

THIRTEENTH CONGRESS OF THE)
 REPUBLIC OF THE PHILIPPINES)
 Third Regular Session)

6 AUG -1 257

SENATE

S. B. NO. 2427

RECEIVED BY:

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 Kiangan 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 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

THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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6 AUG -1 P5

SENATE

S. B. NO. 2427

RECEIVED BY: *[Signature]*

Introduced by SENATOR EDGARDO J. ANGARA

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 "**Cordillera**
2 **Terraces Authority of 2006.**"
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 to
13 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.
26
27

28 **SEC. 3. Creation of the Cordillera Rice Terraces Authority.** To
29 carry out the foregoing policy, there is hereby created a body corporate to be
30 known as the **CORDILLERA TERRACES AUTHORITY**, hereinafter referred
31 to as the "**CTA**," which shall be under the Office of the President of the
32 Philippines.
33
34

1 **SEC. 4. Principal Office and Term.** - The principal office of the
2 AUTHORITY shall be in Banaue, Ifugao. It may however establish such
3 branches, subsidiaries, offices or agencies as it may deem necessary to
4 attain the objectives of this Act.
5

6 The AUTHORITY shall have a term of fifty [50] years from the
7 effectivity hereof renewable for the same period unless otherwise provided
8 for by law.
9

10 **SEC. 5. Functions of the Cordillera Terraces Authority.** The CTA
11 shall:
12

13
14 a. Formulate a Ten-Year (10-year) Cordillera Terraces Master Plan within
15 six [6] months upon its creation for the preservation and restoration of
16 the Terraces in the Region based on the following guidelines and with
17 the following major components:
18

19 (1) Restoration and Preservation of the area's terraces, protection
20 and maintenance of ecological balance and enhancement of its
21 environment;
22

23 (2) Rehabilitation of the age-old irrigation systems and the
24 construction of new ones;
25

26 (3) Massive reforestation, preservation and protection of the forest
27 areas which are the sources of the waters irrigating the terraces;
28

29 (4) Rational land-use and zoning plan considering that the Cordillera
30 Terraces are national treasures and tourist destinations of *Filipinos*
31 from all parts as well as foreign visitors;
32

33 (5) Prohibition/control of unusually tall and unstable and obstructive
34 structures obscuring public view of the natural beauty of the
35 surroundings in accordance with the zoning ordinances of the local
36 government units concerned and subject to the pertinent laws,
37 rules and regulations on the matter;
38

39 (6) Provision for improved and adequate service infrastructures such
40 as power, water, communications, and waste disposal facilities;
41

42 (7) Enhancement of agricultural productivity and local livelihood
43 opportunities as an alternative to industrial employment; and
44

45 (8) Provision for a viable peace and order plan.
46

47 Such Plans shall include a Comprehensive Investment
48 Program Capability Building Program for the affected local
49 government units as well as the coordinated establishment of the
50 following in the subject area:
51

- 52 i. a nature center;
53 ii. a cultural center;
54 iii. a people's center;
55 iv. a conference and meeting center;

- v. a flea market destination (vegetable/livelihood); and
- vi. tourist destinations.

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

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

- (a) To adopt, promulgate, and enforce such rules and regulations as are necessary to execute the powers, duties and functions vested in it by this Act as well as such regulations as may be necessary for the proper use by private parties of any or all of the AUTHORITY's properties and to impose or collect fees or tolls for their use;
- (b) To improve, develop, and provide livelihood opportunities as an alternate employment for the constituents of the Cordillera Autonomous Region;

- 1 (c) To engage or invest on, or enter into joint venture with Filipino and
 2 foreign investors in such projects within the Cordillera Region as it
 3 may deem proper and necessary or contributory to the achievement of
 4 any or all of its purposes and functions;
 5
 6 (d) To exercise the right of eminent domain;
 7
 8 (e) To call upon any particular government agency, office or bureau for
 9 assistance in the discharge of, and form committees to facilitate the
 10 performance of its functions and responsibilities; and
 11
 12 (f) Perform such other functions as are necessary to achieve the
 13 objectives of the CTA.
 14
 15
 16

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

20			
21	Secretary of Tourism	-	Chairman
22			
23	Secretary of Agriculture	-	Vice-Chairman
24			
25	Secretary of Environment and		
26	Natural Resources	-	Member
27			
28	Secretary of Public Works and		
29	Highways	-	Member
30			
31	Secretary of Health	-	Member
32			
33	Chairman of the National		
34	Commission on Culture		
35	And Arts	-	Member
36			
37	Chairman of the National Commission		
38	for the Indigenous Peoples	-	Member
39			
40	Governor of Abra	-	Member
41			
42	Governor of Apayao	-	Member
43			
44	Governor of Benguet	-	Member
45			
46	Governor of Ifugao	-	Member
47			
48	Governor of Kalinga	-	Member
49			
50	Governor of Mt. Province	-	Member
51			
52	Chairman of the Cordillera Regional Assembly -		Member
53			

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

4
5 The members of the Board shall have one [1] vote each. A majority of
6 the members shall constitute a quorum. A decision shall, as far as practical,
7 be reached by consensus. If no consensus is reached, a decision shall be
8 upon a vote of the majority of all members of the Board.

9
10 The Board shall:

- 11
12 1. Formulate policies, develop programs and promulgate rules and
13 regulations to carry out the purposes of its creation, powers and
14 functions of the CTA;
- 15
16 2. Approve each year a budget to cover the operations of the
17 Authority;
- 18
19 3. Fix the compensation, emoluments, and allowances of the
20 Administrator and other officers and personnel of the CTA; and
- 21
22 4. Perform such other functions as may be necessary to carry out
23 the purposes of this Act.

24
25
26
27 **SEC. 8. Duties and Functions of the Chairman of the Board.** The
28 Chairman shall:

29
30 (a) Call and preside at the meetings of the Board and see to it that the
31 policies, programs and rules and regulations developed and promulgated by
32 it are implemented properly; and

33
34 (b) Present for approval by the Board:

- 35
36 i. Annual budget of the Authority;
- 37
38 ii. Rules and regulations needed to carry out the provisions of
39 this Act and the amendments thereto;
- 40
41 iii. Other matters which he deems necessary or proper for the
42 effective implementation of this Act; and
- 43
44 iv. Annual report on the activities and finances of the CTA,
45 copies of which upon approval by the Board shall be
46 furnished to the Office of the President of the Philippines
47 and both Houses of Congress.

48
49 **SEC. 9. Organizational Structure.** The Board shall determine the
50 organizational structure, staffing pattern, and pay scales subject to the
51 Salary Standardization Law, of the CTA and the officers and employees
52 thereof. The Board may reorganize the same and create or abolish divisions,
53 offices, units, branches or agencies therein, as the exigencies of the affairs of
54 the CTA may require.

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

11
12 The Administrator shall have the following powers, duties and
13 responsibilities:

- 14
15 (a) To submit to the Board, through the Chairman, policies and measures
16 which, in his judgment, are necessary to carry out the purposes and
17 provisions of this Act;
18
19 (b) Prepare the budget of the CTA for approval of the Board;
20
21 (c) Execute and administer the policies and measures approved by the
22 Board;
23
24 (d) To direct, implement, undertake and supervise the implementations,
25 and executions of the projects and programs of the CTA towards the
26 restoration and preservation of the Ifugao terraces, protection of its
27 ecological balance and enhancement of its environment as premier
28 tourist destination and heritage as well as the operations and internal
29 administration of the CTA;
30
31 (e) Appoint all employees of the Authority except the heads of
32 departments and divisions whose appointments shall be made by the
33 Board upon his recommendation; and to remove, dismiss or otherwise
34 discipline for cause, such employees in accordance with the standard
35 guidelines for recruitment, employment, and discipline of personnel
36 which shall be formulated by the Board;
37
38 (f) To represent the CTA in all dealings with other offices, agencies: and
39 instrumentalities of the Government and with all persons and entities,
40 public or private;
41
42 (g) Subject to the approval of the Board to determine the rates of
43 compensation, allowances, honoraria, and such other additional
44 compensation which the CTA is hereby authorized to grant its officers,
45 technical staff, and consultants including the necessary detailed
46 personnel;
47
48 (h) To exercise such other powers as may be granted to him by the Board.
49
50

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

1 **SEC. 12. Auditor.** The Chairman of the Commission on Audit (COA)
2 shall be the *ex-officio* Auditor in charge of the audit of the CTA. He shall
3 appoint a representative who shall be the auditor thereof. The Chairman of
4 the Commission on Audit [COA] shall likewise, upon recommendation of the
5 Auditor of the CTA, appoint or remove personnel of the said auditing office in
6 accordance with the CTA's merit system. The operating expenses of this
7 office and the salaries and travelling expenses of the officials and employees
8 thereof shall be fixed by the Board and paid by the CTA. Such representative
9 shall render a semestral report to the Chairman of the Commission on Audit
10 and the Board, which shall submit to the President of the Philippines and the
11 Congress an annual report covering the financial condition and operations of
12 the CTA.

13
14
15 **SEC. 13. Donations and Gifts.** The CTA shall have the right to
16 receive donations or bequests which shall be utilized only for the
17 implementation of the programs and projects of the CTA: *Provided*, That
18 programs and projects of the CTA financed by foreign grants or financial
19 assistance with national security implications shall be approved first by the
20 Department of National Defense who shall act upon the request within thirty
21 [30] days from receipt of the request otherwise the request is deemed
22 approved.

23
24 Any such donations or bequest shall be exempt from the payment of
25 gift taxes and the full amount of such donations or bequests shall be
26 deductible from the gross income of the donor for the year during which the
27 same is made.

28
29
30 **SEC. 14. Applicability of the Corporation Law.** The provisions of
31 the Corporation Law, as amended, insofar as they consistent with this Act
32 shall be applicable to the operations of the CTA.

33
34
35 **SEC. 15. Transitory Provisions.** All its budgetary appropriations,
36 finances, properties, records, rights, equipments, choses in action, and other
37 assets as well as liabilities and accountabilities are hereby transferred to the
38 CTA. The existing qualified personnel of the Ifugao Rice Terraces and
39 Cultural Heritage Office (IRTCHO) covered by the Civil Service Law and
40 pertinent rules and regulations shall be absorbed by the CTA.

41
42 The CTA shall approve and prescribe its new staffing pattern and
43 prescribe the authorized positions created thereunder. The same shall be
44 filled with regular appointments in accordance with Civil Service Laws, rules
45 and regulations. Those incumbents whose positions are not included therein
46 or who are not re-appointed shall be deemed separated from the service or
47 retired under existing law and regulations.

48
49 Furthermore, upon approval of this Act, the present head of the
50 IRTCHO shall discharge the functions of the Administrator until the President
51 of the Philippines shall appoint him and/or a replacement is appointed
52 thereto.

1 **SEC. 16. Sources of Funds and the Operating Budget of the CTA.**

2 To carry out the purposes of this Act,

3
4 (a) The amount of One Hundred Million Pesos (Php 100,000,000.00) is
5 hereby authorized to be appropriated for the initial operation of the
6 CTA. Thereafter, the annual expenditures including capital outlays
7 of the CTA shall be provided in the Annual General Appropriations
8 Act;

9
10 (b) The CTA is likewise empowered to levy fines, impose fees and
11 charges for various services rendered;

12
13 (c) Two percent (2%) of the total annual gross revenue of the
14 preceding year, net of the internal revenue allotment, of each
15 province mentioned in Section ____ hereof, shall accrue and be
16 payable monthly to the CTA by each province. Upon failure to remit
17 the said contribution, the DBM

18
19
20 **SEC. 17. Repealing Clause.** Executive Order No. 77 dated 4 March
21 1999 is hereby repealed. All other laws, decrees, executive orders, rules and
22 regulations, or parts thereof inconsistent with or contrary to the provisions of
23 this Act are hereby repealed or modified accordingly.

24
25
26 **SEC. 18. Separability Clause.** If any part or provision of this Act is
27 held unconstitutional or invalid, other parts or provisions thereof which are
28 not affected shall continue to be in full force and effect.

29
30
31 **SEC. 19. Effectivity.** This Act shall take effect fifteen (15) days after
32 its full and complete publication in the Official Gazette or in at least two [2]
33 newspapers of general circulation, whichever comes first.

34
35
36 **Approved,**
37