

# [ PRESIDENTIAL DECREE NO. 412, March 15, 1974 ]

## PROVIDING FOR THE DISPOSITION, DEVELOPMENT AND UTILIZATION OF GUANO DEPOSITS FOR FERTILIZER PURPOSES

**WHEREAS**, the present oil crisis has brought about shortage and prohibitive prices of fertilizer to the detriment of agricultural production;

**WHEREAS**, there have been found throughout the country several caves and other areas containing guano deposits which may be utilized even in raw form as fertilizer materials;

**WHEREAS**, to help alleviate fertilizer shortage and boost agricultural production, the speedy development and utilization of the guano resources is now imperative and necessary; and

**WHEREAS**, in order to encourage the development of these guano resources, the laws and rules governing applications for permits to develop them must be simplified and made inexpensive;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, do hereby exclude guano resources from the provisions of the Mining Act (Commonwealth Act No. 137, as amended), and provide hereunder the manner of disposition thereof, as follows:

**SECTION. 1.** *Permit to Remove Guano.* — No person, corporation, partnership or association shall be allowed to remove, take or collect guano deposits for fertilizer purposes within public or private lands, whether in caves or other areas, except under a permit duly issued in accordance with the provisions of this Decree.

**SEC. 2.** *Kinds of Permit.* — There shall be two kinds of permit that may be issued under this Decree, namely:

- a. Gratuitous permit to be issued to individuals for their personal use and to government agencies for official use; and
- b. Commercial permit to be issued to persons or corporations or partnerships for sale of guano with or without processing.

**SEC. 3.** *Who May be Granted Permit.* — Permits under this Decree may be issued or granted to applicants who have complied with the requirements provided herein and who possess the following qualifications:

- a. In case of a gratuitous permit, the applicant shall be of legal age and a citizen of the Philippines. A government agency may also be granted this permit.
- b. In case of a commercial permit, the applicant, if an individual, shall possess the qualifications prescribed in the preceding paragraph and if a partnership or corporation, it should be organized under the laws of the Philippines and duly registered with the Securities and Exchange Commission, at least sixty *per centum* (60%) of the capital of which is owned and held by citizens of the

Philippines. A certified copy of its duly registered articles of incorporation or partnership should be submitted in support of the application.

**SEC. 4. *Who May Issue the Permit.*** — Upon application filed in the prescribed form, the permit shall be issued by the Director of Mines or by the Mines Regional Officers. As deputies of the Director of Mines, the Mines Regional Officers shall issue permits covering areas within their respective jurisdictions.

**SEC. 5. *Permit Revocable in Nature.*** — Permits issued under this Decree may be revoked at any time by the Director of Mines where in his opinion public interest so requires or for causes provided hereunder. His decision, however, may be appealed to the Secretary of Agriculture and Natural Resources within five (5) days from receipt thereof by the party adversely affected. In either case, the decision shall be immediately executory. When a permit, however, is revoked through no fault of the permittee, he shall be entitled to a refund of the fees paid by him in advance, if any, for the quantity of guano not yet removed at the time he is duly advised of the revocation.

**SEC. 6. *Special Deputies.*** — In addition to the Mines Regional Officers who are designated as deputies of the Director of Mines in accordance with Section 4 hereof, the Secretary of Agriculture and Natural Resources may designate any official of an appropriate agency under his Department to act as deputy of the Director of Mines in each province or city, as the case may be. The deputies of the Director of Mines shall see to it that the areas within their jurisdiction having potentials for guano shall not be encroached upon by any unauthorized person, execute the decisions and orders of the Director of Mines and/or the Secretary of Agriculture and Natural Resources, and have authority to call for the assistance of any peace officer within their jurisdiction for the enforcement of such duties as may be assigned to them.

**SEC. 7. *Specific Conditions Under Which Permit is Issued.*** Permits granted under this Decree shall be subject to the following terms and conditions:

- a. Gratuitous permits shall be for the exclusive personal or official use and benefit of the permittee; commercial permits shall be for the extraction and sale of guano whether in its natural or processed form;
- b. Removal or taking of guano shall be confined within the cave or area specified in the permit, the location of which shall be indicated in a sketch map and properly identified;
- c. Under justifiable circumstances, commercial permittees shall allow gratuitous permittees to remove or take from the cave or area of their permit the quantity of guano specified in their permit for personal or government use. In the same manner, gratuitous permittees shall allow other permittees to remove or take guano from their cave or area;
- d. Permittees shall file quarterly with the Director of Mines or Mines Regional Officer a sworn statement of the quantity of guano removed and the amount of fees paid therefor;
- e. The permit or a copy thereof shall be kept at the site of operation and shall be made available at all times for inspection by the representatives of the Secretary of Agriculture and Natural Resources, the Director of Mines, the Mines Regional Officer, or the local authorities;
- f. The removal or taking of guano for commercial purposes shall be made only after proper notice to the Bureau of Internal Revenue or its regional office or the municipal treasurer, and the corresponding *ad valorem* tax under the