

[EXECUTIVE ORDER NO. 131, January 30, 1987]

**REORGANIZING THE MINISTRY OF NATURAL RESOURCES AND
RENAMING IT AS THE DEPARTMENT OF ENVIRONMENT, ENERGY
AND NATURAL RESOURCES ABOLISHING THE MINISTRY OF
ENERGY INTEGRATING ALL OFFICES AND AGENCIES WHOSE
FUNCTIONS RELATE TO ENERGY AND NATURAL RESOURCES
INTO THE MINISTRY DEFINING ITS POWERS AND FUNCTIONS
AND FOR OTHER PURPOSES**

RECALLING that the reorganization of the government is mandated expressly in Article II, Section 1 (a), and Article III of the Freedom Constitution;

HAVING IN MIND that, pursuant to Executive Order No. 5 (1986), it is directed that necessary and proper changes in the organizational and functional structures of the government, its agencies and its instrumentalities, be effected in order to promote efficiency and effectiveness in the delivery of public services;

REALIZING that the Ministry of Natural Resources must be reorganized and strengthened in order to increase its capacity to carry out powers and functions related to the demands of economic recovery, particularly the administration, management, development, conservation, regulation and proper use of the country's natural resources, for the benefit of all Filipinos;

AFFIRMING that the government needs a line agency for the formulation and supervision of its energy resource development program on a unified and coordinated manner;

COGNIZANT of the important influence of the energy sector in the social and economic life of the country;

TAKING NOTE that the magnitude, complexity and strategic importance of the country's energy requirements, demand an integrated planning and supervision of the country's comprehensive energy program geared toward achieving energy self-reliance and the judicious conservation and efficient utilization of the country's resources.

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the sovereign will of the Filipino People and the Freedom Constitution, do hereby order:

SECTION 1. *Title.* – This Executive Order shall otherwise be known as the Reorganization Act of the Ministry of Environment, Energy and Natural Resources.

SECTION 2. *Reorganization.* – The Ministry of Natural Resources, is hereby reorganized structurally and functionally in accordance with the provisions of this

Executive Order. The Ministry of Energy is hereby abolished and all its pertinent functions together with applicable appropriations, records, equipment and personnel as may be necessary are transferred to the Ministry, now reorganized and renamed the Ministry of Environment, Energy and Natural Resources, hereinafter referred to as the Ministry.

SECTION 3. *Declaration of Policy.* – It is hereby declared the policy of the State to ensure the judicious use, development, management, renewal, and conservation of the country's forest, mineral, land, water including marine waters and other natural resources, including the protection and enhancement of the quality of the environment, and equitable access of the different segments of the population to the development and use of the country's natural resources, not only for the present generation but for future generations as well.

It is also the policy of the state to recognize and apply the importance of energy and natural resources relative to their utilization, development and conservation.

It is further the policy of the state to ensure the continuous, adequate and economic supply of energy with the end in view of ultimately achieving self-reliance in the country's energy requirements, through intensive exploration and development of indigenous energy resources, and through the judicious conservation and efficient utilization of energy consistent with the country's accelerated economic growth objectives.

SECTION 4. *Mandate.* – The Ministry shall be the primary government agency responsible for the conservation, management, development and proper use of the country's energy and natural resources.

Natural resources specifically include but will not be limited to, forest and grazing lands, water, mineral resources, including those in reservation and watershed areas, and lands of the public domain.

Energy resources include but will not be limited to, those from fossil fuels such as petroleum, coal, natural gas and gas liquids, nuclear-fuel resources, geothermal resources, hydroelectric resources, and existing and potential forms of non-conventional energy resources.

The Ministry shall be responsible for the exploration, development, marketing, distribution, storage and efficient utilization as well as the licensing and regulation of all energy and natural resources as may be provided for by law in order to ensure equitable sharing of the benefits derived therefrom for the welfare of the present and future generations of Filipinos.

To accomplish its mandate, the Ministry shall be guided by the following objectives that will serve as basis for policy formulation:

- (a) Assure the availability and sustainability of the country's energy and natural resources through judicious use and systematic restoration or replacement, whenever possible;
- (b) Increase the productivity of natural resources in order to meet the demands for forest, mineral, land and water

resources of a growing population;

- (c) Enhance the contribution of energy and natural resources for achieving national economic and social development;
- (d) Promote equitable access to natural resources by the different sectors of the population;
- (e) Conserve specific terrestrial and marine areas representative of the Philippines natural and cultural heritage for present and future generations.

SECTION 5. *Powers and Functions.* – To accomplish its mandate, the Ministry shall have the following powers and functions:

- (a) Advise the President on the promulgation of laws relative to the development, use, regulation, and conservation of the country's energy and natural resources;
- (b) Formulate, implement, and supervise the government's policies, plans and programs pertaining to the management, conservation, development, use and replenishment or the country's energy and natural resources;
- (c) Encourage, guide and where necessary, regulate business activities relative to the exploration, exploitation, development, extraction, importation, exportation, transport, marketing, distribution and storage of fossil, nuclear, a geothermal, hydroelectric, and non-conventional forms of energy resources and prescribe and collect reasonable fees in the exercise of such powers;
- (d) Promulgate rules and regulations in accordance with law governing the exploration, development, conservation, extraction, disposition, use and such other commercial activities tending to cause the depletion and degradation of our natural resources;
- (e) Exercise supervision and control over forest lands, alienable and disposable lands, mineral and energy resources and in the process of exercising such control the Ministry shall impose appropriate taxes, fees, charges, rentals and any such form of levy for the use, occupation or exploitation of such resources;
- (f) Undertake exploration, assessment, classification and inventory of the country's energy and natural resources using ground surveys, remote sensing and complementary technologies;
- (g) Promote proper and mutual consultation the private sector involving energy and natural resources development, use and conservation;

- (h) Issue licenses and permits for activities related to the use and development of aquatic resources, treasure hunting, salvaging of sunken vessels and other similar activities;
- (i) Undertake geological surveys of the whole country including its territorial waters;
- (j) Establish policies and implement programs for the:
 - 1. Accelerated inventory, surveys and classification of lands, forest, and mineral resources using appropriate technology, to be able to come up with a more accurate assessment of resource quality and quantity;
 - 2. Equitable distribution of natural resources through the judicious administration, regulation, utilization, development and conservation of public lands, forest, water and mineral resources (including mineral reservation areas), that would benefit a greater number of Filipinos;
 - 3. Promotion, development and expansion of natural resource-based industries;
 - 4. Preservation of cultural and natural heritage through wildlife conservation and segregation of national parks and other protected areas;
 - 5. Maintenance of a wholesome natural environment by enforcing environmental protection laws;
 - 6. Encouragement of greater people participation and private initiative in natural resource management.
- (k) Promulgate rules and regulations necessary to:
 - 1. Accelerate cadastral and emancipation patent surveys, land use planning and public land titling;
 - 2. Harness forest resources in a sustainable manner, to assist rural development, support forest based industries, and provide raw materials to meet increasing demands, at the same time keeping adequate reserves for environmental stability;
 - 3. Expedite mineral resources surveys, promote the production of metallic and non-metallic minerals and encourage mineral marketing; and
 - 4. Assure conservation and judicious and sustainable development of aquatic resources.
- (l) Assess, review and provide direction to, in coordination with concerned government agencies, energy research and development programs, including identification of sources of

energy and determination of their commercial feasibility for development;

- (m) Regulate the development, disposition, extraction, exploration and use of the country's forest, land, water and mineral resources.
- (n) Assume responsibility for the assessment, development, protection, licensing and regulation as provided for by law, where applicable, of all energy and natural resources; the regulation and monitoring of service contractors, licensees, lessees, and permit for the extraction, exploration, development and use of natural resources products; the implementation of programs and measures with the end in view of promoting close collaboration between the government and the private sector; the effective and efficient classification and sub-classification of lands of the public domain; and the enforcement of energy and natural resources and environmental laws, rules and regulations.
- (o) Promulgate rules, regulations and guidelines on the issuance of licenses, permits, concessions, lease agreements and such other privileges concerning the development, exploration and utilization of the country's marine, freshwater, and brackish water and overall aquatic resources of the country and shall continue to oversee, supervise and police our natural resources; to cancel or cause to cancel such privileges upon failure, non-compliance or violations of any regulations, orders, and for all other causes which are in furtherance of the conservation of natural resources and supportive of the national interests;
- (p) Exercise other powers and functions and perform such other acts as may be necessary, proper or incidental to the attainment of its mandates and objectives.

SECTION 6. *Structural Organization.* – The Ministry consists of the Ministry Proper with five (5) Offices as defined in Section 11 hereof and the following:

- (a) Office of Energy and Environment;
- (b) Office of Natural Resources;
- (c) Office of Field Operations;
- (d) Legal and Support Services;
- (e) Office of Policy and Planning;

The staff sectoral bureaus on the other hand, shall be composed of:

- (a) Forest Management Bureau;
- (b) Land Management Bureau;