

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

H.B. No. 4056



**Introduced by Hon. Cecilia Leonila V. Chavez of Butil Partylist and
Hon. Jose T. Panganiban, Jr. of ANAC-IP Partylist**

EXPLANATORY NOTE

Irrigation is essential to agricultural development and agrarian reform to attain national industrialization and full employment. It is also essential in promoting food security, including sufficiency in our staple food.

Cognizant of irrigation's indispensable and central role in achieving national development and in raising the quality of life of every Filipino, especially the underprivileged small farmers, the NIA was established as a corporate body in June 1963, or 53 years ago, by virtue of Republic Act 3601 (NIA Charter). Said law was amended further purportedly to improve irrigation services, which includes, among others, the collection of irrigation service fees to cover operation and maintenance costs of such facilities and to recover the cost of construction within a reasonable period of time.

Subsequently, Congress passed into law Republic Act 6978 in January 1991, or 26 years ago, to promote rural development by providing an accelerated program for the construction of irrigation projects within a ten-year period, i.e., from 1991 to 2001.

Ironically, however, out of the total 3,019,609 hectares irrigable area in the entire country, only 1,731,128 hectares or around 57% have been "irrigated" by the end of 2015. This includes the national irrigation system at 754,665

hectares, communal irrigation system at 615, 797 hectares, private irrigation system at 187,766 hectares and other government assisted irrigation projects at 172, 898 hectares of the 1,731,128 hectares or around 57% that have been “irrigated” by the end of 2015, around 1,300, 000 are actually being serviced only (NIA 2015 Accomplishment Report).

It is interesting to note that from 2009 to 2013, the level of irrigation development increased by a mere 6.3% or 138,662 hectares based on a study conducted by the Development Academy of the Philippines (DAP) on the Agriculture and Fisheries Modernization Act (AFMA)¹ for the given period. The study revealed that *“the level of irrigation could have even been lower had there been no decrease in potential irrigable area from 3,126,340 hectares to 3,019,610 hectares. (difference of 107,115 ha.), presumably due to land conversion and other causes in various parts of the country. Had the original hectarage of potential irrigable area been maintained, the level of irrigation development in 2013 would have been only 53.7% or an increase of only 4.4%”* This, despite the fact that irrigation budget accounts for 39% of the DA budget.

This bill seeks to introduce critical reforms in the delivery of irrigation services and utilization of water resources. Aside from the revocation of irrigation service fees (ISF) and the cancellation of bank accounts and penalties, this bill provides for an accelerated program for the construction of irrigation facilities within a ten-year period; prioritization and subsidy to fourth (4th) to sixth (6th) class municipalities and provinces in the construction, maintenance, rehabilitation and restoration of communal and minor irrigation systems; technical assistance to LGUs in irrigation planning, design and management of communal and minor irrigation systems; water management; prohibition of land conversion for irrigable lands; representation of small farmers in the Board of Directors of NIA; comprehensive research and development on irrigation and water resources, and manpower complement.

¹ Rapid Assessment of the Agriculture and Fisheries Modernization Act (AFMA) or RA 8435 for the period 2009 – 2013 conducted by the Development Academy of the Philippines (DAP), which was commissioned by the Department of Agriculture – Philippine Council for Agriculture and Fisheries (DA-PACAF)

The immediate passage of this bill is earnestly sought to realize the full potential of agricultural development and agrarian reform.



Hon. Jose T. Panganiban, Jr.
ANAC-IP Partylist



Hon. Cecilia Leonila V. Chavez
Butil Partylist

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AN ACT PROVIDING FREE IRRIGATION SERVICE AND AN ACCELERATED PROGRAM FOR THE CONSTRUCTION OF IRRIGATION PROJECTS, STRENGTHENING THE NATIONAL IRRIGATION ADMINISTRATION UNDER THE DEPARTMENT OF AGRICULTURE AND PROVIDING FUNDS THEREFOR.

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

SECTION 1. *Short Title.* - This Act shall be known as the "National Irrigation Reform Act of 2016."

SEC. 2. *Declaration of Policy.* - It is the policy of the State to give the highest priority to agricultural development and agrarian reform to attain industrialization and full employment such that equitable distribution of wealth, opportunities, income and benefits; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged, are realized.

It is also the policy of the State to promote food security, including sufficiency in our staple food, namely rice and white corn. The production of rice and white corn shall be optimized to meet our local consumption and shall be given adequate support by the State.

In pursuance of this policy, the State shall use its natural resources rationally and equitably. The state shall prevent the further destruction of watersheds, rehabilitate existing irrigation systems and promote the development of irrigation systems that are effective, appropriate, efficient and free of service. Toward this end, the State upholds the right of small farmers and farmworkers, as well as cooperatives and independent farmers' organizations, to participate in the planning, organization, implementation and management of water and irrigation facilities and services.

SEC. 3. – *Free Irrigation Service; Revocation of Existing Irrigation Service Fees* – Irrigation Service shall be free of charge to all farmer beneficiaries. Immediately upon passage of this Act, the collection of Irrigation Service Fees (ISF) and such other similar or related fees, including the collection of back accounts and the corresponding penalties from irrigation systems constructed, funded, and/or managed by the National Irrigation Administration, is hereby revoked.

This provision shall not apply to owners of commercial plantations with irrigation delivery contracts with NIA.

SEC. 4. - *Accelerated Program for the Construction of Irrigation Projects*

- The National Irrigation Administration shall undertake a ten-year (10) program for the construction of irrigation projects in the remaining one million five hundred thousand (1,500,000) hectares of unirrigated but irrigable lands, whether in the lowlands or in the uplands, including other related project components nationwide. The program shall give priority to areas with social and economic problems, taking into consideration population, area served, project cost and other economic and environmental factors as may be deemed necessary in undertaking the program within the context of the national development plans. The National Irrigation Administration, in consultation with the provincial and municipal development councils, shall determine the areas which shall be given priority. Provided that, no less than fifty percent (50%) of the remaining new irrigation projects shall be constructed by the NIA within the period of five (5) years.

Whenever practicable, the construction of irrigation projects under this Act shall consider any or a combination of the following related or complementary purposes:

- (a) Prevention of flooding;
- (b) Ensuring water supply for drinking purposes;
- (c) Erosion control;
- (d) Watershed management;
- (e) Fish culture; and,
- (f) Power generation.

SEC. 5. – *Construction of Communal Irrigation Systems, A Priority* - The National Irrigation Administration shall give priority to the construction of communal irrigation projects (CIS). The irrigation projects must be equitably distributed among the provinces and municipalities, giving priority to those without any irrigation system and taking into primary consideration the following:

- a) Beneficiaries of the Comprehensive Agrarian Reform Program;
- b) Members of the indigenous cultural communities;
- c) Beneficiaries in areas where there are farmer-irrigators associations; and
- d) Beneficiaries in fourth (4th) to sixth (6th) class municipalities;

The farmer-beneficiaries of communal irrigation projects shall participate in all stages of the project including planning, identification, design, management of the project funds, construction and monitoring;

Four (4) years from the effectivity of this Act, the Department of Agriculture shall recommend to Congress whether or not to continue with the devolution of communal irrigation systems.

SEC. 6. – *Subsidy for the Maintenance, Rehabilitation and Restoration of Communal and Minor Irrigation Systems* - The National Irrigation Administration (NIA) shall continue to subsidize the maintenance, rehabilitation and restoration of communal and minor irrigation systems for

municipalities and provinces. Full subsidy shall be provided to fourth (4th) to sixth (6th) class local government units at least within the next thirty (30) years unless Congress pass a law to discontinue the devolution of communal and minor irrigation systems.

The communal and minor irrigation systems shall be managed and maintained by the irrigators association or cooperative with preferential consideration to those organized, managed and composed of small farmers. The National Irrigation Administration shall help organize the irrigators association or cooperative and shall assist in the conduct of orientation seminars and training to its members.

SEC. 7. *Technical Assistance to LGUs* – The NIA shall continue to provide technical assistance to LGUs in developing their capability to handle irrigation system planning, design and management of communal and minor irrigation systems even after complete devolution of the irrigation systems to the LGUs, as may be deemed necessary.

SEC. 8. *Water Management*. - The Government shall provide adequate support services that will address the development, management and conservation of water resources. The Department of Agriculture, through the National Irrigation Administration and the Department of Public Works and Highways, and with the participation of farmers' organizations, shall undertake the implementation of small water impounding projects which can provide supplemental irrigation and additional income from fish and duck raising, and at the same time minimize soil erosion, siltation and flooding. Training programs for small farmers on these subjects shall be provided.

Focus shall also be made on small irrigation systems which are more efficient, cost-effective and cheaper to establish. The design and construction of irrigation systems shall be based not only on economic rate of return but also on the sustainable use of these systems. Inefficient and underutilized irrigation systems shall be rehabilitated, improved and maintained.

To enhance the compatibility of environmental protection with sustained agricultural productivity, the Department of Environment and Natural Resources shall adopt measures to promote conservation practices such as reforestation, watershed management, antipollution programs and other similar measures. In addition, the Department of Agriculture shall implement specific measures to ensure that farming practices are not detrimental to the environment.

To ensure the protection of watersheds and availability of irrigation services in rainfed and upland farms, the Department of Environment and Natural Resources shall, in collaboration with local government units, strictly enforce conservation measures and provide for the restoration of the protective forest cover and stability of the country's critical watersheds. Farmer-beneficiaries organized into irrigators' associations shall be tapped by the Department of Environment and Natural Resources to implement its community-based reforestation projects, particularly the development and management of watershed of the irrigation projects. To ensure the integration of irrigation delivery systems with other agriculture support services, there shall be close coordination among the National Irrigation Administration, the Department of Agriculture, and the Department of Environment and Natural Resources through the local development councils.

The Bureau of Soils and Water Management shall prepare for each barangay, municipality or city which is predominantly agriculture-based, parcellary maps identifying agricultural lands which can be reached by irrigation systems. In order to ensure the availability of irrigation services in areas with production potential, the Government shall implement irrigation pump distribution programs particularly in areas predominantly populated by small farmers.

SEC. 9. Access to Irrigation Services. - While the Government, through the National Irrigation Administration (NIA) and other concerned offices, continues to provide irrigation services, small farmers' organizations shall be encouraged to spearhead the construction of irrigation systems. Towards this end, the Government shall encourage small farmers to join or form irrigators'

associations. In addition, it shall promote participation of farmers to develop their capabilities in the operation and maintenance of irrigation systems.

The NIA shall undertake the development and institutionalization of second-crop irrigation facilities in support of multi-crop farming. It shall also devise schemes for small farmers to avail of electric pumps or diesel-powered deep well irrigation systems in barangays or communities where water is scarce.

SEC. 10. – *Land Conversion* – No land intended for irrigation shall be converted for any purpose without the approval of the President, upon the recommendation of the Secretary of the Department of Agriculture. The Department of Agriculture shall review all irrigable lands subject for conversion immediately upon the effectivity of this Act.

SEC. 11. – *Board Of Directors* – The Powers and functions of the NIA shall be exercised by a Board of Directors composed of Eleven (11) Members who shall serve for a term of six (6) years, to wit:

- a) The Secretary of the Department of Agriculture (DA) as Chairperson of the Board;
- b) The Administrator of the NIA as Vice-person of the Board;
- c) The Secretary of the Department of Public Works and Highways (DPWH);
- d) The President of the National Power Corporation (NPC);
- e) The Director General of the National Economic and Development Authority (NEDA);
- f) The Director of the Bureau of Soil and Water Management (BSWM) of the Department of Agriculture
- g) The Field Operations Office (FOS) of the Department of Agriculture
- h) A Board Secretary sitting as an Ex-Officio Member; and,
- i) Three (3) representatives from the Private Sector composed of one (1) representative each from the farmers sector, the National Irrigators Association and the agrarian reform beneficiaries

The Board Secretary and the three (3) representatives from the private sector shall be appointed by the President.

Section 4, Article III of Republic Act No. 3601, As Amended, otherwise known as "An Act Creating the National Irrigation Administration" is hereby further amended for this purpose.

Section 12. *Research and Development.* - Irrigation Research and Development (R&D) shall be pursued and priority shall be given to the development of effective, appropriate and efficient irrigation and water management technologies.

The Department of Agriculture (DA), through the NIA, Bureau of Agricultural Research (BAR) and the Bureau of Soil and Water Management (BSWM), in coordination and collaboration with the Department of Environment and Natural Resources (DENR), the National Resource Water Board (NRWB) and the Department of Science and Technology (DOST), shall increase its level of financial, manpower and logistical support for irrigation R&D. The NIA shall also strengthen its Irrigation Engineering Center by upgrading its research facilities and technical training programs.

Upon the recommendation of the DA, the Irrigation Research and Development Network and the Comprehensive Irrigation R&D Umbrella Program of the University of the Philippines Los Baños is hereby reorganized.

SEC. 13. - *Manpower Complement* - The NIA shall strengthen its capability in providing technical assistance to LGUs. The position of licensed engineers, preferably agricultural engineers, devoted to irrigation system planning and design is hereby provided to LGUs all over the country. The NIA shall maintain current positions that are vital to irrigation research and development, agricultural production, post harvest and such other functions essential to irrigation development.

If NIA is to retain the mandate and responsibility of irrigation system planning and design instead of the LGUs, the NIA's Rationalization Plan shall be re-examined and, if found to be counterproductive, discontinued.

The NIA may reorganize the various functions under it as may be necessary upon the approval of the Secretary of the Department of Agriculture. Provided, that, the best interest and the rights of employees to security of tenure, shall be respected.

SEC. 14. - *Monitoring and Evaluation.* – The Department of Agriculture (DA) shall monitor the implementation of R&D programs and irrigation projects. The DA shall review all existing irrigation systems every four (4) years, to determine their viability or ineffectiveness. The Department shall employ the services of independent evaluators to assess to over-all impact of the country's irrigation development.

SEC. 15. – *Report to Congress* – The NIA shall submit a detailed status report of its programs and accomplishments every three years without prejudice to its obligation to submit a Fiscal Report to Congress pursuant to R.A. 3601.

SEC. 16 – *Appropriations* -. Such sums as may be necessary for the implementation of this Act shall be taken from any available appropriations of the National Irrigation Administration under the current General Appropriations Act. Thereafter, the succeeding appropriations for its continued implementation shall be included in the annual General Appropriations Act.

SEC. 17. – *Implementing Rules and Regulations* – The NIA, in consultation with the DA, DENR, DOST, NPC, farmers organizations, irrigators association and agrarian reform beneficiaries other stakeholders shall formulate the Rules and Regulations within Ninety (90) days from the effectivity of this Act.

SEC. 18. - *Seperability Clause* - In any part or provision of this Act is held unconstitutional, other parts or provisions hereof which are not affected thereby shall be in full force and effect.

SEC. 19. - *Repealing Clause* – The following provisions of law are hereby repealed:

Section 2, Paragraph (c) of Republic Act No. 360, entitled: "An Act Creating the National Irrigation Administration

Section 1, Paragraph (b) of Presidential Decree No. 5522;

Section 1, Paragraph (b) of Presidential Decree No. 1702; and,

Section 35 of Republic Act No. 8435, otherwise known as the Agricultural and Fisheries Modernization Act

All laws, presidential decrees, executive orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed.

SEC.20. - *Effectivity* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.