

FOURTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*First Regular Session*

SENATE  
OFFICE OF THE SECRETARY  
7 JUL -3 P6:15

**SENATE**  
S. B. NO. 902

RECEIVED BY: \_\_\_\_\_

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Introduced by SENATOR EDGARDO J. ANGARA

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**EXPLANATORY NOTE**

The Ifugao Rice Terraces, printed on the face of the one thousand Philippine peso bill, is known worldwide as the 8<sup>th</sup> 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 out-migration 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


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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  
Senator

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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 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  
2 "*Cordillera Terraces Authority of 2007.*"  
3  
4

5 SEC. 2. *Declaration of Policy.* As signatory to the World Heritage  
6 Convention on the Protection of the World Cultural and Natural Heritage on  
7 28 August 1985, it is hereby declared the policy of the State to be committed  
8 to the identification, protection, conservation, and safeguarding of heritage  
9 within the Philippine territory.  
10

11 To this end, the State shall undertake the identification, protection,  
12 conservation, and safeguarding of cultural and natural heritage and agreed  
13 to do all they can, using their resources to do so as well as 1) adopt a general  
14 policy, which aims to give the cultural and natural heritage a function in the  
15 life of the community and to integrate the protection of that heritage into  
16 comprehensive planning programs; 2) undertake appropriate legal, scientific,  
17 technical, administrative and financial measures necessary for the  
18 identification, protection, conservation, presentation and rehabilitation of  
19 heritage properties; and 3) refrain from deliberate measures, which might  
20 damage, directly or indirectly, the cultural and natural heritage.  
21

22 Pursuant to this policy, the Cordillera Autonomous Region, embracing  
23 the provinces of Ifugao, Mt. Province, Abra, Benguet, Apayao, Kalinga, and  
24 Benguet is hereby constituted into a Cordillera Terraces Authority subject to  
25 the direct supervision of the President of the Philippines.

1           **SEC. 3. *Creation of the Cordillera Rice Ter.***

2 carry out the foregoing policy, there is hereby created a bo.  
3 known as the **CORDILLERA TERRACES AUTHORITY**,  
4 referred to as the "**CTA**," which shall be under the Office of the  
5 the Philippines.  
6  
7

8           **SEC. 4. *Principal Office and Term.*** - The principal office of t.  
9 **AUTHORITY** shall be in Banaue, Ifugao. It may however establish such  
10 branches, subsidiaries, offices or agencies as it may deem necessary to attain  
11 the objectives of this Act.  
12

13           The **AUTHORITY** shall have a term of fifty [50] years from the  
14 effectivity hereof renewable for the same period unless otherwise provided for  
15 by law.  
16  
17

18           **SEC. 5. *Functions of the Cordillera Terraces Authority.*** The **CTA**  
19 shall:  
20

- 21       a. Formulate a Ten-Year (10-year) Cordillera Terraces Master Plan  
22 within six [6] months upon its creation for the preservation and  
23 restoration of the Terraces in the Region based on the following  
24 guidelines and with the following major components:  
25
- 26       (1) Restoration and Preservation of the area's terraces, protection and  
27 maintenance of ecological balance and enhancement of its  
28 environment;  
29
  - 30       (2) Rehabilitation of the age-old irrigation systems and the  
31 construction of new ones;  
32
  - 33       (3) Massive reforestation, preservation and protection of the forest  
34 areas which are the sources of the waters irrigating the terraces;  
35
  - 36       (4) Rational land-use and zoning plan considering that the Cordillera  
37 Terraces are national treasures and tourist destinations of  
38 Filipinos from all parts as well as foreign visitors;  
39
  - 40       (5) Prohibition/control of unusually tall and unstable and obstructive  
41 structures obscuring public view of the natural beauty of the  
42 surroundings in accordance with the zoning ordinances of the local  
43 government units concerned and subject to the pertinent laws,  
44 rules and regulations on the matter;  
45
  - 46       (6) Provision for improved and adequate service infrastructures such  
47 as power, water, communications, and waste disposal facilities;  
48
  - 49       (7) Enhancement of agricultural productivity and local livelihood  
50 opportunities as an alternative to industrial employment; and  
51

1 (8) Provision for a viable peace and order plan.  
2

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

- 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  
16 b. Assist the local government units concerned in undertaking various  
17 planning activities to develop short-term and long-term strategies for  
18 tourism development, environmental protection, attracting business  
19 investment, socio-cultural development, and institutional building, in  
20 line with the developmental guidelines stated above and to integrate  
21 all national and local plans relative to the restoration and preservation  
22 of the subject area;  
23  
24 c. Adopt a process of maximum consultation with the local government  
25 units concerned, non-governmental organizations, and other  
26 stakeholders' groups in the localities to ensure that the residents'  
27 needs, concerns and ideas are considered in the formulation and  
28 implementation of the said plans, development guidelines, and  
29 municipal ordinances;  
30  
31 d. Study and review policy measures that shall promote and address the  
32 concerns on environmental protection, poverty alleviation, local  
33 autonomy, eco-tourism, cultural preservation and development, and  
34 sustainable development of the subject area;  
35  
36 e. Recommend (i) legislation to conserve the natural resources and  
37 promote the accelerated socio-economic development of the area; (ii)  
38 zoning ordinances to the Sangguniang Bayan concerned in consonance  
39 with the Plans approved by the President, subject to existing laws,  
40 rules and regulations; (iii) the establishment of fire limits or zones,  
41 particularly in populous centers; and (iv) the regulation of the  
42 construction, repair or modification of buildings within said fire limits  
43 or zones in accordance with the provisions of the Fire Code; and  
44  
45 f. Recommend to the Sangguniang Bayan concerned such other  
46 ordinances and measures as may be necessary to attain the objectives  
47 of the Plans; and  
48  
49 g. Perform such other functions as are necessary to achieve the objectives  
50 of the CTA.  
51

1  
2       **SEC. 6. Powers of the Cordillera Terraces Authority.** The CTA  
3 shall exercise the following powers:

- 4  
5       (a) To adopt, promulgate, and enforce such rules and regulations as are  
6       necessary to execute the powers, duties and functions vested in it by  
7       this Act as well as such regulations as may be necessary for the proper  
8       use by private parties of any or all of the AUTHORITY's properties and  
9       to impose or collect fees or tolls for their use;  
10  
11       (b) To improve, develop, and provide livelihood opportunities as an  
12       alternate employment for the constituents of the Cordillera  
13       Autonomous Region;  
14  
15       (c) To engage or invest on, or enter into joint venture with Filipino and  
16       foreign investors in such projects within the Cordillera Region as it  
17       may deem proper and necessary or contributory to the achievement of  
18       any or all of its purposes and functions;  
19  
20       (d) To exercise the right of eminent domain;  
21  
22       (e) To call upon any particular government agency, office or bureau for  
23       assistance in the discharge of, and form committees to facilitate the  
24       performance of its functions and responsibilities; and  
25  
26       (f) Perform such other functions as are necessary to achieve the objectives  
27       of the CTA.  
28  
29  
30

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

34			
35	Secretary of Tourism	-	Chairman
36			
37	Secretary of Agriculture	-	Vice-Chairman
38			
39	Secretary of Environment and		
40	Natural Resources	-	Member
41			
42	Secretary of Public Works and		
43	Highways	-	Member
44			
45	Secretary of Health	-	Member
46			
47	Chairman of the National		
48	Commission on Culture		
49	And Arts	-	Member
50			
51	Chairman of the National Commission		

1	for the Indigenous Peoples	-	Member
2			
3	Governor of Abra	-	Member
4			
5	Governor of Apayao	-	Member
6			
7	Governor of Benguet	-	Member
8			
9	Governor of Ifugao	-	Member
10			
11	Governor of Kalinga	-	Member
12			
13	Governor of Mt. Province	-	Member
14			
15	Chairman of the Cordillera Regional Assembly	-	Member
16			

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

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

25  
26 The Board shall:

- 27
- 28 1. Formulate policies, develop programs and promulgate rules and  
29 regulations to carry out the purposes of its creation, powers and  
30 functions of the CTA;
- 31
- 32 2. Approve each year a budget to cover the operations of the  
33 Authority;
- 34
- 35 3. Fix the compensation, emoluments, and allowances of the  
36 Administrator and other officers and personnel of the CTA; and
- 37
- 38 4. Perform such other functions as may be necessary to carry out  
39 the purposes of this Act.
- 40

41  
42  
43 **SEC. 8. Duties and Functions of the Chairman of the Board.** The  
44 Chairman shall:

45  
46 (a) Call and preside at the meetings of the Board and see to it that the  
47 policies, programs and rules and regulations developed and promulgated by it  
48 are implemented properly; and

49  
50 (b) Present for approval by the Board:

51

- 1           i. Annual budget of the Authority;  
2           ii. Rules and regulations needed to carry out the provisions of  
3           this Act and the amendments thereto;  
4           iii. Other matters which he deems necessary or proper for the  
5           effective implementation of this Act; and  
6           iv. Annual report on the activities and finances of the CTA,  
7           copies of which upon approval by the Board shall be  
8           furnished to the Office of the President of the Philippines  
9           and both Houses of Congress.

10  
11  
12           **SEC. 9. Organizational Structure.** The Board shall determine the  
13           organizational structure, staffing pattern, and pay scales subject to the  
14           Salary Standardization Law, of the CTA and the officers and employees  
15           thereof. The Board may reorganize the same and create or abolish divisions,  
16           offices, units, branches or agencies therein, as the exigencies of the affairs of  
17           the CTA may require.

18  
19  
20           **SEC. 10. Administrator.** Upon recommendation of the Board from at  
21           least three (3) qualified recommendees of the provincial governors, the  
22           President of the Philippines shall appoint an Administrator who shall be the  
23           Chief Executive Officer of the CTA and *ex-officio* Vice Chairman of the Board  
24           with the rank of Presidential Assistant. The term of office of the  
25           Administrator shall be at the pleasure of the President of the Philippines but  
26           co-terminus with the tenure of the appointing authority. The Administrator  
27           shall establish his official residence in Baguio and shall not, during his  
28           tenure of office, engage in any business, profession, or calling other than  
29           those connected with the performance of his official duties as Administrator  
30           of the CTA.

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

- 34  
35           (a) To submit to the Board, through the Chairman, policies and measures  
36           which, in his judgment, are necessary to carry out the purposes and  
37           provisions of this Act;  
38  
39           (b) Prepare the budget of the CTA for approval of the Board;  
40  
41           (c) Execute and administer the policies and measures approved by the  
42           Board;  
43  
44           (d) To direct, implement, undertake and supervise the implementations,  
45           and executions of the projects and programs of the CTA towards the  
46           restoration and preservation of the Ifugao terraces, protection of its  
47           ecological balance and enhancement of its environment as premier  
48           tourist destination and heritage as well as the operations and internal  
49           administration of the CTA;  
50



1 (e) Appoint all employees of the Authority except the heads of  
2 departments and divisions whose appointments shall be made by the  
3 Board upon his recommendation; and to remove, dismiss or otherwise  
4 discipline for cause, such employees in accordance with the standard  
5 guidelines for recruitment, employment, and discipline of personnel  
6 which shall be formulated by the Board;  
7

8 (f) To represent the CTA in all dealings with other offices, agencies: and  
9 instrumentalities of the Government and with all persons and entitles,  
10 public or private;  
11

12 (g) Subject to the approval of the Board to determine the rates of  
13 compensation, allowances, honoraria, and such other additional  
14 compensation which the CTA is hereby authorized to grant its officers,  
15 technical staff, and consultants including the necessary detailed  
16 personnel;  
17

18 (h) To exercise such other powers as may be granted to him by the Board.  
19  
20

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

25 **SEC. 12. *Auditor.*** The Chairman of the Commission on Audit (COA)  
26 shall be the *ex-officio* Auditor in charge of the audit of the CTA. He shall  
27 appoint a representative who shall be the auditor thereof. The Chairman of  
28 the Commission on Audit [COA] shall likewise, upon recommendation of the  
29 Auditor of the CTA, appoint or remove personnel of the said auditing office in  
30 accordance with the CTA's merit system. The operating expenses of this office  
31 and the salaries and travelling expenses of the officials and employees  
32 thereof shall be fixed by the Board and paid by the CTA. Such representative  
33 shall render a semestral report to the Chairman of the Commission on Audit  
34 and the Board, which shall submit to the President of the Philippines and the  
35 Congress an annual report covering the financial condition and operations of  
36 the CTA.  
37  
38

39 **SEC. 13. *Donations and Gifts.*** The CTA shall have the right to  
40 receive donations or bequests which shall be utilized only for the  
41 implementation of the programs and projects of the CTA: *Provided*, That  
42 programs and projects of the CTA financed by foreign grants or financial  
43 assistance with national security implications shall be approved first by the  
44 Department of National Defense who shall act upon the request within thirty  
45 [30] days from receipt of the request otherwise the request is deemed  
46 approved.  
47

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

1  
2  
3       **SEC. 14. *Applicability of the Corporation Law.*** The provisions of  
4 the Corporation Law, as amended, insofar as they consistent with this Act  
5 shall be applicable to the operations of the CTA.  
6  
7

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

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

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

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

- 31       (a) The amount of One Hundred Million Pesos (Php 100,000,000.00) is  
32 hereby authorized to be appropriated for the initial operation of the  
33 CTA. Thereafter, the annual expenditures including capital outlays  
34 of the CTA shall be provided in the Annual General Appropriations  
35 Act;  
36  
37       (b) The CTA is likewise empowered to levy fines, impose fees and  
38 charges for various services rendered;  
39  
40       (c) Two percent (2%) of the total annual gross revenue of the preceding  
41 year, net of the internal revenue allotment, of each province  
42 mentioned in Section \_\_\_\_ hereof, shall accrue and be payable  
43 monthly to the CTA by each province. Upon failure to remit the  
44 said contribution, the DBM  
45  
46

47       **SEC. 17. *Repealing Clause.*** Executive Order No. 77 dated 4 March  
48 1999 is hereby repealed. All other laws, decrees, executive orders, rules and  
49 regulations, or parts thereof inconsistent with or contrary to the provisions of  
50 this Act are hereby repealed or modified accordingly.  
51

1           **SEC. 18. *Separability Clause.*** If any part or provision of this Act is  
2 held unconstitutional or invalid, other parts or provisions thereof which are  
3 not affected shall continue to be in full force and effect.  
4  
5

6           **SEC. 19. *Effectivity.*** This Act shall take effect fifteen (15) days after  
7 its full and complete publication in the Official Gazette or in at least two [2]  
8 newspapers of general circulation, whichever comes first.  
9

10  
11  
12    *Approved,*