

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5372



Introduced by **HON. JOSEPH "JOJO" L. LARA**

EXPLANATORY NOTE

The Cagayan River Basin (CRB) is one of the 18 major river basins in the Philippines, with an approximate catchment area of 27,281 km² with a river length of 520 km. It is the longest and largest river system in the Philippine archipelago. It is located in the Cagayan Valley region in the northeastern part of Luzon Island and crosses the provinces of Nueva Vizcaya, Quirino, Isabela and Cagayan.

According to study, the CRB covers the provinces of Apayao, Benguet, Ifugao, Kalinga, Mountain Province and the outskirts of Abra in the Cordillera Administrative Region; the provinces of Cagayan, Isabela, Nueva Vizcaya and Quirino in Region II; and parts of Aurora and Nueva Ecija in Region III. With 12 provinces, 122 municipalities/cities and 2,249 barangays covered, the CRB is divided into 23 sub-watersheds.

Based on the climate trends and projections of the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), the Cagayan River Basin is characterized by having 2 pronounced seasons, dry from November to April and wet during the rest of the year.

In April 2019, drought hit the Cagayan Valley region and damages to the agricultural sector was approximated to be around Php 2.1 billion. The said damage covered 48,394 hectares of palay farms and 66,963 hectares of corn farms.

In 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 manage and coordinate all efforts to ensure the continuance of the benefits the people are deriving from it and preserve the river for generations to come.

This bill seeks for the implementation of the Cagayan Valley River Basin Rehabilitation and Development Program and creating for the purpose the Cagayan River Basin Development Authority which will provide overall planning, management and coordinative services needed in the rehabilitation, development and protection of the major rivers in the Cagayan River Basin.

This bill was previously filed in the 17th Congress and its immediate passage in the 18th Congress is earnestly sought.


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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 Act of 2019."**

SECTION 2. *Declaration of Policy.* – It is hereby declared the 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 stakeholders in the area, establish the most effective approach to effect an active and sustainable collaboration among stakeholders from government agencies, non-government agencies/people's organizations and the private sector and communities within the area;
4. Promote equitable sharing of costs and benefits from the basin's natural resources without compromising the river's preservation and sustainable usage; and

5. 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. *Creation of the Cagayan River Basin Development*

Authority. – 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 corporate body to be known as the Cagayan River 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 well, 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 2019.

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 offices in other places necessary for the proper conduct of its business.

SECTION 7. *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 2 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 the 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 proposals 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 these 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 of 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, 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 the 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 System 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 CRBMP 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 jurisdictions as it may deem proper and necessary or contributory to the achievement and/or implementation of any or all of the purpose 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 8. *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 its 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 or private parties or of the government or any agency or enterprise thereof;

- h. To exercise the right of eminent domain wherever 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 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 9. *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 10. *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 President;
- b. Geographical Representatives from 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 II (Cagayan Valley);
- d. Regional Director of the Department of Environment and Natural Resources of Region II 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 II;
- f. Regional Director of the Department of Agriculture of Region II;
- g. Regional Director of the Bureau of Fisheries and Aquatic Resources of Region II;
- h. Regional Director of the National Electrification Administration of Region II;
- i. Regional Director of the Philippine National Police (PNP) of Region II;
- j. Regional Director of the Department of Public Works and highways (DPWH) of Region II;
- k. The Executive Director of the National Water Resources Board;
- l. The governors of the provinces of Quirino, Nueva Vizcaya, Isabela, and Cagayan;

SECTION 11. *Honorarium and other Financial Remunerations of the Board.* – The Member 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) per month. A 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 12. 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 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 Offices:
 - 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 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 13. *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 14. *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 15. *Power of 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 16. *Key Official.* – 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 o during the temporary incapacity and/or until such time as a General Manager is duly appointed.

The Authority shall have the 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 17. 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 18. *Authority Directly Under the Department of Environment 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 19. *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 20. *Prohibited Acts.* - The following acts are 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 21. 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 officers of the organization concerned shall be liable thereof.

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 22. *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 23. *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 there from can be taken within fifteen (15) days period only to the Supreme Court.

SECTION 24. *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, equipment, facilities, rights, other assets and personnel to the Authority within sixty (60) days after the effectivity of this Act.

SECTION 25. *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 26. *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 27. *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,