

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

10 JUL 26 P1 39

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SENATE

S.B. No. 2008

Introduced by Senator EDGARDO J. ANGARA

EXPLANATORY NOTE

The Ifugao Rice Terraces, printed on the face of the one thousand Philippine peso bill, is known worldwide as the 8th Wonder of the Old World and is a prime tourist destination. The marvel of the Ifugao Rice Terraces is in the manner the people transformed the harsh wilderness of the Cordillera highlands into productive farming systems. The terraces are the living testament to the Ifugaos' mastery of watershed ecology, terrace engineering, and water distribution.

Ifugao Rice Terraces significantly forms part of the Rice Terraces of the Philippine Cordillera, whose terraces and culture were inscribed in the World Heritage list in December 1995 under the category "living cultural landscape" having both natural and cultural characteristics of outstanding universal significance. The inscription includes five terrace clusters: Batad and Bangaan in the municipality of Banaue, Happao in Hungduan, Nagacadan in Kiangnan and Central Mayoyao Cluster in Mayoyao. The first four priority sites inscribed in the WHL are located within the Ifugao Province.

The term 'cultural landscape' embraces a diversity of manifestations of the interaction between humankind and its natural environment. Cultural landscapes often reflect specific techniques of sustainable land-use, considering the characteristics and limits of the natural environment they are established in, and a specific spiritual relation to nature."

The importance of protecting cultural landscapes is explained by the WHL Convention as follows: "*the continued existence of traditional forms of land-use supports biological diversity in many regions of the world. The protection of traditional cultural landscapes is therefore helpful in maintaining biological diversity.*"

However, the condition of the terraces has continuously deteriorated. In 2001, it was placed in the World Heritage List in Danger. The Ifugao Rice Terraces and Cultural Heritage Office (IRTCHO) provided several factors causing the deterioration, namely: 1) loss of bio-diversity due to bio-piracy, unregulated hunting and indiscriminate use of new technology and introduction of new species; 2) reduced farm labor due to increasing outmigration of farm labor force; 3) erosion and siltation due to destruction of watershed; 4) Land use conversion and abandonment of rice terraces due to damaged rice terraces; 5)

insufficient irrigation water supply, limited income from rice farming, shift in values and priorities of the people, unregulated land use and physical planning.

This bill is a first step towards an overall terraces management and preservation strategy with the end in view of establishing a permanent, efficient, and effective body to coordinate and lead efforts to safeguard, restore, and protect the Terraces of the entire Cordillera Region. It shall initially formulate a Ten-Year Cordillera Terraces Master Plan.

The terraces of the Cordilleras are truly a rare engineering achievement and the Philippines is racing, nay scrambling against time to save them from deterioration.

I, therefore, strongly urge my colleagues in the August hall to rally for the immediate passage of this bill.


EDGARDO J. ANGARA

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AN ACT
CREATING THE CORDILLERA TERRACES AUTHORITY,
DEFINING ITS POWERS AND FUNCTIONS, PROVIDING
FUNDS THEREFOR AND FOR OTHER PURPOSES

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

1 **SECTION 1. *Short Title.*** This Act shall be known as the “*Cordillera Terraces*
2 *Authority of 2010.*”
3

4 **SEC. 2. *Declaration of Policy.*** As signatory to the World Heritage Convention on
5 the Protection of the World Cultural and Natural Heritage on 28 August 1985, it is hereby
6 declared the policy of the State to be committed to the identification, protection,
7 conservation, and safeguarding of heritage within the Philippine territory.

8 To this end, the State shall undertake the identification, protection, conservation,
9 and safeguarding of cultural and natural heritage and agreed to do all they can, using their
10 resources to do so as well as 1) adopt a general policy, which aims to give the cultural and
11 natural heritage a function in the life of the community and to integrate the protection of
12 that heritage into comprehensive planning programs; 2) undertake appropriate legal,
13 scientific, technical, administrative and financial measures necessary for the identification,
14 protection, conservation, presentation and rehabilitation of heritage properties; and 3)
15 refrain from deliberate measures, which might damage, directly or indirectly, the cultural
16 and natural heritage.

17 Pursuant to this policy, the Cordillera Autonomous Region, embracing the
18 provinces of Ifugao, Mt. Province, Abra, Benguet, Apayao, Kalinga, and Benguet is hereby

1 constituted into a Cordillera Terraces Authority subject to the direct supervision of the
2 President of the Philippines.

3
4 **SEC. 3. *Creation of the Cordillera Rice Terraces Authority.*** In order to carry out
5 the foregoing policy, there is hereby created a body known as the "*Cordillera Terraces*
6 *Authority*" referred to as the "CTA" which shall be under the Office of the President of the
7 Philippines.

8
9 **SEC. 4. *Principal Office and Term.*** - The principal office of the CTA shall be in
10 Banaue, Ifugao. It may however establish such branches, subsidiaries, offices or agencies
11 as it may deem necessary to attain the objectives of this Act.

12 The CTA shall have a term of fifty (50) years from the effectivity hereof renewable for
13 the same period unless otherwise provided for by law.

14
15 **SEC. 5. *Functions of the Cordillera Terraces Authority.*** The CTA shall:

16 a. Formulate a Ten-Year (10-year) Cordillera Terraces Master Plan within six (6)
17 months upon its creation for the preservation and restoration of the Terraces in the
18 Region based on the following guidelines and with the following major
19 components:

- 20 1. Restoration and Preservation of the area's terraces, protection and maintenance
21 of ecological balance and enhancement of its environment;
- 22 2. Rehabilitation of the age-old irrigation systems and the construction of new
23 ones;
- 24 3. Massive reforestation, preservation and protection of the forest areas which are
25 the sources of the waters irrigating the terraces;
- 26 4. Rational land-use and zoning plan considering that the Cordillera Terraces are
27 national treasures and tourist destinations of Filipinos from all parts as well as
28 foreign visitors;
- 29 5. Prohibition/control of unusually tall and unstable and obstructive structures
30 obscuring public view of the natural beauty of the surroundings in accordance
31 with the zoning ordinances of the local government units concerned and subject
32 to the pertinent laws, rules and regulations on the matter;
- 33 6. Provision for improved and adequate service infrastructures such as power,
34 water, communications, and waste disposal facilities;

- 1 7. Enhancement of agricultural productivity and local livelihood opportunities as
2 an alternative to industrial employment; and
3 8. Provision for a viable peace and order plan.
4

5 Such Plans shall include a Comprehensive Investment Program Capability
6 Building Program for the affected local government units as well as the coordinated
7 establishment of the following in the subject area:

- 8 i. a nature center;
9 ii. a cultural center;
10 iii. a people's center;
11 iv. a conference and meeting center;
12 v. a flea market destination (vegetable/livelihood); and
13 vi. tourist destinations.
14

- 15 b. Assist the local government units concerned in undertaking various planning
16 activities to develop short-term and long-term strategies for tourism development,
17 environmental protection, attracting business investment, socio-cultural
18 development, and institutional building, in line with the developmental guidelines
19 stated above and to integrate all national and local plans relative to the restoration
20 and preservation of the subject area;
21
22 c. Adopt a process of maximum consultation with the local government units
23 concerned, non-governmental organizations, and other stockholders' groups in the
24 localities to ensure that the residents' needs, concerns and ideas are considered in
25 the formulation and implementation of the said plans, development guidelines, and
26 municipal ordinances;
27
28 d. Study and review policy measures that shall promote and address the concerns on
29 environmental protection, poverty alleviation, local autonomy, eco-tourism,
30 cultural preservation and development, and sustainable development of the subject
31 area;
32
33 e. Recommend (i) legislation to conserve the natural resources and promote the
34 accelerated socio-economic development of the area; (ii) zoning ordinances to the
35 Sangguniang Bayan concerned in consonance with the Plans approved by the

1 President, subject to existing laws, rules and regulations; (iii) the establishment of
2 fire limits or zones, particularly in populous centers; and (iv) the regulation of the
3 construction, repair or modification of buildings within said fire limits or zones in
4 accordance with the provisions of the Fire Code; and

5
6 f. Recommend to the *Sangguniang Bayan* concerned such other ordinances and
7 measures as may be necessary to attain the objectives of the Plans; and

8
9 g. Perform such other functions as are necessary to achieve the objectives of the CTA.
10

11 **SEC. 6. Powers of the Cordillera Terraces Authority.** The CTA shall exercise the
12 following powers:

13 a. To adopt, promulgate, and enforce such rules and regulations as are necessary to
14 execute the powers, duties and functions vested in it by this Act as well as such
15 regulations as may be necessary for the proper use by private parties of any or all of
16 the Authority's properties and to impose or collect fees or tolls for their use;

17
18 b. To improve, develop, and provide livelihood opportunities as an alternate
19 employment for the constituents of the Cordillera Autonomous Region;

20
21 c. To engage or invest on, or enter into joint venture with Filipino and foreign
22 investors in such projects within the Cordillera Region as it may deem proper and
23 necessary or contributory to the achievement of any or all of its purposes and
24 functions;

25
26 d. To exercise the right of eminent domain;

27
28 e. To call upon any particular government agency, office or bureau for assistance in
29 the discharge of, and form committees to facilitate the performance of its functions
30 and responsibilities; and

31
32 f. Perform such other functions as are necessary to achieve the objectives of the CTA.
33

1 **SEC. 7. Cordillera Terraces Council.** The governing board and policymaking
2 body of the CTA shall be the Cordillera Terraces Council. The Cordillera Terraces Council
3 shall be composed of the following, to wit:

- 4 Secretary of Tourism - Chairman
- 5 Secretary of Agriculture - Vice-chairman
- 6 Secretary of Environment and Natural Resources - Member
- 7 Secretary of Public Works and Highways - Member
- 8 Secretary of Health - Member
- 9 Chairman of the National Commission on Culture and Arts - Member
- 10 Chairman of the National Commission for indigenous people - Member
- 11 Governor of Abra - Member
- 12 Governor of Apayao - Member
- 13 Governor of Benguet - Member
- 14 Governor of Ifugao - Member
- 15 Governor of Kalinga - Member
- 16 Governor of Mt. Province - Member
- 17 Chairman of the Cordillera Regional Assembly - Member

18 Except for the heads of local government units, the other members of the Board
19 may appoint their representatives thereto from their respective Undersecretaries only.

20 The members of the Board shall have one [1] vote each. A majority of the members
21 shall constitute a quorum. A decision shall, as far as practical, be reached by consensus. If
22 no consensus is reached, a decision shall be upon a vote of the majority of all members of
23 the Board.

24 The Board shall:

- 25 1. Formulate policies, develop programs and promulgate rules and regulations to
26 carry out the purposes of its creation, powers and functions of the CTA;
- 27 2. Approve each year a budget to cover the operations of the Authority;
- 28 3. Fix the compensation, emoluments, and allowances of the Administrator and
29 other officers and personnel of the CTA; and
- 30 4. Perform such other functions as may be necessary to carry out the purposes of
31 this Act.

32
33 **SEC. 8. Duties and Functions of the Chairman of the Board.** The Chairman
34 shall:

- 1 a. Call and preside at the meetings of the Board and see to it that the policies,
2 programs and rules and regulations developed and promulgated by it are
3 implemented properly; and
4
5 b. Present for approval by the Board:
6
7 i. Annual budget of the Authority;
8 ii. Rules and regulations needed to carry out the provisions of this Act and
9 the amendments thereto;
10 iii. Other matters which he deems necessary or proper for the effective
11 implementation of this Act; and
12 iv. Annual report on the activities and finances of the CTA, copies of which
13 upon approval by the Board shall be furnished to the Office of the
14 President of the Philippines and both Houses of Congress.
15

16 **SEC. 9. *Organizational Structure.*** The Board shall determine the organizational
17 structure, staffing pattern, and pay scales subject to the Salary Standardization Law, of the
18 CTA and the officers and employees thereof. The Board may reorganize the same and
19 create or abolish divisions, offices, units, branches or agencies therein, as the exigencies of
20 the affairs of the CTA may require.
21

22 **SEC. 10. *Administrator.*** Upon recommendation of the Board from at least three (3)
23 qualified recommendees of the provincial governors, the President of the Philippines shall
24 appoint an Administrator who shall be the Chief Executive Officer of the CTA and ex-
25 officio Vice Chairman of the Board with the rank of Presidential Assistant. The term of
26 office of the Administrator shall be at the pleasure of the President of the Philippines but
27 co-terminus with the tenure of the appointing authority. The Administrator shall establish
28 his official residence in Baguio and shall not, during his tenure of office, engage in any
29 business, profession, or calling other than those connected with the performance of his
30 official duties as Administrator of the CTA.

31 The Administrator shall have the following powers, duties and responsibilities:

- 32 a. To submit to the Board, through the Chairman, policies and measures which, in
33 his judgment, are necessary to carry out the purposes and provisions of this Act;
34 b. Prepare the budget of the CTA for approval of the Board;
35 c. Execute and administer the policies and measures approved by the Board:

- 1 d. To direct, implement, undertake and supervise the implementations, and
2 executions of the projects and programs of the CTA towards the restoration and
3 preservation of the Ifugao terraces, protection of its ecological balance and
4 enhancement of its environment as premier tourist destination and heritage as
5 well as the operations and internal administration of the CTA;
- 6 e. Appoint all employees of the Authority except the heads of departments and
7 divisions whose appointments shall be made by the Board upon his
8 recommendation; and to remove, dismiss or otherwise discipline for cause, such
9 employees in accordance with the standard guidelines for recruitment,
10 employment, and discipline of personnel which shall be formulated by the
11 Board;
- 12 f. To represent the CTA in all dealings with other offices, agencies: and
13 instrumentalities of the Government and with all persons and entitles, public or
14 private;
- 15 g. Subject to the approval of the Board to determine the rates of compensation,
16 allowances, *honoraria*, and such other additional compensation which the CTA
17 is hereby authorized to grant its officers, technical staff, and consultants
18 including the necessary detailed personnel; and
- 19 h. To exercise such other powers as may be granted to him by the Board.
20

21 **SEC. 11. *Foreign Loans.*** The CTA is hereby authorized to contract loans, credit
22 and indebtedness, in any convertible foreign currency or capital goods from time to time
23 from foreign governments or any international financial institutions or fund sources.
24

25 **SEC. 12. *Auditor.*** The Chairman of the Commission on Audit (COA) shall be the
26 *ex-officio* Auditor in charge of the audit of the CTA. He shall appoint a representative who
27 shall be the auditor thereof. The Chairman of the Commission on Audit (COA) shall
28 likewise, upon recommendation of the Auditor of the CTA, appoint or remove personnel of
29 the said auditing office in accordance with the CTA's merit system. The operating
30 expenses of this office and the salaries and traveling expenses of the officials and
31 employees thereof shall be fixed by the Board and paid by the CTA. Such representative
32 shall render a semestral report to the Chairman of the Commission on Audit and the Board,
33 which shall submit to the President of the Philippines and the Congress an annual report
34 covering the financial condition and operations of the CTA.
35

1 **SEC. 13. *Donations and Gifts.*** The CTA shall have the right to receive donations
2 or bequests which shall be utilized only for the implementation of the programs and
3 projects of the CTA: *Provided,* That programs and projects of the CTA financed by foreign
4 grants or financial assistance with national security implications shall be approved first by
5 the Department of National Defense who shall act upon the request within thirty (30) days
6 from receipt of the request otherwise the request is deemed approved.

7 Any such donations or bequest shall be exempt from the payment of gift taxes and
8 the full amount of such donations or bequests shall be deductible from the gross income of
9 the donor for the year during which the same is made.

10
11 **SEC. 14. *Applicability of the Corporation Law.*** The provisions of the Corporation
12 Law, as amended, insofar as they consistent with this Act shall be applicable to the
13 operations of the CTA.

14
15 **SEC. 15. *Transitory Provisions.*** All its budgetary appropriations, finances,
16 properties, records, rights, equipments, choses in action, and other assets as well as
17 liabilities and accountabilities are hereby transferred to the CTA. The existing qualified
18 personnel of the Ifugao Rice Terraces and Cultural Heritage Office (IRTCHO) covered by
19 the Civil Service Law and pertinent rules and regulations shall be absorbed by the CTA.

20 The CTA shall approve and prescribe its new staffing pattern and prescribe the
21 authorized positions created thereunder. The same shall be filled with regular appointments
22 in accordance with Civil Service Laws, rules and regulations. Those incumbents whose
23 positions are not included therein or who are not re-appointed shall be deemed separated
24 from the service or retired under existing law and regulations.

25 Furthermore, upon approval of this Act, the present head of the IRTCHO shall
26 discharge the functions of the Administrator until the President of the Philippines shall
27 appoint him and/or a replacement is appointed thereto.

28
29 **SEC. 16. *Sources of Funds and the Operating Budget of the CTA.*** To carry out
30 the purposes of this Act,

- 31 a. The amount of One Hundred Million Pesos (Php 100,000,000.00) is hereby
32 authorized to be appropriated for the initial operation of the CTA. Thereafter,
33 the annual expenditures including capital outlays of the CTA shall be provided
34 in the Annual General Appropriations Act;

- 1 b. The CTA is likewise empowered to levy fines, impose fees and charges for
2 various services rendered; and
- 3 c. Two percent (2%) of the total annual gross revenue of the preceding year, net of
4 the internal revenue allotment, of each province mentioned in Section ___
5 hereof, shall accrue and be payable monthly to the CTA by each province.
6 Upon failure to remit the said contribution, the DBM

7

8 **SEC. 17. *Repealing Clause.*** Executive Order No. 77 dated 4 March 1999 is hereby
9 repealed. All other laws, decrees, executive orders, rules and regulations, or parts thereof
10 inconsistent with or contrary to the provisions of this Act are hereby repealed or modified
11 accordingly.

12

13 **SEC. 18. *Separability Clause.*** If any part or provision of this Act is held
14 unconstitutional or invalid, other parts or provisions thereof which are not affected shall
15 continue to be in full force and effect.

16

17 **SEC. 19. *Effectivity.*** This Act shall take effect fifteen (15) days after its full and
18 complete publication in the Official Gazette or in at least two (2) newspapers of general
19 circulation, whichever comes first.

20

21 *Approved,*