

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **3498**



Introduced by HON. RANDOLPH S. TING.

EXPLANATORY NOTE

The Cagayan River, also known as the Rio Grande de Cagayan, is the longest and largest river in the Philippine Archipelago. It is located in the Cagayan Valley region in northeastern part of Luzon Island and traverses the provinces of Nueva Vizcaya, Quirino, Isabela and Cagayan. Located in the northeastern part of Luzon Island, is the largest among 20 other major rivers (based on the 1998 nationwide master plan report) in the Philippines having a watershed (catchment) area of approximately 27,281 sq.km. with a river length of 520 km. It is bounded in the east, west, south and north by the Sierra Madre, Cordillera Central and Caraballo-Mamparang mountain ranges, and the Babuyan Channel, respectively.

The river's headwaters are at the Caraballo Mountains of the Central Luzon at an elevation of approximately 1,524 meters. The river flows north for some 505 kilometers to its mouth at the Babuyan Channel near the town of Aparri, Cagayan. The river drops rapidly to 91 meters above sea level some 227 kilometers from the river mouth. Its principal tributaries are the Chico, Siffu, Mallig, Magat and Ilagan Rivers. It is the main river that actually traverses almost all municipalities of Region 02.

The river drains a fertile valley that produces a variety of crops, including rice, corn, bananas, coconut, citrus and tobacco. In 2004, among the regions of the country, Region 02 was the number one producer of corn and number two producer of rice and has been such since then. This can be attributed to the good supply of water to the fields as the Cagayan River supplied water to 6,402 irrigation systems that serviced an approximate of 126,585 hectares of agricultural lands. Aside from agriculture, the Cagayan river also supply minerals for concrete aggregates as well as fish and other marine life products. Its pristine beauty has been a major tourism destination and in-land transportation services.

While the river is a major source of livelihood for the people of the Region, the same has been a major reason for the loss of lives and damage to property especially when water from the said river floods the flood-prone areas in the different provinces during heavy rains and typhoons. At an average rate of eight (8) typhoons per year, flooding of the agricultural lands had brought significant damage to production. At present, major problems of the river include decreasing water discharge, diminishing bio-diversity, river siltation, and pollution. These problems are caused by inundations at the tributaries and flood plains thereby causing great loss of lives and property as well as inadequacies in irrigation and domestic water supply affecting both the local and national economies.

In the light of the foregoing, there really is a need to come out with a mechanism and an institution to take care of the Cagayan River Basin to ensure the continuance of the benefits the people are deriving from it and preserve the river for the generations to come. The immediate passage of this Bill is therefore earnestly sought.


RANDOLPH S. TING
Representative
Cagayan 3rd Legislative District

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **3498**

Introduced by **HON. RANDOLPH S. TING**

AN ACT CREATING THE CAGAYAN RIVER BASIN DEVELOPMENT AUTHORITY, PRESCRIBING ITS POWERS, FUNCTIONS AND DUTIES, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and the House of Representatives of the Philippines in congress assembled

SECTION 1. Title.- This Act shall be known as the “**Cagayan River Basin Development Authority**”.

SECTION 2. Declaration of policy.- It is the declared policy of the state to promote the integrated management and development of resources in the country's River Basin, within the context of the river basin approach to optimize economic and social welfare without compromising the sustainability of environmental system to ensure a fair sharing of the national patrimony between and among its people.

SECTION 3. Purposes and Objectives.- It is the purpose, intent and objective of this Act to:

1. Establish the legal framework and mechanisms for the creation of the Cagayan River Basin Development Authority;
2. Consolidate and harmonize all development initiatives within the river basin under the overall framework of a unified river-basin management and development approach
3. Maximize the participation of all stakeholder in the area, establish the most effective
4. approach to effect an active and sustainable collaboration among stakeholder from government agencies, non-government agencies/peoples organization and the private sector and communities within the area;
5. Promote equitable sharing of costs and benefits from the basin's natural resources without compromising the river's preservation and sustainable usage; and
6. Negotiate local and external investment in the area, thereby generating required resources to support the implementation of required & necessary interventions (physical or services) increasing livelihood opportunities and facilitating the provision of needed social services for the people within the basin.

SECTION 4. Cagayan River Basin Development Authority created. For the purpose of carrying out and effecting the declared policy, as provided for in Section Two hereof as well as its purposes and objectives, there is hereby created a body corporate to be known as the Cagayan River Basin Development Authority, hereinafter referred to as the Authority, under the Office of the President, which shall be organized within one hundred twenty (120) days after the approval of this Act. The Authority shall execute the powers and functions herein vested and conferred upon it in such a manner as will, in its judgment, aid to the fullest possible extent in carrying out the aims and purposes set forth below. This Act may be known as the Cagayan River Basin Development Authority Act of 2013.

SECTION 5. Territorial Jurisdiction.- the Authority shall have jurisdiction over all the areas within the watershed of the Cagayan River with origin from its headwaters in the Caraballo Mountains, and flowing through the provinces of Nueva Vizcaya, Quirino, Isabela, and Cagayan.

SECTION 6. Location of Principal Office.- The Authority shall maintain its principal office at the most strategically located place. It may however establish such branch offices in other places necessary for the proper conduct of its business.

SECTION 8. Powers and Functions.- In addition to the usual corporate power and in order to effectively realize its objectives, the Authority shall be charged and vested with the following powers and functions:

- a. To spearhead the coordination of inter-agency activities within its jurisdiction in the implementation of the CRBMP;
- b. To prepare, review, evaluate and update the Cagayan River Basin Master Plan (CRBMP) in the interest of the Regional Development Plans of Region 02 and other area and sectoral plans as basis for proposing improvements in existing policies governing the protection, preservation, management and development of resources within the basin through legislation or other appropriate executive measures. In addition, the Cagayan River Basin Development Authority shall recommend to the President and Congress of the Philippines matters that may require executive directives and congressional legislation in support of the objectives of the CRBMP;
- c. To coordinate the integration of all proposed plans, programs and projects of the local government units, line agencies, public corporation and the private sector where such plans, programs and/or projects that are related to those of the Authority for the sustainable development of the Basin;
- d. To initiate, receive and recommend project proposal for the development, conservation and management of the basin's water resources;
- e. To engage in agriculture, industry, commerce, or other activities within the region which may be necessary or directly contributory to the socio-economic development of the region, and, for this purposes, whether by itself or in cooperation with private persons or entities, to organize, finance, invest in, and operate subsidiary corporations: *Provided, That* the Authority shall engage only, unless public interest requires otherwise, in those activities that are in the nature of new ventures or are clearly beyond the scope, capacity, or interest or private enterprises due to consideration of geography, technical or capital requirements, returns on investment, and risk;
- f. To establish a functional basin information and database system, utilizing computer-generated planning tools such as GIS for use by planners, managers, technical, personnel and the general public in collaboration with other GIS/MIS system in order to encourage the mutually beneficial sharing of data;
- g. To provide the machinery for extending the necessary assistance and seeking the same to local government units, line agencies, public corporations, the private sector and affected indigenous cultural communities/indigenous peoples in planning for the development project that have an over-all impact upon the utilization of resources within the Cagayan River Basin;
- h. To provide the machinery for extending the necessary technical assistance for the maintenance, repair and rehabilitation, as maybe necessary of Micro-Hydro Systems located within the area including the resolution of problems on siltation and flooding;
- i. To coordinate and monitor all planning, studies, design and implementation of various programs and projects for the development of the CRBCMP to ensure that water and other resources in the river are not depleted and are developed and utilized in sustainable, equitable and economical manner;

- j. To commission or undertake integrated studies, researches and other such undertakings to determine such appropriate measures to carry out the development of the River Basin and to generate inputs in support to policy decisions.
- k. To coordinate with existing government agencies in establishing water quality standards for industrial, agricultural and municipal waste discharge into the river and to cooperate with said existing agencies in enforcing such standards;
- l. To undertake on improvement and maintenance of the desirable water quality and in pursuance thereof, prepare a water quality management program on a continuing basis in coordination with relevant agencies, which the Authority shall carry out with the assistance and support of all national and local government units involved in water quality management.
- m. To provide assistance in arbitrating the resolution of inter-regional disputes/conflicts on water;
- n. To call upon any government agency, office or bureau for assistance in the discharge of, and form committees to facilitate the performance of its functions and responsibilities. Likewise, the Authority is hereby empowered to impose sanctions on member agencies and local government units as well as individuals and/or entities within its territorial jurisdiction who implement projects that are not environmentally friendly; and
- o. To receive grants, donations and other forms of development assistance in the discharge of its duties. As such, the Authority may engage or invest on, or enter into joint venture with Filipino or foreign investors in such projects within its jurisdiction as it may deem proper and necessary or contributory to the achievement and/ or implementation of any or all of the purposes and objectives of this Act;
- p. To plan, program and/or undertake infrastructure projects such as river, flood, water and sewerage works, water supply, roads, irrigation, housing and related works when so required within the context of its development plans and programs including readjustment, relocation or settlement of population within the Basin, as maybe deemed necessary and beneficial by Authority;
- q. To do any and all acts and to exercise all powers which may be necessary, proper or incidental to the accomplishment of the mandate, purposes and objectives of this Act.

SECTION 9. The corporate powers of the Authority.- The Authority shall have the following corporate powers:

- a. To succeed on its corporate name;
- b. To sue and be sued in such corporate name;
- c. To adopt, alter and use a corporate seal;
- d. To adopt, amend and repeal its by-laws;
- e. To undertake activities that will justifiably explore, exploit, extract and develop the economic potentials of the Cagayan River Basin in ways that are environmentally friendly and non-competitive with the private sector;
- f. To enter into contracts of any kind and description, to enable it to carry out its purpose and function under this Act;
- g. To acquire, buy, purchase, hold or lease, such personal and real property as it deems it necessary or convenient in the transaction of its business and/or in relation to carrying out its purposes under this Act; and to lease, mortgage, sell, alienate or otherwise encumber, utilize, exploit or dispose such personal and real property held by it, subject to prior or existing individual or communal right of private parties or of the government or any agency or enterprise thereof;
- h. To exercise the right of eminent domain whenever the Authority deems it necessary for the attainment of the objectives of the Authority under this Act;
- i. To borrow funds from any local or foreign financial institution to carry out the purposes of this Authority under this Act;
- j. To issue such rules and regulations as maybe necessary to effectively carry out the powers and the purposes herein provided including plans, programs and projects of the

Authority, subject to the approval of the Office of the President/or agencies supervising government corporations;

- k. For carrying on its business, or for the purpose of attaining or furthering any of its objectives, to perform any and all acts which a corporation, co-partnership, or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.

SECTION 10. Organizational Structure- The Authority shall have a Board of Directors whose chairperson shall be appointed by the President of the Republic of the Philippines and shall serve for a period of three (3) years. The Board of Directors shall be supported by a fully-staffed Management Office.

SECTION 11. Board of Directors.- The affairs and business of the Authority shall be directed and its properties managed and preserved by a Board of Directors to be composed of the following:

- a. One (1) representative from the Office of the President
- b. Geographical Representatives to the House of Representatives of the provinces of Quirino, Nueva Vizcaya, Isabela, and Cagayan;
- c. Regional Director of the National Economic and Development Authority (NEDA) of Region 02 (Cagayan Valley)
- d. Regional Director of the Department of Environment and Natural Resources of Region 02 and its Regional Technical Directors of the Mines and Geo-Sciences Bureau and the Environmental Management Bureau;
- e. Regional Director of the National Irrigation Administration of Region 02;
- f. Regional Director of the Department of Agriculture of Region 02;
- g. Regional Director of the Bureau of Fisheries and Aquatic Resources of Region 02;
- h. Regional Director of the National Electrification Administration of Region 02;
- i. Regional Director of the Philippine National Police (PNP) of Region 02;
- j. Regional Director of the Department of public Works and highways (DPWH) of Region 02;
- k. The Executive Director of the National Water Resources Board;
- l. The governors of the provinces of Quirino, Nueva Vizcaya, Isabela, and Cagayan;
- m. Three (3) representatives from the Non-Government Organizations from Region 02; and
- n. Head of Management Office of the Authority.

SECTION 12. Honorarium and other Financial Remunerations of the Board- The members of the Board shall receive honorarium and per diems for every meeting actually attended by every member and a monthly allowance to be determined by the Board Provided, that in no case shall the amount received by each member exceed the sum of Five Thousand Pesos (P5,000.00) per month. Member of the Board shall be reimbursed by the Authority for actual expenses, including traveling and representation expenses, incurred in the performance of their duties for the Authority as authorized by the Board;

SECTION 13. Powers and Functions of the Board.- The Board of Directors of the Authority shall have the following powers, functions and duties:

- a. To prepare and approve development plans in the short, medium and long term, review and expedite the execution of such when necessary;
- b. To approve and execute specific policies and programs for the collection of permit fees and other fees for the establishment of tourism infrastructures and to treat these funds as trust funds which would be plowed back to the infrastructure and development needs of the Cagayan River Basin;
- c. To prepare, approve and promulgate guidelines, standards, rules and regulations in order to encourage, and stimulate the growth and development of commerce, trade, tourism and infrastructure development within the area of operation of the Authority;
- d. To review and approve all applications for any economic endeavor proposed utilizing the resources of the Cagayan River Basin;
- e. To approve contracts such as lease, memoranda of agreement as long as it will promote tourism and the growth of business and industry in Region 02;
- f. To receive local or foreign aid and donations as well as to engage in any form of fund raising for the purpose of gathering development funds for the projects along Cagayan River Basin;

- g. To approve a lean and efficient organization structure, and budget for the Authority after consultation with the relevant sectors, agencies, institutions, and entities;
- h. To appoint and discipline any employee, after according him due process in accordance with existing laws, together with rules and regulations of the Civil Service Commission (CSC)
- i. To elect from among the members of the Board of Directors the following executive Officers: 1)President/Chairman of the Board, 2)Vice-President/Vice-Chairman of the Board, 3)Secretary: Provided, that, the Board shall likewise have the corresponding power to replace any of these officials after having incurred three (3) consecutive absences in the meeting of the board or for acts prejudicial to the objectives of the Authority;
- j. To screen and approve the appointment of the following: General Manager, Assistant General Manager, Treasurer, Administrative Officer, Planning and Management Officer, Budget and Finance Officer, Legal Officer, Project Management Officer, Engineering and Construction Officer; and Education Officer;
- k. To request periodic or special audit of all its funds and properties from the Commission on Audit when the need arises;
- l. To adopt a seal and flag, determine the exact location of its office preferably near its area of operation, and adopt its own rules and proceeding in meetings and general assemblies in accordance with the standards of transparency and democratic parliamentary procedures;
- m. To exercise such powers and perform such functions which are proper and necessary to implement the objectives of the Authority and to carry out the provisions of this Act.

SECTION 14. Terms of Office of the General Manager- The general manager of the Authority shall serve for a fixed term of four (4) years, unless removed from office by a vote of two-thirds of the Board of Directors.

SECTION 15. Residence and Prohibition.- The General Manager shall, if practicable, establish his residence within the nearest where the Cagayan River Basin Authority's Principal Office is established. He shall not, during his tenure of office, engage in any business, profession, or calling other than those connected with the performance of his official duties as the General Manager of the Authority.

SECTION 16. Power and Duties of the General Manager.- The General Manager shall have the following powers and functions:

- a. Submit for consideration of the Board, the policies and measures necessary to carry out the purposes and provisions of Act;
- b. Execute and administer the policies, plans, programs and project approved by the Board;
- c. Direct and supervise the operation and internal administration of the Authority. The General Manager may delegate some of his administrative responsibilities to other officers of the Authority subject to the rules and regulations of the Board;
- d. Prepare the annual budget of the Authority for consideration of the Board;
- e. Submit within thirty (30)days after the close of each fiscal year, an annual report to the board and such other reports as maybe required; and
- f. Exercise such other powers as maybe vested in him by the board;
- g. Effect the arrest of any person who violates the provisions of this Act, subject to Article 125 and 126 of the Revised Penal Code and the requirements of the due process.

SECTION 17. Key officials.- in carrying out the activities of the Authority, the General Manager shall be assisted by the assistant General Manager who shall have such powers, duties and functions that maybe delegated to him by the General Manager, and shall act as General Manager in the absence of or during the temporary incapacity and/or until such time as a General Manager is duly appointed.

The Authority shall have following officers under the direct supervision and control of the General Manager:

- a. An Administrative Officer who shall be responsible for providing services relating to personnel, training, information, records, supplies, general services, equipment, and security;
- b. A Planning and Management Development Officer who shall be responsible for providing services relating to planning, programming, statistics and project development.
- c. A Budget and finance Officer who shall be responsible for providing staff advice and assistance on budgetary matters and safekeeping of corporate assets;
- d. A Legal Officer who shall represent the Authority in legal actions and proceedings. The Legal Officer shall be responsible for staff advice and assistance on legal matters;

- e. A Project Management Officer who shall be responsible for the operation of approved projects, including livelihood projects, project evaluation and management improvement matters;
- f. An Engineering and Construction Officer who shall be responsible for providing services relating to detailed engineering plans and construction and maintenance of project facilities.
- g. An Education Officer who shall take charge of the re-orientation and education of personnel and the communities living along the river basin.

SECTION 18. The Authority's funding for its operations shall be born from appropriations for the Authority in the General Appropriations Act under the Budget for the Office of the President.

SECTION 19. Authority Directly Under the Department of Environmental and Natural Resources (DENR).- The Authority shall operate as an independent institution subject only to the administrative supervision of the Department of Environmental and Natural Resources.

SECTION 20. Audit by the Commission on Audit (COA).- All accounts and expenses of the Authority shall be audited by the Commission on Audit or its duly authorized representative.

SECTION 21. Prohibited Acts.- it is hereby declared unlawful:

1. To dump solid and hazardous waste and untreated sewage into the Cagayan River Basin;
2. To dump or throw garbage into the Cagayan River or on its banks;
3. To squat on or appropriate portion of the banks of the aforesaid river basin for private use or gain, except for such reasonable augment of public use in the interest of recreation, navigation, floatage fishing; and
4. To fence off and/or encroach upon the said Cagayan River Basin or any portion thereof by any means whatsoever, and converting the same into fish pens for their private and material gain; and/or have the same titled in his name.

SECTION 22. Penal and Civil Liability Clause. Any person, natural or juridical, who shall violate any of the provisions of this Act or any rules or regulation promulgated by the Authority pursuant thereto shall be liable to imprisonment of not exceeding three years or to a fine not less than Ten Thousand Pesos (P10,000.00) but not exceeding One Hundred Thousand Pesos (P100,000.00) or both at the discretion of the Court.

If the violator is a corporation, partnership or association, the officer or officers of the organization concerned shall be liable therefor.

The authority is hereby authorized to pursue separate civil actions for damages resulting from infractions of the provisions of this Act, rules or regulations issued pursuant thereto and/or conditions embodied in the clearances or permits issued by the Authority.

SECTION 23. Bar of Suit.- During the pendency of any legal action before the Authority, no court other than the Supreme Court shall take cognizance of any cause touching the same subject without leave of Authority.

SECTION 24. Finality of Orders and Appeals.- The orders of the Authority shall become final and executory after the lapse of fifteen (15) days from the date of receipt thereof. An appeal therefrom can be taken within fifteen (15) days period only to the Supreme Court.

SECTION 25. Transitory Provisions.- All concerned offices, bureaus, agencies having existing programs and projects in the Cagayan River Basin that directly correspond with the power and functions of the Authority shall relinquish all appropriations, funds, records, equipments, facilities, rights, other assets and personnel to the Authority within sixty (60) days after the effectivity of this Act.

SECTION 26. Repealing clause.- All laws, decrees, executive issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby deemed repealed, amended or modified accordingly.

SECTION 27. Separability Clause.- if for any cause, any part of this Act is declared unconstitutional, the rest of the provisions not affected thereby shall in force and effect.

SECTION 28. Effectivity.- This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in a newspaper of general circulation whichever comes earlier.

Approved,



RANDOLPH S. TING
Representative
Cagayan 3rd Legislative District