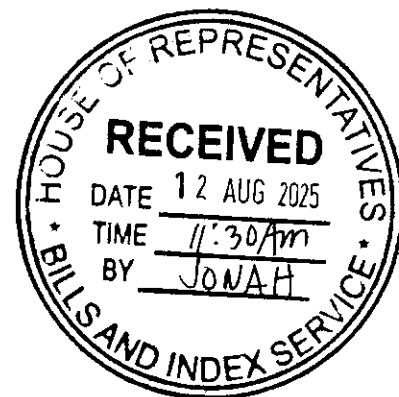


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 3546

Introduced by REP. FAUSTINO 'BOJIE' G. DY III

EXPLANATORY NOTE

The Cagayan River is the life blood of Central and Eastern Luzon.

At 520 kilometers long, the Cagayan River is the longest, largest, and one of the most vital river systems in the Philippines. It traverses four provinces—Cagayan, Quirino, Nueva Vizcaya, and Isabela.

Of greater breadth and importance is the basin of the Cagayan River, which is the portion of land drained by the river, its streams, and its tributaries. The basin spreads across 27,281 square kilometers across central and eastern Luzon — reaching up north to Apayao, Benguet, Ifugao, Kalinga, Mountain Province, covering Cagayan, Quirino, Nueva Vizcaya, and Isabela, and extending to parts of Abra, Aurora, and Nueva Ecija. In total, the Cagayan River Basin encompasses 12 provinces, 122 cities and municipalities, and 2,249 barangays. Twenty-three sub-watersheds are fed by it. In all, the Cagayan River Basin nourishes the lives of tens of millions of Filipinos.

But climate change has exacted a heavy toll on the Cagayan River Basin. The Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) reports that the Cagayan River Basin suffered its worst drought in April 2019, when record-topping heat destroyed vast tracts of farmland, rendering useless 48,394 hectares of palay and 66,963 hectares of corn. According to estimates, the total losses amounted to Php 2.1 Billion.

Moreover, scientists predict that the worsening climate — and its corresponding devastation to the Cagayan River Basin — will only become more severe. At stake are the lives and livelihood of the many millions who live in the Cagayan River Basin, and the many millions more whose families rely on the basin's bountiful harvest.

Hence, this bill.

This bill seeks to establish the Cagayan River Basin Development Authority (**“Authority”**), which will champion the rehabilitation, development, and protection of the waterways forming part of the Cagayan River Basin. The Authority will provide overall planning and management, thereby coordinating the efforts of the various agencies, institutions, and local government units for the preservation of the Cagayan River Basin.

In passing this measure, this Congress will affirm the State’s vital and constitutional responsibility to protect and advance the right of Filipinos to a balanced and healthful ecology in accord with the rhythm and harmony of nature.



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HOUSE BILL NO. 3546

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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 2025.**"

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

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 2 hereof as well as its purposes and objectives, there is hereby created a corporate body 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 well, in its judgment, aid to the fullest possible extent in carrying out the aims and purposes set forth below.

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 the 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 powers and in order to effectively realize its objectives, the Authority shall be charged and vested with the following powers and functions:

- a. To prepare, review, evaluate and update the Cagayan River Basin Master Plan (CRBMP) which should be aligned with the Regional Development Plans of Region 2 and other area and sectoral plans. The CRBMP shall serve as the 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 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;
- b. To spearhead the coordination of inter-agency activities within its jurisdiction in the implementation of the CRBMP;
- c. To coordinate the integration of all proposed plans, programs and projects of the local government units, line agencies, public corporations and the

private sector where such plans, programs and/or projects 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 socioeconomic 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 public 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 mechanism for extending the necessary assistance to and seeking the same from local government units, line agencies, public corporations, the private sector, and affected indigenous cultural communities/indigenous peoples in planning the development projects that have an impact on the utilization of resources within the Cagayan River Basin;
- h. To provide the mechanism for extending the necessary technical assistance for the maintenance, repair, and rehabilitation, as may be 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, research, and other such undertakings to determine such appropriate measures to carry out the development of the river basin and to generate inputs in support of 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 the improvement and maintenance of 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 resolving 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 investigate and file cases against government agencies and local government units as well as private individuals and/or entities within its territorial jurisdiction which implement projects in violation of pertinent laws;
- 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 may be 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 it deems 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 may be 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, partnership, or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.

SECTION 9. Chairperson. The Chairperson of the Cagayan River Basin Development Authority shall be appointed by the President of the Philippines with a rank of an undersecretary and shall act as the Head of Office. He/She shall serve a term of six (6) years from the date of his/her appointment unless removed for cause: Provided, That no person shall be appointed as Chairperson unless he/she is a holder of a degree in law or a masteral degree in any of the following fields: environmental science, engineering, public administration, economics or their equivalent and have at least ten (10) years relevant experience in said fields.

The Chairperson shall have the following duties and functions:

- a. Call and preside meetings of the Board and see to it that the policies, programs and rules and regulations are implemented properly;
- b. Advocate the Authority's work among the various concerned sectors and stakeholders;
- c. Call on any agency, group, individual member of the Board, local government unit, and host community to address issues and concerns relating to

- implementation of major programs, projects and activities;
- d. Supervise the monitoring and timely implementation of programs and projects undertaken by the Authority;
- e. Endorse to the Board all policy recommendations, plans and programs for approval;
- f. Represent the Board in regular and special Cabinet meetings;
- g. Supervise administrative operations including disbursement of any fund of the Authority, subject to the usual accounting and auditing procedures, and submit reports thereon;
- h. Represent the Authority in all dealings with other offices, agencies, and instrumentalities of the government and with all persons and entities, public or private;
- i. Sign agreements and/or contracts on behalf of the Authority, including those for expert and consultant services and other reports of accountabilities emanating from the Authority;
- j. Conduct periodic consultations with the local chief executives in Region II; and
- k. Perform such other functions that the Board may direct to carry out the provisions of this Act.

The Authority, through the Chairperson, shall submit to the President and both Houses of Congress annual reports on its accomplishments and activities.

SECTION 10. Board of Directors. - The Authority's overall directions and thrusts shall be provided and approved, unless provided otherwise in this Act, by the Board of Directors, hereinafter referred to as the Board. It shall be composed of the following members:

- a. Chairperson of the Cagayan River Basin Development Authority
- b. Regional Director of the Department of Economy, Planning, and Development (DEPDev) of Region II (Cagayan Valley);
- c. Regional Director of the Department of Environment and Natural Resources (DENR) of Region II and its Regional Technical Directors of the Mines and Geosciences Bureau (MGB) and the Environmental Management Bureau (EMB);
- d. Regional Director of the National Irrigation Administration (NIA) of Region II;
- e. Regional Director of the Department of Agriculture (DA) of Region II;
- f. Regional Director of the Bureau of Fisheries and Aquatic Resources (BFAR) of Region II;
- g. Regional Director of the National Electrification Administration (NEA) of Region II;
- h. Regional Director of the Department of the Interior and Local Government 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. Regional Director of the National Commission on Indigenous Peoples;
- m. Representative from the National Anti-Poverty Commission;
- n. Three (3) representatives from the private sector to be appointed by the President, upon the recommendation of the Board.

The three (3) representatives from the private sector shall serve a term of six (6) years: Provided, That at the initial appointment of such members, the second member to be appointed shall only serve a term of four (4) years and the third member to be appointed shall only serve a term of two (2) years: Provided, further, That they shall continue to hold office until their successors shall have been appointed. All vacancies, prior to the expiration of the term, shall be filled for the unexpired term only.

SECTION 11. 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) 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; and 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 2;
- 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 screen and approve the appointment of the following: 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;
 - j. To request periodic or special audit of all its funds and properties from the Commission on Audit when the need arises;
 - I. 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 transparent 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. - A General Manager shall be appointed by the President of the Philippines upon recommendation by the Chairperson: Provided, That no person shall be appointed as General Manager unless he or she is a holder of a degree in any of the following fields: environmental science, engineering, public administration, economics or their equivalent and have at least five (5) years relevant experience in said fields: Provided, further, That he/she shall be a resident of Region 2 five (5) years prior to his/her appointment and has the requisite eligibilities for third level career service position pursuant to the career executive rank system. He/she shall have the rank and privileges of an assistant secretary of a department.

The General Manager shall assist the Chairperson in carrying out the functions of the Authority and shall, likewise, serve as the Secretary of the Board.

SECTION 14. Residence and Prohibition. - The General Manager shall, if practicable, establish his residence within the area nearest to the Cagayan River Basin Development Authority's Principal Office. 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, through the Chairperson, the policies and measures necessary to carry out the purposes and provisions of this 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;

SECTION 16. 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 may be 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 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.

All officials, agents, and employees of the Authority shall be selected and appointed on the basis of merit and fitness in accordance with a comprehensive and progressive merit system to be established by the Authority immediately upon its organization and in accordance with Civil Service rules and regulations. The recruitment, transfer, promotion, and dismissal of all Authority personnel, including temporary workers, shall be governed by such merit system.

SECTION 17. Appropriations. - The amount necessary to finance the initial

implementation of this Act shall be charged against the current year's appropriations of the Office of the President. Thereafter, the amount necessary for its continued implementation shall be included in the annual General Appropriations Act.

SECTION 18. 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 19. Implementing Rules and Regulations. - The DENR, DILG, CSC and the Department of Budget and Management (DBM) shall issue the necessary rules and regulations for the effective implementation of this Act within sixty (60) days after approval of this Act.

SECTION 20. Congressional Oversight Committee. - There is hereby created a Congressional Oversight Committee to monitor and oversee the implementation of the provisions of this Act. The Committee shall be composed of six (6) members from the Senate and six (6) members from the House of Representatives with the Chairpersons of the Committee on Ecology in the House of Representatives and the Committee on Environment, Natural Resources and Climate Change in the Senate as joint Chairpersons of this Committee. The five (5) other members from each Chamber are to be designated by the Senate President and the Speaker of the House of Representatives respectively. The minority shall be entitled to pro rata representation but shall have at least two (2) representatives from each Chamber.

SECTION 21. 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 approval of the implementing rules and regulations..

SECTION 22. 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 23. 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 24. 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,