

'22 DEC 15 P2 :00

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

RECEIVED BY: _____

SENATE
S.B. No. 1623

Introduced by **SENATOR IMEE R. MARCOS**

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

EXPLANATORY NOTE

Cagayan River, or Rio Grande de Cagayan, is the longest river in the country at about 520 kilometers. 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.

Civilizations and cultures of the region thrived and revolved around this mighty river. The river and its tributaries have provided the people with water for irrigating lands and fertile soil for agriculture, scenic spots for tourism and recreation, gateway for transportation and commerce, and other vital economic resources such as fish, sand and gravel, energy, among others. For centuries, the river has been a source of life and engine of growth for the region.

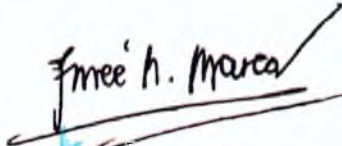
However, climate change has exacted a heavy toll on the Cagayan River Basin. The Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) reports that the Cagayan River Basin suffered its worst drought in April 2019, when record-topping heat destroyed vast tracts of farmland, 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, the onslaught of typhoon "Ulysses" in November 2020 in the Luzon Island and its adverse impact in many provinces exposed the vulnerabilities of our environment, including the Cagayan River and its surroundings. To illustrate the extent of the damage, the Buntun Bridge, which crosses the Cagayan River with a normal water level of only 4 meters, was nearly engulfed by the river as its waters rose to 13.3 meters. The flooding incident was unprecedented in the history of the province.

Hence, this bill seeks to establish the Cagayan River Basin Development Authority which will harmonize multi-sectoral efforts and oversee and accelerate the protection, rehabilitation, and development of the expansive Cagayan River basin across three regions (Cordillera Administrative Region, Cagayan Valley, and Central Luzon). This will develop the unutilized potentials of the Cagayan River basin and spur more economic activities throughout Northern Luzon through sustainable strategies, long-term planning and inter-regional cooperation.

In view of foregoing reasons, the passage of this bill is earnestly sought.


IMEE R. MARCOS

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "*Cagayan River Basin*
2 *Development Authority Act.*"

3
4 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to
5 promote the integrated management and development of resources in the country's
6 river basin, within the context of the river basin approach to optimize economic and
7 social welfare without compromising the Sustainability of environmental system to
8 ensure a fair sharing of the national patrimony between and among its people.

9
10 **SEC. 3. Purposes and Objectives.** – It is the purpose, intent and objective of this
11 Act to:

12 a. Establish the legal framework and mechanisms for the creation of the Cagayan
13 River Basin Development Authority;

14 b. Consolidate and harmonize all development initiatives within the river basin
15 under the overall framework of a unified river basin management, protection
16 against environmental degradation, immediate rehabilitation and development
17 approach;

18 c. Maximize the participation of all stakeholders in the area, establish the most
19 effective approach to effect an active and sustainable collaboration among

1 stakeholders from government agencies, non-government agencies/people's
2 organizations and the private sector and communities within the area;

3 d. Promote equitable sharing of costs and benefits from the basin's natural
4 resources without compromising the river's preservation and sustainable usage;
5 and

6 e. Negotiate local and external Investment in the area, thereby generating
7 required resources to support the implementation of required and necessary
8 interventions (physical or services) increasing livelihood opportunities and
9 facilitating the provision of needed social services for the people within the basin.

10
11 **SEC. 4. *Creation of the Cagayan River Basin Development Authority.*** – For the
12 purpose of carrying out and effecting the declared policy, as provided for in Section 2
13 hereof as well as its purposes and objectives, there is hereby created a corporate body
14 to be known as the Cagayan River Basin Development Authority, hereinafter referred
15 to as the Authority, under the Office of the President, which shall be organized within
16 one hundred twenty (120) days after the approval of this Act. The Authority shall
17 execute the powers and functions herein vested and conferred upon it in such a manner
18 as well in its judgment, aid to the fullest possible extent in carrying out the aims and
19 purposes of this Act.

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21 **SEC. 5. *Territorial Jurisdiction.*** – The Authority shall have jurisdiction overall the
22 areas within the watershed of the Cagayan River with origin from its headwaters in the
23 Caraballo Mountains, and flowing through the provinces covered by the Cagayan River
24 basin such as Aurora, Kalinga, Apatao, Ifugao and Mountain Province.

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26 **SEC. 6. *Location of Principal Office.*** – The Authority shall maintain its principal
27 office at the most strategically located place in the region. It may, however, establish
28 branch offices in other places necessary for the proper conduct of its business.

29
30 **SEC. 7. *Powers and Functions.*** – In addition to the usual corporate powers and
31 in order to effectively realize its objectives, the Authority shall be charged and vested
32 with the following powers and functions:

33 a. To spearhead the coordination of inter-agency activities within its jurisdiction
34 in the implementation of the Cagayan River Basin Master Plan (CRBMP);

35 b. To prepare, review, evaluate, and update the CRBMP in the interest of the
36 Regional Development Plans of Region II and other area and sectoral plans as
37 basis for proposing improvements in existing policies governing the protection,

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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 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 protection and rehabilitation and 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 entitles, 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 for use by planners, technical personnel and the general public in collaboration with other information systems 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 projects that have an overall 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 may be necessary, of Micro-Hydro System located within the area including the resolution of problems on siltation and flooding;

i. To undertake on improvement and maintenance of the desirable water quality and in pursuance, thereof, prepare a water quality management program on a

1 continuing basis in coordination with relevant agencies, which the Authority shall
2 carry out with the assistance and support of all national and local government
3 units involved in water quality management;

4 m. To provide assistance in arbitrating the resolution of inter-regional
5 disputes/conflicts on water;

6 n. To call upon any government agency/office or bureau for assistance in the
7 discharge of and form committees to facilitate the performance of its functions
8 and responsibilities. Likewise, the Authority is hereby empowered to impose
9 sanctions on individuals and/or entities within its territorial jurisdiction who
10 Implement projects that are not environmentally friendly;

11 o. To receive grants, donations, and other forms of development assistance in
12 the discharge of its duties. As such, the Authority may engage or invest on, or
13 enter into joint venture with Filipino or foreign investors in such projects within
14 its jurisdiction as it may deem proper and necessary or contributory to the
15 achievement and/or implementation of any or all of the purposes and objectives
16 of this Act;

17 p. To plan, program and/or undertake infrastructure projects such as river, flood,
18 water and sewerage works, water supply, roads, irrigation, housing and related
19 works when so required within the context of its development plans and
20 programs including readjustment, relocation, or settlement of population within
21 the Basin, as may be necessary and beneficial by the Authority; and

22 q. To do any and all acts and to exercise all powers which may be necessary,
23 proper or incidental to the accomplishment of the mandate, purposes, and
24 objectives of this Act.

25
26 **SEC. 8. *The Corporate Powers of the Authority.*** – The Authority shall have the
27 following corporate powers:

28 a. To succeed on its corporate name;

29 b. To sue and be sued in such corporate name;

30 c. To adopt, alter and use a corporate seal;

31 d. To adopt, amend and repeal its by-laws;

32 e. To undertake activities that will justifiably explore, exploit, extract and develop
33 the economic potentials of the Cagayan River Basin in ways that are
34 environmentally friendly and non-competitive with the private sector;

1 f. To enter into contracts of any kind and description, to enable it to carry out its
2 purpose and function under this Act;

3 g. To acquire, buy, purchase, hold or lease, such personal and real property as
4 it deems it necessary or convenient in the transaction of its business and/or in
5 relation to carrying out its purposes under this Act; and to lease, mortgage, sell,
6 alienate or otherwise encumber, utilize, exploit, or dispose such personal and
7 real property held by it, subject to prior or existing individual or communal right
8 or private parties or of the government or any agency or enterprise thereof;

9 h. To exercise the right of eminent domain wherever the Authority deems it
10 necessary for the attainment of the objectives of the Authority under this Act;

11 i. To borrow funds from any local or foreign financial institution to carry out the
12 purposes of this Authority under this Act;

13 j. To issue rules and regulations as may be necessary to effectively carry out the
14 powers and the purposes herein provided including plans, programs and projects
15 of the Authority, subject to the approval of the Office of the President/or agencies
16 supervising government corporations; and

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

21
22 **SEC. 9. *Organizational Structure.*** – The Authority shall have a Board of Directors
23 and it shall be supported by a fully-staffed Management Office.

24
25 **SEC. 10. *Board of Directors.*** – The affairs and business of the Authority shall be
26 directed and its properties managed and preserved by a Board of Directors to be
27 composed of the following:

28 a. One (1) representative from the Office of the President;

29 b. Regional Directors of the National Economic and Development Authority
30 (NEDA) of Region II (Cagayan Valley) and Cordillera Administrative Region
31 (CAR);

32 c. Regional Director of the Department of Environment and Natural Resources
33 (DENR) of Region II and CAR, and the Regional Technical Directors of the Mines
34 and Geo-Sciences Bureau and the Environmental Management Bureau;

35 d. Regional Director of the National Irrigation Administration of Region II;

- 1 e. Regional Director of the Department of Agriculture of Region II and CAR;
- 2 f. Regional Director of the Department of Public Works and Highways (DPWH) of
- 3 Region II;
- 4 g. Executive Director of the National Water Resources Board;
- 5 h. The Governors of the Provinces of Quirino, Nueva Vizcaya, Isabela, Cagayan,
- 6 Ifugao, Apayao, Kalinga, Mountain Province and Aurora;
- 7 i. Representative of the private investors;
- 8 j. Representative of non-government organizations/people's organizations which
- 9 champion environmental protection and sustainable development;

10
11 **SEC.11. *Honorarium and other Financial Remunerations of the Board.*** – The
12 member of the Board shall receive honorarium and per diems for every meeting actually
13 attended by every member and a monthly allowance to be determined by the Board;
14 *Provided,* That in no case shall the amount received by each member exceed the sum
15 of Five Thousand Pesos (P5,000.00) per month. A member of the Board shall be
16 reimbursed by the Authority for actual expenses. Including travelling and representation
17 expenses, incurred in the performance of their duties for the Authority as authorized by
18 the Board.

19
20 **SEC. 12. *Powers and Functions of the Board.*** – The Board of Directors of the
21 Authority shall have the following powers, functions and duties:

- 22 a. To prepare and approve development plans in the short, medium and long
- 23 term, review and expedite the execution of such when necessary;
- 24 b. To approve and execute specific policies and programs for the collection of
- 25 permit fees and other fees for the establishment of tourism infrastructures and
- 26 to treat these funds as trust funds which would be plowed back to the
- 27 infrastructure and development needs of the Cagayan River Basin;
- 28 c. To prepare, approve and promulgate guidelines, standards, rules and
- 29 regulations in order to encourage, and stimulate the growth and development of
- 30 commerce, trade, tourism and infrastructure development within the area of
- 31 operation of the Authority;
- 32 d. To review and approve all applications for any economic endeavor proposed
- 33 utilizing the resources of the Cagayan River Basin;
- 34 e. To approve contracts such as lease and memoranda of agreement that will

1 promote tourism and the growth of business and industry in the Cagayan River
2 Basin;

3 f. To receive local or foreign aid and donations as well as engage in any form of
4 fund raising for the purpose of gathering development funds for the projects
5 along Cagayan River Basin;

6 g. To approve a lean and efficient organization structure, and budget for the
7 Authority after consultation with the relevant sectors, agencies, institutions, and
8 entities;

9 h. To appoint and discipline any employee, after according him due process in
10 accordance with existing laws, together with rules and regulations of the Civil
11 Service Commission (CSC);

12 i. To elect from among the members of the Board of Directors the following
13 executive offices:

- 14 1. President/Chairman of the Board;
- 15 2. Vice President/Vice-Chairman of the Board;
- 16 3. Secretary;

17
18 Provided, That the Board shall likewise have the corresponding power to replace
19 any of these officials after having incurred three (3) consecutive absences in the
20 meeting of the Board or for acts prejudicial to the objectives of the Authority;

21 j. To screen and approve the appointment of the following: General Manager,
22 Assistant General Manager, Treasurer, Administrative Officer, Planning and
23 Development Officer, Budget and Finance Officer, Legal Officer, Project
24 Management Officer, and Engineering and Construction Officer;

25 k. To request periodic or special audit of all its funds and properties from the
26 Commission on Audit when the need arises;

27 i. To adopt a seal and flag/determine the exact location of its office preferably
28 near its area of operation, and adopt its own rules and proceeding in meetings
29 and general assemblies in accordance with the standards of transparency and
30 parliamentary procedures; and

31 m. To exercise such powers and perform such functions which are proper and
32 necessary to Implement the objectives of the Authority and to carry out the
33 provisions of this Act.

34

1 **SEC. 13. *Term of Office of the General Manager.*** – The General Manager of the
2 Authority shall serve for a fixed term of four (4) years, unless removed from office by
3 a vote of two-thirds of the Board of Directors.

4
5 **SEC. 14. *Residence and Prohibition.*** – The General Manager shall, if practicable,
6 establish his residence within the nearest where the Cagayan River Basin Authority's
7 Principal Office is established. The General Manager shall not during his tenure of office,
8 engage in any business, profession, or calling other than those connected with the
9 performance of his official duties as the General Manager of the Authority.

10
11 **SEC. 15. *Power and Duties of the General Manager.*** – The General Manager
12 shall have the following powers and functions:

13 a. Submit for consideration of the Board, the policies and measures necessary to
14 carry out the purposed and provisions of this Act;

15 b. Execute and administer the policies, plans, programs and projects approved
16 by the Board;

17 c. Direct and supervise the operation and internal administration of the Authority.
18 The General Manager may delegate some of his administrative responsibilities to
19 other officers of the Authority subject to the rules and regulations of the Board;

20 d. Prepare the annual budget of the Authority for consideration of the Board;

21 e. Submit within thirty (30) days after the close of each fiscal year, an annual
22 report to the Board and such other reports as may be required;

23 f. Exercise such other powers as may be vested in him by the Board;

24 g. Effect the arrest of any person who violates the provisions of this Act, subject
25 to Article 125 and 126 of the Revised Penal Code and the requirements of due
26 process.

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28 **SEC. 16. *Key Officials.*** – In carrying out the activities of the Authority, the
29 General Manager shall be assisted by the Assistant General Manager who shall have
30 powers, duties and functions that may be delegated to him by the General Manager,
31 and shall act as General Manager in the absence of or during the temporary incapacity
32 and/or until such time as a General Manager is duly appointed. The Authority shall have
33 the following officers under the direct supervision and control of the General Manager:
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- 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 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 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 related to detailed engineering plans and construction and maintenance of project facilities;

SEC. 17. Funding. – 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.

SEC. 18. Authority Directly Under the Department of the Environment and Natural Resources (DENR). – The Authority shall operate as an independent institution subject only to the administrative supervision of the Department of Environment and Natural Resources (DENR).

SEC. 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.

- SEC. 20. Prohibited Acts.** –The following acts are hereby declared unlawful:
- a. To dump solid and hazardous waste and untreated sewage into the Cagayan River Basin;
 - b. To dump or throw garbage into the Cagayan River or on its banks;

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- c. 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, and fishing; and
- d. 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.

SEC. 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 (3) years or a fine of 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 in the clearances or permit issued by the Authority.

SEC. 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 case touching the same subject without leave of Authority.

SEC. 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.

SEC. 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.

SEC. 25. Separability Clause. – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision or part not otherwise affected shall remain valid and subsisting.

1 **SEC. 26. *Repealing Clause.*** – Any law, presidential decree or issuance, executive
2 order, letter of instruction, administrative order, rule, or regulation contrary to or
3 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
4 accordingly.

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6 **SEC. 27. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
7 publication in the Official Gazette or in a newspaper of general circulation.

Approved,