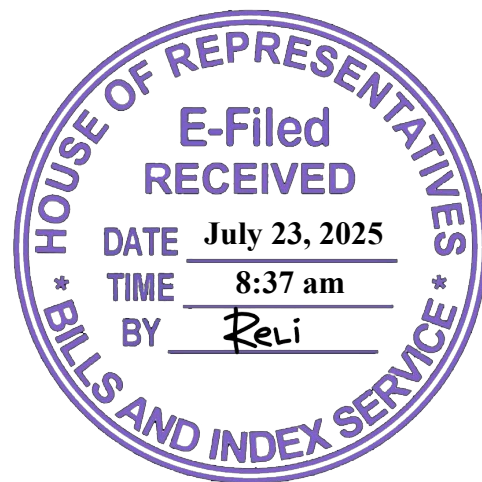




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 2202



Introduced by Representative ANTONINO B. ROMAN III

EXPLANATORY NOTE

Flooding is a recurring and intensifying challenge across the Philippines, affecting rural and urban communities alike. In cities like Cagayan de Oro, Butuan, Marikina, Davao, and Iloilo, and provinces such as Agusan del Sur, Albay, Bataan, Capiz, Isabela, Leyte Maguindanao, Pampanga, and parts of Cagayan Valley, Bicol, Eastern Visayas, BARMM, and Central Luzon, floods routinely damage homes, disrupt schools and businesses, and threaten lives. While local government units (LGUs) are at the frontlines of flood response and prevention, many lack the technical capacity or resources to carry out long-term, effective solutions.

This bill proposes the creation of a performance-based fund to support LGUs that proactively plan for flood resilience. By linking financial support to the submission of flood investment plans and actual outcomes -- like functioning drainage systems or reduced exposure to high-risk areas -- we ensure that resources are directed where they are needed most and are used effectively. This is not just about money; it is about giving LGUs a fair chance to build safer communities, with support for planning, training, and implementation.

The approach builds on existing Disaster Risk Reduction and Management (DRRM) and climate plans already mandated by law. It benefits a wide array of constituencies, from coastal to upland regions. Most importantly, it offers clear eligibility guidelines and leverages the experience of national agencies that have worked with LGUs before.

This measure is part of the Flood Resilience Legislative Package of 2025, a three-part reform strategy designed to transform how the Philippines anticipates, funds, and prevents flooding. Alongside this bill, the package includes: the National Flood Risk Governance and Data Integration Act, which consolidates flood-related data and mandates coordinated governance; and the Urban Wetlands and Easement Protection Act, which strengthens enforcement of natural and legal flood buffers. Together, these bills aim to modernize flood governance, empower LGUs, and restore natural defenses across all regions of the country.

Immediate passage of the measure is earnestly sought.

A handwritten signature in black ink, appearing to read 'Antonino B. Roman III', with a stylized, flowing script.

ANTONINO B. ROMAN III



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HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
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HOUSE BILL NO. 2202

Introduced by Representative **ANTONINO B. ROMAN III**

AN ACT
CREATING A PERFORMANCE-BASED FLOOD RESILIENCE
INCENTIVE AND INVESTMENT FUND TO SUPPORT
LOCAL GOVERNMENT UNITS IN REDUCING FLOOD RISK,
APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

Section 1. Title. -- This Act shall be known as the “Flood Resilience Incentive and Performance Fund Act of 2025.”

Section 2. Declaration of Policy. -- It is the policy of the State to strengthen local government capacity to prevent, mitigate, and adapt to flooding through targeted financial incentives, capacity building, and accountability mechanisms. The State recognizes the need to link resource allocation to measurable risk reduction outcomes to ensure the effectiveness and sustainability of flood control efforts.

Section 3. Definition of Terms. – As used in this Act:

- a. *Flood Resilience Investment Plan (FRIP)* refers to a time-bound and costed document submitted by an LGU outlining programs and projects to reduce flood risk, harmonized with the Local Climate Change Action Plan (LCCAP) and Local Disaster Risk Reduction and Management Plan (LDRRMP).
- b. *Nature-Based Solutions* refer to ecosystem-centered interventions such as wetland restoration, mangrove planting, or rain gardens that reduce flood risk and provide co-benefits.
- c. *Performance-Based Fund* refers to a financial arrangement where the release of funds is conditioned upon the achievement of pre-agreed outputs or outcomes.

Section 3. Creation of the Flood Resilience Fund. -- There is hereby created a special purpose grant fund, to be known as the “Flood Resilience Incentive and Performance Fund,” which shall be administered by the Department of Budget and Management (DBM), in coordination with the Department of the Interior and Local Government (DILG), Department of Science and Technology (DOST), Department of Public Works and Highways (DPWH), and the Climate Change Commission (CCC).

The administration of the Fund shall be consistent with applicable public financial management laws, including the Government Auditing Code, and subject to review by the Commission on Audit (COA).

Section 4. Purpose of the Fund. -- The Fund shall be used exclusively to support LGU projects, plans, and activities that aim to reduce flood risk and improve climate resilience, including but not limited to:

- a. Local flood infrastructure plans and mapping;
- b. Community-based early warning systems;
- c. Nature-based solutions such as wetlands, rain gardens, and mangrove reforestation;
- d. Technical capacity development of LGU Disaster Risk Reduction and Management (DRRM) officers and engineers;
- e. Maintenance of drainage and pumping systems; and
- f. Localized flood data generation and sharing.

Section 5. Eligibility and Allocation Criteria. -- To be eligible for funding, an LGU must:

- a. Have an updated LCCAP and LDRRMP;
- b. Submit a FRIP consistent with national guidelines and harmonized with and integrated into the LGU’s existing LCCAP and LDRRMP;
- c. Demonstrate a commitment to data sharing and inter-LGU coordination; and
- d. Meet minimum standards for project design, safeguards, and participatory processes.

Allocation of the Fund shall be guided by:

- a. Degree of flood vulnerability (based on hazard maps);
- b. Size and density of population at risk;
- c. Historical damage from flooding; and

- d. Availability of counterpart funding or in-kind contribution from LGUs.

All allocations shall be published annually on the websites of DBM and DILG, along with the eligibility scores and criteria used.

Section 6. Monitoring, Evaluation, and Performance Incentives. -- The Fund shall include a performance-based incentive mechanism that rewards LGUs for achieving measurable outcomes such as reduced flood exposure, timely project completion, and effective operations and maintenance. The Climate Change Commission and DOST shall jointly develop verifiable and transparent metrics, which shall be published and updated regularly. Independent performance audits may be commissioned to ensure objectivity. The DILG shall submit an annual performance report to Congress.

Section 7. Appropriations. -- An initial amount of Two Billion Pesos (Php 2,000,000,000.00) is hereby appropriated from the General Appropriations Act of the year following the effectivity of this Act. Thereafter, such sums as may be necessary shall be included in the annual national budget. The Fund may also receive grants, donations, and endowments from local and international sources.

Multi-year programming shall be allowed under this Fund, subject to applicable guidelines and government budgeting rules

Section 8. Implementing Rules and Regulations. -- The DBM, DILG, DPWH, CCC, and DOST shall jointly promulgate the implementing rules and regulations within ninety (90) days from the effectivity of this Act.

Section 9. Separability Clause. -- If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

Section 10. Repealing Clause. -- All laws, decrees, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or amended accordingly.

Section 11. Effectivity. -- This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two newspapers of general circulation.

Approved,