of effluent discharge or air emissions, including the conduct of illegal activities such as dilution of discharge, installation and use of by-pass, or direct discharge of untreated air emissions and/or wastewater;
- There is verified obstruction of inspection activities of authorized personnel of the DENR/LLDA; or;
- There is legitimate and verified public complaint of pollution against the firm and no effort had been taken or exerted to address this complaint within the rating period.

5.2 RED - A firm shall be rated RED (Bad) if the firm has violated applicable wastewater effluent/air emissions standards even with efforts to reduce such discharges/emissions through the installation of fully operational WTP and /or emissions control abatement equipment.

5.3 BLUE - A firm shall be rated BLUE (Good) if all of these conditions are present

- The firm's effluents/emissions are consistently within the applicable standards within the rating period of one (1) year;
- The firm is in full compliance of all other DENR/LLDA regulatory requirements under PD 984, PD 1586, RA 6969, and DAO 26 series of 1992, which require the submission of self-monitoring reports (otherwise known as the pollution control officer or PCO reports) from pollution control officers;

- Its wastewater treatment and/ or air emissions control or abatement equipment are all well-maintained, and;
- The SMRs submitted are complete and accurate.

5.4 GREEN - A firm shall be rated GREEN (very good performance) if all these conditions are present

- The firm meets all the DENR/LLDA requirements and has been rated BLUE in the previous rating period;
- The firm's effluents/emissions are consistently lower than the applicable standards by at least 20 percent;
- The firm has well functioning monitoring equipment such as flowmeter, continuous emission monitoring system ;
- The firm has discharge points accessible to inspection.

5.5 SILVER - A firm shall be rated SILVER (excellent performance) if all these conditions are present

- The firm meets all the DENR/LLDA requirements and has been rated GREEN in the previous rating period, and;
- The firm implements clean technology, energy and water efficiency/conservation program/s, whichever is applicable;

5.6 GOLD - A firm shall be rated GOLD (OUTSTANDING performance) if all these conditions are present

- The firm has been rated SILVER for the past two consecutive rating period in all media (e.g., water, air);
- The firm implements an appropriate Environmental Management System and waste reduction program, whichever is applicable, and;
- A community environmental outreach program is being implemented on a regular basis by the firm.

5.7 INTERIM RATINGS

A firm shall be placed UNDER ASSESSMENT if at least one of these conditions is present:

- Not enough reliable data is available to complete a firm's evaluation;
- The improvement of the firm's existing wastewater treatment/air emissions control/abatement equipment is in progress;
- The inspection of DENR's/LLDA's teams shows compliance but self-monitoring reports show violation, or;
- The firm is in compliance with DENR/LLDA requirements for at least one year but is not in full compliance with other regulatory requirements or does not have a well-maintained wastewater treatment or air emissions control/abatement equipment.

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A firm cannot be UNDER ASSESSMENT for more than six (6) months.

5.8 The process diagram of the aforementioned criteria is attached as **Annex A**.

Section 6. ADMINISTRATIVE INCENTIVES. In accordance with the rating given to a firm, the following administrative incentives shall be provided:

6.1 **BLUE** – A firm rated BLUE (Good) shall be allowed to submit its quarterly SMRs on a bi-annual basis.

6.2 **GREEN** – A firm rated GREEN (very good performance) shall be allowed to submit its quarterly SMRs on an annual basis. In addition, regular permit renewal shall only be based on said SMR submission for two (2) consecutive years.

6.3 **SILVER** – A firm rated SILVER (excellent performance) shall be allowed to submit its quarterly SMRs on an annual basis. In addition, regular permit renewal shall only be based on said SMR submission for three (3) consecutive years.

When applicable, the DENR Official Seal of Approval (as provided for in Section 5.1.1 of DAO 2003-14) shall indicate the rating.

6.4 **GOLD** – A firm shall be rated GOLD (OUTSTANDING performance) shall be allowed to submit its quarterly SMRs on an annual basis. In addition, regular permit renewal shall only be based on said SMR submission for five (5) consecutive years.

When applicable, the qualified firm may also avail of Regulatory assistance, Financial assistance, Fiscal incentives and Other assistance as provided for in Section 5.1.2 to 5.1.5 of DAO 2003-14.

These administrative incentives shall continue to be in force provided the firm maintains the corresponding rating. Should the firm fail to maintain its rating within the permit life, such permit and/or other administrative incentives shall be deemed withdrawn automatically.

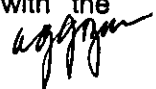
Section 7. DATA EVALUATION. Inputs for evaluation shall be based on data and information contained in documents (e.g., SMR) submitted by the firm as may be augmented and/or validated by DENR inspection and monitoring activities.

Section 8. DISCLOSURE. The results of the rating will be discussed with the firms concerned within the rating period, but at least one month prior to actual public disclosure to allow the ratee firms sufficient opportunity to validate DENR's findings.

Disclosure will be once a year, during the first quarter, with the disclosure for GOLD, GREEN and BLUE firms undertaken at least two (2) weeks ahead of the disclosure for the RED and BLACK firms.

Section 9. PROCEDURAL MANUAL. The EMB shall prepare a *Procedural Manual* for the implementation of this Order within a period of sixty (60) days from the effectivity hereof.

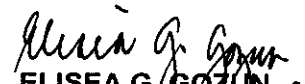
Section 10. REVIEW AND REVISION. This Order shall be subjected to review and revision by Environmental Management Bureau (EMB) in public consultations with the concerned sectors and approval of the Secretary.



Section 11 INFORMATION, EDUCATION CAMPAIGN. For the effective implementation of the Ecowatch System and better coordination among the concerned sectors, the EMB shall conduct continuing education and information campaign.

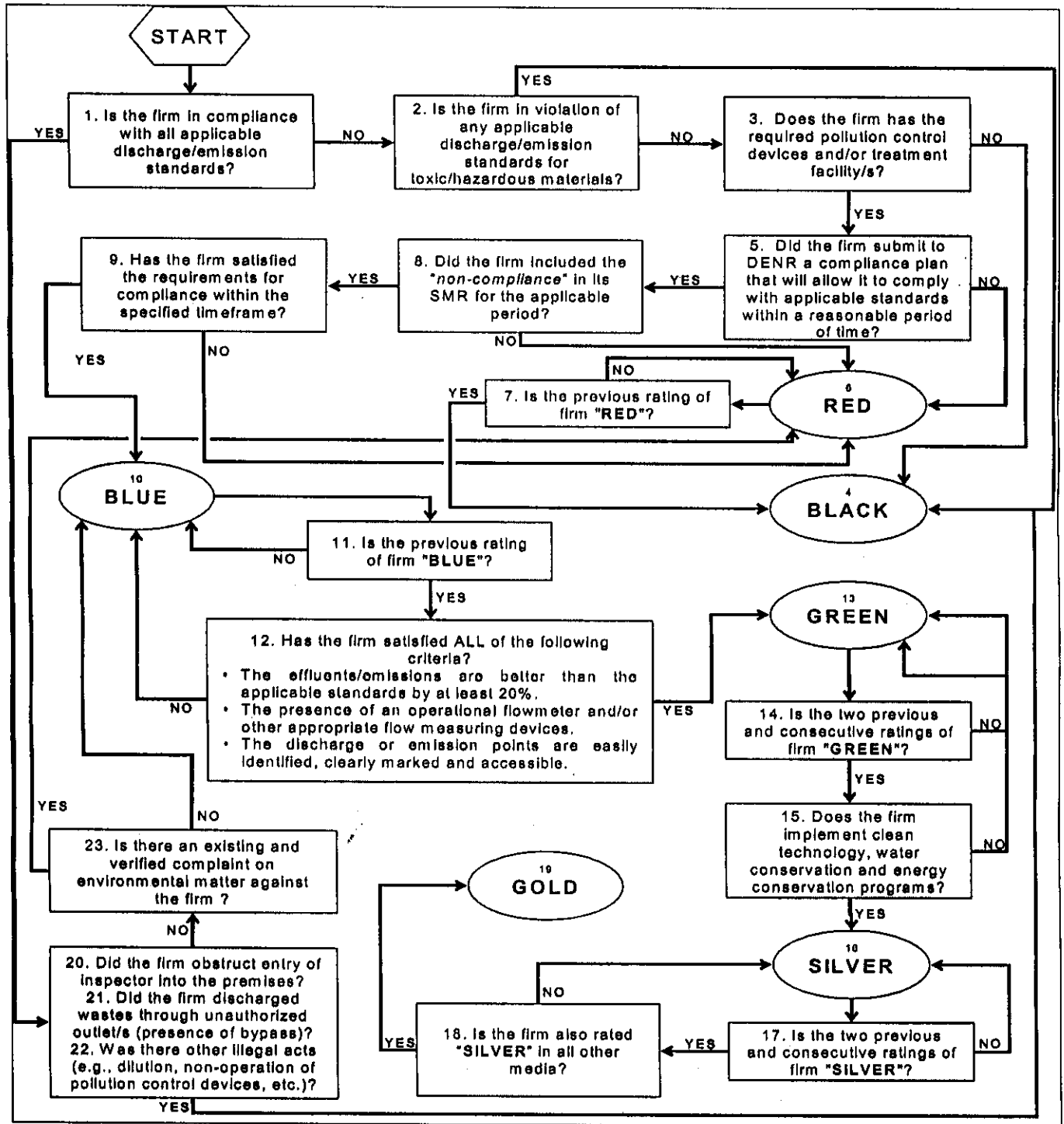
Section 12. REPEALING CLAUSE. All rules and regulations, including but not limited to provisions of DAO 26 (Series of 1992), DAO 29 (Series of 1992) and DAO 2000-81 (Series of 2000), found inconsistent herewith shall be superseded by this administrative Order.

Section 13. EFFECTIVITY. This Administrative Order shall take effect immediately after publication in two (2) newspaper of general circulation or acknowledgment of UP Law Center.


ELISEA G. GOZON
Secretary

ANNEX A

Figure 1. EcoWatch Rating Procedure



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